



CANADIAN SPIRIT RESOURCES INC.

Suite 2610, 530 - 8th Avenue S.W., Calgary, AB T2P 3S8

Telephone: (403) 539-5005 Facsimile (403) 262-4177

Website: www.csri.ca

e-mail: info@csri.ca

**CANADIAN SPIRIT RESOURCES INC.
ANNOUNCES THIRD QUARTER 2005 FINANCIAL RESULTS**

Calgary, AB November 15, 2005 - Canadian Spirit Resources Inc. ("CSRI" or the "Company") ("SPI" TSX Venture) announces the release of its financial results and Management Discussion and Analysis for the three and nine month periods ended September 30, 2005.

CSRI is a natural resources company focusing on the identification and development opportunities in the unconventional gas sector of the energy industry. Since 2002, the mission of the Company has been to develop 1 Tcf of natural gas over a five year period from unconventional resource plays in western Canada. Within three years, the Company has identified several large resource plays, assembled a unique, high working interest land position in over 39,000 gross acres (of which 37,000 are located in British Columbia) and is currently evaluating the productive capability of its principal resource property.

Selected Financial Data (\$ CDN)

(for the nine month periods ended on or as at September 30)

	<u>2005</u>	<u>2004</u>
Total revenue	\$ 346,535	\$ 45,273
Net Loss	(2,309,227)	(1,209,150)
Net loss per share (basic & diluted)	(0.10)	(0.08)
Working capital	12,126,598	5,362,902
Total assets	32,830,851	18,712,409

(for the three month periods ended on September 30)

	<u>2005</u>	<u>2004</u>
Total revenue	\$ 217,952	\$ 19,235
Net Loss	(469,598)	(561,337)
Net loss per share (basic & diluted)	(0.02)	(0.03)

The Company had no operating revenue during the first nine months of 2005 or the comparative period during 2004 and recorded losses of \$0.5 million and \$2.3 million for the three and nine month periods ended September 30, 2005 (2004: \$0.6 million and \$1.2 million). Stock-based compensation expense was a very significant factor during the three and nine month periods ended September 30, 2005 representing \$448,559 and \$1,934,904 of the recorded losses in the respective periods (2004: \$382,752 million and \$701,253). Increased revenue was due to interest revenue on higher average cash balances and the recovery of management fees from a joint venture partner.

Cash administration expenses for the three and nine month periods of 2005, after the capitalization of costs directly related to exploration activity, were \$226,910 and \$691,069 respectively (2004: \$195,596 and \$547,112). Capitalized overhead was \$143,910 and \$427,541 in the same respective periods (2004: \$35,700 and \$107,100).

Non-cash expenses related to outstanding stock appreciation rights and stock options represented 84% of the reported before tax loss in the first nine months of 2005 compared to 58% of the before tax loss in the same period of 2004. The volatility of the Company's share price and additional stock option grants to employees and directors in late 2004 and early 2005 both contributed to the increase in reported stock-based compensation expense in 2005 relative to 2004.

Capital expenditures in the first nine months of 2005 were limited due to earlier than anticipated road bans and wet weather during the summer months in northeastern British Columbia. The capital program during the period consisted of exploration activities in the amount of \$2,637,401; land acquisition and retention related activities of \$2,207,650; capitalized overhead of \$406,848; and \$67,745 for computers and office equipment. During the comparable period in 2004, the Company expended \$1,054,161 for exploration activities; \$9,976,171 for the acquisition and retention of undeveloped land; \$107,100 on capitalized overhead; and \$3,336 for computers and office equipment. The Company has an aggressive capital budget planned for the fourth quarter of 2005 and expects to spend approximately \$3.3 million on capital projects primarily in the Farrell Creek area of British Columbia during this period. The Company has sufficient funds to cover net administration costs and the capital forecast for the balance of 2005 with funds available to carry over into 2006 or to pursue a more aggressive 2005 capital budget.

The Company has long term financial liabilities of \$1,309,783 at September 30, 2005 which were principally the accrued contingent liability for cash payments to key employees pursuant to stock appreciation rights granted in 2003. Payments under these SARs agreements are conditional upon the achievement of specified production targets or profit thresholds. The balance of this figure represents the provision for asset retirement obligations of the Company.

Additional Information

Financial statements and management's discussion and analysis of operations and financial conditions can be found on SEDAR at www.sedar.com.

On behalf of the Board of Directors,
CANADIAN SPIRIT RESOURCES INC.

"Phil Geiger"

Phillip D.C. Geiger, President & COO

For further information, please contact:

Canadian Spirit Resources Inc.

Telephone (403) 539-5005 Facsimile (403) 262-4177

Phil Geiger (phil.geiger@csri.ca) or Don Gardner (don.gardner@csri.ca)

The corporate information contained in this news release contains 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.