



NEWS RELEASE

CANADIAN SPIRIT RESOURCES INC. ANNOUNCES 2009 FINANCIAL RESULTS AND FILING OF ANNUAL DISCLOSURE DOCUMENTS

Calgary, AB April 29, 2010 – Canadian Spirit Resources Inc. (“CSRI” or the “Corporation”) (TSXVENTURE:SPI) (OTCBB:CSPUF) announces the release of its financial results and the filing of the Financial Statements, Management Discussion and Analysis, and Annual Information Form for the year ended December 31, 2009 (all amounts in Canadian dollars).

OPERATIONAL HIGHLIGHTS

Montney Formation

- Sproule Unconventional Limited (“Sproule”) provides significant Montney resource estimate
- A successful lower Montney test was achieved at the b-17-I/94-B-1 well location
- A horizontal well was drilled in the lower portion of the Montney at the c-A48-I/94-B-1 well location and will be stimulated in June 2010
- The Operator, Canbriam Energy BC Partnership (“Canbriam”) approved a 2010 capital program of up to \$49.0 million (gross) at Farrell Creek, British Columbia. This program is to include three additional horizontal wells targeting the Montney Formation and the construction of a sweet gas processing facility (10 to 20 mmcf/d)

Gething Formation

- An expandable pilot facility at Farrell Creek, British Columbia was commissioned in June 2009 (capacity of 1.1 mmcf/d)
- Seven Gething wells are currently tied into the pilot facility
- The Operator, Shell Canada Energy (“Shell”), has fulfilled its initial \$50.0 million commitment to the project. Shell’s decision whether to move to the development stage is expected by mid-year 2010.

FINANCIAL HIGHLIGHTS

- The exercise of warrants since year end has added \$4.3 million to cash position
- Currently the Corporation has \$12.4 million of net working capital (\$0.23/share) with minimal capital commitments through to the third quarter 2010
- No debt

Commenting on the Corporation’s results and financial position, Don Gardner, Chief Executive Officer stated, “activity in 2009 and the Sproule report sets the foundation on which a portion of CSRI’s large prospective resource estimate is expected to be converted into reserves in 2010. With its strong financial position and active joint venture partners, the Corporation expects to achieve meaningful production and revenue by year-end. Subject to meeting the necessary listing requirements, the Corporation plans to graduate to a full listing on the Toronto Stock Exchange as soon as possible in 2011.”

Selected Financial Data (\$CDN)

For the years ended or as at December 31

2009**2008**

Total revenues	\$	45,809	\$	133,344
Net loss and comprehensive loss (after income taxes)	\$	(2,015,498)	\$	(1,698,232)
Loss and comprehensive loss per share (basic & diluted)	\$	(0.04)	\$	(0.04)
Total current assets	\$	9,903,175	\$	12,850,473
Total assets	\$	45,155,123	\$	47,535,538
Total current liabilities	\$	418,095	\$	1,132,785
Total long term liabilities	\$	288,095	\$	211,848
Net working capital	\$	9,485,080	\$	11,717,688
Net capital expenditures (recoveries)	\$	539,548	\$	(2,837,064)

The Corporation had no operating revenue during 2009 or 2008. Revenues reported represent interest on cash deposits.

The net loss and comprehensive loss increased from \$1.7 million in 2008 to \$2.0 million in 2009 due primarily to a \$0.2 million recovery of future taxes recorded in 2008 related to previous flow-through share issuances.

Total current liabilities of \$0.4 million as at December 31, 2009 are comprised of trade and joint venture accounts payables as well as capital accruals related to the Corporation's field activities at Farrell Creek, and general administration expense accruals as at year end. Long-term financial liabilities of \$0.3 million as at December 31, 2009 represent the present value of the asset retirement obligation associated with the Corporation's land base and surface facilities, discounted from the total estimated future liability of \$1.4 million.

Gross capital expenditures on exploration and development activities during 2009 totaled \$1.8 million (2008: \$5.8 million). During the year ended December 31, 2009, the Corporation received a reimbursement of \$0.2 million (2008: \$5.0 million) of previously expended drilling and completion costs from a joint venture partner in relation to the Farrell Creek pilot program. Further joint venture capital recoveries during the year of \$1.1 million (2008: \$3.6 million) resulted in a net capital expenditure for the Corporation in 2009 of \$0.5 million (2008: recovery of \$2.8 million). Included in net capital expenditures for 2009 are capitalized overhead costs of \$0.4 million (2008: \$0.7 million) relating to exploration and development staff salaries, consulting fees and other general administration expenses directly attributable to field activities. The Corporation expended \$88,981 on land retention in 2009 (2008: \$68,133).

At December 31, 2009, the Corporation had a cash balance of \$9.6 million and net working capital of \$9.5 million compared to \$11.2 million and \$11.8 million respectively at December 31, 2008. Gross cash expended on operations during 2009 was \$3.4 million of which \$1.6 million, or 47 percent, was associated with general administration expenses while \$1.8 million, or 53 percent, related to field exploration and development activities. The focus of the Corporation's base capital program in 2010 is the development of the Farrell Creek Montney program with joint venture partner Canbriam.

OPERATIONS UPDATE

2009 Activity

Montney Formation Joint Venture

On March 19, 2008, the Corporation announced a joint venture and farmout agreement for the rights below the Cadomin/Nikanassin Formation ("Deep Rights") with Canbriam, a private energy company based in Calgary, Alberta, that will evaluate certain of the Corporation's lands for Montney and other deep formation plays covering approximately 28,400 gross acres. Through the joint venture, Canbriam committed to an initial expenditure of up to \$28.6 million for exploration of the Deep Rights including the drilling of at least two wells to the Montney Formation in exchange for a 65 percent working interest. In 2010, Canbriam has an option to increase its working interest in the Deep Rights from 65 to 70 percent by increasing its gross capital commitment to \$50.0 million. CSRI would be carried through this amount of gross capital expenditures for its remaining 30 percent working interest.

Since conducting evaluation tests on two vertical Montney wells on the eastern block of Farrell Creek in late 2008, Canbriam has focused its operations on the western portion of the Farrell Creek lands in close proximity to the Spectra Energy pipeline. During the past year, other operators' drilling and development activity has significantly de-risked the Montney Formation adjacent to the western portion of the Corporation's Farrell Creek lands. Talisman Energy Inc. ("Talisman") recently moved its adjacent Montney shale play into commercial production and expects to be producing 40-60 mmcf/d by year end with an announced capital investment of \$550 million for their Montney Shale program in 2010. Talisman's horizontal wells to-date have been focused on the higher porosity mid to upper portion of the approximately 300 metre thick Montney Formation.

The lower portion of the Montney Formation consists of lower porosity shales on average but is believed to contain significant volumes of natural gas. In order to determine whether the lower portion of the Montney Formation could be an economic contributor to the overall productivity of the Montney Formation at Farrell Creek, Canbriam drilled, stimulated and performed a limited test of the lower Montney in a vertical well at the b-17-I/94-B-1 location. This successful test led to the drilling of a horizontal well in the lower portion of the Montney at c-A48-I/94-B-1 during the first quarter of 2010. Stimulation and testing of the horizontal well will commence in June 2010 following the removal of spring weight restrictions on roads in the Farrell Creek area (see News Release dated March 4, 2010).

The capital program for the balance of 2010 will include three horizontal wells targeting the upper portion of the Montney Formation at Farrell Creek and the construction of a gas processing facility. Two horizontal wells will be drilled and completed at the c-18-I/94-B-1 location and an additional horizontal leg will be drilled and completed from the c-A48-I well. The sweet gas facility is expected to be tied into the Spectra Energy pipeline and commissioned during the fourth quarter of 2010. The facility located near the b-17-I wellsite, will be expandable with an initial capacity of 10 to 20 mmcf/d. Three wells are expected to be flowing natural gas through this facility by year-end.

Canbriam has approved plans for capital investment of up to \$49.0 million (gross) to facilitate the Farrell Creek Montney program for 2010. CSRI's share of capital expenditures on the Montney joint venture in 2010 range from \$6.0 million to \$14.5 million conditional upon whether Canbriam exercises their option to increase their working interest from 65 percent to 70 percent in 2010. If Canbriam exercises this option, the Corporation will retain a 30 percent working interest in the Montney joint venture and will be carried through an additional \$21.0 million capital investment. The Montney joint venture development plans are expected to achieve a meaningful level of production, revenue and reserves by the end of 2010.

Gething Formation Joint Venture

On July 17, 2008 the Corporation announced that it had entered into a joint venture with Shell to advance the development of the identified unconventional natural gas resource in the Gething Formation on a combined total of approximately 150 contiguous sections or 96,000 acres located in the Farrell Creek area. Shell's \$50.0 million initial capital commitment included the acquisition of additional land, the drilling of five vertical wells and the construction of facilities to tie-in the Pilot Project. The pilot facility is scaleable and currently has a capacity of up to 1.1 mmcf/d.

The primary purpose of the Pilot Project is to optimize the completion and production techniques that would be used at the Farrell Creek Gething project in a commercial production situation. The pilot facility enables Shell to continuously test Gething wells without the need to flare gases into the atmosphere.

Seven Gething wells are currently tied into the pilot facility. Production for the period ended December 31, 2009 totaled approximately 12 mmcf generating gross revenues of approximately \$33,000. Under the terms of the Joint Venture Agreement, the revenues are used by the Operator to offset operating expenses. Prior to construction of the pilot facility, the Corporation produced a total of 86 mmcf of natural gas while testing eight Gething wells but was required to shut-in these wells due to regulatory flaring limitations.

Should Shell make a decision by mid year to move to the development stage following evaluation of the Pilot Project results to-date, the pooling of Shell and CSRI lands would create a combined project of approximately 150 sections (96,000 acres) of Gething rights (37 sections net to CSRI) and a commitment by Shell to carry CSRI through an additional capital investment. Shell will earn a 75 percent working interest in CSRI's approximately 55 sections and CSRI will receive a 25 percent working interest in Shell's approximately 95 sections. To date, Shell has fulfilled its initial \$50.0 million commitment and continues as Operator of the pilot project.

If Shell does not elect to proceed to the development stage in the Gething Formation, CSRI will retain a 100 percent working interest in its existing 55 sections of Gething lands and would also assume 100 percent ownership of the pilot facility, wells and infrastructure at no additional cost. CSRI also holds a right-of-first-refusal on Shell's 95 sections of Gething lands. With the strong current working capital position, the Corporation is adequately capitalized to continue operation of the Pilot Project in the event Shell elects not to proceed.

Confirmation of Discovered and Undiscovered Resource

Sproule, in their 2009 year-end report, estimated total gross discovered and undiscovered petroleum initially-in-place (resources) associated with the principal geological targets of the Corporation's two joint ventures at Farrell Creek. In the Gething, Moosebar and Gates Formations on the Corporation's lands at Farrell Creek, Sproule estimates the total gross discovered and undiscovered resources to be 1.8 trillion cubic feet of natural gas. Based on well data provided by the Corporation, Sproule estimated a range of 21 to 34 bcf per section in the Gething Formation and a range of 6 to 8 bcf per section in the Moosebar and Gates Formations.

In the Montney Formation, Sproule estimated total gross discovered and undiscovered resources to be 3.6 trillion cubic feet of natural gas on the Corporation's lands at Farrell Creek. This estimate was based on well data provided by the Corporation and using an industry standard 6% limestone porosity cutoff. Based on the Corporation's well evaluation work and to investigate the sensitivity of calculated gas-in-place volumes to the porosity cutoff applied to the well logs, the Corporation requested that Sproule calculate the in-place discovered and undiscovered resources using a 3% limestone porosity cutoff. Using this cutoff, total gross discovered and undiscovered resources were calculated to be 8.4 trillion cubic feet of natural gas on the Corporation's lands at Farrell Creek. On average, this provided a range of 77 (using a 6% cutoff) to 178 (using a 3% cutoff) bcf per section in the Montney Formation.

Additional Information:

The Corporation's financial statements, management's discussion and analysis of operations and financial condition ("MD&A") and annual information form ("AIF") have been filed on the System for Electronic Document Analysis and Retrieval ("SEDAR").

The AIF includes supplemental disclosure pursuant to National Instrument 51-101, Forms 51-101F1 and 51-101F3 including Other Oil and Gas Information.

A copy of the Financial Statements, MD&A and AIF as well as the Statements and Reports mandated by NI51-101 can be found for viewing through the Corporation's website at www.csri.ca and on www.sedar.com.

CSRI is a natural resources company focusing on the identification and development of opportunities in the unconventional gas sector of the energy industry. The mission of the Corporation is to develop 1 trillion cubic feet of natural gas from unconventional resource plays in western Canada. The Corporation is currently evaluating the productive capability of both its shallow Gething play and its deeper Montney play through joint ventures with two well-capitalized partners. Both of these plays are located on the Corporation's principal resource property at Farrell Creek, British Columbia.

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

"Don Gardner"

Chief Executive Officer & Secretary

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