



NEWS RELEASE

WestFire Announces 2010 Reserves and Land Evaluation

CALGARY, Alberta, (March 14, 2011) WestFire Energy Ltd. ("WestFire" or the "Company") (TSX:WFE) is pleased to announce the results of the independent evaluation of the Company's reserves for the year ended December 31, 2010 (the "GLJ Report") by GLJ Petroleum Consultants Ltd. ("GLJ") and the independent evaluation of the Company's undeveloped land holdings as at December 31, 2010 (the "ILE Report") by Independent Land Evaluations Inc. ("ILE").

WestFire's annual audited consolidated financial statements are not yet complete and as a result, WestFire will comment on its finding, development and acquisition costs, operating netback, recycle ratios and net asset value when WestFire announces its 2010 financial results on or about March 23, 2011.

2010 Highlights of GLJ and ILE Reports

- Total proved reserves increase of 53% to 8.2 million boe (70% oil);
- Total proved plus probable reserves increase of 45% to 14.2 million boe (73% oil);
- Increased reserves per share by 35% for proved and 28% for proved plus probable;
- Production replacement ratio of 3.1 for proved reserves and 4.8 for proved plus probable reserves;
- Reserve life index of 7.7 years for proved reserves and 13.5 years for proved plus probable reserves based on an annualized field reported December 2010 average production rate;
- Reserves value of \$281.4 million (10% discount rate) before tax and \$291.6 million (8% discount rate) after tax for proved plus probable reserves;
- Undeveloped land inventory of 209,370 net acres of which 140,152 net acres are on the Viking light oil resource play regions located at Redwater and Provost, Alberta and West-Central Saskatchewan; and
- Undeveloped land inventory valued at \$51.9 million in the ILE Report.

The Company's 2010 capital program included the acquisition of reserves through three private companies in the Provost area ("Provost Acquisition"). The acquisition represented a strategic entry point into a new Viking core area that complemented WestFire's existing Viking light oil resource asset base.

On the Viking light oil resource play, proved plus probable reserves reached 8.6 million barrels of oil equivalent at year-end 2010, which represents 60% of the total corporate reserves. This reserve assignment is the result of our successful 2010 drilling program, the Provost Acquisition and the positive performance of our horizontal multi-stage sand fractured Viking oil wells. Reserves were assigned based primarily on historical production performance at Redwater and west central Saskatchewan. Improved productivities and reserve assignments, reflective of recent improvements in drilling and completion techniques, will be incorporated into future evaluations pending sustained production performance.

At December 31, 2010, WestFire had approximately 220 net sections of undeveloped Viking oil prone land which represents a drilling inventory of over 640 net risked locations. The 148 Viking proved undeveloped and probable locations included in the GLJ Report and the 14 net sections attributed to those locations have been excluded from the undeveloped land and drilling inventories. However, the locations recognized by GLJ are considered high quality locations that will be pursued in addition to the over 640 net risked locations.

Reserves Summary

The following table provides summary information based upon the GLJ Report:

	Light/Medium Oil		Heavy Oil		Natural Gas Liquids		Conventional Natural Gas		Barrels of Oil Equivalent ⁽³⁾	
	Gross ⁽¹⁾ (Mbbl)	Net ⁽²⁾ (Mbbl)	Gross ⁽¹⁾ (Mbbl)	Net ⁽²⁾ (Mbbl)	Gross ⁽¹⁾ (Mbbl)	Net ⁽²⁾ (Mbbl)	Gross ⁽¹⁾ (MMcf)	Net ⁽²⁾ (MMcf)	Gross ⁽¹⁾ (Mboe)	Net ⁽²⁾ (Mboe)
Proved										
Producing	1,643	1,484	590	535	127	89	8,917	7,477	3,845	3,354
Non-Producing	211	184	70	66	38	30	4,247	3,721	1,027	900
Undeveloped	2,672	2,338	379	348	13	9	1,492	1,319	3,312	2,915
Total Proved	4,525	4,005	1,039	949	178	129	14,656	12,518	8,185	7,170
Probable	3,964	3,366	573	506	112	83	8,429	7,227	6,055	5,159
Total Proved & Probable	8,490	7,372	1,612	1,455	290	212	23,085	19,744	14,239	12,329

Notes:

- (1) "Gross" reserves means WestFire's working interest (operating and non-operating) share of reserves before deduction of royalties and include royalty interests of the Company.
- (2) "Net" reserves means WestFire's working interest (operated and non-operated) share of reserves after deduction of royalties and include royalty interests of the Company.
- (3) Oil equivalent amounts have been calculated using a conversion rate of six thousand cubic feet of natural gas to one barrel of oil.
- (4) Columns may not add due to rounding

Reserves Value

The net present value (before tax and at various discount rates) of WestFire's reserves effective December 31, 2010 and based on the GLJ's (2011 – 01) forecast prices and costs are summarized in the following table:

(\$ thousands) ⁽¹⁾	0%	5%	10%	15%	20%
Proved					
Producing	111,891	96,938	85,834	77,292	70,529
Non-Producing	32,074	23,861	18,872	15,591	13,290
Undeveloped	117,811	87,590	65,999	50,140	38,211
Total Proved ⁽²⁾	261,776	208,389	170,705	143,023	122,029
Probable	232,587	157,007	110,706	80,684	60,306
Total Proved plus Probable ⁽²⁾	494,363	365,396	281,411	223,707	182,335

Notes:

- (1) The estimated future net revenues are stated before deducting future estimated site restoration costs and are reduced for estimated future abandonment costs and estimated capital for future development associated with the reserves.
- (2) Columns may not add due to rounding.

Price Forecast

The GLJ (2011-01) forecast prices⁽¹⁾ are summarized as follows:

Year	Exchange Rate	WTI @ Cushing	Edmonton Light Crude Oil	Heavy Crude at Hardisty	Natural Gas at AECO-C Spot	Natural Gas at Plant Gate Spot
	\$US/\$Cdn	\$US/bbl ⁽²⁾	\$Cdn/bbl ⁽³⁾	\$Cdn/bbl ⁽⁴⁾	\$Cdn/MMBtu ⁽⁵⁾	\$Cdn/MMBtu ⁽⁶⁾
2011	0.980	88.00	86.22	68.79	4.16	3.92
2012	0.980	89.00	89.29	68.33	4.74	4.51
2013	0.980	90.00	90.92	67.03	5.31	5.06
2014	0.980	92.00	92.96	67.84	5.77	5.52
2015	0.980	95.17	96.19	70.23	6.22	5.97
2016	0.980	97.55	98.62	72.03	6.53	6.28
2017	0.980	100.26	101.39	74.08	6.76	6.50
2018	0.980	102.74	103.92	75.95	6.90	6.65
2019	0.980	105.45	106.68	78.00	7.06	6.80
2020	0.980	107.56	108.84	79.59	7.21	6.95
2021 +	0.980	+2.0%/yr	+2.0%/yr	+2.0%/yr	+2.0%/yr	+2.0%/yr

Note:

- (1) Then current dollars.
- (2) NYMEX WTI Near Month Futures Contract Crude Oil at Cushing, Oklahoma.
- (3) Light, Sweet Crude Oil (40 API, 0.3%S) at Edmonton.
- (4) Heavy Crude Oil Proxy (12 API) at Hardisty.

- (5) AECO-C Spot refers to the one month price averaged for the year.
(6) The plant gate price represents the price before raw gas gathering and processing charges are deducted.

Reserves Reconciliation

The following reconciliation of WestFire's gross⁽¹⁾ reserves compares changes in the Company's reserves as at December 31, 2009 to the reserves as at December 31, 2010, based on the GLJ (2011 – 01) forecast prices and costs.

	Light and Medium Oil		Heavy Oil		Natural Gas Liquids		Conventional Natural Gas		Barrels of Oil Equivalent	
	Total Proved (Mbbbls)	Proved Plus Probable (Mbbbls)	Total Proved (Mbbbls)	Proved Plus Probable (Mbbbls)	Total Proved (Mbbbls)	Proved Plus Probable (Mbbbls)	Total Proved (MMcf)	Proved Plus Probable (MMcf)	Total Proved (Mboe)	Proved Plus Probable (Mboe)
Balance, December 31, 2009	2,455	4,890	555	1,173	159	247	13,164	21,177	5,363	9,839
Extensions & Improved Recovery	2,068	3,574	259	357	22	39	2,216	3,183	2,719	4,501
Infill Drilling	0	0	368	294	0	0	78	62	381	304
Technical Revisions	102	281	(9)	(77)	28	37	1,918	1,533	441	495
Acquisitions	281	339	0	0	11	13	467	566	369	447
Dispositions	(105)	(319)	0	0	(3)	(7)	(374)	(622)	(171)	(430)
Production	(276)	(276)	(135)	(135)	(38)	(38)	(2,813)	(2,813)	(917)	(917)
Balance, December 31, 2010 ⁽²⁾	4,525	8,490	1,039	1,612	178	290	14,656	23,085	8,185	14,239

Notes:

- (1) "Gross" reserves means WestFire's working interest (operating and non-operating) share of reserves before deduction of royalties and include royalty interests of the Company.
(2) Columns may not add due to rounding.

The Corporation has no unconventional reserves (Bitumen, Synthetic Crude Oil, Natural Gas from Coal, etc.).

Land Holdings

During 2010, WestFire was very active acquiring developed and undeveloped lands through acquisitions and Crown land sales in Alberta and Saskatchewan.

The Company retained ILE to complete an independent evaluation of the Company's undeveloped land holdings as at December 31, 2010. The ILE Report has estimated the value of WestFire's net undeveloped acreage at \$51.9 million.

(acres)	Developed		Undeveloped		Total	
	Gross	Net	Gross	Net	Gross	Net
Alberta	52,643	35,389	137,710	103,738	190,353	139,127
Saskatchewan	44,520	33,895	110,862	104,807	155,382	138,702
Other	2,005	206	2,640	825	4,645	1,031
Total	99,168	69,490	251,212	209,370	350,380	278,860

Undeveloped acreage on the Viking light oil resource play located at Redwater and Provost, Alberta and West-Central Saskatchewan comprises 67 percent of the total or 209,370 net acres.

Cautionary Statements

Reserves and Operational Information

The reserves data set forth in this press release is based upon an independent reserve assessment and evaluation prepared by GLJ with an effective date of December 31, 2010 and dated March 4, 2011 and summarizes the Company's crude oil, natural gas liquids and natural gas reserves and the net present values before income taxes of future net revenue for the Company's reserves using forecast prices and costs based on the GLJ Report. The GLJ Report has been prepared in accordance with the standards contained in National Instrument 51-101 "Standards of Disclosure for Oil and Gas Activities" of the Canadian Securities Administrators ("**NI 51-101**").

All evaluations of future net cash flows are stated prior to any provisions for interest costs or general and administrative costs and after the deduction of estimated future capital expenditures for wells to which reserves have been assigned. It should not be assumed that the estimates of future net revenues presented in the tables in this press release represent the fair market value of the reserves. There is no assurance that the forecast prices and costs assumptions will be attained and variances could be material. The recovery and reserve estimates of our crude oil, natural gas liquids and natural gas reserves provided herein are estimates only and there is no guarantee that the estimated reserves will be recovered. Actual crude oil, natural gas and natural gas liquids reserves may be greater than or less than the estimates provided herein.

The reserve data provided in this release only represents a summary of the disclosure required under NI 51-101. Additional disclosure will be provided in the Company's Annual Information Form filed at www.sedar.com on or before March 31, 2011.

Forward-looking information and statements

This news release contains certain forward-looking information and statements within the meaning of applicable securities laws. The use of any of the words "expect", "anticipate", "continue", "estimate", "may", "will", "project", "should", "believe", "plans", "intends" and similar expressions are intended to identify forward-looking information or statements. In particular, but without limiting the foregoing, this news release contains forward-looking information and statements pertaining to the following: the volumes and estimated value of WestFire's oil and gas reserves; the life of WestFire's reserves; the volume and product mix of WestFire's oil and gas production; future oil and natural gas prices; future results from operations and operating metrics; future costs, expenses and royalty rates; future interest costs and the exchange rate between the \$US and \$Cdn.

The recovery and reserve estimates of WestFire's reserves provided herein are estimates only and there is no guarantee that the estimated reserves will be recovered. In addition, forward-looking statements or information are based on a number of material factors, expectations or assumptions of WestFire which have been used to develop such statements and information but which may prove to be incorrect. Although WestFire believes that the expectations reflected in such forward-looking statements or information are reasonable, undue reliance should not be placed on forward-looking statements because WestFire can give no assurance that such expectations will prove to be correct. In addition to other factors and assumptions which may be identified herein, assumptions have been made regarding, among other things: results from drilling and development activities consistent with past operations; the continued and timely development of infrastructure in areas of new production; continued availability of debt and equity financing and cash flow to fund WestFire's current and future plans and expenditures; the impact of increasing competition; the general stability of the economic and political environment in which WestFire operates; the timely receipt of any required regulatory approvals; the ability of WestFire to obtain qualified staff, equipment and services in a timely and cost efficient manner; drilling results; the ability of the operator of the projects in which WestFire has an interest in to operate the field in a safe, efficient and effective manner; the ability of WestFire to obtain financing on acceptable terms; field production rates and decline rates; the ability to replace and expand oil and natural gas reserves through acquisition, development and exploration; the timing and cost of pipeline, storage and facility construction and expansion and the ability of WestFire to secure adequate product transportation; future commodity prices; currency, exchange and interest rates; regulatory

framework regarding royalties, taxes and environmental matters in the jurisdictions in which WestFire operates; and the ability of WestFire to successfully market its oil and natural gas products.

The forward-looking information and statements included in this news release are not guarantees of future performance and should not be unduly relied upon. Such information and statement, including the assumptions made in respect thereof, involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking information or statements including, without limitation: changes in commodity prices; changes in the demand for or supply of WestFire's products; unanticipated operating results or production declines; changes in tax or environmental laws, royalty rates or other regulatory matters; changes in development plans of WestFire or by third party operators of WestFire's properties, increased debt levels or debt service requirements; inaccurate estimation of WestFire's oil and gas reserve and resource volumes; limited, unfavourable or a lack of access to capital markets; increased costs; a lack of adequate insurance coverage; the impact of competitors; and certain other risks detailed from time-to-time in WestFire's public disclosure documents (including, without limitation, those risks identified in this news release and WestFire's Annual Information Form to be filed on SEDAR on or before March 31, 2011).

The forward-looking information and statements contained in this news release speak only as of the date of this news release, and WestFire does not assume any obligation to publicly update or revise any of the included forward-looking statements or information, whether as a result of new information, future events or otherwise, except as may be expressly required by applicable securities laws.

BOE Equivalent

Barrel of oil equivalents or BOEs may be misleading, particularly if used in isolation. A BOE conversion ratio of 6 mcf: 1 bbl is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead.

About WestFire

WestFire is a Calgary, Alberta based oil and gas exploration, development and production company whose shares are traded on the Toronto Stock Exchange under the trading symbol of "WFE". Currently, the Company has 44.8 million shares issued and outstanding.

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The Toronto Stock Exchange has neither approved nor disapproved the information contained herein.