



NEWS RELEASE

CANADIAN SPIRIT RESOURCES INC. ANNOUNCES CLOSING OF PRIVATE PLACEMENT

Calgary, AB June 28, 2016 – Canadian Spirit Resources Inc. (“CSRI” or the “Corporation”) (TSXV:SPI) (OTCBB:CSPUF) is pleased to announce that it has closed its previously announced non-brokered private placement offering in two tranches. The private placement was comprised of a combination of 1,000,000 common shares of the Corporation issued on a flow-through basis pursuant to the *Income Tax Act* (“Flow-Through Shares”) at a price of \$0.10 per Flow-Through Share and 5,400,000 units of the Corporation (“Units”) at a price of \$0.10 per Unit. The Flow-Through Share portion of the offering closed on June 1, 2016, and the Unit portion of the offering closed on June 27, 2016.

The Flow-Through Shares issued pursuant to this placement entitle, subject to various income tax considerations, Canadian investors to a renunciation in 2016 of Canadian Exploration Expense expenditures to be made by CSRI up to December 31, 2017 equal to 100% of their total subscription amount.

Each Unit consists of one common share of the Corporation and one-half of one common share purchase warrant (“Warrants”). Each whole Warrant entitles the holder to purchase an additional common share of the Corporation for a period of one year at an exercise price of \$0.10 per share.

Finder’s fees of \$15,000 were paid in connection with the closings.

All securities issued pursuant to the offering are subject to a restricted resale period under Canadian securities laws until October 2, 2016 for the Flow-Through Shares and October 28, 2016 for the Units.

The offering was a related party transaction under *Multilateral Instrument 61 – 101 – Protection of Minority Security Holders in Special Transactions* (“MI 61-101”) as Richard Couillard, President and Chief Executive Officer of the Corporation and Elmag Investments Inc., an insider and control person of the Corporation purchased 200,000 and 3,000,000 Units, respectively. Following completion of the private placement, Richard Couillard owns 1,143,350 common shares of the Corporation or 0.75% of the outstanding common shares of the Corporation and Elmag Investments Inc. owns 55,764,500 common shares of the Corporation or 36.54% of the outstanding shares of the Corporation.

The offering was exempt from the formal valuation and minority shareholder vote requirements of MI 61 – 101 as the fair market value of the insider’s participation in the offering did not exceed 25% of the Corporation’s market capitalization. The offering was approved by a majority of the members of the Board of Directors of the Corporation who had determined that they would not participate in the offering.

The net proceeds of the offering are being used to gather reservoir information at the Corporation’s c-69-H/94-B-1 well that was drilled at Farrell Creek, British Columbia in the first quarter 2016, and for general corporate purposes.

At the c-69-H well, pressure recorders have been placed across three perforated zones in the Montney formation in order to determine reservoir pressure. Given the low porosity nature of the Montney, the recorders will be retrieved after a full 60 day build up period and analyzed at that time.

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

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.

"Richard Couillard"

President and Chief Executive Officer

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