



PETRODORADO
Excellence with Agility

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PRESS RELEASE

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**PETRODORADO ANNOUNCES \$35 MILLION BOUGHT DEAL
FINANCING**

February 4, 2011 – Calgary, Alberta: Petrodorado Energy Ltd. (“Petrodorado” or the “Company”) (TSXV-PDQ) is pleased to announce that it has entered into an agreement with Canaccord Genuity Corp. as lead underwriter on behalf of a syndicate of underwriters including Raymond James Ltd. and TD Securities Inc. (collectively, the “**Underwriters**”), for the sale of 53.9 Million common shares in the capital of the Company (the “**Common Shares**”), on a bought deal basis, at a price of 65 cents per Common Share for gross proceeds of approximately \$35 million (the “**Offering**”).

In addition, the Underwriters shall have the option to purchase up to an additional 8,085,000 Common Shares, exercisable in whole or in part at any time prior to 30 days after the Closing Date, at the same price and terms as the Offering for additional gross proceeds of up to \$5,255,250.

The net proceeds from the Offering will be used to fund the exploration and development of the Company’s petroleum assets in Colombia, Peru and Paraguay and general business development, acquisitions and working capital purposes.

The Common Shares will be offered by way of a short form prospectus to be filed in certain provinces of Canada pursuant to National Instrument 44-101 - *Short Form Prospectus Distributions* and will also be offered for sale internationally pursuant to applicable registration or prospectus exemptions as permitted.

The Offering is scheduled to close on or about March 1, 2011 (the “**Closing Date**”) and is subject to certain conditions including, but not limited to, the receipt of all necessary approvals including the approval of the TSX Venture Exchange and the securities regulatory authorities.

This news release does not constitute an offer to sell or a solicitation of an offer to buy any of the securities in the United States. The securities have not been and will not be registered under the United States Securities Act of 1933, as amended (the “**1933 Act**”), or any state securities laws and may not be offered or sold within the United States or to, or for the account or benefit of U.S. persons (as defined in Regulation S under the 1933 Act) absent such registration or an applicable exemption from such registration requirements.

About Petrodorado Energy Ltd.

Petrodorado is primarily engaged in petroleum and natural gas exploration and development activities in Colombia, Peru and Paraguay. Its head office is located in Calgary, Alberta, Canada and Petrodorado's common shares are traded on the TSXV under the trading symbol PDQ.

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Cautionary Note Regarding Forward-Looking Statements

Except for the statements of historical fact contained herein, certain information presented herein constitutes "forward-looking statements". More particularly, this news release contains statements concerning the anticipated date for the closing of the Offering and the use of proceeds of the Offering. The forward-looking statements contained in this document, including expectations and assumptions concerning the obtaining of the necessary regulatory approvals, the satisfaction of applicable conditions to the closing of the Offering, and assumptions, opinions and views of the Company or cited from third party sources are solely opinions and forecasts which are uncertain and subject to risks. Forward-looking statements include but are not limited to uncertainties and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Although the Company has attempted to identify important factors that could cause actual results to differ materially, there may be other factors that cause results not to be as anticipated, estimated or intended. There can be no assurance that such statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers are cautioned that the assumption used in the preparation of the forward-looking statements, although considered reasonable at the time of preparation may prove to be imprecise and, as such undue reliance should not be placed on forward-looking statements.

The forward-looking statements contained in this press release are made as of the date of this press release. Except as required by law, the Company disclaim any intention and assume no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by applicable securities law. Additionally, the Company undertakes no obligation to comment on the expectations of, or statements made, by third parties in respect of the matters discussed above.

Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.