

TWOCO PETROLEUMS LTD. FIRST QUARTER HIGHLIGHTS AND 2009 UPDATE

May 27, 2009

Calgary, Alberta – Twoco Petroleum Ltd. ("Twoco") (TSX Venture – TWO) is pleased to announce financial and operating results for the quarter ended March 31, 2009 and an update of its 2009 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, 2009, 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, 2009.

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

Highlights of the First Quarter 2009 include:

- Average production of 1,484 boe per day – a 21% increase from the First Quarter 2008;
- Participation in the drilling of 1 gross (0.2 net) well;
- Petroleum and natural gas sales revenue of \$3,684,113 - a 25% decrease from the First Quarter 2008 due to lower commodity prices;
- Cash flow from operations of \$1,685,751 (\$0.11 per share) – a 37% decrease from the First Quarter 2008 due to lower commodity prices;
- Net loss of \$1,128,183 (\$0.08 per share);
- Capital expenditures of \$492,124;
- Current land position of 140,419 gross (105,322 net) acres;
- Operating costs of \$5.31 per boe;
- Operating netback of \$16.96 per boe;
- General and administrative expenses of \$1.61 per boe; and
- Private placement of \$8,300,000 of principal amount of 17% unsecured debentures maturing March 31, 2011 and warrants to purchase up to 4,150,000 common shares at a price of \$1.20 per share until March 31, 2011.

Highlights of Twoco's anticipated 2009 work program and summary of operations for the year to date includes:

- To date, Twoco has participated in the drilling of 1 gross (0.2 net) well. The 1 gross (0.2 net) well was cased for potential natural gas production and has commenced production;
- Participation in the drilling of 14 additional wells for the balance of 2009 – all targeting natural gas;
- Current production of approximately 1,450 boe per day;
- Twoco estimates current shut-in and behind pipe production capability of 250 boe per day; and
- Twoco is currently maintaining its \$5,700,000 capital budget which represents a significant reduction versus previous years and reflects current natural gas prices. Also, in response to the current low natural gas prices, Twoco will review its capital budget on a regular basis and will make amendments as required.

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 14,941,406 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.

Forward Looking Statements:

Certain information set forth in this news release contains forward-looking statements or information, including statements regarding Twoco's capital budget, participation in the drilling of wells, the timing of production and behind pipe production capability. 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, operational risks in exploration and development, competition from other industry participants, the lack of availability of qualified personnel or management, stock market volatility and the ability to access sufficient capital from internal and external sources. Although Twoco believes that the expectations in our forward-looking statements are reasonable, our forward-looking statements have been based on factors and assumptions concerning future events which may prove to be inaccurate. Those factors and assumptions are based upon currently available information. Such statements are subject to known and unknown risks, uncertainties and other factors that could influence actual results or events and cause actual results or events to differ materially from those stated, anticipated or implied in the forward looking information. As such, readers are cautioned not to place undue reliance on the forward looking information, as no assurance can be provided as to future results, levels of activity or achievements. The risks, uncertainties, material assumptions and other factors that could affect actual results are discussed in our Annual Information Form and other documents available at www.sedar.com. Furthermore, the forward-looking statements contained in this document are made as of the date of this document and, except as required by applicable law, Twoco does not undertake any obligation to publicly update or to revise any of the included forward-looking statements, whether as a result of new information, future events or otherwise. The forward-looking statements contained in this document are expressly qualified by this cautionary statement.

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

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