GRAN TIERRA ENERGY, INC.
Form PRER14A
September 30, 2008

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

SCHEDULE 14A

Proxy Statement Pursuant to Section 14(a) of the Securities Exchange Act of 1934 (Amendment No. 1)

Filed by the Registrant x
Filed by a Party other than the Registrant o
Check the appropriate box:

x Preliminary Proxy Statement
o **Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))**
o Definitive Proxy Statement
o Definitive Additional Materials
o Soliciting Material Pursuant to §240.14a-12

GRAN TIERRA ENERGY INC.

(Name of Registrant as Specified in Its Charter)

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

Payment of Filing Fee (Check the appropriate box):

o No fee required.
o Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.
(1) Title of each class of securities to which transaction applies:
Common shares of Solana Resources Limited (***Common Shares***)

(2) Aggregate number of securities to which transaction applies:

126,426,792 Common Shares; 3,945,000 options to purchase Common Shares with an exercise price of less than US$3.89 per share; and 7,500,000 warrants to purchase Common Shares with an exercise price of less than US$1.89 per share (U.S. dollar amounts based on an exchange rate of CDN$1.00 = US$0.9428 (the ***Exchange Rate***)).

(3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):
Calculated solely for purposes of determining the filing fee. The maximum aggregate value of the transaction was determined by adding: (A) 126,426,792 Common Shares multiplied by US$3.87 per share (value of one Common Share, based on the high and low prices of the Common Shares on the TSX Venture Exchange on September 3, 2008, converted to U.S. dollars based on the Exchange Rate); (B) options to purchase 3,945,000 Common Shares multiplied by US$2.09 (which is the difference between US$3.87 and the weighted average exercise price of US$1.78 per share, based on the Exchange Rate); and (C) warrants to purchase 7,500,000 Common Shares multiplied by US$1.98 (which is the difference between US$3.87 and the weighted average exercise price of US$1.89 per share based on the Exchange Rate). In accordance with Section 14(g) of the Securities Exchange Act of 1934, as amended, the filing fee was determined by multiplying 0.0000393 by the sum of the preceding sentence.

(4) Proposed maximum aggregate value of transaction:
$512,366,735.

(5) Total fee paid:
$20,136.

x Fee paid previously with preliminary materials.

o Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

(1) Amount Previously Paid:

(2) Form, Schedule or Registration Statement No.:

(3) Filing Party:

(4) Date Filed:

Persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.

TABLE OF CONTENTS

NOTICE OF SPECIAL MEETING OF STOCKHOLDERS OF GRAN TIERRA ENERGY INC.

to be held November 12, 2008

and

NOTICE OF SPECIAL MEETING OF SECURITYHOLDERS OF SOLANA RESOURCES LIMITED

to be held November 12, 2008

and

NOTICE OF PETITION TO THE COURT OF QUEEN S BENCH OF ALBERTA

and

JOINT MANAGEMENT INFORMATION CIRCULAR AND PROXY STATEMENT

with respect to a

PLAN OF ARRANGEMENT

involving

GRAN TIERRA ENERGY INC., GRAN TIERRA EXCHANGECO INC., SOLANA RESOURCES LIMITED and THE SOLANA SECURITYHOLDERS

, 2008

TABLE OF CONTENTS

GRAN TIERRA ENERGY INC.

TABLE OF CONTENTS

UNLESS OTHERWISE INDICATED, ALL DOLLAR AMOUNTS IN THIS JOINT MANAGEMENT INFORMATION CIRCULAR AND PROXY STATEMENT ARE EXPRESSED IN U.S. DOLLARS.

TABLE OF CONTENTS

To Our Stockholders:

We invite you to participate in a special meeting of the stockholders of Gran Tierra Energy Inc., or ***Gran Tierra***, to be held at , Calgary, Alberta at 9:00 a.m., Mountain Time, on November 12, 2008.

On July 28, 2008, Gran Tierra and Solana Resources Limited, or ***Solana***, entered into an agreement providing for the business combination of the two companies. The proposed transaction requires the approval of our stockholders to approve: (1) the issuance of the shares of Gran Tierra common stock to be issued in the transaction; and (2) an amendment to our articles of incorporation to create a new special voting share to enable the exchangeable shares to be issued in the proposed transaction to vote, as well as to make several technical changes, all as more fully described in the attached Joint Management Information Circular and Proxy Statement, which we refer to as the ***Joint Proxy Statement***. At the special meeting, we will ask our stockholders to approve this issuance and amendment. In addition, we are also taking the opportunity to ask our stockholders to approve (a) an amendment to our articles of incorporation to increase the number of shares of our authorized common stock and change the board voting requirement for issuance of common stock from unanimous to a simple board action, and (b) an increase in the number of shares authorized for issuance under our equity incentive plan. Neither of these latter two proposals are necessary for the completion of the combination of Gran Tierra and Solana; however, they will facilitate operating the combined company, and will only be implemented if the combination of the two companies occurs.

Under the terms of the agreement with Solana, each Solana shareholder will receive, for each Solana common share held, either: (1) 0.9527918 of a share of Gran Tierra common stock; or (2) 0.9527918 of a common share of a Canadian subsidiary of Gran Tierra, or a ***GTE Solana Exchangeable Share***. The GTE Solana Exchangeable Shares: (a) will have the same voting rights, dividend entitlements and other attributes as Gran Tierra common stock; (b) will be exchangeable, at each stockholder s option, on a one-for-one basis into Gran Tierra common stock; and (c) subject to compliance with the original listing requirements of the Toronto Stock Exchange, will be listed on the Toronto Stock Exchange. The GTE Solana Exchangeable Shares will automatically be exchanged for Gran Tierra common stock five years from closing, and in specified other events. The transaction will also result in Solana optionholders and Solana warrantholders receiving either Solana common shares pursuant to a cashless exercise of their options or warrants or cash payments, in both cases based on the above exchange ratio. In addition, Solana options held by an employee, officer, director or consultant continuing with the combined company may be exchanged for options to purchase shares of Gran Tierra common stock; and holders of Solana warrants may elect to continue to hold their warrants, which would then be exercisable into shares of Gran Tierra common stock pursuant to the terms of the warrants.

The transaction is structured to be completed as a statutory plan of arrangement pursuant to the *Business Corporations Act* (Alberta), or the ***ABCA***. Upon completion of the transaction, Solana will become an indirect wholly-owned subsidiary of Gran Tierra. On a diluted basis, upon the closing of the plan of arrangement, former Solana securityholders will own approximately 49% of the combined company and the current Gran Tierra securityholders will own approximately 51% of the combined company. The proposed transaction is subject to regulatory, stock exchange, court and stockholder approvals.

The combined company will create a more substantial South American oil and gas exploration and production company with significant oil reserves, production and land positions in Colombia. Importantly, it will provide for the consolidation of a 100% working interest in the Costayaco field, a major light oil discovery made in Colombia in 2007 currently undergoing delineation and development. The increased efficiency of developing this field with a 100% working interest, with its growing reserves, production and cash flow, will drive the continued exploration and development of the combined entity s existing assets, and position the

---

TABLE OF CONTENTS

company for growth in the near term and continued new venture activities in the future. We expect the combined company to have a 2008 production exit rate of approximately 15,000 barrels of oil per day net after royalties. Following the transaction, Gran Tierra will have a working interest in 26 exploration and production licenses (24 operated by Gran Tierra), with a vast land base encompassing 7.1 million gross acres (6.2 million net acres) in three countries: Colombia, Peru and Argentina.

The board of directors of Gran Tierra has received an opinion from Blackmont Capital Inc. that, subject to the factors and assumptions set forth in the opinion, the exchange ratio of 0.9527918 GTE Solana Exchangeable Shares or shares of Gran Tierra common stock for each Solana common share is fair, from a financial point of view, to Gran Tierra.

The attached Joint Proxy Statement contains a description of this business combination, as well as information regarding Solana, Gran Tierra and Gran Tierra Exchangeco Inc. **Please give this material your careful consideration and, if you require assistance, consult your financial, tax or other professional advisors.**

The board of directors of Gran Tierra unanimously recommends that stockholders vote in favor of all four proposals. Each company has scheduled a special stockholders meeting to be held on November 12, 2008. We invite you to attend our meeting, details of which are included in the enclosed Notice of Special Meeting and Joint Proxy Statement. Regardless of the number of shares you own or whether you plan to attend the meeting, it is important that your shares be represented and voted. Voting instructions are included.

On behalf of your management team and board of directors, I thank you for your support and urge you to vote For approval of each of (1) the issuance of the shares of Gran Tierra common stock in the transaction, (2) the amendment to our articles of incorporation to create the new share of special voting stock and make several technical changes, (3) the amendment to our articles of incorporation to increase the number of shares of our authorized common stock and change the board voting requirement for the issuance of common stock, and (4) the amendment and restatement of our equity incentive plan to increase the number of shares that may be issued under the plan.

Sincerely,

/s/ Dana Coffield

Dana Coffield
President, Chief Executive Officer, and Director

Mailing Date: , 2008

TABLE OF CONTENTS

Dear Shareholders, Optionholders and Warrantholders:

You are being asked to attend a special meeting of the common shareholders, optionholders and warrantholders, collectively, the ***Solana Securityholders***, of Solana Resources Limited, or ***Solana***, to be held at at a.m. (Mountain Time) on November 12, 2008. At the meeting you will be asked to consider a proposed arrangement, or the ***Arrangement***, involving Solana, Gran Tierra Energy Inc., or ***Gran Tierra***, Gran Tierra Exchangeco Inc., a Canadian subsidiary of Gran Tierra, or ***Exchangeco***, and the Solana Securityholders.

On July 28, 2008, Solana agreed to combine with Gran Tierra. If the transaction is completed, the Arrangement will result in the holders of Solana common shares, the ***Solana Shareholders***, receiving either (i) 0.9527918 of a share of common stock of Gran Tierra or (ii) 0.9527918 of a common share of Exchangeco, a ***GTE Solana Exchangeable Share***, for each Solana common share held. The GTE Solana Exchangeable Shares: (i) will have the same voting rights, dividend entitlements and other attributes as Gran Tierra common stock; (ii) will be exchangeable, at each shareholder s option, on a one-for-one basis, into Gran Tierra common shares; and (iii) subject to compliance with the original listing requirements of the Toronto Stock Exchange, will be listed on the Toronto Stock Exchange. The GTE Solana Exchangeable Shares will automatically be exchanged for Gran Tierra common shares five years from closing, and in specified other events. The Arrangement will also result in Solana optionholders and Solana warrantholders receiving either Solana common shares pursuant to a cashless exercise of their options or warrants or cash payments, in both cases based on the above exchange ratio. In addition, Solana options held by an employee, officer, director or consultant continuing with the combined company may be exchanged for options to purchase shares of Gran Tierra common stock; and holders of Solana warrants may elect to continue to hold their warrants, which would then be exercisable into shares of common stock of Gran Tierra pursuant to the terms of the warrants.

The transaction is structured to be completed as a statutory plan of arrangement pursuant to the *Business Corporations Act* (Alberta), or the ***ABCA*** . Upon completion of the transaction, Solana will become an indirect, wholly-owned subsidiary of Gran Tierra. On a diluted basis, upon the closing of the plan of arrangement, former Solana Securityholders will own approximately 49% of the combined company and the current Gran Tierra security holders will own approximately 51% of the combined company. The proposed transaction is subject to regulatory, stock exchange, court and stockholder approvals.

The special resolution approving the Arrangement must be approved by at least 66 2/3% percent of the votes cast by Solana Securityholders as a single class, either in person or by proxy, at the special meeting. Gran Tierra stockholders will meet on the same day to consider the approval of, among other things, the issuance of Gran Tierra common stock in connection with the transaction.

The combined company will create a more substantial South American oil and gas exploration and production company with significant oil reserves, production and land positions in Colombia. Importantly, it will provide for the consolidation of a 100% working interest in the Costayaco field, a major light oil discovery made in Colombia in 2007 currently undergoing delineation and development. The increased efficiency of developing this field with a 100% working interest, with its growing reserves, production and cash flow, will drive the continued exploration and development of the combined entity s existing assets, and position the company for growth in the near term and continued new venture activities in the future. We expect the combined company to have a 2008 production exit rate of approximately 15,000 barrels of oil per day net after royalties. Following the transaction, the combined company will have a working interest in 26 exploration and production licenses (24 operated by the combined company) with a vast land base encompassing 7.1 million gross acres (6.2 million net acres) in three countries: Colombia, Peru and Argentina.

TABLE OF CONTENTS

Solana s board of directors has unanimously determined that the Arrangement is in the best interests of our company as well as the Solana Securityholders and recommends that you vote in favor of the Arrangement at the special meeting. Solana s board of directors also received an opinion from Tristone Capital Inc. as of the date thereof that the consideration to be received by holders of Solana s common shares is fair, from a financial point of view, to such holders. Our management and directors, who own approximately 6.4% of Solana s outstanding common shares, and approximately 13.4% of Solana s outstanding common shares on a diluted basis, have entered into support agreements with Gran Tierra whereby they have agreed to vote in favor of the Arrangement at the special meeting.

The attached Joint Management Information Circular and Proxy Statement contains a description of the Arrangement, as well as information regarding Solana, Gran Tierra and Exchangeco. **Please give this material your careful consideration and, if you require assistance, consult your financial, tax or other professional advisors.** Also enclosed is a letter of transmittal to allow holders of Solana s common shares to receive shares of Gran Tierra common stock or GTE Solana Exchangeable Shares, as applicable. Please follow the instructions in the letter of transmittal. Letters of transmittal to allow Solana optionholders and warrantholders to make elections and receive the applicable cash payments or securities in respect of their Solana options and/or warrants will be delivered separately from the proxy materials.

It is important that your Solana securities be represented at the special meeting. Whether or not you are able to attend, we urge you to complete the enclosed form of proxy and return it in the envelope provided or by fax to the attention of Valiant Trust Company, Proxy Department at (403) 233-2857 not later than 48 hours (excluding Saturdays, Sundays and statutory holidays) prior to the commencement of the special meeting.

On behalf of the directors of Solana, I would like to express our gratitude for the support that our shareholders have demonstrated with respect to our decision to combine with Gran Tierra.

Yours very truly,
/s/ J. Scott Price

J. Scott Price
President and Chief Executive Officer

TABLE OF CONTENTS

GRAN TIERRA ENERGY INC.

NOTICE OF SPECIAL MEETING OF STOCKHOLDERS

To Be Held On November 12, 2008

Dear Stockholder:

You are cordially invited to attend a special meeting of stockholders of **GRAN TIERRA ENERGY INC.**, a Nevada corporation. The meeting will be held on **November 12, 2008** at 9:00 a.m., Mountain Time, at , for the following purposes:

1. To approve the issuance of shares of Gran Tierra common stock to be issued in connection with the acquisition of the outstanding securities of Solana Resources Limited;

2. To approve an amendment to Gran Tierra s articles of incorporation to create a new special voting share to enable the exchangeable shares to be issued in the proposed transaction with Solana Resources Limited to vote, as well as to make several technical changes;

3. To approve an amendment to Gran Tierra s articles of incorporation to increase the total authorized number of shares of common stock from 300,000,000 to 600,000,000 and change the board voting requirement for issuance of common stock from unanimous to a simple board action;

4. To approve Gran Tierra s 2007 Equity Incentive Plan, as amended and restated, to increase the number of shares available for issuance thereunder from 9,000,000 shares to 18,000,000 shares; and

5. To conduct any other business properly brought before the meeting.

These items of business are more fully described in the Joint Management Information Circular and Proxy Statement accompanying this Notice.

If the first proposal is not approved by Gran Tierra s stockholders, the proposals numbered 2, 3 and 4 above will not be implemented, notwithstanding that they may have been approved by Gran Tierra s stockholders.

The record date for the special meeting is September 15, 2008. Only stockholders of record at the close of business on that date may vote at the special meeting or any adjournment thereof.

By Order of the Board of Directors
/s/ Martin Eden

Martin Eden
Chief Financial Officer and Secretary

CALGARY, ALBERTA

, 2008

You are cordially invited to attend the meeting in person. Whether or not you expect to attend the meeting, please complete, date, sign and return the enclosed proxy, or vote over the Internet as instructed in these materials, as promptly as possible in order to ensure your representation at the meeting. A return envelope (which is postage prepaid if mailed in the United States) is enclosed for your convenience. Even if you have voted by proxy, you may still vote in person if you attend the meeting. Please note, however, that if your shares are held of record by a broker, bank or other nominee and you wish to vote at the meeting, you must obtain a proxy issued in your name from that record holder.

TABLE OF CONTENTS

SOLANA RESOURCES LIMITED

NOTICE OF SPECIAL MEETING OF SOLANA SECURITYHOLDERS To Be Held On November 12, 2008

NOTICE IS HEREBY GIVEN that a special meeting (the ***Solana Special Meeting***) of the holders of the common shares (***Solana Shares***), options and warrants (collectively, with the Solana Shares, the ***Solana Securities***) of Solana Resources Limited (***Solana***) will be held at , at a.m. (Mountain Time) on November 12, 2008 for the following purpose:

(a) to consider and, if thought advisable, to pass, with or without variation, a special resolution (the ***Arrangement Resolution***), the full text of which is set forth in Annex A to the accompanying Joint Management Information Circular and Proxy Statement dated , 2008 (the ***Joint Proxy Statement***), to approve an arrangement (the ***Arrangement***) involving Solana, Gran Tierra Energy Inc., Gran Tierra Exchangeco Inc. and the holders of the Solana

Securities (*Solana Securityholders*), all as more particularly described in the Joint Proxy Statement; and

(b) to transact such further and other business as may properly be brought before the Solana Special Meeting or any adjournment thereof.

Specific details of the matters to be put before the Solana Special Meeting are set forth in the Joint Proxy Statement.

The record date (the *Solana Record Date*) for determination of Solana Securityholders entitled to receive notice of and to vote at the Solana Special Meeting is September 25, 2008. Only Solana Securityholders whose names have been entered in the registers of the Solana Securityholders on the close of business on the Solana Record Date will be entitled to receive notice of and to vote at the Solana Special Meeting, provided that, to the extent a holder of Solana Shares transfers the ownership of any Solana Shares after the Solana Record Date and the transferee of those Solana Shares establishes ownership of such Solana Shares and demands, not later than 10 days before the Solana Special Meeting, to be included in the list of holders of Solana Shares eligible to vote at the Solana Special Meeting, such transferee will be entitled to vote those Solana Shares at the Solana Special Meeting.

A Solana Securityholder may attend the Solana Special Meeting in person or may be represented by proxy. Solana Securityholders who are unable to attend the Solana Special Meeting or any adjournment thereof in person are requested to date, sign and return the accompanying form of proxy for use at the Solana Special Meeting or any adjournment thereof. To be effective, the form of proxy for Solana Securityholders must be received by Solana c/o Valiant Trust Company, 310, 606 4th Street SW, Calgary, Alberta, T2P 1T1 or by fax to the attention of the Proxy Department at (403) 233-2857 no later than forty-eight (48) hours (excluding Saturdays, Sundays and statutory holidays) prior to the commencement of the Solana Special Meeting or any adjournment thereof. The time limit for the deposit of proxies may be waived by the chairman of the Solana Special Meeting in his discretion, without notice.

Registered holders of Solana Shares have the right to dissent (*Dissenting Shareholders*) with respect to the Arrangement Resolution and, if the Arrangement Resolution becomes effective, to be paid the fair value of their Solana Shares in accordance with the provisions of Section 191 of the Business Corporations Act (Alberta), (the *ABCA*), and the Interim Order (the Interim Order), a copy of which is attached as Annex C. A Solana Shareholder s right to dissent is more particularly described in the Joint Proxy Statement and the text of Section 191 of the ABCA as set forth in Annex J to the accompanying Joint Proxy Statement. A Dissenting Shareholder must send to Solana a written objection to the Arrangement Resolution, which written objection must be received by Solana, care of its counsel, Davis LLP, 1000, 250 2nd Street S.W., Calgary, Alberta, T2P 0C1, Attention: Kenneth P. Reh by 4:00 p.m. on the fifth Business Day immediately preceding the date of the Solana Special Meeting.

Failure to strictly comply with the requirements set forth in Section 191 of the ABCA, may result in the loss of any right to dissent. Persons who are beneficial owners of Solana Shares registered in the name of a broker, custodian, nominee or other intermediary who wish to dissent should be aware that only the registered holders of Solana Shares are entitled to dissent. Accordingly, a beneficial owner of Solana Shares desiring to exercise the right to dissent must make arrangements for the Solana Shares

---

TABLE OF CONTENTS

beneficially owned by such holder to be registered in the holder s name prior to the time the written objection to the Arrangement Resolution is required to be received by Solana or, alternatively, make arrangements for the registered holder of such Solana Shares to dissent on behalf of the holder.

Dated at the City of Calgary, in the Province of Alberta, this th day of , 2008.

BY ORDER OF THE BOARD OF DIRECTORS OF SOLANA RESOURCES LIMITED

/s/ Ray Antony
Ray Antony
Chairman

TABLE OF CONTENTS

IN THE COURT OF QUEEN S BENCH OF ALBERTA JUDICIAL DISTRICT OF CALGARY IN THE MATTER OF Section 193 of the *Business Corporations Act, R.S.A. 2000, c. B-9, as Amended*

AND IN THE MATTER OF A PROPOSED ARRANGEMENT INVOLVING SOLANA RESOURCES LIMITED, GRAN TIERRA ENERGY INC., GRAN TIERRA EXCHANGECO INC., AND THE SECURITYHOLDERS OF SOLANA RESOURCES LIMITED

NOTICE OF PETITION

NOTICE IS HEREBY GIVEN that a petition (the ***Petition***) has been filed with the Court of Queen s Bench of Alberta, Judicial District of Calgary (the ***Court***) on behalf of Solana Resources Limited (***Solana***) with respect to a proposed arrangement (the ***Arrangement***) under section 193 of the ABCA, involving Solana, Gran Tierra, Gran Tierra Exchangeco Inc. (***Exchangeco***) and holders of common shares, options and warrants of Solana (***Solana Securityholders***) which Arrangement is described in greater detail in the Joint Management Information Circular and Proxy Statement of Solana and Gran Tierra dated , 2008, accompanying this Notice of Petition. At the hearing of the Petition, Solana intends to seek:

(a) a declaration that the terms and conditions of the Arrangement are fair to the Solana Securityholders from a substantive and a procedural point of view;

(b) an order approving the Arrangement pursuant to the provisions of section 193 of the ABCA;

(c) a declaration that the Arrangement will, upon the filing of the Articles of Arrangement pursuant to the provisions of Section 193 of the ABCA, become effective in accordance with its terms and will be binding on and after the Effective Date as defined in the Arrangement; and

(d) such other and further orders, declarations and directions as the Court may deem just.

AND NOTICE IS FURTHER GIVEN that the said Petition was directed to be heard before a Justice of the Court of Queen s Bench of Alberta, 601 5th Street S.W., Calgary, Alberta, on the th day of , 2008 at p.m. (Calgary time), or as soon thereafter as counsel may be heard. **Any Solana Securityholder or any other interested party desiring to support or oppose the Petition, may appear at the time of hearing in person or by counsel for that purpose. Any Solana Securityholder or any other interested party desiring to appear at the hearing is required to file with the Court, and serve upon Solana on or before noon on , 2008, a notice of intention to appear, including an address for service in the Province of Alberta together with any evidence or materials which are to be presented to the Court.** Service on Solana is to be effected by delivery to the solicitors for Solana, at the addresses below. If any Solana Securityholder or any other interested party does not attend, either in person or by counsel, at that time, the Court may approve the Arrangement as presented, or may approve it subject to such terms and conditions as the Court shall deem fit, without any further notice.

AND NOTICE IS FURTHER GIVEN that no further notice of the Petition will be given by Solana and that in the event the hearing of the Petition is adjourned only those persons who have appeared before the Court for the application at the hearing shall be served with notice of the adjourned date.

AND NOTICE IS FURTHER GIVEN that the Court, by order dated October , 2008, has given directions as to the calling of the meeting of Solana Securityholders for the purpose of such holders voting upon the resolution to approve the Arrangement.

AND NOTICE IS FURTHER GIVEN that a copy of the said Petition and other documents in the proceedings will be furnished to any Solana Securityholders or other interested party requesting the same by the undermentioned solicitors for Solana upon written request delivered to such solicitors as follows:

Davis LLP
1000, 250 2nd Street S.W.
Calgary, Alberta T2P OC1
Attention: Kenneth P. Reh

i

TABLE OF CONTENTS

DATED at the City of Calgary, in the Province of Alberta, this th day of October, 2008.

BY ORDER OF THE BOARD OF DIRECTORS OF SOLANA RESOURCES LIMITED

/s/ J. Scott Price
J. Scott Price
President and Chief Executive Officer

ii

TABLE OF CONTENTS

EXCHANGE RATE OF CANADIAN AND U.S. DOLLARS

On , 2008, the exchange rate for one Canadian dollar expressed in U.S. dollars based on the noon buying rate of the Federal Reserve Bank of New York was US$.

For each period, the following table provides the high and low exchange rates for one Canadian dollar expressed in U.S. dollars, the average of these exchange rates on the last day of each month during the period, and the exchange rate at the end of the period, in each case based upon the inverse of the noon buying rate in New York City for cable transfers in Canadian dollars, as certified for customer purposes by the Federal Reserve Bank of New York:

	Six Month Period Ended June 30, 2008	Twelve Month Period Ended December 31, 2007	2006	2005	2004	2003
High	US$1.0291	US$1.0908	US$0.9100	US$0.8690	US$0.8493	US$0.7738
Low	0.9714	0.8437	0.8528	0.7872	0.7158	0.6384
Average	0.9950	0.9376	0.8844	0.8276	0.7702	0.7186
Period End	0.9818	1.0120	0.8582	0.8579	0.8310	0.7738

On , 2008, the exchange rate for one U.S. dollar expressed in Canadian dollars based on the noon spot rate of the Bank of Canada was CDN$.

For each period, the following table provides the high and low exchange rates for one U.S. dollar expressed in Canadian dollars, the average of these exchange rates on the last day of each month during such period, and the exchange rate at the end of such period, based upon the noon spot rate of the Bank of Canada:

	Six Month Period Ended June 30, 2008	Twelve Month Period Ended December 31, 2007	2006	2005	2004	2003
High	CDN$1.0324	CDN$1.1853	CDN$1.1726	CDN$1.2704	CDN$1.3968	CDN$1.5747
Low	0.9719	0.9170	1.0990	1.1507	1.1774	1.2924
Average	1.0054	1.0666	1.1308	1.2085	1.2980	1.3914
Period End	1.0186	0.9881	1.1653	1.1659	1.2036	1.2924

TABLE OF CONTENTS

ABBREVIATIONS & CONVERSIONS

Abbreviations

Oil and Natural Gas Liquids	
Bbl	barrel
Bbls	barrels
MBbls	thousand barrels
MMbbls	million barrels
Bbls/d	barrels per day
BOPD	barrels of oil per day

Natural Gas	
Mcf	thousand cubic feet
MMcf	million cubic feet
Mcf/d	thousand cubic feet per day

Other

Boe	barrel of oil equivalent of natural gas and crude oil on the basis of 1 Boe for 6 Mcf of natural gas
Boe/d	barrel of oil equivalent per day
CDN$	Canadian dollars
Col$	Colombian pesos
MBoe	1,000 barrels of oil equivalent
WTI	West Texas Intermediate, the reference price paid in United States dollars at Cushing, Oklahoma for crude oil of standard grade
GAAP	Generally Accepted Accounting Principles

Conversions

To Convert from	To	Multiply by
Mcf	Cubic metres	28.174
Cubic metres	Cubic feet	35.494
Bbls	Cubic metres	0.159
Cubic metres	Bbls oil	6.290
Feet	Metres	0.305
Metres	Feet	3.281
Miles	Kilometres	1.609
Kilometres	Miles	0.621
Acres	Hectares	0.405
Hectares	Acres	2.471

Barrel of Oil Equivalency

The term barrels of oil equivalent may be misleading, particularly if used in isolation. A Boe conversion ratio of six thousand cubic feet per barrel (6 Mcf: 1 Bbl) of natural gas to barrels of oil equivalence is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead.

TABLE OF CONTENTS

JOINT MANAGEMENT INFORMATION CIRCULAR AND PROXY STATEMENT

with respect to a

PLAN OF ARRANGEMENT

involving

GRAN TIERRA ENERGY INC., GRAN TIERRA EXCHANGECO INC., SOLANA RESOURCES LIMITED and THE SOLANA SECURITYHOLDERS

QUESTIONS AND ANSWERS ABOUT THE ARRANGEMENT

Questions and Answers for Gran Tierra Stockholders and Solana Shareholders, Warrantholders and Optionholders

Why am I receiving these materials?

You are receiving these materials because Gran Tierra Energy Inc., or ***Gran Tierra***, and Solana Resources Limited, or ***Solana***, want to combine their businesses, and you are either:

a stockholder of Gran Tierra, and the Gran Tierra board of directors, or the ***Gran Tierra Board***, is soliciting your proxy to vote at a special meeting of the stockholders of Gran Tierra, or the ***Gran Tierra Special Meeting***, relating to, among other things, this transaction, or

a shareholder, optionholder or warrantholder of Solana, and the Solana board of directors, or the ***Solana Board***, is soliciting your proxy to vote at a special meeting of the securityholders of Solana, or the ***Solana Special Meeting***, relating to this transaction.

Gran Tierra intends to mail this Joint Management Information Circular and Proxy Statement, or ***Joint Proxy Statement***, and its accompanying proxy card on or about , 2008 to all Gran Tierra stockholders of record entitled to vote at the Gran Tierra Special Meeting.

Solana intends to mail this Joint Proxy Statement, its accompanying proxy card and letter of transmittal on or about , 2008 to all holders of Solana common shares, or ***Solana Shareholders***, optionholders and warrantholders, or collectively with the Solana Shareholders the ***Solana Securityholders***, of record entitled to vote at the Solana Special Meeting.

When and where are the special meetings?

Both meetings will take place on November 12, 2008. The Gran Tierra Special Meeting, will be held at 9:00 a.m., Mountain Time, at . The Solana Special Meeting will be held at a.m., Mountain Time, at .

How will the combination of the two companies be accomplished?

If approved, the combination of the two companies will be accomplished by a statutory plan of arrangement involving Solana, Gran Tierra, Gran Tierra Exchangeco Inc., an indirect wholly-owned Canadian subsidiary of Gran Tierra, or ***Exchangeco*** , and Solana Securityholders, all as more particularly described in this Joint Proxy Statement, and which is referred to as the ***Arrangement*** .

Why do Gran Tierra and Solana want to combine their businesses?

Gran Tierra and Solana are both oil and gas exploration and production companies the primary asset of which is their respective ownership interests in the Costayaco field, a major oil and gas discovery located in Colombia currently under delineation and development, as well as other complementary interests and operations in Colombia. Gran Tierra and Solana believe that the proposed combination will complement each of its existing businesses. By combining the businesses of both companies, Gran Tierra and Solana expect to consolidate 100% of the working interest in the Costayaco field allowing for more efficient development of the field, and creating a stronger oil and gas exploration company with approximately 7.1 million gross acres (6.2 million net acres), production capacity of approximately 15,000 boe/d net after royaties at the end of 2008 and proved reserves of approximately 18 million barrels.

1

TABLE OF CONTENTS

Who will manage the combined company after the combination?

If completed, under the terms of the Arrangement, Gran Tierra will acquire 100% of the outstanding common shares of Solana, or ***Solana Shares*** , and Solana will become a wholly-owned indirect subsidiary of Gran Tierra. The combined company, which will retain the name Gran Tierra Energy Inc. and be headquartered in Calgary, Alberta, Canada, will be managed by the current Gran Tierra management team, and will have a seven member board of directors which will initially include the five current members of the Gran Tierra Board. Scott Price, Solana s current President and Chief Executive Officer, and Ray Antony, Solana s current Chairman of the Board, will also join as members of the Gran Tierra Board.

What votes are required to complete the Arrangement?

The Arrangement requires the approval of the holders of at least two-thirds of the Solana Shares, options and warrants, referred to collectively as the ***Solana Securities*** , voting in person or by proxy as a single class, at the Solana Special Meeting. The issuance of the Gran Tierra common stock in connection with the consummation of the Arrangement requires the affirmative vote of a majority of the shares present in person or represented by proxy at the Gran Tierra Special Meeting and entitled to vote. The approval of the amendment to Gran Tierra s articles of incorporation that create the special voting share to facilitate the voting of the exchangeable shares of Exchangeco, or the ***GTE-Solana Exchangeable Shares*** , and make technical changes to Gran Tierra s articles of incorporation requires the vote of (a) the holders of shares of Gran Tierra common stock and the exchangeable shares of Gran Tierra Goldstrike Inc., or ***GTE-Goldstrike Exchangeable Shares*** , entitling them to exercise at least a majority of the combined voting power of the total number of outstanding shares of Gran Tierra common stock and GTE-Goldstrike Exchangeable Shares, and (b) the holders of shares of GTE-Goldstrike Exchangeable Shares entitling them to exercise at least a majority of the voting power of the total number of outstanding shares of GTE-Goldstrike Exchangeable Shares.

What votes are required to complete Gran Tierra s other proposals?

The amendment to Gran Tierra s articles of incorporation to increase the total authorized number of shares of common stock from 300,000,000 to 600,000,000 and change the board voting requirement for issuance of common stock from unanimous to a simple board action requires the affirmative vote of the holders of shares of Gran Tierra common stock and GTE-Goldstrike Exchangeable Shares entitling them to exercise at least a majority of the combined voting power of the total number of outstanding shares of Gran Tierra common stock and GTE-Goldstrike Exchangeable Shares. The amendment and restatement of Gran Tierra s 2007 Equity Incentive Plan, as amended and restated, to increase the number of shares available for issuance thereunder from 9,000,000 shares to 18,000,000 shares, requires the affirmative vote of a majority of the shares present in person or represented by proxy at the Gran Tierra Special Meeting and entitled to vote.

What are the other material conditions to consummation of the Arrangement?

The Arrangement is subject to the receipt of required governmental and regulatory approvals, and approval of the plan of arrangement, attached to the Joint Proxy Statement as Annex D, the ***Plan of Arrangement*** , giving effect to the Arrangement by the Court of Queen s Bench of Alberta, or the ***Court*** . In addition, Gran Tierra is obligated to file a registration statement on Form S-3 which must be declared effective by the U.S. Securities and Exchange Commission, or the ***SEC*** , prior to completion of the Arrangement and, pursuant to the Arrangement Agreement, attached hereto as Annex B, the Arrangement must be completed on or before November 15, 2008, unless extended by the parties. The Arrangement is also subject to other customary closing conditions.

When do you expect the Arrangement to be completed?

We expect to complete the Arrangement on or before November 15, 2008.

2

TABLE OF CONTENTS

Who do I call if I have more questions?

For questions about voting and proxies, Gran Tierra stockholders may call:

The Altman Group
Phone: 866-530-8636

For other information, Gran Tierra stockholders may contact:

Martin Eden
Chief Financial Officer and Secretary
Phone: (403) 265-3221
Fax: (403) 265-3242

For questions about voting and proxies, Solana Securityholders may call:

Valiant Trust Company
Phone: (403) 233-2801
Fax: (403) 233-2857

For questions about the letters of transmittal, Solana Securityholders may call:

Computershare Investor Services Inc.
Phone: 1-800-564-6253
Email: corporateactions@computershare.com

For other information, Solana Securityholders may contact:

J. Scott Price
President and Chief Executive Officer
Phone: (403) 770-1822
Fax: (403) 770-1826
E-mail: jsp@solanaresources.com

Additional Questions and Answers for Gran Tierra Stockholders

Why is Gran Tierra entering into this transaction?

Gran Tierra believes the transaction is in the best interest of Gran Tierra and its stockholders. The benefits of the transaction include:

Gran Tierra expects the combined company to have a larger asset base with a 100% working interest in the Costayaco field, one of the major oil discoveries in Colombia in recent years, allowing for more efficient development of the field;
Gran Tierra expects the combined company to have substantially increased cash flows and working capital which will allow for the pursuit of additional exploration opportunities on the combined company s large undeveloped land base in Colombia, Argentina and Peru, and additional new venture growth opportunities;
Gran Tierra expects the combined company to have a larger market capitalization and better access to capital and financial markets, which would enable the combined company to raise additional capital more easily, if needed, to fund its expansion plans than either company could if not combined;
Gran Tierra expects the shares of the combined company to have greater public float and liquidity; and
Gran Tierra expects to achieve economies of scale and synergies by combining the two companies.

Why is Gran Tierra seeking to amend its articles of incorporation to provide for a new special voting share and make other technical amendments?

TABLE OF CONTENTS

In order for the GTE-Solana Exchangeable Shares to have the voting power of a share of Gran Tierra common stock, there must be a share of Gran Tierra capital stock through which they are entitled to vote. The creation of the new special voting share enables this voting mechanism. In addition, Gran Tierra believes that it is prudent to clarify that the current special voting share created to facilitate the GTE-Goldstrike Exchangeable Shares will vote together with the common stock, the new special voting share and any other shares of preferred stock in the future, as this may not currently be clear in the Gran Tierra articles of incorporation.

Why is Gran Tierra seeking to increase its authorized common stock?

Gran Tierra believes that the combination of the two companies will approximately double the asset base and outstanding number of shares of its common stock, and significantly increase the number of its employees. In addition, Gran Tierra believes that it will hire additional personnel in the future. As a result, the Gran Tierra Board believes that it is therefore appropriate to also double the authorized number of shares of its common stock to enable Gran Tierra to be in a position to issue additional shares of its common stock in connection with stock options granted and to be granted, or for purposes of acquiring other companies and assets as the Gran Tierra Board deems advisable. In addition, Gran Tierra believes that Gran Tierra Board action by majority vote, rather than by unanimous vote, is typical and appropriate for the approval of issuances of authorized but unissued Gran Tierra common stock, and so has included this change as well in the amendment to its articles of incorporation.

Why is Gran Tierra seeking to increase the number of shares available to it under its 2007 Equity Incentive Plan?

Gran Tierra believes that the combination of the two companies will approximately double the asset base and outstanding shares of the company and significantly increase its work force. In addition, Gran Tierra intends to hire additional personnel following the combination of the two companies. Gran Tierra therefore believes that it is appropriate to double the number of shares available for issuance under its 2007 Equity Incentive Plan. The granting of stock awards under this plan enables Gran Tierra to attract and retain its employees and consultants, who will be critical to the success of the combined company.

Additional Questions and Answers for Solana Shareholders, Optionholders and Warrantholders

Why is Solana entering into this transaction?

Solana believes the transaction is in the best interest of Solana Securityholders. The benefits of the transaction include:

0.9527918 of a share of Gran Tierra common stock or 0.9527918 of a GTE-Solana Exchangeable Share represents a significant premium of approximately 26% over the trading price of Solana Shares immediately prior to the announcement of the combination;
Solana expects the combined company to have a larger asset base with a 100% working interest in the Costayaco field, one of the major oil discoveries in Colombia in recent years, allowing for more efficient development of the field;
Solana expects the combined company to have a larger market capitalization and better access to capital and financial markets, which would enable the combined company to raise additional capital more easily, if needed, to fund its expansion plans than either company could if not combined;
Solana expects the shares of the combined company to have greater public float and liquidity;
Solana expects the combined company to have substantially increased cash flows which will allow for the pursuit of additional exploration opportunities on the combined company s large undeveloped land base in Colombia, Argentina and Peru, and additional new venture growth opportunities, thereby increasing the probability of additional exploration success;
the transaction is structured to provide a tax deferral opportunity for certain Canadian resident Solana Shareholders;
Solana expects the combined company to benefit from the strong leadership of directors from both Solana and Gran Tierra; and

4

TABLE OF CONTENTS

Solana warrantholders and some Solana optionholders can elect to participate in the combined company by ultimately receiving shares of Gran Tierra common stock or GTE-Solana Exchangeable Shares, as applicable, or can elect to receive a cash payment in exchange for their securities, or a combination of the foregoing, providing alternatives for such securityholders.

What will I receive as a result of this transaction?

Canadian resident Solana Shareholders (other than Dissenting Shareholders, as defined in the section below entitled ***Dissenters Rights*** on page 13, Solana Shareholders who are partnerships that are not Canadian partnerships for the purposes of the *Income Tax Act* (Canada) and shareholders who are exempt from tax under Part I of the *Income Tax*

Act (Canada)) will receive 0.9527918 of a GTE-Solana Exchangeable Share issued by Exchangeco for each Solana Share. All other Solana Shareholders (other than Dissenting Shareholders) will receive 0.9527918 of a share of Gran Tierra common stock. The Arrangement will also result in Solana optionholders and Solana warrantholders receiving either Solana Shares pursuant to a cashless exercise of their options or warrants or cash payments, in both cases based on the above exchange ratio of 0.9527918, or the ***Exchange Ratio*** . In addition, Solana options held by a Solana employee, officer, director or consultant continuing with the combined company may be exchanged for options to purchase shares of Gran Tierra common stock; and holders of Solana warrants may elect to continue to hold warrants, which would be exercisable into shares of common stock of Gran Tierra pursuant to the terms of the warrants.

What are the GTE-Solana Exchangeable Shares?

Each GTE-Solana Exchangeable Share has economic and voting rights equivalent to one share of Gran Tierra common stock. Holders of GTE-Solana Exchangeable Shares will be entitled to:

- exchange their shares for Gran Tierra common stock on a one-for-one basis (GTE-Solana Exchangeable Shares will automatically be exchanged for Gran Tierra common stock five years from closing of the transaction, and in specified other events);
- vote indirectly through a voting trust arrangement at meetings of Gran Tierra stockholders; and
- receive dividends, if any, on the same basis as Gran Tierra stockholders.

Will the GTE-Solana Exchangeable Shares be listed on a stock exchange?

Yes. An application has been made to the Toronto Stock Exchange, or the ***TSX*** , to conditionally approve the listing of the GTE-Solana Exchangeable Shares, subject to Exchangeco fulfilling the original listing requirements of the TSX. The GTE-Solana Exchangeable Shares will not be quoted on the American Stock Exchange, on the ***AMEX*** . Actions will be taken to de-list the Solana Shares from the TSX Venture Exchange and the Alternative Investment Market of the London Stock Exchange plc, or the ***AIM*** , effective upon completion of the Arrangement.

Why would I continue to hold GTE-Solana Exchangeable Shares?

The GTE-Solana Exchangeable Share structure will be implemented to provide tax deferral opportunities for Canadian resident Solana Shareholders that are not exempt from tax under Part I of the *Income Tax Act* (Canada) and, in the case of partnerships, are Canadian partnerships for purposes of the *Income Tax Act* (Canada). As long as the GTE-Solana Exchangeable Shares remain listed on a Canadian stock exchange, they will qualify as an investment that can be held by specified investment vehicles such as RRSPs, RRIFs, RESPs and other savings and pension plans.

How do I exchange my Solana security certificates?

Enclosed with this Joint Proxy Statement is a letter of transmittal that will allow you to receive your GTE-Solana Exchangeable Shares or Gran Tierra common stock, as applicable, which are issuable to you pursuant to this transaction. Letters of transmittal to allow Solana optionholders and warrantholders to make elections and receive the applicable cash payments or securities in respect of their Solana options and/or warrants will be delivered separately from the Joint Proxy Statement. The letters of transmittal and your Solana security certificates, as applicable, must be delivered to Computershare Investor Services Inc. in accordance with the instructions contained therein.

TABLE OF CONTENTS

PROXY SUMMARY INFORMATION

The following is a summary of specified information contained elsewhere in this Joint Proxy Statement. The information contained in this summary is qualified in its entirety by and should be read in conjunction with the more detailed information contained in this Joint Proxy Statement, including the annexes hereto, and the documents incorporated by reference herein.

Overview of the Arrangement

The transaction will combine the businesses of Gran Tierra and Solana, which the companies believe complement each other, to create a more substantial South American oil and gas exploration and production company with significant oil reserves, production and land positions in Colombia. Importantly, it will provide for the consolidation of a 100% working interest in the Costayaco field, a major light oil discovery made in Colombia in 2007 currently undergoing delineation and development.

We will implement the transaction through a share exchange under a Plan of Arrangement. Upon completion of the Plan of Arrangement:

- Solana will become an indirect wholly-owned subsidiary of Gran Tierra;
- Solana Shareholders will cease to be shareholders of Solana and (other than Dissenting Shareholders) will receive, for each Solana Share held, either 0.9527918 of a share of Gran Tierra common stock or, if a Canadian resident that is not exempt from tax under Part I of the *Income Tax Act* (Canada) and, if a partnership, is a Canadian partnership for purposes of the *Income Tax Act* (Canada), 0.9527918 of a GTE Solana Exchangeable Share;
- each GTE Solana Exchangeable Share will have economic and voting rights equivalent to one share of Gran Tierra common stock, will be exchangeable at the option of the holder for one share of Gran Tierra common stock, and will automatically be exchanged for Gran Tierra common stock five years from closing and in specified other events;
- each Solana option will fully vest and terminate and the holder of such options will either receive Solana Shares or cash equal to the value of the Solana option or, if the holder will continue as an employee, officer, director or consultant of the combined company or a subsidiary of the combined company, the holder may exchange such Solana option for an option to purchase Gran Tierra common stock, or any combination thereof; and
- each holder of Solana warrants will either receive Solana Shares or cash equal to the value of the Solana warrant or, if the holder elects, such Solana warrants will become exercisable for Gran Tierra common stock under the terms of the warrants, or any combination thereof.

See Description of the Arrangement Transaction Mechanics and Description of GTE Solana Exchangeable Shares on page 59.

The Companies

Gran Tierra
(See page 99)

Gran Tierra is an independent international energy company involved in oil and natural gas exploration, development and production. Gran Tierra s exploration, development and production operations are located in Colombia, Argentina and Peru. Gran Tierra made its initial acquisition of oil and gas producing and non-producing properties in Argentina in September 2005. During 2006, it acquired oil and gas producing and non-producing assets in Colombia, non-producing assets in Peru and additional properties in Argentina. Gran Tierra s common stock is listed on the AMEX and the TSX, under the symbol GTE . Gran Tierra s principal executive offices are located at 300, 611 10th Avenue S.W., Calgary, Alberta T2R 0B2, Canada, and its telephone number at its principal executive office is (403)

265-3221.

6

TABLE OF CONTENTS

Solana
(See page 125)

Solana is a corporation incorporated and subsisting pursuant to the provisions of the *Business Corporations Act* (Alberta), the ***ABCA*** . Solana is an international resource company engaged in the acquisition, exploration, development and production of oil and natural gas. Solana is headquartered in Calgary, Alberta. Solana s exploration and development properties are located in Colombia, South America and are held through its wholly-owned subsidiary, Solana Petroleum Exploration (Colombia) Limited incorporated in the Cayman Islands, or ***Solana Colombia*** . Solana currently holds various working interests in nine blocks in Colombia and Solana is the operator in respect of six of these blocks. Five of the blocks contain producing assets. Solana is a reporting issuer in the provinces of Alberta, British Columbia and Ontario and the Solana Shares are listed on the TSX Venture Exchange under the trading symbol SOR and on the AIM under the trading symbol SORL . Solana s head office is located at Suite 100, 522 11 Avenue S.W., Calgary, Alberta T2R 0C8 and the registered office is located at 1000, 250 2 Street, S.W., Calgary, Alberta, T2P 0C1.

The Combined Company
(See page 83)

The combined company will be a more substantial independent oil and gas company with operations in South America. At December 31, 2007, Gran Tierra and Solana combined pro forma worldwide proved reserves, net of all royalties and third party interests, were approximately 14.8 million barrels of oil.

On a pro forma combined basis, assuming the consummation of the Arrangement, the combined company had:

- 2007 oil and natural gas liquids production, net of royalties, of 2,177 barrels per day;
- first six months of 2008 oil and natural gas liquids production, net of royalties, of 5,763 barrels per day;
- 2007 year end total land holdings of 6.5 million acres;
- 2007 worldwide gas production of 994 thousand cubic feet per day; and
- first six months of 2008 worldwide gas production of 44 thousand cubic feet per day.

In addition, in July 2008, Gran Tierra updated its proved reserves from the Costayaco field in Colombia at June 30, 2008, which were 6.67 million barrels of oil net of royalties compared to 3.27 million barrels of oil net of royalties at year end 2007, an increase of 104%.

Background of the Arrangement
(See page 38)

The respective boards of directors and management of Gran Tierra and Solana periodically review their strategic objectives with a view to ensuring that shareholder value is maximized. Each company frequently considers both acquisition and joint venture opportunities involving other participants in the oil and gas sector. Beginning in April of 2007, Gran Tierra and Solana engaged in preliminary discussions regarding a possible business combination of the two companies. However, in November 2007 the companies determined not to proceed, and terminated discussions regarding a potential combination of the two companies.

Beginning in May 2008, Gran Tierra and Solana again began discussions regarding a potential combination, which discussions resulted in the two companies engaging in extensive due diligence with respect to each other and, ultimately, the negotiation of the Arrangement Agreement, which was executed by Gran Tierra and Solana on July 28, 2008.

TABLE OF CONTENTS

Reasons for the Arrangement (See pages 42 and 43)

Gran Tierra: The Gran Tierra Board has unanimously approved the combination of Gran Tierra and Solana. In reaching this determination, the Gran Tierra Board consulted with Gran Tierra s management, as well as its financial and legal advisors, and considered the following material factors:

The anticipated business advantages of the combination, including:

Gran Tierra expects the combined company to have a larger asset base with a 100% working interest in the Costayaco field, one of the major oil discoveries in Colombia in recent years, allowing for more efficient development of the field;

Gran Tierra expects the combined company to have substantially increased cash flows and working capital which will allow for the pursuit of additional exploration opportunities on the combined company s large undeveloped land base in Colombia, Argentina and Peru, and additional new venture growth opportunities;

Gran Tierra expects the combined company to have a larger market capitalization and better access to capital and financial markets, which would enable the combined company to raise additional capital more easily, if needed, to fund its expansion plans than either company could if not combined;

Gran Tierra expects the shares of the combined company to have greater public float and liquidity; and

Gran Tierra expects to achieve economies of scale and synergies by combining the two companies.

The Gran Tierra Board also considered the opinion of Blackmont Capital Inc., or ***Blackmont*** , financial advisor to Gran Tierra, delivered verbally on July 28, 2008 and subsequently confirmed in writing as of that date, to the effect that, based on and subject to the factors and assumptions set forth in the opinion, the Exchange Ratio of 0.9527918 shares of Gran Tierra common stock or GTE Solana Exchangeable Shares, as applicable, for each Solana Share was fair, from a financial point of view, to Gran Tierra.

Solana: The Solana Board, has unanimously approved the combination of Gran Tierra and Solana. In reaching this determination, the Solana Board consulted with Solana s management, as well as its financial and legal advisors, and considered the following material factors:

the consideration offered under the Arrangement represented a significant premium over the trading price of Solana Shares immediately prior to the announcement of the combination;

Solana believes that the combined company will have a larger asset base and greater geographical diversity of operations and markets. The combination creates a company with a 100% working interest in the Costayaco field, one of the most important oil discoveries in Colombia in recent years, allowing for more efficient development of the field;

Solana expects the combined company to have a larger market capitalization and better access to capital and financial markets, which would enable the combined company to raise additional capital more easily, if needed, to fund its expansion plans than either company could if not combined;

Solana expects the shares of the combined company to have greater public float and liquidity;

Solana expects the combined company to have substantially increased cash flows which will allow for the pursuit of additional exploration opportunities on the combined company s large undeveloped land base in Colombia, Argentina and Peru, and additional new venture growth opportunities, thereby increasing the probability of additional exploration success;

the structure of the transaction provides a tax deferral opportunity for certain Canadian resident Solana Shareholders, but may be a taxable transaction for non-Canadian holders of Solana Shares;

TABLE OF CONTENTS

Solana expects the combined company to benefit from the strong leadership of directors from both Solana and Gran Tierra; and

Solana warrantholders and some Solana optionholders can elect to participate in the combined company by ultimately receiving shares of Gran Tierra common stock or GTE Solana Exchangeable Shares, as applicable, or can elect to receive a cash payment in exchange for their securities, or a combination of the foregoing, providing alternatives for such securityholders.

The Solana Board also considered the opinion of Tristone Capital Inc., or ***Tristone*** , financial advisor to Solana, delivered orally on July 28, 2008 and subsequently confirmed in writing as of that date, to the effect that, based on and subject to the factors and assumptions set forth in the opinion, the consideration to be received pursuant to the Arrangement by Solana Shareholders was fair, from a financial point of view, to Solana Shareholders.

Fairness Opinions of Financial Advisors (See pages 44 and 52)

In deciding to approve the Arrangement, the board of directors of each of Gran Tierra and Solana considered the opinion of their respective financial advisor. Gran Tierra received an opinion from Blackmont delivered verbally on July 28, 2008 and subsequently confirmed in writing as of that date, to the effect that, based on and subject to the factors and assumptions set forth in the opinion, the Exchange Ratio was fair, from a financial point of view, to Gran Tierra. Solana received an opinion from Tristone, delivered orally on July 28, 2008 and subsequently confirmed in writing as of that date, that, based on and subject to the factors and assumptions set forth in the opinion, the consideration to be received pursuant to the Arrangement by Solana Shareholders was fair, from a financial point of view, to Solana Shareholders. These opinions are attached as Annexes H and I, respectively. We encourage you to read these opinions.

Recommendations of the Boards of Directors (See page 44)

To Gran Tierra Stockholders:

The Gran Tierra Board believes that the Arrangement is fair to its stockholders and is in their best interest, and it unanimously recommends that its stockholders vote (1) For the issuance of Gran Tierra common stock pursuant to the Arrangement, (2) For the amendment of the Gran Tierra articles of incorporation to create a new share of special voting stock, referred to as the ***Special B Voting Stock*** , to represent the votes cast by the holders of GTE Solana Exchangeable Shares, and make several technical amendments, (3) For the amendment of the Gran Tierra articles of incorporation to increase the number of shares of common stock authorized and change the board voting requirement for issuance of common stock, and (4) For the approval of the Gran Tierra 2007 Equity Incentive Plan, as amended and restated, to increase the number of shares issuable under the plan.

To Solana Securityholders:

The Solana Board, believes that the Arrangement is fair to the Solana Securityholders and in their best interest and unanimously recommends that the Solana Securityholders vote For the approval of the Arrangement.

What Solana Shareholders Will Receive Pursuant to the Arrangement (See page 60)

Pursuant to the Arrangement, Solana Shareholders who are ***eligible shareholders*** (Canadian resident Solana Shareholders who are not exempt from Part I tax under the *Income Tax Act* (Canada) and, in the case of partnerships, are Canadian partnerships for purposes of the *Income Tax Act* (Canada)), other than Dissenting Shareholders, will receive 0.9527918 of a GTE Solana Exchangeable Share for each Solana Share held by the shareholder immediately prior to the time at which the ***Articles of Arrangement*** are filed with the ***Registrar*** , each as defined in the Plan of Arrangement attached hereto as Annex D, on the date the Arrangement becomes effective under the ABCA, such time being referred to herein as the ***Effective Time*** .

Pursuant to the Arrangement, Solana Shareholders who are ***ineligible shareholders*** (Solana Shareholders that are not eligible shareholders), other than Dissenting Shareholders, will receive 0.9527918 of a Gran Tierra common share for each Solana Share held by such shareholder immediately before the Effective Time.

Each GTE Solana Exchangeable Share (i) will have voting rights, dividend entitlements and other attributes equivalent to one share of Gran Tierra common stock; (ii) will be exchangeable, at each shareholder s option, on a one-for-one basis, into shares of Gran Tierra common stock; and (iii) subject to compliance with the original listing requirements of the TSX, will be listed on the TSX. The GTE Solana Exchangeable Shares will automatically be exchanged for shares of Gran Tierra common stock five years from the effective date of the Arrangement under the ABCA, or ***Effective Date*** , and in specified other events.

What Solana Optionholders Will Receive Pursuant to the Arrangement (See page 71)

Subject to the rights of Continuing Optionholders discussed below, Solana optionholders will receive one or any combination of the following:

if the Solana optionholder elects to receive Solana Shares pursuant to the cashless exercise of its Solana options, referred to as the ***Exchange Options*** , each such Exchange Option will be deemed to be surrendered to Solana by cashless exercise in exchange for such number of Solana Shares as is equal to the in-the-money value of each Exchange Option divided by the five day weighted trading price (ending on the seventh trading day before the Effective Date) on the TSX of a share of Gran Tierra common stock multiplied by 0.9527918 and these Solana Shares will then be exchanged for shares of Gran Tierra common stock or GTE Solana Exchangeable Shares pursuant to the Arrangement (where the in-the-money value of each Exchange Option is equal to the amount by which the Imputed Transaction Value exceeds the exercise price of such Exchange Option; and where ***Imputed Transaction Value*** is the five day weighted trading price, ending on the seventh trading day before the Effective Date, on the TSX of a share of Gran Tierra common stock multiplied by 0.9527918); or

if the Solana optionholder elects to receive a cash payment pursuant to the cashless exercise of its Solana options, each such Solana option will be deemed to be surrendered to Solana by cashless exercise in exchange for the in-the-money value of each Solana option (where the in-the-money value of each Solana option is equal to the amount by which the Imputed Transaction Value exceeds the exercise price of such Solana option).

In addition, Solana optionholders who are ***Continuing Optionholders*** (Solana optionholders who will be any of a director, officer, employee or consultant of Gran Tierra or a subsidiary of Gran Tierra immediately subsequent to the Effective Time) may elect to exchange some or all of their Solana options for 0.9527918 of a Gran Tierra option. The exercise price of each such Gran Tierra option will be equal to the exercise price of the Solana option exchanged divided by 0.9527913, and converted to U.S. dollars.

What Solana Warrantholders Will Receive Pursuant to the Arrangement (See page 72)

Pursuant to the Arrangement, if Solana warrantholders elect to effect a cashless exercise of their Solana warrants, the Solana warrantholders will receive one or any combination of the following:

if the Solana warrantholder elects to receive Solana Shares pursuant to the cashless exercise of its Solana warrants, referred to as the ***Exchange Warrants***, each such Exchange Warrant will be deemed to be surrendered to Solana by cashless exercise in exchange for such number of Solana Shares as is equal to the in-the-money value of each Exchange Warrant divided by the five day weighted trading price (ending on the seventh trading day before the Effective Date) on the TSX of a share of Gran Tierra common stock multiplied by 0.9527918 and these Solana Shares will then be exchanged for shares of Gran Tierra common stock or GTE Solana Exchangeable Shares pursuant to the Arrangement (where the in-the-money value of each Exchange Warrant is equal to the amount by which the Imputed Transaction Value exceeds CDN$2.00); or

TABLE OF CONTENTS

if the Solana warrantholder elects to receive a cash payment pursuant to the cashless exercise of its Solana warrants, each such Solana warrant will be deemed to be surrendered to Solana by cashless exercise in exchange for the in-the-money value of each Solana warrant (where the in-the-money value of each Solana warrant is equal to the amount by which the Imputed Transaction Value exceeds CDN$2.00).

If Solana warrantholders do not elect to effect a cashless exercise of all of their Solana warrants, they will continue to hold such Solana warrants, which would be exercisable into shares of Gran Tierra common stock in accordance with the terms and conditions of such Solana warrants.

Colombian Participation Agreement (See page 100)

Gran Tierra is party to a Colombian Participation Agreement, dated June 22, 2006, between Argosy Energy International, Gran Tierra Energy Inc. and Crosby Capital, LLC, as amended, the ***Colombian Participation Agreement***, entered into in connection with Gran Tierra s original acquisition of its interests in Colombia, pursuant to which Gran Tierra is obligated to pay specified amounts based on production from the properties acquired. In July 2008, Gran Tierra negotiated an amendment to the Colombian Participation Agreement to provide that, in the event that the Arrangement is consummated, Gran Tierra will issue two million shares of Gran Tierra common stock to the holders of the rights to receive payments under that agreement, in consideration for the holders agreeing that their rights to receive payments on production from the properties Gran Tierra acquired would not apply to Solana s interests in the properties in which Solana and Gran Tierra have joint working interests, even after the combination of the two companies. In the event that combination of Gran Tierra and Solana does not occur, then Gran Tierra would not be obligated to issue the two million shares, and the rights of the royalty holders under the Colombian Participation Agreement would not be affected.

Comparative Per Share Market Price Data
(See page 84)

Gran Tierra common stock was first cleared for quotation on the OTC Bulletin Board, or the ***OTCBB*** , on November 11, 2005 and traded on the OTCBB from that time until April 8, 2008, under the symbol GTRE.OB . On February 19, 2008, Gran Tierra common stock was listed on the TSX, and is trading under the symbol GTE on the TSX. On April 8, 2008, Gran Tierra common stock was listed on the AMEX, and is trading under the symbol GTE on the AMEX. Upon listing on the AMEX, Gran Tierra s common stock ceased trading on the OTCBB.

Solana Shares are listed on the TSX Venture Exchange, under the symbol SOR and on the AIM, under the symbol SORL .

On July 28, 2008, the last full trading day for each of Gran Tierra and Solana before the public announcement of the Arrangement, Gran Tierra common stock closed at CDN$5.73 on the TSX and $5.57 on the AMEX and Solana Shares closed at CDN$4.35 on the TSX Venture Exchange and £2.13 on the AIM.

Listing of Gran Tierra Common Stock and GTE Solana Exchangeable Shares
(See page 77)

It is a mutual condition to the completion of the Arrangement that (i) the TSX shall have conditionally approved the listing of the shares of Gran Tierra common stock to be issued pursuant to the Arrangement, and (ii) the AMEX shall have conditionally approved the listing of the shares of Gran Tierra common stock to be issued pursuant to the Arrangement, subject to official notice of issuance.

Exchangeco has applied to the TSX for conditional approval to list the GTE Solana Exchangeable Shares, subject to Exchangeco meeting the original listing requirements of the TSX.

Who is Entitled to Vote at the Meetings

Gran Tierra Stockholders
(See page 29)

Only stockholders of record at the close of business on September 15, 2008, the ***Gran Tierra Record Date*** , will be entitled to vote at the Gran Tierra Special Meeting. On the Gran Tierra Record Date, there were 104,595,774 shares of Gran Tierra common stock outstanding and entitled to vote, and one share of special voting stock, or ***Special Voting***

Stock . On the record date, the share of Special Voting Stock was entitled to 10,984,126 votes, which equals the number of shares of common stock issuable upon exchange of the GTE Goldstrike Exchangeable Shares, outstanding as of the Gran Tierra Record Date, that were issued in connection with the transaction between the former shareholders of Gran Tierra Energy Inc., a privately-held Alberta corporation, referred to as ***Gran Tierra Canada*** , and Gran Tierra Goldstrike, Inc.

Solana Shareholders
(See page 35)

Only Solana Securityholders of record at the close of business on September 25, 2008, the ***Solana Record Date*** , will be entitled to receive notice of, and attend and vote at, the Solana Special Meeting, except to the extent a holder of Solana Shares transfers any of such securities after the Solana Record Date and the transferee of those Solana Shares establishes ownership of the Solana Shares, and demands, not later than 10 days before the Solana Special Meeting, that the transferee s name be included in the list of holders of Solana Shares entitled to vote, in which case such transferee shall be entitled to vote such Solana Shares at the Solana Special Meeting. As at the Solana Record Date, a total of 126,426,792 Solana Shares, 3,945,000 Solana options and 7,500,000 Solana warrants were issued and outstanding for a total of 137,871,792 Solana securities being issued and outstanding. Each Solana Securityholder is entitled to one vote for each Solana security held and the Solana Securityholders will vote as one class.

Shareholder Votes Required

Gran Tierra Proposals
(See page 31)

Each share of Gran Tierra common stock and GTE Goldstrike Exchangeable Share has one vote. The votes required to approve the Gran Tierra proposals are as follows:

to be approved, Proposal 1, the approval of issuance of Gran Tierra common stock pursuant to the Arrangement, must receive the affirmative vote of a majority of the shares present in person or represented by proxy at the Gran Tierra Special Meeting and entitled to vote. Broker non-votes will have no effect and abstentions will have the same effect as Against votes;

to be approved, Proposal 2, the amendment to Gran Tierra s articles of incorporation to create a new special voting share to enable the GTE Solana Exchangeable Shares to vote, as well as to make several technical changes, must receive a For vote from:

the holders of shares of Gran Tierra common stock and GTE Goldstrike Exchangeable Shares entitling them to exercise at least a majority of the combined voting power of the total number of outstanding shares of Gran Tierra common stock and GTE Goldstrike Exchangeable Shares; and

the holders of shares of GTE Goldstrike Exchangeable Shares entitling them to exercise at least a majority of the voting power of the total number of outstanding shares of GTE Goldstrike Exchangeable Shares.

Broker non-votes and abstentions will have the same effect as Against votes;

to be approved, Proposal 3, the increase in the number of shares of Gran Tierra common stock authorized for issuance and change the board voting requirement for issuance of common stock,

must receive a For vote from the holders of shares of Gran Tierra common stock and GTE Goldstrike Exchangeable Shares entitling them to exercise at least a majority of the combined voting power of the total number of outstanding shares of Gran Tierra common stock and GTE Goldstrike Exchangeable Shares. Broker non-votes and abstentions will have the same effect as Against votes; and

to be approved, Proposal 4, the approval of Gran Tierra s 2007 Equity Incentive Plan, as amended and restated, must receive the affirmative vote of a majority of the shares present in person or represented by proxy at the Gran Tierra Special Meeting and entitled to vote. Broker non-votes will have no effect and abstentions will have the same effect as Against votes.

References to voting power of GTE Goldstrike Exchangeable Shares refers to the voting power exercised through the Olympia Trust Company, referred to as the ***Goldstrike* Trustee** , with respect to the GTE Goldstrike Exchangeable Shares, whether by the Goldstrike Trustee or by proxy.

Solana Proposal
(See page 36)

The approval of the Arrangement requires approval by two-thirds of the votes cast in person or by proxy at the Solana Special Meeting.

Dissenters Rights
(See page 79)

Pursuant to the Interim Order of the Court under subsection 193(4) of the ABCA, or the ***Interim Order*** , registered holders of Solana Shares are, subject to the provisions of the Interim Order and the Arrangement Agreement, accorded the right of dissent, or ***Dissent Rights*** , under Section 191 of the ABCA with respect to the approval of the special resolution to approve the Arrangement under the ABCA, the ***Arrangement Resolution*** . A Dissenting Shareholder may exercise such Dissent Rights by providing a written objection to the Arrangement Resolution to Solana c/o Davis LLP, Livingston Place 1000 250 2nd St SW Calgary, AB, Canada T2P 0C1, Attention: Kenneth P. Reh, by 4:00 p.m. on the fifth business day immediately preceding the date of the Solana Special Meeting; provided that the Dissenting Shareholder has not voted his or her Solana Shares at the Solana Special Meeting, either by proxy or in person, in favor of the Arrangement Resolution, the dissenting Solana Shareholder exercises the Dissent Rights in respect of all of the Solana Shares held by such Solana Shareholder, and such holder also complies with Section 191 of the ABCA, as modified by the Interim Order, such Dissenting Shareholder referred to herein as a ***Dissenting Shareholder*** .

The statutory provisions covering the right to dissent are technical and complex. Failure to strictly comply with the requirements set forth in Section 191 of the ABCA, as modified by the Interim Order, may result in the loss of any right to dissent. Persons who are beneficial owners of Solana Shares registered in the name of a broker, custodian, nominee or other intermediary who wish to dissent, should be aware that only the registered holder is entitled to dissent. Accordingly, a beneficial owner of Solana Shares desiring to exercise the right to dissent must make arrangements for such Solana Shares beneficially owned to be registered in such holder s name prior to the time the written objection to the Arrangement Resolution approving the Arrangement is required to be received by Solana, as the case may be, or alternatively, make arrangements for the registered holder of such Solana Shares to dissent on such holder s behalf. Pursuant to the Interim Order, a Solana Shareholder may not exercise their Dissent Rights in respect of only a portion of such holder s Solana Shares. See Description of the Arrangement Dissenting Shareholders Rights .

Interests of Solana Directors and Officers
(See page 81)

When considering the recommendation of the Solana Board with respect to the Arrangement, Solana Securityholders should be aware that a number of Solana directors and officers have interests in the transaction that may differ from those of Solana Securityholders generally.

13

TABLE OF CONTENTS

Accounting Treatment

The acquisition of the Solana Securities pursuant to the Plan of Arrangement will be accounted for by Gran Tierra using the purchase method under U.S. GAAP. Under the purchase method, the cost of the purchase will be based on the market value of the Gran Tierra securities issued and the direct transaction costs. The cost of the purchase will be allocated to the Solana assets acquired and liabilities assumed, based on their estimated fair values at the acquisition date, with any excess of the cost over the amounts allocated being recognized as goodwill. Financial statements of Gran Tierra issued after the acquisition would reflect these fair values and include Solana s results of operations from the date of acquisition; they would not be restated retroactively to reflect to the historical financial position or results of operations of Solana. This method may result in the carrying value of net assets, including goodwill, acquired from Solana being substantially different from the former carrying values of those net assets in Solana s historical financial statements.

Regulatory Approvals
(See page 78)

In addition to the approval of Solana Securityholders, Gran Tierra stockholders and the Court, it is a mutual condition precedent to the implementation of the Arrangement that all requisite regulatory approvals be obtained. See Description of the Arrangement Regulatory Matters .

The obligations of the parties to complete the Arrangement are subject to the approval by the antitrust authority of Colombia, the Superintendency of Industry and Commerce, or the ***SIC***, pursuant to the Colombian merger control regime. By law, Gran Tierra and Solana shall file a notice before the SIC in order to obtain such approval. Once such notice is filed, the SIC has a period of thirty (30) business days to review the filing and issue a decision. If within this thirty (30) business day period the SIC requests from any of the parties to the transaction additional information regarding the filing, this period will commence again from the date of the answer to such request. If the SIC does not issue a decision within the thirty (30) business days counted as of the date the notification was filed or the date of the response to the request for additional information, the transaction shall be deemed approved.

On August 27, 2008 Gran Tierra and Solana filed a request to obtain the necessary authorization to complete the Arrangement before the SIC.

We do not expect that any of the abovementioned regulatory approvals, filings or any other required regulatory filings, will delay consummation of the Arrangement.

Conditions to the Completion of the Arrangement
(See page 73)

The completion of the Arrangement depends upon the satisfaction of a number of conditions, including:

- the receipt of the Interim Order of the Court;
- the approval of the Arrangement by the Solana Securityholders;

the approval of the issuance of Gran Tierra common stock by Gran Tierra stockholders;
the absence of any action, suit, proceeding, or objection threatening, or any law or court order prohibiting the Arrangement;
the receipt of a final order of the Court approving the Arrangement pursuant to subsection 193(9) of the ABCA, or the ***Final Order*** ;
the receipt of all required consents and regulatory approvals;
the receipt of the conditional approval to list the Gran Tierra common stock on the TSX and the AMEX;
a registration statement on Form S-3 filed by Gran Tierra having been declared effective;
the Articles of Arrangement having been filed with the registrar;
the Arrangement becoming effective by November 15, 2008;
if required, the approval of the Arrangement by Gran Tierra s and Solana s lenders;

14

TABLE OF CONTENTS

the furnishing of board and stockholder resolutions approving the Arrangement by both sides;
the representations and warranties of the parties set out in the Arrangement Agreement being materially accurate as of the closing of the Arrangement;
the absence of any material adverse change in the business, operations, assets, capitalization, financial condition or prospects of either party;
performance by the parties of their pre-closing obligations under the Arrangement Agreement;
Solana and Gran Tierra having no debt;
all outstanding debt owed to Solana by any Solana director or officer being repaid in full;
Solana s employment related obligations not exceeding $1.5 million and Solana s expenses related to the Arrangement not exceeding $5 million;
receipt by Gran Tierra of resignations and releases from Solana s directors and officers; and
receipt by Gran Tierra of non-solicitation agreements from specified officers of Solana.

Each party has the right to waive the conditions (except for the requisite shareholder and regulatory approvals) to its obligations under the Arrangement Agreement.

Termination of the Arrangement Agreement (See page 75)

Either Gran Tierra or Solana may terminate the Arrangement Agreement if any of the following occurs:

there has been a material breach of the representations and warranties of the other party, by the other party;
all closing conditions have not been satisfied or waived on or before November 15, 2008;
the required approvals of holders of Gran Tierra common stock or Solana Securityholders are not obtained at the respective meetings; or
a law or court order prohibits the Arrangement.

Gran Tierra can also terminate the Arrangement Agreement if the Solana Board withdraws or modifies its recommendation adversely to Gran Tierra or fails to reaffirm its recommendation upon request by Gran Tierra or after an alternative acquisition proposal meeting specified requirements is announced.

Solana can also terminate the Arrangement Agreement if any of the following occurs:

the Gran Tierra Board withdraws or modifies adversely to Solana its recommendation; or
the Solana Board accepts, recommends, approves or implements a proposal superior to this transaction in compliance with the terms of the Arrangement Agreement, a ***Solana Superior Proposal*** .

Termination Fees
(See page 76)

Solana must reimburse Gran Tierra s transaction costs in cash up to $1.5 million if Gran Tierra terminates the Arrangement Agreement because of a material breach by Solana of its representations and warranties.

Solana must pay Gran Tierra a termination fee of $21 million in cash if:

Gran Tierra terminates the Arrangement Agreement because the Solana Board withdraws or modifies adversely its recommendation or fails to reaffirm its recommendation when requested by Gran Tierra to do so or after an alternative acquisition proposal meeting specified requirements is announced; or
Solana terminates the Arrangement Agreement in order to accept a superior proposal permitted under the Arrangement Agreement.
Gran Tierra must reimburse Solana s transaction costs in cash up to $1.5 million if Solana terminates the Arrangement Agreement because of a material breach by Gran Tierra of its representations and warranties.

Gran Tierra must pay Solana a termination fee of $21 million in cash if Solana terminates the Arrangement Agreement because the Gran Tierra Board withdraws or modifies its recommendation adversely to Solana.

If either party fails to pay the above fees promptly, then it shall also pay the other party s costs in recovering those fees in addition to interest on the unpaid amount at the prime rate of the Canadian Imperial Bank of Commerce.

No Solicitation of Competing Proposals
(See page 74)

Solana may not solicit or encourage any alternative acquisition proposals. However, if a superior, unsolicited proposal is made by a third party, the Solana Board may enter into discussions and negotiations with, and provide information to, the party making the acquisition proposal in order to satisfy its fiduciary duties. Gran Tierra has the right to match any such superior proposal made to Solana.

The Transaction Documents

We have included the Arrangement Agreement and the Plan of Arrangement as Annexes B and D, respectively, to this Joint Proxy Statement. We encourage you to read these agreements as they are the principal legal documents that govern the Arrangement.

Tax Consequences of the Arrangement

Canadian Resident Holders
(See page 155)

The transaction structure provides tax-deferral opportunities in Canada for Canadian resident Solana Shareholders that are not exempt from Part I tax under the *Income Tax Act* (Canada) and, in the case of partnerships, are Canadian partnerships for the purposes of the *Income Tax Act* (Canada), through the exchange of such Solana Shares for GTE Solana Exchangeable Shares. This tax-deferral benefit may continue as long as such holders continue to hold the GTE Solana Exchangeable Shares and for so long as Exchangeco has not exercised its automatic redemption right, which right cannot (subject to specified limited exceptions) be exercised by Exchangeco prior to the five year anniversary of the Arrangement.

Holders of Solana Shares who are not resident in Canada for purposes of the *Income Tax Act* (Canada) will generally not be taxed in Canada with respect to the exchange of such shares for shares of Gran Tierra common stock under the Arrangement, provided that Solana Shares do not constitute taxable Canadian property to such holders.

U.S. Resident Holders
(See page 164)

It is not clear whether a U.S. Solana Shareholder, as defined below in the section entitled Material U.S. Federal Income Tax Consequences of the Arrangement on page 164, that exchanges Solana Shares for shares of Gran Tierra common stock must recognize a gain or loss on the exchange. Provided specified conditions are satisfied, Gran Tierra intends to take the position that the Arrangement qualifies as a reorganization. Generally, if the Arrangement qualifies as a reorganization no gain or loss would be recognized by a U.S. Solana Shareholder on the exchange of Solana Shares for shares of Gran Tierra common stock. If the Arrangement does not qualify as a reorganization, gain or loss will be recognized on the exchange. The amount of the gain or loss recognized would equal the difference between the fair market value of the Gran Tierra common stock received in the exchange at the date of such exchange and the U.S. Solana Shareholder s tax basis in the Solana Shares surrendered. The gain or loss recognized would be a capital gain or loss if the Solana Shares were held as a capital asset at the time of the exchange. Provided the Solana Shares were held for more than one year at the time of their exchange, gain recognized would qualify for taxation at preferential long-term capital gain rates. The recognition and the deduction of capital losses are subject to limitations. The tax consequences of the exchange may be significantly altered if Solana was a passive foreign investment company at anytime when the U.S. Solana Shareholder held the Solana Shares surrendered in the exchange. U.S. Solana Shareholders in special circumstances, such as those receiving GTE-Solana Exchangeable Shares for their Solana Shares, should consult their tax advisors to determine the tax consequences of the transaction to them.

For a description of the material federal income tax consequences of the Arrangement, see Material U.S. Federal Income Tax Consequences of the Arrangement .

Risk Factors
(See page 22)

As in any significant business combination transaction, there are a number of risk factors to consider in connection with the Arrangement that are described in the section of this Joint Proxy Statement entitled Risk Factors beginning on page 22, or incorporated by reference herein as described in the sections entitled Documents Incorporated By Reference beginning on page 143 and on page 0. Securityholders should carefully consider all such risk factors in evaluating whether to approve the Arrangement, in the case of Solana Securityholders, and whether to approve the Gran Tierra proposals as described above, in the case of Gran Tierra stockholders.

Summary Pro Forma and Historical Financial Data (See pages 88 and 102)

Summary Unaudited Pro Forma Combined Financial Data

The following tables set forth certain selected pro forma consolidated financial information. Such information should be read in conjunction with the unaudited pro forma consolidated financial statements of Gran Tierra after giving effect to the Arrangement for the six months ended June 30, 2008 and as at and for the year ended December 31, 2007 beginning on page 186 in this Joint Proxy Statement.

The pro forma adjustments are based upon the assumptions described in the notes to the unaudited pro forma consolidated financial statements. The pro forma consolidated financial statements are presented for illustrative purposes only and are not necessarily indicative of the operating or financial results that would have occurred had the Arrangement actually occurred at the times contemplated by the notes to the unaudited pro forma consolidated financial statements or of the results expected in future periods.

(Dollars in Thousands Except per Share Amounts)		Year Ended December 31, 2007	Six Months Ended June 30, 2008
Statement of Operations Data			
Revenues and other income			
Oil and natural gas sales		$ 50,147	$ 101,731
Interest		1,516	1,172
Total revenues		51,663	102,903
Expenses			
Operating		14,418	12,049
Depletion, depreciation and accretion		29,991	40,695
General and administrative		29,001	15,321
Liquidated damages		7,367	
Derivative financial instruments		3,040	7,462
Foreign exchange loss		18,872	10,562
Total expenses		102,689	86,089
Income (loss) before income tax		(51,026)	16,814
Income tax		5,051	(8,576)
Net income (loss)		$ (45,975)	$ (8,238)
Net income (loss) per common share	basic	$ (0.21)	$ 0.04
Net income (loss) per common share	diluted	$ (0.21)	$ 0.03

17

TABLE OF CONTENTS

(Dollars in Thousands Except per Share Amounts)	Year Ended December 31, 2007	Six Months Ended June 30, 2008
Balance Sheet Data		

Cash and cash equivalents	$ 96,328
Working capital (including cash)	68,457
Oil and gas properties	873,595
Deferred tax asset long term	684
Total assets	1,060,137
Deferred tax liability long term	215,510
Other long-term liabilities	7,329
Shareholders equity	$ 740,208

Summary Historical Consolidated Financial Data of Gran Tierra Under U.S. GAAP

The following table sets forth summary historical consolidated financial data for Gran Tierra as of and for each of the three years ended December 31, 2007 and as of and for the six months ended June 30, 2008 and 2007. The summary historical consolidated financial data has been presented in U.S. dollars under U.S. GAAP

The data set forth below should be read in conjunction with the consolidated financial statements and related notes incorporated by reference in this Joint Proxy Statement.

(Dollars in Thousands, Except per Share Amounts)	Year Ended December 31,			Six Months Ended June 30,	
	2007	2006	2005	2008	2007
Statement of Operations Data					
Revenues and other income					
Oil and natural gas sales	$31,853	$11,721	$1,059	$53,791	$7,935
Interest	425	352		172	332
Total revenues	32,278	12,073	1,059	53,963	8,267
Expenses					
Operating	10,474	4,233	395	6,253	4,106
Depletion, depreciation and accretion	9,415	4,088	462	8,464	4,701
General and administrative	10,232	6,999	2,482	8,774	4,619
Liquidated damages	7,367	1,528			7,367
Derivative financial instruments	3,040			7,462	677
Foreign exchange (gain) loss	(77)	371	(31)	(383)	(7)
Total expenses	40,451	17,219	3,308	30,570	21,463
Income (loss) before income tax	(8,173)	(5,146)	(2,249)	23,393	(13,196)
Income tax	(294)	(678)	29	(10,191)	1,474
Net Income (loss)	$(8,467)	$(5,824)	$(2,220)	$13,202	$(11,722)
Net income (loss) per common share basic	$(0.09)	$(0.08)	$(0.16)	$0.13	$(0.12)
Net income (loss) per common share diluted	$(0.09)	$(0.08)	$(0.16)	$0.11	$(0.12)

TABLE OF CONTENTS

Year Ended December 31,			Six Months Ended June 30,	
		2005	2008	2007

	2007 (As Restated)(1)	2006 (As Restated)(1)			
Statement of Cash Flows Data					
Operating activities	$ 8,762	$ 2,010	$ (1,877)	$ 12,422	$ (3,689)
Investing activities	(15,393)	(48,207)	(9,108)	(11,764)	(10,569)
Financing activities	719	68,076	13,206	16,456	
(Decrease) Increase in cash	$ (5,912)	$ 21,879	$ 2,221	$ 17,114	$ (14,258)

	At December 31,			At June 30,	
	2007	2006	2005	2008	2007
Balance Sheet Data					
Cash and cash equivalents	$ 18,189	$ 24,101	$ 2,221	$ 35,303	$ 9,842
Working capital (including cash)	8,058	14,541	2,765	31,699	7,154
Oil and gas properties	63,202	56,093	7,887	71,771	60,715
Deferred tax asset	2,058	444		1,832	496
Total assets	112,797	105,537	12,371	167,607	98,764
Deferred tax liability	(11,675)	(9,876)		(10,582)	(11,373)
Other long-term liabilities	(1,986)	(634)	(68)	(3,932)	(2,037)
Shareholders equity	$ (76,792)	$ (76,195)	$ (11,039)	$ (107,578)	$ (72,203)

(1) As discussed in Note 13 to Gran Tierra s December 31, 2007 consolidated financial statements, cashflows from operating activities and cash flows from investing activities have been restated as a result of a misclassification of accounts payable and accrued liabilities between the two categories.

TABLE OF CONTENTS

Summary Historical Consolidated Financial Data of Solana Under Canadian GAAP

The following table sets forth summary historical consolidated financial data for Solana as of and for each of the preceding five years ended December 31, 2007 and as of and for the six months ended June 30, 2007 and 2008. The summary historical consolidated financial data have been presented in U.S. dollars and under Canadian GAAP.

The data set forth below has been derived from, and should be read in conjunction with, the associated consolidated financial statements and related notes as filed on SEDAR.

	Year Ended December 31,					Period Ended June 30,	
	2003	2004	2005	2006	2007	2007	2008
ement of Operations Data							
enues and other income							
sales	$	$	$6,010,571	$8,561,235	$17,441,340	$2,383,884	$47,921,94
ural gas sales		350,864	749,930	919,676	853,049	417,584	18,403
rest	2,468	132,892	714,397	1,531,032	1,091,321	470,399	999,774
l revenues	2,468	483,756	7,474,898	11,011,943	19,385,710	3,271,867	48,940,12
enses							
rating		394,327	1,454,204	3,123,305	3,944,131	1,474,253	6,051,140
	274,626	1,246,080	4,809,927	35,163,420	5,789,093	2,212,543	6,478,965

letion, impairment, reciation and accretion							
eral and administrative	121,946	964,060	2,849,913	4,602,952	5,129,153	2,380,267	2,811,552
k-based compensation		938,946	1,801,780	3,029,830	13,640,012	2,825,074	3,480,991
eign exchange (gain) loss	39,255	428,204	(203,808)	(2,145,686)	77,290	224,888	(248,301
l expenses	435,827	3,971,617	10,712,016	43,773,821	28,579,679	9,177,425	18,574,34
s before income tax	(433,359)	(3,487,861)	(3,237,118)	(32,761,878)	(9,193,969)	(5,845,558)	30,365,77
me tax expense overy)		153,238	213,552	(5,153,272)	89,257	89,257	3,119,646
loss	$(433,358)	$(3,641,099)	$(3,450,670)	$(27,608,606)	$(9,283,226)	$(5,934,815)	$27,246,12
loss per common e basic	$(0.02)	$(0.05)	$(0.05)	$(0.34)	$(0.09)	$(0.06)	$0.21
loss per common e diluted	$(0.02)	$(0.05)	$(0.05)	$(0.34)	$(0.09)	$(0.06)	$0.22
ement of Cash Flows Data							
rating activities	$(102,014)	$2,514,525	$5,453,812	$7,114,937	$12,893,927	$(1,484,716)	$23,680,15
sting activities	(246,536)	(14,855,544)	(32,184,351)	(29,112,940)	(31,908,116)	(12,595,370)	(28,076,9
ncing activities	2,975,856	54,473,335	1,068,660	34,428,044	57,348,910	23,711	6,259,129
eign exchange gain (loss)		169,776	270,000	(300,000)	19,676	58,156	1,644
crease) Increase in cash	$2,627,306	$42,302,092	$(25,391,879)	$12,130,041	$38,354,397	$(13,998,219)	$1,863,940

20

TABLE OF CONTENTS

Summary Historical Consolidated Financial Data of Solana Under U.S. GAAP

The following table sets forth summary historical consolidated financial data for Solana as of and for each of the two years ended December 31, 2007. The summary historical consolidated financial data have been presented in U.S. dollars and adjusted to U.S. GAAP.

The data set forth below has been derived from, and should be read in conjunction with, the consolidated financial statements and related notes thereto after applying the appropriate adjustments to U.S. GAAP, as included in Note 20 to the consolidated financial statements included at page 207 of this Joint Proxy Statement.

	Year Ended December 31,	
	2006	2007
Statement of Operations Data		
Revenues and other income		
Oil sales	$8,561,235	$17,441,340
Natural gas sales	919,676	853,049
Interest	1,531,032	1,091,321
Total revenues	11,011,943	19,385,710
Expenses		
Operating	3,123,305	3,944,131
Depletion, impairment, depreciation and accretion	43,078,099	4,593,556

General and administrative	4,602,952	5,129,153
Stock-based compensation	3,029,830	13,640,012
Foreign exchange (gain) loss	(2,145,686)	77,290
Total expenses	51,688,500	27,384,142
Loss before income tax	(40,676,557)	(7,998,432)
Income tax expense (recovery)	(5,153,272)	89,257
Net loss	$(35,523,285)	$(8,087,689)
Net loss per common share basic and diluted	$(0.43)	$(0.08)
Statement of Cash Flows Data		
Operating activities	$(799,742)	$14,089,464
Investing activities	(21,198,261)	(33,103,653)
Financing activities	34,428,044	57,348,910
Foreign exchange gain (loss)	(300,000)	19,676
Increase in cash	$12,130,041	$38,354,397

	At December 31,	
	2006	2007
Balance Sheet Data		
Cash and cash equivalents	$29,909,168	$71,537,827
Working capital (including cash)	37,106,929	70,974,442
Oil and gas properties	43,679,601	72,525,024
Total assets	87,981,954	157,203,251
Other long-term liabilities	1,556,823	1,973,938
Shareholders equity	$83,020,523	$145,921,756

21

TABLE OF CONTENTS

RISK FACTORS

In deciding how to vote on the Arrangement and related matters described in this Joint Proxy Statement, you should consider the following risk factors in addition to (i) the risk factors set forth in Gran Tierra s most recent Quarterly Report on Form 10-Q, as filed with the SEC, and (ii) the risk factors set forth in Solana s most recent Annual Information Form, as filed on SEDAR.

Risks Relating to the Arrangement

The combined company may not be as successful as expected.

In evaluating the terms of the transaction, Gran Tierra and Solana each analyzed their respective businesses and made numerous assumptions concerning their respective future operations. A key assumption was that the transaction would result in a combined entity with operating results that would be substantially better than those recently experienced by either of the constituent companies. These operating results may not be achieved.

There is a risk that the arrangement may be a taxable event for U.S. Solana Shareholders.

U.S. Solana Shareholders who participate in the Arrangement will receive shares of Gran Tierra common stock in exchange for their Solana Shares. A U.S. Solana Shareholder generally will recognize gain or loss on this exchange for U.S. federal income tax purposes unless the Arrangement qualifies as a reorganization. Notwithstanding that the Arrangement qualifies as a reorganization it may be necessary to recognize gain on the exchange if Solana is or has been a passive foreign investment company at any point in time when the U.S. Solana Shareholder held the Solana Shares. The Arrangement may qualify as a reorganization only if, among other requirements, the GTE-Solana Exchangeable Shares (along with certain voting and related rights) are treated as shares of Gran Tierra common stock for U.S. federal tax purposes. The status of Solana as a passive foreign investment company is determined separately for each U.S. Solana Shareholder and is based on the nature of Solana s income and assets for each taxable year in which the U.S. Solana Shareholder held the Solana Shares. No ruling from the Internal Revenue Service nor any legal opinion from U.S. counsel will be sought with respect to the issues of whether the Arrangement qualifies as a reorganization for U.S. federal tax purposes or whether Solana is or has been a passive foreign investment company, and there is the possibility of U.S. federal taxation of a U.S. Solana Shareholder s gain in the Solana shares upon the exchange pursuant to the Arrangement. If the Arrangement is a taxable exchange the recognition and the deductibility of losses may be subject to limitations.

A U.S. Solana Shareholder who exercises Dissent Rights in the Arrangement will have a taxable transaction for U.S. federal tax purposes.

For a description of the material federal income tax consequences of the Arrangement, see Material U.S. Federal Income Tax Consequences of the Arrangement .

The issuance of shares of Gran Tierra common stock to Securityholders of Solana in connection with the arrangement will be dilutive to existing Gran Tierra stockholders.

The proposed issuance of Gran Tierra common stock to Solana Securityholders in connection with the Arrangement will increase the total number of shares of Gran Tierra common stock outstanding. On a diluted basis, upon the consummation of the Arrangement, former Solana Securityholders will own approximately 49% of the combined company and the current Gran Tierra securityholders will own approximately 51% of the combined company. Increasing the number of shares of Gran Tierra common stock outstanding would have dilutive effects on the voting power of the current holders of Gran Tierra common stock. Other than the effects incidental to increasing the number of shares of Gran Tierra common stock outstanding, the proposed issuance of shares of common stock to Solana Securityholders would not affect the rights of the holders of Gran Tierra s currently outstanding common stock.

The issuance of shares of Gran Tierra common stock to Securityholders of Solana in connection with the arrangement will deplete Gran Tierra s authorized shares of common stock, and if Gran Tierra s Proposal 3 is not passed, Gran Tierra may not have sufficient shares to acquire other businesses or assets.

Following this transaction, and assuming Proposal 3 does not pass, the number of shares of Gran Tierra common stock outstanding or reserved for issuance under Gran Tierra s outstanding GTE-Goldstrike

TABLE OF CONTENTS

Exchangeable Shares, warrants and options will be approximately 270 million shares, leaving only approximately 30 million shares available to use for the purpose of acquiring additional businesses or assets. If Proposal 3 does not pass Gran Tierra may not have sufficient shares of its common stock authorized and available for issuance to acquire additional businesses without a vote of its stockholders, which could delay or prevent the consummation of additional transactions.

Potential future sale of shares of Gran Tierra common stock could affect its market price.

Some of the current Solana Securityholders may want to liquidate their investment in the combined company following the combination. The sale of a significant number of shares of Gran Tierra common stock by these Solana Securityholders could have a negative impact upon the stock price of the Gran Tierra common stock, particularly in the short term.

The combined company s future operating results may fluctuate, which could result in a lower price for its common stock.

The market price of the Gran Tierra common stock may, following the consummation of the Arrangement, decline below the levels currently prevailing. The market price of Gran Tierra s common stock may be adversely affected by numerous factors, including:

- actual or anticipated fluctuations in its operating results;
- changes in financial estimates by securities analysts; and
- general market conditions and other factors.

Gran Tierra s future operating results may fluctuate significantly depending upon a number of factors, including the level of oil and gas drilling activity and general industry conditions. See Risks Relating to the Operations of the Combined Company and Risks Relating to The Combined Company s Industry below.

The rights and privileges of Gran Tierra common stock are different from the rights and privileges of Solana shares.

Pursuant to the Arrangement, Solana Securityholders may receive shares in the common stock of Gran Tierra. Solana is a corporation governed by the laws of Alberta and Gran Tierra is a corporation governed by the laws of Nevada. While the rights and privileges of shareholders of an Alberta corporation are, in many instances, comparable to those of stockholders of a Nevada corporation, there are numerous differences that a Solana Securityholder may find disadvantageous. See Comparison of Stockholder Rights on page 145.

Integration of the combined company s personnel and financial controls may be more difficult than expected, which could strain the combined company s operations.

The combined company will need to integrate its personnel, accounting and other systems, and operations. This can be difficult to do and will require significant management and other resources. For example, the combined company will be subject to the requirements of the United States Sarbanes-Oxley Act of 2002, or the ***Sarbanes-Oxley Act*** , to which Solana has not been subject. If there are difficulties in integrating Solana s systems into the Gran Tierra systems so that the combined company cannot meet all of its requirements under the Sarbanes-Oxley Act, this could cause a significant diversion of management s attention from running the business, may cause the combined company to report one or more material weaknesses in its internal control over financial reporting, may cause other failures to comply with the Sarbanes-Oxley Act, or may be expensive in legal, financial or other costs to cause the combined company to become compliant, any of which could be time-consuming or costly and may also place undue strain on the personnel, systems and resources of the combined company and cause the stock price of the combined company to decline.

23

TABLE OF CONTENTS

Risks Relating to the Operations of the Combined Company

The combined company s operations will be highly concentrated in Colombia.

Gran Tierra s current business focuses on the oil and gas industry in a limited number of properties in Colombia, Argentina and Peru, with the majority of the focus in Colombia. Solana s current business consists exclusively of the exploration and development of oil and gas properties in Colombia. As a result, the combined company s operations will be highly concentrated in Colombia. The combined company intends to expand into other countries, but initially 90% of the combined company s proved oil and gas reserves and 95% of its production is expected to be in Colombia. There are risks specific to the Colombia operations, as well as general risks associated with the South American oil and gas industry, which are described in more detail below in Risks Related to The Combined Company s Industry. Larger companies have the ability to manage these types of risks through diversification. However, the combined company will lack diversification, both in terms of the nature and geographic scope of its business. As a result, factors affecting the oil and gas industry or the regions in which it operates will likely impact it more acutely than if the combined company s business was more diversified.

Unanticipated problems in the combined company s operations may harm its business and its viability.

If the combined company s operations in South America are disrupted and/or the economic integrity of these projects is threatened for unexpected reasons, its business may be harmed. These unexpected events may be due to technical difficulties, operational difficulties which impact the production, transport or sale of the combined company s products, security risks related to guerrilla activities, geographic and weather conditions, political changes, business reasons or otherwise. Prolonged problems may threaten the commercial viability of its operations.

The combined company s oil sales will depend on a relatively small group of customers, which could adversely affect its financial results.

The bulk of oil sales in Colombia are made to Ecopetrol, a government agency, with the remainder sold to Meta Petroleum, a subsidiary of Pacific Rubiales, a Canadian public company. While oil prices in Colombia are related to international market prices, lack of competition for sales of oil may diminish prices and depress the financial results of the combined company.

The entire Argentine domestic refining market is small and export opportunities are limited by available infrastructure. As a result, the combined company s oil sales in Argentina will depend on a relatively small group of customers, and currently, on two customers in country. During 2007, Gran Tierra sold all of its production in Argentina to Refiner S.A. The lack of competition in this market could result in unfavorable sales terms which, in turn, could adversely affect the combined company s financial results. Currently, all operators in Argentina are operating without sales contracts. The combined company will not have any certainty as to when the situation will be resolved or what the final outcome will be.

Risks Related to the Combined Company s Industry

The combined company s exploration for oil and natural gas is risky and may not be commercially successful, impairing its ability to generate revenues from its operations.

Oil and natural gas exploration involves a high degree of risk. These risks are more acute in the early stages of exploration. The combined company s exploration expenditures may not result in new discoveries of oil or natural gas in commercially viable quantities. It is difficult to project the costs of implementing an exploratory drilling program due to the inherent uncertainties of drilling in unknown formations, the costs associated with encountering various drilling conditions, such as over-pressured zones and tools lost in the hole, and changes in drilling plans and locations as a result of prior exploratory wells or additional seismic data and interpretations thereof. If exploration costs exceed the combined company s estimates, or if its exploration efforts do not produce results which meet its expectations, its exploration efforts may not be commercially successful, which could adversely impact its ability to generate revenue from its operations.

The combined company may not be able to develop oil and gas reserves on an economically viable basis, and its reserves and production may decline as a result.

To the extent that the combined company succeeds in discovering oil and/or natural gas, reserves may not be capable of production levels it projects or in sufficient quantities to be commercially viable. On a long-term basis, the combined company s viability will depend on its ability to find or acquire, develop and commercially produce additional oil and gas reserves. Without the addition of reserves through exploration, acquisition or development activities, its reserves and production will decline over time as reserves are produced. The combined company s future reserves will depend not only on its ability to develop then-existing properties, but also on its ability to identify and acquire additional suitable producing properties or prospects, to find markets for the oil and natural gas it develops and to effectively distribute its production into its markets.

Future oil and gas exploration may involve unprofitable efforts, not only from dry wells, but from wells that are productive but do not produce sufficient net revenues to return a profit after drilling, operating and other costs. Completion of a well does not assure a profit on the investment or recovery of drilling, completion and operating costs. In addition, drilling hazards or environmental damage could greatly increase the cost of operations, and various field operating conditions may adversely affect the production from successful wells. These conditions include delays in obtaining governmental approvals or consents, shut-downs of connected wells resulting from extreme weather conditions, problems in storage and distribution and adverse geological and mechanical conditions. The combined company may not be able to optimally manage these conditions, and it will not be able to eliminate them completely in any case. Therefore, these conditions could diminish revenue and cash flow levels of the combined company and result in the impairment of its oil and natural gas interests.

Estimates of oil and natural gas reserves may be inaccurate and the combined company s actual revenues may be lower than its financial projections.

The combined company will make estimates of oil and natural gas reserves, upon which it will base its financial projections. It will make these reserve estimates using various assumptions, including assumptions as to oil and natural gas prices, drilling and operating expenses, capital expenditures, taxes and availability of funds. Some of these assumptions are inherently subjective, and the accuracy of its reserve estimates rely in part on the ability of its management team, engineers and other advisors to make accurate assumptions. Economic factors beyond its control, such as interest and exchange rates, will also impact the value of its reserves. The process of estimating oil and gas reserves is complex, and will require the combined company to use significant decisions and assumptions in the evaluation of available geological, geophysical, engineering and economic data for each property. As a result, the combined company s reserve estimates will be inherently imprecise. Actual future production, oil and natural gas prices, revenues, taxes, development expenditures, operating expenses and quantities of recoverable oil and gas reserves may vary substantially from those it estimates. If actual production results vary substantially from the combined company s reserve estimates, this could materially reduce its revenues and result in the impairment of its oil and natural gas interests.

If oil and natural gas prices decrease, the combined company may be required to take write-downs of the carrying value of its oil and natural gas properties.

The combined company will follow the full cost method of accounting for its oil and gas properties. A separate cost center is maintained for expenditures applicable to each country in which it will conduct exploration and/or production activities. Under this method, the net book value of properties on a country-by- country basis, less related deferred income taxes, may not exceed a calculated *ceiling*. The ceiling is the estimated after tax future net revenues from proved oil and gas properties, discounted at 10% per year. In calculating discounted future net revenues, oil and natural gas prices in effect at the time of the calculation are held constant, except for changes which are fixed and determinable by existing contracts. The net book value is compared to the ceiling on a quarterly basis. The excess, if any, of the net book value above the ceiling is required to be written off as an expense. Under SEC full cost accounting rules, any write-off recorded may not be reversed even if higher oil and natural gas prices increase the ceiling applicable to future periods. Future price decreases could result in reductions in the carrying value of such assets and an equivalent charge to earnings.

TABLE OF CONTENTS

Drilling new wells could result in new liabilities, which could endanger the combined company s interests in its properties and assets.

There are risks associated with the drilling of oil and natural gas wells, including encountering unexpected formations or pressures, premature declines of reservoirs, blow-outs, craterings, sour gas releases, fires and spills. The occurrence of any of these events could significantly reduce the combined company s revenue or cause substantial losses, impairing its future operating results. It may become subject to liability for pollution, blow-outs or other hazards. It will obtain insurance with respect to these hazards, but such insurance has limitations on liability that may not be sufficient to cover the full extent of such liabilities. The payment of such liabilities could reduce the funds available to the combined company or could, in an extreme case, result in a total loss of its properties and assets. Moreover, the combined company may not be able to maintain adequate insurance in the future at rates that are considered reasonable. Oil and natural gas production operations are also subject to all the risks typically associated with such operations, including premature decline of reservoirs and the invasion of water into producing formations.

Guerrilla activity in Colombia could disrupt or delay the combined company s operations and jeopardize its operations and personnel in Colombia.

A 40-year armed conflict between government forces and anti-government insurgent groups and illegal paramilitary groups both funded by the drug trade continues in Colombia. Insurgents continue to attack civilians and violent guerrilla activity continues in many parts of the country.

Gran Tierra, through its acquisition of Argosy Energy International, has interests in two regions of Colombia in the Middle Magdalena and the Putumayo regions. The Putumayo region has been prone to guerrilla activity in the past. In 1989, Argosy s facilities in one field were attacked by guerrillas and operations were briefly disrupted. Pipelines have also been targets, including the Trans-Andean export pipeline which transports oil from the Putumayo region. In March and April of 2008, sections of one of the Ecopetrol pipelines were blown up by guerrillas, which temporarily reduced Gran Tierra s deliveries to Ecopetrol in the first quarter of 2008. Ecopetrol was able to restore deliveries within one to two weeks of these attacks and currently there are no interruptions to Gran Tierra s deliveries.

Solana has interests in four regions of Colombia: the Llanos, lower Magdalena, Putumayo and Catatumbo basins. Solana s large Catguas block is located in the Catatumbo basin. This basin borders Venezuela and has historically been an area of high security risk where there continues to be guerrilla activity.

Continuing attempts to reduce or prevent guerrilla activity may not be successful and guerrilla activity may disrupt the combined company s operations in the future. The combined company may not be able to maintain the safety of its operations and personnel in Colombia and this violence may affect its operations in the future. Continued or heightened security concerns in Colombia could also result in a significant loss to the combined company.

TABLE OF CONTENTS

CAUTIONARY STATEMENT ABOUT FORWARD LOOKING STATEMENTS

Cautionary Statement About Forward Looking Statements by Gran Tierra

This Joint Proxy Statement, including the documents incorporated by reference from filings made by Gran Tierra with the SEC, contains forward-looking statements within the meaning of Section 27A of the *United States Securities Act of 1933*, as amended, or the ***Securities Act*** , and Section 21E of the *United States Securities Exchange Act of 1934*, as amended, or the ***Exchange Act*** , regarding Gran Tierra. Statements regarding Gran Tierra s plans, goals, strategies, intent, beliefs or current expectations are forward-looking statements regarding Gran Tierra. These statements are expressed by Gran Tierra in good faith and based upon a reasonable basis when made, but there can be no assurance that these expectations will be achieved or accomplished. These forward looking statements can be identified by the use of terms and phrases such as believe , plan , intend , anticipate , target , estimate , expect , and the like future-tense or conditional constructions may , could , should , etc. Items contemplating or making assumptions about, actual or potential future sales, discoveries, developments, market size, collaborations, and trends or operating results also constitute such forward-looking statements.

Although forward-looking statements made by Gran Tierra in this Joint Proxy Statement reflect the good faith judgment of Gran Tierra s management, forward-looking statements are inherently subject to known and unknown risks, business, economic and other risks and uncertainties that may cause actual results to be materially different from those discussed in these forward-looking statements. Readers are urged not to place undue reliance on these forward-looking statements, which speak only as of the date of this Joint Proxy Statement. Gran Tierra assumes no obligation to update any forward-looking statements in order to reflect any event or circumstance that may arise after the date of this proxy statement, other than as may be required by applicable law or regulation. Readers are urged to carefully review and consider the various disclosures made by Gran Tierra in its reports filed with the SEC which attempt to advise interested parties of the risks and factors that may affect Gran Tierra s business, financial condition, results of operations and cash flows. If one or more of these risks or uncertainties materialize, or if the underlying assumptions prove incorrect, Gran Tierra s actual results may vary materially from those expected or projected.

Cautionary Statement About Forward Looking Statements for Solana

Certain statements contained in this Joint Proxy Statement, including the documents incorporated by reference, may constitute forward-looking statements for Solana. These statements relate to future events or Solana s future performance. All statements other than statements of historical fact may be forward-looking statements. Forward-looking statements are often, but not always, identified by the use of words such as seek , anticipate , plan , continue , estimate , expect , may , will , project , predict , potential , targeting , intend , could , m similar expressions. These statements involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking statements. Solana believes that the expectations reflected in those forward-looking statements are reasonable but no assurance can be given that these expectations will prove to be correct and such forward-looking statements included in this Joint Proxy Statement should not be unduly relied upon by investors. These statements speak only as of the date of this Joint Proxy Statement and are expressly qualified, in their entirety, by this cautionary statement.

In particular, this Joint Proxy Statement, and the documents incorporated by reference, contain forward-looking statements, pertaining to the following:

- projections of market prices and costs;
- supply and demand for oil and natural gas;
- the quantity of reserves;
- oil and natural gas production levels;
- capital expenditure programs;
- treatment under governmental regulatory and taxation regimes; and

---

TABLE OF CONTENTS

- expectations regarding Solana s ability to raise capital and to continually add to reserves through acquisitions and development.

With respect to forward-looking statements contained in this Joint Proxy Statement, and the documents incorporated by reference, Solana has made assumptions regarding, among other things:

- the Colombian legislative and regulatory environment;
- the impact of increasing competition; and
- Solana s ability to obtain additional financing on satisfactory terms.

Solana s actual results could differ materially from those anticipated in these forward-looking statements as a result of the risk factors set forth below and elsewhere in this Joint Proxy Statement:

- volatility in the market prices for oil and natural gas;
- uncertainties associated with estimating reserves;
- geological, technical, drilling and processing problems;
- liabilities and risks, including environmental liabilities and risks, inherent in oil and natural gas operations;
- incorrect assessments of the value of acquisitions;
- competition for, among other things, capital, acquisitions of reserves, undeveloped lands and skilled personnel; and
- the other factors referred to under Risk Factors .

The forward-looking statements or information contained in this Joint Proxy Statement are made as of the date hereof and Solana undertakes no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, unless required by applicable securities laws.

28

TABLE OF CONTENTS

INFORMATION ABOUT THE MEETINGS AND VOTING

The Gran Tierra Special Meeting Information for Gran Tierra Stockholders

Why am I receiving these materials?

We have sent you this Joint Proxy Statement and the enclosed proxy card because the Gran Tierra Board is soliciting your proxy to vote at the Gran Tierra Special Meeting. You are invited to attend the Gran Tierra Special Meeting to vote on the proposals described in this Joint Proxy Statement. However, you do not need to attend the meeting to vote your shares. Instead, you may simply complete, sign and return the enclosed proxy card, or follow the instructions below to submit your proxy over the Internet.

We intend to mail this Joint Proxy Statement and accompanying proxy card on or about , 2008 to all stockholders of record entitled to vote at the Gran Tierra Special Meeting.

The Gran Tierra Special Meeting is to be held on November 12, 2008 at 9:00 a.m., Mountain Time, at .

Who can vote at the Gran Tierra Special Meeting?

Only stockholders of record at the close of business on September 15, 2008 will be entitled to vote at the Gran Tierra Special Meeting. On this record date, there were 104,595,774 shares of common stock outstanding and entitled to vote, and one share of Special Voting Stock outstanding. On the record date, the share of Special Voting Stock was entitled to 10,984,126 votes, which equals the number of shares of common stock issuable upon exchange of the GTE-Goldstrike Exchangeable Shares that were issued in connection with the transaction between the former shareholders of Gran Tierra Energy Canada and Goldstrike, Inc., a Nevada corporation, which came to be known as the current Gran Tierra Energy Inc. as a result of that transaction.

Stockholder of Record: Shares Registered in your Name

If on September 15, 2008 your shares of Gran Tierra common stock were registered directly in your name with Gran Tierra s transfer agent, Computershare Trust Company, N.A., then you are a stockholder of record. As a stockholder of record, you may vote in person at the meeting or vote by proxy. Whether or not you plan to attend the meeting, we urge you to fill out and return the enclosed proxy card or vote by proxy over the Internet as instructed below to ensure your vote is counted.

Beneficial Owner: Shares Registered in the Name of a Broker or Bank

If on September 15, 2008 your shares of Gran Tierra common stock were held, not in your name, but rather in an account at a brokerage firm, bank, dealer, or other similar organization, then you are the beneficial owner of shares held in street name and these proxy materials are being forwarded to you by that organization. The organization holding your account is considered to be the stockholder of record for purposes of voting at the Gran Tierra Special Meeting. As a beneficial owner, you have the right to direct your broker or other agent regarding how to vote the shares in your account. You are also invited to attend the Gran Tierra Special Meeting. However, since you are not the stockholder of record, you may not vote your shares in person at the meeting unless you request and obtain a valid proxy from your broker or other agent.

Stockholders Holding GTE-Goldstrike Exchangeable Shares

Holders of GTE-Goldstrike Exchangeable Shares are entitled to instruct the Goldstrike Trustee as to how to vote their GTE-Goldstrike Exchangeable Shares. The Goldstrike Trustee holds the one currently outstanding share of Special Voting Stock, which is entitled to as many votes as there are outstanding GTE-Goldstrike Exchangeable Shares on the record date, and may only vote the share of Special Voting Stock as directed by the holders of GTE-Goldstrike Exchangeable Shares. Holders of GTE-Goldstrike Exchangeable Shares who do not hold their GTE-Goldstrike Exchangeable Shares in their own name are not entitled to instruct the Goldstrike Trustee as to how to exercise voting rights at the Gran Tierra Special Meeting. Only holders of GTE-Goldstrike Exchangeable Shares whose names appear on the records of Gran Tierra as the registered holders of GTE-Goldstrike Exchangeable Shares are entitled to instruct the Goldstrike Trustee as to how to exercise voting rights in respect of their GTE-Goldstrike Exchangeable Shares at the Gran Tierra Special Meeting. Holders of GTE-Goldstrike Exchangeable Shares may also obtain a proxy from the Goldstrike Trustee to vote their GTE-Goldstrike Exchangeable Shares at the Gran Tierra Special Meeting. Holders of GTE-Goldstrike Exchangeable Shares should follow the instructions sent to them by the Goldstrike Trustee in order to exercise their voting rights.

29

TABLE OF CONTENTS

What am I voting on?

There are four matters scheduled for a vote:

to approve the issuance of shares of Gran Tierra common stock to be issued in connection with the acquisition of the outstanding securities of Solana;
to approve an amendment to Gran Tierra s articles of incorporation to create a new special voting share to enable the GTE-Solana Exchangeable Shares to be issued in the transaction to vote, as well as to make several technical changes;
to approve an amendment to Gran Tierra s articles of incorporation to increase the total number of shares of common stock authorized by 300,000,000 and change the board voting requirement for issuance of common stock; and

to approve Gran Tierra s 2007 Equity Incentive Plan, as amended and restated, to increase the number of shares available for issuance thereunder from 9,000,000 shares to 18,000,000 shares.

How do I vote?

For each of the matters to be voted on, you may vote For or Against or abstain from voting. The procedures for voting are as follows:

Stockholder of Record: Shares Registered in your Name

Whether or not you plan to attend the Gran Tierra Special Meeting, we urge you to vote by proxy to ensure your vote is counted. You may still attend the Gran Tierra Special Meeting and vote in person even if you have already voted by proxy. If you are a stockholder of record, you may vote in person at the Gran Tierra Special Meeting, vote by proxy using the enclosed proxy card or vote by proxy on the Internet, as follows:

to vote in person, come to the meeting and we will give you a ballot when you arrive;

to vote using the proxy card, simply complete, sign and date the enclosed proxy card and return it promptly in the envelope provided. If you return your signed proxy card to us by 11:59 p.m., Eastern Time, on November 11, 2008, we will vote your shares as you direct; and

to vote on the Internet, go to *http://www.proxyvote.com* to complete an electronic proxy card. You will be asked to provide the company number and control number from the enclosed proxy card. Your vote must be received by 11:59 p.m., Eastern Time, on November 11, 2008 to be counted.

Beneficial Owner: Shares Registered in the Name of a Broker or Bank

If you are a beneficial owner of shares registered in the name of your broker, bank, or other agent, you should have received a proxy card and voting instructions with these proxy materials from that organization rather than from Gran Tierra. Simply complete and mail the proxy card to ensure that your vote is counted. Alternatively, you may vote over the Internet as instructed by your broker or bank. To vote in person at the Gran Tierra Special Meeting, you must obtain a valid proxy from your broker, bank, or other agent. Follow the instructions from your broker or bank included with these proxy materials, or contact your broker or bank to request a proxy form.

Beneficial Owner: GTE-Goldstrike Exchangeable Shares

If you are a holder of GTE-Goldstrike Exchangeable Shares, you should have received voting instructions with these proxy materials from the Goldstrike Trustee, which is the holder of the share of Special Voting Stock. Follow the instructions from the Goldstrike Trustee, or contact the Goldstrike Trustee for further information. Instruments of proxy must be received by Olympia Trust Company, 2300, 125 - 9th Avenue S.E., Calgary, Alberta, T2G OP6, by 11:59 p.m., Eastern Time, on November 11, 2008, or not less than 48 hours before the time for the holding of any adjournment of the meeting.

Gran Tierra provides Internet proxy voting to holders of Gran Tierra common stock to allow you to vote your shares on-line, with procedures designed to ensure the authenticity and correctness of your proxy vote instructions. However, please be aware that you must bear any costs associated with your Internet access, such as usage charges from Internet access providers.

TABLE OF CONTENTS

How many votes do I have?

On each matter to be voted upon, you have one vote for each share of Gran Tierra common stock you own as of September 15, 2008, and one vote for each GTE-Goldstrike Exchangeable Share held as of September 15, 2008, with the votes of all outstanding GTE-Goldstrike Exchangeable Shares being represented by the one share of Special Voting Stock of Gran Tierra. Holders of GTE-Goldstrike Exchangeable Shares should follow the instructions sent to them by the Goldstrike Trustee in order to exercise their voting rights.

What if I return a proxy card but do not make specific choices?

If you return a signed and dated proxy card without marking any voting selections, your shares will be voted For the issuance of the shares of Gran Tierra common stock contemplated to consummate the Arrangement, For the amendment to Gran Tierra s articles of incorporation to create a new special voting share to enable the GTE-Solana Exchangeable Shares to vote as well as to make several technical changes, For the amendment of Gran Tierra s articles of incorporation to increase the number of shares of common stock authorized and change the board voting requirement for issuance of common stock from unanimous to a simple board action, and For the approval of Gran Tierra s 2007 Equity Incentive Plan, as amended and restated, to increase the number of shares available for issuance under the plan. If any other matter is properly presented at the meeting, your proxyholder (one of the individuals named on your proxy card) will vote your shares using his or her best judgment.

Who is paying for this proxy solicitation?

Gran Tierra will pay for the entire cost of soliciting Gran Tierra proxies. In addition to these mailed proxy materials, the directors and employees of Gran Tierra may also solicit proxies in person, by telephone, or by other means of communication. Directors and employees will not be paid any additional compensation for soliciting proxies but The Altman Group will be paid its customary fee of approximately $5,500 plus out-of-pocket expenses if it solicits proxies for Gran Tierra. We may also reimburse brokerage firms, banks and other agents for the cost of forwarding proxy materials to beneficial owners.

What does it mean if I receive more than one proxy card?

If you receive more than one proxy card, your shares are registered in more than one name or are registered in different accounts. Please complete, sign and return each proxy card to ensure that all of your shares are voted.

Can I change my vote after submitting my proxy?

Yes. You can revoke your proxy at any time before the final vote at the meeting. If you are the record holder of your shares, you may revoke your proxy in any one of three ways:

- you may submit another properly completed later-dated proxy card, or vote again over the Internet;
- you may send a timely written notice that you are revoking your proxy to Gran Tierra at 300, 611 - 10th Avenue, S.W., Calgary, Alberta, Canada, T2R 0B2, attention: Secretary; or
- you may attend the meeting and vote in person. Simply attending the meeting will not, by itself, revoke your proxy.

If your shares are held by your broker or bank as a nominee or agent, you should follow the instructions provided by your broker or bank.

If you are a holder of GTE Goldstrike Exchangeable Shares, you should follow the instructions provided by the Goldstrike Trustee.

How many votes are needed to approve each proposal?

The voting requirements are as follows:

to be approved, Proposal 1, the approval of issuance of Gran Tierra common stock pursuant to the Arrangement, must receive the affirmative vote of a majority of the shares present in person or represented by proxy at the Gran Tierra Special Meeting and entitled to vote. Broker non-votes will have no effect and abstentions will have the same effect as Against votes;

to be approved, Proposal 2, the amendment to Gran Tierra s articles of incorporation to create a new special voting share to enable the GTE-Solana Exchangeable Shares to vote, as well as to make several technical changes, must receive a For vote from:

the holders of shares of Gran Tierra common stock and GTE-Goldstrike Exchangeable Shares entitling them to exercise at least a majority of the combined voting power of the total number of outstanding shares of Gran Tierra common stock and GTE Goldstrike Exchangeable Shares; and

the holders of shares of GTE-Goldstrike Exchangeable Shares entitling them to exercise at least a majority of the voting power of the total number of outstanding shares of GTE-Goldstrike Exchangeable Shares.

Broker non-votes and abstentions will have the same effect as Against votes;

to be approved, Proposal 3, the amendment to Gran Tierra s articles of incorporation to increase the number of shares of Gran Tierra common stock authorized for issuance, must receive a For vote from the holders of shares of Gran Tierra common stock and GTE-Goldstrike Exchangeable Shares entitling them to exercise at least a majority of the combined voting power of the total number of outstanding shares of Gran Tierra common stock and GTE-Goldstrike Exchangeable Shares. Broker non-votes and abstentions will have the same effect as Against votes; and

to be approved, Proposal 4, the amendment and restatement of Gran Tierra s 2007 Equity Incentive Plan, which increases the number of shares of common stock available under the Incentive Plan from 9,000,000 to 18,000,000 shares in the aggregate, must receive the affirmative vote of a majority of the shares present in person or represented by proxy at the Gran Tierra Special Meeting and entitled to vote. Broker non-votes will have no effect and abstentions will have the same effect as Against votes.

References to voting power of GTE-Goldstrike Exchangeable Shares refers to the voting power exercised through the Goldstrike Trustee, with respect to the GTE-Goldstrike Exchangeable Shares, whether by the Goldstrike Trustee or by proxy.

The directors and officers of Gran Tierra, together with their affiliates, hold 10.2% of the outstanding common stock of Gran Tierra (including GTE-Goldstrike Exchangeable Shares convertible into common stock of Gran Tierra), and 90.1% of the outstanding GTE-Goldstrike Exchangeable Shares.

What is the quorum requirement?

A quorum of stockholders is necessary to hold a valid meeting. A quorum will be present if stockholders holding at least a majority of the outstanding combined voting power of the Gran Tierra common stock and the Special Voting Stock (representing votes cast by the holders of GTE-Goldstrike Exchangeable Shares) are present at the meeting in person or represented by proxy. On September 15, 2008, the record date for the meeting, there were 104,595,774 shares of common stock held by 96 holders of record, and 10,984,126 shares of common stock issuable upon exchange of GTE-Goldstrike Exchangeable Shares and therefore entitled to vote through the share of Special Voting Stock held by 20 holders of record, outstanding and entitled to vote. Thus, the holders of 57,789,951 shares of common stock (including indirectly the GTE-Goldstrike Exchangeable Shares) must be present in person or represented by proxy at the meeting or by proxy to have a quorum.

Your shares will be counted toward the quorum only if you submit a valid proxy (or one is submitted on your behalf by your broker, bank or other nominee) or if you vote in person at the meeting. Abstentions and broker non-votes will be counted toward the quorum requirement. If there is no quorum, the chairman of the meeting or the holders of a majority of shares present at the meeting in person or represented by proxy must adjourn the meeting to another date.

When are stockholder proposals due for Gran Tierra s 2009 annual meeting?

To be considered for inclusion in the proxy materials for the Gran Tierra 2009 annual meeting of stockholders, stockholder proposals for actions for consideration at next year s annual meeting must be submitted in writing by January 16, 2009, to Martin Eden at 300, 611 - 10th Avenue, S.W., Calgary, Alberta, Canada,

T2R 0B2 and must otherwise comply with the requirements of Rule 14a-8 of the Exchange Act; *provided, however*, that if the Gran Tierra 2009 annual meeting of stockholders is held before May 17, 2009 or after July 16, 2009, then the deadline is a reasonable amount of time prior to the date Gran Tierra begins to print and mail its proxy statement for the 2009 annual meeting of stockholders.

If you wish to submit a proposal for actions for consideration at next year s annual meeting, even though the proposal is not included in next year s proxy materials, you must do so between March 18, 2009 and April 17, 2009, unless the Gran Tierra 2009 annual meeting of stockholders is not held between May 17, 2009 and July 16, 2009, in which case notice must be received between 60 and 90 days prior to the meeting or no later than the date which is 10 days after notice of the meeting is first published by Gran Tierra. You are also advised to review Gran Tierra s bylaws, which contain additional requirements about advance notice of stockholder proposals and director nominations.

How are votes counted?

Votes will be counted by the inspector of election appointed for the meeting, who will separately count For and Against votes, abstentions and broker non-votes. Abstentions will have the same effect as Against votes with respect to Proposals 1, 2, 3 and 4. Broker non-votes will have the same effect as Against votes with respect to Proposals 2 and 3 but will have no effect on Proposals 1 and 4.

What are broker non-votes ?

Broker non-votes occur when a beneficial owner of shares held in street name does not give instructions to the broker or nominee holding the shares as to how to vote on matters deemed non-routine. Generally, if shares are held in street name, the beneficial owner of the shares is entitled to give voting instructions to the broker or nominee holding the shares. If the beneficial owner does not provide voting instructions, the broker or nominee can still vote the shares with respect to matters that are considered to be routine , but not with respect to non-routine matters. Under the rules and interpretations of the New York Stock Exchange, or the ***NYSE*** , non-routine matters are generally those involving a contest or a matter that may substantially affect the rights or privileges of stockholders, such as mergers or stockholder proposals. All of the Gran Tierra proposals are non-routine matters.

How can I find out the results of the voting at the meeting?

Preliminary voting results will be announced at the meeting. Final voting results will be published in our Annual Report on Form 10-K for the year ending December 31, 2008.

The Solana Special Meeting Information for Solana Securityholders

The Solana Special Meeting is to be held on November 12, 2008 at , Mountain Time, at .

Solicitation of Proxies

This solicitation is made on behalf of the management of Solana. The costs incurred in the preparation and mailing of both the form of proxy and this Joint Proxy Statement to Solana Securityholders will be borne by Solana.

It is expected that the solicitation of proxies will be primarily by mail, but proxies may also be solicited personally or by telephone by officers and employees of Solana or persons retained by Solana for that purpose. Pursuant to National Instrument 54-101 *Communication with Beneficial Owners of Securities of a Reporting Issuer*, arrangements have been made with clearing agencies, brokerage houses and other financial intermediaries to forward proxy solicitation material to the beneficial owners of Solana Securities. The cost of solicitation will be borne by Solana. Solana will reimburse brokers, custodians, nominees and other fiduciaries for their reasonable charges and expenses incurred in forwarding this proxy material to the beneficial owners of Solana Securities. See Advice To Non-Registered Shareholders below. In addition to solicitation by mail, some officers, directors and employees of Solana may solicit proxies by telephone, other electronic means or personally. These persons will receive no compensation for such solicitation other than their regular salaries.

33

TABLE OF CONTENTS

Appointment and Revocation of Proxies

The persons named in the enclosed form of proxy are directors and/or officers of Solana. **A Solana Securityholder desiring to appoint a person (who need not be a Solana Securityholder) to represent such Solana Securityholder at the Solana Special Meeting other than the persons designated in the applicable accompanying form of proxy may do so either by inserting such person s name in the blank space provided in the appropriate form of proxy or by completing another form of proxy and, in either case, sending or delivering the completed proxy to Valiant Trust Company, 310, 606 4th Street SW, Calgary, Alberta, T2P 1T1 or by fax to the attention of the Proxy Department at (403) 233-2857.** The applicable form of proxy must be received by Valiant Trust Company, as applicable, at least 48 hours, excluding Saturdays, Sundays and holidays, prior to the date of the Solana Special Meeting or any adjournment thereof. Unless waived by the Chairman of the Solana Special Meeting, failure to so deposit a form of proxy shall result in its invalidation.

A Solana Securityholder who has given a form of proxy may revoke it as to any matter on which a vote has not already been cast pursuant to its authority by an instrument in writing executed by such Solana Securityholder or by his attorney duly authorized in writing or, if the Solana Securityholder is a corporation, by an officer or attorney thereof duly authorized, and deposited either at the above mentioned office of Valiant Trust Company on or before the last business day preceding the day of the Solana Special Meeting or any adjournment thereof or with the chairman of the Solana Special Meeting on the day of the Solana Special Meeting, or any adjournment thereof.

The Solana Board has fixed the record date for the Solana Special Meeting as at the close of business on September 25, 2008. Solana Securityholders of record as at the record date are entitled to receive notice of, to attend and to vote at the Solana Special Meeting, except to the extent a holder of Solana Shares transfers any of such securities after the Solana Record Date and the transferee of those Solana Shares establishes ownership of the Solana Shares, and demands, not later than 10 days before the Solana Special Meeting, that the transferee s name be included in the list of holders of Solana Shares entitled to vote, in which case such transferee shall be entitled to vote such Solana Shares at the Solana Special Meeting.

Signature of Proxy

The form of proxy must be executed by the Solana Securityholder or his attorney authorized in writing, or if the Solana Securityholder is a corporation, the form of proxy should be signed in its corporate name under its corporate seal by an authorized officer whose title should be indicated. A proxy signed by a person acting as attorney or in some other representative capacity should reflect such person s capacity following his signature and should be accompanied by the appropriate instrument evidencing qualification and authority to act (unless such instrument has been previously filed with Solana).

Voting of Proxies

The persons named in the accompanying form of proxy will vote the Solana Securities in respect of which they are appointed in accordance with the direction of the Solana Securityholder appointing them. **In the absence of such direction, such Solana Securities will be voted FOR the approval of the Arrangement Resolution and any other matters to come before the Solana Special Meeting.**

Exercise of Discretion of Proxy

The enclosed form of proxy confers discretionary authority upon the persons named therein with respect to amendments or variations to matters identified in the accompanying Notice of Special Meeting, or ***Solana Notice of Meeting*** , and this Joint Proxy Statement and with respect to other matters that may properly come before the Solana Special Meeting. At the date of this Joint Proxy Statement, management of Solana know of no amendments, variations or other matters to come before the Solana Special Meeting other than the matters referred to in the Solana Notice of Meeting.

Advice to Non-Registered Shareholders

The information set forth in this section is of significant importance to a Solana Shareholder who does not hold Solana Shares in his own name. Solana Shareholders who hold their Solana Shares through their brokers, intermediaries, trustees or other persons, or who otherwise do not hold Solana Shares in their own

---

name, referred to in this Joint Proxy Statement as ***Solana Beneficial Shareholders*** , should note that only proxies deposited by Solana Shareholders whose names appear on the records of Solana as the registered holders of Solana Shares can be recognized and acted upon at the Solana Special Meeting. If Solana Shares are listed in an account statement provided to a Solana Shareholder by a broker, then in almost all cases those shares will not be registered in the Solana Shareholder s name on the records of Solana. Such shares will more likely be registered under the name of the Solana Shareholder s broker or an agent of that broker. In Canada, the majority of such shares are registered under the name of CDS & Co. (the registration name for The Canadian Depositary for Securities, which acts as nominee for many Canadian brokerage firms). In the United States, the majority of such shares are registered in the name of CEDE & Co., which company acts as a nominee for many U.S. brokerage firms. Solana Shares held by brokers or their nominees can only be voted (for or against resolutions) upon the instructions of the Solana Beneficial Shareholder. Without specific instructions, brokers/nominees are generally prohibited from voting shares for their clients. The directors and officers of Solana do not know for whose benefit the shares registered in the name of CDS & Co. or CEDE & Co. or of other brokers/agents are held. **Therefore, each Solana Beneficial Shareholder should ensure that voting instructions are communicated to the appropriate person well in advance of the Solana Special Meeting.**

Applicable regulatory policy requires intermediaries/brokers to seek voting instructions from Solana Beneficial Shareholders in advance of the Solana Special Meeting. Brokerage houses and other intermediaries, clearing agencies, custodians, nominees and fiduciaries are likely to forward proxy solicitation materials to Solana Beneficial Shareholders and Solana may reimburse reasonable fees and disbursements incurred by them in doing so. Intermediaries and your broker often have their own mailing procedures and provide their own return instructions, which you should carefully follow to ensure that your Solana Shares are voted at the Solana Special Meeting. The form of proxy supplied to you by your broker or other intermediary often appears substantially similar to the form of proxy provided to registered Solana Shareholders. However, its purpose is limited to instructing the registered Solana Shareholder how to vote on your behalf. The majority of brokers now delegate responsibility for obtaining instructions from clients to Broadridge Financial Solutions Inc., or ***Broadridge***. Broadridge typically mails a scannable voting instruction form in lieu of the form or proxy, referred to as the ***Voting Instruction Form***. You are asked to complete and return the Voting Instruction Form to Broadridge by mail or facsimile. Alternately, you can call Broadridge s toll-free telephone number to vote your Solana Shares. Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of securities to be represented at the Solana Special Meeting. If you receive a Voting Instruction Form from Broadridge, please note that it cannot be used as a proxy to vote Solana Shares directly at the Solana Special Meeting; the form must be completed and returned to Broadridge well in advance of the Solana Special Meeting in order to have your Solana Shares voted. **If you have any questions respecting the voting of Solana Shares held through a broker or other intermediary, please contact that broker or other intermediary for assistance.**

In any case, Solana Beneficial Shareholders should carefully follow the specific instructions of the intermediary from whom they received proxy materials for the Solana Special Meeting, including those regarding how, when and where the proxy or the proxy authorization form is to be completed and delivered. Failure to do so may result in your Solana Shares not being voted at the Solana Special Meeting.

Voting Entitlement

The Interim Order provides that Solana Securityholders of record at the close of business on the Solana Record Date are entitled to receive notice of, and attend and vote at, the Solana Special Meeting, except to the extent a holder of Solana Shares transfers any of such securities after the Solana Record Date and the transferee of those Solana Shares establishes ownership of the Solana Shares, and demands, not later than 10 days before the Solana Special Meeting, that the transferee s name be included in the list of holders of Solana Shares entitled to vote, in which case such transferee shall be entitled to vote such Solana Shares at the Solana Special Meeting. As at the Solana Record Date, a total of 126,426,792 Solana Shares, 3,945,000 Solana options and 7,500,000 Solana warrants were issued and outstanding for a total of 137,871,792 Solana Securities being issued and outstanding. Pursuant to the Interim Order, each Solana Securityholder is entitled to one vote for each Solana Security held and the Solana Securityholders will vote as one class.

TABLE OF CONTENTS

Quorum

Pursuant to the Interim Order, a quorum for the transaction of business at the Solana Special Meeting in respect of holders of Solana Securities is at least one person present in person or by proxy and representing in the aggregate not less than 5% of the outstanding Solana Shares.

The Interim Order provides that if a quorum of the Solana Securityholders is not present within 30 minutes from the time fixed for holding the Solana Special Meeting, the Solana Special Meeting will be adjourned to the same day in the next week at the same time and place and no notice is required to be given with respect to such adjourned Solana Special Meeting. At the adjourned Solana Special Meeting, the Shareholders present in person or by proxy will form a quorum for that class and may transact the business for which the Solana Special Meeting was originally convened.

Voting Solana Securityholders and Principal Holders Thereof

To the knowledge of the directors and officers of Solana, as at the date hereof, no person or company beneficially owned, directly or indirectly, or exercised control or direction, over more than 10 percent of the Solana Securities.

Procedure and Votes Required

Arrangement Resolution

The Interim Order provides that each Solana Securityholder at the close of business on the Solana Record Date will be entitled to receive notice of, and to attend and to vote at, the Solana Special Meeting. Each such Solana Securityholder will be entitled to vote in accordance with the provisions set out below, provided that, to the extent that a Solana Shareholder transfers the ownership of any Solana Shares after the Solana Record Date and the transferee of those Solana Shares establishes ownership of the Solana Shares and demands, not later than 10 days before the Solana Special Meeting, to be included in the list of Solana Shareholders entitled to vote at the Solana Special Meeting, such transferee will be entitled to vote those Solana Shares at the Solana Special Meeting.

Pursuant to the Interim Order:

each Solana Securityholder will be entitled to one vote at the Solana Special Meeting for each Solana Security held;
the majority required to pass the Arrangement Resolution, shall be, subject to further order of the Court, not less than two-thirds of the votes cast, either in person or by proxy, at the Solana Special Meeting by each of the Solana Securityholders, voting as a single class; and
the quorum at the Solana Special Meeting of the Solana Securityholders will be one person present in person or by proxy and holding or representing not less than 5 percent of the outstanding Solana Shares entitled to be voted at the Solana Special Meeting; and
if no quorum of Solana Securityholders is present within 30 minutes of the appointed time of the Solana Special Meeting a quorum is not present, the Solana Special Meeting shall stand adjourned to the same day in the next week if a business day and, if such day is a not a business day, the Solana Special Meeting shall be adjourned to the next business day following one week after the day appointed for the Solana Special Meeting at the same time and place, and if at such adjourned meeting a quorum is not present, the Solana Shareholders present shall be a quorum for all purposes.

TABLE OF CONTENTS

DESCRIPTION OF THE ARRANGEMENT

Overview of the Arrangement

Upon completion of the proposed transaction:

- Solana will become an indirect, wholly-owned subsidiary of Gran Tierra;
- Solana Shareholders will cease to be shareholders of Solana;
- Solana Shareholders (other than Dissenting Shareholders) who are ineligible shareholders will receive, for each Solana Share, 0.9527918 of a share of Gran Tierra common stock (a Solana Shareholder is an ***ineligible shareholder*** if it is either (i) not resident in Canada for purposes of the *Income Tax Act* (Canada), (ii) a partnership that is not a Canadian partnership for purposes of the *Income Tax Act* (Canada), or (iii) exempt from tax under Part I of the *Income Tax Act* (Canada));
- Solana Shareholders (other than Dissenting Shareholders) who are ***eligible shareholders*** (i.e. not ineligible shareholders) will receive, for each Solana Share, 0.9527918 of a GTE Solana Exchangeable Share;
- each GTE Solana Exchangeable Share will have economic and voting rights equivalent to one share of Gran Tierra common stock and will be exchangeable, at the option of the holder, subject to some limitations, for one share of Gran Tierra common stock;
- Solana Shares held by Dissenting Shareholders shall be deemed to have been transferred to Exchangeco (free of any claims) and cancelled, and the Dissenting Shareholders shall cease to have any rights as shareholders and will only have the right to be paid the fair value of their Solana shares; holders of Solana options and warrants do not have dissenter s rights;
- each outstanding option to purchase a Solana Share will become fully vested as a result of the transaction and will be entitled to one or a combination of the following:
  - if the optionholder will be an employee, director, officer or consultant of the combined company, or a subsidiary of the combined company, and if so elected by the optionholder, be exchanged for 0.9527918 of an option to acquire a share of Gran Tierra common stock, with the exercise price being equal to the exercise price of the Solana option exchanged divided by 0.9527918, and converted to U.S. dollars.
  - if the optionholder does not meet the requirements or make the election to exchange the option for an option to purchase Gran Tierra common stock as described immediately above, but makes an exchange election with respect to any portion of such options held, then the options subject to that exchange election shall be deemed to have been surrendered to Solana before the completion of the Arrangement for the number of Solana Shares equal to, for each share subject to the Solana option, the fraction obtained by dividing (i) the Imputed Transaction Value less the exercise price of the Solana option, by (ii) the Imputed Transaction Value (the ***Imputed Transaction Value*** is the five day weighted trading price, ending on the seventh trading day before the Effective Date, on the TSX of a share of Gran Tierra common stock multiplied by 0.9527918); and
  - if the optionholder does not meet the requirements or make either of the elections described above in respect of any portion of the option, then the options held by that optionholder shall be deemed to have been surrendered to Solana before the transaction for cash in the amount of the Imputed Transaction Value less the exercise price of the Solana option; and

---

TABLE OF CONTENTS

- each outstanding warrant to purchase a Solana Share will become fully vested as a result of the transaction and will be entitled to one or a combination of the following:

if the warrantholder elects to receive Solana Shares in exchange for any portion of such warrants prior to the completion of the Arrangement, then these warrants shall be deemed to have been surrendered to Solana before the transaction for the number of Solana Shares equal to, for each share subject to the warrant, the fraction obtained by dividing (i) the Imputed Transaction Value less CDN$2.00, by (ii) the Imputed Transaction Value ;

if the warrantholder elects to receive cash in exchange for any portion of such warrants prior to the transaction, then these warrants shall be deemed to have been surrendered to Solana before the transaction for a cash payment, for each share subject to the warrant, equal to the Imputed Transaction Value less CDN$2.00; and

if the warrantholder does not make either of the elections described immediately above for any portion of such warrants, then these warrants held by that warrantholder shall entitle the holder to purchase shares of Gran Tierra common stock in accordance with the terms of the warrants.

Background of the Arrangement

The respective boards of directors and management of Gran Tierra and Solana periodically review their strategic objectives with a view to ensuring that shareholder value is maximized. Each company frequently considers both acquisition and joint venture opportunities involving other participants in the oil and gas sector.

Beginning in April of 2007, Gran Tierra and Solana engaged in preliminary discussions regarding a possible business combination of the two companies, which potential transaction Gran Tierra code named Project Puerto Madero. During the course of these discussions, Gran Tierra engaged Westwind Partners to represent Gran Tierra, and Solana engaged Tristone to represent Solana, in Project Puerto Madero. On July 26, 2007, Gran Tierra and Solana entered into a confidentiality agreement to enable the two companies to disclose confidential information to each other, including operational, engineering, reserves and financial information, to better value potential benefits and synergies which could be obtained by combining the two companies. Discussions and due diligence did not advance past preliminary stages. In November 2007, the companies determined not to proceed with Project Puerto Madero, and terminated discussions regarding a potential combination of the two companies.

On May 4, 2008, Blackmont approached Jeffrey Scott, the Chairman of Gran Tierra, respecting his current views on considering discussions with Solana and pursuing a business combination transaction. Following this discussion, on May 6, 2008, Blackmont independently contacted Stan Grad, a shareholder and director of Solana, and on May 14, 2008, Blackmont met with Scott Price, the Chief Executive Officer of Solana, for the purposes of determining whether there might be sufficient interest to pursue meaningful discussions respecting the potential benefits that could be achieved by combining the businesses of Gran Tierra and Solana. After receiving a generally favorable response from these high-level conversations, Blackmont had further discussions with Gran Tierra respecting formally pursuing a potential combination of the two companies.

During the period May 11 to May 15, 2008, Mr. Scott and Dana Coffield, the Chief Executive Officer and President of Gran Tierra, attended an international energy conference in Paris, France, and became aware of rumors of a potential third-party offer to be made to acquire Solana. At this time, Messrs. Scott and Coffield discussed the possibility of a combination with Solana, and agreed to present this idea to the Gran Tierra Board.

On May 20, 2008, Mr. Scott discussed with Blackmont his views on the potential transaction, the perceived likelihood of the transaction proceeding and its anticipated reception in the marketplace.

On May 23, 2008, Mr. Scott met with Ray Antony, the Chairman of Solana, who confirmed Solana s interest in pursuing a combination of the two companies. Each of Mr. Scott and Mr. Antony agreed to consult with their respective boards and, assuming general board support was obtained, to proceed to formally retain financial advisors and further exchange relevant business information.

TABLE OF CONTENTS

On May 25, 2008, Mr. Scott outlined the general concept of the combination of the two companies to the Gran Tierra Board. The Gran Tierra Board unanimously agreed to pursue discussions to complete a transaction, and discussed potential financial advisors to represent Gran Tierra in the potential transaction. The potential transaction was codenamed Project K2.

On May 26, 2008, Mr. Scott, on behalf of Gran Tierra, delivered a letter to Mr. Antony dated May 25, 2008 confirming the Gran Tierra Board s interest in pursuing a combination of the two companies.

On May 28, 2008, the Solana Board held a special meeting for the purpose of discussing a possible business combination with Gran Tierra as a result of the May 25, 2008 letter from Gran Tierra expressing its desire to reopen merger discussions. The Solana Board was open to advancing discussions and charged Messrs. Price and Antony, with the assistance of Solana director and legal counsel Roy Hudson of Davis LLP, to inform Gran Tierra of Solana s decision and further investigate the potential transaction. It was further agreed that Tristone, Solana s financial advisors during the original merger discussions, be retained as financial advisors to Solana for the present transaction.

On May 28, 2008, Mr. Antony on behalf of Solana sent a response letter to Gran Tierra confirming its interest in pursuing merger discussions and highlighting that, in determining the potential exchange ratio for the proposed transaction, the parties should focus predominantly on asset value, given the significant overlapping assets of the two companies.

On May 28, 2008, Solana and Gran Tierra confirmed that the Confidentiality Agreement to facilitate the exchange of information between the two companies was still in force.

On May 28, 2008, Mr. Price initiated discussions with Tristone centered on Tristone s experience in these types of arrangements, the scope of work envisioned, Tristone s role and deliverables, execution methodology and potential advisor fees. Over a period of two days Mr. Price, in consultation with Messrs. Hudson and Antony, negotiated an arrangement with Tristone and, on May 30, 2008, Solana retained Tristone as Solana s financial advisor for this transaction. Immediately thereafter, Tristone commenced its review.

On May 30, 2008, Mr. Scott had a telephone conversation with Mr. Antony. They discussed a plan to engage in negotiations regarding the potential combination transaction, as well as the potential impact on the transaction of Gran Tierra s Colombian Participation Agreement, entered into in connection with Gran Tierra s original acquisition of its interests in Colombia. The Colombian Participation Agreement originally provided that, should Gran Tierra directly or indirectly expand its interest (which expansion would include the acquisition of Solana) in certain of its oil and gas properties, including the Costayaco oil field, then the existing overriding royalty payable to the royalty holders on Gran Tierra s interest in the properties would also extend to Solana s interest in the properties. Gran Tierra and Solana agreed that, if this occurrence were to result, the parties would not proceed with the combination of the two companies. Accordingly, negotiations surrounding any potential combination of the two companies continued, but at a slower pace, as Gran Tierra pursued an acceptable resolution with the royalty holders.

From May 30 through June 10, 2008, Mr. Scott engaged in negotiations by telephone with the beneficial holders of the royalty under the Colombian Participation Agreement. Following extensive negotiations, Gran Tierra agreed, subject to receipt of the requisite board approval, to issue two million shares of Gran Tierra common stock to the holders of the royalty, in the event that the combination of Gran Tierra and Solana was consummated, in consideration for the royalty holders agreeing that their overriding royalty and net profit interest rights would not apply to Solana s interests in the properties in which Solana and Gran Tierra have joint working interests, even after the combination of the two companies. In the event that a combination of Gran Tierra and Solana does not occur by November 15, 2008, then Gran Tierra would not be obligated to issue the two million shares, and the royalty holders rights under the Colombian Participation Agreement would not be affected.

On June 7 and 8, 2008, Mr. Scott had discussions with Blackmont respecting its experience in transactions similar to the potential combination of Gran Tierra and Solana, including valuation experience, cross-border transaction expertise, expected deliverables, advisory fees, general board expectations and ongoing negotiation and support requirements.

TABLE OF CONTENTS

From June 9 through June 11, 2008, Mr. Scott, in consultation with Gran Tierra s management and legal counsel, negotiated the terms of a financial advisory arrangement with Blackmont to represent Gran Tierra in the potential combination of Gran Tierra and Solana.

On June 11, 2008, the Gran Tierra Board met and approved the negotiated settlement regarding the Colombian Participation Agreement, pursuant to which Gran Tierra would, subject to satisfaction of certain conditions, including completion of a business combination with Solana, issue two million shares of Gran Tierra common stock to the royalty holders. The Gran Tierra Board also approved the termination of Gran Tierra s engagement with Westwind Partners.

On June 16, 2008, the Gran Tierra Board met and approved the appointment of Blackmont as financial advisors to Gran Tierra in connection with the potential combination of Gran Tierra and Solana, and Gran Tierra formally retained Blackmont as its financial advisor in connection with the potential business combination involving Gran Tierra and Solana.

On June 20, 2008, Mr. Scott met with Mr. Price, as well as with Jeff Lawson, Gran Tierra s principal advisor from Blackmont. The parties discussed general merger terms, agreed generally to the fact that relative net asset values would be a significant consideration in finalizing the proposed exchange ratio for the transaction, and agreed to have their respective financial advisors assess the merits of the transaction based on information currently available and present their findings to the respective boards of Solana and Gran Tierra.

On July 2, 2008 the Solana Board held a special meeting to review the terms being considered for the proposed business combination. At that time, it was the consensus of the Solana Board, without resolution, to finalize a non-binding proposal, move ahead with all required due diligence, and finalize the definitive transaction structure.

On July 2, 2008 Mr. Scott received a letter from Mr. Antony, enclosing a draft non-binding letter of intent in respect of the proposed transaction, confirming Solana s interest in the proposed combination of the two companies and suggesting certain guidelines pursuant to which the companies would continue exchange ratio negotiations, again with a proposed significant weighting towards the relative value of their joint ownership of the Costayaco oil field.

On July 2, 2008, the Gran Tierra Board met with Gran Tierra management, its legal advisors and Blackmont. Gran Tierra management provided a full report to the Gran Tierra Board with respect to the negotiations with Solana as well as a review of Solana s properties and the due diligence investigations undertaken to date by Gran Tierra s management. The Gran Tierra Board also received a presentation from Blackmont, including an overview of Solana s properties, transaction benefits and synergies, and a range of respective ownership interests of the security holders of Solana and Gran Tierra in the combined entity which would result in an equitable exchange ratio for the proposed transaction. The Gran Tierra Board received advice from its legal advisors with respect to the duties and responsibilities of the Gran Tierra Board and certain legal matters relating to the proposed transaction.

On July 3, 2008, Solana received an alternate non-binding letter of intent from Gran Tierra outlining the principal terms of the proposed transaction for negotiation. From July 3, 2008 through July 9, 2008, in consultation with their respective financial and legal advisors, Solana and Gran Tierra came to agreement on the non-binding letter of intent terms.

On July 10, 2008, Solana and Gran Tierra executed a non-binding letter of intent setting out the key transaction terms including an exchange ratio pursuant to which, on a fully diluted basis, the shareholders of Solana would hold an approximate 48% ownership interest in the combined entity and the stockholders of Gran Tierra would hold an approximate 52% ownership interest in the combined entity. The parties also agreed to conduct exclusive negotiations to complete the Arrangement Agreement by July 31, 2008.

On July 11, 2008, Mr. Price and Ricardo Montes, the Chief Financial Officer of Solana, met with Mr. Coffield and Martin Eden, the Chief Financial Officer of Gran Tierra, and Mr. Lawson of Blackmont, to discuss, principally, the parties requirements for completion of the requisite due diligence in respect of the transaction, the availability of due diligence materials, the coordination of counsel and accounting groups, and certain miscellaneous operating issues and proposed capital expenditure plans.

TABLE OF CONTENTS

On July 17, 2008, Mr. Montes of Solana and Mr. Eden of Gran Tierra met with Ernst & Young LLP and KPMG LLP to discuss certain ongoing financial and tax due diligence.

From July 17 through July 28, 2008, Solana and Gran Tierra and representatives of their respective financial and legal advisors conducted financial and legal due diligence regarding Solana and Gran Tierra and reviewed public and non-public information regarding Solana and Gran Tierra, and certain of such persons held various meetings and discussions with members of senior management of Solana and Gran Tierra relating to the business and financial condition of Solana and Gran Tierra and their respective plans and prospects. During this period, Solana and Gran Tierra and their respective advisors discussed the information that had been reviewed and the progress of investigations on a regular basis. Discussions between Solana and Gran Tierra through this period included establishing an acceptable exchange ratio. It was mutually agreed that the Costayaco field was the core asset for both companies comprising the bulk of their hard value, with the remaining value accruing from other producing assets, exploration acreage and operatorship, and tied to cost of capital considerations.

On July 21, 2008, Messrs. Price, Antony and Hudson, as well as David Vetters of Tristone, met to discuss Solana s increased understanding, arising from its ongoing due diligence, of the financial impact of the overriding royalty/net profits interest agreement encumbering Gran Tierra s interest in the Costayaco field, and its resultant impact on the proposed exchange ratio. Following these discussions, there was agreement that Solana must revisit the proposed exchange ratio with Gran Tierra, with an adjustment required of the same.

On July 21, 2008, Mr. Lawson of Blackmont met with Mr. Vetters of Tristone to discuss the respective financial advisors valuations of Solana and Gran Tierra, the impact of the overriding royalty in the Colombian Participation Agreement on Gran Tierra s interest and Tristone s and Solana s perceived impact of that interest on the exchange ratio to be finalized for the Arrangement Agreement.

On July 21, 2008, Mr. Montes of Solana and Mr. Eden of Gran Tierra met with each of Ernst & Young LLP and KPMG LLP to complete further due diligence on each of Solana and Gran Tierra.

On July 21 and 22, 2008, Blackmont had several discussions with Mr. Scott and with senior management of Gran Tierra respecting the ongoing negotiations surrounding the exchange ratio and provided Blackmont s views on the exchange ratio.

On July 22, 2008, Messrs. Price and Antony of Solana met with Messrs. Coffield and Scott of Gran Tierra and, based on final due diligence information received to date, agreed, subject to their respective boards approvals, to a revision to the combined company ownership, pursuant to which, on a fully diluted basis, the former shareholders of Solana would hold an approximate 49% ownership interest in the combined entity and the current stockholders of Gran Tierra would hold an approximate 51% ownership interest in the combined entity, equivalent to an Exchange Ratio of 0.9527918 of a share of Gran Tierra common stock to be exchanged for each Solana Share. Each of Tristone and Blackmont concurred that this was an acceptable arrangement in respect of the ownership of the combined company.

On July 23, 2008, Mr. Price provided certain additional due diligence information on Solana to Gran Tierra.

On July 23, 2008, the Gran Tierra Board met and approved the continuing of negotiations based on the new Exchange Ratio.

At a meeting held July 28, 2008, the Solana Board met and received presentations from management and Tristone. Tristone provided the Solana Board with a verbal fairness opinion which stated that they had determined that the final Exchange Ratio was fair to Solana Shareholders from a financial point of view. After receiving such presentations, the Solana Board unanimously agreed that the terms of the Arrangement Agreement were fair and in the best interests of Solana shareholders and approved the Solana and Gran Tierra business combination and the Arrangement Agreement.

At a meeting held July 28, 2008, the Gran Tierra Board met and received presentations from management, counsel to Gran Tierra and Blackmont. Counsel provided a comprehensive due diligence report and provided advice respecting the principal terms of the Arrangement Agreement. Blackmont provided the Gran Tierra Board with its verbal opinion that, on the basis of the particular assumptions and considerations presented to the Gran Tierra Board, as at that date, the consideration to be paid by Gran Tierra pursuant to the Arrangement is fair, from a financial point of view, to Gran Tierra. After duly considering the financial aspects and other considerations relating to the proposed transaction, including the terms of the proposed Arrangement Agreement and its duties and responsibilities to Gran Tierra s stockholders, the Gran Tierra Board unanimously approved the execution of the Arrangement Agreement and unanimously determined that the proposed transaction is in the best interests of Gran Tierra and Gran Tierra s stockholders.

On July 28, 2008, Solana and Gran Tierra entered into the Arrangement Agreement, and on July 29, 2008, publicly announced the transaction.

On September 5, 2008, Gran Tierra and Solana entered into an amendment to the Arrangement Agreement to provide that the payments to Solana dissenting stockholders would be made by Solana, and not by Gran Tierra.

Reasons for the Arrangement

Gran Tierra s Reasons for the Arrangement

The Gran Tierra Board considered the following factors in unanimously approving the transaction.

Anticipated Business Advantages

Asset Consolidation. Gran Tierra believes that the combined company will create a more substantial South American oil and gas exploration and production company with significant oil reserves, production and land position in

Colombia. The combination creates a company with a 100% working interest in the Costayaco field, one of the major oil discoveries in Colombia in recent years currently undergoing delineation and development, allowing for more efficient development of the field. Upon consummation of the transaction, the combined company will have a working interest in 26 exploration and production licenses, 24 of which are operated by Gran Tierra, with a land base encompassing 7.1 million gross acres (6.2 million net acres) in Colombia, Peru and Argentina.

Enhanced Capability for Future Initiatives. Gran Tierra expects the combined company to have substantially increased cash flows and working capital which will allow for the pursuit of additional exploration opportunities on the combined company s large undeveloped land base in Colombia, Argentina and Peru, and additional new venture growth opportunities.

Enhanced Access to Capital and Financial Markets. Gran Tierra expects the combined company to have a larger market capitalization and better access to capital and financial markets, which would enable the combined company to raise additional capital more easily, if needed, to fund its expansion plans than either company could if not combined.

Synergistic Integration of Operations. Gran Tierra believes that the two companies will effectively integrate their administrative operations and exploration and production capabilities, thus resulting in cost-saving opportunities for the combined company due to economies of scale and elimination of redundant functions.

Anticipated Advantages to Stockholders

The transaction will increase the number of publicly-traded shares of Gran Tierra, which will result in an increase in market capitalization, and is likely to result in an increase in trading volume and institutional interest in the combined company s business and securities.

Presentation of Gran Tierra Management

The Gran Tierra Board considered and evaluated management s presentation of information with respect to, among other factors, the results and scope of Gran Tierra s due diligence review of Solana s business, the historical profitability of Solana s business, growth prospects for oil and gas exploration and production in the Costayaco field in Colombia and in other regions of South America, Solana s working interests in the Costayaco field, and cost-saving opportunities for the combined company.

TABLE OF CONTENTS

Advice of Financial Advisor

In deciding to approve the transaction, the Gran Tierra Board also considered the opinion of its financial advisor, Blackmont, delivered verbally on July 28, 2008 and subsequently confirmed in writing as of that date, to the effect that, based on and subject to the factors and assumptions set forth in the opinion, the Exchange Ratio was fair, from a financial point of view, to Gran Tierra.

Potential Risks

The Gran Tierra Board recognized that there are risks associated with the combination of Gran Tierra and Solana. These factors, which are further discussed on page 22 under Risk Factors , include: some of the potential benefits described above may not be realized or significant costs may be incurred in realizing those benefits; dilution to Gran Tierra stockholders; the risks involved in integration of the two companies businesses; Solana s profitability may be less than estimated by Gran Tierra in determining Solana s value; and possible liquidation of a large number of shares of Gran Tierra common stock following consummation of the transaction by investors who have not previously owned Gran Tierra common stock.

In light of the factors described above, including those described under Potential Risks and the Risk Factors discussed on page 22, the Gran Tierra Board concluded that the potential benefits of the combination outweigh the potential risks, although no assurance can be given in this regard.

Solana s Reasons for the Arrangement

The Solana Board considered the following factors in unanimously approving the transaction.

Anticipated Business Advantages

Premium in Trading Price. The consideration offered under the Arrangement represents a significant premium over the trading price of Solana Shares immediately prior to the announcement of the combination.

Asset Consolidation. Solana believes that the combined company will have a larger asset base and greater geographical diversity of operations and markets. The combination creates a company with a 100% working interest in the Costayaco field, one of the major oil discoveries in Colombia in recent years.

Enhanced Access to Capital and Financial Markets. Solana expects the combined company to have a larger market capitalization and better access to capital and financial markets, which would enable the combined company to raise additional capital more easily, if needed, to fund its expansion plans than either company could if not combined.

Greater Liquidity. Solana expects the shares of the combined company to have greater public float and liquidity.

Enhanced Capability for Future Initiatives. Solana expects the combined company to have strong cash flows which will allow for the pursuit of additional exploration opportunities on the combined company s large undeveloped land base in Colombia, Argentina and Peru and new venture and growth opportunities, thereby increasing the probability of additional exploration success.

Tax Deferral. The structure of the transaction provides a tax deferral opportunity for Canadian resident Solana Shareholders that are not exempt from tax under Part I of the *Income Tax Act* (Canada) and, in the case of partnerships, are Canadian partnerships for purposes of the *Income Tax Act* (Canada), but may be a taxable transaction for non-Canadian holders of Solana Shares.

Strong Leadership. Solana expects the combined company to benefit from the strong leadership of directors from both Solana and Gran Tierra.

Ability to Consider Competing Offers. Under the Arrangement Agreement, the Solana Board retains the ability to consider and respond to superior proposals on the specific terms and conditions set forth in the Arrangement Agreement.

Alternatives for Solana Optionholders and Solana Warrantholders. The Solana optionholders and Solana warrantholders can elect to continue to participate in the combined company by ultimately receiving shares in the common stock of Gran Tierra or can elect to receive a cash payment for their securities, providing alternatives for such securityholders depending on their financial situation.

TABLE OF CONTENTS

Presentation of Solana Management

The Solana Board considered and evaluated management s presentation of information with respect to, among other factors, the results and scope of Solana s due diligence review of Gran Tierra s business; growth prospects for oil and gas exploration and production in the Costayaco field in Colombia and Gran Tierra s working interests in the Costayaco field.

Advice of Financial Advisor

In deciding to approve the transaction, the Solana Board also considered the opinion of its financial advisor, Tristone, delivered orally on July 28, 2008 and subsequently confirmed in writing as of that date that, based on and subject to the factors and assumptions set forth in the opinion, the consideration to be received by Solana Shareholders was fair, from a financial point of view, to Solana Shareholders.

Potential Risks

The Solana Board recognized that there are risks associated with the combination of Solana and Gran Tierra. These factors, which are further discussed on page 22 under Risk Factors , include: some of the potential benefits described above may not be realized or significant costs may be incurred in realizing those benefits; Gran Tierra s possible loss of working interests in the Costayaco field in Colombia and other areas of South America; Gran Tierra s financial results may be less than estimated by Solana in determining Gran Tierra s value; and possible liquidation of a large number of shares of Gran Tierra common stock following consummation of the transaction by investors who have not previously owned Gran Tierra common stock.

In light of the factors described above, including those described under Potential Risks and the Risk Factors discussed on page 22, the Solana Board concluded that the potential benefits of the combination outweigh the potential risks, although no assurance can be given in this regard.

Recommendations of the Boards of Directors

Gran Tierra

The Gran Tierra Board believes that the Arrangement is advisable and in the best interest of Gran Tierra stockholders. The Gran Tierra Board unanimously recommends that the Gran Tierra stockholders approve the issuance of the common stock pursuant to the Arrangement, the amendment of the Gran Tierra articles of incorporation to create a share of Special B Voting Stock, the amendment of the Gran Tierra articles of incorporation to increase the total number of common stock authorized for issuance, and the amendment and restatement of the 2007 Equity Incentive Plan, which increases the number of shares of common stock available under the Incentive Plan from 9,000,000 shares to 18,000,000 shares in the aggregate.

Solana

The Solana Board believes that the Arrangement is advisable and in the best interest of Solana Securityholders. The Solana Board unanimously recommends that the Solana Securityholders approve the Arrangement.

Fairness Opinion of Tristone Capital Inc.

On July 28, 2008, Tristone, in its capacity as financial adviser to Solana, rendered its opinion to the Solana Board that, as of that date and based upon and subject to certain factors and assumptions, the consideration to be received by the Solana Shareholders under the Arrangement was fair, from a financial point of view, to Solana Shareholders. The full text of Tristone s written opinion, dated July 28, 2008, is attached to this Joint Proxy Statement as Annex I. Tristone s opinion was approved by a committee of the managing directors of Tristone, each of whom is experienced in merger, acquisition, divestiture and valuation matters. **This summary of Tristone s opinion is qualified in its entirety by reference to the full text of the opinion. Solana Shareholders are urged to read the Tristone opinion carefully and in its entirety.**

Tristone provided its opinion for the information and assistance of the Solana Board in connection with its evaluation of the Arrangement. Tristone s opinion did not address the merits of Solana s underlying decision to engage in the Arrangement or the relative merits of the Arrangement compared to any alternative business strategy or transaction in which Solana might engage. Further, Tristone expresses no opinion about the fairness of the amount or nature of the compensation (if any) to any of the officers, directors or employees of any party to the Arrangement, or class of such persons, relative to the Solana Shareholders or otherwise. Tristone s opinion and its related analysis reviewed with the Solana Board were only two of many factors taken into consideration by the Solana Board in making its determination to approve the Arrangement. **The Tristone opinion is not a recommendation as to how any Solana Shareholder should vote with respect to the Arrangement.**

In rendering its opinion, Tristone relied upon, and assumed the completeness, accuracy and fair representation of all financial information, business plans, forecasts and other information, data, advice, opinions and representations obtained by Tristone from public sources, including information relating to Solana and Gran Tierra, or provided to Tristone by Solana, Gran Tierra and their respective affiliates or advisors or otherwise, and its opinion is conditional upon such completeness, accuracy and fairness. Tristone did not attempt to verify independently the completeness, accuracy or fair presentation of any such information. Tristone assumed that all forecasts, projections, estimates and/or budgets provided to Tristone and used in its analysis were reasonably prepared on bases reflecting the best currently available estimates and good faith judgments of the future financial performance of Solana or Gran Tierra (as the case may be), respectively, as stand alone entities and have assumed that the financial results reflected in such forecasts, projections, estimates and/or budgets will be realized in the amount and at the times projected. Tristone expressed no independent view as to the reasonableness of such forecasts, projections, estimates and/or budgets or the assumptions on which they were based.

Tristone was not engaged, nor did it assume any responsibility, to perform, and did not perform, an independent evaluation or appraisal of any of the securities, assets or liabilities of Solana or Gran Tierra, and was not furnished with any such valuations or appraisals (other than the reserve reports referred to below). Tristone did not assume any obligation to conduct, and did not conduct, any physical inspection of the property or facilities of Solana or Gran Tierra. Tristone did not investigate, and made no assumption regarding, any litigation or other claims affecting Solana or Gran Tierra.

Tristone s opinion was rendered as of the date thereof on the basis of securities markets, economic and general business and financial conditions prevailing as at such date, and the condition and prospects, financial and otherwise, of Solana and Gran Tierra as they were reflected in the information and in other documents reviewed by Tristone and as they were represented to Tristone in its discussions with Solana and Gran Tierra management, as applicable. In rendering its opinion, Tristone assumed that there were no undisclosed material facts relating to Solana or Gran Tierra or their respective businesses, operations, capital or future prospects. Any changes therein may affect Tristone s opinion and Tristone may change or withdraw its opinion in such event. Tristone does not have an obligation to advise any person of any change that may come to its attention or to update its opinion after the date thereof.

Tristone made numerous assumptions with respect to industry performance, general business, market and economic conditions and other matters in its analysis and in connection with the preparation of its opinion, many of which are beyond the control of any party involved in the Arrangement. In arriving at its opinion, Tristone assumed, in addition to the facts and conclusions contained in the information relied upon, among other things, the validity and efficacy of the procedures being followed to implement the Arrangement, and expressed no opinion on such procedures. Tristone relied on the advice of legal and tax counsel to Solana with respect to all legal and tax matters relating to the Arrangement and the implementation thereof, and expressed no view thereon. Tristone further assumed that all conditions precedent to the completion of the Arrangement can be satisfied in due course without waiver thereof and that all consents, permissions, exemptions or orders of relevant regulatory authorities will be obtained, without adverse conditions or qualification. Tristone expressed no view as to the likelihood that the conditions respecting the Arrangement will be satisfied or waived or that the Arrangement will be implemented within the time frame indicated in the Arrangement Agreement and described in this Joint Proxy Statement. Tristone expressed no opinion as to what

---

TABLE OF CONTENTS

the value of common shares of Gran Tierra actually will be when issued pursuant to the Arrangement or the price at which the common shares of Gran Tierra will trade at any time.

For the purpose of rendering its opinion, Tristone has reviewed, considered, conducted, undertaken, and relied upon, among other things:

the Arrangement Agreement;

the audited financial statements of Solana as at and for the year ended December 31, 2007, together with the notes thereto, the auditors report thereon and the management s discussion and analysis related thereto;

the interim unaudited financial statements of Solana as at and for the three month periods ended March 31, 2008, September 30, 2007 and June 30, 2007, together with the notes thereto and the management s discussion and analysis related thereto;

Solana s Annual Information Form dated April 10, 2008, for the year ended December 31, 2007;

Solana s reserve report prepared by DeGolyer and MacNaughton Canada Limited, dated April 10, 2008 and as of December 31, 2007;

discussions with Solana management with regard to, among other things, the business, operations, quality of assets and future potential of Solana;

certain internal financial information, financial and operational projections of Solana as provided by Solana management;

the audited financial statements of Gran Tierra as at and for the year ended December 31, 2007, together with the notes thereto, the auditors report thereon and the management s discussion and analysis related thereto;

the interim unaudited financial statements of Gran Tierra as at and for the three month period ended March 31, 2008, together with the notes thereto and the management s discussion and analysis related thereto;

the prospectus dated April 15, 2008 filed with the SEC registering the offer and sale of shares of Gran Tierra common stock, including shares of common stock underlying warrants, to satisfy registration rights previously granted;

Gran Tierra s Colombian Participation Agreement effective as of June 22, 2006 and amendments thereto;

Gran Tierra s Annual Information Form dated May 23, 2008, for the year ended December 31, 2007;

Gran Tierra s proxy statement dated April 28, 2008, filed with the SEC relating to the annual meeting of Gran Tierra s stockholders held on June 16, 2008;

Gran Tierra s reserve report prepared by Gaffney, Cline & Associates Limited, dated February 15, 2008 and as at December 31, 2007 and Gran Tierra s reserve report prepared by GLJ Petroleum Consultants as at July 1, 2008;
communications with Gran Tierra management with regard to, among other things, the business, operations, quality of assets and future potential of Gran Tierra;
certain internal financial information, financial and operational projections of Gran Tierra as provided by Gran Tierra management;
data with respect to other transactions of a comparable nature considered by Tristone to be relevant;
certain public information relating to the business, financial condition and trading history of Gran Tierra and Solana;
other information, analyses and investigations as Tristone considered appropriate in the circumstances;

a certificate of representation as to certain factual matters provided by Solana and dated as of July 28, 2008; and
a certificate of representation as to certain factual matters provided by Gran Tierra and dated as of July 28, 2008.

The following is a summary of the material financial analyses delivered by Tristone to the Solana Board in connection with rendering the opinion described above. The following summary, however, does not purport to be a complete description of the financial analyses performed by Tristone, nor does the order of analyses described represent relative importance or weight given to those analyses by Tristone. Except as otherwise noted, the following quantitative information, to the extent that it is based on market data, is based on market data as it existed on or before July 28, 2008 and is not necessarily indicative of current market conditions.

The summary includes information in a tabular format. In order to fully understand these financial analyses, the tables must be read together with the text accompanying each summary. The tables alone do not constitute a complete description of these financial analyses. Considering the data set forth in the tables without considering the full narrative description of these analyses, including the methodologies and assumptions underlying these analyses, could create a misleading or incomplete view of these financial analyses performed by Tristone.

In arriving at its opinion regarding the consideration to be paid to Solana Shareholders, Tristone calculated the implied consideration per Solana Share on the basis of each Solana Share being exchanged for 0.9527918 of a share of Gran Tierra common stock. This implies a transaction price of CDN$5.55 per Solana Share based on the closing price of Gran Tierra on July 25, 2008 on the TSX. Tristone calculated the aggregate transaction value as the fully diluted shares outstanding multiplied by the per share transaction price of CDN$5.55, plus long term debt, less working capital surplus, less proceeds from the exercise of options and warrants resulting in a total transaction value of approximately CDN$652 million.

Analyst Price Targets:

Tristone compared the price targets of Gran Tierra and Solana as prepared by independent equity research analysts at Tristone and other investment banks. The average 12-month price target for Solana was CDN$7.05 with a range of CDN$5.50 to CDN$8.25 and the average price target for Gran Tierra was CDN$7.90 with a range of CDN$5.25 to CDN$10.00. The ratio of average target prices was 0.892 compared to the proposed transaction Exchange Ratio of 0.9527918.

Historical Share Price Analysis:

Tristone analyzed the historical trading prices of Solana and Gran Tierra from the January 1, 2007 to July 25, 2008 and from January 1, 2008 to July 25, 2008 to gain perspective on the historical relative prices of Gran Tierra common stock and Solana Shares. Tristone also calculated volume weighted average prices ranging from one to 60 days, in five day increments, of the common shares based on trading on the TSX and AMEX for Gran Tierra and the TSX Venture

Exchange and AIM for Solana for the period ending July 25, 2008. The implied exchange ratio over this period, based on the volume weighted average prices for the periods described above, ranged from a low of 0.703 to a high of 0.761. Tristone noted that the proposed transaction exchange ratio of 0.9527918 compared favorably to the implied exchange ratios.

Tristone also calculated the implied transaction price per Solana Share by multiplying the Exchange Ratio of 0.9527918 by the volume weighted average prices of Gran Tierra over the same periods described above. The resulting values ranged from CDN$6.91 to CDN$5.55 per Solana share. These implied transaction prices were then compared to the Solana volume weighted average prices over the same periods to calculate implied premiums. The calculated implied premiums ranged from 25.2% to 35.6%.

Public Company Trading Comparables:

Tristone analyzed publicly available information as well as forecasted production and cash flow estimates independently prepared by independent equity research analysts at Tristone and other investment banks for publicly traded companies that had oil and gas assets located in Colombia, Argentina and/or Peru. As a result of such analysis, Tristone determined that the following thirteen companies were relevant to an evaluation of both Solana and Gran Tierra.

APCO Argentina Inc.	Interoil Exploration & Production ASA	Petro Andina Resources Inc.
Emerald Energy PLC	Maple Energy PLC	PetroLatina Energy PLC
GEOPARK	Establishment Maurel & Prom	Petrolifera Petroleum Ltd.
Global Energy Development PLC	Pacific Rubiales Energy Corp.	Petrominerales Ltd.
		Trefoil Limited

The selected companies were separated into two groups; those companies with enterprise values greater than or equal to CDN$1 billion and those with enterprise values less than CDN$1 billion. Tristone calculated the implied trading multiples for each group and compared the implied trading multiples with the trading multiples of Solana and Gran Tierra. The enterprise value of the companies was calculated as the fully diluted equity value as of July 25, 2008 plus long term debt less working capital surplus less proceeds from the exercise of options and warrants. The resulting enterprise value was divided by 2008 and 2009 production and debt adjusted cash flow (cash flow with estimated interest expenses added back) estimates and most recent reserve volume estimates to determine the respective trading multiples. Reserve volume estimates were obtained from a variety of sources including company estimates, independent equity research analysts, and other public disclosure. Estimates for all companies were not available for all metrics evaluated. A summary of this analysis is provided below.

	Comparable Public Trading Multiples				
(Dollars in Canadian Dollars)	EV/BOED 2008	EV/BOED 2009	EV/DACF 2008	EV/DACF 2009	EV/BOE
Enterprise Values > or = $1 billion					
Average	$ 123,501	$ 72,780	5.9x	3.7x	$ 21.56
Enterprise Values < $1 billion					
Average	$ 55,544	$ 27,431	6.3x	5.5x	$ 28.84
Average excluding high & low	$ 50,297	$ 26,234	5.3x	4.0x	$ 24.97
Gran Tierra	$ 164,283	$ 96,184	9.2x	5.3x	$ 44.28

Solana at Trading Price	$ 137,864	$ 71,484	6.1x	3.7x	$ 34.32
Solana at Transaction Price	$ 180,441	$ 93,560	8.0x	4.9x	$ 44.92

NOTE: EV represents enterprise value, the calculation of which is described above. BOE represents barrel of oil equivalent and BOED represents barrel of oil equivalent per day. A conversion ratio of six thousand cubic feet of natural gas to one barrel of crude oil has been used. DACF represents debt adjusted cashflow, the calculation of which is described above.

Although the foregoing companies were compared to Solana and Gran Tierra for the purposes of this analysis, none of these companies is identical to either Solana or Gran Tierra because of differences in assets, regulatory environments, reporting standards, operations and other characteristics of Solana, Gran Tierra and the comparable companies. In evaluating comparable companies, Tristone made judgments and assumptions with regard to industry performance, general business, economic, regulatory, market and financial conditions and other matters, many of which are beyond the control of Solana, Gran Tierra such as the impact of competition on the businesses of Solana and Gran Tierra and on the industry generally, industry growth and the absence of any adverse material change in the financial condition and prospects of Solana and Gran Tierra and of the industry or in the markets generally. Mathematical analysis (such as determining the average or median) is not in itself a meaningful method of using comparable company data.

Discounted Cash Flows Analysis:

Tristone analyzed the present value of the reserves of each of Solana and Gran Tierra based on NI 51-101 compliant reserve reports prepared by independent reserve engineers effective as of December 31, 2007. Additionally, Tristone analyzed the similarly prepared reserve report on the Costayaco field prepared for Gran Tierra and effective as of July 1, 2008. Tristone utilized the proved plus probable and the proved plus probable plus possible scenarios based on the pre tax, escalating price assumptions, discounted at 10% for its analysis. The commodity pricing assumptions used were those used by the independent engineers at the time the reports were effective and are summarized below.

	Solana DeGolyer and MacNaughton (As of December 31, 2007)		Gran Tierra Gaffney, Cline & Associates (As of December 31, 2007)		GLJ Petroleum Consultants (As of July 1, 2008)	
	WTI[(1)] $US/bbl	Natural Gas $US/mcf	WTI $US/bbl	Natural Gas $US/mcf	WTI $US/bbl	Natural Gas $US/mcf
2008	$ 90.00	$ 2.59	$ 89.61	$ 2.30	$ 125.55	n/a
2009	$ 84.00	$ 2.79	$ 86.01	$ 2.39	$ 116.25	n/a
2010	$ 80.00	$ 2.76	$ 84.65	$ 2.49	$ 102.30	n/a
2011	$ 77.00	$ 2.74	$ 82.77	$ 2.59	$ 93.00	n/a
2012	$ 75.00	$ 2.77	$ 82.26	$ 2.69	$ 93.00	n/a
2013	$ 73.00	$ 2.79	$ 82.81	$ 2.80	$ 93.00	n/a
2014	$ 71.00	$ 2.85	$ 84.46	$ 2.91	$ 94.26	n/a
2015	$ 70.00	$ 2.91	$ 86.15	$ 3.03	$ 96.14	n/a
2016	$ 70.00	$ 2.96	$ 87.87	$ 3.15	$ 98.07	n/a
2017	$ 70.00	$ 3.02	$ 89.63	$ 3.27	$ 100.03	n/a

Escalate oil and gas product prices at 2.0% per year thereafter.

(1) West Texas Intermediate.

In order to account for the large proportion of assets that were jointly held by Solana and Gran Tierra (namely, Costayaco, Juanambu and Guayuyaco), Tristone adjusted both reserve reports so that jointly held assets were ascribed the same value. Specifically, Tristone subtracted the value attributable to Costayaco in the Solana December 31, 2007 report and added the value attributable to Costayaco from the July 1, 2008 Gran Tierra report and added the value of the Crosby Participating Interest as calculated in the same report. Similarly, Tristone subtracted the value attributable to the Costayaco, Juanambu and Guayuyco assets from the Gran Tierra December 31, 2007 report and added the value attributable to Costayaco from the July 1, 2008 Gran Tierra report and the value attributable to Juanambu and Guayuyaco from the Solana December 31, 2007 report.

Tristone then added working capital surplus, and proceeds from the exercise of options and warrants, and subtracted long term debt to arrive at a corporate net asset value for each of Solana and Gran Tierra. The net asset value was then divided by the fully diluted shares outstanding to arrive at a net asset value per share. The resulting proved plus probable net asset value per share for Solana was CDN$6.63 and the resulting proved plus probable plus possible net asset value per share for Solana was CDN$9.72. The resulting proved plus probable net asset value per share for Gran Tierra was CDN$6.17 and the resulting proved plus probable plus possible net asset value per share for Gran Tierra was CDN$9.36.

Contribution Analysis:

Tristone compared the contribution of each of Solana and Gran Tierra, based on a consensus of independent equity research analyst forecasts from Tristone and other investment banks for 2008 and 2009 production, 2008 and 2009 cash flow, independently estimated reserve volumes (as adjusted for the discounted cash flow analysis above) and risked exploration net asset value as prepared by Tristone s independent equity research analyst for both companies. Risked exploration net asset value is a commonly used method of estimating a company s net asset value based on discovered estimated reserves plus value attributable to exploration prospects which have yet to be discovered.

Contribution of these metrics ranged from 44% to 52% from Solana. Tristone noted that the transaction exchange ratio of 0.9527918 implied pro forma Solana ownership of 49% and a total enterprise value contribution of 47%.

Pro Forma Analysis:

Tristone analyzed the pro forma impact of the transaction on Gran Tierra s pro forma cash flow and production for 2008 and 2009; proved and probable reserves; proved and probable and possible reserves; proved and probable net asset value; proved and probable and possible net asset value; and risked exploration

net asset value, all on a per share basis. Tristone assumed CDN$2 million of cash flow synergies resulting from the completion of the Arrangement. The accretion per share to Gran Tierra ranged from -9.7% to +6.2%. Tristone also completed the same analysis on the impact to a Solana Shareholder. The accretion per share to Solana ranged from -5.7% to +12.6%.

Corporate and Asset Transaction Comparables Analysis:

Tristone reviewed select publicly available information for ten oil and gas corporate and asset transactions announced between January 2006 and July 25, 2008 in which the target company had oil and gas operations located in Colombia and deemed by Tristone to be relevant for its analysis. The transactions included are listed below.

Acquirer	Seller	Announcement Date
Suroco Energy Inc.	Alentar Holdings Inc. (Asset)	July 21, 2008
Pacific Rubiales Energy Corp.	Kappa Energy Holdings Ltd. (Corporate)	July 8, 2008
CEPSA	Hupecol Caracara LLC (Asset)	June 24, 2008
Brazalta Resources Corp.	Canacol Energy Inc. (Corporate)	June 10, 2008
Petro Rubiales Energy Corp.	Pacific Stratus Energy Ltd. (Corporate)	November 12, 2007
AGX Resources Corp.	Meta Petroleum Ltd. (Corporate)	May 25, 2007
Sinopec; ONGC Videsh	Omimex Resources Inc. (Asset)	September 21, 2006
PetroLatina Energy PLC	Petroleos del Norte S.A. (Corporate)	April 18, 2006
Pacific Stratus Energy Ltd.	Sipetrol; ENAP (Asset)	April 17, 2006
Gran Tierra Inc.	Argosy Energy International (Corporate)	April 3, 2006

Tristone calculated the implied transaction multiples, where information was available, for each transaction. The transaction multiples for the comparable transactions were calculated by dividing the total transaction value, calculated as above, by the best estimate of current production at the time of the transaction, the estimated annualized cash flow based on that production level and the most recently reported reserve volumes where appropriate. Not all of the transactions had available data for all metrics evaluated. The transaction multiples were compared to the transaction multiples of Solana implied at the transaction price. A summary of this analysis is below.

	Comparables Transaction Metrics		
(Dollars in Canadian Dollars)	EV/BOED	EV/BOE P+P	EV/DACF
Average of Transaction Comparables	$ 89,768	$ 19.08	5.6x
Median of Transaction Comparables	$ 61,185	$ 13.78	4.4x
Solana Transaction Metrics	$ 180,441	$ 44.92	8.0x

Premium Analysis:

Tristone analyzed transaction premiums paid for selected oil and gas corporate transactions announced during the period from January 1, 2007 to July 25, 2008 where the target company was listed on the TSX or TSX Venture Exchange. A total of 30 transactions were selected and the transaction price premium over the closing price on the previous day, the closing price on the day one week earlier and the closing price on the day one month earlier were calculated. The results were compared to the similarly calculated premiums Solana would receive based on the implied transaction price. A summary of this analysis is provided below.

	Takeover Premiums		
	1 Day	1 Week	1 Month
Average	15 %	15 %	20 %
Average excluding high and low	14 %	14 %	20 %
Median	12 %	11 %	18 %
Gran Tierra/Solana	25 %	25 %	5 %

TABLE OF CONTENTS

Overview of Analyses; Other Considerations

In reaching its opinion, Tristone did not assign any particular weight to any one analysis or the results yielded by that analysis. Rather, having reviewed these results in the aggregate, Tristone exercised its professional judgment in determining that, based on the aggregate of the analyses used and the results they yielded, the consideration to be received by the Solana Shareholders under the Arrangement was fair, from a financial point of view, to Solana Shareholders. Tristone believed that it was inappropriate to, and therefore did not, rely solely on the quantitative results of the analyses and, accordingly, also made qualitative judgments concerning differences between the characteristics of Solana and Gran Tierra respectively, and the Arrangement, and the data selected for use in its analyses, as further discussed below.

No single company or transaction used in the above analyses as a comparison is identical to Solana or Gran Tierra, or the Arrangement, and an evaluation of the results of those analyses is not entirely mathematical. Rather, the analyses involve complex considerations and judgments concerning financial and operating characteristics and other factors that could affect the acquisition, public trading or other values of the companies, businesses, or transactions analyzed. The analyses were prepared solely for purposes of Tristone providing an opinion as to the fairness of the consideration to be received by the Solana Shareholders under the Arrangement, from a financial point of view, to Solana Shareholders and do not purport to be appraisals or necessarily reflect the prices at which businesses or securities actually may be acquired, which are inherently subject to uncertainty.

The opinion of Tristone as to the fairness, from a financial point of view, of the consideration to be received by the Solana Shareholders under the Arrangement was necessarily based upon market, economic, and other conditions that existed as of the date of its opinion and on information available to Tristone as of that date.

The preparation of a fairness opinion is a complex process that involves the application of subjective business judgment in determining the most appropriate and relevant methods of financial analysis and the application of those methods to the particular circumstances. Several analytical methodologies were used by Tristone and no one method of analysis should be regarded as critical to the overall conclusion reached. Each analytical technique has inherent strengths and weaknesses, and the nature of the available information may further affect the value of particular techniques. The overall conclusions of Tristone were based on all the analyses and factors presented herein taken as a whole and also on application of Tristone s own experience and judgment. Such conclusions may involve significant elements of subjective judgment and qualitative analysis. Tristone therefore believes that its analyses must be considered as a whole and that selecting portions of the analyses and of the factors considered, without considering all factors and analyses, could create an incomplete or misleading view of the processes underlying its opinion.

The consideration to be received by the Solana Shareholders under the Arrangement was determined through arms -length negotiations between Solana and Gran Tierra and was approved by the Solana Board. Tristone provided advice to Solana during these negotiations. Tristone did not, however, recommend any specific amount of consideration to Solana or its board of directors or that any specific amount of consideration constituted the only appropriate consideration for the transaction.

As described above, Tristone s opinion to the Solana Board was one of many factors taken into consideration by Solana s board of directors in making its determination to approve the Arrangement. The foregoing summary does not purport to be a complete description of the analyses performed by Tristone in connection with the fairness opinion and is qualified in its entirety by reference to the written opinion of Tristone attached as Annex I.

Tristone acts as a trader and dealer, both as principal and agent, in all major financial markets in Canada, England and in the US and, as such, may have had, may have and may in the future have, positions in the securities of Solana and Gran Tierra and from time to time, may have executed or may execute transactions on behalf of Solana and Gran Tierra for clients for which it received or may receive compensation. In addition, as an investment dealer, Tristone conducts research on securities and may, in the ordinary course of its business, provide research reports and investment advice to its clients on issues and investment matters, including research with respect to Solana and Gran Tierra. Tristone has acted as financial advisor to Solana in connection with, and has participated in certain of the negotiations leading to, the transaction contemplated by

TABLE OF CONTENTS

the Arrangement Agreement. In addition, Tristone has provided certain investment banking and other financial services to Solana from time to time, including having acted as lead manager with respect to a public offering of Solana s common shares (aggregate offering amount of CDN$53,526,000) in October 2007; having acted as financial advisor to Solana with respect to pursuing a corporate acquisition in May through July of 2007; having acted as lead manager with respect to a public offering of Solana s common shares (aggregate offering amount of CDN$42,000,000) in March 2006 and having acted as Solana s designated broker on the AIM since October 2006. Tristone may, in the future, in the ordinary course of its business, perform financial advisory or investment banking services for Solana and Gran Tierra. In connection with the above-described investment banking services, Tristone has received, and may receive in the future, compensation.

Tristone, with its affiliates, is a fully registered investment dealer in Canada and the United States focusing on companies participating in oil and gas exploration, production and services, energy transportation, and energy income trusts. Tristone provides corporate finance, mergers and acquisitions, equity sales, research and trading services to companies active in or investing in the energy industry. The Solana Board has selected Tristone to serve as its financial adviser with respect to the Arrangement and render its opinion based on Tristone s experience and expertise.

Pursuant to a letter agreement dated May 30, 2008, Solana engaged Tristone to act as its financial advisor in connection with the Arrangement. Pursuant to the terms of this engagement letter, Tristone will receive a fee for its services upon delivery of its opinion, which is not contingent upon the successful completion of the Arrangement. In addition, for Tristone s services as financial advisor to Solana in connection with the Arrangement, if the Arrangement is successfully completed, Tristone will receive an additional larger fee, against which the fee it received for delivery of its opinion will be credited. In addition, Solana has agreed to reimburse Tristone for the reasonable out-of-pocket expenses and indemnify Tristone and related persons for certain liabilities that may arise out of its engagement.

Fairness Opinion of Blackmont Capital Inc.

The Gran Tierra Board formally retained Blackmont Capital Inc. pursuant to an engagement agreement dated June 16, 2008, to among other things, provide financial advice to the Gran Tierra Board and its opinion, referred to as the ***Blackmont Fairness Opinion*** , as to the fairness, from a financial point of view, of the Arrangement to Gran Tierra stockholders. At the meeting of the Gran Tierra Board on July 2, 2008, Blackmont presented its view and analysis to the Gran Tierra Board which included an overview of Solana s properties, transaction benefits and synergies, and a range of respective ownership interests of the security holders of Solana and Gran Tierra in the combined entity which would result in an equitable exchange ratio for the proposed transaction. At the meeting on July 28, 2008, Blackmont rendered its verbal opinion to the Gran Tierra Board, subsequently confirmed in writing, that as of July 28, 2008, based upon the particular assumptions and considerations presented to the Gran Tierra Board, as at that date, the consideration to be paid by Gran Tierra pursuant to the Arrangement is fair, from a financial point of view, to the Gran Tierra stockholders.

The full text of the Blackmont Fairness Opinion, which sets forth material information relating to the Blackmont Fairness Opinion, including the assumptions made, matters considered and qualifications and limitations on the scope of review undertaken by Blackmont, is attached as Annex H to this Joint Proxy Statement. This description of the Blackmont Fairness Opinion is qualified in its entirety by reference to, and should be reviewed together with, the full text of the Blackmont Fairness Opinion. You are urged to read the Blackmont Fairness Opinion and consider it carefully. The Blackmont Fairness Opinion was addressed to the Gran Tierra Board and addressed only the fairness, from a financial point of view, of the Arrangement to Gran Tierra s stockholders. The terms of the Arrangement, including the exchange ratio, were determined through

negotiations between Gran Tierra and Solana and were not determined or recommended by Blackmont. The Blackmont Fairness Opinion did not address the merits of the underlying decision of Gran Tierra to engage in the transaction and did not constitute, nor should it be construed as, a recommendation to any stockholder of Gran Tierra or Solana as to how to vote on the Arrangement. Additionally, Blackmont expressed no opinion as to the prices at which the shares of common stock of either Gran Tierra or Solana will trade following the announcement or completion of the Arrangement.

52

TABLE OF CONTENTS

In arriving at its opinion, Blackmont, among other things:

reviewed various publicly available business and financial information relating to Solana and Gran Tierra that Blackmont deemed to be relevant;
reviewed information, including financial forecasts, relating to the business, production rates, cash flow and prospects of Gran Tierra and Solana, as well as the anticipated expenses, and amount and timing of cost savings expected to result, from the Arrangement, referred to as the ***Expected Synergies*** , furnished to Blackmont in discussions with Gran Tierra;
conducted discussions with members of senior management and other representatives of Gran Tierra concerning the matters described in the preceding two clauses, and conducted discussions with members of senior management of Gran Tierra and Solana concerning their respective businesses and prospects, both before and after giving effect to the Arrangement and the Expected Synergies;
reviewed the market prices and valuation multiples for Gran Tierra common stock and Solana common stock and compared them with those of a number of publicly traded companies that Blackmont deemed to be relevant;
participated in a number of discussions and negotiations among representatives of Gran Tierra and Solana and their financial and legal advisors;
reviewed the potential pro forma impact of the transaction;
reviewed drafts of, including the final draft of, the Arrangement Agreement dated July 28, 2008; and
reviewed such other financial studies and analyses and took into account such other matters as Blackmont deemed necessary, including its assessment of general economic, market and monetary conditions.

In preparing the Blackmont Fairness Opinion, Blackmont has relied upon, and has assumed the completeness, accuracy and fair representation of all financial and other information, data, advice, opinions and representations obtained by it from public sources, including information relating to Gran Tierra and Solana, or provided to Blackmont by Gran Tierra and Solana and their respective affiliates or advisors or otherwise pursuant to the terms of Blackmont s engagement, and the Blackmont Fairness Opinion is conditional upon such completeness, accuracy and fair representation. Subject to the exercise of professional judgment and except as expressly described herein, Blackmont has not attempted to verify independently the accuracy or completeness of any such information, data, advice, opinions and representations.

The Blackmont Fairness Opinion is rendered on the basis of securities markets, economic and general business and financial conditions prevailing as at the date hereof, and the condition and prospects, financial and otherwise, of Gran Tierra and Solana as they were reflected in the information and documents reviewed by Blackmont and as they were represented to Blackmont in its discussions with management of Gran Tierra and Solana. In rendering the Blackmont Fairness Opinion, Blackmont has assumed that there are no undisclosed material facts relating to either Gran Tierra or Solana, or their business, operations, capital or future prospects. Any changes therein may affect the Blackmont Fairness Opinion and, although Blackmont reserves the right to change or withdraw the Blackmont Fairness Opinion in such event, Blackmont disclaims any obligation to advise any person of any change that may come to Blackmont s attention or to update the Blackmont Fairness Opinion after the date upon which it is rendered.

At the meeting of the Gran Tierra Board held on July 2, 2008, Blackmont presented a number of financial analyses accompanied by delivery of written materials in connection with its views on the proposed exchange ratio for the business combination. Subsequently, following completion of additional due diligence and final negotiations with Solana and Tristone respecting the final exchange ratio, at the meeting of the Gran Tierra Board held on July 23, 2008 and, subsequently, the meeting held July 28, 2008, Blackmont rendered its verbal opinion respecting the fairness of the proposed transaction and indicated that it would be in a position to provide its written Fairness Opinion which, when delivered, would be based upon and subject to the assumptions, limitations and qualifications to be set forth in the written opinion. The following is a summary of the material financial analyses performed by Blackmont in arriving at its opinion.

53

TABLE OF CONTENTS

Solana Valuation Analyses

Analyst Stock Price Targets. Using publicly available securities research analyst estimates, Blackmont noted that the range of the analyst stock price targets for Solana was $5.50 $8.25.

Comparable Public Trading Multiples Analysis. Using publicly available securities research analyst estimates and other information, Blackmont compared selected financial and trading data of Solana with similar data for selected publicly traded companies engaged in businesses that Blackmont determined to be reasonably comparable to those of Solana. These companies are listed below:

Arawak Energy Limited
Brazalta Resources Corp.
Calvalley Petroleum Inc.
Candax Energy Inc.
Cirrus Energy Corporation
Harvest Natural Resources Inc.
Heritage Oil Corporation
Madalena Ventures Inc.
Orca Exploration Group Inc.
Pacific Rubiales Energy Corp.
Petro Andina Resources Inc.
PetroFalcon Corporation
Petrolifera Petroleum Limited
Petrominerales Ltd.
Tanganyika Oil Company Ltd.
TransGlobe Energy Corporation
Verenex Energy Inc.
Winstar Resources Ltd.

For each of the companies identified above, Blackmont calculated various valuation multiples, including:

- the ratio of enterprise value to the estimated average production for the calendar years 2008 and 2009;
- the ratio of enterprise value to net proved reserves, proved plus probable reserves and proved plus probable plus possible reserves as at December 31, 2007, evaluated by independent reserve engineers in accordance with *National Instrument 51-101 of the Canadian Securities Administrators*, or ***NI 51-101*** ;
- the ratio of share price to the net asset value per share, or ***NAVPS*** , on a before and after tax basis; and
- the ratio of share price to the estimated cash flow per share, or ***CFPS*** , for calendar years 2008 and 2009.

Based upon its analysis of the full ranges of multiples calculated for those companies identified above and its consideration of various factors and judgments about current market conditions and the characteristics of those companies (including qualitative factors and judgments involving non-mathematical considerations),

Blackmont determined multiples for those companies, with a view to extrapolating appropriate metrics to the Gran Tierra-Solana transaction. The relevant multiples, as determined by Blackmont, are set forth in the tables below.

For the purpose of its analysis, Blackmont calculated the enterprise value as fully diluted market capitalization plus total debt and preferred stock, less working capital and the proceeds from the exercise of in-the-money diluted instruments. To calculate these valuation multiples, Blackmont used: average yearly production, cash flow per share and net asset value per share projections reported by independent research analyst reports, First Call and Bloomberg estimates; independent engineering reports filed on SEDAR (or EDGAR, as applicable) by each individual company for the 2007 year end reserve estimates; and closing trading prices of equity securities of each identified company on June 27, 2008.

The following table summarizes the derived relevant multiples for the companies identified above:

	Average	Median
Enterprise Value/2008E Average Production (boe/d)	$ 75,920	$ 70,194
Enterprise Value/2009E Average Production (boe/d)	$ 64,473	$ 50,608
Enterprise Value/Proved Reserves (boe)	$ 93.51	$ 47.40
Enterprise Value/Proved + Probable Reserves (boe)	$ 29.41	$ 27.04
Enterprise Value/Proved + Probable + Possible Reserves (boe)	$ 23.47	$ 17.51
Share price/Net Asset Value (before tax)	0.8x	0.8x
Share price/Net Asset Value (after tax)	0.9x	0.9x
Share price/2008E Cash Flow per Share	10.0x	7.6x
Share price/2009E Cash Flow per Share	6.3x	5.0x

At the time of completing its analysis, Blackmont was of the view that Heritage Oil Corporation was trading at multiples anomalously higher than its peers; accordingly, when calculating the average and median figures for the public company trading analysis, Blackmont excluded Heritage s multiples from the peer group average. No company used in the above analysis is identical to Solana. In evaluating companies identified by Blackmont as comparable to Solana, Blackmont made judgments and assumptions with regard to industry performance, general business, economic, market and financial conditions and other matters, many of which are beyond the control of Solana, such as the impact of competition on the business of Solana and the industry generally, industry growth and the absence of any material change in the financial condition and prospects of Solana or the industry or in the financial markets in general. A complete analysis involves complex considerations and judgments concerning differences in financial and operating characteristics of the comparable companies and other factors that could affect the public trading values of such comparable companies to which they are being compared.

Comparable Transaction Analysis. Using publicly available securities research analyst estimates and other publicly available information, Blackmont examined selected multiples paid in a number of transactions that it deemed to be relevant. Precedent transactions that Blackmont considered to be relevant included the following:

Acquiror	Target
Advantage Energy Income Fund	Sound Energy Trust

Canetic Resources Trust	Titan Exploration
Compton Petroleum Corporation	Stylus Energy Inc.
Crescent Point Energy Trust	Innova Exploration Ltd.
Daylight Energy Trust	Cadence Energy Ltd.
Fairborne Energy Ltd.	Grand Banks Energy Corporation
Galleon Energy Inc.	ExAlta Energy Inc.
Harvest Energy Trust	Grand Petroleum Inc.
Iteration Energy Ltd.	Cyries Energy Inc.
Marathon Oil Corporation	Western Oil Sands
NuVista Energy Ltd.	Rider Resources Ltd.

Acquiror	Target
Penn West Energy Trust	Endev Energy Inc.
Penn West Energy Trust	Canetic Resources Trust
Penn West Energy Trust	Vault Energy Trust
Petro Rubiales Energy Corp.	Pacific Stratus Energy
Petrobank Energy and Resources Ltd.	Peerless Energy Inc.
Provident Energy Trust	Capitol Energy Resources
Sword Energy Inc.	Thunder Energy Trust
Talisman Energy Inc.	RSX Energy Inc.
Tristar Oil & Gas Ltd.	Real Resources Inc.

For each of the transactions identified above, Blackmont calculated various valuation multiples, including the following:

the ratio of enterprise value implied by the transaction to the estimated daily production at the time that the transaction was completed;

the ratio of enterprise value implied by the transaction to the proved reserves and proved plus probable reserves as at the date of the target issuer s latest filing of its independent engineering report, filed in accordance with NI 51-101; and

the ratio of the termination fee to the total value of the transaction.

Based upon its analysis of the full ranges of multiples calculated for the transactions identified above and its consideration of various factors and judgments about current market conditions and the characteristics of these transactions and the companies involved in these transactions (including qualitative factors and judgments involving non-mathematical considerations), Blackmont determined relevant multiples for these transactions. The relevant multiples, as determined by Blackmont, are set forth in the table below.

All calculations of multiples paid in the transactions identified above were based on public information available at the time of public announcement of such transactions. Blackmont s analysis did not take into account different market and other conditions during the period in which the transactions identified above occurred.

The following table summarizes the derived relevant multiples for the transactions identified:

	Average	Median
Enterprise Value/Estimated Average Daily Production (boe/d)	$ 78,244	$ 63,061
Enterprise Value/Proved Reserves (boe)	$ 38.27	$ 29.75
Enterprise Value/Proved + Probable Reserves (boe)	$ 24.34	$ 18.79

Termination Fee/Total Transaction Value	2.8 %	2.7 %

No transaction utilized in the analysis above is identical to the proposed Arrangement.

As discussed under the heading Background to the Arrangement , Gran Tierra and Solana had mutually agreed early on in negotiations that business combination discussions would only proceed, and the transaction were only likely to occur, if the parties were to focus predominantly on relative asset values in determining the exchange ratio for the transaction, given the significant overlapping assets of the two companies. In addition, a complete analysis involves complex considerations and judgments concerning differences in financial and operating characteristics of the companies involved in these transactions and other factors that could affect the transaction multiples in such transactions to which the proposed transaction is being compared.

Premiums Paid Analysis. Blackmont also reviewed the premiums to stock prices paid in the previous list of comparable transactions. Blackmont reviewed the premiums paid in these transactions over the price of the target stock on various dates (or for various periods) before the approximate date on which the public became aware of the possibility of such transactions.

TABLE OF CONTENTS

The following table summarizes the derived premiums:

	Average	Median
Share price/Day prior to Announcement Share Price	19 %	11 %
Share price/20-Day Weighted Average	24 %	14 %
Share price/60-Day Weighted Average	25 %	22 %

No transaction utilized in the analysis above is identical to the proposed Arrangement. While premiums paid were a relevant consideration in connection with the anticipated reaction of the marketplace to the proposed transaction, a significant component of the proposed exchange ratio was, for Blackmont s analysis, weighted towards the relative net asset values of the two companies, which included the companies respective reserves and value of future discounted cash flows and included Blackmont s and Gran Tierra s assessment of the relative values of the companies undeveloped lands. Notably, the value of undeveloped lands is largely subjective, given that such lands have yet to be drilled and, accordingly, attract a higher risk profile, with ascribed values tied to the level of perceived third party demand, and significant value differences often experienced as a result of commodity price fluctuations and exploration success in any given area. Blackmont also considered various other analyses and factors and gave weighting to, among other things, relative market capitalizations, trading premiums, operatorship, cost of capital considerations, royalty burdens, and other relevant considerations.

A complete analysis involves complex considerations and judgments concerning differences in financial and operating characteristics of the companies involved in these transactions and other factors that could affect the premiums paid in such transactions to which the proposed transaction is being compared.

Discounted Cash Flow Analysis. Blackmont performed a discounted projected cash flow analysis of Solana, without giving effect to the proposed transaction, for the period from January 1, 2008 through December 31, 2031. Blackmont calculated ranges of net asset values per share of Solana common stock based upon the sum of the discounted net present value of Solana s twenty-four year stream of projected free cash flows which was adjusted for working capital as at March 31, 2008. The projected free cash flows were based on publicly available securities research analyst estimates for years 2008 and 2009, management s guidance for the remaining years of the analysis and various reasonable assumptions made by Blackmont.

Using a discount rate of 10.0% (which is the typical discount rate utilized by oil and gas issuers in presenting the value of their oil and gas reserves), Blackmont calculated the following range of implied net asset values per share of Solana common stock:

	Low (Without Land Value)	High (With Land Value)
Net Asset Value	$ 7.52	$ 9.50

Gran Tierra Valuation Analyses

Analyst Stock Price Targets. Using publicly available securities research analyst estimates, Blackmont noted that the range of the analyst stock price targets for Gran Tierra was $5.25 to $10.00.

Comparable Public Trading Multiples Analysis. Using publicly available securities research analyst estimates and other information, Blackmont compared selected financial and trading data of Gran Tierra with similar data for selected publicly traded companies engaged in businesses that Blackmont determined to be reasonably comparable to those of Gran Tierra. These companies are listed above under Solana Valuation Analyses Comparable Public Trading Multiples Analysis . No company used in this analysis is identical to Gran Tierra. In evaluating companies identified by Blackmont as comparable to Gran Tierra, Blackmont made judgments and assumptions with regard to industry performance, general business, economic, market and financial conditions and other matters, many of which are beyond the control of Gran Tierra, such as the impact of competition on the business of Gran Tierra and the industry generally, industry growth and the absence of any material change in the financial condition and prospects of Gran Tierra or the industry or in

the financial markets in general. A complete analysis involves complex considerations and judgments concerning differences in financial and operating characteristics of the comparable companies and other factors that could affect the public trading values of such comparable companies to which they are being compared.

Discounted Cash Flow Analysis. Blackmont performed a discounted projected cash flow analysis of Gran Tierra, without giving effect to the proposed transaction, for the period from January 1, 2008 through December 31, 2031. Blackmont calculated ranges of net asset values per share of Gran Tierra common stock based upon the sum of the discounted net present value of Gran Tierra s twenty-four year stream of projected free cash flows which was adjusted for working capital as at March 31, 2008. The projected free cash flows were based on publicly available securities research analyst estimates for years 2008 and 2009, management s guidance for the remaining years of the analysis and various reasonable assumptions made by Blackmont through it discussions with Gran Tierra.

Using a discount rate of 10.0%, Blackmont calculated the following range of implied net asset values per share of Gran Tierra common stock:

	Low (Without Land Value)	High (With Land Value)

Net Asset Value	$ 7.55	$ 10.58

Relative Valuation Analyses

General Discussion. Each of the comparable public trading multiples analysis, comparable transaction analysis and premiums paid analysis were considered by Blackmont in assessing the exchange ratio and market acceptance of the proposed transaction. A significant component of the proposed exchange ratio was, for Blackmont s analysis, weighted towards relative net asset values of the two companies (which included an assessment of the companies respective reserves and relative discounted cash flows, as set out below), and Blackmont and Gran Tierra s views as to the value of the respective companies undeveloped lands. Blackmont also made various qualitative judgments as to the significance and relevance of various other analyses and factors, including, without limitation, relative market capitalizations, trading premiums, operatorship, cost of capital considerations, royalty burdens, and other relevant considerations.

Relative Discounted Cash Flow Analysis. Using the stand-alone discounted cash flow analyses summarized above, Blackmont calculated the following possible ownership percentages of the combined entity, assuming all assets of each company were combined into the pro forma company. Based upon this analysis, Blackmont calculated the following ownership percentage range, rounded to the nearest 0.1%:

	Gran Tierra	Solana
Low (without Land Value)	49.7 %	50.3 %
High (with Land Value)	52.3 %	47.7 %

Based upon the ownership percentage analysis, Blackmont calculated the following implied exchange ratio range:

	Low (Without Land Value)	High (With Land Value)
Exchange Ratio	1.0040743	0.9052308

Pro Forma Combination Analysis

Accretion/(Dilution) Analysis. Blackmont analyzed various pro forma effects expected to result from the business combination, including, among other things, the expected effect of the business combination on the estimated cash earnings per share for Gran Tierra for the calendar year 2008 and 2009. This analysis indicated that the transaction would be dilutive to Gran Tierra s cash flow per share in 2008; however, the transaction would be accretive on all other metrics analyzed by Blackmont, assuming the Expected Synergies were achieved.

The actual results achieved by the combined company after the business combination may vary from such estimated results and the variations may be material. The summary set forth above does not purport to be a complete description of the analyses performed by Blackmont in arriving at its opinion. The preparation of a fairness opinion is a complex analytical process involving various determinations as to the most appropriate and relevant methods of financial analysis and the application of those methods to the particular circumstances and, therefore, such an opinion is not readily susceptible to partial analysis or summary description. No company, business or transaction used in such analyses as a comparison is identical to Gran Tierra or Solana or the terms of the Arrangement, nor is an evaluation of such analyses entirely mathematical.

In arriving at its opinion, Blackmont did not attribute any particular weight to any analysis or factor considered by it, other than to provide a greater weighting on the ultimate determination of the exchange ratio upon the parties relative net asset values and Gran Tierra s and Blackmont s views on the values of the companies respective undeveloped lands. Blackmont also made various qualitative judgments as to the significance and relevance of various other analyses and factors, including, without limitation, relative market capitalizations, trading premiums, operatorship, cost of capital considerations, royalty burdens, and other relevant considerations. Accordingly, Blackmont believes that its analyses must be considered as a whole and that selecting portions of its analyses and of the factors considered by it, without considering all factors and analyses, would, in the view of Blackmont, create an incomplete and misleading view of the analyses underlying Blackmont s opinion.

Gran Tierra retained Blackmont based upon Blackmont s experience and expertise. Blackmont is a registered investment dealer in Canada whose business includes providing corporate finance, mergers and acquisitions advice, equity sales, research and trading services to issuers active in or investing in the energy industry. Relevant areas of focus include international companies participating in oil and gas exploration and production, energy services, transportation and other oil and gas related businesses. The Blackmont Fairness Opinion appended to this Joint Proxy Statement is the opinion of Blackmont and the form and content of the Blackmont Fairness Opinion have been reviewed and approved for release by a committee of its officers, each of whom is experienced in merger, acquisition, and divestiture and valuation matters.

Under the terms of Blackmont s engagement, Blackmont provided financial advisory services and the Blackmont Fairness Opinion in connection with the Arrangement, and Gran Tierra agreed to pay Blackmont a customary fee. The fee for the Blackmont Fairness Opinion is not contingent upon completion of the Arrangement. Gran Tierra also agreed to reimburse Blackmont for reasonable expenses incurred in connection with Blackmont s engagement. In addition, Gran Tierra agreed to indemnify Blackmont and its affiliates, their respective directors, officers, agents, employees and controlling persons against various liabilities and expenses, including various liabilities under the federal securities laws, related to or arising out of Blackmont s engagement.

In the ordinary course of its business, Blackmont may actively trade Solana Shares, as well as Gran Tierra common stock, for its own account and for the accounts of its clients and, accordingly, may at any time hold a long or short position in those securities.

Transaction Mechanics and Description of GTE-Solana Exchangeable Shares

The following is a summary description of the material terms of:

- the Arrangement under section 193 of the ABCA which will give effect to the transaction;
- the provisions attaching to the GTE Solana Exchangeable Shares, or the ***GTE Solana Exchangeable Share Provisions*** ;
- the form of the Support Agreement (as defined below); and
- the form of Voting and Exchange Trust Agreement (as defined below).

This summary is qualified in its entirety by the full text of the Arrangement Agreement and the documents listed above, which are included in Annexes D, E, F and G, and which are incorporated herein by reference.

59

TABLE OF CONTENTS

Summary

Pursuant to the Arrangement, the Solana Shares held by Solana Shareholders who are eligible shareholders (other than those previously held by Dissenting Shareholders) will be transferred to Exchangeco in exchange for such number of GTE Solana Exchangeable Shares as is equal to the number of Solana Shares so exchanged, multiplied by the Exchange Ratio of 0.9527918. The Solana Shares held by Solana Shareholders who are ineligible shareholders (other than those previously held by Dissenting Shareholders) will be transferred to Exchangeco in exchange for such number of shares of Gran Tierra common stock as is equal to the number of Solana Shares so exchanged, multiplied by the Exchange Ratio of 0.9527918.

Solana options and Solana warrants will fully vest on the completion of the Arrangement. Solana optionholders are entitled to either (a) elect to receive Solana Shares in exchange for their Solana options immediately prior to the completion of the Arrangement, or (b) if the Solana optionholder is a director, officer, employee or consultant whose employment or other eligible services will continue with the combined company or any of its subsidiaries after the Effective Time, elect to have the Solana option exchanged for a Gran Tierra option. If the Solana optionholder makes neither of those two elections, the Solana options held by the Solana optionholder will be exchanged for cash. Solana warrantholders are entitled to elect to receive either Solana Shares or cash in exchange for their Solana warrants immediately prior to the completion of the Arrangement. If the Solana warrantholder makes neither of those two elections, the Solana warrants held by the Solana warrantholder will become warrants to purchase Gran Tierra common stock in accordance with the terms of the Solana warrants.

The following are rights relating to the exchange or redemption of GTE Solana Exchangeable Shares into shares of Gran Tierra common stock:

Solana Shareholder Rights to Exchange or Retract: rights, which are called exchange rights and retraction rights, to require a redemption by Exchangeco of GTE Solana Exchangeable Shares for shares of Gran Tierra common stock or an exchange (in some limited circumstances involving an Exchangeco insolvency event) by Gran Tierra (or one of its subsidiaries as designated by Gran Tierra) or;

Automatic Exchange or Redemption Rights: rights (which are called the automatic redemption right, liquidation right and automatic exchange right) that automatically, upon the occurrence of specified events, result in the exchange or redemption of GTE Solana Exchangeable Shares for shares of Gran Tierra common stock, without any action by the holders of GTE Solana Exchangeable Shares; and

Call Rights: overriding call rights (called retraction call rights, liquidation call rights, redemption call rights and change of law call rights) granted to Gran Tierra Callco ULC, or ***Callco***, a direct wholly-owned subsidiary of Gran Tierra, (or, in the case of the change of law call rights, Gran Tierra) that override the holder s rights listed above, permitting Callco (or Gran Tierra, as the case may be) to require an exchange of GTE Solana Exchangeable Shares for shares of Gran Tierra common stock if a holder exercises retraction rights or in any circumstance when Exchangeco would otherwise be required to redeem the GTE Solana Exchangeable Shares or in the event of applicable changes to Canadian income tax laws. Callco and Gran Tierra plan to exercise their respective call rights, when available, and currently foresee no circumstances under which they would not exercise their respective call rights. Therefore it is expected that holders of GTE Solana Exchangeable Shares will receive shares of Gran Tierra common stock through an exchange with Callco (or Gran Tierra), as opposed to a redemption by Exchangeco, of GTE Solana Exchangeable Shares for shares of Gran Tierra common stock. While the consideration received upon an exchange or a redemption will be the same, the tax consequences will be substantially different. See Information About Tax Considerations Canadian Federal Income Tax Considerations .

TABLE OF CONTENTS

The Plan of Arrangement

The Arrangement

The transaction will be effected by means of an arrangement of Solana and the Solana Securityholders under the ABCA in accordance with the Plan of Arrangement. A copy of the form of the Plan of Arrangement is included as Annex D, which is incorporated by reference into this Joint Proxy Statement.

Court Approval of the Arrangement and Completion of the Transaction

An arrangement of a corporation under the ABCA requires approval by both a court of competent jurisdiction, in this case the Court, and the shareholders, and, if applicable, holders of options or rights to acquire shares of the subject corporation. Prior to the mailing of this circular, Solana obtained the Interim Order providing for the calling and holding of the Solana Special Meeting and other procedural matters.

Subject to the approval of the Arrangement by the Solana Securityholders at the Solana Special Meeting, the hearing in respect of the Final Order is scheduled to take place on , 2008 at p.m. (Calgary time) in the Court of Queen s Bench of Alberta at the Court House, 601 5th Street S.W., Calgary, Alberta, Canada, the Final Order. All Solana Securityholders or other interested parties who wish to participate or be represented or to present evidence or arguments at that hearing must serve and file a notice of intention to appear as set out in the Notice of Petition to the Court, the ***Notice of Petition*** , for the Final Order and satisfy any other requirements. At the hearing of the application in respect of the Final Order, the Court will consider, among other things, the fairness of the Arrangement. The Court may approve the Arrangement as proposed or as amended in any manner the Court may direct, subject to compliance with such terms and conditions, if any, as the Court deems fit.

Assuming the Final Order is granted and the other conditions to the Arrangement Agreement are satisfied or waived, it is anticipated that the following will occur substantially simultaneously on the Effective Date:

Articles of Arrangement will be filed with the registrar under the ABCA to give effect to the Arrangement;

the support agreement between Exchangeco, Callco and Gran Tierra substantially in the form of Annex F, or the ***Support Agreement*** , and the voting and exchange trust agreement between Exchangeco, Gran Tierra and Computershare Trust Company of Canada, or ***Computershare*** (referred to as the ***Exchangeco Trustee***), substantially in the form of Annex G, referred to as the ***Voting and Exchange Trust Agreement*** , will each be executed and delivered;

Gran Tierra will issue the share of Special B Voting Stock to the Exchangeco Trustee, all as more particularly described below under the heading Voting, Dividend and Liquidation Rights of Holders of GTE Solana Exchangeable Shares Voting Rights with Respect to Gran Tierra ; and

the various other documents necessary to give effect to the transaction will be executed and delivered.

The Final Order will constitute the basis for an exemption from the registration requirements of the Securities Act, such exemption being provided by Section 3(a)(10) thereof, with respect to the issuance of the GTE Solana Exchangeable Shares and the exchange of Solana warrants and options pursuant to the terms of the Arrangement. Prior to the hearing on the Final Order, the Court will be informed of this effect of the Final Order.

Subject to the foregoing, it is presently anticipated that the transaction will become effective on or about , 2008.

Description of GTE Solana Exchangeable Shares

The GTE Solana Exchangeable Shares will be issued by Exchangeco and will be exchangeable at any time on a one-for-one basis, at the option of the holder, for shares of Gran Tierra common stock. A GTE Solana Exchangeable Share will provide a holder with economic terms and voting rights which are, as nearly as practicable, effectively equivalent to those of a share of Gran Tierra common stock. Canadian residents who receive GTE Solana Exchangeable Shares may obtain a full or partial deferral of taxable capital

TABLE OF CONTENTS

gains for Canadian federal income tax purposes in specified circumstances. See Information about Tax Considerations Canadian Federal Income Tax Considerations .

On the Effective Date of the Arrangement, Gran Tierra, Exchangeco and the Exchangeco Trustee will enter into the Voting and Exchange Trust Agreement. By furnishing instructions to the Exchangeco Trustee under the Voting and Exchange Trust Agreement, holders of the GTE Solana Exchangeable Shares will be able to exercise essentially the same voting rights with respect to Gran Tierra as they would have if they were Gran Tierra stockholders. Holders of GTE Solana Exchangeable Shares will also be entitled to receive from Exchangeco dividends that are equivalent to any dividends paid on shares of Gran Tierra common stock from time to time. Gran Tierra has never declared or paid any cash dividends on its common stock. Gran Tierra does not intend to pay any cash dividends on its common stock for the foreseeable future. The GTE Solana Exchangeable Shares are subject to adjustment or modification in the event of a stock split or other change to the capital structure of Gran Tierra so as to maintain the proportional relationship between the GTE Solana Exchangeable Shares and the shares of Gran Tierra common stock.

Retraction, Redemption and Call Rights Applicable to GTE Solana Exchangeable Shares

Retraction of GTE Solana Exchangeable Shares. Subject to the exercise by Callco of the retraction call right described below, a holder of GTE Solana Exchangeable Shares will be entitled at any time following the Effective Time of the Arrangement to retract (i.e., to require Exchangeco to redeem) any or all of the GTE Solana Exchangeable Shares owned by the holder and to receive an amount per share equal to the retraction price, which will be fully paid and satisfied by the delivery for each GTE Solana Exchangeable Share of one share of Gran Tierra common stock and any dividends payable and unpaid on such GTE Solana Exchangeable Share. A holder of GTE Solana Exchangeable Shares may retract the holder s GTE Solana Exchangeable Shares by presenting to Exchangeco or its transfer agent: (i) certificates representing the number of GTE Solana Exchangeable Shares the holder desires to retract; (ii) such other documents as may be required to effect the retraction of such GTE Solana Exchangeable Shares; and (iii) a duly executed retraction request:

- specifying the number of GTE Solana Exchangeable Shares the holder desires to retract;
- stating the retraction date on which the holder desires to have Exchangeco redeem the GTE Solana Exchangeable Shares; and
- acknowledging the retraction call right.

When a holder of GTE Solana Exchangeable Shares makes a retraction request, Callco will have an overriding retraction call right to purchase all but not less than all of the GTE Solana Exchangeable Shares subject to the retraction request. In order to exercise the retraction call right, Callco must notify Exchangeco of its determination to do so within five business days of notification given by Exchangeco to Callco of receipt of the retraction request. If Callco notifies Exchangeco within such five business day period, and provided that the retraction request is not revoked by the holder in the manner described below, Callco will acquire the retracted shares in exchange for the retraction price, which will be fully paid and satisfied by the delivery for each GTE Solana Exchangeable Share of one share of Gran Tierra common stock and any dividends payable and unpaid on such GTE Solana Exchangeable Share. In the event that Callco does not so notify Exchangeco, and provided that the retraction request is not revoked by the holder in the manner described below, Exchangeco will redeem the retracted shares on the retraction date.

A holder may revoke a retraction request by giving notice in writing to Exchangeco at any time prior to the close of business on the business day immediately preceding the retraction date, in which case the retracted shares will neither be purchased by Callco nor be redeemed by Exchangeco. If the retraction request is not revoked on or prior to the close of business on the business day immediately preceding the retraction date, the retracted shares will either be purchased by Callco or redeemed by Exchangeco. Callco or Exchangeco, as the case may be, will then deliver or cause Exchangeco s transfer agent to deliver the retraction price to such holder by mailing:

certificates representing the number of shares of Gran Tierra common stock equal to the number of GTE Solana Exchangeable Shares purchased or redeemed, registered in the name of the holder or such other name as the holder may request; and

62

TABLE OF CONTENTS

if applicable, a cheque for the aggregate amount of dividends payable and unpaid on each such GTE Solana Exchangeable Share to the holder,

to the address recorded in the securities register of Exchangeco or to the address specified in the holder s retraction request or by holding the same for the holder to pick up at the registered office of Exchangeco or the office of Exchangeco s transfer agent as specified by Exchangeco, in each case less any amounts required to be withheld because of applicable taxes.

If, as a result of solvency requirements or applicable law, Exchangeco is not permitted to redeem all of the retracted shares tendered by a retracting holder, and provided Callco has not exercised its retraction call right with respect to such retracted shares, Exchangeco will redeem only those retracted shares tendered by the holder (rounded down to a whole number of shares) as would not be contrary to provisions of applicable law. The Exchangeco Trustee, on behalf of the holder of any retracted shares not so redeemed by Exchangeco or purchased by Callco, will require Gran Tierra to purchase the retracted shares not redeemed on the retraction date or as soon as reasonably practicable thereafter, pursuant to the exchange right.

Redemption of GTE Solana Exchangeable Shares. Subject to applicable law and the redemption call right, at any time on or after the fifth anniversary of the Effective Date Exchangeco may, and in the event of specified circumstances described below under Early Redemption will, redeem all but not less than all of the then outstanding GTE Solana Exchangeable Shares for an amount per share equal to the redemption price, which will be fully paid and satisfied by the delivery for each GTE Solana Exchangeable Share of one share of Gran Tierra common stock and any dividends payable and unpaid on such GTE Solana Exchangeable Share. Exchangeco will, at least 45 days prior to the redemption date, or such number of days as the board of directors of Exchangeco may determine to be reasonably practicable under the circumstances in respect of a redemption date arising in connection with, among other events:

a Gran Tierra control transaction, being any merger, amalgamation, tender offer, material sale of shares or rights or interests therein or thereto or similar transactions involving Gran Tierra, or any proposal to carry out the same;

a GTE Solana Exchangeable Share voting event, being any matter that holders of GTE Solana Exchangeable Shares are entitled to vote on as shareholders of Exchangeco, other than an exempt GTE Solana Exchangeable Share voting event (described below), and, for greater certainty, excluding any matter that holders of GTE Solana Exchangeable Shares are entitled to vote on (or instruct the Exchangeco Trustee to vote on) in their capacity as beneficiaries under the Voting and Exchange Trust Agreement; or

an exempt GTE Solana Exchangeable Share voting event, being any matter that holders of GTE Solana Exchangeable Shares are entitled to vote on as shareholders of Exchangeco in order to approve or disapprove, as applicable, any change to, or in the rights of the holders of, the GTE Solana Exchangeable Shares, where the approval or disapproval of the change would be required to maintain the equivalence of the GTE Solana Exchangeable Shares and the shares of Gran Tierra common stock;

provide the registered holders of the GTE Solana Exchangeable Shares with written notice of the proposed redemption of the GTE Solana Exchangeable Shares by Exchangeco or the purchase of the GTE Solana Exchangeable Shares by Callco pursuant to the redemption call right described below. On or after the redemption date and provided Callco has not exercised its redemption call right, upon the holder s presentation and surrender of the certificates representing the GTE Solana Exchangeable Shares and other documents as may be required by Exchangeco at the office of Exchangeco s transfer agent or the registered office of Exchangeco, Exchangeco will deliver the redemption price to such holder by mailing:

certificates representing the aggregate number of shares of Gran Tierra common stock equal to the number of GTE Solana Exchangeable Shares purchased or redeemed, registered in the name of the holder or such other name as the holder may request; and

if applicable, a cheque for the aggregate amount of dividends payable and unpaid on each such GTE Solana Exchangeable Share to the holder,

to the address recorded in the securities register of Exchangeco or by holding the same for the holder to pickup at the registered office of Exchangeco or the office of Exchangeco s transfer agent as specified in the written notice of redemption, in each case less any amounts required to be withheld because of applicable taxes.

Callco will have an overriding redemption call right to purchase, on the redemption date, all but not less than all of the GTE Solana Exchangeable Shares then outstanding (other than GTE Solana Exchangeable Shares held by Gran Tierra and its affiliates) for a purchase price per share equal to the redemption call purchase price, which will be fully paid and satisfied by the delivery for each GTE Solana Exchangeable Share of one share of Gran Tierra common stock and any dividends payable and unpaid on such GTE Solana Exchangeable Share. Upon the exercise of the redemption call right, holders will be obligated to sell their GTE Solana Exchangeable Shares to Callco. If Callco exercises the redemption call right, Exchangeco s right and obligation to redeem the GTE Solana Exchangeable Shares on the redemption date will terminate upon payment by Callco of the purchase price in respect of the GTE Solana Exchangeable Shares.

Early Redemption. In specified circumstances, the GTE Solana Exchangeable Shares will be redeemed by Exchangeco prior to the fifth anniversary of the Effective Date of the Arrangement. Early redemption will occur upon:

the date that there are issued and outstanding less than 25,285,358 GTE Solana Exchangeable Shares (other than GTE Solana Exchangeable Shares held by Gran Tierra and its affiliates) and the board of directors of Exchangeco decides to accelerate the redemption of the GTE Solana Exchangeable Shares prior to the fifth anniversary of the Effective Date;

the occurrence of a Gran Tierra Control Transaction, as defined in the GTE Solana Exchangeable Share Provisions, provided that the board of directors of Exchangeco determines (A) that it is not reasonably practicable to substantially replicate the terms and conditions of the GTE Solana Exchangeable Shares in connection with the Gran Tierra Control Transaction and (B) that the redemption of the GTE Solana Exchangeable Shares is necessary to enable the completion of the Gran Tierra Control Transaction;

a proposal being made for a GTE Solana Exchangeable Share voting event, provided that the board of directors of Exchangeco determines that it is not reasonably practicable to accomplish the business purpose intended by the GTE Solana Exchangeable Share voting event (which business purpose must be bona fide and not for the primary purpose of causing the occurrence of a redemption date); or

the failure by the holders of the GTE Solana Exchangeable Shares to approve or disapprove, as applicable, an exempt GTE Solana Exchangeable Share voting event.

Change of Law Call Right. Gran Tierra shall have the overriding right, in the event of any amendment to the *Income Tax Act* (Canada) and other applicable provincial income tax laws that permits holders of GTE Solana Exchangeable Shares who are resident in Canada, hold the GTE Solana Exchangeable Shares as capital property and deal at arm s length with Gran Tierra and Exchangeco (all for the purposes of the *Income Tax Act* (Canada) and other applicable provincial income tax laws) to exchange their GTE Solana Exchangeable Shares for shares of Gran Tierra common stock on a basis that will not require such holders to recognize any gain or loss or any actual or deemed dividend in respect of such exchange for the purposes of the *Income Tax Act* (Canada) and other applicable provincial income tax laws, to purchase (or to cause Callco to purchase) from all but not less than all of the holders of the GTE Solana Exchangeable Shares (other than any holder which is an affiliate of Gran Tierra) all but not less than all of the GTE Solana Exchangeable Shares held by each such holder upon payment by Gran Tierra or Callco, as the case may be, of an amount per share equal to the GTE Solana Exchangeable Share price applicable on the last business day prior to the date on which Gran Tierra or Callco intends to purchase such shares. Payment of the GTE Solana Exchangeable Share price will be fully satisfied by the delivery for each GTE Solana Exchangeable Share of one share of Gran Tierra common stock and any dividends payable and unpaid on such GTE Solana Exchangeable Share.

To exercise the foregoing right, Gran Tierra or Callco must notify the transfer agent for the GTE Solana Exchangeable Shares of its intention to exercise such right at least 45 days before the date on which Gran Tierra or Callco intends to acquire the GTE Solana Exchangeable Shares. Upon the exercise of this right, holders will be obligated to sell their GTE Solana Exchangeable Shares to Gran Tierra or Callco, as the case may be.

Purchase for Cancellation. Exchangeco may, subject to applicable law and its articles, at any time and from time to time offer to purchase for cancellation all or any part of the outstanding GTE Solana Exchangeable Shares, by tender to all holders of record of GTE Solana Exchangeable Shares then outstanding or through the facilities of any stock exchange on which the GTE Solana Exchangeable Shares are listed or quoted, at any price per share together with an amount equal to all declared and unpaid dividends for which the record date has occurred prior to the date of purchase.

In addition, subject to applicable law and its articles of incorporation, Exchangeco may at any time and from time to time purchase for cancellation GTE Solana Exchangeable Shares by private agreement with any holder of GTE Solana Exchangeable Shares.

Voting, Dividend and Liquidation Rights of Holders of GTE Solana Exchangeable Shares

On the Effective Date of the Arrangement, Gran Tierra, Exchangeco and the Exchangeco Trustee will enter into the Voting and Exchange Trust Agreement.

Voting Rights with Respect to Exchangeco

Except as required by law or under the Support Agreement, the terms of the GTE Solana Exchangeable Share Provisions or the Voting and Exchange Trust Agreement, the holders of GTE Solana Exchangeable Shares are not entitled to receive notice of, attend or vote at any meeting of shareholders of Exchangeco. See Certain Restrictions , Amendment and Approval and Gran Tierra Support Obligations below.

Voting Rights with Respect to Gran Tierra

Under the Voting and Exchange Trust Agreement, Gran Tierra will issue to the Exchangeco Trustee one share of Special B Voting Stock having attached thereto rights to that number of votes as is equal to the number of GTE Solana Exchangeable Shares issued and outstanding from time to time (other than GTE Solana Exchangeable Shares held by Gran Tierra and its affiliates), which will be held by the Exchangeco Trustee to enable the holders of GTE Solana Exchangeable Shares to have voting rights that are effectively equivalent to those of Gran Tierra stockholders.

Each holder of GTE Solana Exchangeable Shares on the record date for any meeting at which Gran Tierra stockholders are entitled to vote will be entitled to instruct the Exchangeco Trustee to cast and exercise one of the votes attaching to the Special B Voting Stock held by the Exchangeco Trustee for each GTE Solana Exchangeable Share held by the holder of GTE Solana Exchangeable Shares. The Exchangeco Trustee will exercise (either by proxy or in person) the voting rights only as directed by the relevant holder of GTE Solana Exchangeable Shares and, in the absence of voting instructions from a holder of GTE Solana Exchangeable Shares, will not exercise such votes. A beneficiary may, upon request to the Exchangeco Trustee, obtain a proxy from the Exchangeco Trustee entitling the holder of GTE Solana Exchangeable Shares to exercise directly at the meeting that number of votes attaching to the Special B Voting Stock held by the Exchangeco Trustee that corresponds to the number of GTE Solana Exchangeable Shares held by such holder.

Either the Exchangeco Trustee or Gran Tierra will send to each holder of GTE Solana Exchangeable Shares on the record date the notice of each meeting at which Gran Tierra stockholders are entitled to vote, together with the related meeting materials and a statement as to the manner in which the beneficiary may instruct the Exchangeco Trustee to exercise the voting rights to which the beneficiary is entitled. Such mailing by the Exchangeco Trustee or Gran Tierra will commence on the same day as Gran Tierra sends such notice and materials to Gran Tierra stockholders. Either the Exchangeco Trustee or Gran Tierra will also send to each beneficiary copies of all proxy materials, information statements, interim and annual financial statements, reports and other materials sent by Gran Tierra to Gran Tierra stockholders at the same time as these materials are sent to Gran Tierra stockholders. To the extent that such materials are provided to the Exchangeco Trustee by Gran Tierra, the Exchangeco Trustee will also send to each beneficiary all materials sent by third parties to

---

Gran Tierra stockholders, including dissident proxy circulars and tender and exchange offer circulars, as soon as reasonably practicable after such materials are delivered to the Exchangeco Trustee. Gran Tierra may undertake to provide the materials to each beneficiary in lieu of the Exchangeco Trustee distributing the materials.

All rights of a holder of GTE Solana Exchangeable Shares to instruct the Exchangeco Trustee to exercise voting rights will cease immediately before the exchange (whether by redemption, retraction, or through the exercise of the call rights) of all of such holder s GTE Solana Exchangeable Shares for shares of Gran Tierra common stock and upon the liquidation, dissolution or winding-up of Exchangeco or Gran Tierra. Holders will be entitled to vote the shares of Gran Tierra common stock they receive in such circumstances.

Dividend Rights

Subject to applicable law, holders of GTE Solana Exchangeable Shares will be entitled to receive dividends from Exchangeco: (i) in the case of a cash dividend declared on the shares of Gran Tierra common stock, in an amount of cash for each GTE Solana Exchangeable Share corresponding to the cash dividend declared on each share of Gran Tierra common stock; (ii) in the case of a stock dividend declared on the shares of Gran Tierra common stock to be paid in shares of Gran Tierra common stock, in the number of GTE Solana Exchangeable Shares for each GTE Solana Exchangeable Share as is equal to the number of shares of Gran Tierra common stock to be paid on each share of Gran Tierra common stock; or (iii) in the case of a dividend declared on the shares of Gran Tierra common stock in property other than cash or shares of Gran Tierra common stock, in the type and amount of property as is the same as, or economically equivalent to (as determined by the board of directors of Exchangeco in good faith and in its sole discretion), the type and amount of property declared as a dividend on each share of Gran Tierra common stock. Cash dividends on the GTE Solana Exchangeable Shares are payable in U.S. dollars or the Canadian dollar equivalent thereof, at the option of Exchangeco. The declaration date, record date and payment date for dividends on the GTE Solana Exchangeable Shares will be the same as the relevant date for the corresponding dividends on the shares of Gran Tierra common stock.

Gran Tierra has never declared or paid any cash dividends on its common stock. Any decision to pay dividends on the common stock will be made by the Gran Tierra Board on the basis of Gran Tierra s earnings, financial requirements and other conditions that the Gran Tierra Board may consider appropriate in the circumstances.

In the case of a stock dividend declared on the shares of Gran Tierra common stock to be paid in shares of Gran Tierra common stock, in lieu of declaring a corresponding stock dividend on the GTE Solana Exchangeable Shares, the board of directors of Exchangeco may, in good faith and in its discretion and subject to applicable law, subdivide, redivide or change each issued and unissued GTE Solana Exchangeable Share on the basis that each GTE Solana Exchangeable Share before the subdivision becomes a number of GTE Solana Exchangeable Shares as is equal to the sum of: (i) one share of Gran Tierra common stock; and (ii) the number of shares of Gran Tierra common stock to be paid as a stock dividend on each share of Gran Tierra common stock. Such subdivision will become effective on the payment date for the dividend declared on the shares of Gran Tierra common stock without any further action on the part of the board of directors of Exchangeco. The record date to determine holders of GTE Solana Exchangeable Shares entitled to receive GTE Solana Exchangeable Shares in connection with any subdivision of GTE Solana Exchangeable Shares and the effective date of the subdivision will be the same dates as the record date and payment date, respectively, for the corresponding stock dividend declared on shares of Gran Tierra common stock.

Liquidation Rights with Respect to Exchangeco

On the liquidation, dissolution or winding-up of Exchangeco or any other distribution of the assets of Exchangeco among its shareholders for the purpose of winding-up its affairs, holders of the GTE Solana Exchangeable Shares will have, subject to applicable law, preferential rights to receive from Exchangeco the liquidation amount for each GTE Solana Exchangeable Share held. When a liquidation, dissolution or winding-up occurs, Callco will have an overriding liquidation call right to purchase all of the outstanding GTE Solana Exchangeable Shares (other than GTE Solana Exchangeable Shares held by Gran Tierra and its affiliates) from the holders of GTE Solana Exchangeable Shares on the effective date of the liquidation,

dissolution or winding-up of Exchangeco or any distribution of the assets of Exchangeco among its shareholders for the purpose of winding-up its affairs, for a purchase price per share equal to the liquidation amount, which will be fully paid and satisfied by the delivery of one share of Gran Tierra common stock and any dividends payable and unpaid on such GTE Solana Exchangeable Share.

When an insolvency event occurs, and while it continues, each holder of GTE Solana Exchangeable Shares (other than Gran Tierra and its affiliates) will be entitled to instruct the Exchangeco Trustee to exercise the exchange right with respect to GTE Solana Exchangeable Shares held by such holder, thereby requiring Gran Tierra to purchase such GTE Solana Exchangeable Shares from the holder. As soon as practicable after the occurrence of an insolvency event or any event which may, with the passage of time and/or the giving of notice, become an insolvency event, Exchangeco and Gran Tierra will give written notice of the event to the Exchangeco Trustee. As soon as practicable after receiving the notice, the Exchangeco Trustee will notify each holder of GTE Solana Exchangeable Shares of the event or potential event and advise the holder of its exchange right. The purchase price payable by Gran Tierra for each GTE Solana Exchangeable Share purchased under the exchange right will be equal to the GTE Solana Exchangeable Share price on the last business day prior to the day of closing of the purchase and sale of the GTE Solana Exchangeable Share under the exchange right, which will be fully paid and satisfied by the delivery of one share of Gran Tierra common stock and any dividends payable and unpaid on such GTE Solana Exchangeable Share.

An insolvency event will occur in respect of Exchangeco upon: (i) the institution by Exchangeco of any proceeding to be adjudicated a bankrupt or insolvent or to be wound up, or the consent of Exchangeco to the institution of bankruptcy, insolvency or winding-up proceedings against it; (ii) the filing of a petition, answer or consent seeking dissolution or winding-up under any bankruptcy, insolvency or analogous laws, including the *Companies Creditors Arrangement Act* (Canada) and the *Bankruptcy and Insolvency Act* (Canada), and Exchangeco s failure to contest in good faith such proceedings commenced in respect of Exchangeco within 30 days of becoming aware of the proceedings, or the consent by Exchangeco to the filing of any such petition or to the appointment of a receiver; (iii) the making by Exchangeco of a general assignment for the benefit of creditors, or the admission in writing by Exchangeco of its inability to pay its debts generally as they come due; or (iv) Exchangeco not being permitted, pursuant to solvency requirements of applicable law, to redeem any retracted GTE Solana Exchangeable Shares pursuant to the GTE Solana Exchangeable Share conditions.

Liquidation Rights with Respect to Gran Tierra

A liquidation event will occur in respect of Gran Tierra upon: (i) the determination by the Gran Tierra Board to institute voluntary liquidation, dissolution, or winding-up proceedings with respect to Gran Tierra or to effect any other distribution of its assets among its stockholders for the purpose of winding-up its affairs, at least 60 days prior to the proposed effective date of such liquidation, dissolution winding-up or other distribution; or (ii) receipt by Gran Tierra of notice of, or Gran Tierra otherwise becoming aware of, any threatened or instituted claim, suit, petition or other proceedings with respect to the involuntary liquidation, dissolution or winding-up of Gran Tierra or to effect any distribution of assets of Gran Tierra among its stockholders for the purpose of winding-up its affairs, in each case where Gran Tierra has failed to contest in good faith any such proceeding commenced in respect of Gran Tierra within 30 days of becoming aware of the proceeding.

In order for the holders of the GTE Solana Exchangeable Shares to participate on a pro rata basis with the holders of shares of Gran Tierra common stock, immediately prior to the effective time of a liquidation event, each GTE Solana Exchangeable Share will, pursuant to the automatic exchange right, automatically be exchanged for such number of shares of Gran Tierra common stock equal to the GTE Solana Exchangeable Share price under the Voting and Exchange Trust Agreement. Upon a holder s request and surrender of GTE Solana Exchangeable Share certificates, duly endorsed in blank and accompanied by such instruments of transfer as Gran Tierra may reasonably require, Gran Tierra will deliver to the holder certificates representing an equivalent number of shares of Gran Tierra common stock. For a description of Gran Tierra s obligations relating to the dividend and liquidation rights of the holders of GTE Solana Exchangeable Shares, see Certain Restrictions and Gran Tierra Support Obligations below.

Withholding Rights

Each of Gran Tierra, Callco, Exchangeco, Exchangeco s transfer agent and the Exchangeco Trustee will be entitled to deduct and withhold from any dividend or other consideration otherwise payable to any holder of GTE Solana Exchangeable Shares or shares of Gran Tierra common stock such amounts as each of Gran Tierra, Callco, Exchangeco, Exchangeco s transfer agent or the Exchangeco Trustee is required to deduct and withhold with respect to such payment under the *Income Tax Act* (Canada), the *United States Internal Revenue Code of 1986*, as amended, the ***Code*** , or any provision of federal, provincial, state, local or foreign tax law. To the extent that amounts are so withheld, such withheld amounts will be treated for all purposes as having been paid to the holder of the GTE Solana Exchangeable Shares or shares of Gran Tierra common stock, as the case may be, in respect of which the deduction and withholding was made, provided that the withheld amounts are actually remitted to the appropriate taxing authority. To the extent that the amount required to be deducted or withheld from any payment to a holder exceeds the cash portion of the dividend or other consideration otherwise payable to the holder, Gran Tierra, Callco, Exchangeco,

Exchangeco s transfer agent and the Exchangeco Trustee are authorized to sell or otherwise dispose of the portion of the consideration necessary to provide sufficient funds to Gran Tierra, Callco, Exchangeco, Exchangeco s transfer agent or the Exchangeco Trustee, as the case may be, to enable it to comply with the deduction or withholding requirement and Gran Tierra, Callco, Exchangeco, Exchangeco s transfer agent or the Exchangeco Trustee, as the case may be, will notify the holder and remit to the holder any unapplied balance of the net proceeds of such sale.

Ranking

The GTE Solana Exchangeable Shares will have a preference over the common shares of Exchangeco and any other shares ranking junior to the GTE Solana Exchangeable Shares with respect to the payment of dividends and the distribution of assets in the event of a liquidation, dissolution or winding-up of Exchangeco, whether voluntary or involuntary, or any other distribution of the assets of Exchangeco among its shareholders for the purpose of winding-up its affairs. See Information About The Share Capital of Gran Tierra and Gran Tierra Exchangeco Inc.

Certain Restrictions

So long as any of the GTE Solana Exchangeable Shares are outstanding, Exchangeco will not, without the approval of the holders of the GTE Solana Exchangeable Shares as described below under Amendment and Approval :

pay any dividends on the common shares of Exchangeco or any other shares ranking junior to the GTE Solana Exchangeable Shares, other than stock dividends payable in common shares of Exchangeco or any other shares ranking junior to the GTE Solana Exchangeable Shares;
redeem, purchase or make any capital distribution in respect of common shares of Exchangeco or any other shares ranking junior to the GTE Solana Exchangeable Shares with respect to the payment of dividends or on any liquidation, dissolution or winding-up of Exchangeco or any other distribution of assets of Exchangeco;
redeem or purchase or make any capital distribution in respect of any other shares of Exchangeco ranking equally with the GTE Solana Exchangeable Shares with respect to the payment of dividends or on any liquidation, dissolution or winding-up of Exchangeco or any other distribution of assets of Exchangeco; or
issue any GTE Solana Exchangeable Shares or any other shares of Exchangeco ranking equally with, or superior to, the GTE Solana Exchangeable Shares other than by way of stock dividends to the holders of GTE Solana Exchangeable Shares.

These restrictions do not apply if all dividends on the outstanding GTE Solana Exchangeable Shares corresponding to dividends declared and paid to date on the shares of Gran Tierra common stock have been declared and paid on the GTE Solana Exchangeable Shares.

TABLE OF CONTENTS

Amendment and Approval

The rights, privileges, restrictions and conditions attaching to the GTE Solana Exchangeable Shares may be added to, changed or removed only with the approval of the holders of the GTE Solana Exchangeable Shares. Any such approval or any other approval or consent to be given by the holders of the GTE Solana Exchangeable Shares will be deemed to have been sufficiently given if given in accordance with applicable law subject to a minimum requirement that approval or consent be evidenced by a resolution passed by not less than 66 2/3% of the votes cast on the resolution (other than by Gran Tierra and its affiliates) at a meeting of the holders of GTE Solana Exchangeable Shares duly called and held at which holders of at least 25% of the outstanding GTE Solana Exchangeable Shares (other than Gran Tierra and its affiliates) are present. In the event that no quorum is present at such meeting within one-half hour after the time appointed for the meeting, the meeting will be adjourned to a place and time (not less than five days later) designated by the chair of the meeting. At the adjourned meeting, the holders of GTE Solana Exchangeable Shares present or represented by proxy may transact the business for which the meeting was originally called and a resolution passed at the adjourned meeting by the affirmative vote of not less than 66 2/3% of the votes cast on the resolution (other than by Gran Tierra and its affiliates) will constitute the approval or consent of the holders of the GTE Solana Exchangeable Shares.

Gran Tierra Support Obligations

On the Effective Date, Gran Tierra, Callco and Exchangeco will enter into a Support Agreement creating specified obligations. Pursuant to the terms of the Support Agreement, Gran Tierra will make the following covenants for so long as any GTE Solana Exchangeable Shares (other than GTE Solana Exchangeable Shares owned by Gran Tierra or its affiliates) remain outstanding:

Gran Tierra will not declare or pay dividends on shares of Gran Tierra common stock unless Exchangeco: (i) simultaneously declares or pays, as the case may be, an equivalent dividend on the GTE Solana Exchangeable Shares and has sufficient money or other assets or authorized but unissued securities available to enable the due declaration and the due and punctual payment, in accordance with applicable law, of any such equivalent dividend; or (ii) subdivides the GTE Solana Exchangeable Shares in lieu of a stock dividend thereon (as provided for in the GTE Solana Exchangeable Share provisions) and has sufficient authorized but unissued securities available to enable the subdivision;

Gran Tierra will advise Exchangeco sufficiently in advance of the declaration of any dividend on shares of Gran Tierra common stock and take other reasonably necessary actions to ensure that: (i) the declaration date, record date and payment date for dividends on the GTE Solana Exchangeable Shares are the same as those for the corresponding dividend on the shares of Gran Tierra common stock; or (ii) the record date and effective date for a subdivision of the GTE Solana Exchangeable Shares in lieu of a stock dividend (as provided for in the GTE Solana Exchangeable Share Provisions, attached to the Plan of Arrangement as Exhibit A) are the same as the record date and payment date for the stock dividend on the shares of Gran Tierra common stock;