Quetzal Energy Ltd. completes Annual General Meeting

Calgary, Alberta (July 7, 2010) - Quetzal Energy Ltd. (TSX VENTURE: QEI) ("Quetzal" or the "Company") is pleased to announce that it has completed the 2009 Annual General Meeting in Toronto on July 5, 2010. Directors elected for the 2010 – 2011 term were:

Robert Szczuczko – Chairman and Chairman of Reserves Committee
Stephen Austin – Director and Chairman of Audit and member of the Reserves Committee
Gerald Feldman – Director – Member of Audit and Governance Committee
Kevin O'Connor – Director - Member of Audit and Reserves Committee
Richard Patricio – Director - Member of Governance Committee

All resolutions in the information Circular dated May 29, 2010 were duly passed. The operational update is summarized below and a copy of the presentation can be obtained at Quetzal website at

http://quetzalenergy.com/index_july2010.html

Operational update:

Colombia:

The Canaguay well is currently drilling at Day 31 since spud at 11,618 feet of a projected Total Depth of 16,000 feet. The processing and interpretation of the 220 square kilometers of 3-D seismic data on Block LLA-27 in the Llanos Basin is progressing and expected to be completed in the third quarter of 2010.

Guatemala:

Quetzal continues to test the Atzam #3A well, with completion and testing activities currently ongoing. It is anticipated that the testing, previously announced for June, will now be completed in July, 2010

FOR FURTHER INFORMATION PLEASE CONTACT:

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Cautionary Statements

This news release contains forward-looking information and forward-looking statements within the meaning of applicable securities laws (together, "forward-looking information"). The use of any of the words "expect", "anticipate", "continue", "estimate", "believe", "plans", "intends", "confident", "may", "objective", "ongoing", "will", "should", "project", "should" and similar expressions are intended to identify forward-looking information. In particular, but without limiting the foregoing, this news release contains forward-looking information concerning the use of proceeds of the recently completed offering of units of the Corporation. .

The forward-looking information are based on certain key expectations and assumptions made by Quetzal, including expectations and assumptions concerning the use proceeds of the Offering and operational results in Colombia and Guatemala. Although Quetzal believes that the expectations and assumptions on which the forward-looking information are based are reasonable, undue reliance should not be placed on the forward-looking information because Quetzal can give no assurance that they will prove to be correct.

Since forward-looking information addresses future events and conditions, by its very nature it involves inherent risks and uncertainties. Actual results could differ materially from those currently anticipated due to a number of factors and risks. These include, but are not limited to, the inherent risks involved in the exploration and development of oil and gas properties, the uncertainties involved in interpreting drilling results and other geological data, uncertainties relating to fluctuating oil and gas prices, the possibility of cost overruns or unanticipated costs and expenses and other factors including unforeseen delays. Anticipated exploration and development plans relating to Quetzal's properties are subject to change.

The foregoing list of assumptions, risks and uncertainties is not exhaustive. The forward-looking information contained in this press release is made as of the date hereof and Quetzal undertakes no obligation to update publicly or revise any forward-looking statements or information, whether as a result of new information, future events or otherwise, unless so required by applicable securities laws.

NEITHER THE TSX VENTURE EXCHANGE NOR ITS REGULATION SERVICES PROVIDER (AS THAT TERM IS DEFINED IN THE POLICIES OF THE TSX VENTURE EXCHANGE) ACCEPTS RESPONSIBILITY FOR THE ADEQUACY OR ACCURACY OF THIS RELEASE.