



NEWS RELEASE

CANADIAN SPIRIT RESOURCES INC. ANNOUNCES CLOSING OF PRIVATE PLACEMENT

Calgary, AB June 25, 2010 – Canadian Spirit Resources Inc. (“CSRI” or the “Corporation”) (TSXVENTURE:SPI) (OTCBB:CSPUF) announces that the Corporation has placed 3.0 million flow-through shares (“Flow-through Shares”) at a price of C\$1.40 per share, for gross proceeds of C\$4.2 million pursuant to its private placement announced June 1, 2010. The placement of Flow-through Shares is expected to close on or about June 25, 2010 subject to TSX Venture Exchange final approval.

Net proceeds of this private placement will be used to fund the Corporation’s planned 2010 drilling program in the Montney Formation at Farrell Creek, British Columbia in conjunction with its joint venture partner Canbriam Energy BC Partnership. This program, which commenced in early June, includes the drilling of three horizontal wells targeting the upper portion of the Montney Formation and the fracture stimulation of a lower Montney horizontal well drilled in the first quarter of 2010. The Flow-through Shares issued pursuant to this private placement will entitle Canadian investors, subject to various income tax considerations, to certain Canadian income tax benefits based on the renunciation of Canadian Development Expenses by the Corporation.

All securities issued pursuant to this private placement are subject to a four month restricted resale period from the date of issue.

Finders’ fees of C\$186,618 in cash will be paid in respect of certain subscriptions excluding subscriptions by directors, officers and employees of CSRI. Don Gardner, CEO and Secretary and a director of the Corporation participated in this offering, by subscribing for 15,000 Flow-through Shares. The offering was approved by the Board of Directors of CSRI with Mr. Gardner abstaining from voting on such approval. The directors who voted determined that the exemptions from formal valuation and minority shareholder approval requirements of MI61-101, are available since the aggregate consideration paid by Mr. Gardner is reasonable and does not exceed 25% of the market capitalization of the Corporation and is less than \$2,500,000.

Upon closing of this private placement, there will be approximately 56.7 million shares of CSRI outstanding.

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 resource plays in western Canada.

Information regarding CSRI is available on SEDAR at www.sedar.com or the Corporation's website at www.csri.ca.

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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