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Shares issued: 64,060,287
Fully diluted: 75,292,645

Toronto, Ontario
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PRESS RELEASE

GENERAL REEF SIGNS CONDITIONAL LETTER OF INTENT

United Reef Limited (URP-TSX-V, URPL-CNQ) (“the “Company”) announces that General Reef Corporation (“General Reef”) has advised the Company that it has entered into a conditional Letter of Intent (the “LOI”) with a Canadian oil and gas producer (the “Farmor”) for certain farmin rights on 40.6 sections (approximately 10,518 hectares) of freehold petroleum and natural gas rights in the Warner area of southern Alberta. General Reef’s farmin arrangement resulted from negotiation with the Farmor following an offer to farmout a large package of fee lands in southern Alberta in January of this year. The Company presently owns 5% of General Reef and has the right to increase its ownership in General Reef as described below.

The LOI provides for the execution of a formal farmout agreement (the “Farmout Agreement”) between the Farmor and General Reef and receipt of the Farmor’s senior management approval. Investors are therefore cautioned that until such time as a formal agreement has been executed and all requisite approvals have been given to the transaction there can be no assurance that the transaction will be completed.

General Reef has advised the Company that the Farmout Agreement will be effective as of May 1, 2007 and that General Reef’s right to earn working interests thereunder will expire, if not fully exercised, on December 31, 2009. The Farmout Agreement will require General Reef to drill a minimum of 10 new wells in the first year and to evaluate a minimum of four suspended wells in the same time frame to meet its initial commitment. In addition, General Reef will be required to evaluate five additional suspended wells during the second year of the Farmout Agreement. Each completed drilling operation or re-entry will earn General Reef a 100% working interest in at least one section of land, which will be subject to a combination of Lessor and Farmor royalties payable to the Farmor. As General Reef meets its commitments, described above, it has the option to drill additional wells to earn the remaining unearned petroleum rights over the 10,518 ha.

Existing gas and oil production from offsetting land is primarily from the Bow Island Formation and the Barons Formation. The area has stacked pay potential with oil and gas shows in multiple zones including the Belly River/Milk River Formation, Alberta Group, Barons Formation, Bow Island Formation, Mannville Group, and the deeper Turner Valley Formation.

General Reef is a private company with offices in Calgary, Alberta and was formed pursuant to an agreement between General Gas Corporation (“General Gas”), a private Alberta company, and the Company for the purpose of acquiring, exploring and developing oil and gas properties in North America (see press releases dated November 16, 2006 and March 30, 2007). General Gas was founded by Douglas

Brown (P.Eng), Ron Hutzal (P.Eng) and Paul MacKay (P.Geol, P.Geoph). General Reef is managed by Messers, Brown, Hutzal and MacKay. The Company has an option to increase its ownership interest in General Reef to 85% by making further capital contributions through subscriptions for additional shares of General Reef. General Reef's management is continuing to develop their portfolio of oil and gas prospects and advance negotiation of other farmin arrangements.

For further information about United Reef please visit our website at www.unitedreef.com or contact Michael Coulter, President, at 416-368-3332 or email: info@unitedreef.com.

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