



PETROMINERALES

A PETROBANK COMPANY

PRESS RELEASE

PETROMINERALES INCREASES SIZE OF CONVERTIBLE NOTE OFFERING TO \$550 MILLION

Bogotá, Colombia – August 10, 2010 – Petrominerales Ltd. (“Petrominerales” or the “Company”) (TSX:PMG), a 66% owned subsidiary of Petrobank Energy and Resources Ltd. (TSX:PBG), is very pleased to announce that, due to overwhelming investor demand, we have increased our previously announced offering of convertible notes (the “Notes”) to a total of US\$550 million principal amount (the “Offering”). The US\$550 million total Offering size includes the full exercise of the US\$100 million over-allotment option granted to ABG Sundal Collier Norge ASA, the sole bookrunner of the Offering.

The Notes to be issued by Petrominerales are convertible into common shares of Petrominerales, with an annual coupon 2.625% and a conversion premium of 35%. The Notes will be issued at 100% of their principal amount and, unless previously redeemed, converted or cancelled, will mature in 2016. The Notes are expected to be issued on or about August 25, 2010. The Offering is subject to certain approvals, including the approval of the Toronto Stock Exchange.

This Offering further enhances Petrominerales’ already substantial financial flexibility and strengthens our balance sheet. It is expected that the proceeds of the Offering will be used to fund our oil and gas exploration and development activities in Colombia and Peru, and may be used to capitalize on potential acquisition opportunities as they arise.

Petrominerales Ltd.

Petrominerales Ltd. is a Latin America-based exploration and production company producing oil in Colombia with 17 exploration blocks covering a total of 2.1 million acres in the Llanos and Putumayo Basins and five exploration blocks in Peru covering a total of 9.4 million gross (5.2 million net) acres in the Ucayali and Titicaca Basins. 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 an offering of convertible notes, including expected terms of the Offering, timing for completion of the Offering and anticipated use of proceeds. 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. A discussion of those risks and uncertainties can be found in the Company's 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; fluctuation in foreign currency exchange rates; the uncertainty of reserve estimates; changes in environmental and other regulations; risks associated with oil and gas operations; timing of receipt of regulatory approvals; investor demand for the Offering; 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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