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CALGARY, CANADA

(TSX-V:CEX)

NEWS RELEASE

Contact Exploration Inc Announces \$5 Million Financing

November 27, 2006, (Calgary, Alberta) Contact Exploration Inc. (TSX-V: CEX) has approved, subject to regulatory approval, brokered and non-brokered private placements totaling \$5 million, as follows:

- 1) Acadian Securities Inc. of Halifax, Nova Scotia has been engaged as agent, on a best-efforts basis, to offer a brokered private placement totaling \$2.5 million, which will consist of up to 2,173,913 flow-through common shares of Contact at a price of \$1.15 per share; and
- 2) A non-brokered private placement, which Contact expects to close at the same time as the brokered private placement, which consists of 2,500,000 units at a price of \$1.00 per unit, each unit to consist of one common share and one half transferable share purchase warrant, each whole warrant entitling the holder to purchase one additional common share at a price of \$1.40 for a period of 18 months from the closing.

Acadian Securities Inc has been granted a 20% over allotment option under the engagement agreement to sell up to an additional 20% of the number of flow-through shares. The corporation has also reserved an additional 20% over allotment option on the non-flow-through units. Acadian Securities Inc. may also participate in the non-brokered private placement.

All securities issued pursuant to these private placements, including any securities issued in payment of commissions or finders' fees, will be subject to a four-month hold period, commencing at closing.

The proceeds from these private placements will be used to finance continuing exploration and development activities at Contact's coal bed methane properties in Nova Scotia, and at its Stoney Creek property in New Brunswick, as well as for general corporate purposes.

The securities have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "U.S. Securities Act") and were offered and sold within the United States only to Accredited Investors (as defined in Rule 501(a) of Regulation D under the U.S. Securities Act). Prospective subscribers in the United States are hereby notified that the seller of the securities is relying upon the exemption from the provisions of Section 5 of the U.S. Securities Act provided in Section 4(2) of the U.S. Securities Act for non-public offerings. The securities offered hereby are not transferable except in accordance with the restrictions described herein.

About Contact

Contact Exploration Inc. is a junior exploration company with a focus on Canadian East Coast onshore exploration. Contact's land claims and holdings are located in close proximity to the largest consumption markets in North America with pipeline and refinery infrastructure in place.

Contact has interests in approximately 1.5 million acres onshore Nova Scotia including its 25% working interest in the developing Coal Bed Methane play at Cumberland, approximately 160,000 acres onshore West Newfoundland and 165,000 acres onshore New Brunswick which includes the Stoney Creek Field.

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

Certain statements contained herein may constitute forward-looking statements. These statements relate to future events or our future performance. All statements other than statements of historical fact may be forward-looking statements. These statements 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. We believe that the expectations reflected in the forward-looking statements are reasonable based upon management's current views but no assurance can be given that these expectations will prove to be correct and such forward-looking statements should not be unduly relied upon. These statements speak only as of the date hereof. We do not intend, and do not assume any obligation, to update conclusions, forecasts or projections that may be contained in these forward-looking statements, whether as a result of new information, future events or otherwise. No assurance can be given that actual results, performance or achievement expressed in, or implied by these forward-looking statements will occur, or if they do, that any benefits may be derived from them. Past results have been applied in drawing a conclusion or making a forecast or projection set out in the forward-looking information.

Our actual results could differ materially from those anticipated in these forward-looking statements as a result of factors that may include, but are not limited to: the impact of government regulation, potential delays or changes in plans with respect to exploration and development projects, success of exploration and development activities, general industry and market conditions and other risks detailed from time to time in Contact's Annual Information Form and Management's Discussion and Analysis, both of which may be found at www.sedar.com