

**PETRO-REEF RESOURCES LTD.**

**NEWS RELEASE**

TSX Venture Exchange  
Symbol PER  
Common Shares Outstanding 17,938,937

Calgary, Alberta  
May 06, 2005

Petro-Reef Resources Ltd. announces that on May 02, 2005, it granted options to purchase 100,000 Common Shares to two individuals who are directors, at an exercise price of \$0.50 per share under the terms of its Stock Option Plan. The stock options will vest over 1 year and expire 5 years from the date of grant.

Immediately prior to this grant, the Company had 1,310,000 stock options outstanding with an average exercise price of \$0.51 per share.

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

For further information, please contact:

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The TSX Venture Exchange has not reviewed and does not accept responsibility for the adequacy or accuracy of this release. Certain statements herein may not be historical facts and may be “forward-looking statements”. Such statements are based on management’s beliefs, as well as assumptions made by information currently available to management. Forward-looking statements include those preceded by the words “estimate”, “will”, or words of similar expressions, and are subject to risks, uncertainties and other factors that could cause results to differ materially from expected results. Reserve estimation is an interpretive process based on drilling results and past experience as well as estimates of reservoir characteristics and flow rates, prices, costs of extraction and processing, capital expenditures and many other factors. Actual quality and characteristics of oil and gas accumulations cannot be known.