



## **KROES ENERGY INC. ANNOUNCES THREE FOLD INCREASE IN PRODUCTION**

Calgary, November 28, 2008. Kroes Energy Inc (“Kroes”). ( KRS- TSXV) today announced that its nine month production averaged 101 barrels of oil equivalent per day (boe/d) compared to 36 boe/d for the same period in 2007. Production in the third quarter averaged 127 boe/d compared to 39 boe/d in the third quarter of 2007. For the year to date, Kroes recorded cash flow of \$446,129, a significant improvement from negative cash flow of \$176,340 for the same period in 2007. A net loss of \$336,435 was incurred compared to a loss of \$623,500 in the prior year. The improvement in financial results reflects the rapid growth of production and revenue from the shallow gas program in central Alberta and revenue from a successful gas well drilled on newly-acquired Vecta Energy Corporation lands.

Kroes has participated in the drilling of 8 wells so far this year with four of the wells coming on stream in the third quarter, three additional wells expected to be on stream in the fourth quarter and one dry hole. When all are connected Kroes will hold interests in 14 producing shallow gas wells and one Foothills well. One more shallow gas well is expected to be drilled in the fourth quarter and a Foothills gas well that was drilled in October will be put on steam early in 2009.

The 15-11 Brewster foothills well began producing from the Belly River formation in July and averaged 1.8 mmcf/d for the first two full months it was on stream. Kroes has a 13.125% interest in the well and its share of gas and liquids production in the third quarter was 48 boe/d. The 8-22 Brewster well was drilled and cased in October and Kroes has a 7.5% interest. The well has several Belly River sands including one with 15 meters overall and indicated net pay of more than 5 meters, and with greater than 15% porosity. This well will be tested and put on stream early in 2009 when pipeline facilities are completed.

Kroes has 2,748 net acres of prospective land in the Brewster area where industry exploration in 2008 is expected to be very active. It also has 1,104 net acres at Gilby where extensive seismic coverage indicates considerable promise and has 3,000 net acres having potential for shallow gas in central Alberta.

*BOE's may be misleading, particularly if used in isolation. A BOE conversion ratio of 6MCF:1Bbl is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead.*

**FORWARD-LOOKING STATEMENTS**

*This disclosure contains certain forward-looking estimates that involve substantial known and unknown risks and uncertainties, certain of which are beyond Kroes' control, including: the impact of general economic conditions in the areas in which the Company operates, industry conditions, changes in laws and regulations including the adoption of new environmental laws and regulations and changes in how they are interpreted and enforced, increased competition, the lack of availability of qualified personnel or management, fluctuations in commodity prices, foreign exchange or interest rates, stock market volatility and obtaining required approvals of regulatory authorities. In addition, there are risks and uncertainties associated with oil and gas operations; therefore, Kroes' actual results, performance or achievement could differ materially from those expressed in, or implied by, these forward-looking estimates and, accordingly, no assurances can be given that any of the events anticipated by the forward-looking estimates will transpire or occur, or if any of them do so, what benefits, including the amounts of proceeds, that Kroes will derive from that.*

***FOR FURTHER INFORMATION PLEASE CONTACT THE COMPANY:***

***KROES ENERGY INC.***

Stewart Gossen, Vice President

Tel: (403) 265-7711

Email: [sgossen@kroesenergy.com](mailto:sgossen@kroesenergy.com)

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