PRESS RELEASE

Angle Announces 2009 First Quarter Results

CALGARY, ALBERTA – May 5, 2009 – Angle Energy Inc. ("Angle" or the "Company") (TSX: NGL) is pleased to announce its financial and operating results for the three months ended March 31, 2009.

HIGHLIGHTS

Three Months Ended March 31,	**2009**	2008	Change
(000s, except per share data)	*($)*	*($)*	*(%)*
Financial			
Commodity revenues	**21,458**	22,484	(5)
Funds from operations (1)	**9,689**	14,126	(31)
Per share – basic	**0.25**	0.41	(39)
Per share – diluted	**0.24**	0.40	(40)
Net income (loss)	**(689)**	2,984	(123)
Per share – basic	**(0.02)**	0.09	(122)
Per share – diluted	**(0.02)**	0.08	(125)
Capital expenditures	**17,775**	17,036	4
Total assets	**191,682**	148,891	29
Net debt (2)	**17,046**	34,598	(51)
Shareholders' equity	**140,260**	84,626	66
(000s)	*(#)*	*(#)*	*(%)*
Common Share Data			
Shares outstanding			
At end of period	**39,297**	34,615	14
Weighted average – basic	**39,297**	34,591	14
Weighted average – diluted	**40,137**	35,341	14
			(%)
Operating			
Sales			
Natural gas *(mcf/d)*	**26,390**	18,401	43
NGLs *(bbls/d)*	**3,084**	2,365	30
Light crude oil *(bbls/d)*	**163**	18	806
Total oil equivalent *(boe/d)*	**7,645**	5,450	40
Average wellhead prices (3)			
Natural gas *($/mcf)*	**4.70**	7.92	(41)
NGLs *($/bbl)*	**34.51**	53.92	(36)
Light crude oil *($/bbl)*	**48.23**	104.28	(54)
Total oil equivalent *($/boe)*	**31.19**	50.49	(38)
Gross (net) wells drilled *(#)*			
Gas	**3 (1.9)**	3 (1.9)	-- (--)
Oil	**-- (--)**	2 (1.5)	(100) (-100)
Dry and abandoned	**3 (3.0)**	1 (1.0)	200 (200)
Total	**6 (4.9)**	6 (4.4)	-- (11)
Average working interest *(%)*	**82**	73	12

(1) Funds from operations and funds from operations per share are not recognized measures under Canadian generally accepted accounting principles. Refer to the Management's Discussion and Analysis for further discussion.
(2) Excluding derivative instrument.
(3) Product prices include realized gains or losses from derivative instruments.
(4) For a description of the boe conversion ratio, refer to the commentary at the beginning of the Management's Discussion and Analysis.

LETTER TO SHAREHOLDERS

Fellow Shareholder:

During the first three months of 2009, weak commodity prices continued to further a challenging environment for all junior exploration companies, adversely affecting the profitability of natural gas properties and the ability to fund capital programs. Fortunately, Angle's strength in exploration, exploitation and low cost operations allowed our Company to meet these challenges, posting strong operational results during a period of economic and fiscal uncertainty.

Corporate Activities and Financial Highlights

Low product prices received during the three months ended March 31, 2009 resulted in Angle recording decreased first quarter sales and cash flow. Year-over-year commodity revenues declined 5% to $21.5 million while cash flow fell 31% to $9.7 million or $0.24 per diluted share. We exited the quarter with net debt of $17.0 million or a very healthy debt to annualized first quarter cash flow ratio of 0.4:1.

On April 17, 2009, Angle closed a new syndicated banking facility. This revolving committed credit facility expands our borrowing capacity to $80 million from the previous $70 million, thereby enhancing our Company's financial flexibility for the continued development of our core areas and in seeking additional growth opportunities and strategic acquisitions.

On April 8, 2009, our Company announced several executive changes and appointments. Ms. Heather Christie-Burns has been promoted to President while retaining her role as Chief Operating Officer of Angle. Heather is responsible for key decision making regarding operations and overall direction of the Company, and will also be instrumental in communications with shareholders and the public market. Mr. Gregg Fischbuch will focus primarily on prospect development as well as strategic corporate planning and will continue to provide guidance as Chief Executive Officer. Gregg's talents in the field of exploration have been demonstrated by the number of prolific wells Angle has discovered in its four years of drilling operations. Finally, Mr. Matthew Mazuryk has been promoted to Vice President Engineering from Manager of Engineering. Matt's background in acquisition evaluation and his commercial engineering expertise and prudent capital management skills bring significant value to our Company and broadens the scope of the executive management team.

Operating Highlights

Angle experienced a successful operational quarter, including completing a key facility project. Our operating highlights for the first three months of 2009 included:

- increasing production 40% to an average 7,645 boe/d;
- drilling 6 gross (4.9 net) wells at an average 82% working interest; and
- acquiring 3,328 hectares of Crown mineral rights in our core operating areas at an average price of $192.10/hectare.

Harmattan

First quarter production from our Harmattan core operating area averaged 5,243 boe/d producing from 43 wells. During the period at Harmattan, we successfully drilled and tied in 1 gross (1.0 net) development well in the Mannville 'B' sand and tied in another 3 gross (3.0 net) wells that were drilled in 2008. We also completed the installation of compression facilities for the 11-29 Elkton well, which will have a positive impact on production going forward.

Ferrier

At Ferrier, first quarter production averaged 2,402 boe/d producing from 13 wells. During the period, we drilled 2 gross (0.9 net) development wells in the area with 100% success. Both wells encountered pay in the Ellerslie and Ostracod formations with one of the wells being a successful follow-up of the prolific Ostracod channel well drilled in 2008. Also during the quarter, we completed the tie-in of 2 gross (2.0 net) wells that were drilled previously in 2008.

Deanne

At Deanne, we drilled a 100% working interest exploratory well to a total depth of 3,621 metres. Drilling operations were conducted from February to March 2009, in 48 days, at a cost of approximately $4.2 million, in line with budgeted expectations. The target Glauconitic reservoir was not present in sufficient quality. A secondary zone in the Viking was completed and was initially encouraging with high gas flow rates and pressures, but over an extended test period that was completed April 6, 2009, reservoir depletion was evident. Angle is conducting a second pressure build-up test to confirm the degree of depletion and is evaluating the economics of well tie-in.

Pembina

At Pembina, the Company drilled and cased 2 gross (2.0 net) exploratory wells during the three-month period. The target Nordegg sand was encountered but was low in permeability and did not yield commercial results upon testing. The two wells tested separate seismic features and were stand-alone plays with neutral impact to the prospectivity of our Pembina land block.

Exploration drilling made up a significant portion of Angle's activities in the first quarter of 2009. Although the initial wells at Deanne and Pembina were not successful, the Company's guidance of average production in the range of 7,500 to 7,600 boe/d for the first half of 2009 is unchanged due to the development in the Harmattan and Ferrier areas. Exploration results have not been relied upon in our budgeted growth model. Exploration is, by nature, higher risk than development activity but can also yield high reward and accelerated growth for the Company when success is achieved. The high impact play at Lone Pine Creek, which would provide material value if successful, is the next primary exploration focus for Angle. Regulatory review is ongoing at the initial sour gas locations being prepared for drilling. These locations are currently scheduled to commence drilling during the third and fourth quarters of 2009; however, the regulatory process may create additional delays and remains an execution risk for the initial wells at Lone Pine Creek.

New wells brought on production after April 1, 2009 will be eligible for the Alberta government's new three-point incentive program announced March 3, 2009. For new wells drilled prior to March 31, 2010, the program provides a credit of $200/metre drilled and caps royalties at 5% for the first 12 months of production up to a maximum of 50 mbbls of oil or 500 mmcf of natural gas.

Outlook

Our Company continues to expand its successful development projects at both Harmattan and Ferrier, and as a result, our production base has significantly increased from this time last year. The Harmattan Mannville 'B' pool and the Ellerslie channel development drilling will continue to be of particular focus during the balance of 2009. Each of these plays has the ability to provide average recycle ratios of 1.5 to 2.0 in the current lower price gas environment due to the combination of reserve and deliverability targets as well as Angle's capital efficiencies in our core areas.

Angle currently has over 50 high quality drilling locations on Company controlled lands identified as providing potential economic returns within a commodity price window of $2.85 to $6.00/mcf AECO. In addition, the near-term exposure to the high impact play at Lone Pine could provide material increases to our Company's value. Management is evaluating the Alberta government's new royalty program as it relates to our Company's development drilling. Future guidance will be forthcoming for the latter half of 2009 in relation to the activity this program may stimulate.

The Company is currently in an enviable position relative to its peers with a flexible balance sheet on an expanded bank line, a high percentage of proved producing reserves relative to total reserves, and minimal future capital requirements burdening the booked reserves base. Additionally, the proved producing base has now entered its third year of history on an average well basis with stable production apparent in all our major pools. As part of this trend, resulting decline rates are lower on a go-forward basis. The quality of our asset base, the low cost operations and the flexible financial position all lead to Angle's ability to survive and thrive in a low price commodity environment. The Company remains optimistic about its prospects and will prudently use its position to further grow while maintaining our structural value.

We greatly appreciate the continued support shown by our shareholders and acknowledge the ongoing commitment and hard work of our directors and employees during this dynamic period. We look forward to reporting the results of our efforts in our next report.

On behalf of the Board of Directors,

[signed]

Heather Christie-Burns
President & Chief Operating Officer

[signed]

D. Gregg Fischbuch
Chief Executive Officer

May 4, 2009

MANAGEMENT'S DISCUSSION AND ANALYSIS

The following Management's Discussion and Analysis ("MD&A") reports on the financial condition and the results of operations of Angle Energy Inc. ("Angle" or the "Company") for the three months ended March 31, 2009 and 2008 and should be read with the accompanying March 31, 2009 unaudited consolidated financial statements as well as the audited consolidated financial statements for the year ended December 31, 2008. All financial measures are expressed in Canadian dollars unless otherwise indicated. This commentary is based on the information available as at, and is dated May 4, 2009.

Production information is commonly reported in units of barrel of oil equivalent ("boe"). For purposes of computing such units, natural gas is converted to equivalent barrels of crude oil using a conversion factor of six thousand cubic feet of gas to one barrel of oil. This conversion ratio of 6:1 is based on an energy equivalent conversion for the individual products, primarily applicable at the burner tip and does not represent a value equivalency at the wellhead. Such disclosure of boes may be misleading, particularly if used in isolation. Readers should be aware that historical results are not necessarily indicative of future performance.

Non-GAAP Measurements

This MD&A contains the terms "funds from operations", "funds from operations per share", "funds flow netback" and "net income netback", which should not be considered an alternative to or more meaningful than net earnings or cash flow from operating activities as determined in accordance with Canadian generally accepted accounting principles ("GAAP") as an indicator of the Company's performance. These terms do not have any standardized meaning as prescribed by GAAP. Angle's determination of funds from operations, funds from operations per share, funds flow netback and net income netback may not be comparable to that reported by other companies. Management uses funds from operations to analyze operating performance and leverage, and considers funds from operations to be a key measure as it demonstrates the Company's ability to generate cash necessary to fund future capital investments and to repay debt. Funds from operations is calculated using cash flow from operating activities as presented in the consolidated statement of cash flows before changes in non-cash working capital and settlement of retirement costs. Angle presents funds from operations per share, which is prohibited under GAAP. Per share amounts are calculated using weighted average shares outstanding consistent with the calculation of earnings per share. The following table reconciles funds from operations to cash flow from operating activities, which is the most directly comparable measure calculated in accordance with GAAP:

Three Months Ended March 31,	**2009**	2008
(000s)	*($)*	*($)*
Cash flow from operating activities	**12,556**	11,483
Changes in non-cash working capital	**(2,867)**	2,643
Funds from operations	**9,869**	14,126

Future Outlook and Forward-Looking Information

Certain statements contained in this MD&A constitute forward-looking statements. Forward-looking information is often, but not always, identified by the use of words such as "anticipate", "believe", "could", "estimate", "expect", "forecast", "guidance", "intend", "may", "plan", "predict", "project", "should", "target", "will" or similar words suggesting future outcomes or language suggesting an outlook. These statements involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking statements. Management believes the expectations reflected in those forward-looking statements are reasonable, but no assurance can be given that these expectations will prove to be correct, and as a result, such forward-looking statements included in this MD&A should not be unduly relied upon.

Production and Sales Rates

Angle continually reviews its operational plans in response to current market conditions. The following guidance is for the first six months of 2009 only.

During the first half of 2009, Angle expects production and sales of natural gas, NGLs and light crude oil will average between 7,500 and 7,600 boe/d. There are many factors that could result in production levels being less than anticipated, including: greater than anticipated declines in existing production due to poor reservoir performance, mechanical failures or inability to access production facilities; the unanticipated encroachment of water or other fluids into the producing formation; and, the inability to drill, complete and tie-in wells on schedule due to a lack of oilfield services being available on a cost efficient basis, poor weather, the inability to negotiate surface access with the landowners, or regulatory delays in obtaining all necessary drilling and production approvals.

Production Mix

The Company anticipates that its product volume mix will be similar to 2008 and will approximate 58% natural gas, 40% NGLs and 2% light crude oil. This expectation may not be met if the wells are not drilled when expected (see "Drilling Program" below) or if the wells do not produce as expected (see "Production and Sales Rates" above).

Commodity Prices

For purposes of its forecast for 2009, the Company has assumed that the natural gas price at AECO for spot delivery will average $4.74/GJ and that the West Texas Intermediate crude oil price will average US$47/bbl. There are many risks that may result in commodity price assumptions being less than expected. The price of natural gas in North America is primarily related to the domestic supply and demand equation. Demand is primarily affected by heating requirements in winter and cooling requirements in summer, with warm winters and/or cool summers having a negative demand influence. Supplies are generally domestic and respond to prices, but an increase in the deliverability of global NGLs into the North American market can also, at times, influence the supply situation.

The price of crude oil is set in U.S. dollars on the world market and is influenced by global supply and demand factors as well as exogenous events, such as terrorist activity in oil exporting countries. The current slowdown in economic growth due to recession in several of the world's major economies could further reduce both the demand and price for crude oil.

Canadian producers realize a Canadian dollar price for natural gas, NGLs and crude oil, all of which are determined in large part by the U.S. dollar price for such products adjusted for the U.S. to Canadian dollar exchange rate. The exchange rate is influenced by many factors, which have and will continue to result in high volatility. Angle has used a Canadian to U.S. dollar price exchange rate of $0.83 for its forecast pricing.

Royalty Rates

Angle expects that royalty rates during the first six months of 2009 will average in the range of 32% to 34% of gross revenue, before realized or unrealized derivative gains or losses. This royalty rate expectation has resulted from the Company's view on commodity prices and increased sales from Crown lands. Total royalties are the combination of Crown royalties paid on Crown lands and freehold royalties paid on freehold lands. In addition, gross overriding royalties are payable on lands in which the Company has earned an interest by way of farm-in, whether the lands are Crown or freehold. Total royalties payable are a function of the mix between Crown and freehold lands as the rates are different.

Historically, the Company's freehold royalty rates have been higher than the Crown royalty rate applicable had the lands been Crown lands. However, under the new Alberta royalty rate program that became effective January 1, 2009, Angle's freehold royalty rates could, in certain cases, be less than the Crown royalty rates that would have applied had the lands been Crown owned depending on commodity prices.

During 2008, the Company's royalty mix was 20% Crown royalties and 11% freehold and gross overriding royalties, and the combined royalty rate was 31%. The actual combined royalty rate in any period will be a function of the mix between Crown and freehold production. Crown royalty rates are determined by the depth of the well, production rates and the price of natural gas or crude oil. As both Crown and freehold royalties are calculated as a percentage of revenue, royalties will vary directly with revenue and tend to mitigate the risk of declining revenues from lower production levels and/or lower commodity prices.

On March 3, 2009, the Government of Alberta announced a three-point incentive program to stimulate new and continued economic activity in Alberta. At this time, the impact of these changes to Angle's financial position cannot be reasonably determined or estimated. The Company will review the proposed changes and continue to monitor any further amendments and will update its plans as required.

Operating Costs

The Company expects operating and transportation costs to average in the range of $5.30 to $5.50/boe for the first six months of 2009. Generally, operating costs in the Harmattan area are slightly lower than in the Ferrier area, and as Ferrier production grows in proportion to the Company's total, the blended operating costs are expected to increase marginally.

Risks to operating cost increases relate to general oilfield service costs, which tend to increase in periods of high industry activity and decrease as activity levels decline.

General and Administrative ("G&A") Costs

Angle anticipates that G&A expenses for the first half of 2009 will be approximately in the $1.60 to $1.65/boe range, net of capitalized amounts. Risks that G&A costs will exceed this amount relate to higher than expected employee costs necessarily incurred by the Company to retain key employees in a competitive market, the need to hire more staff than originally anticipated and general cost inflation.

Funds From Operations

The Company expects that funds from operations will be in the range of approximately $21 million to $23 million for the first six months of 2009. This estimate is based on the assumptions as to production, commodity prices, royalty rates, operating costs and G&A costs discussed above. The risk that funds from operations are less than expected is the aggregate of all risks affecting the individual components thereof.

Capital Expenditures

Angle expects to incur between $25 million and $27 million for capital expenditures to June 30, 2009, consisting primarily of expenditures for drilling, completions, equipment, tie-ins, land and seismic. This is based on the assumption that the Company drills in the range of eight to ten gross wells during the six-month period. The capital program during 2009 is flexible, depending on commodity prices and recently announced Alberta Crown royalty incentive programs. Increases in capital costs from budgeted amounts can occur for the following reasons: general cost inflation in the industry, resulting from high utilization rates; poor weather that can delay activity and subject the Company to stand-by charges; and, problems encountered in drilling a well that can result in additional drilling time or, in some cases, losing the well entirely.

Drilling Program

The Company expects to drill eight to ten gross wells during the first six months of 2009. The drilling program is a key assumption in the production estimates for the period discussed above. The risk that Angle will not meet its drilling targets is attributable to the following: lack of access to drilling rigs and related equipment at sites; delays in obtaining landowner consent for surface access; and, delays in obtaining well licences and drilling permits.

Drilling Success

During 2009, the Company expects to add reserves from its drilling activities. In arriving at such expectations, Angle undertakes a risking process where each well is assigned a probability of success and the expected reserves that would be added in a success case. The basis for such assessment is a combination of geological, geophysical and reservoir engineering analysis, including reviewing analog reserves in the area of interest. There are many risks that a well may not add the reserves anticipated, including: poor reservoir rock due to low permeability and/or low porosity that inhibits production; the non-existence of the targeted zone due to erosion; the lack of an effective reservoir seal, preventing the migration of hydrocarbons; presence of water in the zone; damage to the zone from the drilling process; and, competitive drainage from offsetting acreage not owned by the Company.

Developing Future Prospects

Angle intends to continue generating and developing its own prospects and acquiring lands directly as well as through farm-ins as part of its business strategy. To do so requires that appealing opportunities become available within the timeframe suitable to the Company, that Angle has the necessary human and financial resources to pursue and capture such opportunities, and that the Company is able to prevail over its competitors pursuing the same projects. Risks in achieving such growth plans relate to a lack of adequate staffing or capital, or to an overly competitive market where other industry participants are prepared to pay more for a prospect than what Angle would consider prudent.

Debt

The Company anticipates that its combined bank debt and working capital deficit position at June 30, 2009 will be less than $20 million, given the volatility of commodity prices. The forecast closing debt would be increased by any additional share purchases under the Company's normal course issuer bid or an acquisition. This assumes that capital expenditures are between $25 million and $27 million and that funds from operations are in the range of approximately $21 million to $23 million for the first six months of 2009. The risk that debt levels are higher than expected would result from capital expenditures exceeding budget and/or funds from operations being less than budget, both of which have been considered above.

Tax Horizon

Angle will not become cash taxable during the first six months of 2009 based on the foregoing assumptions. Liability for current income tax is a function of the amount of revenue and expenses recognized for tax purposes, including deductions for capital expenditures. As such, taxable income is affected by many factors, including: production levels; commodity prices; and, the level and classification for tax purposes of capital spending into one of several categories with each being deductible at different rates. The liability for current income tax could be higher than expected if revenues exceed Angle's budget, if capital spending is lower than expected, or if a greater proportion of capital spending is allocated to a lower deduction category.

Current Market Conditions

Management is aware that the current equity market conditions are not conducive to raising funds through treasury issues of common shares. However, the Company has the financial capability to continue its 2009 capital program through funds from operations and available credit under the existing bank line without the need to access capital markets.

General

Statements relating to "reserves" are also deemed to be forward-looking statements, as they involve the implied assessment, based on certain estimates and assumptions, that the reserves described can be profitably produced in the future.

The actual results could differ materially from those anticipated in these forward-looking statements as a result of the risk factors and assumptions set forth above and elsewhere in this MD&A.

These factors should not be considered as exhaustive. The reader is cautioned that these factors and risks are difficult to predict and that the assumptions used in the preparation of such information, although considered reasonably accurate at the time of preparation, may prove to be incorrect. Accordingly, readers are cautioned that the actual results achieved will vary from the information provided herein and the variations may be material. Consequently, there are no representations by the Company that actual results achieved will be the same in whole or in part as those set out in the forward-looking information. Furthermore, the forward-looking statements contained in this MD&A are made as of the date hereof, and the Company undertakes no obligation, except as required by applicable securities legislation, to update publicly or to revise any of the included forward-looking statements, whether as a result of new information, future events or otherwise. The forward-looking statements contained herein are expressly qualified by this cautionary statement.

Basis of Presentation

Angle is a public company that was incorporated under the laws of Alberta on January 23, 2004 and commenced active oil and gas operations in 2005. This MD&A focuses on the Company's operations for the three months ended March 31, 2009 and 2008.

Operating Results

Drilling Activity

	Exploration		Development		Total	
	Gross	Net	Gross	Net	Gross	Net
	(wells)	*(wells)*	*(wells)*	*(wells)*	*(wells)*	*(wells)*
January 1 to March 31, 2009						
Natural gas and NGLs	**--**	**--**	**3**	**1.9**	**3**	**1.9**
Light crude oil	**--**	**--**	**--**	**--**	**--**	**--**
Dry and abandoned	**3**	**3.0**	**--**	**--**	**3**	**3.0**
Total wells	**3**	**3.0**	**3**	**1.9**	**6**	**4.9**
Success rate *(%)*		**0**		**100**		**39**
Average working interest *(%)*		**100**		**63**		**82**

	Exploration		Development		Total	
	Gross	Net	Gross	Net	Gross	Net
	(wells)	*(wells)*	*(wells)*	*(wells)*	*(wells)*	*(wells)*
January 1 to March 31, 2008						
Natural gas and NGLs	1	0.5	1	1.0	2	1.5
Light crude oil	--	--	3	1.9	3	1.9
Dry and abandoned	1	1.0	--	--	1	1.0
Total wells	2	1.5	4	2.9	6	4.4
Success rate *(%)*		33		100		77
Average working interest *(%)*		75		73		73

For the three months ended March 31, 2009, Angle drilled 6 gross (4.9 net) wells of which 1 gross (1.0 net) development well was at Harmattan, 2 gross (0.9 net) wells were at Ferrier, 1 gross (1.0 net) exploration well was at Deanne and 2 gross (2.0 net) exploration wells were at Pembina. The Company's success rate is calculated on a net working interest completion basis.

Capital Expenditures

Capital expenditures for the three months ended March 31, 2009 and 2008 are summarized in the following table:

Three Months Ended March 31,	**2009**	2008
(000s)	*($)*	*($)*
Drilling and completions	**12,515**	10,982
Equipment and facilities	**4,189**	4,981
Geological and geophysical	**216**	328
Land and lease retention	**673**	462
Head office	**19**	22
Capitalized G&A and other	**163**	261
Total	**17,775**	17,036

For the first quarter of 2009, drilling and completions expenditures totaled $12,515,000 (2008 – $10,982,000) that involved the drilling of 6 gross (4.9 net) wells of which 3 gross (1.9 net) wells were successful and 3 gross (3.0 net) wells were dry for a 39% net success rate. During the three-month period, half of the Company's drilling was focused on exploration prospects that typically have a lower chance of success than development drilling, where the Company had excellent success. In the comparative quarter of 2008, the Company drilled 6 gross (4.4 net) wells of which 5 gross (3.4 net) wells were successful and 1 gross (1.0 net) well was dry for a 77% net success rate.

For the three months ended March 31, 2009, the Company's expenditures on facilities totaled $4,189,000 (2008 – $4,981,000) primarily for wellsite facilities, related gathering pipelines and construction of compression facilities at Harmattan.

Land purchases and lease retention costs incurred in the first quarter of 2009 totaled $673,000 (2008 – $462,000). Angle was successful in Crown land sales during the 2009 three-month period, and as a result, added an additional 13 sections or 8,320 acres, at 100% working interest, to its total land inventory.

Financial and Operating Results

Sales, Revenue and Prices

Three Months Ended March 31,	**2009**	2008
Sales		
Natural gas sales *(mcf/d)*	**26,390**	18,401
NGLs sales *(bbls/d)*	**3,084**	2,365
Light crude oil sales *(bbls/d)*	**163**	18
Total sales *(boe/d)*	**7,645**	5,450
Total sales *(boe)*	**688,024**	495,981
(000s)	*($)*	*($)*
Revenue		
Natural gas	**11,174**	12,998
Realized derivative gain	**--**	265
Total natural gas	**11,174**	13,263
NGLs	**9,576**	11,607
Light crude oil	**708**	171
Total revenue before unrealized derivative gains	**21,458**	25,041
Unrealized derivative (loss)	**--**	(2,557)
Total revenue	**21,458**	22,484
Average Prices		
Natural gas sales price *($/mcf)*	**4.70**	7.38
Derivative realized gain *($/mcf)*	**--**	0.54
Total natural gas sales price *($/mcf)*	**4.70**	7.92
NGLs sales price *($/bbl)*	**34.51**	53.92
Light crude oil sales price *($/bbl)*	**48.23**	104.28
Total sales price *($/boe)*	**31.19**	50.49

For the first quarter of 2009, revenue was $21,458,000 compared to $25,041,000 (before unrealized derivative loss) for the same period in 2008. Sales volumes during the 2009 three-month period averaged 7,645 boe/d versus 5,450 boe/d a year ago. Although Angle recorded a 39% increase in sales volumes, the Company's prices declined 38% on a per boe basis with natural gas declining 41% and NGLs falling 36% from the comparable quarter in 2008. In the fourth quarter of 2008, sales volumes averaged 7,628 boe/d. During the three months ended March 31, 2009, Angle's product volume mix was 58% natural gas, 40% NGLs with 2% light crude oil.

Angle continues to have success in its development drilling program with volumes being tied in from both its Ferrier and Harmattan core areas. Ferrier contributed approximately 31% of the Company's total sales volumes during the first three months of 2009, down slightly from 33% in the fourth quarter of 2008, while the balance of sales volumes were from Harmattan. In the comparative period of 2008, Ferrier sales were approximately 18% of Angle's total sales volumes.

The Company's drilling operations primarily target natural gas that is rich in associated NGLs. Angle's NGLs are comprised of approximately 36% ethane, 27% propane, 15% butane and 22% condensate. The price received for its NGLs is based on this mix, with condensate having the highest value of the NGLs stream.

Angle's production is sold within Canada and it is sensitive to North American natural gas and world crude oil price variations in addition to Canada/U.S. currency exchange rate changes. All of the Company’s production is sold through four purchasers.

Royalties

Three Months Ended March 31,	**2009**	2008
(000s)	*($)*	*($)*
Total revenue before realized and unrealized derivative loss	**21,458**	24,776
Royalties		
Crown	**4,759**	4,680
Other	**2,537**	2,923
Total royalties	**7,296**	7,603
	(%)	*(%)*
% of Revenue		
Crown	**22**	19
Other	**12**	12
Total	**34**	31

For the first quarter of 2009, the Company recorded total royalties of $7,296,000 or 34% of revenue versus $7,603,000 or 31% of revenue for the same period in 2008. As expected, the Alberta government's New Royalty Framework that became effective January 1, 2009, with subsequent revisions, has increased Angle's year-over-year Crown royalty rate despite the decline in commodity pricing. In addition, Crown royalties have increased relative to the mix of total royalties, which is reflective of the increase in production from Crown leases, in both of the Company's core operating areas.

Operating Expenses

Three Months Ended March 31,	**2009**	2008
(000s)	*($)*	*($)*
Operating expense	**3,066**	2,198
Transportation expense	**248**	157
Total operating expenses	**3,314**	2,355
Total operating expenses *($/boe)*	**4.82**	4.75

Total operating expenses were $3,314,000 or $4.82/boe for the 2009 three-month period versus $2,355,000 or $4.75/boe a year ago.

The Ferrier area has a higher per unit operating expense rate than Harmattan. During the first quarter of 2009, the Company had a higher proportion of sales volumes from the Ferrier area (31% of total volumes) compared to the first quarter of 2008 (18% of total volumes), which has slightly increased the overall per unit rate in the period.

General and Administrative ("G&A") Expenses and Stock-Based Compensation

Three Months Ended March 31,	**2009**	2008
(000s)	*($)*	*($)*
G&A expenses	**1,551**	968
G&A capitalized (direct)	**(163)**	(261)
G&A recoveries via operations	**(231)**	(126)
G&A expenses (net)	**1,157**	581

G&A net expenses totaled $1,157,000 for the three months ended March 31, 2009 versus $581,000 in the same period a year ago. Angle had 22 professional staff during the 2009 first quarter compared to 14 staff in the same period of 2008. During the first three months of 2009, the Company capitalized $163,000 (2008 – $261,000) in direct costs relating to its exploration and development staff salaries and $231,000 (2008 – $126,000) relating to operator recoveries on capital expenditures.

Angle recorded non-cash stock-based compensation expense of $387,000 (2008 – $202,000) and capitalized $119,000 (2008 – $92,000) for total stock-based compensation of $506,000 (2008 – $294,000) during the first quarter of 2009. The Company's year-over-year G&A expenses and stock-based compensation rose in proportion to its increase in staffing to properly manage increased activities and production growth.

Interest Expense

Interest expense incurred during the three months ended March 31, 2009 totaled $2,000 (2008 – $376,000), resulting from the decreased use of credit facilities to date in 2009. In December 2008, Angle closed an equity placement of $10,006,000 (prior to share issue expenses), which decreased its bank debt from the $22,588,000 the Company had outstanding at March 31, 2008.

Netbacks (per unit)

Three Months Ended March 31,	**2009**	2008
	($/boe)	*($/boe)*
Sales prices	**31.19**	50.49
Royalties	**(10.61)**	(15.33)
Operating	**(4.82)**	(4.75)
Operating netback	**15.76**	30.41
G&A and other (excludes non-cash items)	**(1.68)**	(1.17)
Interest expense	**--**	(0.76)
Funds flow netback [1]	**14.08**	28.48
Depletion, depreciation and accretion	**(15.01)**	(13.45)
Stock-based compensation	**(0.56)**	(0.41)
Unrealized (loss) gain on derivative instrument	**--**	(5.15)
Future tax recovery (expense)	**0.49**	(3.45)
Net income netback	**(1.00)**	6.02

(1) Non-GAAP measure: refer to disclosure on non-GAAP measure. Funds flow netback is calculated by dividing funds flow by the sales volume in boes for the period then ended.

(2) For a description of the boe conversion ratio, refer to the commentary at the beginning of this MD&A.

Angle's operating netback was $15.76/boe for the three months ended March 31, 2009 compared to $30.41/boe in 2008. The Company's operating netback was adversely impacted by the 38% decrease in commodity prices, compounded by higher Crown royalty rates, as a percentage of revenue, primarily on the liquids revenue stream.

Funds from Operations

Funds from operations totaled $9,689,000 or $0.25 per basic and $0.24 per diluted share during the first quarter of 2009 compared to $14,126,000 or $0.41 per basic and $0.40 per diluted share in the comparable period of 2008. Refer to the beginning of this MD&A section for discussion and reconciliation of funds from operations to cash flow from operating activities, which is the most directly comparable measure calculated in accordance with GAAP.

Cash Flow from Operating Activities

Cash flow from operating activities totaled $12,556,000 or $0.32 per basic and $0.31 per diluted share during the first quarter of 2009 compared to $11,483,000 or $0.33 per basic and $0.32 per diluted share a year ago.

Depletion, Depreciation and Accretion ("DD&A")

Three Months Ended March 31,	**2009**	2008
DD&A provision *($000s)*	**10,326**	6,672
DD&A provision *($/boe)*	**15.01**	13.45

The DD&A provision for the first quarter in 2009 was $10,326,000 or $15.01/boe compared to $6,672,000 or $13.45/boe recorded in the same period of 2008. The 55% increase was caused by the 39% growth in production volumes combined with an increase in the per unit rate that resulted from lower reserves additions relative to capital expenditures due to unsuccessful exploratory drilling conducted during the three months ended March 31, 2009.

Income Taxes

A future tax recovery of $335,000 was recognized for the three months ended March 31, 2009 compared to a future tax expense of $1,711,000 recorded in the same period of 2008.

Net Income

The Company recorded a net loss of $689,000 or $0.02 per basic and diluted share during the first quarter of 2009 compared to net income of $2,984,000 or $0.09 per basic and $0.08 per diluted share in the same period a year ago.

Liquidity and Capital Resources

The following table summarizes the change in working capital during the three months ended March 31, 2009 and the year ended December 31, 2008:

	Three Months Ended March 31, 2009	Year Ended December 31, 2008
(000s)	*($)*	*($)*
Working capital (deficiency) – beginning of period	**(8,960)**	(31,819)
Funds from operations	**9,689**	69,801
Issue of capital stock for cash (net of share issue expense)	**--**	38,695
Redemption of share capital	**--**	(5,760)
Derivative instruments	**--**	(11)
Capital expenditures	**(17,775)**	(79,866)
Working capital (deficiency) – end of period	**(17,046)**	(8,960)

Since inception on January 23, 2004 to March 31, 2009, Angle has raised funds through treasury equity issues in the amount of $107,231,000 (net of share issue expenses and normal course issuer bid) at share prices ranging from $0.60 to $8.00 per common share.

The Company exited the period with a working capital deficiency of $17,046,000 compared to available credit lines of $70,000,000. Additional information on the terms of Angle's credit facility can be found in note 4 of the consolidated financial statements. On April 17, 2009, Angle closed a new banking facility that increased the borrowing capacity to $80,000,000 from the previous credit line of $70,000,000. The amount of the facility is subject to a borrowing base test performed on a periodic basis by the lenders, based primarily on reserves and using commodity prices estimated by the lenders as well as other factors. A decrease in the borrowing base could result in a reduction to the credit facility, which may require a repayment to the lenders. However, the Company is in full compliance with all bank debt covenants and has provided the bank with a reserves report, dated January 1, 2009, and does not expect any reduction in its borrowing base, and no repayment will be required, in the short-term.

Other liabilities included in working capital deficiency consist primarily of trade payables and accrued liabilities. Management expects to be able to fully meet all current obligations when due with funding provided by a combination of accounts receivable collections, funds from operations and available credit under the bank line.

In order to protect a portion of the Company's revenue stream, Angle will periodically enter into forward sales contracts for its commodities. As at March 31, 2009 and as of the date of this report, the Company did not have any forward sales contracts outstanding.

As at May 4, 2009, Angle had 39,296,574 common shares, 2,945,000 stock options and 1,322,000 share appreciation rights issued and outstanding. Between the start of its normal course issuer bid in September 2008 and March 31, 2009, the Company had repurchased and cancelled 1,425,500 shares. Angle has not completed any purchases since December 31, 2008.

Selected Quarterly Information

Three Months Ended	**Mar. 31, 2009**	Dec. 31, 2008	Sep. 30, 2008	Jun. 30, 2008	Mar. 31, 2008	Dec. 31, 2007	Sep. 30, 2007	Jun. 30, 2007
(000s, except per share data)		*($)*	*($)*	*($)*	*($)*	*($)*	*($)*	*($)*
Total assets	**191,682**	186,985	192,179	173,188	148,891	134,371	115,490	101,459
Total sales *(boe/d)*	**7,645**	7,628	7,280	5,965	5,450	3,532	2,989	3,326
Oil and gas revenues	**21,458**	28,591	39,243	33,896	22,484	13,952	12,351	14,409
Funds from operations	**9,689**	15,688	21,017	18,970	14,126	7,672	6,561	7,300
Per share – basic	**0.25**	0.41	0.54	0.55	0.41	0.23	0.20	0.22
Net income (loss)	**(689)**	2,790	13,071	7,527	2,984	2,932	1,225	2,721
Per share – basic	**(0.02)**	0.07	0.34	0.22	0.09	0.09	0.04	0.08
Capital expenditures	**17,775**	17,608	23,510	21,712	17,036	18,563	17,919	4,653
Working capital (deficiency)	**(17,046)**	(8,960)	(10,680)	(11,156)	(36,393)	(31,819)	(29,013)	(17,236)
Shareholders' equity	**140,260**	143,057	135,854	122,108	84,626	82,461	70,838	69,356

Note: The selected quarterly information has been prepared in accordance with the accounting principles as contained in the notes to the consolidated financial statements for the years ended December 31, 2008 and 2007.

Factors That Have Caused Variations Over the Quarters

The fluctuations in Angle's revenue and net earnings from quarter to quarter are primarily caused by increases in production volumes, realized commodity prices and the related impact on royalties, and realized and unrealized gains/losses on financial instruments. Angle has been successful in drilling and tie-in of its wells and has increased oil and gas revenues and related volumes each successive quarter, with the exception of the second quarter of 2007 and the first quarter of 2009. During the second quarter of 2007, the Company experienced extensive wet field conditions, and consequently, was unable to complete drilling, tie-in or pipelining operations. In addition, future income tax estimates and changes in estimates contributed to the changes in net earnings commencing from the first quarter of 2007. During the first quarter of 2009, the Company's revenue stream was negatively impacted by the decrease in commodity prices experienced by the industry as a whole. Please refer to the "Financial and Operating Results" section and other sections of this MD&A for detailed discussions on variations during the comparative quarters and to Angle's previously issued interim and annual MD&A for changes in prior quarters.

Contractual Obligations

The Company has a committed revolving term facility with a Canadian bank. The authorized borrowing amount under this facility as at March 31, 2009 was $70,000,000 but was subsequently increased to $80,000,000. Additional disclosure relating to bank debt is provided in note 4 of the consolidated financial statements. The Company's commitments are summarized below:

	2009	2010	2011
(000s)	*($)*	*($)*	*($)*
Operating lease – office	301	437	408
Operating lease – compressors	285	--	--
Exploration expenditures (flow-through)	2,244	--	--
Total	2,830	437	408

As a result of the Company's farm-in in the Lone Pine Creek area, Angle has a commitment to drill two wells for a total estimated net cost of $2,400,000. The Company expects to meet this commitment primarily from generation of funds from operations and, to a much lesser degree, drawing on its existing bank line. Please refer to the "Future Outlook and Forward-Looking Information" and the "Liquidity and Capital Resources" sections of this MD&A for further information.

Related Party and Off-Balance Sheet Transactions

Angle has retained the law firm of Osler, Hoskin and Harcourt LLP ("Osler") to provide legal services. Ms. Noralee Bradley, a Director and Chairman of Angle, is a partner of this firm. During the first three months of 2009, Angle incurred $78,000 in costs with Osler (2008 – $251,000). Services provided related to advice and counsel primarily in the areas of general legal, corporate governance matters, and banking and equity offerings. These services were billed at rates consistent with those charged to third parties. The Company expects to continue using the firm's services throughout 2009.

Changes in Accounting Disclosures

Except as discussed in this section, please refer to the Company's accounting disclosures as described in the MD&A as at December 31, 2008. The following disclosures to the consolidated financial statements are in effect as of January 1, 2009.

Future Accounting Policy Changes

Business Combinations

In December 2008, the Canadian Institute of Chartered Accountants ("CICA") issued Section 1582 "Business Combinations". This section is effective January 1, 2011 and applies prospectively to business combinations for which the acquisition date is during the first annual reporting period beginning on or after January 1, 2011 for the company. Early adoption is permitted. This section replaces Section 1581 "Business Combination" and harmonizes the Canadian standards with IFRS.

Transition to International Financial Reporting Standards ("IFRS")

In February 2008, the CICA's Accounting Standards Board ("AcSB") confirmed the changeover to IFRS from Canadian GAAP will be required for publicly accountable enterprises for interim and annual financial statements for fiscal years beginning on or after January 1, 2011, including comparative figures for 2010.

The International Accounting Standards Board ("IASB") has also issued an exposure draft relating to certain amendments and exemptions to IFRS 1. It is anticipated that this exposure draft will not result in an amended IFRS 1 standard until late 2009. The amendment, if implemented, will permit the Company to apply IFRS prospectively by utilizing its current reserves at the transition date to allocate the Company's full cost pool, with the provision that a ceiling test, under IFRS standards, be conducted at the transition date. The eventual changeover to IFRS represents a change due to new accounting standards. The transition from current Canadian GAAP to IFRS is a significant undertaking that may materially affect the Company's reported financial position and results of operations.

In response, the Company has completed a high-level IFRS transition plan and has established a preliminary timeline for its execution and completion. The Company has performed a preliminary review of the accounting policies of the Company under Canadian GAAP and compared them to IFRS. In 2009, the Company will perform the next phase of the project, conducting an in-depth review of the significant areas of difference identified during the preliminary assessment in order to identify all specific Canadian GAAP and IFRS differences and select ongoing IFRS policies. Key areas addressed will also be reviewed to determine any information technology issues, the impact on internal controls over financial reporting and the impact on other business activities, including compensation arrangements. Staff training programs commenced in 2008 and will be ongoing as the project unfolds. The Company will also continue to monitor standards development as issued by the IASB and the AcSB as well as regulatory developments as issued by the Canadian Securities Administrators, which may affect the timing, nature or disclosure of its adoption of IFRS. Additional disclosures of the key elements of the transition plan and progress of the project will be provided as the information becomes available.

Controls and Procedures

Disclosure Controls

Disclosure controls and procedures are designed to ensure that information required to be disclosed by the Company is accumulated and communicated to management, including the Chief Executive Officer ("CEO") and Chief Financial Officer ("CFO"), to allow timely decisions regarding required disclosure. Angle's CEO and CFO have concluded, based on their evaluation as of the end of the period covered by the Company's interim filings, that the Company's disclosure controls and procedures are effective to provide reasonable assurance that material information related to the issuer is made known to them by others within the Company.

Internal Controls Over Financial Reporting

Management has assessed the effectiveness of the Company's internal controls over financial reporting as defined by National Instrument 52-109 at December 31, 2008. The assessment was based on the framework in "Internal Control – Integrated Framework" issued by the Committee of Sponsoring Organizations. No changes were made to the Company's internal controls over financial reporting during the period ended March 31, 2009 that have materially affected, or are reasonably likely to materially affect, internal controls over financial reporting.

It should be noted that while Angle's CEO and CFO believe that the Company's internal controls and procedures provide a reasonable level of assurance and that they are effective, they do not expect that these controls will prevent all errors and fraud. A control system, no matter how well conceived or operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met.

Business Risks and Risk Mitigation

There are a number of risks facing participants in the Canadian oil and gas industry. Some of the risks are common to all businesses, while others are specific to the sector. The most important of these risks are set out below, together with the strategies Angle employs to mitigate and minimize these risks.

Global Financial Crisis

Recent market events and conditions, including disruptions in the international credit markets and other financial systems and the deterioration of global economic conditions, have caused significant volatility to commodity prices. These conditions worsened in the third quarter of 2008 and are continuing in 2009, causing a loss of confidence in the broader United States and global credit and financial markets. This has created a climate of greater volatility, less liquidity, widening of credit spreads, a lack of price transparency, increased credit losses and tighter credit conditions. These factors have negatively impacted the Company's valuations and will impact the performance of the global economy going forward.

Commodity prices are expected to remain volatile for the near future as a result of market uncertainties over the supply and demand of these commodities due to the current state of the world economies, OPEC actions and the ongoing global credit and liquidity concerns.

Inherent Industry Risks – Risk of Failing to Discover Economic Reserves Additions

The Company's strategies include focusing on gas prone selected areas in Western Canada, utilizing a team of highly qualified professionals with expertise and experience in these areas, expanding operations in core areas, continuously assessing new exploration opportunities to complement existing activities and striving for a balance between higher risk exploratory drilling, lower risk development drilling and pursuing liquids-rich gas reservoirs.

Beyond exploration risk, there is the potential that the Company's oil and natural gas reserves may not be economically produced at prevailing prices. Angle minimizes this risk by generating exploration prospects internally, targeting high quality projects and attempting to operate the project along with access to the sales market through Company owned or mid-stream operators.

Financial, Commodity Price, Capital Expenditures, Liquidity and Environmental Risks

Commodity prices are driven by supply, demand and market conditions outside the Company's influence and control. Angle manages this risk by constantly monitoring the forecasted price given by aggregators. In addition, from time to time the Company employs a commodity hedging program that has a primary goal of minimizing significant downward movements in commodity prices and these are detailed in note 8 of the

consolidated financial statements. Angle manages capital expenditures by two separate tracking systems: a historical accounting system that records the actual costs and a perpetual forecasting model that is constantly updated based on real-time information.

Angle's capital investment process is based on risk analysis to ensure capital expenditures balance the objectives of immediate cash flow growth in development activities and future cash flow from the discovery of reserves through exploration.

It is likely that in the future, Angle will be required to raise additional capital through debt and equity financings in order to fully realize the Company's strategic goals and business plans. Angle's ability to raise additional capital will depend on a number of factors, such as general economic and market conditions that are beyond the Company's control. If the Company is unable to obtain additional financing or to obtain it on favourable terms, Angle may be required to forego attractive business opportunities. However, as Angle is the operator of virtually all of its operations at a high working interest position, the Company is able to be flexible in the timing of operations to ensure a continued strong financial position. The Company is committed to maintaining a strong balance sheet combined with an adaptable capital expenditures program that can be adjusted to capitalize on or reflect acquisition opportunities or a tightening of liquidity sources if necessary.

The Company manages operational risks by employing skilled professionals utilizing leading-edge technology and conducting regular maintenance and training programs. Angle has established a new Environmental, Health and Safety Committee and updated its operational emergency response plan and operational safety manual to address these operational issues. In addition, a comprehensive insurance program is maintained to mitigate risks and protect against significant losses where possible. Angle operates in accordance with all applicable environmental legislation and strives to maintain compliance with such regulations.

[signed]

STUART C. SYMON, CMA
Vice President Finance & Chief Financial Officer

May 4, 2009

CONSOLIDATED BALANCE SHEETS

As at	**March 31, 2009**	December 31, 2008
(000s) (unaudited)	*($)*	*($)*
Assets		
Current		
Cash	**--**	939
Accounts receivable	**10,360**	12,496
Prepaid expenses and other	**1,199**	1,266
	11,559	14,701
Property and equipment *(note 3)*	**180,123**	172,284
	191,682	186,985
Liabilities		
Current		
Bank debt *(note 4)*	**3,347**	--
Accounts payable and accrued liabilities	**25,258**	23,661
	28,605	23,661
Future tax liability	**20,609**	18,288
Asset retirement obligations *(note 5)*	**2,208**	1,979
	51,422	43,928
Shareholders' Equity		
Share capital *(note 6)*	**102,381**	104,995
Contributed surplus *(note 6)*	**4,163**	3,657
Retained earnings	**33,716**	34,405
	140,260	143,057
	191,682	186,985

Commitments *(note 10)*

Subsequent Event *(note 4)*

See accompanying notes to the consolidated financial statements.

CONSOLIDATED STATEMENTS OF OPERATIONS AND RETAINED EARNINGS

Three Months Ended March 31,	**2009**	2008
(000s, except per share data) (unaudited)	*($)*	*($)*
Revenue		
Oil and gas revenues	**21,458**	24,776
Realized derivative instrument (loss) gain	**--**	265
Unrealized derivative instrument (loss) gain	**--**	(2,557)
	21,458	22,484
Royalty expense	**(7,296)**	(7,603)
	14,162	14,881
Expenses		
Operating	**3,314**	2,355
General and administrative	**1,157**	581
Interest	**2**	376
Stock-based compensation *(note 6)*	**387**	202
Depletion, depreciation and accretion	**10,326**	6,672
	15,186	10,186
Income (loss) before income taxes	**(1,024)**	4,695
Income taxes		
Future tax expense (recovery)	**(335)**	1,711
Net income (loss) and comprehensive income (loss) for the period	**(689)**	2,984
Retained earnings – beginning of period	**34,405**	10,158
Retained earnings – end of period	**33,716**	13,142
Net income (loss) per share *(note 6)*		
Basic	**(0.02)**	0.09
Diluted	**(0.02)**	0.08

See accompanying notes to the consolidated financial statements.

CONSOLIDATED STATEMENTS OF CASH FLOWS

Three Months Ended March 31,	**2009**	2008
(000s) (unaudited)	*($)*	*($)*
Cash provided by (used in):		
Operating activities		
Net income (loss) for the period	**(689)**	2,984
Add back non-cash items:		
Depletion, depreciation and accretion	**10,326**	6,672
Stock-based compensation	**387**	202
Unrealized (loss) gain on derivative instruments *(note 8)*	**--**	2,557
Future tax expense (recovery)	**(335)**	1,711
	9,689	14,126
Change in non-cash working capital *(note 7)*	**2,867**	(2,643)
	12,556	11,483
Financing activities		
Issue of common shares, net of share issue expenses	**--**	142
Increase (decrease) in bank debt	**3,347**	(3,182)
Change in non-cash working capital *(note 7)*	**44**	--
	3,391	3,040
Investing activities		
Property and equipment additions	**(17,775)**	(17,036)
Change in non-cash working capital *(note 7)*	**889**	8,593
	(16,886)	(8,443)
Net decrease in cash	**(939)**	--
Cash – beginning of period	**939**	--
Cash – end of period	**--**	--

See accompanying notes to the consolidated financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

March 31, 2009
(unaudited)

1. Nature of Operations

Angle Energy Inc. ("Angle" or the "Company") is a publicly traded company incorporated under the laws of Alberta. The principal business of the Company is the exploration, exploitation, development and production of natural gas and oil reserves.

2. Accounting Policies

These consolidated financial statements are stated in Canadian dollars and have been prepared in accordance with Canadian generally accepted accounting principles. These interim financial statements should be read in conjunction with the consolidated financial statements and notes disclosed in the Company's annual report for the year ended December 31, 2008. The interim financial statements have been prepared following the same accounting policies and methods of computation as the consolidated financial statements for the Company for the year ended December 31, 2008.

3. Property and Equipment

	Cost	Accumulated Depletion and Amortization	Net Book Value
(000s)	*($)*	*($)*	*($)*
March 31, 2009			
Petroleum and natural gas properties	**242,686**	**63,081**	**179,605**
Office equipment	**746**	**228**	**518**
	243,432	**63,309**	**180,123**
December 31, 2008			
Petroleum and natural gas properties	224,581	52,833	171,748
Office equipment	727	191	536
	225,308	53,024	172,284

The Company capitalized $163,000 (2008 – $261,000) of direct general and administrative costs, $119,000 (2008 – $92,000) of stock-based compensation expense and $231,000 (2008 – $126,000) of operator overhead related to its exploration and development activity for the three months ended March 31, 2009.

Unevaluated and undeveloped properties with a cost of $15,277,000 (2008 – $14,852,000), included in petroleum and natural gas properties, have not been subject to depletion as reserves related to these costs had not been evaluated or assigned for the period ended March 31, 2009. As at period-end, future development costs totaling $4,503,000 (2008 – $8,208,000) were included in amounts subject to depletion.

4. Bank Debt

In the first quarter of 2009, the Company had a revolving term credit facility with a bank with a borrowing base of $70,000,000. The amount of the facility is subject to a borrowing base test performed on a periodic basis by the lenders, based primarily on reserves and using commodity prices estimated by the lenders as well as other factors. A decrease in the borrowing base could result in a reduction to the credit facility, which may require a repayment to the lenders.

4. Bank Debt (continued)

The credit facility provides that advances may be made by way of direct advances or guaranteed notes. Direct advances bear interest at the bank's prime rate unless the net debt to trailing cash flow exceeds 1.5 to 1.0, in which case the interest rate is the bank's prime rate plus 0.4%. The interest rate rises incrementally with increases in the net debt to trailing cash flow ratio to a maximum of the bank's prime rate plus 1% at 3.0 to 1.0. Under the terms of the facility, a financial covenant must be maintained. The Company must not permit the working capital ratio to fall below 1:1. The working capital ratio is defined as the ratio of current assets plus any undrawn availability under the credit facilities to current liabilities less any amount drawn under the credit facilities. A general security agreement over all present and after acquired personal property and a floating charge on all lands has been provided as security.

Effective April 17, 2009, the Company established a revolving committed credit facility with two banks with a borrowing base of $80,000,000. The amount of the facility is subject to a borrowing base test performed on a periodic basis by the lenders, based primarily on reserves and using commodity prices estimated by the lenders as well as other factors. A decrease in the borrowing base could result in a reduction to the credit facility, which may require a repayment to the lenders. The next semi-annual review of the credit facility is scheduled to take place on October 31, 2009.

The credit facility provides that advances may be made by way of direct advances or bankers' acceptances. Direct advances bear interest at the bank's prime rate plus 1.0% unless the net debt to trailing cash flow exceeds 1.0 to 1.0, in which case the interest rate is the bank's prime rate plus 1.25%. The interest rate rises incrementally with increases in the net debt to trailing cash flow ratio to a maximum of the bank's prime rate plus 2.5% at greater than 2.5 to 1.0. A general security agreement over all present and after acquired personal property and a floating charge on all lands has been provided as security.

5. Asset Retirement Obligations

The Company recorded an asset retirement obligation calculated as the present value of the estimated future cost to abandon its petroleum and natural gas properties. To determine the value of this obligation, the Company utilized an inflation rate of 2% (2008 – 2%) and a credit adjusted risk-free interest rate of 8% to 10% (2008 – 8% to 10%) to discount the future estimated cash flows of $4,945,000 (2008 – $3,557,000) of which the majority of costs are expected to be incurred over a period of one to 15 years. At March 31, 2009 and December 31, 2008, the obligation was as follows:

	Three Months Ended March 31, 2009	Year Ended December 31, 2008
(000s)	*($)*	*($)*
Balance – beginning of period	**1,979**	1,403
Change in estimates	**--**	(331)
Liabilities incurred	**188**	760
Accretion of asset retirement obligation	**41**	147
Asset retirement obligation – end of period	**2,208**	1,979

6. Share Capital

(a) Authorized

Unlimited number of common voting shares, no par value.
Unlimited number of preferred shares, no par value, issuable in series.

(b) Issued

	Three Months Ended March 31, 2009		Year Ended December 31, 2008	
	Shares	**Amount**	Shares	Amount
	(#)	*($000s)*	*(#)*	*($000s)*
Common Shares				
Balance – beginning of period	**39,296,574**	**104,995**	34,522,908	69,922
Common shares issued	**--**	**--**	3,875,000	31,000
Common shares issued	**--**	**--**	436,166	1,306
Common shares repurchased	**--**	**--**	(1,425,500)	(3,635)
Flow-through shares issued	**--**	**--**	1,888,000	10,006
Tax effect of flow-through shares *(i)*	**--**	**(2,614)**	--	(1,199)
Share issue costs	**--**	**--**	--	(3,321)
Tax benefit of share issue costs	**--**	**--**	--	916
Balance – end of period	**39,296,574**	**102,381**	39,296,574	104,995

(i) Private Placements

In January 2009, the Company renounced the $10,006,000 in qualified exploration expenditures for the 1,888,000 flow-through common shares issued in December 2008, and the related tax effect of the transaction was booked at that time.

(c) Contributed Surplus

	Three Months Ended March 31, 2009	Year Ended December 31, 2008
(000s)	*($)*	*($)*
Balance – beginning of period	**3,657**	2,381
Stock-based compensation expense – options	**228**	976
Reduction due to exercise of options	**--**	(296)
Stock-based compensation – share appreciation rights	**278**	596
Balance – end of period	**4,163**	3,657

(d) Per Share Amounts

For the three months ended March 31, 2009, net income (loss) per common share is calculated using the weighted average number of shares outstanding of 39,296,574 (basic and diluted) (March 31, 2008 – 34,591,406 basic and 35,341,187 diluted). Outstanding options and SARs are anti-dilutive instruments because the Company realized a net loss in the three months ended March 31, 2009.

(e) Options Outstanding

The Company has a stock option plan, administered by the Board of Directors, in which up to 10% of the issued and outstanding common shares are reserved for issuance to officers, employees and directors. Under the plan, options vest equally one-third on the first, second and third anniversary dates from the option grants and expire in five years or immediately from the date from which the optionee ceases to be a director, officer or employee of the Company or six months after the involuntary withdrawal of the optionee.

6. Share Capital (continued)

(e) Options Outstanding (continued)

The following summarizes information about stock options outstanding as at March 31, 2009:

	Options	Weighted Average Exercise Price
	(#)	*($)*
Outstanding at December 31, 2008 and March 31, 2009	**2,945,000**	**2.81**

Exercise Price	Outstanding	Weighted Average Remaining Contractual Life	Weighted Average Exercise Price	Exercisable	Weighted Average Exercise Price
($)	*(#)*	*(years)*	*($)*	*(#)*	*($)*
As at March 31, 2009					
1.00	**845,000**	**0.5**	**1.00**	**845,000**	**1.00**
3.00	**945,000**	**1.7**	**3.00**	**945,000**	**3.00**
3.75	**345,000**	**2.4**	**3.75**	**230,000**	**3.75**
3.90	**435,000**	**3.5**	**3.90**	**145,000**	**3.90**
4.00	**300,000**	**4.0**	**4.00**	**100,000**	**4.00**
5.30	**75,000**	**4.2**	**5.30**	**--**	**--**
	2,945,000	**2.0**	**2.81**	**2,265,000**	**2.43**

(f) Share Appreciation Rights Outstanding

The Company has a share appreciation rights plan, administered by the Board of Directors, which provides for the granting of share appreciation rights ("SARs") to employees, officers and directors of the Company. Under the plan, SARs vest equally one-third on the first, second and third anniversary dates from the SARs grants and expire in five years or immediately from the date from which the rightsholder ceases to be a director, officer or employee of the Company or six months after the involuntary withdrawal of the rightsholder. Proceeds from the exercise of SARs can be paid in either common shares or cash, at the discretion of the Company.

The following summarizes information about SARs outstanding as at March 31, 2009:

	SARs	Weighted Average Exercise Price
	(#)	*($)*
Outstanding at December 31, 2008 and March 31, 2009	**1,322,000**	**5.23**

6. Share Capital (continued)

(f) Share Appreciation Rights Outstanding (continued)

Exercise Price	Outstanding	Weighted Average Remaining Contractual Life	Weighted Average Exercise Price	Exercisable	Weighted Average Exercise Price
($)	*(#)*	*(years)*	*($)*	*(#)*	*($)*
As at March 31, 2009					
3.80	**200,000**	**4.6**	**3.80**	**--**	**--**
4.00	**242,000**	**4.0**	**4.00**	**--**	**--**
5.30	**423,000**	**4.1**	**5.30**	**--**	**--**
6.25	**200,000**	**4.4**	**6.25**	**--**	**--**
6.44	**173,000**	**4.2**	**6.44**	**--**	**--**
6.70	**12,000**	**4.4**	**6.70**	**--**	**--**
6.90	**28,000**	**4.4**	**6.90**	**--**	**--**
7.00	**44,000**	**4.3**	**7.00**	**--**	**--**
	1,322,000	**4.2**	**5.23**	**--**	**--**

(g) Management of Capital Structure

The Company's objective when managing capital is to maintain a flexible capital structure that will allow it to execute on its capital expenditures program, which includes expenditures in oil and gas activities that may or may not be successful. The current economic conditions are such that equity financing may not be available and availability of bank credit is generally reducing, with the related costs increasing. The Company recognizes these trends and endeavours to balance the proportion and levels of the debt and equity in its capital structure to take into account the level or risk being incurred in its capital expenditures.

In the management of capital, the Company includes share capital and net debt (defined as the sum of current assets, current liabilities and bank debt, excluding derivative instruments and the related future tax asset) in the definition of capital.

The key measures that the Company utilizes in evaluating its capital structure are net debt to funds from operations (which is cash flow from operations before changes in non-cash working capital and settlement of retirement costs) and the current credit available from its creditors in relation to the Company's budgeted capital expenditures program. Net debt to funds from operations is determined as net debt divided by funds from operations and represents the time period it would take to pay off the debt if no further capital expenditures were incurred and if funds from operations stayed constant. Annualized funds from operations for the three months ended March 31, 2009 was $38,756,000 (2008 – $56,504,000), resulting in a net debt to funds from operations ratio of 0.44 (2008 – 0.61). This ratio is within an acceptable range for the Company of 2.0 or less.

The Company manages its capital structure and makes adjustments by continually monitoring its business conditions, including the current economic conditions, the risk characteristics of the underlying assets, the depth of its investment opportunities, forecasted investment levels, the past efficiencies of the Company's investments, the efficiencies of forecasted investments and the desired pace of investment, current and forecasted total debt levels, current and forecasted energy commodity prices, and other factors that influence commodity prices and funds from operations, such as foreign exchange and quality basis differential.

The Company initiated a normal course issuer bid to buy back up to 2,997,700 shares of the Company in the open market and subsequently cancel these shares. This action was taken because management and the directors of the Company believe that common shares may become available during the proposed purchase period at prices that make them an attractive investment.

6. **Share Capital (continued)**

(g) Management of Capital Structure (continued)

In order to maintain or adjust the capital structure, the Company will consider its forecasted net debt to forecasted funds from operations ratio while attempting to finance an acceptable capital expenditures program, including incremental capital spending and acquisition opportunities, the current level of bank credit available from the commercial bank, the level of bank credit that may be attainable from its commercial bank as a result of oil and gas reserves growth, the availability of other sources of debt with different characteristics than the existing bank debt, the sale of assets limiting the size of its capital spending program, and new common equity if available on favourable terms.

During the first quarter of 2009, the Company's strategy in managing its capital was unchanged.

7. **Changes in Non-Cash Working Capital**

Three Months Ended March 31,	**2009**	2008
(000s)	*($)*	*($)*
Accounts receivable	**2,136**	(2,936)
Prepaid expenses and other	**67**	11
Accounts payable and accrued liabilities	**1,597**	8,875
	3,800	5,950

The change in non-cash working capital has been allocated to the following activities:

Three Months Ended March 31,	**2009**	2008
(000s)	*($)*	*($)*
Operating	**2,867**	(2,643)
Financing	**44**	--
Investing	**889**	8,593
	3,800	5,950

8. **Financial Instruments**

The Company has exposure to credit, liquidity and market risk.

Angle's risk management policies are established to identify and analyze the risks faced by the Company, set appropriate limits and controls, and to monitor risks and adherence to market conditions and the Company's activities.

(a) Credit Risk

Substantially all of the Company's petroleum and natural gas production is marketed under standard industry terms. The industry has a pre-arranged monthly settlement day for payment of revenues from all buyers of crude oil and natural gas. This occurs on the 25th day following the month in which the production is sold. As a result, Angle collects sales revenues in an organized manner. Management monitors purchaser credit positions to mitigate any potential credit losses. To the extent Angle has joint interest activities with industry partners, the Company must collect, on a monthly basis, partners' share of capital and operating expenses. These collections are subject to normal industry credit risk. Angle attempts to mitigate risk from joint venture receivables by obtaining partner approval of capital projects prior to expenditure and collects in advance for significant amounts related to partners' share of capital expenditures in accordance with the industry operating procedures. The Company does not typically obtain collateral from petroleum and natural gas marketers or joint venture partners; however, Angle does have the ability to withhold production from joint venture partners in the event of non-payment. At March 31, 2009, of the accounts receivable balance of $10,360,000, 87% was current, 9% was 31 to 90 days and the balance was over 90 days due. Angle had no material accounts receivable deemed uncollectible. The Company's credit risk is limited to the carrying amount of its accounts receivable, which are

8. Financial Instruments (continued)

(a) Credit Risk (continued)

due primarily from other entities involved in the oil and gas industry. These amounts are subject to the same risks as the industry as a whole.

(b) Liquidity Risk

Liquidity risk relates to the risk the Company will encounter should it have difficulty in meeting obligations associated with the financial liabilities. The financial liabilities on its balance sheet consist of accounts payable and bank debt. Accounts payable consists of invoices payable to trade suppliers relating to the office and field operating activities and its capital spending program. Angle processes invoices within a normal payment period. Angle anticipates it will continue to have adequate liquidity to fund its financial liabilities through its future funds from operations and available bank debt. The Company had no defaults or breaches on its bank debt or any of its financial liabilities.

(c) Market Risk

Market risk is the risk of changes in market prices, such as commodity prices, foreign currency exchange rates and interest rates that will affect the net earnings or value of financial instruments. The objective of managing market risk is to control market risk exposures within acceptable limits, while maximizing returns.

The Company utilizes financial derivative contracts to manage market risk. All such transactions are conducted in accordance with the risk management policy that has been approved by the Board of Directors.

(i) Commodity Price Risk

Commodity price risk is the risk that the fair value of future cash flows will fluctuate as a result of changes in the commodity prices. Commodity prices for petroleum and natural gas are impacted by not only the relationship between the Canadian and United States dollar, as outlined below, but also global economic events that dictate the levels of supply and demand. The Company has attempted to mitigate commodity price risk through the use of financial derivative contracts in the past; however, there were no financial derivative contracts in place at March 31, 2009.

(ii) Foreign Currency Exchange Rate Risk

Foreign currency exchange rate risk is the risk that the fair value of future cash flows will fluctuate as a result of changes in foreign exchange rates. The Company does not sell or transact in any foreign currency; however, the United States dollar influences the price of petroleum and natural gas sold in Canada. The Company's financial assets and liabilities are not affected by a change in currency rates. The Company had no foreign exchange contracts in place at March 31, 2009.

(iii) Interest Rate Risk

Interest rate risk is the risk that future cash flows will fluctuate as a result of changes in market interest rates. The Company is exposed to interest rate risk to the extent the changes in market interest rates will impact the Company's debts that have a floating interest rate. The Company had no interest rate swaps or hedges at March 31, 2009. With regards to interest rate risk, a change of 1% in the effective interest rate would have impacted net earnings by approximately $4,000 for the first quarter of 2009, based on average debt outstanding during the period.

(d) Fair Value of Financial Assets and Liabilities

Financial instruments of the Company consist primarily of cash, accounts receivable, accounts payable and bank debt. As at March 31, 2009, there were no significant differences between the carrying amounts reported on the balance sheet and their estimated fair values due to the short-term nature of these instruments.

9. Related Parties

During the first three months of 2009, expenses and share issue costs were recorded totaling $78,000 (2008 – $251,000) that were charged to the Company by a legal firm of which a Director of the Company is a partner, and $nil (2008 – $13,000) remained in accounts payable at March 31, 2009. These amounts are billed and recorded at rates consistent with those charged to third parties.

10. Commitments

The Company has lease commitments for office premises that expire in 2011 and three compressors that expire in 2009. Future minimum lease payments under the leases are as follows:

(000s)	*($)*
2009	586
2010	437
2011	408
	1,431

The Company is committed to spend $10,006,000 on qualified exploration and development expenditures by December 31, 2009. At March 31, 2009, there was $2,244,000 remaining to be expended on this commitment.

Angle Energy Inc. is a Calgary based public oil and gas exploration and development company that was incorporated in 2004 and commenced active oil and gas operations in 2005. Angle's proven and dedicated team of industry specialists are focused on identifying and developing high quality assets in the Western Canadian Sedimentary Basin, with an emphasis in west central Alberta. Common shares of Angle are listed for trading on the Toronto Stock Exchange under the symbol NGL.

In addition to the forward-looking statements contained in the Management's Discussion and Analysis, this press release contains forward-looking statements with respect to Angle and its operations and may contain reserves, resources and cash flow estimates, drilling plans, debt levels, production expectations, finding and development objectives, opinions, forecasts, projections, guidance and other statements that are not statements of fact. Although the Company believes that the expectations reflected in such forward-looking statements are reasonable, it can provide no assurance that such expectations will prove to be correct. These statements are subject to certain risks and uncertainties and may be based on assumptions that could cause actual results to differ materially from those anticipated or implied in the forward-looking statements. Some of the risks and other factors that could cause results to differ materially from those expressed in the forward-looking statements contained in this release include, but are not limited to, the lack of precision around estimates of reserves, performance of the Company's oil and gas properties, volatility in market prices for oil and gas, estimations of future costs, geological, technical, drilling and processing problems, changes in income tax laws or changes in tax laws and incentive programs relating to the oil and gas industry, and such other risks and uncertainties described from time to time in the reports and filings made with securities regulatory authorities by the Company, including in the Management's Discussion and Analysis and the Annual Information Form. The reader is cautioned that the foregoing list of important factors is not exhaustive. These statements speak only as of the date of this press release and the Company does not undertake any obligation to update publicly or to revise any of the included forward-looking statements, other than as required by law. The forward-looking statements contained in this release are expressly qualified by this cautionary statement.

For further information, please contact:

Heather Christie-Burns
President & Chief Operating Officer

D. Gregg Fischbuch
Chief Executive Officer

Stuart C. Symon
Vice President Finance & Chief Financial Officer

Suite 700
324 Eighth Avenue S.W.
Calgary, Alberta T2P 2Z2
Phone: (403) 263-4534
Fax: (403) 263-4179
Website: www.angleenergy.com