MEDIA RELEASE

For Immediate Circulation

April 28, 2008 **TSX-V: TTR**

TERRA ENERGY CORP. ANNOUNCES FILING OF ITS 2007 YEAR END DISCLOSURE DOCUMENTS AND PROVIDES Q1-2008 GUIDANCE

Terra Energy Corp. ("Terra Energy" or the "Corporation") today filed its Annual Information Form which includes Terra Energy's disclosure and reports relating to reserve data and other oil and gas information for year ended December 31, 2007 as mandated by National Instrument 51-101 Standards of Disclosure for Oil and Gas Activities of the Canadian Securities Administrators.

Terra Energy also filed its audited financial statements for the years ended December 31, 2007 and December 31, 2006, and related Management's Discussion and Analysis on the System for Electronic Document Analysis and Retrieval (SEDAR). Copies of Terra Energy's disclosure documents may be obtained at www.sedar.com or www.terraenergy.ca.

Highlights of the full year 2007:

- In April 2007 the Tower-Septimus segment of South Peace River Gathering System was completed.
- In September 2007 the East Boudreau pipeline was completed.
- In December 2007 the Tower compression and hydration facility connecting South Peace River Gathering System to McMahon gas plant in Taylor, British Columbia, was completed.
- Gross revenues increased 9.4% in 2007 compared to 2006.
- Average daily production increased 15.9% during 2007 compared to 2006.
- 7.0 gross wells (5.1 net) were drilled with 86% drilling success.
- Proved reserves increased by 9.5% from year end 2006 to year end 2007.
- Total proved and probable reserves increased to 17,195,000 barrels of oil equivalent, representing 6.6% increase from 2006 year end.

Fourth Quarter Highlights:

- Average production per day increased 48.5% to 3,857 boe/day in fourth quarter 2007 compared to fourth quarter 2006.
- Gross revenue increased 39.5% to $14,242,403 during fourth quarter 2007 compared to fourth quarter 2006.
- Cash flow from operations increased 81.9% to $5,023,522 during fourth quarter 2007 compared to fourth quarter 2006.
- Operating expense per unit of production decreased 19.9% from $15.14 per boe in fourth quarter 2006 to $12.12 per boe in fourth quarter 2007.

Guidance for First Quarter 2008

The Corporation completed the pipeline interconnection project for Eight Mile South, where the field was tied into the Doe Creek Gas Plant. This pipeline was commissioned and production operations commenced at a reduced production rate during the commissioning period.

The Corporation successfully completed the first segment of the Eight Mile/Sunrise 8" pipeline lateral, connecting the Eight Mile North gas field to the Tower Compression and Dehydration Facility. This is the first of three segments of this 25.4 kilometre pipeline which will cross the Kistkatinaw River. Work is proceeding with the remaining two segments, with construction operations scheduled to resume in late June following the spring break up.

Terra Energy is estimating an average production rate in excess of 4,300 boe per day during the first quarter 2008.

Total bank debt and working capital deficiency at the end of first quarter 2008 is estimated to be approximately $65,000,000. Subsequent to the end of first quarter 2008, the Corporation announced on April 14, 2008 that it had agreed to sell its Montney mineral rights located in North East British Columbia for aggregated proceeds of $67,100,000, which will result in the elimination of the Corporation's debt upon completion of sale.

The Board of Directors of Terra Energy recently ratified the issuance of Replacement Stock Options under the Corporation's Stock Option Plan to participants who exercised stock options during the period commencing January 1, 2008 through to March 28, 2008. In total, the Board ratified the issuance of 676,600 Replacement Stock Options to such participants, including the issuance of 100,000 Replacement Stock Options to an officer of the Corporation having an exercise price of $1.30 per share.

READER ADVISORY

A BOE conversion ratio of six thousand cubic feet per barrel (6mcf/bbl) of natural gas to barrels of oil equivalence is based upon an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency for the individual products at the wellhead. Such disclosure of BOE's may be misleading, particularly if used in isolation.

The net asset value estimates disclosed herein do not represent fair market value.

The media release may contain forward-looking statements including expectations of future production, cash flow and earnings. 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: the risks associated with the oil and gas industry (eg., 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 relating to production, costs and expenses, and health, safety and environmental risks), commodity price, price and exchange rate fluctuation and uncertainties resulting from potential delays or changes in plans with respect to exploration or development projects or capital expenditures. Additional information on these and other factors that could affect Terra Energy's operations or financial results are included in Terra Energy's reports on file with Canadian securities regulatory authorities.

Terra Energy is a junior oil and gas company engaged in the exploration for, and development and production of, natural gas and oil in Western Canada. Terra Energy's common shares trade on the TSX Venture Exchange under the symbol 'TTR'.

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