



*Building Value in Venezuela*

## PRESS RELEASE

### **PetroFalcon Corporation: Vinccler Oil and Gas, C.A. Confirms Oil and Gas Reservoirs with LV-12 Development Well**

Caracas, January 16, 2007 - Vinccler Oil and Gas, C.A., the wholly-owned subsidiary of PetroFalcon Corporation (TSX: PFC), announced today that its 40%-owned joint venture, PetroCumarebo, S.A., confirmed the presence of multiple oil and gas reservoirs with the LV-12 development well. The well is located in the La Vela Field on the East Falcon Block in Venezuela, and it increases the reserves previously discovered by Vinccler Oil and Gas.

The LV-12 well was successfully drilled to a total planned depth of 3,167 feet on January 13<sup>th</sup> and, according to wireline logs, encountered oil and gas reservoirs in a structural position approximately 130 feet high to the producing LV-10 discovery well. The wireline logs show 136 feet of net hydrocarbon sands in the Caujarao and Socorro formations. The most prospective series of sands are in the middle section of the Socorro formation between 2,460 and 2,584 feet, where 42 feet of net hydrocarbon sands with good porosity and resistivity were logged. PetroCumarebo has set production casing and will begin testing shortly.

PetroFalcon Corporation President William Gumma said, “We intend to run a production test for several days to gather data and then proceed with the drilling of our multi-well development program in La Vela. We are looking at previously untested sands here that, if positive, will increase PetroCumarebo’s proven reserves.”

PetroFalcon Corporation is a natural resource company currently engaged in oil and gas operations in Venezuela through its wholly-owned subsidiary, Vinccler Oil and Gas, C.A., which owns 40% of PetroCumarebo, S.A., a joint venture with Petróleos de Venezuela, S.A. (“PDVSA”), the Venezuelan state oil company. The common shares of PetroFalcon trade on the Toronto Stock Exchange under the symbol “PFC”.

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