



15 Toronto Street, Suite 600  
Toronto, Ontario M5C 2E3  
Tel: 416-368-3332  
Fax: 416-368-8957  
E-mail: [info@unitedreef.com](mailto:info@unitedreef.com)

Shares Issued: 52,902,453  
Fully Diluted: 62,124,953

Toronto, Ontario  
June 27, 2005

## **PRESS RELEASE**

### **UNITED REEF AMENDS CDN \$5 MILLION FINANCING TERMS**

United Reef Limited (URP-TSX-V, URPL-CNQ) announced that after consultation with potential institutional investors and the Company's agent, Credifinance Securities Limited (the "Agent"), the Company has decided to re-price the Units in the proposed private placement announced on June 9, 2005 (see press release dated June 9, 2005). Under the amended pricing terms United Reef proposes to raise gross proceeds of Cdn \$5 million through a brokered private placement of 33,333,333 Units at Cdn \$0.15 per Unit. Each Unit will consist of one common share and one-half of one common share purchase warrant. One whole common share purchase warrant will entitle the holder to purchase one additional common share of United Reef at a price of Cdn \$0.20 for a period of two years following closing of the financing.

In consideration for the services of the Agent in selling the brokered private placement, United Reef will pay a commission in the amount of 8% of the gross proceeds from the sale of the Units. In addition, the Agent will receive compensation warrants equal to 8% of the total number of Units sold. Each compensation warrant will entitle the holder to purchase one Unit of United Reef at a price of Cdn \$0.15 for a period of two years following closing of the financing.

The net proceeds of the private placement will be used to fund United Reef's 50% share of the estimated costs of a proposed new 2D-seismic program in the Central African Republic ("CAR") and for general corporate purposes. The financing is subject to TSX Venture Exchange approval.

United Reef has the right to earn a 25% interest in a 55,504 km<sup>2</sup> oil & gas exploration permit (the "RSM Permit") and related operating agreement in the CAR from RSM Production Corporation ("RSM"). RSM is a private Denver-based oil & gas exploration and production company. Planning for the new 2,000 km 2D-seismic program with an expected commencement in October of this year has begun.

United Reef continues to be very encouraged by the results of our independent technical due diligence of the existing technical database for the RSM Permit as reported in a National Instrument 51-101 compliant report (see press release dated January 31, 2005). United Reef has identified 15 defined drillable prospects and numerous leads within the permit based on a review of approximately 4,000 kms of existing 2D-seismic data and logs for the sole well on the permit area. The prospects range in size from 200 to 6,500 hectares with reservoir thicknesses ranging from 60 metres to greater than 300 metres.

The RSM Permit covers extensive portions of the Salamat and Doseo Basins in northern CAR. These basins are part of the West and Central African Rift System (WCARS), which extends across the African continent from Nigeria to Kenya. Several producing projects in nearby

WCARS basins have already been developed. The nearest production, an Exxon-led Doba Basin project in southern Chad, approximately 300 kilometres west of the RSM Permit, began in mid-2003. Production from this project is estimated at over 1 billion barrels of crude oil over its 25-30 year life. In Sudan, the Greater Nile Petroleum Operating Company Limited project in the Muglad Basin (approximately 600 kms east of the RSM Permit) is also reported to have oil reserves of +1 billion-barrels. Both the Doba and Muglad Basin projects currently produce at a rate in excess of 200,000 barrels per day.

**NOT FOR DISTRIBUTION TO U.S. WIRE SERVICES OR DISSEMINATION IN THE U.S.**

The securities offered have not been registered under the U.S. Securities Act of 1933, as amended, and may not be offered or sold in the United States absent registration or an available exemption from the registration requirements. This press release shall not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of the securities in any State in which such offer, solicitation or sale would be unlawful.

For further information please visit our website at [www.unitedreef.com](http://www.unitedreef.com) or contact Michael Coulter, President, at 416-368-3332 or email: [info@unitedreef.com](mailto:info@unitedreef.com).

*The TSX Venture Exchange does not accept responsibility for the adequacy or accuracy of this release.*