

NEWS RELEASE

Trading Symbol: PET – TSX Venture Exchange

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PEAT RESOURCES LIMITED'S ACTIVITIES IN NEWFOUNDLAND

Successful operation of Peat Resources Limited's small-scale production facility in Stephenville (Newfoundland) has produced over two hundred tonnes of high quality peat fuel pellets that are being used for testing and marketing purposes.

A 25-tonne batch of the pellets was shipped to Corner Brook Pulp and Paper for a combustion trial in the plant's heat and power generation system. A report detailing the handling and combustion characteristics of the peat fuel pellets confirmed their acceptability as a fuel for the mill. Consequently, Peat Resources Limited has been invited to bid on Corner Brook's 2010-2011 fuel supply procurement.

Another application of the Company's peat fuel is in residential pellet stoves. A controlled comparative analysis of equal quantities of peat and wood pellets was carried out in Stephenville which demonstrated that the peat pellets ignite faster and burn 30% longer. Forty-pound (18.2 kg) bags of the peat pellets are currently being test marketed with consumers in the Stephenville-St. George's area.

The Newfoundland and Labrador government's Energy Plan identified peat fuel resources as a component of the province's "energy warehouse". The Company's advice was sought this month by provincial government authorities who are preparing an Energy Innovation strategy that was called for in the Energy Plan. The Company's input was also requested for the development of a Newfoundland wetland management policy. Peat Resources Limited is a registered company in Newfoundland and is pleased to be receiving recognition for its responsible efforts to stimulate sustainable economic development in the region.

Peat Resources Limited was formed to develop, produce and market peat fuel – a sustainable bioenergy resource. The Company's Annual General Meeting is being held in Toronto on November 26, 2009.

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The TSX Venture Exchange has not reviewed and does not accept responsibility for the adequacy of this news release.