

Petro-Reef Resources grants stock options

Calgary, Alberta, June 22, 2006 – Petro-Reef Resources Ltd. (TSX VENTURE:PER) announces that on June 19, 2006 the company's board of directors granted options to purchase up to 560,000 common shares under its Incentive Stock Option Plan. The options were issued to directors, officers and an employee of the corporation at an exercise price of \$1.30 per share. Petro-Reef's shares closed at \$1.25 on June 22, 2006. The stock options will vest over one year and expire five years from the date of grant. Immediately prior to this grant, the company had 1,560,000 stock options outstanding with an average exercise price of \$0.56 per share.

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.

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

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