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Rally Energy Announces \$2,016,000 Private Placement of Flow-Through Common Shares

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“RAL”-TSX Venture Exchange

“RLE”-Frankfurt Stock Exchange

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Rally Energy Corp. has agreed to proceed with the issuance of up to 1,120,000 common shares on a flow-through basis in reliance upon certain exemptions from prospectus and registration requirements of applicable securities laws. The common shares will be issued at a price of \$1.80 each for aggregate gross proceeds of up to \$2,016,000.

Jennings Capital Inc. (“Jennings”) will act as agent for this private placement and will receive a commission of 3% of gross proceeds from subscriptions of management, insiders and associated parties and a commission of 6% of gross proceeds from other subscriptions.

Proceeds of this private placement will be used to fund ongoing oil and gas exploration and related activities in Canada. Management, insiders and associated parties of Rally Energy intend to participate in this private placement by subscribing for up to \$500,000 of the common shares.

This private placement is subject to certain conditions including the completion and execution of a formal agency agreement between Rally Energy and Jennings and regulatory approval. It is anticipated that multiple closings will occur with the final closing occurring in the next few weeks.

The TSX Venture Exchange has not reviewed and does not accept responsibility for the adequacy or accuracy of this release.
WARNING