petro-reef resources ltd.

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Petro-Reef Resources Ltd. Receives Regulatory Approval for Amine Facility

Calgary, Alberta, July 15, 2010 - Petro-Reef Resources Ltd. (TSX VENTURE:PER), Petro-Reef Resources Ltd. ("Petro-Reef" or the "Corporation") is pleased to announce that it has received regulatory approval for the construction of a 4.0 mmcf/d amine facility in its core area of Alexander. Construction is scheduled to be completed by the end of August, allowing for Petro-Reef to bring onstream approximately 300 boe/d, including 150 - 200 bbls/d of crude oil currently standing behind pipe.

In anticipation of regulatory approval for the amine facility, Petro-Reef obtained approval for four drilling locations and is in process of obtaining approval for two additional development oil drilling locations. Petro-Reef intends to commence drilling its first well next week, with 2-3 follow-up locations to be drilled in early August.

On June 14, 2010, Petro-Reef announced it intended to raise, on a best efforts basis, up to $6,000,000 through a combination of flow-through shares and common share units. While significant interest in the offering exists, due to a combination of volatile commodity and equity markets, Petro-Reef has determined that it is in its best interest of the Corporation to postpone the equity offering until later in the year. At that time, Petro-Reef will have completed a substantial portion of its development oil drilling program as well as have completed construction of its amine facility which, upon completion, will substantially increase crude oil production and cash flow. With a substantial portion of its production currently hedged at prices significantly higher than current market prices, Petro-Reef is able to execute on key elements of its drilling program and complete construction of its amine facility in the absence of closing the equity offering.

For further information, please contact:

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