

PACIFIC RUBIALES ENERGY CORP.

NEWS RELEASE

PACIFIC RUBIALES RESPONDS TO FALSE MEDIA REPORT PUBLISHED ON ITS STAR TECHNOLOGY

Toronto, Canada, Friday January 24, 2014 – Pacific Rubiales Energy Corp. (TSX: PRE) (BVC: PREC) (BOVESPA: PREB) announced today that while it is a general policy not to comment on market or media rumours, the Company would like to formally refute the false media report recently published on its proprietary Synchronized Thermal Additional Recovery (“STAR”) technology.

Recent results from three independent engineers have shown the Company’s STAR technology has demonstrated at least a doubling of the primary recovery factor at the Quifa SW pilot project. In addition, using the STAR technology, the Company has been able to reduce the cumulative water cut in the pilot project by approximately 40 percent. The Company stands by these results and reiterates that STAR has performed in line with its expectations.

The Company has received approval from Ecopetrol, S.A. (its partner in the Quifa SW Field) to convert two to six adjacent existing commercial scale pads, currently producing under primary recovery, to STAR wells in the first half of 2014 and will continue to roll out the project to full commercial scale throughout 2014.

STAR is expected to increase reserves and extend reservoir life, which will have the effect of reducing future DD&A costs in the Company’s heavy oil fields. The technology is specifically designed for the unique characteristics associated with Colombia’s heavy oil fields and is expected to be applicable to the Company’s large inventory of heavy oil fields on production, under development and in exploration stages.

The Company has been granted two exclusive 20 year patents in Colombia for the application of its STAR technology and believes that it is a potential game-changer for Pacific Rubiales and for the future of oil production in Colombia.

The Company is actively negotiating a new contract for the Rubiales Field that would extend beyond the primary contract, which expires in mid-2016. The proposed contract would be based on the implementation of STAR at sole risk, in return for a new contract for incremental secondary oil volumes, extending beyond the 2016 expiry. STAR volumes are not currently factored into the Company’s five year production forecast.

Pacific Rubiales is a Canadian incorporated and publicly listed company and as such holds itself to the highest standards of corporate governance. The Company, which has oil and gas operations and development properties in Colombia, Peru, Brazil, Guatemala, Guyana and Papua New Guinea, is focused on providing value to its various stakeholders and conducts all of its activities in a sustainable, safe and socially responsible manner.

Pacific Rubiales, a Canadian company and producer of natural gas and crude oil, owns 100% of Meta Petroleum Corp., which operates the Rubiales, Piriri and Quifa heavy oil fields in the Llanos

Basin, and 100% of Pacific Stratus Energy Colombia Corp., which operates the La Creciente natural gas field in the northwestern area of Colombia. Pacific Rubiales has also acquired 100% of Petrominerales Ltd., which owns light and heavy oil assets in Colombia and oil and gas assets in Peru, 100% of PetroMagdalena Energy Corp., which owns light oil assets in Colombia, and 100% of C&C Energia Ltd., which owns light oil assets in the Llanos Basin. In addition, the Company has a diversified portfolio of assets beyond Colombia, which includes producing and exploration assets in Peru, Guatemala, Brazil, Guyana and Papua New Guinea.

The Company's common shares trade on the Toronto Stock Exchange and La Bolsa de Valores de Colombia and as Brazilian Depositary Receipts on Brazil's Bolsa de Valores Mercadorias e Futuros under the ticker symbols PRE, PREC, and PREB, respectively.

Translation

This news release was prepared in the English language and subsequently translated into Spanish and Portuguese. In the case of any differences between the English version and its translated counterparts, the English document should be treated as the governing version.

FOR FURTHER INFORMATION

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