

**GEOCAN ENERGY INC. ANNOUNCES
\$19.4 MILLION UNDERWRITTEN PRIVATE PLACEMENT**

September 20, 2005

For Immediate Release

GEOCAN Energy Inc. (“GEOCAN”) in please to announce it has entered into a bought deal private placement financing arrangement (the “Offering”) with a syndicate lead by Octagon Capital Corporation (“OCC”) for gross proceeds of \$17,575,000 in exchange for 9,500,000 common shares (the “Shares”) of GEOCAN Energy Inc. (the ”Company”) at a price of \$1.85 per Share. Additionally, the syndicate will be granted up to 1,000,000 common shares (the “Underwriters Option”) at \$1.85 per Share.

Octagon Capital Corporation as lead underwriter, together with co-manager MGI Securities and Haywood Securities Inc. will comprise the syndicate and will participate in the selling of the Offering.

The proceeds received from the private placement will be used to fund GEOCAN’s 2005 and 2006 exploration and development program. The completion of the private placement is subject to regulatory approval. Closing is anticipated on or about October 19, 2005.

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 43,478,517 common shares issued and outstanding after its recent acquisition of Assure Energy, Inc.

For links to current analyst coverage on GEOCAN Energy Inc. please refer to the Investor Relations section of the website at www.geocan.com.

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