



## PRESS RELEASE

Thu Jan 25, 2007

### Patch International Inc. Commences Drilling of Alberta Oil Sands

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Patch International Inc. ("**Patch**" or the "**Corporation**") (OTCBB:PTCH, Frankfurt:PQGB) is pleased to announce that it has commenced drilling on its recently acquired Dover Oil Sands Project and the Firebag Oil Sands Project near Ft. McMurray in northeast Alberta. Drilling contractor rig Tempco #1 started January 21, 2006 on the first of a minimum 28 earning wells. Weather has been cooperative allowing pre-construction of leases well in advance of the drilling rig. In anticipation of progressing the project areas beyond the minimum 28 wells, Patch has pre-selected, licensed and surveyed an additional 22 sites affording flexibility to modify the drill order 'on the fly'. Should new potential pools be discovered during the course of drilling, Patch can modify the drilling program to obtain more well contact within areas of thicker oil sands. Patch is currently negotiating to bring a second rig into the drill to accelerate this years drilling program.

The first stage of the project is to offset existing oil sand pay on the land by drilling a number of vertical test wells, and shooting seismic (3D and 2D). The objective is to delineate the size and number of oil sands pools for future SAGD development. Every well will have an extensive log suite run as well as continuous core from the top to the base of the potential reservoir interval. In total, the current 28 well drilling program is estimated to recover a minimum of 7,000 feet, or 2,100 meters of core.

Patch believes that the crucial data that the drilling program will provide will assist in the: determination of deposition environments and paleo-flow orientation for mapping purposes and planning future drilling locations and potential SAGD developments, and vertical and lateral reservoir parameter determination to be incorporated in the reservoir simulator which will yield a new resource assessment and improved development model.

Patch must complete a work program consisting of spudding 16 evaluation wells on the properties and the completion of a 2D seismic program on the properties on or before March 31, 2007 to earn up to an 80% working interest in the Dover Oil Sands Project. Patch must complete a work program consisting of spudding 8 evaluation wells on the properties and the completion of a 2D seismic program on the properties at a minimum cost of (Cdn.) \$1,200,000 but not to exceed (Cdn.) \$1,500,000 on or before March 31, 2007 and on or before April 1, 2008, must spud 4 evaluation wells on the properties and the complete a 2D seismic program on the properties at a minimum cost of (Cdn.) \$550,000 but not to exceed (Cdn.) \$650,000 on or before March 31, 2008 to earn up to a 75% working interest in the Firebag Oil Sands Project

**FOR FURTHER INFORMATION PLEASE CONTACT:**

Michael S. Vandale

Patch International Inc., President and Chief Executive Officer

1-888-864-7372

email: [mvandale@patchenergy.com](mailto:mvandale@patchenergy.com).

Investor Relations

Patch International Inc.  
888-864-7372  
Email: [info@patchinternational.com](mailto:info@patchinternational.com)

Please visit Patch's corporate website at [www.patchenergy.com](http://www.patchenergy.com).

*No regulatory authority has passed upon the merits of the proposed transaction and has not approved nor disapproved the contents of this press release.*

*This news release contains certain statements that may be deemed "forward-looking statement" about the development of oil sands in Alberta, Canada. All statements in this release, other than statements of historical fact, that address future production, reserve potential, exploration drilling, exploitation activities and events or developments that the Corporation expects to occur, are forward looking statements. Forward looking statements are statements that are not historical facts and are generally, but not always, identified by the words "expects", "plans" "anticipates", "believes", "intends", "estimates", "projects", "potential" and similar expressions, or that events or conditions "will", "would", "may", "could" or "should" occur. Information inferred from the interpretation of drilling results and information concerning mineral resource estimates may also be deemed to be forward looking statements, as it constitutes a prediction of what might be found to be present when and if a project is actually developed. Although the Corporation believes the expectations expressed in such forward-looking statements are based on reasonable assumptions, such statements are not guarantees of future performance and actual results may differ materially from those in the forward-looking statements. Factors that could cause the actual results to differ materially from those in forward-looking statements include market prices, exploitation and exploration successes, and continued availability of capital and financing, and general economic, market or business conditions. Investors are cautioned that any such statements are not guarantees of future performance and actual results or developments may differ materially from those projected in the forward-looking statements. Forward-looking statements are based on the beliefs, estimates and opinions of the Patch's management on the date the statements are made. The Corporation undertakes no obligation to update these forward-looking statements in the event that management's beliefs, estimates or opinions, or other factors, should change. For further information investors should review the Corporation's filings that are available at [www.edgar.com](http://www.edgar.com).*