



North Peace Adopts Shareholder Rights Plan

Calgary, Alberta, April 27, 2007 North Peace Energy Corp. ("**North Peace**" or the "**Corporation**") announced today that its Board of Directors has adopted a Shareholder Rights Protection Plan (the "**Rights Plan**").

The Rights Plan has been adopted by the Board of Directors to ensure the fair treatment of shareholders in connection with any take-over offer for the Corporation, and to provide the Board of Directors and shareholders with additional time to fully consider any unsolicited take-over bid. The Rights Plan will also provide the Board of Directors more time to pursue, if appropriate, other alternatives to maximize shareholder value.

The Rights Plan is effective immediately and requires confirmation by North Peace shareholders within six months of the Rights Plan's effective date. The Rights Plan will be put to shareholders for their consideration at the annual and special meeting of shareholders scheduled for May 30, 2007. If the Rights Plan is not confirmed by shareholders, the Rights Plan and all outstanding rights will terminate and be void and of no further force and effect.

The Corporation is not adopting the Rights Plan in response to any specific proposal to acquire control of the Corporation. The Rights Plan is similar to rights plans adopted by other Canadian companies and approved by their shareholders.

The Rights Plan is not intended to prevent take-over bids. Under the Rights Plan, those bids that meet certain requirements intended to protect the interests of all shareholders are deemed to be "Permitted Bids". Permitted Bids must be made by way of a take-over bid circular prepared in compliance with applicable securities laws and remain open for 60 days

The Board of Directors of the Corporation has implemented the Rights Plan by authorizing the issuance of one right in respect of each Common Share of the Corporation outstanding at the close of business on April 27, 2007 (the "**Record Time**"). In addition, the Board authorized the issuance of one Right in respect of each additional Common Share issued from treasury after the Record Time. The rights trade with and are represented by North Peace's Common Shares. Until such time as the rights separate from the Common Shares, when they become exercisable, rights certificates will not be distributed to shareholders.

If a person, or a group acting jointly or in concert, acquires (other than pursuant to an exemption available under the Rights Plan) beneficial ownership of 20% or more of the Common Shares, rights (other than those held by such acquiring person which will become void) will separate from the Common Shares and permit the holder thereof to purchase Common Shares at a 50% discount to their market price. A person, or a group acting jointly or in concert, who is the beneficial owner of 20% or more of outstanding Common Shares as of the Record Time is exempt from the dilutive effects of the Rights Plan provided such person (or persons) does not increase its beneficial ownership by more than 1% (other than in accordance with the terms of the Rights Plan). At any time prior to the rights becoming exercisable, the Board of Directors may waive the operation of the Rights Plan with respect to certain events before they occur.

The issuance of the rights is not dilutive and will not affect reported earnings or cash flow per share until the rights separate from the underlying Common Shares and become exercisable or until the exercise of the rights. The issuance of the rights will not change the manner in which shareholders currently trade their Common Shares.

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.

For further information, please contact:

Louis Dufresne, President and CEO
James Glessing, Vice President, Finance & CFO
North Peace Energy Corp.
470, 505 – 3rd Street SW
Calgary, Alberta T2P 3E6
Telephone (403) 262-6024
Facsimile: (403) 262-6072
E-mail: info@northpec.com
www.northpec.com

Or
Stephanie K Mesher
Bryan Mills Iradesso
(403) 503-0144 ext. 216
smesher@bmir.com