



*Building Value in Venezuela*

## PRESS RELEASE

### **PetroFalcon Receives Dividend and Announces Baripetrol Operations Update**

March 5, 2008, Caracas, Venezuela – PetroFalcon Corporation (“PetroFalcon”) (TSX: PFC), a publicly-traded natural resource company with oil and gas operations in Venezuela, released an update for its 5%-owned joint venture, Baripetrol, S.A. (“Baripetrol”), which operates the Colón Block in western Venezuela.

PetroFalcon’s wholly-owned subsidiary, Lundin Latina de Petróleos, S.A., recently received a dividend of US\$1.9 million from Baripetrol for operations between January and September 2007. The current gross production of Baripetrol is approximately 10,500 barrels per day (“bbls/d”) of oil and 5 million cubic feet per day (“mmcf/d”) of natural gas, or 11,333 barrels of oil equivalent per day (“boe/d”).

Baripetrol’s board of directors recently approved a 2008 capital expenditures budget of US\$60 million (5% net to PetroFalcon being US\$3 million). The work program includes four development wells in the La Palma field, a 165-square-kilometer 3-D seismic campaign in the Socuavo field and twenty workovers in the Los Manueles and Rosario fields. A 2,000 HP Petrex drilling rig is scheduled to begin operations in April and is on long-term contract to Baripetrol through 2011.

PetroFalcon’s President, Bill Gumma, said, “Our new joint venture with PDVSA, Baripetrol, has ambitious plans for 2008. Drilling will begin next month, and gross production is expected to increase to 15,000 bbls/d of oil and almost 10 mmcf/d of natural gas by the end of the year.”

PetroFalcon’s total working interest production before royalties, including both the PetroCumarebo and Baripetrol joint ventures, is now approximately 1,000 bbls/d of oil and 6 mmcf/d of natural gas, or 2,000 boe/d.

#### About PetroFalcon Corporation

PetroFalcon is a natural resource company with oil and gas operations in Venezuela. Through its wholly-owned subsidiary, Vinccler Oil and Gas, C.A., PetroFalcon owns 40% of PetroCumarebo, S.A., a joint venture with Petróleos de Venezuela, S.A. (“PDVSA”), the Venezuelan state-owned oil and gas company. PetroFalcon also owns Lundin Latina de Petróleos, S.A., which has a 5% interest in Baripetrol, S.A., a joint venture between PDVSA, Tecpetrol and Perenco. Subject to government approval, PetroFalcon is acquiring 30% of the offshore natural gas license for the Cardon III Block in the Gulf of Venezuela where Chevron Corporation is operator and majority partner.

PetroFalcon is listed on the Toronto Stock Exchange (ticker symbol “PFC”) and has existing proven and probable reserves before royalties of 36 million barrels of oil equivalent (mmboe) as of January 1, 2007.

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*Forward-looking statements: Except for statements of historical fact, all statements in this press release, without limitation, regarding new projects, acquisitions, future plans and objectives are forward-looking statements that involve risks and uncertainties. There can be no assurance that such statements will prove to be accurate; actual results and future events could differ materially from those anticipated in such statements.*