



NEWS RELEASE

CANADIAN SPIRIT RESOURCES INC. ANNOUNCES THIRD QUARTER 2018 FINANCIAL RESULTS AND GRANT OF STOCK OPTION

Calgary, AB November 29, 2018 – 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 and nine month periods ended September 30, 2018. In addition, CSRI announces that it has granted, effective November 28, 2018, options to acquire 300,000 common shares of the Corporation in accordance with the terms and conditions of the Corporation’s Stock Option Plan.

THIRD QUARTER

This news release summarizes information contained in the unaudited interim condensed financial statements and MD&A for the three and nine month periods ended September 30, 2018 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 Montney Formation resource play in northeastern British Columbia.

Selected Financial Data

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

	For the three month period ended September 30,		For the nine month period ended September 30,	
	2018	2017	2018	2017
Average sales volumes of natural gas (Mcf/d)	- ⁽¹⁾	640	541 ⁽¹⁾	662
Average sales price of natural gas (per Mcf)	\$ -	\$ 0.93	\$ 1.77	\$ 1.95
Natural gas sales, before royalties	\$ -	\$ 55,070	\$ 114,749	\$ 351,417
Operating netbacks, after royalty credits applied	\$ (21,746)	\$ (19,143)	\$ (53,294)	\$ 106,296
Net cash flows from operating activities	\$ (243,094)	\$ (169,798)	\$ (735,931)	\$ (469,793)
Net loss and comprehensive loss	\$ (388,796)	\$ (481,714)	\$ (1,041,064)	\$ (1,129,983)
Loss per share, basic & diluted	\$ (0.00)	\$ (0.01)	\$ (0.01)	\$ (0.01)
Net capital expenditures	\$ 156,258	\$ 66,666	\$ 486,333	\$ 405,379
			As at September 30,	
			2018	2017
Net working capital			\$ 816,124	\$ 731,681
Total assets			\$ 44,939,418	\$ 45,115,433
Total debt			\$ -	\$ -
Shareholders' capital			\$ 42,618,302	\$ 42,283,879
Number of common shares outstanding			177,494,004	159,458,860

Note:

1. Production was shut-in by the Corporation’s joint venture partner effective May 1, 2018. The year-to-date average sales volume is the average for the days on which there was production (120 days) and is not averaged over the period.

The Corporation’s production remains shut-in. The Corporation and the joint venture partners will continue to monitor natural gas prices for the optimal time to return the field to production. Information regarding CSRI is available on SEDAR at www.sedar.com or the Corporation’s website at www.csri.ca.

STOCK OPTION GRANT

The Corporation granted the newly appointed VP Finance & CFO options to purchase a total of 300,000 common shares as incentive compensation. The options granted to vest as to one-quarter immediately, with one-quarter vesting on each of the dates six months, 12 months and 18 months subsequent to the effective date. All the options have a term of five years and may be exercised at a price of \$0.10 per share. The grant of options will result in a total of 7,798,000 options outstanding at a weighted average exercise price of \$0.20 per share, and will represent 4.0 percent of the total common shares currently outstanding.

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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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