



Quetzal Energy Ltd. updates drilling progress at the Canaguay #1 well in Colombia

Calgary, Alberta - Quetzal Energy Ltd. (TSX VENTURE: QEI) ("Quetzal" or the "Company") is pleased to provide an update of drilling operations at the Canaguay # 1 well on the Canaguaro Block in the Llanos Basin of Colombia.

Intermediate 9 5/8 inch casing was cemented at 14,227 feet in the Canaguay #1 well. Drilling operations are expected to resume today and it is anticipated that the well will reach the planned total depth of 16,200 feet within 2 weeks.

Preliminary correlations indicate that Canaguay #1 is approximately 76 feet structurally higher than the offsetting Fortaleza #1 well, which is 3.5 kilometers north of the Canaguay #1 location. Both wells are mapped in the same structure, according to the company's interpretation of the Canaguaro 3D seismic volume. Fortaleza #1 was drilled by Elf – Aquitaine in 1978 and tested 462 barrels of 23 API oil per day from the Mirador Formation.

Canaguay #1 is programmed to test the hydrocarbon potential of several reservoirs including the Carbonera, Mirador, Gacheta, and Une. The Company has a 25% working interest in the Canaguaro Block and is the operator. Partners in the project are Brownstone Ventures (Barbados) Inc. (25% WI a wholly owned subsidiary of Brownstone Ventures Inc (V.BWN)) and Condor Exploration Inc. (50% WI)

FOR FURTHER INFORMATION PLEASE CONTACT:

Quetzal Energy Ltd.
Robert Szczuczko
Chief Executive Officer
(403) 606-1317
bob@quetzalenergy.com

www.quetzalenergy.com

Cautionary Statements

This news release contains forward-looking information and forward-looking statements within the meaning of applicable securities laws (together, "forward-looking information"). The use of any of the words "expect", "anticipate", "continue", "estimate",

"believe", "plans", "intends", "confident", "may", "objective", "ongoing", "will", "should", "project", "should" and similar expressions are intended to identify forward-looking information. In particular, but without limiting the foregoing, this news release contains forward-looking information concerning the use of proceeds of the recently completed offering of units of the Corporation. .

The forward-looking information are based on certain key expectations and assumptions made by Quetzal, including expectations and assumptions concerning the use proceeds of the Offering and operational results in Colombia and Guatemala. Although Quetzal believes that the expectations and assumptions on which the forward-looking information are based are reasonable, undue reliance should not be placed on the forward-looking information because Quetzal can give no assurance that they will prove to be correct.

Since forward-looking information addresses future events and conditions, by its very nature it involves inherent risks and uncertainties. Actual results could differ materially from those currently anticipated due to a number of factors and risks. These include, but are not limited to, the inherent risks involved in the exploration and development of oil and gas properties, the uncertainties involved in interpreting drilling results and other geological data, uncertainties relating to fluctuating oil and gas prices, the possibility of cost overruns or unanticipated costs and expenses and other factors including unforeseen delays. Anticipated exploration and development plans relating to Quetzal's properties are subject to change.

The foregoing list of assumptions, risks and uncertainties is not exhaustive. The forward-looking information contained in this press release is made as of the date hereof and Quetzal undertakes no obligation to update publicly or revise any forward-looking statements or information, whether as a result of new information, future events or otherwise, unless so required by applicable securities laws.

NEITHER THE TSX VENTURE EXCHANGE NOR ITS REGULATION SERVICES PROVIDER (AS THAT TERM IS DEFINED IN THE POLICIES OF THE TSX VENTURE EXCHANGE) ACCEPTS RESPONSIBILITY FOR THE ADEQUACY OR ACCURACY OF THIS RELEASE.