



TSX Venture Exchange - TFA.A

NEWS RELEASE

TRAFINA ENERGY LTD. ANNOUNCES NEW CREDIT FACILITY, OPTION GRANTS AND MANAGEMENT APPOINTMENT

Calgary, Alberta – January 16, 2009 – TRAFINA Energy Ltd. (TRAFINA or the Company) is pleased to report that it has finalized its new credit facility announced on December 1, 2008. TRAFINA's board approved the \$3.5 million revolving operating loan credit facility with an Alberta-based financial institution on January 15, 2009. The new facility replaces the Company's existing credit facility.

The board also approved the renewal of the Company's normal course issuer bid, authorizing the Company to purchase for cancellation over a 12-month period Class A common shares having an aggregate value of up to \$50,000. Implementation of the bid is subject to the approval of, and the Company fulfilling the requirements of, the TSX Venture Exchange.

TRAFINA is also pleased to announce that Mr. Ben VanRootselaar has been appointed as the Company's Manager of Engineering. Mr. VanRootselaar has provided technical oil and gas consulting services to the Company since April 2007. He has been granted options to acquire 100,000 shares of the Company at a price of \$0.30 per share, and the board has approved the private placement sale to Mr. VanRootselaar of up to 100,000 shares of the Company at a price of \$0.40 per share. As well, the board approved the grant to employees, officers and directors of options to acquire 440,000 shares of the Company at a price of \$0.30 per share. The option grants and private placement sale of shares are subject to the approval of, and the Company fulfilling the requirements of, the TSX Venture Exchange.

Operationally, during the fourth quarter of 2008, TRAFINA drilled 12 (2.8 net) new vertical coal bed methane (CBM) wells and placed 17 of the 19 (7.8 net) wells drilled earlier in 2008 on production. The wells drilled in the fourth quarter of 2008 are expected to be on production by the end of February 2009. Preliminary production rates for the Company's new CBM wells are meeting expectations.

TRAFINA Energy is a junior oil and gas company based in Calgary, Alberta. It is primarily a natural gas producer, with its main areas of interest in Wetaskiwin, 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.

Forward-Looking Statements: This news release contains forward-looking statements based on management's current expectations. The reader is cautioned that assumptions used in the preparation of such information, although considered reasonable by TRAFINA at the time of preparation, may prove to be incorrect. 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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