

## **PACIFIC ENERGY RESOURCES LTD.**

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### **Private Placement Financing**

January 17, 2006 - Pacific Energy Resources Ltd. (the "Company") (TSX Venture Exchange: PFE.S) is pleased to announce it has closed a financing in the amount of US \$ 13,000,000. This financing consists of the following components: a US \$8,000,000 senior secured note (non-convertible) and a three year US \$5,000,000 secured convertible note, convertible into common shares of the company at a conversion rate of CAD \$0.86 per share. Additionally Pacific Energy granted 3,714,286 bonus warrants with each warrant exercisable into a share at a price of CAD\$0.99 per share for the first 1,857,143 shares and CAD\$1.19 per share for the remaining 1,857,143 shares. The term of the warrant is five years. This financing is subject to regulatory approval. The Company has also paid a finder's fee of US\$300,000 cash and has issued 790,363 finder's fee warrants in connection with this financing. Each finder's fee warrant is exercisable into a share at a price of US\$0.88 (approx. CAD\$1.03 at current exchange rates) per share for a period of three years.

Energy Capital Solutions acted as the Company's placement agent in connection with this transaction.

### **Wilmington Oil Field Development**

The Company is also continuing its efforts to exploit its Wilmington Oil Field leases and plans to complete drilling the first 6 wells of a 3 year 60 well development drilling program by May 2006. Additional details concerning Wilmington exploration will be disseminated upon completion.

### **About Pacific Energy Resources Ltd.**

Pacific Energy Resources Ltd. is headquartered in Long Beach, California, and is engaged in the acquisition and development of oil and gas properties, primarily in the United States. Pacific Energy currently owns and operates three oil fields in Southern California in the Los Angeles Basin.

### **ON BEHALF OF THE BOARD OF DIRECTORS OF PACIFIC ENERGY RESOURCES LTD.**

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