



NEWS RELEASE

CANADIAN SPIRIT RESOURCES INC. ANNOUNCES FIRST QUARTER 2017 FINANCIAL RESULTS

Calgary, AB May 29, 2017 – Canadian Spirit Resources Inc. (“CSRI” or the “Corporation”) (TSXV:SPI) (OTCBB:CSPUF) announces the release of its interim financial results and Management Discussion and Analysis (“MD&A”) for the three month period ended March 31, 2017.

This news release summarizes information contained in the unaudited interim condensed financials statements and MD&A for the three month period ended March 31, 2017 and should not be considered a substitute for reading these full disclosure documents which are available on SEDAR at www.sedar.com or the Corporation’s website at www.csri.ca.

CSRI is a natural resources company focused on the identification and development of opportunities in the unconventional natural gas sector of the energy industry.

SELECTED FINANCIAL DATA

(all amounts are presented in Canadian dollars, unless otherwise indicated)

	For the three month periods ended March 31,	
	2017	2016
Average sales volumes of natural gas (Mcf/d)	738	635
Average sales price of natural gas (per Mcf)	\$ 2.48	\$ 1.41
Natural gas sales, before royalties	\$ 164,102	\$ 83,978
Operating netbacks, after royalty credits applied	\$ 88,230	\$ (19,804)
Net cash flows from operating activities	\$ (103,544)	\$ (407,319)
Net loss and comprehensive loss	\$ (300,508)	\$ (141,749)
Loss per share, basic & diluted	\$ (0.00)	\$ (0.00)
Net capital expenditures	\$ 44,767	\$ 3,096,250
	As at March 31,	
	2017	2016
Net working capital	\$ 816,678	\$ 1,232,078
Total assets	\$ 45,020,752	\$ 75,649,021
Total debt	\$ -	\$ -
Shareholders' capital	\$ 42,689,225	\$ 71,771,628
Number of common shares outstanding	156,758,860	146,192,192

HIGHLIGHTS

- CSRI ended the first quarter 2017 with positive working capital and no debt.
- A resource assessment, prepared as at December 31, 2016 by GLJ Petroleum Consultants, an independent qualified reserves evaluator, of the Montney Formation on the Corporation’s Farrell Creek/Altares lands in northeastern British Columbia resulted in 9,044 Bcf (9.0 Tcf) of

Total Petroleum Initially-In-Place (“TPIIP”) of shale gas being recognized on the Corporation’s Montney lands. This represents a 62% increase in TPIIP available for exploitation and development as was previously recognized in a February 2012 assessment.

- On October 27, 2016, the Corporation announced the engagement of Peters & Co. Limited as financial advisors to assist in its review of strategic alternatives to maximize the value of its Montney Formation resource base at Attachie and Farrell Creek/Altares. The process began in the first quarter 2017 and is presently underway.

Information regarding CSRI is available on SEDAR at www.sedar.com or the Corporation’s website at www.csri.ca.

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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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