

***SPIRIT*ENERGY CORP.**

Suite 1220, Calgary Place One, 330 – 5th Avenue S.W., Calgary, AB T2P 0L4

Telephone (403) 539-5005

Facsimile (403) 265-8395

Website: www.spiritenergy.ca

E-mail: info@spiritenergy.ca

SPIRIT ENERGY CORP. ANNOUNCES FIRST QUARTER 2004 FINANCIAL RESULTS

Calgary, AB May 31, 2004 - Spirit Energy Corp. (“Spirit” or the “Company”) (SPI-TSX Venture) announces its first quarter 2004 financial results. The Company’s activities are currently in the land assembly stage in its principal areas of interest through crown land sales, farm-ins and potential joint ventures. The Company had no operating revenue during the first quarter of 2004 or the comparative period and recorded a net loss of \$264,063 (\$0.02 per share) during the period compared to a net loss of \$165,997 (\$0.04 per share) during the first quarter of 2003.

Capital expenditures this period were \$1,824,911 for land acquisition and exploration compared to \$10,200 in the prior year period.

Staff and administrative expenses before non-cash items in the three months ended March 31, 2004 were \$136,175 compared to \$136,696 in the first quarter of 2003. Overhead directly related to exploration activities was capitalized in the amounts of \$35,700 and \$10,200 during the respective periods. Due to stock options granted to senior management during the quarter and to the relatively high volatility of the Company’s share price, the Company recorded stock-based compensation expense during the 2004 quarter of \$139,448 compared to \$28,660 a year ago.

The Company’s working capital position at March 31, 2004 was \$701,268 and has improved since that time as a result of a \$2,000,000 private placement which closed on April 30, 2004. In addition, a private placement of Units to raise \$6.1 million announced on May 5, 2004 is fully subscribed and will close subject to approval of the TSX Venture Exchange.

The Company’s unaudited interim financial statements and management discussion and analysis of financial conditions and results of operations for the three months ended March 31, 2004 have been filed on SEDAR at www.sedar.com.

Spirit Energy Corp. 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,
Spirit Energy Corp.

“Phil Geiger”

Phillip D.C. Geiger
President & COO

For further information, please contact Spirit Energy Corp.
Telephone (403) 539-5005 Facsimile (403) 265-8395

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