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News Release**

**For Immediate Release**

**TSX Venture Exchange: TXE**

**Traxion Adds Bakken and Viking Reserves**

December 9, 2008 – Calgary Alberta – Traxion Energy Inc. ("**Traxion**" or the "**Corporation**") has obtained an independent reserves evaluation on its Section 27 Buffalo Coulee Bakken heavy oil and Viking medium oil prospect in SW Saskatchewan. This reserves evaluation (the "**Report**") was prepared by Chapman Petroleum Engineering Ltd. ("**Chapman**") of Calgary, Alberta, a qualified independent reserves evaluator, and complies with National Instrument 51-101 entitled *Standards of Disclosure For Oil and Gas Activities* as adopted by the Canadian Securities Regulators. A summary of certain portions of the Report is as follows:

Summary of Reserves and Economics  
as of November 1, 2008  
Net to Appraised Interest  
Forecast Prices and Costs (CDN\$)

Description	Light and Medium Oil		Heavy Oil		Sales Gas and Natural Gas Liquids	
	Gross (MSTB)	Net (MSTB)	Gross (Mbbls)	Net (Mbbls)	Gross (MMscf)	Net (MMscf)
Proved Developed Producing (one well)	0	0	42	40	0	0
Proved Undeveloped (two locations)	0	0	<u>84</u>	<u>80</u>	0	0
<b>Total Proved</b>	0	0	126	121	0	0
Probable Developed Producing (incremental)	0	0	14	13	0	0
Probable Undeveloped (two incremental, three new locations)	17	16	<u>196</u>	<u>183</u>	0	0
<b>Total Probable</b>	17	16	210	196	0	0
<b>Total Proved Plus Probable</b>	17	16	336	316	0	0

Net Present Values Of Future Net Revenue  
Net to Appraised Interest  
Forecast Prices and Costs (CDN\$)

Description	Before Income Taxes Discounted at (%/Year)		
	0 (M\$)	10 (M\$)	15 (M\$)
Proved Developed Producing (one well)	2,893	1,938	1,658
Proved Undeveloped (two locations)	<u>5,191</u>	<u>3,141</u>	<u>2,539</u>
<b>Total Proved</b>	<b>8,084</b>	<b>5,079</b>	<b>4,197</b>
Probable Developed Producing (incremental)	989	566	460
Probable Undeveloped (two incremental, three new locations)	<u>14,065</u>	<u>8,412</u>	<u>6,865</u>
<b>Total Probable</b>	<b>15,054</b>	<b>8,978</b>	<b>7,325</b>
<b>Total Proved Plus Probable</b>	<b>23,139</b>	<b>14,057</b>	<b>11,522</b>

Readers are cautioned that the estimated values disclosed do not represent "fair market value". In preparing the foregoing, Chapman used a current year forecast price for oil of (2 months) Cdn/STB of \$80.23 for 2008, and \$75.63, \$83.09, \$88.01, \$89.95 and \$89.95 in years 2009 through 2013, respectively. Total development capital expenditures have been anticipated at \$2.8 million, and total abandonment and restoration liabilities of \$210,000 have been anticipated. Operating costs of \$2,000 per well per month plus \$5.00 per STB of heavy oil, and \$1,500 per well per month plus \$2.00 per STB of medium oil have been utilized. The Report contemplates that the capital costs would be incurred prior to the end of Q1 2009. Chapman has reviewed this press release and consented to the inclusion of the summary of the Report herein. Definitions used in the Report such as "proved" and "probable" reserves have the meanings ascribed to such terms in the *Canadian Oil and Gas Evaluation Handbook* prepared jointly by The Society of Petroleum Evaluation Engineers (Calgary Chapter) and the Canadian Institute of Mining, Metallurgy & Petroleum (Petroleum Society), as amended from time to time.

The property which is the subject of the Report does not constitute all of Traxion's oil and gas properties. The estimates of reserves and future net revenue for individual properties may not reflect the same confidence level as estimates of reserves and future net revenue for all properties, due to the effects of aggregation. The Corporation's previously filed reserve report(s) may be found on the SEDAR website at [www.sedar.com](http://www.sedar.com).

The Corporation's existing Bakken heavy oil well was recently worked over and is currently producing at approximately 35 bbl oil per day. Traxion holds a 100% working interest in 4,795 acres of acreage in southwest Saskatchewan believed by management to be prospective for Bakken oil.

Traxion is a Calgary, Alberta based Corporation engaged in the exploration, development and production of petroleum and natural gas. The Corporation's common shares are listed on the TSX Venture Exchange under the trading symbol "TXE".

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*The TSX Venture Exchange does not accept responsibility for the adequacy or accuracy of this release.*

## **CAUTION REGARDING FORWARD LOOKING STATEMENTS**

*Certain statements contained herein constitute forward-looking statements. The Corporation does not undertake any obligation to publicly update or revise any forward-looking statements.*

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