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FOR IMMEDIATE RELEASE:

GEOCAN Energy posts significant increases in year over year first quarter results

Calgary, Alberta -- GEOCAN Energy Inc. (TSX: GCA) reports continued growth in key performance indicators in its first quarter financial results, the three months ending March 31, 2006. Cash flow increased 194 percent, average production climbed 41 percent, gross revenue was up 98 percent and field netbacks improved 117 percent. During the quarter, GEOCAN continued its transition toward a more balanced commodity mix in its production. Natural gas and light/medium oil production accounted for over 60 percent of the Company's commodity mix in Q1/06 compared to 18 percent in Q1/05.

The results of the first quarter reflect the positive impact of a major acquisition in 2005 as well as successful results in the Company's exploration program.

Q1/2006 Highlights

	Three months ended Mar 31, 2006	Three months ended Mar 31, 2005	Percent change
FINANCIAL			
Gross revenue	$11,541,752	$5,841,112	+ 98%
Royalty (net of ARTC)	$1,908,424	$919,909	+ 107%
Operating costs	$3,357,077	$2,358,581	+ 42%
Cash flow from operations	$4,750,951	$1,617,442	+ 194%
Cash flow per share - basic	$0.09	$0.07	+ 23%
- diluted	$0.09	$0.07	+ 23%
After tax earnings (loss)	$ (507,045)	$(244,756)	- 107%
Per share (basic and diluted)	$(0.01)	$(0.01)	+ 1%
Capital expenditures	$9,602,791	$6,097,589	+ 57%
PRODUCTION & NETBACKS			
Total production (boe)	283,009	207,143	+ 37%
Average daily production (boepd)	3,145	2,223	+ 41%
Exit daily production (boepd)	3,168	2,136	+ 48%
Gross sales revenue/boe	$39.52	$29.35	+ 35%
Loss on financial instrument/boe	-	$(3.57)	- 100%
Gross revenue net of realized loss/boe	$39.52	$25.78	+ 53%
Production expenses/boe	$11.86	$11.39	+4%
Netbacks from field operations/boe	$19.39	$8.92	+117%

In Q1/06, cash flow was impacted positively by the higher weighting to natural gas and light/medium oil, higher production volumes, generally higher prices and increased netbacks. Revenues were somewhat restrained in the first quarter by a drop in natural gas prices late in the quarter compared to prices in Q4/2005 and the traditional seasonal reduction in heavy oil prices. Average daily production was 3,145 boepd for the quarter, up 41 percent from 2,223 in the first quarter of 2005; this improvement was the result of overall production increases, predominantly in northeast British Columbia and the Chauvin/Ribstone area of Alberta.

Despite a challenging drilling environment with high industry demand for rigs and services, GEOCAN drilled six gross wells (4.75 net) in the first quarter which resulted in three oil wells, two gas wells and one abandonment. The Company has an average 79.2 percent working interest in the wells. These five wells, along with eight wells that were drilled in 2005, are awaiting tie-in, facility construction and/or the end of spring breakup; all 13 wells are scheduled to be on-stream by fall 2006.

In February 2006, the Company announced approval of its 2006 capital program, which includes approximately $30 million for the drilling of 34 gross wells (30.33 net), land acquisitions within core areas, 3-D and 2-D seismic programs and a number of facilities projects. GEOCAN plans to fund this capital program from cash flow and existing bank facilities. Last week, GEOCAN announced an increase to its bank facilities to $40 million from $25 million. The Company is targeting an exit production rate for 2006 of 4,000 to 4,500 boepd.

Also in February, the Company announced the signing of a seismic option agreement with a major integrated oil and gas producer. The agreement covers 10 contiguous sections of Crown land in the Peace River area of northwestern Alberta with an area of mutual interest for 50% of 68 additional sections. The seismic program has now been shot as well as processed. The program will target additional drilling potential in the area, particularly offsetting a suspended well that tested significant natural gas rates. The agreement is consistent with GEOCAN's ongoing strategy of developing an inventory of high-impact natural gas and light oil plays in central and northwestern Alberta and northeastern British Columbia.

GEOCAN continued to increase its acreage position in central Alberta with the acquisition of eight sections of mineral rights (100 percent interest) at the March 23, 2006 Alberta Crown land sale. This and other acquisitions in Q1/06 brought GEOCAN's undeveloped land position to 134,098 gross (106,997 net) acres.

Three wells were drilled in the Lloydminster area in Q1/06 and further drilling there will commence immediately after spring breakup. Ten more wells are planned for this area with contingent locations to follow. A drilling rig has been secured for the summer to ensure that the drilling program remains on schedule. In addition, natural gas and light oil locations at Highvale, Abee and Tomahawk (western Alberta) are all in near-term readiness for drilling during the summer. Natural gas locations at Flatrock and Buick Creek (British Columbia) will also be programmed for drilling in late summer or fall.

At present, GEOCAN is focusing on exploration and development opportunities in five core areas: northeast BC (natural gas and light oil); west central Alberta (natural gas, light and medium oil); Chauvin/Ribstone, Alberta (medium oil and natural gas); Peace River area, Alberta (natural gas); and Lloydminster (heavy oil and natural gas). The Company's share capital at March 31, 2006 was $67,571,705. GEOCAN had 54,678,562 basic and 63,287,968 diluted common shares issued and outstanding at the end of Q1/2006.

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FORWARD-LOOKING STATEMENTS

This news release may contain forward-looking statements including expectations of future production, cash flow and earnings. This guidance is based on current expectations that involve a number of risks and uncertainties, which could cause actual results to differ from those anticipated. These risks include, but are not limited to: the risks associated with the oil and gas industry (e.g., operational risks in development, exploration and production; delays or changes in plans with respect to exploration or development projects or capital expenditures; the uncertainty of reserve estimates; the uncertainty of estimates and projections relating to production, costs and expenses, and health, safety and environmental risks), commodity price, price and exchange rate fluctuation and uncertainties resulting from potential delays or changes in plans with respect to exploration or development projects or capital expenditures. GEOCAN's actual results, performance or achievements could differ materially from those expressed in, or implied by, these forward-looking statements and, accordingly, no assurance can be given that any of the events anticipated by the forward-looking statements will transpire or occur or, if any of them do, to what benefit GEOCAN will derive therefrom. GEOCAN disclaims any intention or obligation to update or revise any forward-looking statements whether as a result of new information, future events or otherwise.

Boe presentation: barrels of oil equivalent ("boe") may be misleading, particularly if used in isolation. A boe conversion rate of 6 Mcf per 1 bbl is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead. All boe conversions in the report are derived by converting gas to oil at the ratio of six thousand cubic feet of gas to one barrel of oil.

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