



PRESS RELEASE

Wed Feb 28, 2007

Patch International Inc. Raises US\$20,131,687.50 in Private Placement

Patch International Inc. ("Patch" or the "Corporation") (OTCBB:PTCH, Frankfurt:PQGB) is pleased to announce that it has completed a private placement (the "Offering") issuing special warrants ("Special Warrants") at a price of US\$1.50 per Special Warrant and special warrants on a flow-through basis ("Flow-Through Special Warrants") at a price of US\$1.65 per Flow-Through Special Warrant.

Patch issued 8,302,000 Special Warrants and 4,408,750 Flow-Through Special Warrants on a brokered basis and 245,000 Flow-Through Special Warrants on a non-brokered basis for an aggregate consideration of US\$20,131,687.50.

Each Special Warrant entitles the holder to acquire, without payment of additional consideration or any further action on the part of the holder, one (1) unit ("Unit") upon the Corporation increasing its authorized number of shares of common stock, US\$0.001 par value in the capital of the Corporation (the "Common Shares"). Each Unit consists of one (1) Common Share and 1 common share bonus warrant ("Bonus Warrant"). Each Bonus Warrant entitles the holder to be issued, without payment of additional consideration or any further action on the part of the holder, up to 0.10 Common Shares, subject to the Corporation not completing certain filings on or before April 28, 2007 and not: (i) becoming a "reporting issuer" in any province or territory of Canada; (ii) having a registration statement declared effective in the United States; and (iii) having its Common Shares listed on the TSX Venture Exchange or TSX Exchange on or before September 25, 2007. Each Flow-Through Special Warrant of the Corporation entitles the holder to acquire, without payment of additional consideration or any further action on the part of the holder, one (1) Common Share upon the Corporation increasing its authorized number of Common Shares.

The Special Warrants and the Flow-Through Special Warrants (collectively the "Securities") issued pursuant to the Offering are "Restricted Securities", as defined by Rule 144(a) under the U.S. Securities Act of 1933, as amended (the "1933 Act") and are subject to a hold period in Canada that expires four months and a day after the later of: (i) February 27, 2007; and (ii) the date that Patch becomes a reporting issuer in any province or territory in Canada.

The Securities have not been registered under the 1933 Act or the securities laws of any state of the United States. The Securities may not be sold, transferred or assigned in the absence of an effective registration statement for the Securities under the applicable securities laws, or unless offered, sold or transferred pursuant to an available exemption from the registration requirements of those laws. Patch has agreed to use its best efforts to file a resale registration statement in the United States and to make an application to become a reporting issuer in the Province of Alberta, so that the Securities may be resold, on a restricted basis, on or before September 25, 2007.

Proceeds from the Offering will be used to finance ongoing exploration and development of the Corporation's oil and natural gas properties and for general working capital. Proceeds from the issue of

Flow-Through Special Warrants will be used for general exploration expenditures, which will constitute Canadian exploration expenses, as defined in the Income Tax Act (Canada), and will be renounced for the 2007 taxation year.

Canaccord Capital Corporation, as lead agent, together with **Wellington West Capital Markets Inc.** acted as agents and received a cash commission and non-transferable agents' warrants to purchase up to 762,645 Common Shares of the Corporation at an exercise price of \$1.50 per Common Share on the later of: (i) February 27, 2008; and (ii) six months from the date the securities under the Offering are free from trading restrictions in the United States and Canada to a maximum of February 27, 2009.

Patch management and directors and a significant shareholder of Patch representing 988,700 Common Shares, 7,316,489 exchangeable shares and 2,800,000 stock options, have entered into lock-up agreements in which they agreed to not trade in their securities until such time as the securities under the Offering are free from trading restrictions in the United States and Canada and the Corporation has increased its authorized share capital.

Upon completion of the Offering, Patch has 20,241,774 Common Shares issued and outstanding and subject to the Corporation increasing its authorized share capital, securities convertible into as many as 27,325,084 Common Shares (consisting of exchangeable shares convertible into 9,926,489 Common Shares, 8,302,000 Special Warrants convertible into 8,302,000 Common Shares (or up to 9,132,200 Common Shares upon the exercise of the Bonus Warrants), 4,653,750 Flow-Through Special Warrants convertible into 4,653,750 Common Shares, agents' warrants convertible into 762,645 Common Shares and stock options exercisable into 2,850,000 Common Shares).

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Please visit Patch's corporate website at 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.