

TWOCO PETROLEUMS LTD. FIRST QUARTER HIGHLIGHTS AND 2008 UPDATE

May 28, 2008

Calgary, Alberta – Twoco Petroleum Ltd. ("Twoco") (TSX Venture – TWO) is pleased to announce financial and operating results for the quarter ended March 31, 2008 and an update of its 2008 activities.

Twoco has filed the following documents on the System for Electronic Document Analysis and Retrieval (SEDAR):

1. Unaudited financial statements as at and for the quarter ended March 31, 2008, together with the notes thereto; and
2. Management's discussion and analysis of financial condition and results of operations as at and for the quarter ended March 31, 2008.

Copies of these documents may be obtained via SEDAR at www.sedar.com.

Highlights of the First Quarter 2008 include:

- Average production of 1,224 boe/d – a 17% increase from the First Quarter 2007;
- Participation in the drilling of 4 gross (3.1 net) wells;
- Petroleum and natural gas sales revenue growth to \$4,931,346 - a 28% increase from the First Quarter 2007;
- Cash flow from operations of \$2,689,830 (\$0.17 per share) – a 20% increase from the First Quarter 2007;
- Net Income of \$386,458 (\$0.03 per share);
- Capital expenditures of \$1,317,249;
- Current land position of 127,876 gross (92,058 net) acres;
- Operating costs of \$5.47 per boe;
- Operating netback of \$29.43 per boe;
- General and administrative expenses of \$2.50 per boe;
- Based on its independent reserve evaluation for the year ended December 31, 2007 as prepared by AJM Petroleum Consultants Inc. in accordance with NI 51-101, Twoco's Net Asset Value is estimated, using a 10% discount rate, to be \$4.70/share on a fully diluted basis (calculated based on currently in-the-money securities convertible into common shares).

Highlights of Twoco's anticipated 2008 work program and summary of operations for the year to date includes:

- To date, Twoco has participated in the drilling of 4 gross (3.1 net) wells that have resulted in 3 gross (2.1 net) wells being cased for potential natural gas production and one gross (1.0 net) well was dry and abandoned. Initial production from the natural gas wells is anticipated in the third quarter of this year;
- Participation in the drilling of 20 additional wells for the balance of 2008 – all targeting natural gas;
- Current production of 1,200 boe per day and estimated current additional production capability of 300 boe per day.
- Currently available unutilized bank line of credit of approximately \$15.5 million;

- As at today's date, pursuant to its current Normal Course Issuer Bid, Twoco has acquired a total of 101,500 common shares at prices ranging from \$2.85 to \$4.35 per share. Up to October 16, 2008, under the terms of the current Normal Course Issuer Bid, Twoco is authorized to acquire up to an aggregate of 750,000 of its common shares representing approximately 5% of its issued and outstanding common shares; and
- Twoco anticipates investigating several drilling and acquisition opportunities as they are identified during the balance of 2008. The combination of increasing cash flows from improving commodity prices and increasing production levels along with available loan facilities will enable Twoco to be in a position to consider such opportunities as they arise.

Twoco is an oil and gas company engaged in the exploration for, and the acquisition, development and production of, oil and natural gas reserves primarily in the Province of Alberta. Twoco has 15,569,306 common shares issued and outstanding as at today's date.

In this news release the calculation of barrels of oil equivalent (boe) is calculated at a conversion rate of six thousand cubic feet (Mcf) of natural gas for one barrel (Bbl) of oil based on an energy equivalency conversion method. boes may be misleading particularly if used in isolation. A boe conversion ratio of 6 Mcf: 1Bbl is based on an energy equivalency conversion method primarily applicable to the burner tip and does not represent a value equivalency at the wellhead.

The net asset values disclosed herein do not represent fair market value.

Forward Looking Statements:

Certain information set forth in this news release contains forward-looking statements. By their nature, forward-looking statements are subject to numerous risks and uncertainties, some of which are beyond Twoco'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. Readers are cautioned 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. Twoco's actual results, performance or achievement could differ materially from those expressed in, or implied by, these forward-looking statements and, accordingly, no assurance can be given that any of the events anticipated by the forward-looking statements will transpire or occur, or if any of them do so what benefits Twoco will derive therefrom. Twoco disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by securities laws.

This news release shall not constitute an offer to sell or the solicitation of any offer to buy securities in any jurisdiction.

For further information, please visit our website at www.twoco.ca or contact Wayne A. Malinowski, President and Chief Executive Officer.

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