

PRESS RELEASE

PetroFalcon Announces Renewable Energy Investment with Agreement to Acquire Etrion

August 11, 2009, Toronto, Ontario – PetroFalcon Corporation (“PetroFalcon” or the “Company”) (TSX: PFC), a Canadian natural resources company, has signed a share purchase agreement for the acquisition of 90% of the outstanding shares of Solar Resources Holding Sarl (“Etrion”), a private renewable energy independent power producer, from Lorito Holdings Srl (“Lorito”) and related parties.

Subject to certain conditions, including receipt of all required regulatory approvals, PetroFalcon intends to acquire 90% of Etrion from the current shareholders at cost for 2.3 million Euros in cash. PetroFalcon will also advance a loan to Etrion in the amount of 1.35 million Euros in order to repay an equivalent amount advanced to Etrion by Lorito. Lorito is an investment company wholly owned by a Lundin family trust. The remaining 10% of Etrion will continue to be held by Marco Northland, the Vice Chairman and CEO of Etrion.

Upon closing, PetroFalcon intends to appoint Mr. Northland as the CEO and a Director of PetroFalcon. Subject to shareholder approval, PetroFalcon also intends to continue its incorporation from Alberta to British Columbia and to re-name the Company, “Etrion Corporation”. The Company plans to move its operational base to Europe and to seek additional opportunities in the renewable energy sector, while maintaining its existing oil and gas assets in Venezuela.

“Etrion is well advanced with the government permitting and bank financing for 4 megawatts of ground-based solar photovoltaic power generation parks in Italy. The company also has a pipeline in Italy of more than 20 megawatts for construction in 2010/2011,” said Mr. Northland. He added, “Taking Etrion public through the sale of the Lorito shares creates a unique opportunity to use non recourse debt financing and PetroFalcon’s existing cash to develop solar power projects in Europe. I believe PetroFalcon’s strategic shift will add liquidity to the stock, encourage equity research coverage and open the Company to a new investor base.”

PetroFalcon’s Vice Chairman, Clancy Cottman, said, “We currently have \$29 million in cash, no debt and no expected capital expenditure commitments for our oil and gas investments. We plan to use this strong financial position to acquire a new management team in a growth industry. Marco Northland has extensive experience in the renewable energy business and has already built an impressive pipeline of solar power generation projects in key European countries with preferential pricing for renewable electricity.”

Ashley Heppenstall, a Director of PetroFalcon and the President and CEO of PetroFalcon's major shareholder, Lundin Petroleum (OMX: LUPE), said, "Lundin Petroleum is very pleased that PetroFalcon plans to invest in renewable power generation. The acquisition of Etrion and the appointment of Marco Northland as CEO provides the Company with the management team and the permitted projects to create a compelling business. Lundin Petroleum will strongly support the Company with access to debt and equity capital markets to ensure that sufficient capital is available to build critical mass in the renewable sector."

The agreement for the purchase of 90% of Etrion is subject to the required regulatory approvals, including without limitation, the approval of the Toronto Stock Exchange ("TSX"). Under the rules of the TSX, certain aspects of the transaction will require approval by disinterested shareholders. For more details about the acquisition, please refer to the Management Information Circular that will be sent to shareholders and available on SEDAR in advance of the Company's Annual and Special Meeting ("AGM") to be held in Toronto on September 10, 2009. The acquisition is expected to close immediately following the AGM.

About Marco Northland

Prior to co-founding Etrion, Mr. Northland was responsible for establishing and overseeing European operations for SunPower Systems SA, a leading U.S. solar energy company. In this capacity, he secured commitments for several large-scale solar power plant projects in Spain, Italy, Germany and Portugal. Mr. Northland earned a bachelor's degree in electrical/biomedical engineering and a master's degree in computer sciences from The George Washington University, as well as an MBA from the University of Chicago. Prior to SunPower, he held different executive positions in technology companies, including Chief Operating Officer for AT&T Latin America, Executive Vice President for FirstCom and Director for Panamsat. He has led or co-led several start-ups, including Americatel, Retinagenix and FirstCom. He is an American and Chilean citizen.

About Etrion

Etrion is a private renewable energy independent power producer based in Geneva, Switzerland. Etrion was founded in 2008 and is owned 82.7% by Lorito Holdings Srl, a Lundin family investment company, 11.5% by management and 5.8% by other individuals. Etrion is focused on developing, financing, building, owning and operating global electrical power plants based on renewable sources of energy, including solar photovoltaic, solar thermal and wind. For additional information, please visit Etrion's website at www.etrion.ch.

About PetroFalcon

PetroFalcon Corporation is a Canadian natural resources company listed on the Toronto Stock Exchange (ticker symbol "PFC"). PetroFalcon is 45% owned by Lundin Petroleum, a Swedish independent oil and gas exploration and production company

traded on the Nordic Exchange (ticker symbol “LUPE”). For additional information, please visit the Company’s website at www.petrofalcon.com or contact:

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