



**Gran Tierra Announces Increase in 2015 Capital Program with a Focus on Colombia**

*Overall 2015 Capital Budget Increased by \$45 million to \$185 million*

CALGARY, Alberta, June 24, 2015, Gran Tierra Energy Inc. (“Gran Tierra” or the “Company”) (NYSE MKT: GTE, TSX: GTE), a company focused on oil exploration and production in South America, today announced an increased 2015 capital program. The increased capital is intended to provide accelerated development drilling at the Company’s core producing assets in the Putumayo Basin in Colombia, specifically the Moqueta and Costayaco fields on the Chaza Block. In addition, the Company expects to accelerate the required laboratory and feasibility studies for enhanced oil recovery techniques in the Costayaco and Moqueta fields. All dollar amounts are in United States dollars unless otherwise indicated.

During the first quarter of 2015, the Company incurred \$74 million of the \$140 million 2015 capital program. Gran Tierra’s board of Directors has approved a \$45 million increase to its 2015 capital program to \$185 million.

The allocation of capital includes an increase of \$55 million directed at Colombia development, at negotiated reduced services costs. At forward pricing, the additional capital generates IRRs in excess of 30 percent, and the majority of the increased drilling impacts the 2015 exit rate and the forecasted 2016 average production. The total 2015 capital program in Colombia is now \$115 million and the majority of Colombia’s capital program is expected to be spent on development drilling activities on the Moqueta and Costayaco fields. The program includes an expected three wells at Moqueta and three wells at Costayaco. These drilling programs are expected to continue into 2016.

Peru’s capital program has been reduced to \$49 million, of which \$11 million is expected to be incurred during the remainder of 2015. The Company is focused on limiting total costs (capital expenditures and general and administrative expenses) in Peru over the next 12 months to ensure retention of lands and security of assets. The Company is exploring options to maximize shareholder value for the assets in Peru.

Brazil’s capital program has been reduced to \$20 million, of which \$6 million is expected to be incurred during the remainder of 2015.

Of the total budget of \$185 million, \$97 million is allocated for drilling, \$45 million for facilities, pipelines and other, and \$43 million for geological and geophysical expenditures. The program meets all work obligations and commitments in 2015.

The Company expects to finance its 2015 capital program through cash flows from operations and cash on hand, while retaining financial flexibility to undertake further development activities and pursue diversified growth opportunities in Colombia.

**Revised 2015 Capital Program (\$MM)\*:**

Country	Drilling	Facilities & Pipelines & Other	Geological & Geophysical	Total
Colombia	70	21	24	115
Peru	23	18	8	49
Brazil	4	5	11	20
Corporate	-	1	0	1
<b>Total*</b>	97	45	43	185

\*Gran Tierra is utilizing an average Brent oil price of \$63.46 per barrel for budgeting purposes during the second half of 2015.

## Production Outlook

With the revised capital program, Gran Tierra expects 2015 gross working interest (“WI”) production to average between 22,500 and 23,500 barrels of oil equivalent per day (“BOEPD”) or between 18,400 and 19,400 BOEPD net after royalty (“NAR”). Production from Colombia is expected to be approximately 17,850 BOEPD NAR, with Costayaco contributing approximately 10,400 BOEPD NAR and Moqueta contributing approximately 5,100 BOEPD NAR, assuming a 2% contingency for potential delivery disruptions. Production from the Company’s Brazil operation is expected to average 770 BOEPD NAR. Approximately 99% of expected production is oil, with the balance natural gas.

The accelerated development associated with the increased capital program at the Moqueta field is expected to provide the production capacity for the Company to maintain consistent production during 2016. The additional development is intended to test Probable and Possible reserves recognized by the Company’s external reserves auditor.

## Comparison (\$MM):

	Previous Capital Program	Incurred During Q1 2015	Revised Forecast at June 25, 2015	% Change
<b>Total Capital Program</b>	\$140*	\$74	\$185	+32
• <b>Colombia</b>	\$60	\$21	\$115	+92
• <b>Peru</b>	\$55	\$38	\$49	-11
• <b>Brazil</b>	\$24	\$14	\$20	-17
<b>Forecasted Funds Flow from Operations**</b>	\$85 to \$105***		\$130 to \$140****	+53
<b>Production Guidance – Gross WI</b>	21,800 – 22,300 BOEPD		22,500 – 23,500 BOEPD	+3
<b>Production Guidance – NAR*****</b>	18,200 – 19,200 BOEPD		18,400 – 19,400 BOEPD	+1
<b>2015 Exit Production Rate – Gross WI</b>	21,000 – 22,000 BOEPD		25,000 – 26,000 BOEPD	+18

\* As announced February 8, 2015, and included \$1 million associated with corporate activities.

\*\* Funds flow from continuing operations for the three months ended March 31, 2015, was \$25.6 million. See below under “Forward-Looking Statements and Advisories”.

\*\*\* As announced May 6, 2015, assuming an average Brent oil price of \$50 for 2015.

\*\*\*\* Assuming an average Brent oil price of \$63.46 per barrel for the remainder of 2015.

\*\*\*\*\*When oil prices increase, the amount of “High Priced Rights” royalties the Company pays is increased, which results in less NAR barrels to the Company.

## About Gran Tierra Energy Inc.

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

Gran Tierra’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>.

Additional information concerning Gran Tierra is available at [www.grantierra.com](http://www.grantierra.com), on SEDAR ([www.sedar.com](http://www.sedar.com)) and with the Securities and Exchange Commission ([www.sec.gov](http://www.sec.gov)).

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

This news release contains certain forward-looking information, financial outlook and, forward-looking statements (collectively, “**forward-looking statements**”) under the meaning of applicable securities laws, including Canadian Securities Administrators’ National Instrument 51-102 - *Continuous Disclosure Obligations* and the United States Private Securities Litigation Reform Act of 1995. The use of the words “expect”, “anticipate”, “intend”, “will” and variations of these and similar words identify forward-looking statements. In particular, but without limiting the foregoing, this news release contains forward-looking statements regarding, among other things Gran Tierra’s intended capital spending program for 2015 and the increase thereto which includes: production estimates, the product mix of such production and expectations respecting production growth, the 2015 exit rate and maintenance of production into 2016; expectations with respect to drilling, drilling locations, testing, construction, exploration activities, production and timing of these activities and results; the intended testing of Gran Tierra’s reserves; expected costs and the allocation of Gran Tierra’s capital spending program; anticipated funding of the capital spending program; and its anticipated funds flow from operations for 2015.

The forward-looking statements contained in this news release reflect several material factors and expectations and assumptions of Gran Tierra. In addition to those assumptions inherent in such forward-looking statements or otherwise set out in this news release, such assumptions include, without limitation, assumptions and estimates as to: future oil prices and exchange rates; field size and recoverability; the accuracy of testing and production results and seismic data; the effects of certain drilling techniques; rig availability; cost and price estimates; and the general continuance of current or, where applicable, assumed operational, regulatory and industry conditions. Gran Tierra believes the material factors, expectations and assumptions reflected in the forward-looking statements are reasonable at this time but no assurance can be given that these factors, expectations and assumptions will prove to be correct.

The forward-looking statements contained in this news 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, including, among others: unexpected technical difficulties and operational difficulties may occur, or delays in obtaining necessary permits may occur or continue which could impact or delay the commencement of drilling exploration or development wells; Gran Tierra's operations are located in South America, and unexpected problems can arise due to guerilla activity; disruptions on the Oleoducto Transandino pipeline may be more than Gran Tierra expects and activities undertaken to mitigate the impact of such disruptions may not have the impact currently anticipated by Gran Tierra; geographic, political and weather conditions can impede testing, which could impact or delay the commencement of drilling exploration wells; and the risk that oil prices could continue to fall, or current global economic and credit market conditions may impact oil prices and oil consumption more than Gran Tierra currently predicts, which could cause Gran Tierra to further modify its strategy and capital spending program. Although the current capital program is based upon the current expectations of the management of Gran Tierra, there may be circumstances in which, for unforeseen reasons, a change in strategy or reallocation of funds may be necessary as may be determined at the discretion of Gran Tierra and there can be no assurance as at the date of this press release as to how such strategy may change or funds be reallocated. Should any one of a number of issues arise, Gran Tierra may find it necessary to alter its cost savings measures, current business strategy and/or capital program. Accordingly, readers should not place undue reliance on the forward-looking statements contained herein. Further information on potential factors that could affect Gran Tierra are included in risks detailed from time to time in Gran Tierra’s Securities and Exchange Commission filings, including, without limitation, under the caption “Risk Factors” in Gran Tierra’s Quarterly Report on Form 10-Q filed May 6, 2015. These filings are available on a Web site maintained by the Securities and Exchange Commission at <http://www.sec.gov> and on SEDAR at [www.sedar.com](http://www.sedar.com). Readers are

advised that the purpose of the financial outlook provided in this press release is to give a high-level overview of Gran Tierra's anticipated financial position in 2015 and such financial outlook may not be appropriate for other purposes.

The forward-looking statements contained herein are expressly qualified in their entirety by this cautionary statement. The forward-looking statements included in this press release are made as of the date of this press release and Gran Tierra disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as expressly required by applicable securities legislation.

BOEs have been calculated on the basis of 6 Mcf of natural gas to 1 bbl of oil. BOEs may be misleading, particularly if used in isolation. A BOE conversion ratio of 6 Mcf : 1 bbl is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead. In addition, given that the value ratio based on the current price of oil as compared with natural gas is significantly different from the energy equivalent of six to one, utilizing a BOE conversion ratio of 6 Mcf: 1 bbl would be misleading as an indication of value.

\*\* Funds flow from continuing operations is a non-GAAP measure which does not have any standardized meaning prescribed under generally accepted accounting principles in the United States of America ("GAAP"). Management uses this financial measure to analyze operating performance and the income generated by Gran Tierra Energy's principal business activities prior to the consideration of how non-cash items affect that income, and believes that this financial measure is also useful supplemental information for investors to analyze operating performance and Gran Tierra Energy's financial results. Investors should be cautioned that this measure should not be construed as an alternative to net income or other measures of financial performance as determined in accordance with GAAP. Gran Tierra Energy's method of calculating this measure may differ from other companies and, accordingly, it may not be comparable to similar measures used by other companies. Funds flow from continuing operations, as presented, is net income adjusted for loss from discontinued operations, net of income taxes, depletion, depreciation, accretion and impairment ("DD&A") expenses, deferred tax expense or recovery, non-cash stock-based compensation, unrealized foreign exchange gain or loss, unrealized financial instrument gain or loss, cash settlement of asset retirement obligation, equity tax and other loss.

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