

Petro-Reef Resources Ltd. Increases Reserves Value by 72.0%

Calgary, Alberta, March 25, 2009 – Petro-Reef Resources Ltd. (TSX-V: PER),

Petro-Reef Resources Ltd. (“Petro-Reef” or the “Company”) is pleased to provide the following summary information from its annual independent reserve evaluation completed by Sproule and Associates as at December 31, 2008. These estimates were prepared in accordance with National Instrument 51-101: Standards of Disclosure of Oil and Gas Activities (“NI 51-101”). Additional information on the Company’s reserves, as required by NI 51-101, will be filed on SEDAR (www.sedar.com) prior to April 30, 2009.

Highlights

- Increased proved plus probable reserves 45.2% to 2,281.0 mboe
- Increased Net Present Value (before tax discounted at 10%) by 72.0% to \$52.4mm
- Replaced 2008 production by over 3.0x on a proved plus probable basis

Summary Reserves

The following summarizes the Company’s gross (working interest before royalties) interests in proved plus probable reserves as at December 31, 2008.

	Crude Oil	Natural Gas	Natural Gas Liquids	Total - 2008	Total - 2007
Reserves Category	(Mbbl)	(MMcf)	(Mbbl)	(MBOE)	(MBOE)
<u>Proved</u>					
Developed Producing	313.9	4,710	19.4	1,118.3	583.2
Undeveloped	83.2	1,366	1.4	312.3	588.6
Total Proved	397.1	6,076	20.8	1,430.6	1,171.8
Probable	302.9	3,187	16.3	850.4	399.4
Total Proved Plus Probable	700.0	9,263	37.1	2,281.0	1,571.2

Petro-Reef increased proved plus probable reserves by 45.2% to 2,281 mboe. Petro-Reef’s reserves are 67.7% natural gas, with 62.7% categorized as proven. Reserves increased through a combination of development drilling and the closing of an acquisition of a working interest partner in Petro-Reef’s core area of Alexander.

Below is a summary of the economic evaluation as prepared by Sproule and Associates with an effective date of December 31, 2008:

Reserves Category	Net Present Value Before Income Taxes (M\$)					2007
	0%	5%	10%	15%	20%	10%
Proved						
Developed Producing	\$41,109	\$33,850	\$28,878	\$25,283	\$22,573	\$13,372
Undeveloped	\$11,643	\$8,010	\$5,788	\$4,341	\$3,349	\$9,353
Total Proved	\$52,752	\$41,860	\$34,666	\$29,624	\$25,922	\$23,095
Probable	\$33,262	\$23,488	\$17,717	\$13,988	\$11,409	\$7,352
Total Proved Plus Probable	\$86,014	\$65,348	\$52,383	\$43,612	\$37,331	\$30,447

Petro-Reef's Net Present Value (10% discount) increased 72.0% to \$52.4 mm on a proved plus probable basis. Petro-Reef's reserves increased through a combination of drilling activity as well as the acquisition of a working interest partner in 2008.

Petro-Reef has applied for downspacing of drilling on five sections of land whereby Petro-Reef has identified over 70 potential development oil drilling opportunities. Of these locations, only three have been included in the reserve evaluation. As a result, the upside potential for Petro-Reef's development oil prospect is significant and is above and beyond the year end evaluation. Petro-Reef expects significant reserve and production growth as these locations are drilled and brought on-stream.

Strategic Alternatives

Further to the media release dated March 20, 2009, Petro-Reef is pleased to advise it has retained CIBC World Markets Ltd. as its financial advisor to assist it with the Company's review of strategic alternatives.

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 values disclosed in this press release relating to net present value and net asset value of the Company's reserves are estimates and do not represent fair market value of the Company.

Reference is made to barrels of oil equivalent (boe). Barrels of oil equivalent may be misleading, particularly if used in isolation. In accordance with National Instrument 51-101, a boe conversion ratio for natural gas of 6 Mcf: 1 bbl has been used, which is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead.

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

For further information, please contact:

John Pantazopoulos
Vice-President Finance and CFO
Petro-Reef Resources Ltd.
970, 10655 Southport Road S.W.
Calgary, Alberta T2W 4Y1
Telephone (403) 265-6444
Facsimile: (403) 264-1348
E-mail: info@petro-reef.ca
Web Site: www.petro-reef.ca