

MERGENT INDUSTRIAL

NEW LISTING

May 13, 2008

This Supplemental News Reports is published as required, is part of the annual MERGENT INDUSTRIAL and INTERNATIONAL MANUALS and will be included in the bound 2008 June Monthly News Reports and is published on our Website.

PETROMINERALES LTD

Company Website: www.petrominerales.com

History: Incorporated in the Bahamas on Apr. 20, 2006.

On June 29, 2006, Co. acquired all of the issued and outstanding common shares of Petrominerales Colombia Ltd. in exchange for 78,999,900 shares of Co.'s common stock.

Control: As of Dec. 31, 2007, Petrobank Energy and Resources Ltd. owned 76.5% of Co.'s outstanding common stock.

Business Activities: Petrominerales is a Latin American-based exploration and production company producing oil in Colombia with 15 exploration blocks covering a total of 1.6 million acres in the Llanos and Putumayo Basins. These basins are under-explored areas with the proven potential to yield prolific wells and large reserve additions. Historically, Co.'s development projects have been focused in the Putumayo and Upper Magdalena Basins. In 2007, Co.'s production volume growth continued from its ongoing development programs and began to reflect the results of its initial exploration success at Corcel in the Llanos Basin.

Property: Co. maintains its principal executive office in Bogota D.C., Colombia. Co. also holds 15 ANH exploration blocks at 100% working interest in the Llanos and Putumayo Basins covering 1.6 million acres.

The following table is a summary of oil and gas reserves as of Dec. 31, 2007:

LIGHT AND MEDIUM OIL RESERVES

	Company Gross (mmbbl)	Company Net (mmbbl)
RESERVED		
CATEGORY		
Proved		
Developed Producing	9,118	8,365
Undeveloped	11,479	10,517
Total Proved	20,597	18,882
Probable	16,380	14,901
Total Proved Plus		
Probable	36,977	33,783
Possible	14,953	13,510
Proved Plus Probable		
Plus Possible	51,930	47,293

The following table summarizes Co.'s interests as of Dec. 31, 2007, in oil wells, all of which are located onshore.

Producing

	Gross	Net
Corcel	2	2
Joropo	1	1
Orito	62	49
Neiva	63	43
Total	128	95

Non-Producing

	Gross	Net
Corcel		
Joropo		
Orito	4	3
Neiva		
Total	4	3

The land holdings of Co. in Colombia, including those that are undeveloped as of Dec. 31, 2007, are set forth in the following table (in 000s of acres):

	Gross	Net	Net income		
Developed	45	35	47,551	14,798	
Undeveloped	1,606	1,606			
Total	1,651	1,641			
Exploration and Development					
The following table summarizes the gross and net exploratory and development wells in which Co. participated during the year ended Dec. 31, 2007:					
Exploration					
Oil	3	3			
Dry	2	2			
Total	5	5			
Development					
Oil	8	6.5			
Dry	2	2			
Total	8	6.5			

Subsidiary
Petrominerales Colombia Ltd. (Bermuda)

Officers

Jerald L. Oaks, Chairman
John D. Wright, President; Chief Executive Officer
John (Jack) F. Scott, Executive Vice President; Colombian Country Manager
Corey C. Ruttan, Vice President - Finance; Chief Financial Officer
Tannya E. Morales, Corporate Controller

Directors

Jerald L. Oaks, Chairman
Alastair MacDonald
Ernesto Sarpi
John D. Wright
Kenneth R. McKinnon
Enrique Umana-Valenzuela
Geir Ytreland

Auditors: Deloitte & Touche LLP

Legal Counsel: McCarthy Tetraault LLP

Shareholder Relations: Corey C. Ruttan, V.P., Fin. & C.F.O. Tel.: 57 1 629 2701

Annual Meeting: In May

No. of Stockholders: Dec. 31, 2007, 1900

No. of Employees: Dec. 31, 2007, 91

Address: Teleport Business Centre - Torre B, Calle 113 No. 7-45, Piso 15, Bogota D.C., Colombia Tel.: 57 1 629 2701 Fax: 57 1 629 4723 E-mail: ir@petrominerales.com Web: www.petrominerales.com

Consolidated Income Account, years ended Dec. 31 (\$000):

	2007	2006
Oil	121,802	43,676
Int inc	656	635
Royalties	(11,402)	(3,503)
Loss on risk mgmt		
contr	(5,797)	
Tot revs	105,259	40,808
Production	12,463	5,503
Gen & admin exps	6,443	4,312
Int exp	2,826	115
Fgn exch loss	(446)	(202)
Depletion, deprec & accretion	31,695	13,460
Tot exps	55,254	24,123
Income (loss) bef tax	50,005	16,685
Tax exp	2,454	1,887

	2007	2006
Common shares (000):		
Yr end shares outstg	100,289	95,000
shares outstg-basic	96,561	87,153
Weighted avg com shares		
outstg-diluted	98,318	87,153
Earnings (loss) per sh-basic	\$0.49	\$0.17
Earnings (loss) per sh-diluted	\$0.49	\$0.17
Consolidated Balance Sheet, as of Dec. 31 (\$000):		
Assets:		
Cash & cash equivs	171,096	28,634
Accts receiv & other		
curr assets	7,011	2,009
Tot curr assets	178,107	30,643
Crude oil assets	340,818	197,797
Corporated & other	2,539	2,090
Cap assets, cost	343,357	199,887
Less: accum depl & deprec	81,081	49,123
Cap assets, net	262,276	150,764
Future inc tax assets	1,079	
Tot assets	441,462	181,407
Liabilities:		
Accts pay & accrued		
liabil	62,107	19,174
Risk mgmt liabil	5,797	
Tot curr liabil	67,904	19,174
Bank debt	9,309	
Conv debentures	83,700	
Asset retir oblig	1,482	930
Tot liabil	162,395	20,104
Conv debentures	12,738	
Com shares	195,214	138,906
Contributed surplus	1,698	531
Cum transl adj	16,024	16,024
Accum other		
comprehensive inc	16,024	16,024
Retain earn	53,393	5,842
Tot shlders eq	279,067	161,303

Debt: Dec. 31, 2007, US\$93,009,000 (excluding current portion) comprised of:

(1) US\$9,309,000 bank debt. At Dec. 31, 2007, Co. had drawn US\$10,000,000 on its secured credit facility (US\$9,300,000 - net of financing costs). Co.'s borrowing base under this facility as at Dec. 31, 2007 was US\$50,000,000 and subsequent to year end is being increased to US\$80,000,000. The facility bears interest at a rate equal to LIBOR (London Interbank Offered Rate) plus three percent per annum. The facility is secured by a pledge over all property of Co. The borrowing base is reviewed semi-annually. Co. has a US\$7,200,000 operating line of credit under which Co. can borrow at the fixed term deposit rate set by the Central Bank of Colombia plus 6%. Advances under the facility are collateralized by a promissory note provided by Co. Co. has used US\$5,500,000 of its Colombian operating lines of credit for letters of credit to guarantee work commitments under exploration blocks.

(2) US\$83,700,000 convertible debentures. On Dec. 6, 2007, Co. issued US\$100,000,000 of convertible

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debentures due Dec. 6, 2010. The debentures are convertible into common shares of Co. at a conversion price of US\$27.3485 per share, which represented a 38% premium to the share price when initially priced, and have an annual coupon of 3.375%. Interest on the debentures is payable semi-annually. Upon conversion, a total of 3,656,508 common shares may be issued, subject to normal provisions for adjustments of the conversion price such as a special distribution to shareholders or upon a change of control of Co. Co. has an option to force conversion of the debentures at the prevailing conversion price after Dec. 6, 2009, should the price of Co.'s common shares exceed 130% of the prevailing conversion price of the debentures over a specified period.

The debentures have been classified into their debt and equity components based on fair values. On issuance, this resulted in US\$83,400,000 being classified as a liability and US\$12,700,000 being classified as equity.

The liability portion will accrete up to the principal balance over the term of the debentures. The accretion, and the interest accrued are expensed as interest expense in the consolidated statement of operations, creating an effective yield of 9.7%. If the debentures are converted to common shares, the relative portion of the value of the conversion feature under shareholders' equity will be reclassified to common share capital along with the principal amounts converted.

Capital: 1. Petrominerales Ltd common; par \$1.00.

AUTH —200,000,000 shs.

OUTSTG —Dec. 31, 2007 100,288,775 shs; par \$1.00.

OWNERSHIP —As of Dec. 31, 2007, Petrobank Energy and Resources Ltd. owned 76.5% of Co.'s outstanding common stock.

OPTIONS —Dec. 31, 2007, options outstanding, 4,870,784 shares.

RESERVED FOR CONVERSION —Dec. 31, 2007, reserved for conversion of convertible debentures, 3,656,508 shares.

TRANSFER AGENT & REGISTRAR — Computer-share Investor Services, Calgary, Alberta, Canada

LISTED —Toronto : PMG

SECONDARY EXCHANGES —Also listed on OTC (Symbol: PMGLF).

OFFERED —(16,000,000 shares) at C\$3.75 per share on June 29, 2006 for total gross proceeds of C\$53,800,000.