

GRAN TIERRA ENERGY, INC.
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Prospectus

Gran Tierra Energy Inc.

17,572,745 shares of common stock

This prospectus relates to the offering by the selling stockholders of Gran Tierra Energy Inc. of up to 17,572,745 shares of our common stock, par value \$0.001 per share. Those shares of common stock include 10,336,434 shares of common stock and 7,236,311 shares of common stock underlying warrants, issued to certain investors in three private offerings. We are registering the offer and sale of the common stock, including common stock underlying warrants, to satisfy registration rights we have granted to the selling stockholders.

We will not receive any proceeds from the sale of common stock by the selling stockholders. We may receive proceeds from the exercise price of the warrants if they are exercised by the selling stockholders. We intend to use any proceeds received from the selling stockholders' exercise of the warrants for working capital and general corporate purposes.

The selling stockholders have advised us that they will sell the shares of common stock from time to time in the open market, on the OTC Bulletin Board, in privately negotiated transactions or a combination of these methods, at market prices prevailing at the time of sale, at prices related to the prevailing market prices, at negotiated prices, or otherwise as described under the section of this prospectus titled "Plan of Distribution."

Our common stock is traded on the OTC Bulletin Board under the symbol "GTRE.OB". On February 2, 2007 the closing price of the common stock was \$1.46 per share.

Investing in our common stock involves risks. Before making any investment in our securities, you should read and carefully consider risks described in the Risk Factors beginning on page 4 of this prospectus.

You should rely only on the information contained in this prospectus or any prospectus supplement or amendment. We have not authorized anyone to provide you with different information.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

This prospectus is dated March 6, 2007

TABLE OF CONTENTS

	Page
SUMMARY	1
RISK FACTORS	4
SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS	17
SELLING STOCKHOLDERS	17
USE OF PROCEEDS	29
DETERMINATION OF OFFERING PRICE	29
MARKET FOR COMMON EQUITY AND RELATED STOCKHOLDER MATTERS	29
DIVIDEND POLICY	29
MANAGEMENT'S DISCUSSION AND ANALYSIS	30
BUSINESS	40
DIRECTORS, EXECUTIVE OFFICERS, PROMOTERS AND CONTROL PERSONS	52
SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT	56
EXECUTIVE COMPENSATION	58
CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS	61
PLAN OF DISTRIBUTION	61
DESCRIPTION OF SECURITIES	64
LEGAL MATTERS	68
EXPERTS	68
WHERE YOU CAN FIND MORE INFORMATION	68
CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE	68
CONSOLIDATED FINANCIAL STATEMENTS	F-1

SUMMARY

This summary highlights information contained elsewhere in this prospectus but might not contain all of the information that is important to you. Before investing in our common stock, you should read the entire prospectus carefully, including the “Risk Factors” section and our financial statements and the note thereto included elsewhere in this prospectus.

For purposes of this prospectus, unless otherwise indicated or the context otherwise requires, all references herein to “Gran Tierra,” “we,” “us,” and “our,” refer to Gran Tierra Energy Inc., a Nevada corporation, and our subsidiaries.

Our Company

On November 10, 2005 (the “Closing Date”), Goldstrike Inc. (the previous public reporting entity), Gran Tierra Energy Inc., a privately held Canadian corporation (“Gran Tierra Canada”) and the holders of Gran Tierra Canada’s capital stock entered into a share purchase agreement, and Goldstrike and Gran Tierra Goldstrike, Inc. (“Goldstrike Exchange Co.”), a Canadian subsidiary of Goldstrike, entered into an assignment agreement. In these two transactions, the holders of Gran Tierra Canada’s capital stock acquired shares of either Goldstrike common stock or exchangeable shares of Goldstrike Exchange Co., and Goldstrike Exchange Co. acquired substantially all of Gran Tierra Canada’s capital stock. Immediately following these transactions, Goldstrike Exchange Co. acquired the remaining shares of Gran Tierra Canada outstanding after the initial share exchange for shares of common stock of Gran Tierra Energy Inc. using the same exchange ratio as used in the initial exchange. This two step process was part of a single transaction, whereby Gran Tierra Canada became a wholly-owned subsidiary of Goldstrike Inc. Additionally, Goldstrike changed its name to Gran Tierra Energy Inc. with the management and business operations of Gran Tierra Canada, remaining incorporated in the State of Nevada.

Following the above-described transaction, our operations and management are substantially the operations and management of Gran Tierra Canada prior to the transactions. The former Gran Tierra Canada was formed by an experienced management team in early 2005, which collectively has over 100 years of hands-on experience in oil and natural gas exploration and production in most of the world’s principal petroleum producing regions. Our objective is to acquire and exploit international opportunities in oil and natural gas exploration, development and production, focusing on South America. We made our initial acquisition of oil and gas producing and non-producing properties in Argentina in September 2005 for a total purchase price of approximately \$7 million. In addition, we recently acquired assets in Colombia and other minor interests in Argentina and Peru.

Goldstrike Inc. was incorporated on June 9, 2003 in the State of Nevada and commenced operations as an exploration stage company to pursue opportunities in the field of mineral exploration. Goldstrike was engaged in the acquisition, and exploration of mineral properties with a view to exploiting any discovered mineral deposits that demonstrate economic feasibility. Goldstrike owned a 100% undivided interest in 32 contiguous mineral claim units located in British Columbia, Canada. Immediately following the share exchange described above, Goldstrike disposed of its mineral claims and its resulting operations consisted primarily of the operations of Gran Tierra Canada before the share exchange.

Recent Developments

In the above-described transactions between Goldstrike and the holders of Gran Tierra Canada common stock, Gran Tierra Canada shareholders were permitted to elect to receive, for each share of Gran Tierra Canada's common stock: (1) 1.5873016 exchangeable shares of Goldstrike Exchange Co. (and ancillary rights), or (2) 1.5873016 shares of common stock of Goldstrike, or (3) a combination of Goldstrike Exchange Co. exchangeable shares and Goldstrike common stock. All of Gran Tierra Canada's shares were, through a series of exchanges, exchanged for shares of Goldstrike and/or exchangeable shares of Goldstrike Exchange Co. Each exchangeable share of Goldstrike Exchange Co. is exchangeable into one share of our common stock.

The share exchange between the former shareholders of Gran Tierra Canada and the former Goldstrike brought the assets, management, business operations and business plan of the former Gran Tierra into the framework of the company formerly known as Goldstrike and it is treated as a recapitalization of Gran Tierra for financial accounting purposes. Accordingly, the historical financial statements of Goldstrike before the share purchase and assignment transactions will be replaced with the historical financial statements of Gran Tierra Canada before the share exchange in all future filings with the SEC.

Before the share purchase and assignment transactions and in contemplation of such, Goldstrike provided Gran Tierra Canada with financing to allow Gran Tierra Canada to acquire properties in Argentina on September 1, 2005. Goldstrike derived the funds necessary to provide this financing from the proceeds of the initial closing of a private offering of its securities, described in more detail below. Gran Tierra Canada's financing was evidenced by a loan agreement and promissory note dated September 1, 2005, under which Goldstrike committed to loan Gran Tierra Canada up to \$8,337,916, of which Gran Tierra Canada borrowed an initial \$6,665,198.30.

On September 1 and October 7, 2005, Goldstrike completed closings on a first private placement offering (the "First 2005 Offering") to accredited investors raising \$9,353,507 from the sale of 11,691,884 units of Goldstrike's securities, each unit consisting of one share of common stock and a warrant to purchase one-half share of common stock. Canaccord Capital Corporation received \$52,178 in cash and 250,000 shares of Goldstrike's common stock in payment of fees for services to Goldstrike as placement agent. The proceeds from the September 1, 2005 closing of the sale of Goldstrike's units were used to fund the September 1, 2005 loan from Goldstrike to Gran Tierra Canada. Proceeds derived from the October 7, 2005 closing were used to increase Goldstrike's loan commitment to Gran Tierra Canada from \$8,337,916 to \$9,313,492, and Gran Tierra Canada borrowed an additional \$800,000 from Goldstrike. On April 12, 2006, one investor from the First 2005 Offering exercised options underlying a total of 37,500 shares of our common stock.

On October 27, 2005, Goldstrike completed a first closing on a second private placement offering of units to accredited investors in which it sold 1,250,000 units for consideration of \$1,000,000. Goldstrike used the proceeds of the October 27, 2005 closing to increase its loan commitment to Gran Tierra Canada from \$9,313,492 to \$10,313,492. Gran Tierra Canada borrowed an additional \$700,000 under the Goldstrike loan commitment. The terms of the original agreement for the loan commitment stated that the amounts borrowed by Gran Tierra Canada under the loan commitment would be deemed forgiven upon the consummation of the merger between Goldstrike and Gran Tierra Canada. However, on November 11, 2005 Goldstrike and Gran Tierra Canada agreed to amend the terms of the

agreement to provide that all amounts borrowed under the loan commitment would remain outstanding after the merger, and that the promissory note evidencing such amounts would be amended to a demand note without a stated due date. Gran Tierra has executed an amended and restated bridge loan promissory note and an amendment to the loan agreement. This loan is currently outstanding. We have not presented the note to Gran Tierra Canada or otherwise made a demand on Gran Tierra Canada to pay any portion of the outstanding principal or accrued interest on the loan.

Following the October 27, 2005 closing date, on December 14, 2005, we completed a sale of units in a second closing of the second offering to accredited investors (together with the October 27, 2005 closing, the "Second 2005 Offering"). In this second closing of the Second 2005 Offering, we sold an additional 1,343,222 units for consideration of \$1,074,578. The net proceeds from the second closing of the second offering were used for working capital and general corporate purposes. In total, we sold 2,593,222 units for an aggregate of \$2,074,578 in the second private offering.

A final sale of unregistered shares of common shares to accredited investors was completed on February 2, 2006 (the "Third 2005 Offering"). In the Third 2005 Offering, we sold 762,500 shares of our common stock and warrants to acquire 381,250 shares of common stock for consideration of \$610,000. We also issued 250,000 shares of common stock as a finder's fee in conjunction with the private offerings. On February 2, 2006, two investors from the Third 2005 Offering exercised warrants underlying a total of 250,000 shares of our common stock.

Argosy Acquisition

On June 20, 2006, we acquired all of the limited partnership interests of Argosy Energy International ("Argosy") and all of the issued and outstanding capital stock of Argosy Energy Corp. ("AEC"), a Delaware corporation and the general partner of Argosy. We paid \$37.5 million in cash, issued 870,647 shares of our common stock and granted participation rights (including overriding royalty interests and net profit interests) in certain Argosy assets valued at \$1 million. Argosy, a Utah limited partnership, holds a diverse portfolio of producing properties, drill-ready prospects and exploration acreage in Colombia.

Argosy's oil production averaged approximately 987 barrels per day (after royalty) during the fourth quarter of 2005. Royalty rates are 20% and 8% for Argosy's producing properties. Argosy's net land position was approximately 153,000 acres.

CGC Acquisition

On February 15, 2006, we made an offer to acquire certain interests of Compania General de Combustibles S.A. ("CGC") in eight properties in Argentina. On November 2, 2006, we closed on the purchase of interests in four properties for a total purchase price of \$2.1 million. The assets purchased include a 93.18% participation interest in the Valle Morado block, a 100% interest in the Santa Victoria block and the remaining 50% interests in the Nacatimbay and Ipaguazu blocks (in which we currently hold 50% interests).

On December 1, 2006, we closed on the purchase of interests in two other properties from CGC, including a 75% interest in the El Chivil block and a 75% participation interest in the Surubi block, each located in the Noroeste Basin of Argentina, for a total purchase price of \$2.5 million. We also purchased the remaining 25% minority interest in each property from the joint venture partner for a total purchase price of \$280,000.

The total purchase price for the acquisition of CGC's interests in all six properties acquired to date is equal to \$4.6 million. Post-closing adjustments which reflect original values assigned to the properties, amended terms, revenues and costs from the effective date of January 1, 2006 are expected to amount to a net cash outlay of approximately \$3.5 million.

On November 30, 2006, in connection with the closings of the transactions described above, our board of directors reached a final determination not to pursue the acquisition of either CGC's 17.85% interest in the Palmar Largo joint venture or CGC's 5% interest in the Aguarague joint venture, and to allow our option to acquire these interests to expire by its terms on December 5, 2006. The offer to purchase those properties was subject to rights of first refusal and certain third party consents.

Recent Financing Activity

On June 20, 2006, we completed the sale of 43,336,051 units of our securities, deriving gross proceeds of \$65,004,076. Each unit consisted of one share of our common stock and a warrant to purchase one-half share of our common stock for a period of five years at an exercise price of \$1.75 per whole share. On June 29, 2006, we conducted a second closing of the offering of units of our securities, deriving additional gross proceeds of \$5,454,944 from the sale of 3,636,629 additional units. On June 30, 2006, we conducted a final closing of the offering of units of our securities, deriving additional gross proceeds of \$4,540,980 from the sale of 3,027,320 additional units. In connection with the three closings of the offering, we sold a total of 50,000,000 units for gross proceeds totaling \$75,000,000.

Proceeds of \$1,280,993 from this private placement remain in escrow. Those proceeds will be released to us when we receive the required exemption from the Alberta Securities Commission that the trading of our shares issued in this private placement is exempt from the prospectus requirements for purchasers resident in Alberta, Canada. We have applied for the relevant exemption and have provided information requested by the Alberta Securities Commission.

Management

We announced on January 3, 2007 that we had accepted the resignation of James Hart from his position as our Chief Financial Officer and Vice President, Finance. Mr. Hart's resignation was not based upon any disagreement with us. Effective January 2, 2007, our Board of Directors elected Martin H. Eden to fill the position of Chief Financial Officer, filling the vacancy created by Mr. Hart's resignation. The election of Mr. Eden to the position of Chief Financial Officer was not pursuant to any arrangement or understanding between Mr. Eden and any third party. Mr. Eden began full time employment with us on January 2, 2007. Mr. Hart will continue to serve us in a business development position and as a director.

Corporate Information

Goldstrike Inc., now known as Gran Tierra Energy Inc., was incorporated under the laws of the State of Nevada on June 6, 2003. Our principal executive offices are located at 300, 611 - 10th Avenue S.W., Calgary, Alberta, Canada. The telephone number at our principal executive offices is (403) 265-3221. Our website address is www.grantierra.com. Information contained on our website is not deemed part of this prospectus.

The Offering

Common stock currently outstanding (1)	95,455,765 shares
Common stock offered by the selling stockholders (2)	17,572,745 shares
Common stock outstanding after the offering (3)	102,692,076 shares
Use of Proceeds	We will not receive any proceeds from the sale of common stock offered by this prospectus. We will receive the proceeds from any warrant exercises, which we intend to use for general corporate purposes, including for working capital.
OTC Bulletin Board Symbol	GTRE.OB

(1) Includes 10,336,434 shares of common stock which will not be available to trade publicly until the registration statement of which this prospectus is a part is declared effective by the SEC. Also includes 16,666,667 shares of common stock which are issuable upon the exchange of exchangeable shares of Goldstrike Exchange Co. and 68,452,664 shares of issued and outstanding common stock which will not be registered under this registration statement.

(2) Includes 7,236,311 shares of common stock underlying warrants issued to the selling stockholders.

(3) Assumes the full exercise of all 7,236,311 warrants.

RISK FACTORS

Investing in our common stock involves a high degree of risk. You should carefully consider the risks below before making an investment decision. Our business, financial condition or results of operations could be materially adversely affected by any of these risks. In such case, the trading price of our common stock could decline and you could lose all or part of your investment.

Risks Related to Our Business

We are a new enterprise engaged in the business of oil and natural gas exploration and development. The business of exploring for, developing and producing oil and natural gas reserves is inherently risky. We will face numerous and varied risks which may prevent us from achieving our goals.

We are a Development Stage Company With Limited Operating History for You to Evaluate Our Business. We May Never Attain Profitability.

We are a development stage company and have limited current oil or natural gas operations. As an oil and gas exploration and development company with limited operating history, it is difficult for potential investors to evaluate our business. Our proposed operations are therefore subject to all of the risks inherent in light of the expenses, difficulties, complications and delays frequently encountered in connection with the formation of any new business, as well as those risks that are specific to the oil and gas industry. Investors should evaluate us in light of the delays, expenses, problems and uncertainties frequently encountered by companies developing markets for new products, services and technologies. We may never overcome these obstacles.

Our business is speculative and dependent upon the implementation of our business plan and our ability to enter into agreements with third parties for the rights to exploit potential oil and gas reserves on terms that will be commercially viable for us.

Unanticipated Problems in Our Operations May Harm Our Business and Our Viability.

If our operations in Argentina and Colombia are disrupted and/or the economic integrity of these projects is threatened for unexpected reasons, our business may experience a setback. These unexpected events may be due to technical difficulties, geographic and weather conditions, business reasons or otherwise. Because we are at the beginning stages of our development, we are particularly vulnerable to these events. Prolonged problems may threaten the commercial viability of our operations. Moreover, the occurrence of significant unforeseen conditions or events in connection with our acquisition of operations in Argentina and Colombia may cause us to question the thoroughness of our due diligence and planning process which occurred before the acquisitions, which may cause us to reevaluate our business model and the viability of our contemplated business. Such actions and analysis may cause us to delay development efforts and to miss out on opportunities to expand our operations.

We May Be Unable to Obtain Development Rights We Need to Build Our Business, and Our Financial Condition and Results of Operations May Deteriorate.

Our business plan focuses on international exploration and production opportunities, initially in South America and later in other parts of the world. Thus far, we have acquired interests for exploration and development in four properties in Argentina, seven properties in Colombia and one property in Peru. In the event that we do not succeed in negotiating additional property acquisitions, our future prospects will likely be substantially limited, and our financial condition and results of operations may deteriorate.

Our Lack of Diversification Will Increase the Risk of an Investment in Our Common Stock.

Our business will focus on the oil and gas industry in a limited number of properties, initially in Argentina, Colombia and Peru, with the intention of expanding elsewhere in South America and later into other parts of the world. Larger companies have the ability to manage their risk by diversification. However, we will lack diversification, in terms of both the nature and geographic scope of our business. As a result, factors affecting our industry or the regions in which we operate will likely impact us more acutely than if our business were more diversified.

Strategic Relationships Upon Which We May Rely are Subject to Change, Which May Diminish Our Ability to Conduct Our Operations.

Our ability to successfully bid on and acquire additional properties, to discover reserves, to participate in drilling opportunities and to identify and enter into commercial arrangements with customers will depend on developing and maintaining close working relationships with industry participants and on our ability to select and evaluate suitable properties and to consummate transactions in a highly competitive environment. These realities are subject to change and may impair Gran Tierra's ability to grow.

To develop our business, we will endeavor to use the business relationships of our management to enter into strategic relationships, which may take the form of joint ventures with other private parties or with local government bodies, or contractual arrangements with other oil and gas companies, including those that supply equipment and other resources that we will use in our business. We may not be able to establish these strategic relationships, or if established, we may not be able to maintain them. In addition, the dynamics of our relationships with strategic partners may require us to incur expenses or undertake activities we would not otherwise be inclined to in order to fulfill our obligations to these partners or maintain our relationships. If our strategic relationships are not established or maintained, our business prospects may be limited, which could diminish our ability to conduct our operations.

Competition in Obtaining Rights to Explore and Develop Oil and Gas Reserves and to Market Our Production May Impair Our Business.

The oil and gas industry is highly competitive. Other oil and gas companies will compete with us by bidding for exploration and production licenses and other properties and services we will need to operate our business in the countries in which we expect to operate. This competition is increasingly intense as prices of oil and natural gas on the commodities markets have risen in recent years. Additionally, other companies engaged in our line of business may compete with us from time to time in obtaining capital from investors. Competitors include larger, foreign owned companies, which, in particular, may have access to greater resources than us, may be more successful in the recruitment and retention of qualified employees and may conduct their own refining and petroleum marketing operations, which may give them a competitive advantage. In addition, actual or potential competitors may be strengthened through the acquisition of additional assets and interests.

We May Be Unable to Obtain Additional Capital that We Will Require to Implement Our Business Plan, Which Could Restrict Our Ability to Grow.

We expect that our current capital and our other existing resources will be sufficient only to provide a limited amount of working capital, and the revenues generated from our properties in Argentina and Colombia will not alone be sufficient to fund our operations or planned growth. We will require additional capital to continue to operate our business beyond the initial phase of our current activities and to expand our exploration and development programs to additional properties. We may be unable to obtain additional capital required. Furthermore, inability to attain capital may damage our reputation and credibility with industry participants in the event we cannot close previously announced transactions.

Future acquisitions and future exploration, development, production and marketing activities, as well as our administrative requirements (such as salaries, insurance expenses and general overhead expenses, as well as legal compliance costs and accounting expenses) will require a substantial amount of additional capital and cash flow.

We will immediately require such additional capital and we plan to pursue sources of such capital through various financing transactions or arrangements, including joint venturing of projects, debt financing, equity financing or other means. We may not be successful in locating suitable financing transactions in the time period required or at all, and we may not obtain the capital we require by other means. If we do succeed in raising additional capital, the capital received through our past private offerings to accredited investors may not be sufficient to fund our operations going forward without obtaining additional capital financing. Furthermore, future financings are likely to be dilutive to our stockholders, as we will most likely issue additional shares of common stock or other equity to investors in future financing transactions. In addition, debt and other mezzanine financing may involve a pledge of assets and may be senior to interests of equity holders.

Our ability to obtain needed financing may be impaired by such factors as the capital markets (both generally and in the oil and gas industry in particular), our status as a new enterprise without a demonstrated operating history, the location of our oil and natural gas properties in developing countries and prices of oil and natural gas on the commodities markets (which will impact the amount of asset-based financing available to us) and/or the loss of key management. Further, if oil and/or natural gas prices on the commodities markets decrease, then our revenues will likely decrease, and such decreased revenues may increase our requirements for capital. Some of the contractual arrangements governing our operations may require us to maintain minimum capital, and we may lose our contract rights (including exploration, development and production rights) if we do not have the required minimum capital. If the amount of capital we are able to raise from financing activities, together with our revenues from operations, is not sufficient to satisfy our capital needs (even to the extent that we reduce our operations), we may be required to cease our operations.

We May Be Unable to Meet Our Capital Requirements in the Future, Causing Us to Curtail Future Growth Plans or Cut Back Existing Operations.

We may need additional capital in the future, which may not be available to us on reasonable terms or at all. The raising of additional capital may dilute our stockholders' interests. We may need to raise additional funds through public or private debt or equity financings in order to meet various objectives including but not limited to:

- § pursuing growth opportunities, including more rapid expansion;
- § acquiring complementary businesses;
- § making capital improvements to improve our infrastructure;
- § hiring qualified management and key employees;
- § responding to competitive pressures;
- § complying with licensing, registration and other requirements; and
- § maintaining compliance with applicable laws.

Any additional capital raised through the sale of equity may dilute stockholders' ownership percentage in us. This could also result in a decrease in the fair market value of our equity securities because our assets would be owned by a larger pool of outstanding equity. The terms of securities we issue in future capital transactions may be more favorable to our new investors, and may include preferences, superior voting rights, the issuance of warrants or other derivative securities, and issuances of incentive awards under equity employee incentive plans, which may have a further dilutive effect.

Furthermore, any additional financing we may need may not be available on terms favorable to us, or at all. If we are unable to obtain required additional financing, we may be forced to curtail our growth plans or cut back our existing operations.

We may incur substantial costs in pursuing future capital financing, including investment banking fees, legal fees, accounting fees, securities law compliance fees, printing and distribution expenses and other costs. We may also be required to recognize non-cash expenses in connection with certain securities we may issue, such as convertible notes and warrants, which will adversely impact our financial condition.

If We Fail to Make the Cash Calls Required by Our Current Joint Ventures or Any Future Joint Ventures, We May be Required to Forfeit Our Interests in Such Joint Ventures and Our Results of Operations and Our Liquidity Would be Negatively Affected.

If we fail to make the cash calls required by our joint ventures, we may be required to forfeit our interests in such joint ventures, which could substantially affect the implementation of our business strategy. In connection with our joint venture in Palmar Largo, we were required to place \$400,000 in escrow to secure future cash calls. All of these funds have been returned to us. However, in the future we will be required to make periodic cash calls in connection with our Palmar Largo joint venture or any of our other joint venture activity, or we may be required to place additional funds in escrow to secure our obligations related to our joint venture activity. If we fail to make the cash calls required in connection with the joint ventures, we will be subject to certain penalties and eventually would be required to forfeit our interest in the joint venture.

We May Not Be Able To Effectively Manage Our Growth, Which May Harm Our Profitability.

Our strategy envisions expanding our business. If we fail to effectively manage our growth, our financial results could be adversely affected. Growth may place a strain on our management systems and resources. We must continue to refine and expand our business development capabilities, our systems and processes and our access to financing sources. As we grow, we must continue to hire, train, supervise and manage new employees. We cannot assure you that we will be able to:

§ expand our systems effectively or efficiently or in a timely manner;

§ allocate our human resources optimally;

§ identify and hire qualified employees or retain valued employees; or

§ incorporate effectively the components of any business that we may acquire in our effort to achieve growth.

If we are unable to manage our growth and our operations our financial results could be adversely affected by inefficiency, which could diminish our profitability.

Our Business May Suffer If We Do Not Attract and Retain Talented Personnel.

Our success will depend in large measure on the abilities, expertise, judgment, discretion integrity and good faith of our management and other personnel in conducting the business of Gran Tierra. We have a small management team consisting of Dana Coffield, our President and Chief Executive Officer, James Hart, our Vice President, Finance and Chief Financial Officer, Max Wei, our Vice President, Operations, Rafael Orunesu, our President of Gran Tierra activities in Argentina, and Edgar Dyes, our President of Gran Tierra activities in Colombia. The loss of any of these individuals or our inability to attract suitably qualified staff could materially adversely impact our business. We may also experience difficulties in certain jurisdictions in our efforts to obtain suitably qualified staff and retaining staff who are willing to work in that jurisdiction. We do not currently carry life insurance for our key employees.

Our success depends on the ability of our management and employees to interpret market and geological data correctly and to interpret and respond to economic market and other conditions in order to locate and adopt appropriate investment opportunities, monitor such investments and ultimately, if required, successfully divest such investments. Further, our key personnel may not continue their association or employment with Gran Tierra and we may not be able to find replacement personnel with comparable skills. We have sought to and will continue to ensure that management and any key employees are appropriately compensated; however, their services cannot be guaranteed. If we are unable to attract and retain key personnel, our business may be adversely affected.

Our Management Team Does Not Have Extensive Experience in Public Company Matters, Which Could Impair Our Ability to Comply With Legal and Regulatory Requirements.

Our management team has had limited U.S. public company management experience or responsibilities, which could impair our ability to comply with legal and regulatory requirements, such as the Sarbanes-Oxley Act of 2002 and applicable federal securities laws including filing required reports and other information required on a timely basis. Our management may not be able to implement and affect programs and policies in an effective and timely manner that adequately respond to increased legal, regulatory compliance and reporting requirements imposed by such laws and regulations. Our failure to comply with such laws and regulations could lead to the imposition of fines and penalties and further result in the deterioration of our business.

We may not be Able to Continue as a Going Concern.

Our consolidated financial statements have been prepared on a going concern basis, which contemplates the realization of assets and the satisfaction of liabilities in the normal course of business. We have a history of net losses that are likely to continue in the future. We have included an explanatory paragraph in Note 1 of our audited financial statements for the year ended December 31, 2005 and for the most recent quarter ended September 30, 2006, to the effect that our dependence on equity and debt financing raises substantial doubt about our ability to continue as a going concern. Our accumulated deficit at September 30, 2006 was \$4,076,711. Our financial statements do not include any adjustments that might be necessary should we be unable to continue as a going concern.

Our operations must begin to provide sufficient revenues to improve our working capital position. If we are unable to become profitable and cannot generate cash flow from our operating activities sufficient to satisfy our current obligations and meet our capital investment objectives, we may be required to raise additional capital or debt to fund our operations, reduce the scope of our operations or discontinue our operations.

Risks Related to our Prior Business May Adversely Affect our Business.

Before the share exchange transaction between Goldstrike and Gran Tierra Canada, Goldstrike's business involved mineral exploration, with a view towards development and production of mineral assets, including ownership of 32 mineral claim units in a property in British Columbia, Canada and the exploration of this property. We have determined not to pursue this line of business following the share exchange, but could still be subject to claims arising from the former Goldstrike business. These claims may arise from Goldstrike's operating activities (such as employee and labor matters), financing and credit arrangements or other commercial transactions. While no claims are pending and we have no actual knowledge of any threatened claims, it is possible that third parties may seek to make claims against us based on Goldstrike's former business operations. Even if such asserted claims were without merit and we were ultimately found to have no liability for such claims, the defense costs and the distraction of management's attention may harm the growth and profitability of our business. While the relevant definitive agreements executed in connection with the share exchange provide indemnities to us for liabilities arising from the prior business activities of Goldstrike, these indemnities may not be sufficient to fully protect us from all costs and expenses.

Risks Related to Our Industry

Our Exploration for Oil and Natural Gas Is Risky and May Not Be Commercially Successful, Impairing Our Ability to Generate Revenues from Our Operations.

Oil and natural gas exploration involves a high degree of risk. These risks are more acute in the early stages of exploration. Our expenditures on exploration 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 our estimates, or if our exploration efforts do not produce results which meet our expectations, our exploration efforts may not be commercially successful, which could adversely impact our ability to generate revenues from our operations.

8

We May Not Be Able to Develop Oil and Gas Reserves on an Economically Viable Basis, and Our Reserves and Production May Decline as a Result.

To the extent that we succeed in discovering oil and/or natural gas reserves, we cannot assure that these reserves will be capable of production levels we project or in sufficient quantities to be commercially viable. On a long-term basis, Gran Tierra's viability depends on our 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, our reserves and production will decline over time as reserves are produced. Our future reserves will depend not only on our ability to develop then-existing properties, but also on our ability to identify and acquire additional suitable producing properties or prospects, to find markets for the oil and natural gas we develop and to effectively distribute our production into our 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. While we will endeavor to effectively manage these conditions, we cannot be assured of doing so optimally, and we will not be able to eliminate them completely in any case. Therefore, these conditions could diminish our revenue and cash flow levels and result in the impairment of our oil and natural gas interests.

Estimates of Oil and Natural Gas Reserves that We Make May Be Inaccurate and Our Actual Revenues May Be Lower than Our Financial Projections.

We will make estimates of oil and natural gas reserves, upon which we will base our financial projections. We 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 our reserve estimates relies in part on the ability of our management team, engineers and other advisors to make accurate assumptions. Economic factors beyond our control, such as interest rates and exchange rates, will also impact the value of our reserves. The process of estimating oil and gas reserves is complex, and will require us to use significant decisions and assumptions in the evaluation of available geological, geophysical, engineering and economic data for each property. As a result, our 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 we estimate. If actual production results vary substantially from our reserve estimates, this could materially reduce our revenues and result in the impairment of our oil and natural gas interests.

Drilling New Wells Could Result in New Liabilities, Which Could Endanger Our Interests in Our 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 our revenues or cause substantial losses, impairing our future operating results. We may become subject to liability for pollution, blow-outs or other hazards. We 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 us or could, in an extreme case, result in a total loss of our properties and assets. Moreover, we 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.

9

Decommissioning Costs Are Unknown and May be Substantial; Unplanned Costs Could Divert Resources from Other Projects.

We may become responsible for costs associated with abandoning and r