

# PACIFIC RUBIALES ENERGY CORP.

## *NEWS RELEASE*

### **PACIFIC RUBIALES ANNOUNCES PRICING OF U.S.\$750 MILLION 5.625% SENIOR UNSECURED NOTES OFFERING**

#### **NOT FOR DISTRIBUTION TO UNITED STATES NEWswire SERVICES OR FOR DISSEMINATION IN THE UNITED STATES**

**TORONTO, CANADA, Monday September 15, 2014** – Pacific Rubiales Energy Corp. (TSX: PRE) (BVC: PREC) (BOVESPA: PREB) announced today that it has successfully priced an offering of U.S.\$750 million in senior unsecured notes due 2025 at a coupon rate of 5.625% (the “Notes”), with closing expected to occur on September 19, 2014.

Substantially all of the net proceeds from the sale of the Notes will be used by the Company to pay down short-term debt, including working capital loans and credit facilities. The Notes have been assigned ratings of BB+ by Fitch Ratings and Standard & Poor’s Corporation, and Ba2 by Moody’s Investors Services. The Notes were placed through Citigroup Global Markets Inc. and Merrill Lynch, Pierce, Fenner & Smith Incorporated, as Joint Lead Managers and Joint Bookrunners. The Notes were placed with Qualified Institutional Buyers in the United States pursuant to the registration exemptions provided by Rule 144A of the Securities Act of 1933, and on a private placement basis in certain provinces of Canada, as well as internationally as permitted by applicable securities laws in such jurisdictions.

Ronald Pantin, the Company’s Chief Executive Officer, commented:

“We are very pleased with the success of this offering, which will replace short-term debt with longer-term debt. This is part of our corporate debt liability management strategy aimed at reducing interest rates and increasing the term to maturity of the Company’s long-term debt. The order book for the offering was multiple times oversubscribed with broad participation from over 125 investors in the United States, Canada, Latin America, Europe and Asia, which demonstrates the continued confidence of international investors in Pacific Rubiales, its business strategy and future prospects.”

The Company has applied to admit the Notes for listing on the Official List of the Luxembourg Stock Exchange and to trade the Notes on its Euro MTF Market. The Notes have not been and will not be registered under the United States Securities Act of 1933, as amended, or any state securities laws, and may not be offered or sold in the United States or to, or for the account or benefit of, U.S. persons absent registration or an applicable exemption from registration requirements. This news release does not constitute an offer to sell or a solicitation of an offer to sell any of the Notes. The Notes have not been nor will they be qualified for sale to the public by prospectus under applicable Canadian securities laws and, accordingly, any offer and sale of the Notes in Canada was made on a basis which is exempt from the prospectus requirements of Canadian securities laws. None of the Notes were offered to undetermined Colombian residents or to more than 100 determined Colombian residents.

*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 previously 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, Belize 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.*

## **Advisories**

### **Cautionary Note Concerning Forward-Looking Statements**

*This press release contains forward-looking statements. All statements, other than statements of historical fact, that address activities, events or developments that the Company believes, expects or anticipates will or may occur in the future (including, without limitation, statements regarding estimates and/or assumptions in respect of production, revenue, cash flow and costs, reserve and resource estimates, potential resources and reserves and the Company's exploration and development plans and objectives) are forward-looking statements. These forward-looking statements reflect the current expectations or beliefs of the Company based on information currently available to the Company. Forward-looking statements are subject to a number of risks and uncertainties that may cause the actual results of the Company to differ materially from those discussed in the forward-looking statements, and even if such actual results are realized or substantially realized, there can be no assurance that they will have the expected consequences to, or effects on, the Company. Factors that could cause actual results or events to differ materially from current expectations include, among other things: uncertainty of estimates of capital and operating costs, production estimates and estimated economic return; the possibility that actual circumstances will differ from the estimates and assumptions; failure to establish estimated resources or reserves; fluctuations in petroleum prices and currency exchange rates; inflation; changes in equity markets; political developments in Colombia, Peru, Guatemala, Brazil, Papua New Guinea, Belize or Guyana; changes to regulations affecting the Company's activities; uncertainties relating to the availability and costs of financing needed in the future; the uncertainties involved in interpreting drilling results and other geological data; the impact of environmental, aboriginal or other claims and the delays such claims may cause in the expected development plans of the Company and the other risks disclosed under the heading "Risk Factors" and elsewhere in the Company's annual information form dated March 14, 2014 filed on SEDAR at [www.sedar.com](http://www.sedar.com). Any forward-looking statement speaks only as of the date on which it is made and, except as may be required by applicable securities laws, the company disclaims any intent or obligation to update any forward-looking statement, whether as a result of new information, future events or results or otherwise. Although the Company believes that the assumptions inherent in the forward-looking statements are reasonable, forward-looking statements are not guarantees of future performance and accordingly undue reliance should not be put on such statements due to the inherent uncertainty therein.*

*In addition, reported production levels may not be reflective of sustainable production rates and future production rates may differ materially from the production rates reflected in this press release due to, among other factors, difficulties or interruptions encountered during the production of hydrocarbons.*

***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.*

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