



TSX Venture Exchange - TFA.A

NEWS RELEASE

TRAFINA ENERGY LTD. AGREES TO PURCHASE PRODUCING ASSETS, REACHES SETTLEMENT WITH OPERATOR

Calgary, Alberta – August 19, 2009 – Trafina Energy Ltd. (Trafina or the Company) announces that it has agreed to purchase a 50% interest in certain producing assets in Alberta and Saskatchewan from an arm's length third party for \$10 plus a sliding scale royalty and the assumption of related operating, abandonment and reclamation liabilities. The sliding scale royalty ranges from 0% to 7.5% (based on prevailing oil and natural gas market prices) for all existing wells as of July 1, 2009 (with one-half of such royalty applying to all new wells thereafter), subject to industry-standard deductions. The sliding scale royalty is capped such that, when combined with all other royalties, aggregate royalties on the wells will not exceed 15%.

The assets consist of operated production at Retlaw, Ronalane and Viking /Kinsella, all in Alberta, and the McGuffin area in Saskatchewan as well as non-operated production at Hector and Eyernore in Alberta. Average gross production in July 2009 from the assets was 84 barrels of oil equivalent (BOE) per day (50% oil).

With Trafina's 50% interest, the assets are expected to add approximately 42 BOE per day to the Company's production, increasing Trafina's total production to approximately 450 BOE per day along with undetermined upside. Trafina plans to reactivate suspended oil wells, decrease operating expenses, drill additional wells and increase custom processing income. Additional oil production at Retlaw is expected to result from the installation of a pipeline to tie a satellite into the existing main battery. Surplus equipment including, but not limited to, tanks, small compressors and Electrical Submersible Pumps (ESPs) is also part of the asset purchase. Trafina will re-deploy this equipment to the aforementioned capital program.

Closing of the transaction is expected to occur on or about September 17, 2009 and is subject to the satisfaction of customary conditions for transactions of this nature, including, without limitation, receipt of necessary regulatory approvals and approval of the TSX Venture Exchange.

Trafina also announces that it has reached a settlement with a third party operator relating to the over-payment of production revenue. The settlement agreement reduces the amount owed by Trafina to the operator, resulting in a positive working capital adjustment of approximately \$533,000.

Trafina is a junior oil and gas company based in Calgary, Alberta. It is primarily a natural gas producer, with its main area of interest in Wetaskiwin with non-core interests in Jenner, Carson Creek/ Judy Creek and Bindloss, all of which are in Alberta. Trafina's shares trade on the TSX Venture Exchange under the stock symbol TFA.A.

Basis of Presentation and Cautionary Statement: Information in this press release expressed in BOEs is derived by converting natural gas to oil in the ratio of six thousand cubic feet (mcf) of natural gas to one barrel (bbl) of oil. BOEs 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.

Forward Looking Statements: This news release contains forward looking statements and forward looking information based on management's current expectations regarding, among other things, the proposed asset acquisition, upside potential and future production and operational results. The reader is cautioned that assumptions used in the preparation of such information, although considered reasonable at the time of preparation, may prove to be incorrect. Forward looking statements involves significant known and unknown risks and uncertainties. Reference is made to Trafina's annual information form for the year ended December 31, 2008 dated April 27, 2009 for a description of some of the risks that could affect the Company's future results and could cause results to differ materially from those expressed in the Company's forward looking statements. The forward looking statements contained in this news release are made as at the date of this news release and, except as required by applicable securities laws, Trafina does not undertake any obligation to update publicly or otherwise any such statements.

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