



NEWS RELEASE

CANADIAN SPIRIT RESOURCES INC. ANNOUNCES MONTNEY FORMATION RESOURCE ASSESSMENT UPDATE

Calgary, AB May 2, 2017 – Canadian Spirit Resources Inc. (“CSRI” or the “Corporation”) (TSXV:SPI) (OTCBB:CSPUF) announces that it commissioned GLJ Petroleum Consultants (“GLJ”), an independent qualified reserve evaluator, to update the resource assessment in the Montney Formation at its Altares/Farrell Creek lands in northeastern British Columbia with respect to the Total Petroleum Initially-In-Place (“TPIIP”), Discovered Petroleum Initially-In-Place (“DPIIP”) and Undiscovered Petroleum Initially-In-Place (“UPIIP”) in accordance with the definitions, standards and procedures contained in the Canadian Oil and Gas Evaluation Handbook. The effective date of the report is December 31, 2016.

The availability of significantly greater well information as well as data on and adjacent to the Corporation’s Montney lands, including the 100% CSRI operated c-69-H/94-B-1 well that was drilled in the first quarter 2016, has increased the understanding of the petrophysical attributes of the Montney Formation in the Altares/ Farrell Creek area.

The application of these attributes and new evaluation methodologies has resulted in 9,044 Billion cubic feet (“Bcf”) or 9.0 Trillion cubic feet (“Tcf”) of TPIIP*, including 4,029 Bcf (4.0 Tcf) of DPIIP* and 5,015 Bcf (5.0 Tcf) of UPIIP**, of shale gas being recognized on the Corporation’s Montney lands. This represents a 62% increase in TPIIP available for exploitation and development as was previously recognized in the Farrell Creek Montney Resource Assessment conducted by GLJ effective February 29, 2012.

The Corporation believes that given the current natural gas price forecast and pipeline constraints, TPIIP, DPIIP and UPIIP are the most specific categories that it can assign to its resources.

Richard Couillard, President & Chief Executive Officer of CSRI commented: “In a very short period of time, industry has advanced its understanding of the Montney Formation, making it one of the premier shale gas plays in North America. The increase in the size of the resource on CSRI lands is a direct result of this effort and recognizes the tremendous potential available on the Corporation’s lands.”

* There is no certainty that it will be commercially viable to produce any portion of the resources.

** There is no certainty that any portion of the resources will be discovered. If discovered, there is no certainty that it will be commercially viable to produce any portion of the resources.

Definitions:

Resources encompasses all petroleum quantities that originally existed on or within the earth's crust in naturally occurring accumulations, including Discovered and Undiscovered (recoverable and unrecoverable) plus quantities already produced. "Total Resources" is equivalent to "Total Petroleum Initially-In-Place". Resources are classified in the following categories:

TPIIP is that quantity of petroleum that is estimated to exist originally in naturally occurring accumulations. It includes that quantity of petroleum that is estimated, as of a given date, to be contained in known accumulations, prior to production, plus those estimated quantities in accumulations yet to be discovered (equivalent to "Total Resources").

DPIIP is that quantity of petroleum that is estimated, as of a given date, to be contained in known accumulations prior to production. The recoverable portion of DPIIP includes production, reserves, and Contingent Resources; the remainder is unrecoverable.

UPIIP is that quantity of petroleum that is estimated, on a given date, to be contained in accumulations yet to be discovered. The recoverable portion of UPIIP is referred to as Prospective Resources and the remainder is unrecoverable.

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 & Chief Executive Officer

For further information, please contact:
Canadian Spirit Resources Inc.
Telephone (403) 539-5005
Richard Couillard (rich.couillard@csri.ca)

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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