

Petro-Reef Announces Normal Course Issuer Bid

Calgary, Alberta, October 9, 2008 – Petro-Reef Resources Ltd. ("Petro-Reef" or the "Corporation") announced today that the TSX Venture Exchange ("TSXV") has accepted Petro-Reef's Notice of Intention to make a Normal Course Issuer Bid (the "Bid") to purchase for cancellation, from time to time, as Petro-Reef considers advisable, up to a maximum of 1,729,452 common shares (the "Common Shares"). The maximum number of Common Shares to be purchased pursuant to the Bid represents approximately 5.0% of the Common Shares outstanding on the date hereof, calculated in accordance with the rules of the TSXV (being approximately 34,589,041 Common Shares). Purchases of Common Shares will be made on the open market through the facilities of the TSXV. The price which Petro-Reef will pay for any Common Shares purchased by it will be the prevailing market price of the Common Shares on the TSXV at the time of such purchase. The actual number of Common Shares that may be purchased for cancellation and the timing of any such purchases will be determined by Petro-Reef. The Corporation has retained Haywood Securities Ltd. as its broker to conduct the Bid on behalf of the Corporation.

The Bid will commence on October 14, 2008 and will terminate on October 13, 2009 or such earlier time as the Bid is completed or terminated at the option of Petro-Reef.

Management of Petro-Reef believes that, from time to time, the market price of the Common Shares may not fully reflect the underlying value of the Common Shares and that at such times the purchase of Common Shares would be in the best interests of Petro-Reef.

Petro-Reef Resources Ltd. 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.

For further information, please contact:

Petro-Reef Resources Ltd.
Joseph Werner
President and CEO
(403) 265-6444

Petro-Reef Resources Ltd.
John Pantazopoulos
Vice-President Finance and CFO
(403) 265-6444

or

Petro-Reef Resources Ltd.
970, 10655 Southport Road S.W.
Calgary, Alberta T2W 4Y1
Fax: (403) 264-1348
Email: info@petro-reef.ca
Website: www.petro-reef.ca

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 production 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.