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***TSX Venture Exchange - TFA.A
NEWS RELEASE***

TRAFINA ENERGY LTD. COMMENCES CARDIUM PROJECT, PROVIDES OPERATIONS UPDATE

Calgary, Alberta – July 5, 2010 – Trafina Energy Ltd. ("Trafina" or "the Company") is pleased to announce that the Company has initiated its Cardium development program in the west Pembina area of west Central Alberta. The first of four (one net) non-operated Cardium horizontal wells was spudded on June 24, 2010, three months earlier than anticipated.

The Cardium at Pembina is an extensive reservoir considered to be the largest onshore light oil pool in North America. Historically the economic limits of drilling activity had been governed by the ability to produce from vertical wellbores. In recent years, the application of horizontal drilling and completion technology has extended the sources of oil into what is now considered the Cardium resource play. Drilling of the first well is expected to take two weeks with a multi-stage fracture stimulation to occur immediately thereafter. Depending on the results of the first well, the other three wells should be drilled prior to year end.

Trafina is currently building additional infrastructure at Ronalane, Alberta that is designed to increase flow capacity and enable the re-activation of five shut-in wells. The Company is also commencing two well re-activations at Brownfield, which were delayed due to weather conditions. Construction and well work is expected to be completed over the next 30 days. The Company expects additional production from these projects to be approximately 75 bbls/day (50 net) of oil.

Trafina continues to evaluate its holdings to focus on core operated and non-operated assets and manage its exposure to abandonment liabilities. So far this year Trafina sold its interest in the Bindloss, Eyremore and Jenner areas and a portion of assets in Retlaw for net proceeds of \$2.6 million. Since the acquisition of assets and related liabilities described in a September 14, 2009 press release, the Company has reduced its overall Energy Resources Conservation Board licensee liability rating ("LLR") by \$1.1 million. Trafina disposed its non-core assets at Fort Pitt and Parkbeg, Saskatchewan as at June 30, 2010, further reducing the Company's exposure to abandonments.

About Trafina

Trafina is a junior oil and gas company based in Calgary, Alberta. The Company's main areas of interest are in the Rangeview and Divide areas of southwest Saskatchewan and in the Pembina area of Alberta with other operated production in Wetaskawin, Retlaw, Ronalane and Brownfield in Alberta. Trafina also has non-operated production in Viking/Kinsella, Alberta and minor interests in Carson Creek/Judy Creek, Alberta. Trafina's shares trade on the TSX Venture Exchange under the stock symbol TFA.A.

Basis of Presentation and Cautionary Statement: Information in this press release expressed in boes is derived by converting natural gas to oil in the ratio of six thousand cubic feet (mcf) of natural gas to one barrel (bbl) of oil. 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.

Forward Looking Statements: This news release contains forward looking statements and forward looking information regarding, among other things, the commencement of drilling three additional Cardium wells, the completion date of the construction and re-activation projects and the anticipated production from the projects. Forward looking information is based on management's expectations regarding future growth, results of operations, production, future commodity prices and foreign exchange rates, future capital and other expenditures (including the amount, nature and sources of funding thereof), plans for and results of drilling activity, environmental matters, business prospects and opportunities and future economic conditions. Readers are cautioned that assumptions used in the preparation of such information, although considered reasonable at the time of preparation, may prove to be incorrect. Forward looking statements involves significant known and unknown risks and uncertainties. Reference is made to Trafina's annual information form for the year ended December 31, 2009 dated April 30, 2010 for a description of some of the risks that could affect the Company's future results and could cause results to differ materially from those expressed in the Company's forward looking statements. The forward looking statements contained in this news release are made as at the date hereof and, except as required by applicable securities laws, Trafina does not undertake any obligation to update publicly or otherwise any such statements.

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