

PRESS RELEASE

PetroFalcon Update on Anadarko Venezuela Acquisition

October 8, 2008, Caracas, Venezuela – PetroFalcon Corporation (“PetroFalcon” or the “Company”) (TSX: PFC) announces an update on its proposed 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).

On April 7, 2008, PetroFalcon announced the signing of a binding sale and purchase agreement for the acquisition of Anadarko Venezuela from Anadarko Petroleum for US\$200 million in cash. The agreement is subject to the approval of the Venezuelan Ministry of Energy and Petroleum (“MEP”).

Anadarko Venezuela indirectly owns 18% of Petroritupano, S.A. (“Petroritupano”), a joint venture with Petróleos de Venezuela, S.A. (“PDVSA”) and 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.

The Company has been advised that MEP has denied approval for the acquisition because PDVSA intends to acquire Anadarko Petroleum’s interest in Petroritupano. Under the terms of the sale and purchase agreement, Anadarko Petroleum will return PetroFalcon’s US\$5 million deposit with interest.

Juan Francisco Clerico, PetroFalcon’s Chairman, said, “We are obviously disappointed with the latest development in our transaction with Anadarko, but we are committed to consolidating oil and gas assets in Venezuela. PDVSA and its affiliates clearly recognize the attractive economics of the deal we negotiated. The Anadarko asset is also strategic for PDVSA because of the partnership with Brazil through Petrobras and the fact that the Petroritupano block borders the vast Orinoco heavy oil belt. PetroFalcon has almost US\$30 million in cash, zero debt, and we are confident that we can close future transactions.”

Lundin Petroleum AB (“Lundin Petroleum”) (OMX: LUPE), which indirectly owns 45% of PetroFalcon, provided a guarantee to Anadarko Petroleum for the full purchase price. In consideration for the guarantee, PetroFalcon agreed to issue 17.1 million common shares of the Company to Lundin Petroleum or one of its subsidiaries, subject to regulatory approval. On April 11, 2008, PetroFalcon issued 7.1 million of these shares to Lundin Petroleum. The initial shares have been expensed by the Company as stock-based financing fees over the effective period of the sale and purchase agreement. The remaining 10 million shares were due at closing and, according to the agreement with Lundin Petroleum, will not be issued.

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”). For additional information, please visit the Company’s website at www.petrofalcon.com