

November 15, 2006

Shares outstanding: 28.8 Million  
 Share price: \$1.83  
 Total land holdings: 40,000 acres  
 Total contingent resource\*: 1.4 – 2.0 tcf

\* (Sproule Associates, April 17, 2006,  
 Gething Formation only at Farrell Creek, B.C.)

This is the first of a planned regular update on the activities of Canadian Spirit Resources Inc. (“CSRI” or the “Company”) which is being e-mailed to shareholders, investors and associates on the contact list maintained by the Company. All updates will also be posted to the Company’s website under the heading “Current Projects” and can be accessed at [www.csri.ca](http://www.csri.ca).

### CORPORATE UPDATE

CSRI has made significant progress this year in the development of a pilot project at Farrell Creek, northeast British Columbia. Three test holes c-83-H, b-92-H and b-03-I have been completed and production tested in the range of 125 mcf/d to 300 mcf/d. Efforts to optimize production from these test holes are continuing.

### RECENT ACTIVITIES

A fourth test hole, b-02-I, has been drilled and is scheduled to be fracture stimulated on November 16, 2006. Capital costs associated with the b-02-I test hole have been reduced relative to the previous three test holes.

Landowner approval has been granted for the right-of-way of the Company’s planned pipeline connecting the proposed field processing facilities with the Duke Energy sales pipeline. This approval will enable the “hot-tap” of the Duke Energy pipeline to proceed. CSRI had retained Polaris Engineering Ltd. to lead the design and construction of the field facilities, pipeline and gathering system required to tie-in the Farrell Creek pilot project. The Company’s goal is to have these facilities in place and natural gas flowing to market by the third quarter of 2007.

A development scheme for Farrell Creek is being prepared and will soon be submitted to the B.C. Oil and Gas Commission for approval. Regulatory approval of the development scheme will facilitate timely development of the pilot project and extend the confidentiality period for certain technical information. Approval may be received by the first quarter of 2007.

Canadian Spirit Resources Inc.  
 Suite 1950, Ford Tower  
 633 6<sup>th</sup> Avenue S.W.  
 Calgary, AB T2P 2Y5

During the first week of November, Ken Sinclair, Vice President, Business Development met with a number of stakeholders in the Hudson’s Hope area to discuss the Company’s current operations at Farrell Creek and the timetable for future development activity. The first major snow storm of the winter hit the Farrell Creek area during this period bringing a foot of snow and minus 25 degree C (minus 13 degree F) temperatures. With experienced service crews and improved temperatures, the weather is not expected to affect the scheduled fracture stimulation of the b-02-I test hole.

The 8<sup>th</sup> Annual Canadian Society of Unconventional Gas Conference takes place in Calgary from November 15 through 17, 2006 and is considered to be one of the largest unconventional gas conferences in the world. Over 1200 delegates attended last year’s conference. CSRI’s technical team will be making a presentation of its Farrell Creek, northeast British Columbia prospect at this Conference.

Recent investor presentations by the Company have included Calgary, Toronto, Montreal, Vancouver and Victoria. Planned investor presentations during the balance of 2006 will include Calgary, Edmonton and San Francisco.

For further information, please contact:  
 Phil Geiger, President & COO  
[phil.geiger@csri.ca](mailto:phil.geiger@csri.ca) or Gordon Aldcorn,  
 Investor Relations [ir@csri.ca](mailto:ir@csri.ca)

Telephone: (403) 539-5005  
 Facsimile: (403) 262-4177  
 E-mail: To update e-mail information or to unsubscribe  
 please contact us at [info@csri.ca](mailto:info@csri.ca)



b-02-I pre-frac Brrr!!



b-03-I frac Busy!!

### 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.*

[www.csri.ca](http://www.csri.ca)