

## **ROOSTER ENERGY LTD. EXTENDS MEMBERSHIP INTEREST CONTRIBUTION AGREEMENTS AND LIMITED CONSENT FROM SECURED NOTE HOLDERS**

CALGARY, ALBERTA (October 2, 2014) ROOSTER ENERGY LTD. (the “Company”) ([www.roosterenergy ltd.com](http://www.roosterenergy ltd.com)) (TSXV: COQ) announces that it intends to consummate the acquisitions of Cochon Properties, LLC (“Cochon”) and Morrison Well Services, LLC (“Well Services”) previously approved by shareholders on May 16, 2014 and that its current senior secured note holders have extended their Limited Consent to the acquisitions. The acquisitions of Cochon and Well Services will create a vertically-integrated “cradle to grave” oil and gas operator that will enable the Company to continue its strategy of near infrastructure exploration and development with the added ability to dismantle the infrastructure in a safe, timely and cost efficient manner. In order to increase liquidity and further facilitate its growth plan, the Company also previously announced that it was seeking to enter into additional credit facilities. The Company is still attempting to obtain additional secured financing and otherwise restructure its secured indebtedness.

### *Extension of Membership Interest Contribution Agreements*

On March 7, 2014, the Company announced that it entered into two separate Membership Interest Contribution Agreements to acquire all of the ownership of Cochon and Well Services which acquisitions were subsequently approved by the shareholders on May 16, 2014. The Company previously entered into agreements with the members of Cochon and Well Services to extend the time to close its acquisitions of Well Services and Cochon from July 7, 2014 until September 30, 2014. The Company has entered into subsequent agreements to extend the time to close its acquisitions of Well Services and Cochon through October 31, 2014.

### *Extension of Limited Consent*

In order to enter into the membership interest contribution agreements for Well Services and Cochon, the Company obtained the consent of the holders of its current first priority secured notes in the amount of US\$22.5 million pursuant to a limited consent and forbearance agreement dated March 7, 2014 (the “Limited Consent”). Therein, the holders of the notes and the Company acknowledged that at the end of fourth quarter of 2013, the Company was in existing and continuing default of the collateral coverage ratio covenant of the notes (the “Specified Default”) and in order to allow for the acquisition of Cochon and Well Services, the Limited Consent provided that, the holders of the notes would forbear from exercising certain rights and remedies under its loan agreements in respect of the Specified Default until, among other things, payment in full of the obligations owed by the Company to the holders or July 7, 2014. The Company entered into a first amended Limited Consent agreement with the holders extending from July 7, 2014 to August 31, 2014 the date of the Limited Consent. On August 29, 2014, the Company entered into a second amended Limited Consent agreement with the holders of the notes extending the termination date of the Limited Consent to September 30, 2014. The Company has now entered into a third amended Limited Consent that will expire on October 15, 2014.

The Company remains in discussions with representatives of the holders of the first priority secured notes and its other classes of indebtedness regarding the potential terms under which its secured indebtedness could be restructured in the event that it is unable to obtain additional financing by October 15, 2014.

## **ABOUT ROOSTER ENERGY LTD.**

Rooster Energy Ltd. is a Houston, Texas, USA, based independent oil and natural gas exploration and production company focused on the development of resources in the shallow waters of the Gulf of Mexico. At June 30, 2014, our primary assets consist of interests in 22 producing oil and/or natural gas wells and 15 federal leases or blocks. The Company is the operator of the majority of its properties and daily oil and gas production.

Investors are welcome to visit our website at [www.roosterenergy.com](http://www.roosterenergy.com) or contact the following for all corporate updates and investor inquiries:

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### *Forward Looking Information and Statements*

*Certain statements and information in this press release may constitute “forward-looking information” or statements as such terms are used in applicable Canadian securities laws. Any statement that expresses, involves or includes expectations of future operations (including drill rig commitments and use of proceeds), commerciality of any hydrocarbon discovered, production rates, operating costs, commodity prices, administrative costs, commodity price risk and other components of cash flow and earnings, management activity, acquisitions and dispositions, capital spending, access to credit facilities taxes, regulatory changes, projections, objective, assumptions or future events that are not statements of historical fact should be viewed as “forward-looking statements”. Events or circumstances may cause actual results to differ materially from those predicted, a result of numerous known and unknown risks, uncertainties, and other factors, many of which are beyond the control of the Company. These risks include, but are not limited to, the risks associated with the oil and gas industry, commodity prices, and exchange rate changes. Industry related risks could include, but are not limited to, operational risks in exploration, development and production, delays or changes in plans, risks associated with the uncertainty of reserve estimates, or reservoir performance, health and safety risks and the uncertainty of estimates and projections of production, costs and expenses. The reader is cautioned not to place undue reliance on any forward-looking statement in this press release. The Company disclaims any intention or obligation to update or revise any forward-looking statement, whether as a result of new information, future events or otherwise, except as required by applicable law.*

*Financial outlook information contained in this press release about the Company's prospective cash flows and financial position is based on assumptions about future events, including economic conditions and proposed courses of action, based on management's assessment of the relevant information currently available. Readers are cautioned that any such financial outlook information contained herein should not be used for purposes other than for which it is disclosed herein.*

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