

PETRO-REEF RESOURCES LTD.

NEWS RELEASE

TSX Venture Exchange
Symbol PER
Common Shares Outstanding 17,738,937

Calgary, Alberta
March 29, 2005

Petro-Reef Resources Ltd. is pleased to announce that it has completed its initial phase of land purchases in the Alexander-Qui Barre area. The total gross land purchased in the area to-date is 20.33125 sections (13012 acres) in which the company has an average working interest of 35.67 percent or 7.25 net sections (4641.15 acres).

A six square mile 3-D seismic program was shot in March, 2005 contiguous with a previously announced eight (8) square mile 3-D seismic program shot in 2004.

The company has drilled seven (7) gross wells to-date in the Alexander-Qui Barre Area and is currently producing approximately 2925 MCF/D from four (4) wells (1073 MCF/D net to Petro-Reef or 179 barrels of oil equivalent). Three other wells are waiting to be completed and/or tied-in.

Total net production to the company was approximately 1500 MCF/D or 250 barrels of oil equivalent for all its properties. Only one (1) well has been drilled to-date on the 3-D seismic.

With the fourteen (14) square miles of 3-D seismic as well as approximately 30 miles of 2-D seismic which was shot or purchased by the company, and the first seven (7) wells drilled to-date, eleven (11) potential well locations have been picked to be drilled for multi-zone sweet gas and/or oil.

This drilling program is anticipated to start after spring break-up. All the wells will be operated by Petro-Reef Resources Ltd.

This News Release is available for review on the SEDAR website (www.sedar.com).

Petro-Reef Resources Ltd. is a Calgary based, emerging oil and gas exploration and development company focused on the Western Canadian Sedimentary Basin where it is engaged in the production and exploration of natural gas and oil reserves. The company trades on the TSX Venture Exchange under the symbol "PER".

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