



3250, 205 – 5th Avenue, SW
Calgary, Alberta T2P 2V7

Tel. (403) 264-3520

Fax. (403) 264-3552

CALGARY, ALBERTA: Storm Exploration Inc. (TSX:SEO) is pleased to announce an acquisition of producing properties and undeveloped land and the issue of flow through common shares.

Asset Acquisition

Storm has entered into an agreement to acquire oil and natural gas properties within its Peace River Arch and Cabin/Kotcho/Junior core areas for a total of \$40 million. Storm expects to finance this acquisition through an expansion of its existing credit facilities. Highlights of the acquisition include:

- Production from the acquired properties is currently approximately 1,000 Boe per day of which 75% is natural gas.
- The Peace River Arch properties produce 600 Boe per day and the Cabin/Kotcho/Junior property produces 400 Boe per day.
- Undeveloped land totaling 13,000 net acres is included with \$2.1 million of the acquisition cost allocated toward the purchase of this land.
- Based upon an internal evaluation, the properties are estimated to contain 2.23 million Boe of proved plus probable reserves.
- Net of undeveloped land value, proven plus probable reserves are being purchased for \$17.00 per Boe.
- Operating costs, royalties, and field netbacks from the acquired properties are expected to be the same as Storm's existing properties.
- The acquisition will have an effective date of May 1st and is expected to close by June 15th.
- Storm has identified 15 development opportunities on the acquired assets including ten drilling locations and five workovers.

Upon closing of the acquisition described above:

- Current production will increase to 5,500 Boe per day.
- Production at the end of 2006 is expected to grow to 5,900 Boe per day after accounting for normal declines on the acquired properties.
- Total capital expenditures including the cost of the acquisition will increase to \$90 million.
- Operations capital expenditures will remain at \$50 million.
- Storm's inventory of opportunities will increase to 75 drilling locations and 15 exploitation projects, which represents almost two years of field activity.

Forward-Looking Statements – Certain information set forth in this press release, including management's assessment of Storm's future plans and operations, contains forward-looking statements. By their nature, forward-looking statements are subject to numerous risks and uncertainties, some of which are beyond the Company's control, including the impact of general economic conditions, industry conditions, volatility of commodity prices, currency fluctuations, imprecision of reserve estimates, environmental risks, competition from other industry participants, the lack of availability of qualified personnel or management, stock market volatility and ability to access sufficient capital from internal and external sources. In addition these forward-looking statements are based on certain assumptions, including those set forth in reports on file with Canadian securities regulators, and are accessible through the SEDAR website (www.sedar.com). Readers are advised that the assumptions used in the preparation of such information, although considered reasonable at the time of preparation, may prove to be imprecise and, as such, undue reliance should not be placed on forward-looking statements. Storm's actual results, performance or achievement, could differ materially from those expressed in, or implied by, these forward-looking

statements. Storm disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

This news release contains the term “netbacks”, which is a non-GAAP term. Storm considers netbacks a key measure, as it demonstrates profitability relative to current commodity prices. Netbacks are defined on a unit of production basis as the average sales price less royalties, transportation and operating costs.

This press release shall not constitute an offer to sell or the solicitation of any offer to buy securities in any jurisdiction. Storm’s common shares have not been nor will be registered under the United States Securities Act of 1933, and they may not be offered or sold in the United States, absent registration or an exemption from registration.

Storm Exploration Inc. is a Calgary based junior oil and gas exploration company with operations in north eastern British Columbia and central and west central Alberta.

For further information, please contact Brian Lavergne, President or Donald G. McLean, Chief Financial Officer.

Storm Exploration Inc,
3250, 205 – 5th Avenue SW,
Calgary, Alberta,
T2P 2V7
Phone: 403 264 3520
Fax: 403 264 3552
www.stormexploration.com