

**PETRO-REEF RESOURCES LTD.**

**FOR IMMEDIATE RELEASE**

**Common Shares Outstanding: 17,688,937**

**PETRO-REEF GRANTS OPTIONS**

**CALGARY, ALBERTA**, January 28, 2003. Petro-Reef Resources Ltd. (TSX Venture – “PER”) announces that it has granted 700,000 stock options to 4 individuals who are officers, staff or directors at an exercise price of \$0.42 per share. The stock options will vest over 3 years and expire 5 years from the date of grant.

Immediately prior to this grant, the Company had 610,000 stock options outstanding with an average exercise price of \$0.44 per share.

Petro-Reef Resources Ltd. is a Calgary based oil and natural gas company with producing properties in Western Canada. The company trades on the TSX Venture Exchange under the symbol “PER”.

For further information, please contact:

Theodore M. Donhuysen  
Petro-Reef Resources Ltd.  
2020, 800 – 5<sup>th</sup> Avenue S.W.  
Calgary, Alberta T2P 3T6

Telephone: (403) 265-6444  
Facsimile: (403) 264-1348

**The TSX Venture Exchange has not reviewed and does not accept responsibility for the adequacy or accuracy of this release. This news release may contain forward-looking information. Actual future results may differ materially from those contemplated. The risks, uncertainties and other factors that could influence actual results are described in documents filed with regulatory authorities.**