



**Gran Tierra Energy Confirms Significant Reserves at the Breaña Oil Field, Peru**

*Working interest Breaña 2P reserves of 61.5 million barrels of oil and 3P reserves of 113.9 million barrels of oil*

CALGARY, Alberta, January 21, 2014, Gran Tierra Energy Inc. (“Gran Tierra Energy”) (NYSE MKT: GTE, TSX: GTE), a company focused on oil exploration and production in South America, today announced the results of a qualified independent reserve evaluation of the company’s Peru reserves by GLJ Petroleum Consultants Ltd. (“GLJ”) effective December 31, 2013.

“Gran Tierra Energy has successfully booked significant reserves at the Breaña field in Peru. On a proved plus probable (“2P”) and proved plus probable plus possible (“3P”) basis, the Breaña field reserves nearly double the total corporate 2P and 3P reserves booked at year-end 2012. We are currently planning on initiating long-term test production from this field beginning in September 2014, with an appraisal well planned to be drilled in the fourth quarter of this year in the southern portion of the Breaña field,” said Dana Coffield, President and Chief Executive Officer of Gran Tierra Energy. “Furthermore, additional unbooked resource potential has been identified in an extension of the Breaña structure on recently acquired and interpreted 2D seismic. This discovery is a dramatic reserve addition for Gran Tierra Energy, building on our substantial historical success in Colombia, and is expected to provide significant growth for Gran Tierra Energy and assist Perupetro in achieving its objective to bring new oil to the market on behalf of the Government of Peru in the coming decade,” concluded Coffield.

**Peru**

*Block 95 (100% working interest and operator)*

The following table summarizes Gran Tierra Energy’s year-end 2013 company interest reserves and net after royalty (“NAR”) reserves in the Breaña field. The NI51-101 compliant reserve report was prepared in accordance with the Canadian Oil and Gas Evaluation Handbook.

Breaña Reserve Summary	NI51-101 Compliant		SEC Compliant	
	2013 Year-End	2013 Year-End	2013 Year-End	2013 Year-End
Heavy Oil and Liquids	Gran Tierra Energy NAR Reserves	Gran Tierra Energy Company Interest Reserves	Gran Tierra Energy NAR Reserves	Gran Tierra Energy Company Interest Reserves
Reserves Category	MBO	MBO	MBO	MBO
Total Proved	0	0	0	0
Total Probable Undeveloped	57,391	61,522	57,635	61,522
Total Proved plus Probable Undeveloped	57,391	61,522	57,635	61,522
Total Possible Undeveloped	46,632	52,339	47,042	52,339
Total PPP Undeveloped	104,023	113,861	104,677	113,861

\*MBO (thousand barrels of oil)

Gran Tierra Energy is scheduled to spud a water-injector well in the in the first quarter of 2014 and begin drilling the Breaña Sur appraisal well on the southern portion of the field in the fourth quarter, 2014. Long-term test (“LTT”) production from the Breaña-1ST well is anticipated to start in September of 2014 at a rate of approximately 2,500 barrels of oil per day gross. The LTT will provide valuable information on the reservoir to optimize field development, in addition to providing early cash flow.

Gran Tierra Energy’s 2014 capital spending program for the Breaña field is \$107 million, consistent with the previously reported \$148 million 2014 capital spending program for Peru, and includes LTT facilities,

drilling a water disposal well, platform construction and drilling of an appraisal well, a Front End Engineering Design for field development, and additional related costs.

The preliminary Bretaña full field development plan, based on an independent third party preliminary, front-end engineering and design study and internal estimates, contemplates \$1.197 billion in future capital spending. This capital spending is associated with developing the 2P reserves over the next 11 years with peak annual capital spending of approximately \$275 million expected to come in 2020. First LTT production is expected to start September of 2014 with the next production phase expected to begin in 2017 at approximately 6,000 barrels of oil per day gross. Plateau production is expected to be initiated in approximately 2021 and continue for approximately 2 to 4 years at between 20,000 to 40,000 barrels of oil per day gross depending on ultimate definition of recoverable reserves size and reservoir performance characteristics. The pre-tax NPV10 of the 2P reserves (Securities and Exchange Commission (“SEC”) compliant) is approximately \$624 million, while the pre-tax NPV10 of the 3P reserves (SEC compliant) is approximately \$1.495 billion. The pre-tax NPV10 of the 2P reserves (NI51-101 compliant) is approximately \$376 million, while the pre-tax NPV10 of the 3P reserves (NI51-101 compliant) is approximately \$1.130 billion. Development optimization opportunities with the potential to increase value will continually be evaluated.

A new 2-D seismic program over the Bretaña field was acquired in late 2013. This seismic program identified a structural extension of the Bretaña field which has a previously drilled well, Envidia-1, located on its flank. The Envidia-1 well had oil shows above the oil-water contact of the Bretaña field, but was not tested. The structural closure above the Bretaña field oil-water contact in the south lobe containing the Envidia-1 well encompasses approximately 6,700 acres. The resource potential of this structural extension is not included in the Bretaña field reserve assessment and offers additional upside potential for the Bretaña field development in the future.

#### **About Gran Tierra Energy Inc.**

Gran Tierra Energy is an international oil and gas exploration and production company, headquartered in Calgary, Canada, incorporated in the United States, trading on the NYSE MKT (GTE) and the Toronto Stock Exchange (GTE), and operating in South America. Gran Tierra Energy holds interests in producing and prospective properties in Colombia, Argentina, Peru, and Brazil. Gran Tierra Energy has a strategy that focuses on establishing a portfolio of producing properties, plus production enhancement and exploration opportunities to provide a base for future growth.

Gran Tierra Energy’s Securities and Exchange Commission filings are available on a web site maintained by the Securities and Exchange Commission at <http://www.sec.gov> and on SEDAR at <http://www.sedar.com>.

#### **Cautionary Statements:**

Possible reserves are those additional reserves that are less certain to be recovered than probable reserves. There is a 10% probability that the quantities actually recovered will equal or exceed the sum of proved plus probable plus possible reserves. The estimate of reserves and future net revenue for individual properties may not reflect the same confidence level as estimates of reserves and future net revenue for all properties, due to the effects of aggregation. Estimates of future net revenue do not necessarily represent fair market value.

#### **Forward Looking Statements and Advisories**

The statements in this press release regarding Gran Tierra Energy’s expectations, plans, projections and actions including Gran Tierra Energy’s expectations regarding significant growth of Gran Tierra Energy, bringing new oil to the market on behalf of the Government of Peru, long term test production will be initiated in September 2014 with an appraisal well to be drilled in the fourth quarter of the year, other projected drilling, spudding and production expectations, optimizing field development, early cash flow, the amount, timing and allocation of capital expenditures, that development opportunities will be

continually evaluated and estimated additional resource potential, are "forward-looking statements" within the meaning of the U.S. federal and Canadian securities laws, including Canadian Securities Administrators' National Instrument 51-102 – *Continuous Disclosure Obligations* and the U.S. Private Securities Litigation Reform Act of 1995. Statements containing the words "planning", "scheduled", "potential," "contemplates", "estimates", "expected", "continue", "will", "may", "anticipated" and variations of these words are forward-looking statements.

The forward-looking statements contained in this news release reflect several material factors and expectations and assumptions of Gran Tierra Energy including, without limitation, assumptions relating to the accuracy of its reserves estimates, the accuracy of certain seismic data, the continuity of certain industry conditions, the ability of Gran Tierra Energy to execute its current business and operational plans in the manner currently planned. Although Gran Tierra Energy believes that the assumptions underlying, and expectations reflected in, these forward-looking statements are reasonable, it can give no assurance that these assumptions and expectations will prove to be correct.

The forward-looking statements contained in this press release are subject to risks, uncertainties and other factors that could cause actual results or outcomes to differ materially from those contemplated by the forward-looking statements. Factors that could cause results to differ materially from those described in the forward-looking statements include: Gran Tierra Energy's operations are located in South America, and unexpected problems can arise due to guerilla activity, technical difficulties and operational difficulties which impact the development, production, transportation or sale of oil and gas; changing prices for crude oil may cause some scheduled projects or actions to become uneconomical, or may change Gran Tierra Energy's focus to other projects or actions which could be of more benefit to Gran Tierra Energy, which could cause projects or actions currently contemplated to be postponed or cancelled; unexpected problems due to technical difficulties, operational difficulties, and weather conditions; risks associated with not being able to fund the capital spending program for the Breaña field through cash flow and cash on hand; and those other risks found in the periodic reports filed by Gran Tierra Energy with the SEC, including in the section entitled "Risk Factors" in its Quarterly Report on Form 10-Q filed with the SEC on November 12, 2013, and available at the SEC's internet site [www.sec.gov](http://www.sec.gov) and on SEDAR at [www.sedar.com](http://www.sedar.com).

All forward-looking statements in this press release are expressly qualified by information contained in Gran Tierra Energy's filings with regulatory authorities and, subject to its obligations under applicable securities laws, Gran Tierra Energy does not undertake to publicly update forward-looking statements, whether as a result of new information, future events or otherwise.

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