

Market Alert

Americas Petrogas Inc.

TSX.V: BOE

AMERICAS PETROGAS INC. PROVIDES OPERATIONAL UPDATE

Sector: Oil & Gas/Agriculture

► Energy and food are the two cornerstones of human survival. Regardless of global leadership and the status of world credit markets the planetary population will continue to eat and grow; consuming vast amounts of energy along with food with very little regard toward the volatile and uncertain nature of supply for these necessities. With this precarious balance in mind, we would like to introduce Americas Petrogas Inc.



► CALGARY, ALBERTA--(Marketwire - Dec. 2, 2008) - Americas Petrogas Inc. (TSX VENTURE:BOE) ("API" or the "Company") reports that as part of its ongoing objective to add value to its natural resource assets, it has initiated steps towards the commencement of first oil production from its Medanito Sur property, completed a 3D seismic acquisition program on several of its other Argentinian properties and has commenced assembly of a team of experts to continue preliminary evaluation work on its potash concession located in Bayovar, Peru (the "Bayovar Concession"). The Company also is pleased to provide a summary of its 3rd quarter financial results.

OPERATIONAL HIGHLIGHTS

- Facilities construction and tie-in of wells at Medanito Sur for long-term production testing scheduled to commence in 2009 are being completed.
- Results of the first three wells on Medanito Sur are being integrated into the Company's existing 3D seismic database.
- Completion of 3D seismic acquisition on Los Toldos II block.
- Completion of 3D seismic acquisition on part of Totoral and Yerba Buena blocks.
- Signed agreement for right to acquire 70% interest in Bayovar potash Concession in Peru.
- Continued analysis of extensive historical technical data pertaining to Bayovar Concession, including initial assembly of a team of experts and qualified persons to review and update existing data.

OPERATIONAL UPDATE

Oil and Gas

The Company announces that construction of a temporary production system and tie-in of wells at Medanito Sur for long-term production testing, scheduled to commence in 2009, are being completed. The low-cost, temporary production system will allow the Company to initiate production and generate cash flow in the near term and to gather information necessary for the design of permanent production facilities. During the long-term production testing phase and until commercial production begins, oil produced from Medanito Sur will be trucked to an operator adjacent to the Company's block for treatment for commercial sale. Work is also in progress for an oil sales contract and to obtain requisite permits from various government authorities.

Concurrent with the establishment of the temporary production system, the results of the first three wells drilled on Medanito Sur are being integrated into the Company's existing 3D seismic database. Further processing techniques have been applied to the seismic data collected, Americas Petrogas Inc. including the Coherency Cube approach, to facilitate this integration and to provide additional exploration and appraisal well locations on this block.

The Company has also completed its program of 3D seismic acquisition on the Los Toldos II block. An aggregate of 175 square kilometers (68 square miles or 43,500 acres equivalent to 1.9 townships) has been collected. The raw data collected during the seismic program is currently being processed and is scheduled to be in the interpretation phase by January 2009.

API has also completed its program of 3D seismic acquisition on part of the large Totoral and Yerba Buena blocks located in the southern portion of the Neuquen Basin. An aggregate of 122 square kilometers (47 square kilometers or 30,000 acres equivalent of 1.3 townships) has been collected. The raw data is currently being processed and is also scheduled to be in the interpretation phase by January 2009.

Elsewhere, the Company is also continuing its geological analysis and review of well data on other API blocks.

Finally, API has recently added two new professionals, a senior geologist and a financial officer, to complement the Company's proven exploration, production and operations team in Argentina, led by Mr. Guimar Vaca Coca, former director of Pioneer and Chauvco in Argentina.

Bayovar Peru Potash Concession

As previously announced, the Company was awarded a 70% working interest in the Bayovar Concession located in the Secura Desert of northwestern Peru. The concession, located adjacent to the Pacific Ocean covers an area of approximately 840 square kilometers (202,000 acres) and is situated in the vicinity of Vale's large Bayovar phosphate development. In conjunction with the acquisition of the Bayovar Concession, the Company incorporated a new subsidiary, Americas Potash Peru S.A., to hold and develop API's potash mining interest.

The Company is now in the initial process of assembling its team of experts and qualified persons whom the Company plans to formally engage to analyze the extensive historical engineering, geological and geophysical reports as well as existing feasibility reports for future operations on the concession. The Company will also be retaining an expert to evaluate the resources located on the Bayovar Concession in compliance with National Instrument 43-101.

Commenting on operations to date, Mr. Barclay Hambrook, President and CEO stated: "The \$15 million private placement completed at \$1.15 per unit with large financial institutions prior to API's listing as a Tier I oil and gas issuer on the TSX Venture Exchange, has left API on a solid financial footing. The ongoing construction of a temporary production system is expected to allow for production from Medanito Sur in the early part of 2009, which will result in additional revenues flowing to API. The recent completion of the two large 3D seismic programs in Argentina generates optimism for further success in finding many drillable locations and for new successes in finding additional oil and or gas reservoirs. All of API's operations conducted to date are intended to continue the process of adding value to API's significant portfolio of resource properties. We are looking forward to commencing oil production in Argentina and to further evaluating our potash mining assets in Peru."

FINANCIAL HIGHLIGHTS

API announces its financial results for September 30, 2008. Copies of the Company's unaudited consolidated financial statements as of and for the periods ended September 30, 2008 and the related Management's Discussion and Analysis (MD&A) have been filed with Canadian Securities Regulatory Authorities and are available at www.sedar.com and on the Company's website at www.americaspetrogas.com.

The Company is in a solid financial position to continue the pursuit of adding value to its portfolio of property interests.

1. Cash and cash equivalents at September 30, 2008 was \$13.8 million.
2. Working capital position at September 30, 2008 was positive \$9.5 million.
3. The increase in Property and Equipment on the balance sheet from year-end to September 30, 2008 was \$13.7 million. This increase primarily reflects:
 - the drilling of three wells on the Medanito Sur concession;
 - the acquisition of 175 square kilometers of 3D seismic data on Los Toldos II;
 - the acquisition of 122 square kilometers of 3D seismic data on a section of Totoral and Yerba Buena; and
 - the acquisition of a right to obtain a 70% participating interest in the Bayovar Concession.

About Americas Petrogas Inc.

Americas Petrogas is an international oil and gas exploration and development company focused primarily on the acquisition, exploration and development of oil and gas properties in Latin America. Americas currently has a 68% average working interest in eleven oil and gas concessions in Argentina which cover an area of approximately 1.37 million acres. In addition to its oil and gas properties, Americas also holds a 70% working interest in the Bayovar Concession located in northwestern Peru.

Certain statements in this Press Release constitute forward-looking statements under applicable securities legislation. Such forward-looking statements involve risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by such forward looking statements. Forward-looking statements in this press release include but are not limited to references to future production from its Medanito Sur concession or any of its other properties. This forward-looking information is subject to known and unknown risks and uncertainties and other factors, which may cause actual results, levels and timing of activity and achievements to differ materially from those expressed or implied by such information. In particular, there is no assurance that the wells on Medanito Sur will be commercially producible.

The TSX Venture Exchange has not reviewed and does not accept responsibility for the adequacy or accuracy of this release.

For more information, please contact

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Market Data

52-week low/high	\$0.10/\$0.48	Market Cap	\$10.5 Mil.
Shares Outstanding	92.5 Mil.	Cash & Marketables	\$14 Mil.
- Basic	134.6 Mil.	Debt	None
- Diluted			

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