

**GEOCAN ENERGY INC. ANNOUNCES  
\$10.7 MILLION PRIVATE PLACEMENT**

October 26, 2004

For Immediate Release

GEOCAN Energy Inc. (“GEOCAN”) has entered into an engagement agreement with Octagon Capital Corporation (“Octagon”), as lead agent, to raise on a best efforts basis, \$10,700,000 through the sale of units and flow-through shares to purchasers in the Provinces of Alberta, British Columbia and Ontario. Woodstone Capital Inc., Dominick and Dominick Securities Inc. and Wolverton Securities Inc. will participate in the selling of the offering with Octagon.

The offering includes 5,000,000 units, each unit consisting of one common share and one-half of one share purchase warrant, for a price of \$1.40 per unit, for gross proceeds of \$7,000,000. One whole warrant will entitle the holder to purchase one common share at a price of \$1.75 per share for a period of eighteen months from closing. The remainder of the offering is comprised of 2,000,000 flow-through shares at a price of \$1.85 per share for gross proceeds of \$3,700,000. GEOCAN has granted Octagon an option to increase the size of the offering, on a pro rata basis between units and flow-through shares, by up to 10% to cover over-allotments.

The proceeds received from the private placement will be used to fund GEOCAN’s 2004 and 2005 exploration and development program. The completion of the private placement is subject to regulatory approval.

GEOCAN is a Canadian oil and gas exploration and production company and trades on the Toronto Stock Exchange under the symbol “GCA” and currently has 16,608,116 shares outstanding.

For further information please contact:

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