

## **Petro-Reef Resources Ltd. Announces Record Production, Cash Flow in 2008**

**Calgary, Alberta, April 20, 2009** – Petro-Reef Resources Ltd. ("Petro-Reef" or the "Corporation") is pleased to release its 2008 audited financial statements and management discussion and analysis. Access to Petro-Reef's 2008 year end results may be obtained at [www.sedar.com](http://www.sedar.com) or [www.petro-reef.ca](http://www.petro-reef.ca).

### **2008 Financial Highlights:**

- Gross revenue increased 103.6% to \$18,874,661
- Cash flow from operations increased 115.3% to \$9,478,562
- CFPS increased 115.4% to \$0.28
- Generated net earnings of \$963,572
- Total capital expenditures increased 111.0% to \$22,694,689
- Total assets increased 36.2% to \$38,971,225

### **2008 Operational Highlights:**

- Proved plus probable reserves increased 45.2% to 2,281,000 boe
- Net present value of reserves (PV-10%) increased 72.0% to \$52,383,000
- Average daily production increased 53.2% to 961 boe/d
- Increased undeveloped land holdings to 13,868 acres, with an average WI of 88%
- Completed a proprietary 38.8 km<sup>2</sup> 3-D seismic program over highly prospective freehold lands adjacent to Petro-Reef's core producing assets.
- Acquired an additional 9 sections of freehold acreage lands increasing the Corporation's land holdings to approximately 37 gross sections of contiguous, highly prospective lands in Alexander.

In 2008, Petro-Reef focused our drilling activities towards developing two oil pools in Alexander. As a result of drilling success and interpretation of proprietary 3-D seismic, Petro-Reef has identified over 50 development oil drilling opportunities. In 2009, Petro-Reef submitted application to the regulators to allow for the downspacing of five key sections of land where Petro-Reef has identified the development oil locations. Approval for the downspacing is anticipated to be received this summer.

### **Strategic Alternatives**

On March 20, 2009, Petro-Reef announced that its Board of Directors instructed management to report to it as to strategic alternatives available to the Corporation. Petro-Reef continues to review alternatives with its financial advisors and will advise shareholders of any updates as required. At this time, no specific course of action has been identified or is any transaction currently contemplated or being reviewed.

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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 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.

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.***