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CALGARY, CANADA

(TSX-V:CEX)

NEWS RELEASE

STONEY CREEK UPDATE

April 11, 2006, (Calgary, Alberta) Contact Exploration Inc. (TSX-V:CEX) wishes to provide an update on drilling operations at its 100% owned Stoney Creek - Field.

On the morning of April 11, 2006 a rig failure occurred which caused operations to be temporarily suspended while drilling the horizontal leg of the A89-2328 well. There were no injuries related to the failure and the rig owner is on site investigating the cause of the failure. At this point Contact is unable to comment on when drilling operations will resume but will advise by press release when this information becomes available.

The horizontal leg that was being drilled was at a length of 2200 feet when the rig failure occurred. Of the 2200 feet drilled, approximately 1400 feet was drilled within the oil reservoir targeted. Logs, gas readings and samples indicated the reservoir to be of excellent quality. The zone consisted of highly porous oil stained reservoir consisting of clean quartz sand. The zone was encountered as expected from the seismic model and the offsetting well logs that were available. In addition to the targeted reservoir, three separate uphole reservoirs were encountered that exhibited excellent reservoir characteristics from very good potential logs, samples and gas readings.

About Stoney Creek

Located approximately 10 miles south of Moncton, New Brunswick, Stoney Creek is in close proximity to the largest consumption market in North America with existing pipeline and refinery infrastructure in place. Recognized as one of the oldest producing fields in Canada, the Stoney Creek field produced approximately 800,000 bbl of oil and 28.7 billion cubic feet of gas from 1909 to 1991. The reservoir is approximately 2,700 feet deep and averages 100 feet in thickness. The reservoir quality is excellent with porosity averaging 18% and permeability averaging 160 md. To date, less than 5% of the original oil in place has been recovered. Incremental gas reserves also exist. Utilizing 3-D seismic, 3-D reservoir modeling and horizontal drilling technology, Contact plans to exploit incremental oil and gas from the Stoney Creek field.

About Contact

Contact is a junior exploration company with a focus on Canadian East Coast onshore exploration. Contact has interests in approximately 2.3 million acres onshore Nova Scotia. In addition, Contact has interests in approximately 160,000 acres onshore West Newfoundland and 62,000 acres onshore New Brunswick.

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