



CANADIAN SPIRIT RESOURCES INC.

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CANADIAN SPIRIT RESOURCES PROVIDES CORPORATE UPDATE

Calgary, AB May 11, 2005 - Canadian Spirit Resources Inc. (“CSRI” or the “Company”) (SPI-TSX Venture) is pleased to announce that it has entered into a joint venture agreement dated April 27, 2005 with Lynden Ventures Ltd. (“Lynden”) (TSX-V: LVL.H) under which CSRI and Lynden have agreed to acquire, explore and develop petroleum and natural gas rights in an area of mutual interest covering four townships in central Alberta. Lynden’s participation is subject to TSX Venture Exchange approval. This joint venture will be focused on, but not limited to, coalbed methane (natural gas from coal or “NGC”) targets. Lynden, an Ontario company headquartered in Vancouver, will earn a 50% working interest in the joint venture lands by incurring expenditures of C\$2.5 million. CSRI will be paid a monthly management fee as operator under the joint venture.

The initial joint venture lands are comprised of three sections (1,920 acres) of land, currently held by CSRI in the form of P&NG leases, none of which has been drilled by CSRI. These lands are located in an area with known coal deposits and existing conventional natural gas production. CSRI has identified a number of NGC drilling locations with the initial four wells targeting a Horseshoe Canyon formation prospect. Subject to regulatory approvals and the closing of a planned private placement by Lynden, the first well is expected to be drilled this summer.

Commenting on the signing of the joint venture, Phil Geiger, President & COO stated “we believe the technical skills of the CSRI team combined with the financial capability of Lynden will result in enhanced value for the shareholders of both companies. We are looking forward to building a significant and profitable presence in central Alberta through the Lynden joint venture.”

The Lynden joint venture complements CSRI's principal focus which remains its Farrell Creek prospect located in northeast British Columbia. The Company anticipates that Government imposed road bans will be lifted by mid-June. At that time, the Company will immediately initiate its summer work program which includes:

- a) Stimulating and production testing a conventional tight gas sand in its second test hole;
- b) A staged stimulation and production testing of the Gething formation coals and interbedded sands in its third test hole; and
- c) Spudding of a dedicated shale gas test hole.

In order to minimize future access delays due to wet weather, immediately after road bans are lifted, CSRI will be gravelling the access roads to the test holes involved in the program. This will require approximately one week of hauling and grading prior to the commencement of the summer program.

Canadian Spirit Resources Inc. is a natural resources company focusing on the exploration and development of opportunities in the natural gas from coal ("NGC", also referred to as coalbed methane or "CBM") sector of the energy industry.

On behalf of the Board of Directors,
Canadian Spirit Resources Inc.

"Phil Geiger"

Phillip D.C. Geiger, President & COO

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