



# PETROMINERALES

A PETROBANK COMPANY

## PRESS RELEASE

### PETROMINERALES TO CASE CANDELILLA-3 AS POTENTIAL OIL WELL

Bogotá, Colombia – March 18, 2010 – Petrominerales Ltd. (“**Petrominerales**” or the “**Company**”) (TSX:PMG), a 66% owned subsidiary of Petrobank Energy and Resources Ltd. (TSX:PBG), is pleased to provide an update on exploration activities highlighted by the decision to case Candelilla-3 as a potential oil well.

#### **Candelilla Structure, Guatiquia Block**

Candelilla-3 is the third well drilled into our major discovery, Candelilla, on our Guatiquia Block. The well began drilling operations on February 18, 2010 and was drilled to a total measured depth of 12,162 feet in under 30 days. Well logs indicate 50 feet of potential net oil pay in the Lower Sand 3 and 46 feet of potential net oil pay in two separate intervals in the Guadalupe formation. The log analysis of Candelilla-3 suggests that the well encountered an interpreted oil water contact. Analysis of all the data from the three Candelilla wells is ongoing and will be incorporated into the geological and geophysical evaluation of the structure. The well will be cased and is expected to be on production by the end of March.

The Candelilla structure has provided a step-change in 2010 total Company production. The initial two Candelilla wells contributed an average of 23,888 barrels of oil per day (“bopd”) to February total Company production of 41,102 bopd.

The drilling rig will now move to the northeast section of the Corcel Block to drill our first exploration well in the area, Amarillo-1. While this rig is on the Corcel Block, we will continue to review additional prospectivity on the Guatiquia Block, including an evaluation of the potential net oil pay in the Mirador and Guadalupe formations at Candelilla.

#### **Central Llanos Exploration (Casanare Este, Casimena, Castor, Mapache)**

Yenac-1, the first exploration well of our 13 well Central Llanos exploration program, was cased as a potential oil well based on well logs that indicated 42 feet of potential net oil pay in the Mirador formation. We now have a completion rig on-site to conduct a multi-zone testing program and expect to have results by mid-April.

The second well in the program, Capybara-1, began drilling operations on March 1, 2010 and we expect to have initial log results by the end of March. Following Capybara-1, the drilling rig will move to the Casanare Este Block to drill the third exploration well in the program, Cerillo-1. Following this program, we plan to move the rig to the central portion of the Corcel Block, starting with drilling the C-2 development location.

On the Mapache Block, we are adding a fifth drilling rig that will execute our 10-well exploration drilling program. The first well in this program, Mapana-1, is expected to commence drilling in July.

**Petrominerales Ltd.** is a Latin America-based exploration and production company producing oil in Colombia with 14 exploration blocks covering a total of 1.8 million acres in the Llanos and Putumayo Basins and 2.6 million gross acres in the Ucayali Basin of Peru. Petrominerales is 66% owned by Petrobank Energy and Resources Ltd. (TSX: PBG).

**Forward-Looking Statements.** Certain information provided in this press release constitutes forward-looking statements. The words "anticipate", "expect", "project", "estimate", "forecast" and similar expressions are intended to identify such forward-looking statements. Specifically, this press release contains forward-looking statements relating to the timing of future drilling activities and results. The reader is cautioned that assumptions used in the preparation of such information, although considered reasonable at the time of preparation, may prove to be incorrect. Actual results achieved during the forecast period will vary from the information provided herein as a result of numerous known and unknown risks and uncertainties and other factors. You can find a discussion of those risks and uncertainties in our Canadian securities filings. Such factors include, but are not limited to: general economic, market and business conditions; fluctuations in oil prices; the results of exploration and development drilling, recompletions and related activities; timing and rig availability, outcome of exploration contract negotiations; fluctuation in foreign currency exchange rates; the uncertainty of reserve estimates; changes in environmental and other regulations; risks associated with oil and gas operations; and other factors, many of which are beyond the control of the Company. There is no representation by Petrominerales that actual results achieved during the forecast period will be the same in whole or in part as those forecast. Except as may be required by applicable securities laws, Petrominerales assumes no obligation to publicly update or revise any forward-looking statements made herein or otherwise, whether as a result of new information, future events or otherwise.

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