

PETRODORADO ENERGY LTD.

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PRESS RELEASE

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PETRODORADO FILES FINANCIAL RESULTS AND MANAGEMENT DISCUSSION & ANALYSIS FOR THE SECOND QUARTER OF 2016, ANNOUNCES INTENTION FOR SHARE CONSOLIDATION, AND PROVIDES COMPANY UPDATE

August 24, 2016 - Calgary, Alberta: Petrodorado Energy Ltd. ("Petrodorado" or the "Company") (TSXV-PDQ) has filed its interim Financial Results and Management Discussion & Analysis for the three and six months ended June 30, 2016, announces its intention for a 5:1 consolidation of the Company's common shares, and provides a Company update.

Financial Statements

Highlights include:

- Special Distribution (as defined below) of \$16.0 million to Company shareholders
- Working capital of \$0.8 million, total available funds of \$1.2 million *
- Minimal remaining contractual commitments

\$ (U.S. dollars)	Period ended June 30, 2016	Period ended June 30, 2015
Available funds *	1,174,307	12,150,768
Working Capital	753,118	17,050,013
Exploration and Evaluation Assets	-	900,000
Total Assets	1,492,112	25,817,836
Funds used in Operations (six months)	700,511	1,038,969
Funds used in Operations (three months)	42,723	452,742
Net Loss (six months)	1,051,867	6,389,719
Net Loss (three months)	126,025	6,231,756
Net Loss per Share, basic & diluted (six months)	0.02	0.13
Net Loss per Share, basic & diluted (three months)	0.00	0.13

* Constitutes the sum of cash and cash equivalents and short-term investments.

On April 4, 2016, the Company carried out a special return of capital distribution to the shareholders of the Company (the “Special Distribution”) as approved at the annual general and special meeting of the shareholders realized on January 27, 2016. This Special Distribution was achieved by way a cash payment of CDN\$0.42 for each of the 49,704,702 common shares existing as of the date of the Special Distribution, resulting in \$16.0 million (CDN\$20.9 million) being distributed to the shareholders and leaving the Company with a minimal working capital balance to sustain future operations.

Complete reports and statements are available on SEDAR at www.sedar.com and on the Company website www.petrodorado.com.

Share Consolidation

The Company announces its intentions to perform a consolidation of the issued and outstanding common shares of the Company (the “Consolidation”) on a basis of five pre-Consolidation common shares for one post-Consolidation common share, pending final approval from the TSX Venture Exchange. Pursuant to approval by the shareholders at the annual general and special meeting held on January 27, 2016, authorization was provided to perform such a Consolidation on a basis of up to ten pre-Consolidation common shares for one post-Consolidation common share. Petrodorado’s shares will continue trading on the TSX Venture Exchange on a consolidated basis. Further information regarding the Consolidation will be provided in a future news release.

Company Update

Management and the Board of Directors continue to actively review corporate opportunities that may be available to Petrodorado. At this time all opportunities are being contemplated and there is no guarantee that any particular one will be completed. Most importantly, the Company remains committed to prudently manage its remaining cash position and seeks to enhance shareholder value in this challenging environment.

About Petrodorado Energy Ltd.

Petrodorado is 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 TSXV 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 the possibility of the implementation of a transaction, the realization of a consolidation of the common shares of the Company, and the expected timing thereof. The forward-looking statements contained in this document, including the assumptions, opinions and views of the Company, 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, 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.

See the Corporation’s most recent annual information form for the year ended December 31, 2015 for a list of risk factors associated with the business of the Corporation and an investment in its securities.