



PetroLatina Energy Plc (“PetroLatina” or the “Company”)

JANUARY 2007 - OPERATIONS UPDATE

PetroLatina Energy Plc (“PetroLatina” or the “Company”), an independent oil and gas exploration, development and production company, focused on Latin America and currently producing approximately 500 barrels of oil per day, is pleased to provide the following operations update.

Colombia

Exploration Licences – Middle Magdalena Valley

The Company has been conducting an update of its view on the potential of the Midas and La Paloma licences, using the seismic and well data base obtained in conjunction with the licences. The work on La Paloma has been completed and this has provided a significant upgrade in the potential of this licence. The Company now believes that un-risked recoverable resources of up to 90 million barrels (net - 58.5 million barrels) exist on the La Paloma licence. This is an increase from the initial view of 20 million barrels (net - 13 million barrels).

The work on the Midas licence is ongoing and should be completed in the first quarter of 2007.

A programme to acquire additional seismic on both blocks is expected to commence during the second half of January 2007.

Additionally, the work programmes on the three technical evaluation areas (“TEA’s”) acquired with Petroleos del Norte, has been completed and the Company is evaluating the results. Application to extend one or more of the TEA’s to full exploration licences is expected late in the first quarter. Details on the TEA’s is set out on the Company’s website.

Serafin

Work on the Serafin gas accumulation is well under way. The surface location has been prepared and the work-over rig is expected to move on site during the week of 15th January 2007. The initial results from production testing are expected by the end of the month.

Guatemala

Atzam -2

The Atzam well was worked over in late 2006. The well encountered a strong pressure regime and oil flowed to surface. The work-over also identified damage to the casing and cement work. The Company is therefore planning remedial work on the well bore to allow the well to be fully tested.



Tortugas

Following completion of all necessary central Government approvals and consents to start work on licence A7- 2005 generally, the Municipality of Coban refused consent for access to the Tortugas area of the licence. The Company has therefore declared force majeure and all operations have been suspended on the licence, with the exception of those related to Atzam -2.

Accordingly, operating and administrative staff in Guatemala, together with other field and office costs, have been reduced to minimum necessary levels.

Nicholas Gay, President and CEO, commented:

"The revised estimates from La Paloma announced today combined with the news announced previously on the Rio Zulio – Ayacucho Pipeline and the forthcoming testing on the Serafin gas accumulation underlines the value of the Colombian portfolio of assets put together in 2006. PetroLatina is well placed for an exciting year in 2007 and looks forward to updating the market in due course."

-ENDS-

10th January 2007

REVIEW OF RELEASE

This release has been reviewed by the Company's Chief Operating Officer (Mr. J. Scott), and the Chief Geologist (Mr. K. Dean who is a Fellow of the Geological Society, London).

Messrs Scott's and Dean's biographies are on the Company's website, which can be found at www.petrolatinaenergy.com .

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