

PRESS RELEASE

PetroFalcon Releases Third Quarter 2008 Interim Financial Statements and Operations Update

November 14, 2008, Caracas, Venezuela – PetroFalcon Corporation (“PetroFalcon” or the “Company”) (TSX: PFC) today released its interim consolidated financial statements and related management discussion and analysis (“MD&A”) for the three and nine months ended September 30, 2008, and 2007.

For the three months ended September 30, 2008, the Company reported a net loss of US\$7.1 million (loss per share of US\$0.04) compared to a net loss of US\$0.1 million (loss per share of US\$0.00) for the three months ended September 30, 2007. For the nine months ended September 30, 2008, the Company reported a net loss of US\$13.2 million (loss per share of US\$0.09) compared to a net loss of US\$1.9 million (loss per share of US\$0.02) for the nine months ended September 30, 2007.

The reported loss is primarily due to the Company’s adoption of the cost method of accounting and the recognition of stock-based financing fees for the corporate guarantee provided by Lundin Petroleum AB to Anadarko Petroleum Corporation for the proposed acquisition of Anadarko Venezuela Company.

Under the cost method of accounting, PetroFalcon does not recognize income from its oil and gas investments until such time as dividends are received.

Before the extraordinary stock-based financing fee for the Anadarko guarantee, the Company’s loss would have been US\$2.5 million (loss per share of US\$0.02) for the three months ended September 30, 2008, and US\$5.3 million (loss per share of US\$0.04) for the nine months ended September 30, 2008.

The Company’s MD&A contains a detailed analysis of the periods discussed.

Bill Gumma, PetroFalcon’s President and CEO, said, “Despite the fact that our transaction with Anadarko was not approved, we continue to see opportunities to consolidate oil and gas assets in Venezuela. PetroFalcon is in a strong financial position with net cash of US\$29 million. We can comfortably meet all of our capital spending commitments through the end of 2009 with cash on hand, plus we expect meaningful dividends from our onshore operations. We see significant exploration potential in our Cardon III offshore natural gas block with Chevron, and we plan to start drilling there in the first quarter of 2009.”

PetroFalcon currently has 158,501,120 common shares issued and outstanding and 172,384,780 shares on a fully diluted basis.

Operations Update

PetroFalcon's most recent monthly average working interest production before royalties, including both PetroCumarebo and Baripetrol, is 868 bbls/d of oil and 5.7 mmcf/d of natural gas, or 1,815 boe/d.

The 2008 capital expenditures for both the PetroCumarebo and Baripetrol mixed companies are expected to be self-funded.

Please refer to the Company's MD&A for a detailed operations update.

PetroCumarebo

The most recent monthly average gross production of PetroCumarebo is 1,028 bbls/d of oil and 13.4 mmcf/d of natural gas, or 3,260 boe/d, which is an increase of almost 40% since the beginning of the year.

PetroCumarebo is currently re-evaluating eight wells (LV-7, LV-10, LV-12, LV-18, LV-21, CU-169, CU-171 and CU-173) drilled in the Cumarebo and La Vela fields in areas of known hydrocarbon accumulations. The wells will be re-perforated using propellant ("stim gun" technology).

During the third quarter of 2008, PetroCumarebo finished drilling one appraisal well in the central part of the Cumarebo Field (CU-173) with the San Antonio International 421 900 HP rig. PetroCumarebo also started drilling a development well in the southern closure of the La Vela Field (LV-22).

The CU-173 well was drilled as an appraisal well to test the sand 15 reservoir in a previously undrilled fault block. After reaching a depth of 5,171 feet, the well was lost due to mechanical problems and was cemented and abandoned below 4,166 feet. Subsequently, the well was tested in sand 13 at 3,732 feet with no success. The well will be worked over during the fourth quarter and re-evaluated in sand 12 where the logs show a 100-foot prospective interval at 3,454 feet.

The LV-22 well spudded in August 2008 and reached a depth of 6,200 feet. The objective was to evaluate the Cerro Pelado sands already productive in the nearby LV-6X well. The well is under evaluation with oil rates between 50 and 80 bbls/d.

During the third quarter of 2008, PetroCumarebo performed work-over jobs on two wells in the Tiguaje Field for a production increase of approximately 80 bbls/d.

PetroCumarebo also performed two work-overs on the LV-7 and LV-10 wells in La Vela in order to re-complete the wells in previously tested intervals. Both wells will be perforated with propellant and evaluated during the fourth quarter.

PetroCumarebo plans to drill the San Patricio exploration well later this year in a prospective area east of the Cumarebo Field. The well is targeting the Socorro formation 15-sand reservoir, which was recently tested in the CU-170 well, located approximately four kilometers from the San Patricio location. In the Cumarebo Field, this reservoir is currently producing close to 300 bbls/d and 10 mmcf/d from two wells.

PetroCumarebo also plans to drill the La Cruz South prospect, which is expected to contain the same Miocene reservoirs as the La Vela Field, located immediately to the west. Seismic amplitude anomalies suggest the presence of light oil and gas in this Miocene section.

Baripetrol

The most recent monthly average gross production of Baripetrol is 9,130 bbls/d of oil and 6.5 mmcf/d of natural gas, or 10,205 boe/d. The production has remained consistent due to work-over jobs and pump changes, with two work-over rigs and one pulling unit under long-term contract. A 2,000 HP Petrex drilling rig is scheduled to begin operations in December 2008 and is on long-term contract to Baripetrol through 2012.

SEDAR

PetroFalcon has filed its interim consolidated financial statements and related MD&A for the three and nine months ended September 30, 2008, with Canadian securities regulatory authorities on the System for Electronic Document Analysis and Retrieval (“SEDAR”). Copies of the financial statements and related MD&A of PetroFalcon for the three and nine months ended September 30, 2008, and 2007, may be accessed electronically at www.sedar.com and on the Company’s website at www.petrofalcon.com.

About PetroFalcon

PetroFalcon Corporation is an independent oil and gas company with exploration and production assets in Venezuela. PetroFalcon is headquartered in Caracas and listed on the Toronto Stock Exchange (ticker symbol “PFC”).

For additional information, please contact:

Garrett Soden – Chief Financial Officer
telephone: +58 (212) 263-9164 x510
facsimile: +58 (212) 266-8830
website: www.petrofalcon.com

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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 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.