

TWOCO PETROLEUMS LTD.

Calgary, Alberta – May 31, 2004 - Twoco Petroleum Ltd. ("Twoco" or the "Company") (Symbol: TWO) is pleased to announce financial and operating results for the three months ended March 30, 2004.

OPERATIONAL HIGHLIGHTS

- Natural gas production increased 2529% to 2079 mcf/d (347 BOE/d) for the quarter ended March 30, 2004 versus the corresponding period in 2003. Twoco does not have any oil production.
- Twoco achieved a 100% success rate on 2 gross (2 net) wells drilled. Completion operations with initial gas production from these wells should be realized in the second quarter.
- Twoco acquired 1920 acres (1920 net) on three independent prospects.

FINANCIAL HIGHLIGHTS

- Twoco's gross revenue from natural gas sales for the quarter ended was \$1,157,930, 1716% higher than the \$63,770 in the comparative quarter in 2003.
- Cash flow increased to \$629,112 from the previous year's figure of \$3,420.
- The company's net income increased to \$188,574 from the \$180 loss in the first quarter of 2003.

On December 22, 2003, the Company entered into a financing agreement with First Associates Investments Inc. whereby Twoco would participate in an Initial Public Offering ("IPO") on the TSX Venture Exchange. The IPO was completed in the second quarter of 2004. Gross proceeds received by Twoco for its Initial Public Offering were \$6,001,000, being the maximum offering of 3,530,000 units at \$1.70 per unit, each unit consisting of one common share and one-half of one common share purchase warrant, each whole warrant entitling the holder to purchase one common share at a price of \$1.95 per share expiring April 16, 2005.

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