



CANADIAN SPIRIT RESOURCES INC.

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## **CANADIAN SPIRIT RESOURCES INC. INCREASES LAND POSITION**

Calgary, AB July 30, 2004 - Canadian Spirit Resources Inc. (“CSRI” or the “Company”) (SPI-TSX Venture) announces that it was successful in acquiring additional petroleum and natural gas mineral leases at a recent crown land sale. Fourteen sections were acquired by the Company. This acquisition completes the assembly of a contiguous block of approximately 30 sections, critical to the scope of a natural gas from coal resource play. The Company now holds a 100 percent working interest in 46 sections in its principal areas of interest. Land acquisition costs to-date total \$10.9 million.

With reference to the Company’s “Corporate Update” news release dated June 29, 2004, CSRI will shift its focus to the implementation of a pilot project in order to determine the productive capability of the coal resources acquired to-date. This phase of evaluation is expected to commence in the fourth quarter of 2004.

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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