

GEOCAN Energy Inc. closes sale of heavy oil assets for \$50.9 million and appoints Tristone Capital Inc. as advisor to review strategic alternatives.

CALGARY, March 7, 2008 -- GEOCAN Energy Inc. (GEOCAN or the Company) (TSX: GCA) announces that it has closed its previously announced sale of the Lloydminster area heavy oil assets for \$50.9 million, inclusive of closing adjustments. The effective date for the Lloydminster area transaction is February 1, 2008. The closing of the previously announced Carrot Creek asset sale is scheduled for mid March.

The Company also announces that its board of directors has unanimously approved a process to review strategic alternatives to maximize shareholder value and has retained Tristone Capital Inc. to act as its exclusive financial advisor to assist in exploring strategic alternatives. These alternatives may include the sale of the Company, an amalgamation or reorganization or such other transaction that are considered to be in the best interests of GEOCAN.

GEOCAN currently has production of approximately 1,000 BOE/d (95% operated); split 37% light and medium oil and 63% natural gas. GEOCAN is strategically focused within three core areas, namely, east central Alberta, west central Alberta and northeastern British Columbia. GEOCAN holds 137,000 gross (88,132 net) undeveloped acres of land within its three core areas and has estimated current tax pools of approximately \$43 million. On March 3, 2008 GEOCAN finalized its new \$17 million revolving operating demand loan facility with its existing lender. Upon closing the Carrot Creek transaction, GEOCAN's debt and working capital deficiency is anticipated to be approximately \$3 million.

GEOCAN is an oil and gas company that explores for, develops and produces crude oil and natural gas in British Columbia and Alberta. GEOCAN shares have been publicly traded since 1998 and the Company has been listed on the Toronto Stock Exchange under the symbol "GCA" since 2003. The Company has 55,945,239 common shares issued and outstanding. For further information regarding GEOCAN please refer to SEDAR at (www.sedar.com) or the Company's website at (www.geocan.com).

Advisory -- Forward-looking Information

This press release may include certain forward-looking statements. These statements involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in the forward-looking statements. However, while management believes these forward-looking statements to be reasonable, the reader cannot be assured that these expectations will prove to be correct. The reader should not unduly rely on these forward-looking statements as these statements speak only as of the date hereof. Additional information about the Company can be found on www.sedar.com.

Barrel of oil equivalent ("BOE") may be misleading, particularly if used in isolation. A BOE conversion ratio for natural gas of 6 mcf :1 bbl is based on an energy equivalency

conversion method particularly applicable at the burner tip and does not represent a value equivalency at the wellhead.

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