

Petro-Reef Resources Ltd. Closes \$3 Million Private-Placement Financing

Calgary, Alberta April 25, 2007 – Petro-Reef Resources Ltd. (TSX-V: PER) (“Petro-Reef” or the “Corporation”) has closed its previously announced private-placement financing, raising gross aggregate proceeds of \$3,000,000. The offering, announced on April 2, 2007, was fully subscribed. Petro-Reef plans to use the proceeds of the offering to fund continued exploration and development of its properties.

The offering consisted of 1,500,000 common shares of the Corporation at a price of \$2.00 per share on a flow through basis.

Primary Capital Inc. acted as the agent for the private-placement offering and received a 6.5% cash commission and non-transferable broker warrants (“Broker Warrants”) exercisable to acquire 97,500 common shares of the Corporation at a price of \$2.00 per share until July 25, 2008. The common shares issuable upon the exercise of the Broker Warrants will not carry flow through treatment.

After giving effect to this offering, Petro-Reef has 33,244,781 common shares issued and outstanding.

Petro-Reef is a Calgary-based junior oil and gas company focused on petroleum and natural gas lease acquisition and exploration, and development of crude oil and natural gas properties in Alberta, Canada.

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Forward-Looking Statements: All statements, other than statements of historical fact, set forth in this news release, including without limitation, assumptions and statements regarding reservoirs, resources and reserves, future productions rates, exploration and development results, financial results, and future plans, operations and objectives of the Corporation are forward-looking statements that involve substantial known and unknown risks and uncertainties. Some of these risks and uncertainties are beyond management’s control, including but not limited to, the impact of general economic conditions, industry conditions, fluctuation of commodity prices, fluctuation of foreign exchange rates, environmental risks, industry competition, availability of qualified personnel and management, availability of materials, equipment and third party services, stock market volatility, timely and cost effective access to sufficient capital from internal and external sources. The reader is cautioned that assumptions used in the preparation of such information, although considered reasonable by the Corporation at the time of preparation, may prove to be incorrect. There can be no assurance that such statements will prove to be accurate and actual results and future events could differ materially from those anticipated in such statements.

The TSX Venture Exchange does not accept responsibility for the adequacy or accuracy of this news release.

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