



CANADIAN SPIRIT RESOURCES INC.

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CANADIAN SPIRIT RESOURCES AMENDS PRIVATE PLACEMENT

Calgary, AB February 21, 2005 - Canadian Spirit Resources Inc. ("CSRI" or the "Company") (SPI-TSX Venture) announces that further to its press release of January 12, 2005 announcing a private placement of units, the Company has amended the offering price of its private placement and will close the issue based on the current level of subscriptions. Subject to TSX Venture Exchange approval, the Company anticipates closing the non-brokered private placement of 1.4 million units at a price of \$6.75 per Unit on March 4, 2005. Each Unit will consist of one Common share and one-half of one Share Purchase Warrant. Each full Warrant will entitle the holder to purchase an additional Common Share of the Company for one year at an exercise price of \$8.00 per share. A finder's fee of up to 5 percent of the gross proceeds of the placement is payable in cash.

Proceeds of the proposed private placement will be used to fund a portion of the Company's planned pilot production project and additional evaluation work at Farrell, in northeastern British Columbia and for general corporate purposes. Since October 2003, the Company has acquired a substantial land position and drilled three evaluation wells on its Farrell Creek prospect. Data from the first two test holes demonstrated sufficient resource-in-place to proceed with its business plan and preliminary data from the third test hole is consistent with early data from the initial two wells. The evaluation plan for this third test hole has been finalized and will proceed as soon as equipment is available. The principal risk facing the Company is the productive capability of the Gething formation coals at Farrell Creek. Further drilling and execution of the pilot production program will be required to determine the productive capability of this prospect and whether or not it is commercially viable.

This press release does not constitute an offer of securities for sale in the United States. Securities may not be offered or sold in the United States absent registration or an exemption from registration. Any public offering of the securities to be made in the United States will be made by means of a prospectus that may be obtained from the issuer and that will contain detailed information about the Company and management, as well as the financial statements.

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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