



North Peace Updates Discovered Resource Estimates

Calgary, Alberta, April 26, 2007 North Peace Energy Corp. (“North Peace” or the “Company”) announces an updated resource evaluation as at December 31, 2006

Sproule Associates Limited (“Sproule”) has provided an independent report dated December 31, 2006. The updated report confirms the previously disclosed estimate of discovered bitumen-in-place resources in the order of 2 to 3.1 billion barrels, based on a technical review of geological mapping provided by the Company. This report takes into account data collected from logs and core samples from the seven stratigraphic wells drilled by the Company to the end of 2006. The resource was classified according to the Canadian Oil and Gas Evaluation Handbook (“COGEH”) definition of discovered resource.

North Peace’s president, Louis Dufresne, commented “The Company started out with an exploration play and through our drilling activity we have demonstrated the presence of significant discovered resource. The Sproule report provides independent third party verification. Based on this independent evaluation and management’s own assessment of the project, the Company intends to proceed with a disciplined resource development plan.”

The Company has also completed an internal analysis of the two most recent wells drilled during the first quarter of 2007 in the previously untested northwest area of the Company’s land base. Evaluation of these two wells supports management’s initial expectation of potential recovery under thermal drainage with seven to ten metres of bitumen thickness.

The Company’s internal resource characterization study and high graded mapping of the target Bluesky zone have now been completed. The southern portion of the Company’s block B has been identified as the most prospective area for a thermal recovery project on the Company’s lands. Block B (south) totals 28,800 gross acres (20,160 net acres) and, based on the Sproule report, contains an estimated discovered bitumen-in-place resource of 1 to 1.6 billion barrels. The reservoir and fluid data acquired from the seven wells drilled in this area have demonstrated good reservoir quality and saturations of possible commercial interest. With these encouraging initial results and the updated resource report, the Company will investigate if the bitumen is recoverable and, if so, by which methods.

Modeling is being advanced internally to determine the type of thermal project, project economics, funding requirements and timing. The Company is also currently developing an analog based on other western Canadian producing thermal projects. If results support the internal resource characterization study, a determination will then be made as to which type of pilot scheme will be best suited to determine economic viability. A delineation program will be developed to further define the discovered resource and determine the optimal location for the pilot.

The internal resource characterization study has also identified other areas with exploration potential and a portion of future spending will be allocated to exploration in Company owned areas where no drilling has yet been undertaken.

Discovered Resources, per COGEH, are those quantities of oil and gas estimated on a given date to be remaining in, plus those quantities already produced from, known accumulations. Discovered resources are divided into economic and uneconomic categories, with the estimated future recoverable portion classified as reserves and contingent resources, respectively. No proved or probable reserves have been assigned to the lands at this time because the bitumen has not been shown to be economically recoverable. As North Peace is in the early stages of the project, the resources have not yet been shown to be recoverable or unrecoverable, thus, they have been classified as discovered resources and reported as in-place volumes. There is no certainty that it will be economically viable or technically feasible to produce any portion of the reported discovered resources.

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 discovered resource; 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.

About North Peace

North Peace Energy is an early stage oil sands company with land and assets bridging the Athabasca and Peace River oil sands areas of northern Alberta.

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

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