

EQUITY FINANCING

Ember announces that it has agreed to the terms of its previously announced equity offering of Common Shares (the "Offering"). Pursuant to the Offering, Ember will issue 23,530,000 Common Shares at a price of \$0.85 per share, for total gross proceeds of approximately \$20 million. The Offering is being conducted through a syndicate of underwriters led by RBC Capital Markets and including CIBC, FirstEnergy Capital Corp., GMP Securities L.P. and Peters & Co. Limited.

Ember's three major shareholders have expressed their intention to purchase 16,353,200 Common Shares pursuant to the Offering representing approximately 69.5% of the total Offering.

The Company intends to use the net proceeds of the Offering to repay \$10 million of its existing revolving credit facility and approximately \$9 million to fund forecast capital expenditures for 2009 and 2010 all of which is to be used in connection with the anticipated drilling and completion of 40 net wells over the next two quarters.

The Offering is scheduled to close on or about November 13, 2009. The Offering is subject to certain customary conditions and regulatory approvals, including but not limited to the approval of the Toronto Stock Exchange.

The Common Shares are being offered in all of the provinces of Canada (other than Quebec) and on a private placement basis in the United States pursuant to exemptions from the registration requirements of the United States Securities Act of 1933, as amended, (the "1933 Act").

Financial Highlights

(000s except per share amounts)	Three months ended September 30, 2009	Three months ended September 30, 2008 (Restated)	Percent Change	Nine months ended September 30, 2009	Nine months ended September 30, 2008 (Restated)	Percent Change
Natural gas sales	\$6,639	\$9,166	(28)	\$27,213	\$21,999	(24)
Funds from operations	\$48	\$4,748	(99)	\$10,287	\$11,967	(14)
- per share basic & diluted	\$-	\$0.19	NA	\$0.20	\$0.67	(70)
Net income (loss)	\$(7,287)	\$420	(1,835)	\$(14,575)	\$2,430	(700)
- per share basic & diluted	\$(0.14)	\$0.02	(800)	\$(0.28)	\$0.13	(315)
Capital investment additions	\$2,472	\$9,046	(73)	\$7,688	\$14,533	(47)
Property acquisition	\$1	\$-	NA	\$3,213	\$-	NA
Property disposition	\$584	\$-	NA	\$5,704	\$-	NA
Corporate acquisitions	\$-	\$187,999	NA	\$-	\$187,999	NA
Total assets	\$363,919	\$394,199	(8)	\$363,919	\$394,199	(8)
Net bank debt and working capital deficit	\$97,553	\$102,473	(5)	\$97,553	\$102,473	(5)
Shares outstanding	51,367	51,367	NA	51,367	51,367	NA

Operating Highlights

(000s except per share amounts)	Three months ended September 30, 2009	Three months ended September 30, 2008	Percent Change	Nine months ended September 30, 2009	Nine months ended September 30, 2008	Percent Change
Daily average gas production (Mcf/d)	24,528	13,715	79	25,905	9,922	161
Daily average gas production (BOE/d)	4,088	2,286	79	4,317	1,654	161
Average sales price (\$/Mcf)	2.94	7.26	(60)	3.85	8.09	(52)
Realized hedging gain (loss) (\$/Mcf)	-	(0.05)	NA	0.19	(0.02)	(1,050)
Royalties expense (recovery) (\$/Mcf)	0.22	0.90	(76)	0.13	0.85	(85)
Operating expenses (\$/Mcf)	1.54	1.58	(3)	1.36	1.71	(20)
Transportation expenses (\$/Mcf)	0.17	0.19	(11)	0.18	0.19	(5)
Operating netback (\$/Mcf)	1.01	4.54	(78)	2.37	5.32	(55)
Operating netback (\$/BOE)	6.10	27.30	(78)	14.16	31.97	(56)
CBM wells drilled (gross/net)						
- Horseshoe Canyon	8.0 / 4.8	31.0 / 25.1	(74) / (81)	21.0 / 12.1	53.0 / 36.0	(60) / (66)
Land (000s of net acres)	470	514	(9)	470	514	(9)

Q3 2009 Highlights

Financial performance

- Funds from operations for the three months ended September 30, 2009 decreased to \$0.05 million (\$0.00/share diluted) from \$4.7 million (\$0.19/share diluted) for the same period in 2008. The decline reflects a 60% lower average natural gas price of \$2.94/mcf offset by lower, operating costs, transportation and general and administrative costs and higher interest expenses.
- Net loss for the third quarter was \$7.3 million (\$0.14/share diluted) versus net income of \$0.4 million (\$0.02/share diluted) for the same period in 2008.
- Capital expenditures for the third quarter totaled \$2.6 million including capitalized expenses. During the quarter the Company drilled 4.8 net CBM wells.
- Cost efficiencies have continued to improve. Operating costs declined \$2.07/BOE from the first nine months of 2008 to \$8.18/BOE; general and administrative costs declined \$0.71/BOE to \$2.54/BOE.
- Total cash costs, including operating, transportation, general and administrative and interest costs, declined 13% in the first nine months to \$14.67/BOE from \$16.93/BOE in the first nine months of 2008.
- The effective royalty rate declined in the first nine months of 2009 to 3.6% reflecting the new Alberta Crown royalty rates, offset by higher freehold royalties on purchased production and a recovery of previously paid Crown royalties. At current gas prices and gas prices up to \$7.00/mcf, Ember's combined royalty rate is estimated at 6.5 to 7.5% of revenue.
- Net bank debt and working capital at September 30, 2009 was \$97.6 million. Subject to the completion of the Offering, the Company will repay \$10 million on its existing borrowing facility and has negotiated a revised facility with its banking syndicate totaling \$92 million comprised of a \$5 million dollar revolving working capital amount and an \$87 million revolving production facility.

Operating performance

- Average production for the third quarter increased 79% to 24.5 MMcf/d from 13.7 MMcf/d during the same period in 2008, with most of the increase resulting from the acquisition of Cordero Energy Inc. in September 2008.
- Production declined 5.8% from Q-2 with limited new drilling and modest capital expenditures. Production has declined 2.6 MMcf/d from Q-1 to Q-3 which includes the sale of 1.0 MMcf/d of non-core asset production. Excluding the divested production this represents a 6% decline year to date in our base Horseshoe Canyon CBM production.
- The operating netback for the first nine months of 2009 was \$14.16/BOE compared to \$31.97/BOE in 2008. Low gas prices contributed to a revenue decline of \$25.46/BOE, offset by a \$2.13/BOE reduction in operating and transportation expenses and a \$4.26/BOE decrease in royalties.

Guidance update

- Ember has revised its production and spending guidance for full-year 2009. Production is expected to average 25.5 MMcf/d, down from the previously forecast 26-27 MMcf/d, and capital spending has been reduced to \$15 million, down from \$25 million. Fourth quarter capital expenditures are estimated at \$8 million and will be funded from cashflows and proceeds from the Offering. This will result in the drilling of an estimated 30-35 net wells for the full year with 22 net wells planned for the fourth quarter.
- Ember's board of directors has approved an initial budget for 2010. The Company plans a capital program totaling \$30.0 million resulting in approximately 60-65 net wells. These wells will be focused in Ember's core Horseshoe Canyon CBM properties at Acme and Bashaw. Based on an average estimated natural gas price of \$6.00 Mcf at AECO the Company expects to generate \$30 million of cash flow on an average production rate of 26-27 MMCF/d. Year end net bank debt and working capital is estimated at \$82 million which represents approximately 2.7 times debt to cashflow for the full year.

Signs of gas market rebalancing

Natural gas prices in the second and third quarters have remained weak and below levels required to encourage new investment in most natural gas projects in North America. Natural gas storage is at record levels for this time of the year which is keeping prices depressed. There are signs of rebalancing beginning to emerge in the marketplace. The sharp reduction in natural gas drilling has reduced supplies in both Canada and the United States and signs are emerging of an economic recovery. Although weather dependent, the combination of these factors could help restore balance in the marketplace and improved natural gas pricing during the upcoming winter months.

Outlook

Proceeds from Ember's Offering together with cashflow will allow the Company to resume its organic growth going into 2010. Over the next two quarters Ember plans to invest approximately \$18 million at its two core properties at Acme and Bashaw. An estimated 40 net wells will be drilled resulting in approximately 5-5.5 MMcf/d of incremental production.

- After the accelerated drilling anticipated over the next two quarters, Ember will continue to invest cashflows which should result in steady and predictable growth for the remainder of 2010.
- Ember's efficient cost structure together with low crown royalty rates generates one of the highest netbacks for natural gas production in Western Canada. Base production has been very stable as evidenced by the low rate of decline from the first quarter of this year despite minimal new drilling and capital maintenance costs.
- Ember has in excess of 450 low risk Horseshoe Canyon CBM drilling locations in its current inventory. If natural gas prices continue to stabilize in the \$6-7.00/Mcf Ember would expect to drill upwards of 200 of those locations using available cashflows over the next three years. Easy access to surface leases and existing infrastructure allow Ember to have new wells drilled and producing within six weeks.
- Ember has a significant competitive advantage as a result of lower crown royalty rates applied to its base CBM production. More importantly these rates will continue to remain low as natural gas prices recover resulting in the upside in natural gas prices going to the Company's bottom line. Ember estimates that for every \$1.00/Mcf change in the price of natural gas, cashflow changes by approximately \$10 million.

"With our equity offering now complete, Ember has raised sufficient capital to make a meaningful reduction in our balance sheet leverage while at the same time providing capital to kick start our production growth," said Doug Dafoe President and CEO. "In an environment of increasing natural gas prices our cashflows will improve steadily due to our low royalty rates and efficient cost structure."

As referred to above, Embers' unaudited financial statements and related MD&A for the quarter ended September 30, 2009 can be located at www.sedar.com or www.emberresources.com. To the extent investors do not have access to the internet, copies of the unaudited financials and related MD&A can be obtained on request without charge by contacting Ember Resources Inc. at 403 270-0803.

Conference Call

A conference call to review Ember's third quarter results will take place on November 6, 2009 at 9:00 AM MDT (11:00 AM EDT). The conference call can be accessed by dialing in 15 minutes prior to the scheduled start at 1-877-407-0778. A live webcast will also be provided on: www.emberresources.com. A playback recording of the conference call will be available for 30 days and can be accessed by calling 1-877-660-6853 and enter the account #286 and conference ID #335679.

Reader Advisory

This news release shall not constitute an offer to sell or the solicitation of any offer to buy, nor shall there be any sale of these securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of such jurisdictions. The Common Shares offered will not be registered under the 1933 Act and may not be offered or sold in the United States or to, or for the account or benefit of, U.S. persons absent registration or an applicable exemption from the registration requirements of the 1933 Act and applicable state securities laws.

FORWARD-LOOKING STATEMENTS

This press release may contain forward-looking statements including anticipated levels of bank debt, anticipated capital expenditures and development plans. These statements are based on current expectations that involve a number of risks and uncertainties, which could cause actual results to differ from those anticipated. These risks include, but are not limited to: the risks associated with the oil and gas industry (e.g., operational risks in development, exploration and production; delays or changes in plans with respect to exploration or development projects or capital expenditures; the uncertainty of reserve estimates; the uncertainty of estimates and projections relating to production, costs and expenses, and health, safety and environmental risks), commodity prices and exchange rate fluctuation and uncertainties resulting from potential delays or changes in plans with respect to exploration or development projects or capital expenditures. Actual results, performance or achievement could differ materially from those expressed in, or implied by, such forward looking statements and accordingly, no assurances can be given that any of the events anticipated by the forward looking statements will transpire or occur. Except as required by law, Ember undertakes no obligation to update or revise any forward-looking statements. Additional information on these and other factors that could affect the Company's operations or financial results are included in the Company's filings with Canadian securities regulatory authorities.

BOE Disclosure: Disclosure provided herein in respect of barrels of oil equivalent (BOE) may be misleading, particularly if used in isolation. A BOE conversion ratio of 6 Mcf: 1 Bbl is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead.

Reserve information in this press release is based on an independent reserve evaluation report prepared by McDaniel & Associates Consultants Ltd. ("McDaniel") dated March 4, 2009 with an effective date of December 31, 2008. Net asset value calculations do not necessarily represent or equate to fair market value.

Ember Resources Inc. is a resource company specializing in coalbed methane (CBM) with extensive land and resource holdings in Alberta, Canada. Ember's shares are traded on the Toronto Stock Exchange under the trading symbol "EBR".

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EMBER RESOURCES INC.

Management Discussion and Analysis

The following Management Discussion & Analysis (“MD&A”) is intended to assist in the understanding of the trends and significant changes in the financial condition and results of operations of Ember Resources Inc. (“Ember” or the “Company”) for the three and nine month periods ended September 30, 2009. The Company’s financial results have been prepared in accordance with Canadian generally accepted accounting principles (“GAAP”) (see change in accounting policy). The MD&A includes comparisons for the corresponding three and nine month periods ended September 30, 2008. Certain comparative information throughout this document has been restated to reflect adjustments noted later in this document under “Change in Accounting Policy”. The following information has been prepared by management and should be read in conjunction with the audited financial statements for the year ended December 31, 2008, dated March 19, 2009. The reporting and the measurement currency is the Canadian dollar. This MD&A is dated as of November 5th, 2009.

FORWARD-LOOKING STATEMENTS

Statements throughout this MD&A that are not historical facts may be considered “forward-looking statements”. Some of the statements contained herein including, without limitation, financial and business prospects and financial outlooks may be forward-looking statements which reflect management's expectations regarding future plans and intentions, growth, results of operations, performance and business prospects and opportunities. Words such as "may", "will", "should", "could", "anticipate", "believe", "expect", "intend", "plan", "potential", "continue" and similar expressions have been used to identify these forward-looking statements. These statements reflect management's current beliefs and are based on information currently available to management. Forward-looking statements involve significant risk and uncertainties. A number of factors could cause actual results to differ materially from the results discussed in the forward-looking statements including, but not limited to, changes in general economic and market conditions and other risk factors. Although the forward-looking statements contained herein are based upon what management believes to be reasonable assumptions, management cannot assure that actual results will be consistent with these forward-looking statements. Investors should not place undue reliance on forward-looking statements. These forward-looking statements are made as of the date hereof and may be updated as required by law should material events or circumstances arise.

NON-GAAP MEASUREMENTS

This MD&A contains the terms “operating netback”, “funds from operations”, “net debt” and “net bank debt and working capital”. These measurements should not be considered an alternative to, or more meaningful than, cash flow from operating activities as determined in accordance with Canadian GAAP as an indicator of the Company’s performance. The Company’s determination of funds from operations, operating netback, and net debt may not be comparable to that reported by other companies. The Company also presents funds from operations per share whereby per share amounts are calculated using weighted average shares outstanding consistent with the calculations used in determining earnings per share. Ember’s peer companies in the oil and gas industry use the same definitions and for consistency the Company will continue to report in this manner.

Funds from operations are determined as operating cash flows before abandonment expenditures and working capital adjustments. Management uses this term to compare with other companies that also report this measure, to manage debt facilities that may use this measure to guide determination of debt pricing, and to readily provide this information to investors that routinely request this measure. Operating netback is not a measure that is readily apparent in the GAAP prepared financial statements. It is an energy industry measure which measures funds flows at the field level by determining all field-related revenues less costs. The Company uses this measure to compare its field operations with those of its peers, and reports this measure to members of the investment community requesting it, or in the absence of the Company providing it, calculating the measure themselves. Net debt is determined as total long term debt (excluding non cash long term liabilities) plus current liabilities minus current assets. Net bank debt and working capital is defined as total long term bank debt plus current liabilities minus current assets.

VOLUME PRESENTATION

This MD&A contains disclosure expressed as barrel of oil equivalent ("BOE"); such equivalency measures may be misleading particularly if used in isolation. Petroleum and natural gas reserves and volumes have been converted to a common unit of measure of one BOE on a basis of six thousand cubic feet "Mcf" of gas to one barrel "bbl" of oil. This conversion 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.

For the three months ended September 30, 2009, 1,480 BOE (2008 – 278 BOE) of liquids were converted to gas equivalents and reported as natural gas volumes. For the nine months ended September 30, 2009, 9,754 BOE (2008 – 278 BOE) of liquids were converted to gas equivalents and reported as natural gas volumes. These volumes are considered immaterial with respect to the presentation of the Company's interim filings.

EQUITY FINANCING

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Ember's three major shareholders have expressed their intention to purchase 16,353,200 Common Shares pursuant to the Offering representing approximately 69.5% of the total Offering.

The Company intends to use the net proceeds of the Offering to repay \$10 million of its existing revolving credit facility and approximately \$9 million to fund forecast capital expenditures for 2009 and 2010 all of which is to be used in connection with the anticipated drilling and completion of 40 net wells over the next two quarters.

The Offering is scheduled to close on or about November 13, 2009. The Offering is subject to certain customary conditions and regulatory approvals, including but not limited to the approval of the Toronto Stock Exchange.

The Common Shares are being offered in all of the provinces of Canada (other than Quebec) and on a private placement basis in the United States pursuant to exemptions from the registration requirements of the United States Securities Act of 1933, as amended, (the "1933 Act").

The Company has \$18 million of drilling programs planned for Q4 2009 and Q1 2010. The Q4 2009 program consists of 22 net wells at a total capital cost to drill, complete, equip and tie-in of \$8 million. The Q1 2010 program consists of 18 net wells at a total capital cost to drill, complete, equip and tie-in of \$10 million. The programs are expected to result in 5 to 5.5 mmcf/d of incremental daily production.

SHARE CONSOLIDATION

On September 5, 2008 in conjunction with the acquisition of Cordero Energy Inc. ("Cordero"), Ember consolidated its share capital, issuing one share in exchange for each 2.5 shares held. All share amounts reflected in this report are on a post consolidation basis.

EMBER'S BUSINESS

Ember is a natural gas exploration and production company focused on extraction of natural gas derived from coal or coalbed methane ("CBM") in the province of Alberta, Canada. The Company operates in the following principal geographic areas of Alberta: Horseshoe Canyon coal areas of Acme, Buffalo Lake, Malmo and Fenn-Big Valley, located north of Calgary; and Mannville coal prospective areas of Rosalind located south-east of Edmonton, and Manola located north-west of Edmonton. At September 30, 2009, the Company held interests in 470,000 net acres of developed and undeveloped land, and had an average rate of production for September 2009 of 23,923 Mcf/d (3,987 BOE/d).

HISTORY

In July 2005, Ember, Thunder Energy Inc. ("Thunder"), Mustang Resources Inc. ("Mustang") and Forte Resources Inc. ("Forte") completed a Plan of Arrangement (the "Arrangement"). Under the Arrangement, Ember acquired certain natural gas rights associated with coal from Thunder and became engaged in the acquisition, development and production of CBM gas reserves. Ember assumed all liabilities, including environmental liabilities, relating to the transferred assets.

In July 2005, Ember completed a \$6 million private placement consisting of 1,243,523 Common Shares in the capital of Ember issued at \$4.83 per share to employees, directors and service providers of Ember.

On August 31, 2005, Ember completed a bought deal financing of 2,800,000 Common Shares at a price of \$17.88 per share for gross proceeds of \$50,050,000.

On March 1, 2007, the Company acquired CBM natural gas assets from a private company for cash consideration of \$8.75 million. The assets located in the Acme area of Alberta consisted of 10 drilled and completed non-producing gas wells with an average working interest of 92%, and a 70.5% operated interest in 16,960 gross acres of land (11,960 net).

Also on March 1, 2007, the Company issued 2,264,160 Common Shares by way of a private placement, at \$6.63 per share for cash consideration of \$15.0 million. Proceeds of the issue were used to fund the \$8.75 million Acme acquisition with the balance used to reduce debt and for working capital purposes.

On September 5, 2008, Ember acquired Cordero Energy Inc ("Cordero") pursuant to a Plan of Arrangement. Under the Plan of Arrangement, Ember acquired all of the issued and outstanding shares of Cordero for \$71.768 million in cash and the issuance of 26,194,207 Ember Common Shares at an attributed value of \$4.36 per Ember share.

On September 5, 2008 Ember issued through a private placement equity financing, 10,731,707 Common Shares at \$5.125 per share for gross proceeds of \$55 million.

On September 5, 2008, the Company consolidated its share capital, issuing one share in exchange for each 2.5 shares held.

On January 1, 2009 the Company amalgamated with its wholly owned subsidiaries Cordero Energy Inc., Cordero Finance Corp., and 1393401 Alberta Ltd.

On May 12, 2009, Ember closed a new syndicated \$102 million credit facility with two Canadian banks and one other Canadian financial institution. The facility consists of a \$5 million working capital facility and a \$97 million production facility. Subsequent to September 30, 2009, the Company and its banking syndicate agreed to amend the facility to a working capital facility of \$5 million and an \$87 million production facility. The amendment is conditional upon Ember raising a minimum of \$20 million of new equity and final legal documentation.

Subsequent to September 30, 2009, Ember agreed to the terms of a previously announced equity offering of common shares for aggregate gross proceeds of \$20 million.

Since inception, Ember has drilled 185 gross (153.0 net) Horseshoe Canyon wells, and 13 gross (11.5 net) Mannville wells. The Company has increased production from 2,336 Mcf/d (389 BOE/d) at inception to a current rate of 23,923 Mcf/d (3,987 BOE/d), an increase of 924%.

THIRD QUARTER 2009 REVIEW

The following are highlights of the nine months ended September 30, 2009.

Financial performance

- Funds from operations for the three months ended September 30, 2009 decreased to \$0.05 million (\$0.00/share diluted) from \$4.7 million (\$0.19/share diluted) for the same period in 2008. The decline reflects a 60% lower average natural gas price of \$2.94/mcf offset by lower, operating costs, transportation and general and administrative costs and higher interest expenses.
- Net loss for the third quarter was \$7.3 million (\$0.14/share diluted) versus net income of \$0.4 million (\$0.02/share diluted) for the same period in 2008.
- Capital expenditures for the third quarter totaled \$2.6 million including capitalized expenses. During the quarter the Company drilled 4.8 net CBM wells.

