

Petro-Reef Resources Ltd. Closes Flow-Through Brokered Private Placement

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Calgary, Alberta, August 6, 2009 –Petro-Reef Resources Ltd. (TSX VENTURE:PER) ("Petro-Reef" or the "Corporation") is pleased to announce that it has successfully completed its previously announced offering of flow-through units ("FT Units") at a price of \$0.30 per FT Unit for gross proceeds of \$1,510,110 (the "Offering"). Each FT Unit was comprised of one common share issued on a "flow-through" basis (a "FT Share") and one transferable common share purchase warrant (a "Warrant") The Offering resulted in the issuance of 5,033,700 shares. FT Shares and 5,033,700 Warrants. Each Warrant entitles the holder to purchase one (1) common share of the Corporation, not to be issued on a "flow-through" basis, at a price of \$0.40 per share until August 6, 2010. As agent for the Offering, PI Financial Corp. was paid a commission equal to 8% of the gross proceeds of the Offering.

Ted Donhuysen, President and CEO was quoted as saying:

"Petro-Reef is extremely pleased we were able to close this important equity offering during a period of low commodity prices and weak equity markets. The fact we were able to raise over \$1.0mm shows the confidence the market has in Petro-Reef's ability to create significant shareholder value through the drill bit on our high impact exploration drilling locations".

All securities issued pursuant to the Offering, including any securities issued on exercise of the Warrants, will be subject to a four (4) month hold period which expires on December 7, 2009.

Proceeds from the Offering will be used to fund the drilling of Petro-Reef's high impact exploration locations on its Northern acreage in its core area of Alexander and will constitute "Canadian exploration expenses" as defined in the Income Tax Act (Canada) and will be renounced to subscribers for the 2009 taxation year.

Petro-Reef has commenced with the licensing of four exploration and three development locations in Petro-Reef's core area of Alexander. Petro-Reef intends to drill two exploration locations in September, with the remaining exploration and development locations to be drilled later in the year. Petro-Reef's exploration locations have multi-zone potential and all were chosen using proprietary 3-D seismic Petro-Reef shot late last year. Petro-Reef has identified several follow-up locations on the exploration acreage upon drilling success and continues to acquire undeveloped land in the area providing future drilling opportunities.

Petro-Reef's three development locations are characterized by low risk development oil with significant high impact natural gas potential. The proposed development locations are all immediately adjacent to existing Petro-Reef natural gas and crude oil processing facilities, allowing for quick production additions upon success.

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.

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This press release contains certain forward looking statements which involve known and unknown risks, delays and uncertainties not under the Company's control which may cause actual results, performances or achievements of the Company to be materially different from the results, performances or expectations implied by these forward looking statements.

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