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Petro-Reef Resources Ltd. Announces 2009 Financial Statements and Reserves

Calgary, Alberta, April 23, 2010 – Petro-Reef Resources Ltd. ("Petro-Reef" or the "Corporation") is pleased to release its 2009 audited financial statements and management discussion and analysis. Access to Petro-Reef's 2009 year end results may be obtained at www.sedar.com or www.petro-reef.ca.

2009 Highlights:

- Gross revenue of $9,312,588
- Cash flow from operations of $3,190,518 - $0.09 / share
- Average production of 832 boe/d (84% natural gas)
- Net capital expenditures of $4,542,062
- Entered into commodity price contracts protecting 90% of natural gas production, ensuring a minimum natural gas price of $4.50 / mcf for 2010
- Closed a $1,500,000 flow-through share offering, proceeds of which were used to drill three high impact exploration drilling locations.

As a result of the economic recession and the falling price of natural gas, Petro-Reef was forced to significantly reduce capital expenditures to protect the balance sheet of the Corporation. Petro-Reef drilled a total of three wells in 2009, all of which were successful and were subsequently brought onstream in early 2010. As a result of the late drilling activity, Petro-Reef did not realize a significant revenue or production increase associated with bringing new wells onstream. All of the operational and financial benefits of the new wells will be realized in 2010.

Summary Reserves

The following summarizes the Company's gross (working interest before royalties) interests in proved plus probable reserves as at December 31, 2009.

	Crude Oil and NGLs	Natural Gas	Total - 2009
Reserves Category	(Mbbl)	(MMcf)	(MBOE)
Proved			
Developed Producing	158.7	3,139	682
Undeveloped	82.7	1,045	257

Total Proved	241.4	4,184	939
Probable	216.2	3,532	805
Total Proved Plus Probable	457.6	7,716	1,744

Petro-Reef's proved plus probable reserves are estimated at 1,744 mboe. Petro-Reef's reserves are 73.8% natural gas, with 53.8% categorized as proven. Reserves decreased year over year as a result of low drilling activity due to depressed commodity prices as well as the economic recession which required Petro-Reef to conserve cash to protect its balance sheet. Although Petro-Reef only drilled three wells in 2009, all of which were exploration in nature, Petro-Reef was able to add reserves net of production. The above reserves do not include the recent acquisition of a working interest partner, whose reserves additions are expected to add approximately 7% to the above reserve estimates.

Below is a summary of the economic evaluation as prepared by Sproule and Associates with an effective date of December 31, 2009:

	Net Present Value Before Income Taxes (M$)2009				
Reserves Category	0%	5%	10%	15%	20%
Proved					
Developed Producing	$ 17,461	$ 15,558	$ 14,058	$ 12,848	$ 11,854
Undeveloped	$ 7,087	$ 6,013	$ 5,231	$ 4,635	$ 4,164
Total Proved	$ 24,548	$ 21,571	$ 19,289	$ 17,483	$ 16,018
Probable	$ 23,535	$ 17,987	$ 14,395	$ 11,895	$ 10,061
Total Proved Plus Probable	$ 48,083	$ 39,558	$ 33,684	$ 29,378	$ 26,079

Petro-Reef's Net Present Value (10% discount) is $33.7 mm on a proved plus probable basis. Petro-Reef's reserve value fell as a result of falling natural gas prices which account for 73.8% of Petro-Reef's reserves. Reserve value fell on a proved basis by approximately $7.2mm due to lower natural gas price forecast used by Sproule and Associates in 2009 as compared to 2008. Natural gas prices used in the 2009 reserve report were 41.1% lower than in 2008. The above reserves do not include the recent acquisition of a working interest partner for $1.0mm which is estimated to have added approximately $1.7mm in incremental net present value.

With the addition of the three exploration wells, current production is estimated at 1,000 boe/d, with an estimated 350 boe/d of production behind pipe, including 200 bbls/d of crude oil, which is scheduled to be brought onstream in early Q3 - 2010.

Petro-Reef is in the process of receiving regulatory approval for the drilling of six wells, including two high impact exploration locations and four development oil locations. Petro-Reef has received approval for two of the locations, with the remainder of approvals anticipated to be received within the next few weeks. Subject to regulatory approvals, Petro-Reef anticipates commencing with its six well drilling program in early June.

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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.