



Building Value in Venezuela

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VINCCLER OIL AND GAS, C.A. COMMENCES NATURAL GAS PRODUCTION FROM LA VELA FIELD IN VENEZUELA

December 20, 2005, Caracas, Venezuela, Vinccler Oil and Gas, C.A., (“Vinccler” or the “Company”) the wholly owned subsidiary of PetroFalcon Corporation, (TSX symbol – PFC), announced that it has commenced natural gas deliveries from the La Vela Field, located in the East Falcon Unit, into Petroleos de Venezuela, S.A.’s (“PDVSA”) Interconnection Centro Occidente natural gas pipeline (“ICO”). Initial gas production is approximately 5 million cubic feet per day from the La Vela Field. The Company plans to increase natural gas production in 2006 as facilities at La Vela Field are being expanded and existing wells are put into production.

The La Vela Field is a large surface anticline that was originally discovered by Creole Petroleum in 1932. In the mid 1980’s, PDVSA drilled and tested three deep wells along the axis of the structure identified as LV-6X, LV-7X, and LV-8X. All of these wells tested oil and gas but the La Vela Field was not developed due to lack of an available gas market.

In anticipation of the ICO pipeline construction to the La Vela Field, the Company has reactivated LV-6X, LV-7X and LV-8X existing wells and drilled the LV-9 and LV-10X wells. The results have been discussed in previous press releases of the Company, which stated that Vinccler tested several oil and gas reservoirs from approximately 3500’-8000’ in the field. In addition, on September 20th, 2005, the Company announced the discovery of a shallow oil accumulation at a depth of approximately 2200’ in the LV-10X well. During 2006, the Company plans to focus its drilling program on the development of the shallow oil and gas accumulation in the area of LV-10X and on delineating the deeper reserves of the overall anticlinal structure.

The La Vela Field is the first field to be connected to and begin delivering natural gas

into ICO, recently put in service by PDVSA. This 36 inch diameter natural gas pipeline will link the Paraguana Refinery Complex with the natural gas reserves in East Falcon. Also during 2006, currently shut-in gas production of approximately 15 million cubic feet of gas per day from the Cumarebo Field is expected to be brought online.

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 CA. The common shares of PetroFalcon Corporation trade on the Toronto Stock Exchange with the symbol "PFC".

For further information please contact:

Juan Francisco Clérico
Chief Executive Officer
Maria Alejandra Sosa
Corporate Development
011 (58) (212) 263-9164 (phone)
011 (58) (212) 266-8830 (fax)

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 which 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.