



NEWS RELEASE

CANADIAN SPIRIT RESOURCES INC. ANNOUNCES GRANT OF STOCK OPTIONS TO REPLACE STOCK APPRECIATION RIGHTS

Calgary, AB October 30, 2008 – Canadian Spirit Resources Inc. (“CSRI” or the “Company”) (TSXVENTURE:SPI) (OTCBB:CSPUF) announces that subject to TSX Venture Exchange acceptance, the Board of Directors has approved a grant of 600,000 options to acquire shares in the Company to replace 600,000 currently outstanding stock appreciation rights (“SARs”).

“In the current uncertain economic environment, the purpose of the exchange is to conserve cash in the Company”, commented Don Gardner, Chief Executive Officer. “The Company is in a strong financial position with working capital of approximately \$12.0 million however the stock appreciation rights represented a potential call on the Company’s cash resources until they expire in January 2009. We believe that retaining cash in the Company may enhance our ability to participate in any new opportunities that may arise” Mr. Gardner commented further.

The SARs were originally issued in 2003 to three founding employees as part of their employment arrangements. The SARs had a base price of \$0.48 per reference share and were exercisable for cash until expiry subject to any blackout period.

The options granted have a term of five months and may be exercised at a price of \$0.50 per share. Any shares issued upon exercise of options within four months will be legended with a resale restriction. Phillip D.C. Geiger, President and Chief Operating Officer held 240,000 SARs and has been granted an equivalent number of options.

Each holder of SARs will also receive \$0.02 per right representing the difference between the \$0.48 reference price of the SARs and the \$0.50 exercise price of the options received in the exchange.

This grant will result in 3,057,000 options outstanding representing 6.3 percent of currently outstanding shares.

CSRI is a natural resources company focusing on the identification and development of opportunities in the unconventional gas sector of the energy industry.

On behalf of the Board of Directors,
CANADIAN SPIRIT RESOURCES INC.

“Don Gardner”

Chief Executive Officer

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The corporate information contained in this news release may contain forward-looking forecast information. The reader is cautioned that assumptions used in the preparation of such information, although considered reasonably accurate by CSRI 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 CSRI that actual results achieved during the forecast period will be the same in whole or in part as those forecast.

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