



CANADIAN SPIRIT RESOURCES INC.

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CANADIAN SPIRIT RESOURCES INC.
ANNOUNCES FLOW-THROUGH PRIVATE PLACEMENT

Calgary, AB December 6, 2004 - Canadian Spirit Resources Inc. ("CSRI" or the "Company") (SPI-TSX Venture) announces that it is proposing to undertake, subject to TSX Venture Exchange approval, a non-brokered private placement (the "Placement") of up to 160,000 flow-through shares at \$6.25 per share. A finder's fee of six percent is payable in cash, excluding subscriptions by directors, officers of employees of the Company.

The shares issued pursuant to this Placement will be flow-through shares eligible for certain tax benefits and subject to other tax considerations for Canadian investors.

Proceeds of the proposed Placement will be used during 2005 to fund the drilling of natural gas from coal wells and related expenditures on lands held by the Company. Since October 2003, the Company has acquired a substantial land position and drilled two evaluation wells on its Farrell Creek prospect which demonstrated sufficient resource-in-place to proceed with its business plan. The principal risk facing the Company is the productive capability of the Gething formation coals at Farrell Creek. Further drilling and execution of the pilot production program will be required to determine the productive capability of this prospect and whether or not it is commercially viable.

This press 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.

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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