



NEWS RELEASE

CANADIAN SPIRIT RESOURCES INC. ANNOUNCES 2007 FINANCIAL RESULTS AND FILING OF ANNUAL DISCLOSURE DOCUMENTS

Calgary, AB April 29, 2008 – Canadian Spirit Resources Inc. (“CSRI” or the “Company”) (TSXVENTURE:SPI) (OTCBB:CSPUF) announces the release of its financial results and the filing of the Financial Statements, Management Discussion and Analysis and Annual Information Form for the year ended December 31, 2007.

Operational Highlights:

- Concluded joint venture to evaluate Montney Formation and other deep rights at Farrell Creek, B.C.
- Work commenced on connection of pilot project to gas sales pipeline
- British Columbia proceeding with 2% Net Profit Royalty Program
- Gross discovered resource at Farrell Creek confirmed at 1.8 tcf
- Land arrangement will increase Gething Formation lands by 2,500 acres

Selected Financial Data (\$CDN)

For the years ended or as at December 31	2007	2006
Total revenues	\$ 90,522	\$ 277,305
Net loss after income taxes	\$ (875,564)	\$ (1,075,215)
Net loss per share (basic & diluted)	\$ (0.03)	\$ (0.04)
Total current assets	\$ 1,205,479	\$ 3,455,043
Total assets	\$ 38,748,627	\$ 36,249,029
Total current liabilities	\$ 872,444	\$ 857,202
Total long term liabilities	\$ 198,685	\$ 692,650

The Company had no operating revenue during 2007 and 2006 but recorded interest revenue from the holding of cash balances. The decrease in interest revenue in 2007 was due to lower average cash balances during the year compared to the prior year. The net loss of \$0.9 million in 2007 was 18 percent lower than the net loss of \$1.1 million in 2006 due to a concentrated effort by the Company in 2007 to control consulting fees and general administration costs. In addition, the Company booked a net recovery for stock-based compensation.

Total non-cash expenses related to outstanding stock appreciation rights and stock options resulted in a net recovery to the Company in 2007 of \$0.2 million. Amounts expensed for stock appreciation rights in prior periods were partially recaptured due to lower share prices in 2007 which more than offset current compensation expense associated with newly granted and existing stock options.

Capital expenditures on exploration and development activities during 2007 totalled \$4.8 million (2006: \$10.5 million). Field activities at Farrell Creek, B.C. in 2007 included the enhancement and optimization of completion techniques, augmented by a number of workovers and fracture stimulations of existing wells during the year. The Company did not drill any new wells in 2007, but did fracture stimulate and commence the production testing of the d-093 well, the fifth well in the Farrell Creek pilot project. Included in capital expenditures for 2007 are capitalized overhead costs of \$0.6 million (2006: \$0.6 million) relating to exploration staff salaries, consulting fees and other administrative costs directly attributable to field activities. There were no land additions in 2007 however the Company expended \$84,457 (2006: \$44,628) on land retention.

At December 31, 2007, the Company had a cash balance of \$1.1 million and working capital of \$0.3 million compared to \$3.2 million and \$2.6 million respectively at December 31, 2006. Of cash used during 2007, \$1.0 million or 18 percent of the total was associated with administrative activities while \$4.6 million or 72 percent was expended on exploration and development related activities. A private placement in February 2008 raised \$5.3 million net of expenses. The Company's focus for its current base capital program is the tie-in of the Farrell Creek pilot project scheduled for completion by the third quarter of 2008 at a total estimated cost of \$4.5 million.

Current liabilities are comprised of trade accounts payable balances and accrued capital and operating liabilities as at December 31, 2007 related to the Company's field activities at Farrell Creek towards the end of the year. Long-term financial liabilities of \$0.2 million at December 31, 2007 represent the present value of the Company's asset retirement obligation, discounted from the total future liability of \$1.0 million associated with the Company's land base.

Operations Update:

2007 Activity

In 2007 the Company focused on the enhancement and further development of its substantial land base of approximately 60 sections in the Farrell Creek pilot project area of northeastern British Columbia.

During the year, the Company conducted an active \$4.8 million capital program that included workovers, the fracture stimulation of the d-093 well, and production testing of four of the initial five wells in the Farrell Creek pilot project. All wells in the pilot project except d-093 have reached their regulatory flaring limit and are currently shut-in pending construction of a facility and subsequent connection to the Spectra Energy pipeline. The d-093 well continues to be de-watered and production tested. Cumulative natural gas production from the pilot project to date is approaching 80 million cubic feet. A sixth well in the pilot project, b-091 was drilled and cased in February 2008. This well will be fracture stimulated and placed on production in conjunction with the completion of the Spectra Energy pipeline connection.

Montney Formation Joint Venture

In March 2008, the Company concluded a joint venture and farmout agreement with a private energy company based in Calgary (the "Joint Venture Partner"). This arrangement covering over 25,000 net acres of deep rights in formations below the top of the Fernie Group (the "Deep Rights Lands") will result in the evaluation of the Company's Montney Formation and other deep rights in the Farrell Creek area. Activity will commence immediately following regulatory approval and the appointment of the Joint Venture Partner as operator.

Pursuant to the Agreement, the Joint Venture Partner will earn a 65 percent working interest in the Deep Rights Lands by drilling two commitment wells to a minimum Montney Formation depth (the "Earning Wells"). CSRI will retain a 35 percent working interest. The Agreement also provides for a credit to be applied against CSRI's share of future costs which could result in CSRI having no capital obligations through the initial \$29 million of gross expenditures including the Earning Wells.

The Joint Venture Partner has an option to increase its working interest in the Deep Rights Lands to 70 percent by increasing the CSRI credit amount.

The Agreement also creates an area of mutual interest governing the relationship between the Company and the Joint Venture Partner regarding any future acquired lands.

The Company is also pursuing a similar type of joint venture covering its shallow rights to the base of the Cadomin/Nikanassin Formation.

Connection to Sales Pipeline

In 2007, the Company began the preliminary engineering and approval process to enable the connection of the Farrell Creek pilot project to the Spectra Energy sales pipeline. Upon the successful raising of \$5.3 million (net of expenses) in February 2008, the Company began ordering equipment necessary for the processing, transportation and compression of natural gas to the Spectra pipeline. This \$4.0 million capital program is expected to be completed by the third quarter of 2008 and will enable the Company to achieve its first sales of natural gas. Equally important, it will allow the Company to continue with further production testing and optimization of its pilot project while eliminating the need to flare natural gas. Landowner and Spectra Energy approvals have been obtained.

Confirmation of Discovered Resources

In a letter dated April 11, 2008, Sproule Associates Limited confirmed their earlier estimate of total gross discovered resources in the Gething and Moosebar Gates Formations on Company interest lands at 1.8 tcf raw gas-in-place (see News Release dated May 8, 2007) as at December 31, 2007.

Net Profit Royalty Program

In July 2007, the Government of British Columbia announced a Net Profit Royalty Program to primarily encourage development of unconventional gas (coalbed, shale and tight sand gas) or remote conventional gas resources in the province. This program, with a 2% initial royalty and both past and future capital recovery features, will significantly enhance the economic threshold of unconventional natural gas projects such as Farrell Creek and is expected to result in accelerated capital investment in the province. Applications for approval under this program are expected to be accepted beginning in the summer of 2008. The Company believes that the Farrell Creek project will qualify under this program.

Land Arrangement to Increase Gething Rights

In the fourth quarter of 2007, the Company concluded an arrangement with a third party pursuant to which the Company may earn a 100 percent working interest in approximately 2,500 acres of shallow rights to the base of the Cadomin/Nikanassin Formation subject to a 5 percent gross overriding royalty. To earn and retain these additional shallow rights, the Company must drill a well on these lands by October 2008.

Planned Capital Program

In conjunction with and in addition to the connection of the Farrell Creek pilot project to the Spectra Energy pipeline, the Company plans to fracture stimulate and tie-in the b-091 well; perform workover operations on existing wells; drill additional vertical wells into the Gething Formation including a retention commitment well; possibly drill at least one horizontal or directional well; and drill and equip a water disposal well subject to regulatory approval. Additional financing or the achievement of a joint venture arrangement will be required to fund this additional program.

Additional Information:

The Company's financial statements, management's discussion and analysis of operations and financial condition ("MD&A") and annual information form ("AIF") have been filed on the System for Electronic Document Analysis and Retrieval ("SEDAR").

The AIF contains the supplemental disclosure, including available reserves information, as mandated by Canadian Securities Administrators National Instrument 51-101 s.2.1 including the Statements and Reports required by Forms 51-101F1 and 51-101F3.

A copy of the Financial Statements, MD&A and AIF as well as the Statements and Reports mandated by NI51-101 can be found for viewing through the Company's website at www.csri.ca and on www.sedar.com.

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. The Company has identified a 1.8 tcf discovered resource play (see News Release dated May 8, 2007), assembled a unique, 100 percent working interest land position in approximately 40,000 gross acres in northeast 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.

"Don Gardner"

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