

NEWS RELEASE
2004-01-13

PETRO-REEF RESOURCES LTD.

PETRO-REEF SECURES FINANCING TO INCREASE PRODUCTION

Petro-Reef Resources Ltd. (TSX Venture-PER) is pleased to announce that the National Bank of Canada has increased the revolving line of credit to \$2,000,000.00 (\$2 Million) on the strength of increased production and new reserves. Petro-Reef plans to use the proceeds to further increase production levels and enhance existing facilities.

Petro-Reef's production averaged 125 boe per day (boe/d), in November 2003 representing a 108% increase from its average production of 60 boe/d for Q3, 2003.

Petro-Reef Resources Ltd. is a Calgary based oil and natural gas exploration company with producing properties in Alberta, Canada.

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