



PACIFIC RODERA ENERGY INC.

October 16, 2006

Trading Symbol: TSXV - PRD

Pacific Roder Energy Inc. ("PRD") wishes to announce that it has cancelled 6,850,800 incentive stock options exercisable at various prices to directors, officers, employees and consultants effective immediately.

On behalf of the Directors of
Pacific Roder Energy Inc.

"David J.L. Williams"

David J.L. Williams
President

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

Forward Looking Information: This news release may contain forward-looking statements including expectations of future production, cash flow and earnings. These statements are 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 fluctuations and uncertainties resulting from potential delays or changes in plans with respect to exploration or development projects or capital expenditures.

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