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Shares issued: 65,960,980  
Fully diluted: 72,035,980

Toronto, Ontario  
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## **PRESS RELEASE**

### **UNITED REEF OPTIONS MCFauld's LAKE PROPERTY IN THE JAMES BAY LOWLANDS, ONTARIO AND NEGOTIATES \$300,000 PRIVATE PLACEMENT**

United Reef Limited (URP-TSX-V, URPL-CNQ) ("United Reef") is pleased to announce that it has entered into a definitive option agreement (the "Agreement") to acquire a 50% interest in five unpatented mining claims, consisting of 70 claim units which cover approximately 1,120 ha (11.2 km<sup>2</sup>) (the "McFauld's Lake Claims") in the McFauld's Lake area of the James Bay Lowlands, northwestern Ontario. The McFauld's Lake Claims are presently owned by Canstar Resources Inc. ("Canstar") (ROX-TSX-V) and Geocanex Limited ("Geocanex"), a private Ontario company (collectively the "Optionors").

#### McFauld's Lake Claims

The McFauld's Lake Claims are located in the heart of the most active on-going base metals exploration campaign in Canada at the present time. The property is contiguous to the southeast boundary of the Spider Resources/KWG Resources property where high grade zinc-copper-silver-lead-gold mineralization was first discovered in 2003. Noront Resources' Eagle One Ni-Cu-PGM discovery is located 20 km to the west where Noront has reported high-grade assay results for base and precious metals over significant intersections to date.

Past exploration on the McFauld's Lake Claims includes an airborne electromagnetic (AEM) and magnetic survey carried out by Spider/KWG in the summer of 2003; ground magnetic and TDEM (time domain electromagnetic) surveys in spring 2004; and a recent AeroTEM survey commissioned by several companies in the area in late 2007. The geophysical surveys independently confirm the presence of several drill-ready EM conductors on the group of claims. The Optionors have provided United Reef with a preliminary interpretation map and data for the 2007 AeroTEM survey results prepared by Scott Hogg & Associates Ltd. as they await a final report.

Michael Coulter, President of United Reef said "We are very pleased to have the opportunity to participate in this project with drill-ready targets and to be associated with the Canstar group who are one of the early and experienced participants in the McFauld's Lake area. The project compliments our efforts to focus United Reef on base and precious metal exploration in Canada."

A location map of the McFauld's Lake Claims is available on request to United Reef or by accessing Canstar's website at [www.canstarresources.com](http://www.canstarresources.com).

The Optionors have granted United Reef the right and option, subject to regulatory approval, to acquire a 50% interest in the McFauld's Lake Claims on the following terms and conditions:

- (a) United Reef will fund exploration work on the McFauld's Lake Claims in the total amount of \$150,000 by December 31, 2008;
- (b) United Reef will issue to Geocanex a total of five million (5,000,000) fully-paid and non-assessable common shares of United Reef within ten (10) days of receipt of regulatory approval;
- (c) United Reef will pay Canstar the sum of \$50,000 within ten (10) days of receipt of regulatory approval; and
- (d) United Reef will grant a 0.5% net smelter royalty to each of Canstar and Geocanex subject to United Reef's right to purchase one-quarter (0.25%) of the royalty from each party for \$250,000.

Upon United Reef satisfying the above terms and conditions, it will vest a 50% interest in the McFauld's Lake Claims and an industry standard joint venture will be formed with Canstar who will hold the other 50% interest in the property. Thereafter property expenditures will be funded on a pro rata basis for approved programs with United Reef acting as the initial operator.

The transaction is subject to receipt of regulatory approvals and the closing of the private placement referred to below, on or before April 30, 2008.

### Private Placement

United Reef has negotiated, subject to regulatory approvals, the terms of a non-brokered private placement of 3,750,000 Units at a price of \$0.08 per Unit for proceeds of \$300,000. The Units are to be issued on a flow-through basis and a non-flow-through basis of which 50% is flow-through and 50% is non-flow-through. Each Non-Flow-Through Unit consists of one (1) Common Share and one common share purchase warrant ("Warrant"). Each Flow-Through Unit will consist of one (1) Common Share and one-half of one Warrant. Each full Warrant will entitle the holder to acquire a common share at \$0.12 for a period of 24 months following closing. The proceeds of the private placement will be used to fund the property payment of \$50,000 to Canstar and exploration programs on the McFauld's Lake Claims of \$150,000, referred to above, and the balance for general corporate purposes.

All of the United Reef common shares proposed to be issued pursuant to the Agreement and private placement referred to above, will be subject to a regulatory re-sale restriction of four months after the date of issuance. Geocanex has agreed that 2,500,000 of the 5,000,000 shares to be issued to it will be subject to a further re-sale restriction expiring on December 31, 2008, which is otherwise on the same terms as the regulatory re-sale restriction.

The private placement referred to above is part of a larger private placement currently being offered by United Reef to raise a total of up to \$800,000 on the same terms. The additional \$500,000 will be used to fund further exploration on United Reef's wholly owned Hants County, Nova Scotia base metal project and for general corporate purposes.

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