

Financial Highlights

(000s except per share amounts)	Three months ended March 31, 2009	Three months ended March 31, 2008	Percent Change
Natural gas sales	\$12,281	\$5,475	124
Funds from operations	\$7,312	\$2,651	176
- per share basic & diluted (1)	\$0.14	\$0.18	(22)
Net income (loss)	\$(3,673)	\$68	(5,501)
- per share basic & diluted	\$(0.07)	\$0.00	NA
Capital investment additions	\$3,950	\$3,052	29
Property acquisition	\$3,161	\$-	NA
Property disposition	\$684	\$-	NA
Total assets	\$380,656	\$111,372	242
Net bank debt and working capital deficit	\$101,206	\$20,082	404
Shares outstanding	51,367	14,441	256

Operating Highlights

(000s except per unit amounts)	Three months ended March 31, 2009	Three months ended March 31, 2008	Percent Change
Daily avg gas production (Mcf/d)	27,167	7,963	241
Daily avg production (BOE/d)	4,528	1,327	241
Average sales price (\$/Mcf)	5.02	7.56	(34)
Realized derivative gain (\$/Mcf)	0.54	-	NA
Royalties (\$/Mcf)	0.40	0.79	(49)
Operating expenses (\$/Mcf)	1.22	1.80	(32)
Transportation expenses (\$/Mcf)	0.19	0.19	-
Operating netback (\$/Mcf)	3.75	4.78	(22)
Operating netback (\$/BOE)	22.51	28.62	(21)
CBM wells drilled (gross/net)			
- Horseshoe Canyon	13.0 / 7.3	18.0 / 8.8	(28) / (17)
Land (000s of net acres)	504	285	77

Q1 2009 Highlights

Financial performance

- Funds from operations increased 176% to \$7.3 million (\$0.14/share diluted) from \$2.7 million (\$0.18/share diluted) in Q-1 2008.
- Net loss was \$3.7 million (\$0.07/share diluted) versus net income of \$0.07 million (\$0.00/share diluted) in Q-1 2008.
- Capital expenditures totaled \$6.4 million including property acquisitions net of dispositions compared with \$3.1 million in Q-1 2008.
- Cost efficiencies have continued to improve. Operating costs declined \$3.46/BOE from Q-1 2008 to \$7.33/BOE; general and administrative costs declined \$1.49/BOE to \$2.55/BOE.
- Total cash costs, including operating, transportation, general and administrative and interest costs, declined 30% in the quarter to \$13.03/BOE from \$18.61/BOE in Q-1 2008.
- The effective royalty rate declined to 8% from 10.5% in Q-1 2008, which reflects the new Alberta Crown royalty rate, offset by higher freehold royalties on purchased production. Royalty rates are expected to decline further with the acquisition of an 8.5% overriding royalty on Ember's Acme property that was completed on February 20, 2009. For the month of March, Ember's effective royalty rate is estimated at 6%.
- Net bank debt and working capital has been reduced to \$96.6 million, down from \$101.2 million at the end of Q-1 2009. The decline resulted from the sale of non-core assets effective April 1, 2009 which generated gross proceeds of \$4.55 million.
- Subsequent to quarter end, the Company negotiated a new \$102 million borrowing facility with its banking syndicate. The facility is comprised of a \$5 million dollar revolving working capital amount and a \$97 million revolving term facility.
- Net asset value, before tax, is estimated at \$5.14/share using strip pricing from March 24, 2009, and year-end 2008 reserves. Net asset value is calculated using net present value of proved, probable plus possible reserves discounted at 10%, plus land value of \$17.2 million, minus net bank debt and working capital deficit of \$101.8 million.

Operating performance

- Average production increased 241% to 27.2 MMcf/d from 8.0 MMcf/d in Q-1 2008. Production was down 6% from fourth quarter 2008 as a result of declines from flush production from 30 net wells put on stream in the fourth quarter and limited new drilling in the Q-1 2009.
- The operating netback for the quarter was \$22.50/BOE as compared to \$28.62/BOE in Q-1 2008. Low gas prices contributed to a revenue decline of \$11.97/BOE, offset by a \$3.48/BOE increase in operating and transportation expenses and a \$2.37/BOE decrease in royalties.
- The drilling program recorded 100% success based on 13 wells (7.3 net) drilled at Acme and Fenn-Big Valley, all of which were on stream by the end of the quarter. In addition, production was added from a nine-well workover program (9.0 net) on existing wellbores in the Bashaw area.

- Ember acquired an 8.5% gross overriding royalty payable on all of its production and undrilled lands at Acme for \$3.3 million. Acme is currently producing approximately 5.2 MMcf/d and has 54 Bcf of remaining proved, probable and possible reserves. The royalty was acquired at an estimated cost of \$0.87/Mcf on a net basis.
- Non-core assets sold during the quarter generated \$700,000 and included production of 13 BOE/d. An additional 125 BOE/d was sold on April 1 for \$4.55 million. To date, non-core asset dispositions have generated \$7.0 million and included 138 BOE/d, 350,000 BOE of proved plus probable reserves and 32 thousand net acres of undeveloped land.

Outlook

- Ember is continuing to focus on development of its CBM properties on trend with the Horseshoe Canyon coals, one of the lowest-cost gas plays in North American and one that can compete with the cost structure of emerging shale gas plays.
- Current production is 26.6 MMcf/d net of recent dispositions and is expected to remain relatively flat for 2009 with drilling offsetting normal declines.
- Ember is targeting to reduce debt to \$ 90 million by year end. Additional non-core assets for sale represent 180 BOE/d, 725,000 BOE of proved plus probable reserves and 100,000 net acres of undeveloped land.
- Capital expenditures this year will remain within cash flows, while non-core asset divestitures and excess cash flow will be used to reduce debt. If low gas prices continue, capital spending will be reduced for 2009. As the bulk of drilling is planned for later this year, guidance will be reviewed early in the second half of the year. Minimal activity is planned for the second quarter with cash flows expected to exceed capital spending.
- The current budget of \$25 million is forecasted to yield average production of 26-27 MMcf/d, essentially flat with current production. An estimated 35-45 net wells are planned with drilling focused on core Horseshoe Canyon CBM areas at Acme, Fenn-Big Valley and Bashaw.
- An estimated 450 net Horseshoe Canyon locations are in inventory; 355 net locations were recognized in the 2008 year-end reserve report, of which 223 were considered proved undeveloped. Ember has drilled with 100% success in the Horseshoe Canyon over the past three years with only one mechanical failure.

Gas price recovery still unpredictable

Natural gas prices have dropped significantly through a combination factors: a high level of storage from record levels of drilling in 2008, the emergence of high deliverability shale plays and a severe contraction in demand. Current futures are trading at \$4.10/mcf for the remainder of 2009 compared with \$9.10/mcf averaged in the first six months of 2008.

Any gas price recovery will require a rebalancing of supply/demand fundamentals. A number of factors are coming into play that will ultimately help rebalance the market, but it is difficult to forecast when there will be an impact on pricing. For example, natural gas drilling activity has declined dramatically with rig counts off by more than 50% from last year. Ultimately, this drop will lead to a decline in domestic supply; many analysts are predicting this supply reduction to start to be seen in the second half of 2009.

“This is a difficult period for all natural gas producers. Depressed prices have forced companies to curtail drilling plans and adjust strategies to compete in this environment. Ember’s proven low-cost CBM strategy will allow us to weather the storm and react quickly to improving conditions when the market turns,” said Doug Dafoe President and CEO. “Ember’s Horseshoe Canyon resource play can compete with the best North American shale plays and ensures our success going forward.”

Horseshoe Canyon coals & shale gas

Background

Ember’s CBM strategy – Horseshoe Canyon Coals

The Horseshoe Canyon trend in Alberta has seen in excess of 14,000 wells drilled since 2001 and currently produces an estimated 700 MMcf/d making it one of the largest unconventional natural gas resource plays in Canada. The industry drills 1,500 to 2,000 wells per year resulting in a growing production base, as well as a de-risking of the estimated 36 Tcf of resource potential. The Horseshoe Canyon coals cover a trend area in Alberta of about 32,000 sections, or about 20 million acres. ⁽¹⁾

As a result of strategic acquisitions and follow-up drilling activity, Ember is now ranked among the top five operators currently developing this significant resource play, which has been dominated by major North American independents. With 450 drilling locations in inventory and an operational footprint over 161,000 gross acres, Ember is positioned to significantly increase its producing asset base well into the future.

⁽¹⁾ Resource potential and areal extent based on Canadian Energy Research Institute & Canadian Society for Unconventional Gas Study dated November 2006

Horseshoe Canyon CBM is cost competitive with prolific shale plays

Industry attention has turned to development of shale plays in North America. Recent advances in horizontal drilling and multi-stage fracture treatments have generated significant production growth over a short period of time. To many, the shale plays represent a “game changing” supply source that many believe can be developed at a low cost, perhaps as low as \$4-6/Mcf.

To compete with these new shale plays, natural gas producers require a similar low cost structure. Ember’s Horseshoe Canyon CBM can compete with the shale plays on a cost basis and represents a lower risk profile as it has a longer history of success and reserve recovery. The following highlights Ember’s ability to compete:

- Three-year finding, development and acquisition costs of \$1.36 – 1.97/Mcf
- Operating and transportation costs based on Q-1 2009 of \$1.41/Mcf
- Current royalty rates of 8%
- Total cost of supply (based on reported numbers above) estimated at \$3.00 - \$3.65/Mcf
- Limited capital exposure of \$400,000/well
- Low initial productivity together with low decline rate reduces risk in a low gas price environment
- Two day drilling times allows rapid response to changing conditions
- Based on year-end reserves, 87 Bcf of additional reserves can be converted to producing status

As referred to above, Embers' unaudited financial statements and related MD&A for the quarter ended March 31, 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 first quarter results will take place on May 8, 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 1-877-407-8033. 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 #322279.

Reader Advisory

FORWARD-LOOKING STATEMENTS

This press release may contain forward-looking statements including future production, 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 price 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 reports on file 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".

For further information please contact:

Mr. Douglas A. Dafoe, President & CEO
Ember Resources Inc.
Telephone: 403 270-0803
Facsimile: 403 270-2850

Mr. Terry S. Meek, Executive Vice-President & COO
Ember Resources Inc.
Telephone: 403 270-0803
Facsimile: 403 270-2850

Mr. Bruce C. Ryan, Vice-President Finance & CFO
Ember Resources Inc.
Telephone: 403 270-0803
Facsimile: 403 270-2850

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 month period ended March 31, 2009. The Company’s financial results have been prepared in accordance with Canadian generally accepted accounting principles (“GAAP”). The MD&A includes comparisons for the corresponding three month period ended March 31, 2008. 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 May 7, 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 March 31, 2009 immaterial volumes of liquids have been converted to gas equivalents and reported as natural gas volumes.

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 March 31, 2009, the Company held interests in 504,000 net acres of developed and undeveloped land, and had an average rate of production for March 2009 of 27,237 Mcf/d (4,540 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, Ember closed a new syndicated \$120 million credit facility with two Canadian banks. The facility consists of a \$15 million working capital facility, an \$85 million production facility and a \$20 million subordinated development facility.

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.

Since inception, Ember has drilled 177 gross (148.2 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 27,237 Mcf/d (4,540 BOE/d), an increase of 1,067%.

FIRST QUARTER 2009 REVIEW

The following are highlights of the three months ended March 31, 2009.

Financial performance

- Funds from operations increased 176% to \$7.3 million (\$0.14/share diluted) from \$2.7 million (\$0.18/share diluted) in Q-1 2008.
- Net loss was \$3.7 million (\$0.07/share diluted) versus net income of \$0.07 million (\$0.00/share diluted) in Q-1 2008.
- Capital expenditures totaled \$6.4 million including property acquisitions net of dispositions compared with \$3.1 million in Q-1 2008.

- Cost efficiencies have continued to improve. Operating costs declined \$3.46/BOE from Q-1 2008 to \$7.33/BOE; general and administrative costs declined \$1.49/BOE to \$2.55/BOE.
- Total cash costs, including operating, transportation, general and administrative and interest costs, declined 30% in the quarter to \$13.03/BOE from \$18.61/BOE in Q-1 2008.
- The effective royalty rate declined to 8% from 10.5% in Q-1 2008, which reflects the new Alberta Crown royalty rate, offset by higher freehold royalties on purchased production. Royalty rates are expected to decline further with the acquisition of an 8.5% overriding royalty on Ember's Acme property that was completed on February 20, 2009. For the month of March, Ember's effective royalty rate is estimated at 6%.
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- Ember acquired an 8.5% gross overriding royalty payable on all of its production and undrilled lands at Acme for \$3.3 million. Acme is currently producing approximately 5.2 MMcf/d and has 54 Bcf of remaining proved, probable and possible reserves. The royalty was acquired at an estimated cost of \$0.87/Mcf on a net basis.

Non-core assets sold during the quarter generated \$700,000 and included production of 13 BOE/d. An additional 125 BOE/d was sold on April 1 for \$4.55 million. To date, non-core asset dispositions have generated \$7.0 million and included 138 BOE/d, 350,000 BOE of proved plus probable reserves and 32 thousand net acres of undeveloped land.

