



NEWS RELEASE

CANADIAN SPIRIT RESOURCES INC. AMENDS PRIVATE PLACEMENTS

Calgary, AB July 5, 2007 – Canadian Spirit Resources Inc. (“CSRI” or the “Company”) (“SPI” TSX Venture) announces that further to its news release of June 13, 2007 announcing concurrent, non-brokered private placements of units (the “Units”) and flow-through shares (the “Flow-through Shares”), the Company proposes to increase the maximum number of Units offered under this private placement subject to TSX Venture Exchange approval. The Company proposes to issue up to a maximum of 3.1 million Units and up to a maximum of 1.0 million Flow-through Shares provided that the combined total number of Units and Flow-through Shares shall not exceed 3.5 million Units and Flow-through Shares.

The placement of up to 3.1 million Units are offered at a price of C\$1.00 per Unit. Each Unit will consist of one Common Share and one-half of one Share Purchase Warrant (the “Warrants”). Each whole Warrant will entitle the holder to purchase an additional Common Share of the Company for one year at an exercise price of C\$1.10 per share.

The placement of up to 1.0 million Flow-through Shares are offered at a price of C\$1.10 per share. The Flow-through Shares issued pursuant to this placement will entitle, subject to various income tax considerations, Canadian investors to certain tax benefits. The deductions to be renounced to purchasers of the Flow-through Shares will be Canadian Development Expenses.

Investors may subscribe for Units or Flow-through Shares or both. The Company may pay a finder’s fee of up to 6 percent in cash, excluding subscriptions by directors, officers or employees of the Company.

All the securities issued pursuant to the private placements will be subject to a four month restricted resale period.

Proceeds of the proposed private placements will be used to complete the first phase of the Company’s pilot production project at Farrell Creek, British Columbia and for general corporate purposes.

This news release does not constitute an offer of securities for sale in the United States. Securities may not be offered or sold in the United States absent registration or an exemption from registration. Any public offering of the securities to be made in the United States will be made by means of a prospectus that may be obtained from the issuer and that will contain detailed information about the Company and management, as well as the financial statements.

CSRI is a natural resources company focusing on the identification and development of opportunities in the unconventional gas sector of the energy industry. The mission of the Company is to develop 1 tcf of natural gas from unconventional resource plays in western Canada. Within four years, the Company has identified a 1.8 tcf resource play, assembled a unique, high working interest land position in over 42,000 gross acres (of which 40,000 are located in British Columbia) and is currently evaluating the productive capability of its principal resource property at Farrell Creek, British Columbia.

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

"Phil Geiger"

Phillip D.C. Geiger, President & Chief Operating Officer

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OTC Bulletin Board Symbol (Foreign) "CSPUF"

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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