

FOR IMMEDIATE RELEASE

SEA DRAGON ENERGY INC. – THIRD QUARTER RESULTS

November 30, 2009 - Calgary, Alberta - Sea Dragon Energy Inc. (TSX VENTURE: SDX)

Sea Dragon Energy Inc. ("Sea Dragon" or "the Company"), an international junior oil and gas company, is pleased to announce its interim financial results for the nine months ended September 30, 2009 and other disclosure documents.

Sea Dragon has filed its Financial Statements and related Management Discussion and Analysis for the third quarter ended September 30, 2009. Electronic copies of these documents may be obtained from SEDAR at www.sedar.com or from the Company's website at www.seadragon.ca

ABOUT SEA DRAGON ENERGY INC.

The Company is focused on the acquisition, exploring for and developing of oil and gas properties, primarily in Egypt and Northern Africa and is currently investigating and pursuing various opportunities.

Financial statements and accompanying MD&A are available on SEDAR.

All figures are quoted in Canadian dollars unless otherwise noted.

During the third quarter of 2009 the company attained the following milestones:

- In July the Board of Directors appointed Said Arrata, formerly the non-executive Chairman of the Board of Directors, as President and Chief Executive Officer of the Company. Mr. Arrata will continue as Chairman of the Board of Directors. This change reflects the Company's intention to seek for, evaluate and acquire attractive interests in international oil and gas properties so as to build its reserve base and production. The Company is investigating opportunities primarily in Egypt and Northern Africa where Mr. Arrata's accomplishments and experience are well known.

Mr. Arrata served as Chairman and Chief Executive Officer of Centurion Energy International Inc. (Centurion Energy) until its purchase by Dana Gas, where he still serves as a board member of the corporation. Mr. Arrata built Centurion Energy into a billion dollar corporation, with a peak production of 40,000 boepd, operating internationally in Egypt, Tunisia and with holdings in Sao Tome Principe.

David Thompson, the former President and Chief Executive Officer and founding director has been appointed Senior Vice-President of the Company and continues as a member of the Board of Directors.

- On August 14, 2009 the Company entered into a Sale and Purchase Agreement with Premier Oil Overseas BV pursuant to which the Company will acquire the entire issued capital of Premier Egypt (NW Gemsa) BV. The acquisition will give the Company a 10% working interest in the on-shore North West Gemsa Concession ("North West Gemsa"), Eastern Desert, Egypt, which includes development and exploration rights. The cost of this acquisition is US\$12.5 million. The acquisition is subject to the necessary approvals from the Egyptian government.
- The Company has obtained the release of nearly all of the restrictions on its cash balances. During the third quarter the Letter of Guarantee provided to the Egyptian General Petroleum Corporation ("EGPC") for \$US1.52 million was released, and subsequent to the third quarter, on October 13th, 2009 the TransOcean Letter of Guarantee was reduced by \$US3.8 million from \$US4.0 million to \$US 200,000. These Letters of Guarantee were secured by cash balances and Investment Deposits held by the Company's bank and were not available for general purposes. When the Letters of Guarantee are cancelled or reduced, the underlying deposits are released to the company's general cash balances and the restricted cash balance is reduced accordingly.

- On July 17, 2009 the East Wadi Araba joint venture relinquished the Concession Agreement after it had decided not to pursue any additional exploration activities. During the first quarter of 2009 the Company completed drilling of the North Dahab Prospect (the 5-X well), on the East Wadi Araba (“EWA”) concession in Egypt. The well was drilled to a final total depth of 9,750' MD/8,644' TVD and was fully evaluated by drilling two well bores from the same surface location in order to test Miocene and Pre-Miocene targets. The well encountered two separate reservoirs in the Kareem and Rudeis formations and hydrocarbons were encountered, however as the hydrocarbons did not meet the Company’s economic criteria, the well was plugged and abandoned.

Subsequent to the Third Quarter of 2009

- On November 6, 2009 the Company completed a private placement of 60,000,000 units at \$0.25 per unit. Each unit consists of one common share and one half share purchase warrant. Each whole warrant is exercisable into one common share at a price of \$0.50 for a period of 36 months from the closing date of the offer. Gross proceeds raised were \$15.0 million and the net proceeds of \$14.24 million after all related costs have been deducted will be used to fund the acquisition of Premier Egypt (NW Gemsa) B.V. and supplement working capital.

SELECTED FINANCIAL INFORMATION

Selected quarterly information

<i>\$C 000, except share and per share information</i>	2009				2008		
	3 rd QTR	2 nd QTR	1 st Qtr	4 th Qtr	3 rd Qtr	2 nd Qtr	1 st Qtr
Unrestricted cash balance at period-end	1,969	2,118	5,885	16,733	22,657	19	285
Working capital (deficiency)	1,662	1,839	(9,386)	10,096	22,697	(7,855)	(7,351)
Restricted cash	4,442	6,613	18,678	10,081	8,279	3,540	3,582
Total assets	8,984	10,639	26,902	29,814	42,007	11,438	7,989
Shareholders’ equity	8,549	10,237	11,286	22,868	41,947	3,526	325
Share capital	44,522	44,444	44,444	44,444	44,043	5,608	1,948
Common shares outstanding							
Basic	144,702,905	144,509,405	144,509,405	144,509,405	144,509,405	64,747,500	40,747,500
Diluted	161,991,076	158,491,076	158,491,076	158,491,076	158,491,076	Note (1)	Note (1)
Weighted average common shares outstanding							
Basic	144,517,039	144,509,405	144,509,405	144,509,405	134,015,636	58,581,566	40,747,500
Diluted	158,978,255	158,491,076	158,491,076	158,491,076	143,056,693	Note (1)	Note (1)
Retained earnings (Deficit)	(37,680)	(35,818)	(34,678)	(23,013)	(3,873)	(3,225)	(2,767)
Cash flow from operations	(986)	(885)	(873)	(499)	(978)	(61)	(298)
Funds flow from operations ⁽²⁾	(1,061)	(1,028)	(836)	(277)	(575)	(433)	(203)
Basic, per share ⁽²⁾⁽³⁾	(0.01)	(0.01)	(\$0.006)	(\$0.002)	(\$0.004)	(\$0.011)	(\$0.050)
Capital expenditures	556	564	10,777	3,790	3,221	96	388
Net income (loss)	(1,862)	(1,141)	(11,665)	(19,140)	(648)	(458)	(1,080)
Basic, per share ⁽³⁾	(0.01)	(0.01)	(\$0.08)	(0.13)	(\$0.005)	(\$0.008)	(\$0.027)

⁽¹⁾ Diluted weighted average number of common shares outstanding, which is calculated with respect to daily stock trading prices not available until the Company’s common shares were listed on the Toronto Venture Exchange and stock prices became publicly available.

⁽²⁾ See discussion concerning non-GAAP measures in the MD&A report for the period ended September 30, 2009.

⁽³⁾ Funds flow from operations per share and Net income per share are not calculated on a diluted basis as they are anti-dilutive.

THE TSX VENTURE EXCHANGE HAS NOT REVIEWED AND DOES NOT ACCEPT RESPONSIBILITY FOR THE ADEQUACY OR ACCURACY OF THIS RELEASE.

FORWARD LOOKING STATEMENTS

This press release contains certain forward-looking statements. Some of the statements contained herein including, without limitation, financial and business prospects and financial outlooks of the Company may be forward-looking statements which reflect management's expectations regarding future plans and intentions, growth, results of operations, performance and business prospects and opportunities. Words such as "may", "will", "should", "could", "anticipate", "believe", "expect", "intend", "plan", "potential", "continue", and similar expressions have been used to identify these forward-looking statements. These statements reflect management's current beliefs and are based on information currently available to management. Forward-looking statements involve significant risk and uncertainties. A number of factors could cause actual results to differ materially from the results discussed in the forward-looking statements including, but not limited to, changes in general economic, political and market conditions and other risk factors. Although the forward-looking statements contained herein are based upon what management believes to be reasonable assumptions, management cannot assure that actual results will be consistent with these forward-looking statements. Investors should not place undue reliance on forward-looking statements. These forward-looking statements are made as of the date hereof.

Forward-looking statements and other information contained herein concerning the oil and gas industry and Sea Dragon's general expectations concerning this industry are based on estimates prepared by management using data from publicly available industry sources as well as from reserve reports, market research and industry analysis and on assumptions based on data and knowledge of this industry which Sea Dragon believes to be reasonable. However, this data is inherently imprecise, although generally indicative of relative market positions, market shares and performance characteristics. While Sea Dragon is not aware of any misstatements regarding any industry data presented herein, the industry involves risks and uncertainties and is subject to change based on various factors. See "Risk Factors."

Sea Dragon does not undertake any obligation to update publically or revise any forward-looking statements contained in this or in any other document filed with Canadian securities regulatory authorities, whether as a result of new information, future events or otherwise, except as required by applicable securities laws.

Additional information related to the Corporation is filed on SEDAR at www.sedar.com.

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