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NEWS RELEASE

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**SMF ENERGY CORPORATION ANNOUNCES
FINANCIAL GUIDANCE FOR FISCAL 2008 AND 2009**

Ft. Lauderdale, FL, July 9, 2008 – **SMF ENERGY CORPORATION, (NASDAQ: FUEL)**, a leading provider of petroleum product distribution services, transportation logistics and emergency response services to the trucking, construction, utility, energy, chemical, manufacturing, telecommunication and government service industries, today announced financial performance guidance for its fourth quarter and fiscal year ended June 30, 2008, and for fiscal 2009, including the first quarter ending September 30, 2008.

The Company reported that recent growth in new customers of mobile fueling services to reduce their overall fueling costs in the face of historically high fuel prices is enhancing the turnaround of its financial performance which began with the completion of the Company's new ERP system in December 2007.

The Company believes that the trend of improving financial performance, which began with the quarter ended March 31, 2008, when the Company's net loss was reduced to \$1.398 million and EBITDA was a positive \$277,000, as compared to the prior quarter's net loss of \$1.986 million and negative EBITDA of \$387,000, continued in the quarter ended June 30, 2008. The Company currently expects that it will report a net loss of approximately \$300,000 for the fourth quarter, a \$1.1 million improvement from the prior quarter, and EBITDA of \$1.1 million, an improvement of more than \$800,000 for the quarter. The Company's fiscal 2008 results are subject to a year end audit.

While the Company has not historically provided guidance or published projections with respect to its future financial performance, the Company believes that the marked change in the Company's anticipated financial performance warrants such disclosure at this time. Based on the current positive trends, the Company believes that it will report positive net earnings for the quarter ending September 30, 2008 and that it will generate between \$5 million and \$6 million of EBITDA in fiscal 2009. These projections do not include any potential contribution to earnings or EBITDA that may result from future acquisitions or from the conversion of debt or preferred stock to shares of the Company's common stock.

FORWARD LOOKING STATEMENTS

This press release includes “forward-looking statements” within the meaning of the safe harbor provision of the Private Securities Litigation Reform Act of 1995. Because these statements depend on assumptions as to future events, they should not be relied on by shareholders or other persons in evaluating the Company. Among those assumptions are the absence of audit adjustments for fiscal 2008, continuing operational and financial improvements in fiscal 2009 and the absence of unforeseen reductions in demand for mobile fueling services or the Company’s other products and services. Although management believes that these and other assumptions reflected in such forward-looking statements are reasonable, actual results could differ materially from those projected. In addition, there are risks and uncertainties which could cause future events to differ from those anticipated by the Company, including but not limited to those cited in the “Risk Factors” section of the Company’s Form 10-K for the year ended June 30, 2007 and in the Form 10-Q for the quarter ended March 31, 2008.