



**Trafalgar Energy Ltd.**

**TRAFALGAR ENERGY LTD. RELEASES FIRST QUARTER 2009 RESULTS**

**CALGARY, May 13, 2009** - Trafalgar Energy Ltd. (TSX:TFL) ("Trafalgar" or the "Company") is pleased to announce the unaudited financial results for the quarter ended March 31, 2009.

**CORPORATE HIGHLIGHTS**

(000's, except for per share and production data)	<b>Q1</b>	Q4	Q1
	<b>2009</b>	2008	2008
Petroleum and natural gas revenues	<b>2,882</b>	3,133	3,672
Funds from operations (\$)	<b>590</b>	815	1,707
Basic and diluted per share (\$)	<b>0.04</b>	0.06	0.14
Net earnings (loss) (\$)	<b>137</b>	(1,364)	(232)
Basic and diluted per share (\$)	<b>0.01</b>	(0.10)	(0.02)
Working capital (deficit) (\$) <sup>(1)</sup>	<b>356</b>	280	(4,278)
Bank debt (\$)	<b>13,024</b>	13,050	5,803
Net debt (\$)	<b>12,668</b>	12,770	10,081
Capital expenditures (\$)	<b>488</b>	2,872	11,439
Weighted average number of shares outstanding			
Basic and diluted	<b>13,404,883</b>	13,404,883	11,835,883
Shares outstanding			
Basic	<b>13,404,883</b>	13,404,883	11,835,883
Diluted	<b>14,674,133</b>	14,674,133	12,957,133
Average Production			
Light Oil (bbls/d)	<b>147</b>	100	39
Heavy Oil (bbls/d)	<b>42</b>	44	52
Total Oil (bbls/d)	<b>189</b>	144	91
Natural Gas (mcf/d)	<b>5,076</b>	4,940	4,872
BOE (boe/d)	<b>1,035</b>	969	903
Average Realized Prices <sup>(2)</sup>			
Light Oil (\$/bbl)	<b>49.70</b>	50.81	82.62
Heavy Oil (\$/bbl)	<b>35.56</b>	26.60	65.17
Natural Gas (\$/mcf)	<b>4.79</b>	6.55	7.29
\$/boe (6:1)	<b>31.98</b>	39.85	46.69
Netback (\$/boe)			
Petroleum and natural gas revenue	<b>31.98</b>	39.85	46.69
Royalties	<b>5.62</b>	7.37	9.01
Operating expenses	<b>12.22</b>	12.65	9.42
Transportation expenses	<b>1.04</b>	4.70	2.00
Operating netback	<b>13.10</b>	15.13	26.26

(1) Excludes the fair value of financial instruments and current portion of bank debt.

(2) Average realized prices are before transportation expenses.

## LETTER TO SHAREHOLDERS

Trafalgar produced an average 1,035 boe per day during Q1 2009, up 7% from Q4 2008. The increase is due to the addition of our House Mountain, Alberta light oil well in November 2008 and the low decline rate of our base production.

The Company has significant upside in its existing asset base. At Cypress B.C., drilling operations were completed for the B-65-C farmout well in April. This Montney/Doig directional well is currently scheduled to be completed with a multistage frac operation late in Q2. Additional activity by the operator is being evaluated with a final decision anticipated in Q4. The Cypress farmout provides Trafalgar and its shareholders exposure to a material natural gas resource within an existing infrastructure with significant production potential.

At House Mountain, our land position has expanded to 1,600 net acres on which the Company has identified up to 10 light oil drilling locations. New drilling at House Mountain is planned to resume, contingent on cash flow and commodity prices, late this year. At Mackay/Saleski, Trafalgar has an inventory of 10 natural gas locations defined and ready to drill along with the large bitumen resource controlled on Company lands.

For the last six months, Trafalgar has focused its efforts on developing oil resource opportunities. To date, the Company has identified three such projects. We have acquired initial land positions at 100% working interest on two of these projects. Trafalgar has selectively posted additional Crown land for potential purchase this summer. Land prices have fallen significantly over the past year and Trafalgar believes now is the time to build strategic land positions in expectation of an economic rebound in 2010.

On April 29, 2009 Trafalgar announced the establishment of a new \$18.0 million credit facility which provides the Company with \$5.3 million of credit availability. Trafalgar is planning minimal drilling activity in the next few months to maintain our financial position. As at the date hereof, the Company estimates remaining flow-through obligations of approximately \$1.5 million. The Company has the financial flexibility and projects to satisfy our flow-through commitment by year end.

Merger and acquisitions opportunities continue to be identified, reviewed and evaluated. The energy business is cyclical and the Management and Directors of the Company are focused on positioning our shareholders for the next upturn.

On behalf of the Management, Staff and Board of Directors,



May 12, 2009

Rob Wollmann  
President and CEO

## FILINGS

Trafalgar has filed with Canadian securities regulatory authorities its unaudited financial statements for the quarter ended March 31, 2009 and the accompanying Managements' Discussion and Analysis. These filings are available under Trafalgar's SEDAR profile at [www.sedar.com](http://www.sedar.com). Full pdf versions of our first quarter 2009 unaudited financial statements and the accompanying Managements' Discussion and Analysis are available on our website at [www.trafalgarenergy.ca](http://www.trafalgarenergy.ca).

## **DESCRIPTION OF COMPANY**

Trafalgar is a Calgary, Alberta based oil and natural gas exploration, production and development company, with operations in the Canadian provinces of Alberta and British Columbia. Trafalgar trades on the Toronto Stock Exchange (“TSX”) under the symbol TFL.

## **BOE PRESENTATION AND OTHER NI 51-101 INFORMATION**

In conformity with National Instrument 51-101, Standards for Disclosure of Oil and Gas Activities (“NI 51-101”), natural gas volumes have been converted to barrels of oil equivalent (“boe”) using a conversion rate of six thousand cubic feet of natural gas to one barrel of oil. This ratio is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead. Readers are cautioned that the term “boe” may be misleading, particularly if used in isolation. Full NI 51-101 disclosures respecting net asset value and finding and development costs are contained in the Management’s Discussion and Analysis filed on SEDAR.

## **FORWARD-LOOKING STATEMENTS**

This press release contains certain forward-looking statements and forward-looking information (collectively referred to herein as "forward-looking statements") within the meaning of applicable Canadian securities laws. All statements other than statements of present or historical fact are forward-looking statements. Forward-looking information is often, but not always, identified by the use of words such as "anticipate", "believe", "plan", "intend", "objective", "continuous", "ongoing", "estimate", "expect", "may", "will", "project", "should", or similar words suggesting future outcomes. In particular, this press release contains forward-looking statements relating to:

- Trafalgar's business strategy;
- Production potential;
- Exploration and new drilling at Cypress and House Mountain;
- Future development and growth opportunities;
- Credit availability;
- Trafalgar's asset base and future prospects;
- Exploration, drilling and development prospects;
- Expectations regarding an economic turnaround;
- Merger and acquisition opportunities; and
- Satisfaction of flow-through obligations.

Forward-looking statements regarding Trafalgar are based on certain key expectations and assumptions of Trafalgar concerning anticipated financial performance, business prospects, strategies, regulatory developments, current and anticipated commodity prices and exchange rates, applicable royalty rates, tax laws, future well production rates and reserve volumes, future operating costs, the performance of existing wells, the success of Trafalgar’s exploration and development activities, the sufficiency and timing of budgeted capital expenditures in carrying out planned activities, the availability and cost of labor and services, the impact of increasing competition, conditions in general economic and financial markets, availability of drilling and related equipment, effects of regulation by governmental agencies, the ability to obtain financing on acceptable terms, which are subject to change based on commodity prices, market conditions, drilling success and potential timing delays.

These forward-looking statements are subject to numerous risks and uncertainties, certain of which are beyond Trafalgar's control, including the impact of general economic conditions; volatility in market prices for crude oil and natural gas; industry conditions; currency fluctuation; imprecision of reserve estimates; liabilities inherent in crude oil and natural gas operations; environmental risks; incorrect assessments of the value of acquisitions and exploration and development programs; competition from other producers; the lack of availability of qualified personnel or management; changes in income tax laws or changes in royalty rates and incentive programs relating to the oil and gas industry; hazards such as fire, explosion, blowouts, cratering, and spills, each of which could result in substantial damage to wells, production facilities, other property and the environment or in personal injury; stock market volatility; and ability to access sufficient capital from internal and external sources. Management has

included the above summary of assumptions and risks related to forward-looking information provided in this press release in order to provide readers with a more complete perspective on Trafalgar's future operations and such information may not be appropriate for other purposes. Trafalgar's actual results, performance or achievement could differ materially from those expressed in, or implied by, these forward-looking statements and, accordingly, no assurance can be given that any of the events anticipated by the forward-looking statements will transpire or occur, or if any of them do so, what benefits that Trafalgar will derive there from. Readers are cautioned that the foregoing lists of factors are not exhaustive. These forward-looking statements are made as of the date of this press release and Trafalgar disclaims any intent or obligation to update publicly any forward-looking statements, whether as a result of new information, future events or results or otherwise, other than as required by applicable securities laws. However, in the event that subsequent events are reasonably likely to cause actual results to differ materially from material forward-looking information previously disclosed by Trafalgar for a period that is not yet complete, Trafalgar will provide disclosure on such events and the anticipated impact of such events.

Additional information regarding Trafalgar including its annual information form is available under the Company's profile at [www.sedar.com](http://www.sedar.com) or the Company's web site at [www.trafalgarenergy.ca](http://www.trafalgarenergy.ca).

For further information, please contact:

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