



PRESS RELEASE

November 25, 2005

PETROLIFERA PETROLEUM ANNOUNCES SIGNIFICANT CRUDE OIL DISCOVERY

Calgary, Alberta – Petrolifera Petroleum Limited (PDP – TSX) announced today it has made a significant crude oil discovery on its 100 percent-owned Puesto Morales/Rinconada concession in the Neuquén Basin, Argentina.

The RN.PM.x-1003 well was spudded in late October 2005, drilled to a depth of 1,645 meters and was cased in early November after logging of the well bore. It was the second of Petrolifera's planned five-well program prior to year-end 2005.

Testing of the 1003 well was commenced within the past forty-eight hours following the arrival of a service rig. During the late evening of November 23, 2005 a 16.6 meter interval in the well was straddled with packers and a swabbing operation was initiated. After the fifth swab the well commenced to flow and after eight hours was flowing 100 percent crude oil with a flowing tubing pressure of 200 psi through a two inch line and at an extrapolated calculated rate of approximately 24 bbl/hour or 576 bbl/d.

Subsequently, the well was shut in with a consequent rise in tubing pressure. The calculated density of the recovered oil was 850 grams/liter inferring a gravity of approximately 35 degrees API, consistent with the quality of oil produced in the region.

During the day on November 24, 2005 a series of short five minute flow tests was conducted over a two hour period. Based on these short-duration flow tests, the well flowed at extrapolated calculated rates ranging from 750 bbl/d to 2,400 bbl/d on one-half inch to two inch chokes, respectively. A stabilized flow rate has not yet been established. There is a risk that stabilized flow rates will be less than the flow test rates and in the opinion of management it is more likely than not that the stabilized flow rate, when established, will be closer to the lower end of the extrapolated calculated range when the well is placed onstream. Well head pressures were consistent with earlier results and the impact of altering choke sizes during the testing program.

Testing of another interval above that evaluated in the aforementioned test is presently underway. The zone to be tested was the primary target of the well and, in the opinion of management, is considered to be prospective based on shows, mud logs and log analysis. Results of tests on this interval will be publicly released to shareholders when completed.

Two additional zones in the Quintuco Formation, which is up hole from the primary objective of the well, will also be tested.

Subsequent to the drilling of the 1003 well, the drilling rig was moved to RN.PM.x-1004 and that well has also been cased as a potential discovery. The RN.PM-1005 well, the fourth well of the original program, is scheduled to spud today. Well RN.PM.x-1002, the first well in the program, was cased as a potential oil and natural gas discovery in October and will be tested later in the program, as will the 1004 well and any other discoveries on newly-selected locations.

An amended and expanded program arising from the indicated success at 1003 is anticipated. Petrolifera is already preparing the 1010 location offsetting the 1003 well in an attempt to quickly establish the size and extent of the reserves and overall productivity associated therewith.

The quality of crude oil produced and sold by Petrolifera from its Puesto Morales Sur oil field to the south of the new discovery is very similar to that recovered from the 1003 well on test. Puesto Morales Sur crude oil received an average selling price of Canadian \$48.01 per barrel during the third quarter 2005. Royalties are 12 percent and operating costs at the 1003 well are expected to be low as the well is presently flowing without any artificial lift. Initially the crude oil will be trucked to market and field infrastructure will be sized and built to meet requirements.

Petrolifera Petroleum Limited is a public Canadian crude oil and natural gas company engaged in oil and gas exploration and production in the Neuquén Basin, Argentina and in the Marañon and Ucayali Basins onshore Peru, where the company holds over 5 million licensed acres which are considered prospective for hydrocarbons. Petrolifera's common shares are listed under the symbol PDP on the Toronto Stock Exchange. A series of \$3.00 warrants exercisable until May 2007 trade under the symbol PDP.WT. Connacher Oil and Gas Limited owns a 35 percent equity stake in Petrolifera.

This press release contains forward-looking statements, including but not limited to the planned drilling program, flow rates and operating costs. These statements are based on current expectations that involve a number of risks and uncertainties, which could cause actual results to differ from those anticipated. These risks include, but are not limited to, risks associated with the oil and gas industry (e.g. operational risks in development, exploration and production; delays or changes in plans with respect to exploration or development projects or capital expenditures; the uncertainty of reserve estimates; the uncertainty of estimates and projections in relation to production, costs and expenses and health, safety and environmental risks), the risk of commodity price and foreign exchange rate fluctuations, the uncertainty associated with negotiating with foreign governments and risk associated with international activity. Due to the risks, uncertainties and assumptions inherent in forward-looking statements, prospective investors in the company's securities should not place undue reliance on these forward-looking statements.

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