



PETROMINERALES

A PETROBANK COMPANY

PRESS RELEASE

PETROMINERALES PRODUCES CANDELILLA-3 AT OVER 15,600 BOPD AND CASES CAPYBARA-1 AS ANOTHER POTENTIAL OIL WELL

Bogotá, Colombia – March 29, 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 Candelilla-3 initial production of over 15,600 barrels of oil per day (“bopd”). We are also pleased to announce that we are casing Capybara-1 as a potential oil well.

Candelilla Structure, Guatiquia Block

The Candelilla-3 well is producing naturally at over 15,600 bopd of 43 degree API at less than one percent watercut from seven feet of perforations at the top the Lower Sand 3 formation. Well logs indicated 50 feet of net oil pay in the Lower Sand 3 and 46 feet of potential net oil pay in two separate intervals in the Guadalupe formation. Candelilla-3 is the third well drilled into our major discovery, Candelilla, on our Guatiquia Block, which has now increased current total Company production to over 53,000 bopd.

Due to the prolific flow rates of these wells, a sixth flow line is needed and will be installed within one week. Production from Candelilla-1 has been temporarily restricted to allow Candelilla-3 to flow at full rates. Total production from the Candelilla structure is currently 38,700 bopd at a seven percent watercut. Candelilla production is being handled by temporary facilities built on the block to handle up to 50,000 barrels of fluid per day. Once the required regulatory approvals have been obtained, we will tie-in the Candelilla production to our Corcel central processing facility. The tie-in to Corcel is expected to be completed by the end of the second quarter. In addition, during April we plan to reconfigure the bottom-hole completion of Candelilla-1 to delay the onset of water production.

The drilling rig is now moving to the northeast section of the Corcel Block to drill our first of eight initial exploration wells in the area, Amarillo-1, which is expected to commence drilling in early April.

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

We initiated our 13 exploration well drilling program in the Central Llanos in January, 2010. To date, we have drilled two of the three exploration wells planned on our Casanare Este, Casimena and Castor Blocks. On our Mapache Block we have identified 10 exploration locations to drill, moving southwest and up structure from our existing discoveries along a seismically identified fault trend.

Our first exploration well of the program, Yenac-1, was cased as a potential oil well based on well logs that indicated 42 feet of potential net oil pay in the Mirador formation. To date, we have swab tested four of the eight intervals of our original testing plan for the Yenac well. We recovered non-commercial amounts of 11-12 degree API oil from tests of two of these sands, while the other two sand sands were wet. We plan to complete the remainder of our testing program by mid-April.

The second well, Copybara-1, began drilling operations on March 1, 2010 and was drilled to a measured depth of 10,535 feet after 23 days of drilling. We cased the well as a potential oil well based on well logs that indicated 18 feet of potential net oil pay in two separate sands within the Carbonera C7 formation. An additional completion rig is being mobilized to conduct the testing program and we expect to have test results by the end of April.

The Central Llanos drilling rig will move to the Casanare Este Block to drill the third exploration well in the program, Cerillo-1, which is expected to start drilling in early April. 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 expected to commence drilling in mid-May.

We are adding a fifth drilling rig that will execute our 10-well Mapache Block exploration 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 production results, the timing of future drilling activities and drilling and completion 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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