

May 14, 2008

Shares outstanding 44.3 million
 Share price \$1.00
 Total land holdings..... 40,000 acres ⁽¹⁾
 Total discovered resource..... 1.8 tcf ⁽²⁾

(1) Includes 25,000 acres of deep rights
 (2) Sproule Associates, April 28, 2008

CORPORATE UPDATE

We are very pleased that Rudy Cech has joined the Board of CSRI. Rudy retired from Sproule Associates Ltd. in 2006 and brings over 35 years worth of unconventional gas wisdom. His depth of knowledge will be of value to the deliberations of the Board.

This past March, we concluded a joint venture and farmout agreement with Canbriam Energy, a very strong private energy company. The agreement provides for exploration and drilling activity on over 25,000 net acres of deep rights held by CSRI. The initial focus will be on the Montney Formation, which is being successfully pursued by industry with horizontal drilling and leading edge completion technology. We anticipate drilling on CSRI lands to begin by mid-June.

OPERATIONS CORNER

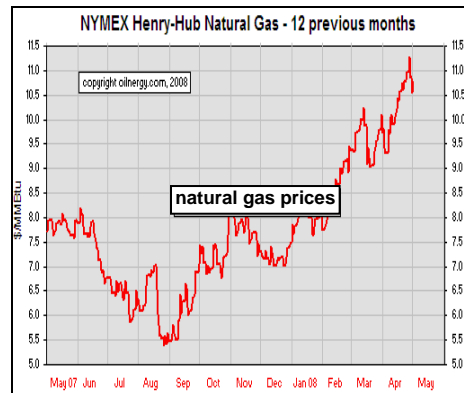
We are currently in the midst of spring breakup. Road bans should be lifted the first part of June. All wells in the pilot project except d-093-H have reached their flaring limit and are currently shut-in pending construction of a facility and subsequent connection to the Spectra Energy Pipeline. This planned gas production facility and gas gathering system is expected to be completed late this summer, at which time we plan to resume production testing with the further objective of maximizing production capability and deliverability.



1 Year Stock Performance



b-002-I Production Testing



NYMEX Chart

For further information, please contact:
 Don Gardner, CEO don.gardner@csri.ca
 Phil Geiger, President & COO phil.geiger@csri.ca

TSX VENTURE: SPI

We have begun ordering equipment that will allow us to connect to the Spectra Energy Pipeline. This \$4 million capital project will allow us to be selling gas by the fourth quarter of this year. As well, it will eliminate the flaring of natural gas as we continue to optimize our pilot project.

Cumulative natural gas produced during testing of the pilot project is approaching 80 million cubic feet.

MARKET VIEW

What a difference six months can make! An average winter has allowed North American storage gas levels to be brought back to a more normal range. LNG imports into the US are expected to be down significantly this year due to European demand. The combined effect of these two factors has resulted in natural gas prices increasing to the \$10 to \$11 per mcf range we see currently. This range represents a 27 month high with some analysts predicting prices to go even higher. All of this bodes well for CSRI as we continue with our projects, both shallow and deep.

Forward-looking Statements

The corporate information contained in this document contains forward-looking forecast information. The reader is cautioned that assumptions used in the preparation of such information, although considered reasonably accurate by Canadian Spirit Resources Inc. at the time of preparation, may prove to be incorrect. The actual results achieved during the forecast period will vary from the information provided herein and the variations may be material. Consequently, there is no representation by Canadian Spirit Resources Inc. that actual results achieved during the forecast period will be the same in whole or in part as that forecast.