



PETROMINERALES

A PETROBANK COMPANY

PRESS RELEASE

PETROMINERALES ANNOUNCES CLOSING OF STRATEGIC ACQUISITION OF INTEREST IN COLOMBIA'S OCENSA PIPELINE

Bogotá, Colombia - (July 20, 2011) - Petrominerales Ltd. ("Petrominerales" or the "Company") (TSX:PMG) is pleased to announce that we, through a wholly-owned subsidiary, have closed our previously announced acquisition of a five percent interest in the Oleoducto Central S.A. ("Ocensa") crude oil pipeline from Total E&P Holdings, for a purchase price of US\$281 million.

The 830 kilometre Ocensa pipeline starts onshore at the Cusiana and Cupiagua fields and terminates at the port in Coveñas on the Caribbean coast of Colombia. The Ocensa pipeline is presently running at capacity, transporting approximately 560,000 barrels of oil per day ("bopd") from the Llanos Basin, representing sixty percent of the current total oil production in Colombia.

Petrominerales expects to transport crude oil through the Ocensa pipeline commencing September 1, 2011, providing us with strategic access to transportation infrastructure. This acquisition is expected to lower our transportation costs compared to trucking for a significant portion of our Llanos basin production, especially in the near term given the limited existing transportation infrastructure in Colombia. In addition, increasing the volume of our oil transported by pipeline reduces risks associated with trucking oil and our exposure to escalating trucking costs.

The expansion of our infrastructure base through this acquisition enhances our marketing flexibility by improving our access to international crude oil markets and pricing, having the potential to further strengthen our netbacks. Along with our 9.65% interest in the Bicentenario pipeline (OBC), this acquisition supports our long-term corporate objectives by securing strategic transportation capacity for our growing base of production, including our heavy oil opportunities. The acquisition of an interest in Ocensa aligns with Petrominerales' corporate objective of continuing to be the highest netback producer in Colombia.

TD Securities Inc. acted as the exclusive financial advisor to Petrominerales.

***Petrominerales Ltd.** is an international oil and gas company operating in Latin America since 2002. Today, Petrominerales is the most active exploration company and the fourth largest oil producer in Colombia. Our high quality land base and multi-year inventory of exploration opportunities provides long-term growth potential for years to come.*

***Forward-Looking Statements.** Certain information provided in this press release constitutes forward-looking statements. Specifically, this press release contains forward-looking statements relating to the Company's future exploration and development activities and the timing for bringing wells on production. The forward-looking statements are based on certain key expectations and assumptions, including expectations and assumptions concerning the availability of capital, the success of future drilling and development activities, the performance of existing wells, the performance of new wells, prevailing commodity prices and economic conditions, the availability of labour and services, the ability to transport and market our production, timing of completion of infrastructure and transportation projects, weather and access to drilling locations. 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; availability of transportation and offloading capacity, 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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