



Building Value in Venezuela

PRESS RELEASE

PetroFalcon Signs Definitive Agreement to Acquire Anadarko Venezuela

April 7, 2008, Caracas, Venezuela – PetroFalcon Corporation (“PetroFalcon” or the “Company”) (TSX: PFC) announces the signing of a binding sale and purchase agreement for the acquisition of 100% of the issued and outstanding shares of Anadarko Venezuela Company (“Anadarko Venezuela”) from an affiliate of Anadarko Petroleum Corporation (“Anadarko Petroleum”) (NYSE: APC).

PetroFalcon intends to acquire Anadarko Venezuela from Anadarko Petroleum for US\$200 million in cash with a financial effective date of January 1, 2008. The agreement is subject to the approval of the Venezuelan Ministry of Energy and Petroleum.

Anadarko Venezuela indirectly owns 18% of Petroritupano, S.A. (“Petroritupano”), a joint venture with Petróleos de Venezuela, S.A. (“PDVSA”) and the Brazilian energy company, Petrobras Energía, S.A. (“Petrobras”) (NYSE: PZE). In addition, Anadarko Venezuela holds a US\$58 million voucher that can be used as credit with the Venezuelan government for new oil and gas investment opportunities.

In October 2007, PetroFalcon engaged Huddleston & Company, Inc. (“Huddleston”), an independent engineering firm in Houston, Texas, to advise the Company on this transaction and to prepare an estimate in accordance with National Instrument 51-101 of proved and probable reserves associated with Anadarko Venezuela’s 18% working interest in Petroritupano as of January 1, 2008.

Petroritupano has the exclusive right to explore, develop and produce oil and natural gas through 2025 from the Oritupano-Leona Block, which includes almost 340,000 acres in the Maturin sub-basin of eastern Venezuela.

Petroritupano has current gross production of 38,000 barrels of oil per day (“bbls/d”) and 20 million cubic feet of natural gas per day (“mmcf/d”), or 41,333 barrels of oil equivalent per day (“boe/d”). According to Petroritupano’s business plan, gross proved and probable (“2P”) remaining reserves are approximately 199 million barrels of oil equivalent (“mboe”) as of January 1, 2008. Petroritupano produces crude oil with an average of 16-degree API and receives market prices that equate on average to more than 75% of West Texas Intermediate (“WTI”) oil prices.

Anadarko Venezuela’s working interest production from Petroritupano is approximately 7,440 boe/d before royalties. Anadarko Venezuela’s share of Petroritupano’s 2P reserves

equals approximately 35.8 mmboe before royalties. After subtracting the cash value of Anadarko Venezuela's voucher, the total transaction value equals approximately US\$19,000 per barrel of oil equivalent production per day and US\$4.00 per barrel of oil equivalent in 2P reserves.

Juan Francisco Clerico, PetroFalcon's Chairman and CEO, said, "This transaction completely transforms our company—significantly increasing our expected cash flow, multiplying our daily oil production by almost eight times and more than doubling our proved and probable reserves. We expect Anadarko Venezuela to receive a substantial dividend in 2008 for the benefit of PetroFalcon. As part of the deal, we are also acquiring a US\$58 million voucher, which will allow us to compete aggressively for new fields in Venezuela."

Bill Gumma, PetroFalcon's President, said, "This type of producing property mix makes an ideal acquisition target. The production comes from 8 fields with over 228 producing wells and multiple reservoirs stacked vertically on simply faulted anticlinal structures. Of the 35.8 million barrels of 2P reserves net to Anadarko Venezuela's interest, over 80% are in the proved category. This high proved-to-2P ratio suggests a relatively stable and predictable production stream."

The current Petroritupano business plan calls for the drilling of 90 new in-fill wells and 147 re-completions over the next 16 years. Petroritupano expects gross oil production from these activities to increase from the current 38,000 bbls/d to over 55,000 bbls/d in the next two years.

Petroritupano also has a significant exploration component. The eastern third of the block, referred to as the Soledad area, is relatively unexplored. In this area, six structural leads have been identified with modern 2D seismic data, and the geologic structures are similar to the existing producing fields in the central and western portion of the block. The first of these structures, known as Soledad Prospect 7, was drilled in November 2007 and resulted in the discovery of 103 feet of net hydrocarbon bearing sands in the SOL 7-X well.

"When drilling confirms commercial hydrocarbons in a geological setting like this, the ultimate success rate for the rest of the prospects can be very high," Gumma said. He continued, "We estimate that the six prospects have an unrisksed reserve potential of over 250 mmboe, or 45 mmboe net to Anadarko Venezuela—potentially more than doubling the ultimate 2P reserves."

Lundin Petroleum AB ("Lundin Petroleum") (OMX: LUPE), which indirectly owns 42% of PetroFalcon, has provided a guarantee to Anadarko Petroleum for the full purchase price. In consideration for the guarantee, PetroFalcon has agreed to issue 17.1 million common shares of the Company to Lundin Petroleum or one of its subsidiaries, subject to regulatory approval.

PetroFalcon intends to fund the purchase price of the acquisition through third-party financing, which may be in the form of debt, equity or a combination thereof. If required, Lundin Petroleum has agreed to provide interim financing to PetroFalcon on commercial terms.

About PetroFalcon

PetroFalcon Corporation is an independent oil and gas company with exploration and production assets in Venezuela. PetroFalcon is headquartered in Caracas and is listed on the Toronto Stock Exchange (ticker symbol "PFC"). The Company's total working interest production before royalties, including the PetroCumarebo and Baripetrol investments, is approximately 1,000 bbls/d of oil and 6 mmcf/d of natural gas, or 2,000 boe/d. PetroFalcon has proved and probable reserves before royalties of approximately 33.5 mmboe as of January 1, 2008. For additional information, please visit the Company's website at www.petrofalcon.com or contact:

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Readers are cautioned that a barrel of oil equivalent (boe) is derived by converting natural gas to oil in the ratio of six thousand cubic feet of gas to one barrel of oil and that this may be misleading, particularly if used in isolation. A boe conversion is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead.

This news release contains reserve estimates based on information provided to PetroFalcon by the seller. Since the seller is not a Canadian entity, these reserve volumes are not represented to be compliant with National Instrument 51-101. However, PetroFalcon has engaged Huddleston to prepare an estimate in accordance with 51-101 of proved and probable reserves associated with Anadarko Venezuela's 18% working interest in Petroritupano as of January 1, 2008. Due to regulations associated with operations in Venezuela, PetroFalcon will not have access to sufficient technical information to prepare a detailed reserve analysis until the parties receive government approval for the transaction.

This news release contains forward-looking information, including estimates, projections, interpretations, prognoses and other information that may relate to current, past or future production, development(s), testing, well test results, project start-ups and future capital spending. Current, past and/or future actual results and/or reported results, estimates, projections, interpretations, prognoses, well results, test results, reserves, production, resource and/or resource potential, development(s), project start-ups, and capital spending, plans and/or estimated results could differ materially due to delays in receipt of required permits and regulatory approvals, changes in project schedules, operating performance, demand for oil and gas, commercial negotiations or other technical and economic factors or revisions. This news release may contain the reference to the terms discovery, reserves and/or resources or resource potential which are those quantities estimated to be contained in accumulations. There is no certainty that any portion of these accumulations or estimated accumulations in this news release may not change materially; and that, if discovered, in any discovery, the accumulations or estimated accumulations may not be economically viable or technically feasible to produce. The forward-looking information contained herein involve known and unknown risks, uncertainties, scheduling, re-scheduling and other factors which may cause the actual results, performance, estimates, projections, interpretations, prognoses, schedules or achievements of PetroFalcon or industry results to be materially different from any future results, performance or achievements expressed or implied by such information.