

PETRODORADO ENERGY LTD.

Suite 2688 Bow Valley Square III
255 – 5 Ave S.W.
Calgary, Alberta, Canada, T2P 3G6
Tel: (403) 235-2804
Fax: (403) 235-2817

PRESS RELEASE

NOT FOR DISSEMINATION IN THE UNITED STATES OR FOR
DISTRIBUTION TO U.S. WIRE SERVICES

PETRODORADO FARMS OUT TALORA BLOCK

August 17, 2011 – Calgary, Alberta: Petrodorado Energy Ltd. ("Petrodorado" or the "Company") (TSXV-PDQ) is pleased to announce that it has farmed out a portion of its working interest in the Talora Block.

Talora Block

The Talora Block is an ANH contract, located in the Upper Magdalena Basin of Colombia. Petrodorado, before the farm out, had a 95% operated working interest in the Block held through a wholly-owned subsidiary.

The Company has signed a definitive agreement with Sintana Energy Inc ("farmee"), the South American operations arm of Drift Lake Resource Inc. (TSX-V: DLA), to farm out a total of 30% of the working interest in the Block, reducing the Company's working interest from 95% to 65%.

As per the agreement, the farmee will pay Petrodorado an entry bonus of US\$5.2 million. In addition:

First Exploration Well: Subject to a cap of US\$6.5Million for the well, the farmee will pay 60% of the cost of well (US\$3.9 million). Beyond the cap all parties will be responsible for their corresponding working interest's share of expenses.

Second Exploration Well: Subject to a cap of US\$6.5Million for the well, the farmee will pay 45% of the cost of the well (US\$2.925 million). Beyond the cap all parties will be responsible for their corresponding working interest's share of expenses.

Petrodorado remains the operator of the Block.

The first exploration well in the Dorado prospect is awaiting final environmental permits to initiate drilling.

The above is subject to customary regulatory approval.

Krishna Vathyam, President and CEO of Petrodorado Energy Ltd:

“We are maintaining focus on our high impact blocks. With this farm out, we further strengthen our already strong cash position and are fully funded through 2011 and 2012 for our exploration programs”

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”.

For further information, please contact:

Krishna Vathyam, President and CEO

Sean Bovington, CFO

(403) 235-2804

Email: info@petrodorado.com

Website: www.petrodorado.com

Cautionary Note Regarding Forward-Looking Statements

Except for the statements of historical fact contained herein, the information presented herein constitutes "forward-looking statements". Such forward-looking statements, including but not limited to the timing and expenses associated with drilling and seismic acquisitions in Colombia, are subject 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 from those expressed herein, there may be other factors, including but not limited to, the availability of equipment and labour in Colombia, weather conditions and joint venture partners’ actions, that could 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 assumptions 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 applicable securities laws, the Company disclaims any intention and assumes no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. 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.

HBdocs - 10909507v2