

# **PETRODORADO ENERGY LTD.**

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## **PRESS RELEASE**

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### **PETRODORADO ANNOUNCES SETTLEMENT AGREEMENT WITH SINTANA ENERGY INC.**

**May 28, 2014 – Calgary, Alberta: Petrodorado Energy Ltd. (“Petrodorado” or the “Company”) (TSXV-PDQ)**, a Canadian oil & gas company focused in Colombia, is pleased to announce it has entered into a settlement agreement regarding the arbitration with Sintana Energy Inc., in connection with the Talora Block. In accordance with the settlement agreement, the parties have terminated the arbitration process and all present and future claims related to the arbitration have been settled in full.

As part of the settlement, Petrodorado will pay certain amounts to Sintana for work by their technical operations team that is mutually beneficial for the ongoing development of the Talora discovery on the Verdal structure.

The Talora Block, located in the upper Magdalena Valley of Colombia, is comprised of 34,194 gross acres. The Talora License contract has competitive terms: no X-factor, no government back-in, a favorable royalty rate and a 24 year exploitation term. The Block is surrounded by several oil fields, the four closest having estimated total recoverable oil in excess of 150 Million barrels (“MMBO”). The nearby Guando Field, the largest oil field in the region, is estimated to have over 120 MMBO of recoverable oil and more than 1 Billion barrels in place.

#### **Gregg Vernon, Director, President and CEO**

“The Company is pleased to reach a resolution with our partner Sintana Energy to conclude the arbitration. We look forward to working with Sintana and their strong technical team in a constructive manner to provide shareholder value on the Talora Block. We are encouraged by the potential of the block and the value that this partnership can bring to the Company.”

#### **About Petrodorado Energy Ltd.**

Petrodorado is primarily engaged in petroleum and natural gas exploration and development activities in Colombia. Its head office is located in Calgary, Alberta, Canada, and Petrodorado’s common shares are traded on the TSX-V under the trading symbol “PDQ”.

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**Forward Looking Statements:**

*This news release includes information that constitutes "forward-looking information" or "forward-looking statements". More particularly, this news release contains statements concerning expectations regarding, regulatory and partner approvals on the Company's development plan, drilling and operational opportunities and the timing associated therewith, test results and the timing thereof, the use of available cash on hand in addition to the potential exploration and development opportunities and expectations regarding regulatory approval and the overall strategic direction of the Company. The forward-looking statements contained in this document, including expectations and assumptions concerning the obtaining of the necessary regulatory approvals, including ANH approval, and the 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. A multitude of factors can cause actual events to differ significantly from any anticipated developments and although the Company believes that the expectations represented by such forward-looking statements are reasonable, undue reliance should not be placed on the forward-looking statements because there can be no assurance that such expectations will be realized. Material risk factors include, but are not limited to: the inability to obtain regulatory approval, including ANH approval, for the transfer of participating interests and/or operatorship for the Company's properties, the risks of the oil and gas industry in general, such as operational risks in exploring for, developing and producing crude oil and natural gas, market demand and unpredictable shortages of equipment and/or labour; potential delays or changes in plans with respect to exploration or development projects or capital expenditures; fluctuations in oil and gas prices, foreign currency exchange rates and interest rates, and reliance on industry partners.*

*Neither the Company nor any of its subsidiaries nor any of its officers, directors or employees guarantees that the assumptions underlying such forward-looking statements are free from errors nor does any of the foregoing accept any responsibility for the future accuracy of the opinions expressed in this document or the actual occurrence of the forecasted developments.*

*The forward-looking statements contained in this document are made as of the date hereof and the Company undertakes no obligation to update publicly or revise any forward-looking statements or information, whether as a result of new information, future events or otherwise, unless so required by applicable securities laws.*

*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.*

**Disclaimer Language for Analogous Information:**

*Analogous Information: Certain information contained herein is considered "analogous information" as defined in National Instrument 51-101 - Standards of Disclosure of Oil and Gas Activities ("NI 51-101"). Such analogous information has not been prepared in accordance with NI 51-101 and the Canadian Oil and Gas Evaluation Handbook. In particular, this press release notes that oil fields surrounding the Talora Block have significant amounts of recoverable oil in place and makes certain assumptions about the Talora Block as a result of such analogous information and potential recovery rates at Talora as a result thereof. Such information is based on public data and information recently obtained from a database maintained by Wood MacKenzie. The Company has no way of verifying the accuracy of such information and cannot determine whether the source of the information is independent. Such information has been presented to help demonstrate that hydrocarbons may be present in commercially recoverable quantities in the Company's area of interest. There is no certainty that such results will be achieved by the Company and such information should not be construed as an estimate of future reserves or resources or future production levels.*