



north peace energy

TSX-V: NPE

## North Peace Energy to begin trading – NPE on the TSX-V

**Calgary, Alberta, February 20, 2007** – North Peace Energy Corp. (formerly Juno Capital Corp.) (“North Peace” or the “Company”) will begin trading tomorrow on the Venture Exchange under the symbol NPE, following the successful completion of its amalgamation with North Peace Energy Inc. and receipt of final regulatory approvals.

Since its incorporation in the fourth quarter of 2005, North Peace has accumulated 86,400 gross acres (60,480 net acres) of near contiguous oil sands prospective leases bridging the Athabasca and Peace River oil sands areas of northern Alberta. The Company has a net working interest of 70 percent, and took over operatorship in December 2006. This land base is being assessed for potential oil sands development and production. To date, the Company has drilled and cored seven evaluation wells in the area. Two more evaluation wells are scheduled during Q1 2007 as part of this initial assessment.

The Company’s interpretation of results to date indicates that the evaluation parameters are consistent with the presence of substantial oil-in-place in the Bluesky zone and the reservoir characteristics support the expectation of recovery under thermal drainage.

Results collected from the seven wells continue to be evaluated in conjunction with pre-existing offsetting logs. The targeted Bluesky zone was measured at a depth of 360 to 395 metres. Oil-bearing thicknesses of approximately 12 to 16 metres were encountered in a number of locations. Analysis of oil samples extracted from the cores yielded API gravities ranging from 8.6 to 10.3° and viscosities from 75,000 to 450,000 centipoises (measured at 16°C). On average, porosity exceeded 30 percent, oil saturation was greater than 60 percent and permeability was one to three darcys. These parameters are not unlike measurements from other heavy oil deposits in the Peace River area. The data gathered also implies the potential to use performance analogs from existing thermal projects, notably the Peace River project approximately 75 km from the North Peace evaluation wells.

Testing for cold flow production in two vertical wells was undertaken, and although encouraging due to wellbore influx of bitumen, cold flow production was not demonstrated. However, the characteristics of the core extracted oil from the wells tested for cold flow support ongoing assessment of the potential for this type of production on the North Peace lands.

In an independent report dated June 30, 2006, which pre-dated the drilling of the evaluation wells, Sproule Associates Limited provided an estimate of the in-place discovered resource potential of North Peace’s lands in the order of 2 to 3.1 billion barrels of crude bitumen. In most cases, the Company subsequently encountered reservoir parameters in its initial local evaluations which were more favourable than those used in the independent report.

With these encouraging early results, the Company has initiated a resource characterization study and highgraded mapping of the target Bluesky zone. This technical work will permit the Company to further refine future delineation and exploration drilling targets. Currently, the Company estimates in excess of 20 additional drilling locations for a drilling program beginning in the fall of 2007. This program will include both delineation and exploration wells. In addition, a preliminary thermal project feasibility review is being undertaken including consideration of the type of thermal project, project economics, funding requirements and timing.

To maximize the potential of its land base, North Peace is also in the process of expanding its technical and management team. North Peace has retained Worldwide Consulting, and various other technical advisors. Worldwide Consulting, its principals and North Peace’s existing technical advisors have direct,

relevant and significant expertise in heavy oil, cold flow production and in situ thermal recovery from oil sands, in particular at the Seal and Orion projects with BlackRock Ventures Inc. The structure of the compensation of these consultants includes incentives which align their interests with those of North Peace's shareholders.

North Peace currently has approximately 17 million shares outstanding (basic) and 34 million shares on a fully diluted basis. Management, directors and insiders own approximately 17 percent of the basic share float, and 25 percent of the fully diluted share capital.

North Peace has made an offer of employment for a full-time Chief Financial Officer which offer includes the grant of 175,000 common share purchase options at an exercise price of \$1.00 per share which options would vest as to 1/3 per year on the first, second and third anniversaries of the date of grant and expire after five years.

North Peace has appointed Iradesso Communications Corp., a Calgary-based investor relations firm, to help communicate with the investment community. The TSX Venture Exchange requires that the details of the arrangement between North Peace and Iradesso be disclosed. North Peace's predecessor retained Iradesso beginning on December 1, 2006 at a rate of \$4,000 per month for a minimum of three months, after which the contract will continue indefinitely until either party gives 30 days' notice. The key individual from Iradesso who will work with North Peace is Stephanie Mesher, an Investor Relations Advisor and former investment advisor.

#### **About North Peace**

North Peace Energy is a junior oil and gas company with land and assets bridging the Athabasca and Peace River oil sands areas of northern Alberta.

**Forward-Looking Statements:** Certain statements contained in this release constitute forward-looking statements that involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking statements. No assurance can be given that these expectations will prove to be correct and such forward-looking statements included in this release should not be unduly relied upon. Actual results could differ materially as a result of changes in North Peace's plans, changes in commodity prices, regulatory changes, general economic, market and business conditions as well as production, development and operating performance and other risks associated with oil and gas operations including anticipated success of resource prospects and the expected characteristics of resource prospects; anticipated capital requirements, project rates of return and estimated project life; estimates of original oil in place and resources; estimates of recovery factors; lack of diversification; and overall technical and economic feasibility of the Company's project. These statements speak only as of the date of this release or as of the date specified in the documents accompanying this release, as the case may be.

The Company undertakes no obligation to publicly update or revise any forward-looking statements except as expressly required by applicable securities laws.

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

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