



PETROMINERALES

A PETROBANK COMPANY

PRESS RELEASE

PETROMINERALES PROVIDES UPDATE WITH RESPECT TO INTEROIL OFFER

Bogotá, Colombia – August 25, 2010 – Petrominerales Ltd. (“Petrominerales”) (TSX:PMG), a 66% owned subsidiary of Petrobank Energy and Resources Ltd. (TSX:PBG), announces that, in connection with our previously announced order for InterOil shares and bonds in the private placement (“Private Placement”) of equity and bonds announced by InterOil Exploration and Production ASA (“InterOil”), we have today informed the Board of Directors of InterOil and the managers for the Private Placement that, should a change of control be triggered in the covenants made by InterOil in its borrowing agreements with Citibank (the “Citibank Facilities”) as a result of Petrominerales assuming control of more than 50% of the shares in InterOil, Petrominerales will provide InterOil with financing in an amount and on terms and conditions equal to the Citibank Facilities.

Petrominerales has also confirmed to the InterOil Board of Directors and the managers of the Private Placement that, should Petrominerales be successful in our order pursuant to the Private Placement, we will commence a mandatory offer for the remaining outstanding shares in InterOil in accordance with the Norwegian Securities Trading Act.

InterOil is an international petroleum company headquartered in Oslo, Norway, listed on the Oslo Børs Stock Exchange under the symbol “IOX”. InterOil is engaged in the acquisition, exploration, development and operation of oil and natural gas properties focussed primarily in Peru and Colombia.

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 Petrominerales' plans to acquire securities of InterOil and provide loan facilities to InterOil. 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. Such factors include, but are not limited to: the outcome of allocation of InterOil shares and bonds in InterOil's private placement, discussions and negotiations with InterOil, approval of the Private Placement by the InterOil shareholders, general economic, market and business conditions; fluctuations in oil prices; risks associated with oil and gas operations; and other factors, many of which are beyond the control of Petrominerales. 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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