



September 27, 2004

Trading Symbol: PRD

PRIVATE PLACEMENT AND OPERATIONS UPDATE

Pacific Rodera Energy Inc. ("PRD") announces a non-brokered private placement of 5.5 million common flow-through shares at a price of \$1.15 per share for total proceeds of \$6,325,000. The financing of this placement has been taken up predominantly by institutional orders. It is anticipated that directors and officers of PRD may participate. A fee and warrants will be paid in connection with the financing in accordance with applicable securities law and TSX Venture Exchange Policies. The warrants issued in connection with the fee will be non-transferable and will entitle the holder to purchase an additional non-flow through common share at a price of \$1.50 per share until March 31, 2005. Completion of the financing is subject to regulatory approval. PRD intends to use the net proceeds of the financing on its Northwest Territories (N.W.T.) properties and its Northeast B.C. (Trutch) area property.

Northwest Territories (N.W.T.)

Shooting of the summer 2D seismic program covering the company's N.W.T. lands is just about completed with the first few lines of seismic already being processed. Data quality appears to be very good. The balance of the seismic lines, particularly in the vicinity of the B-44 (Wilma) wellbore and the anticipated K-71 (Betty) location, which will be some of the first lines interpreted, should be completed around the middle to latter part of October 2004. This seismic program, currently estimated to cost \$8.7 million, (\$609,000 PRD's share) is on budget and on schedule.

Drilling, Testing and Completion equipment is being assembled and barged until freeze-up along the Mackenzie River. This equipment is being unloaded at the staging area on the west side of the Mackenzie River at the same location used last winter.

The Drilling equipment will be used to drill a well at the K-71 location to a total anticipated depth of approximately 3,500 m. This well will test a new separate structure on the company's lands with similar geologic features to the cased B-44 wellbore of the previous winter. The K-71 well has been partner approved at a cost of \$18.5 million (PRD's share \$1,225,000) with an estimated drilling time of 95 days.

The Testing and Completion equipment also being assembled will be used to test the B-44 well, drilled the previous winter to a total depth of 3,000 m. It is estimated that the testing of the various zones in this well will require at least 80 days to complete. The completion of the B-44 well is partner approved and the current estimated cost is \$16.2 million (PRD's share \$1,100,000). Both the Completion operation and the Drilling operation are to commence early January 2005.

The company's share of these N.W.T. expenditures amounts to \$3.0 million. This level of activity, or more, can be expected during the next few summer and winter seasons assuming successful results of these operations. Furthermore, with indications that the various geologic structures contain significant amounts of hydrocarbon, expenditures may be accelerated.



Trutch, B.C.

This area in northeast British Columbia is the company's primary area of focus for near term cash flow. The operator, Thunder Energy Inc., has surveyed the well locations for this winter's program. The area has been extremely wet this summer and most surface activities in the area have been delayed. Our plans still remain the same with the completion of an all- weather road that will access that portion of the acreage north of the river giving us all-year access. The operator has identified up to ten well locations, some being drilled through to the Debolt Formation, will give the owner's consortium a more definitive view of reserves and deliverability which in turn will define processing, transportation and field development including the design of a 3D seismic program. PRD has an 8% working interest and anticipates this season's expenditures of up to \$15 million (PRD's share \$1,200,00).

On behalf of the Directors of
Pacific Roder Energy Inc.

"Michael K. Barton"

Michael K. Barton, P.Geol.
Chairman and C.E.O.

For further information please contact: Mr. Michael K. Barton at (403) 234-0501

The TSX Venture Exchange has not reviewed and does not accept responsibility for the adequacy or accuracy of the content of this news release.

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