

ROOSTER ENERGY LTD.

January 10, 2013

ROOSTER ENERGY LTD. ANNOUNCES DRILLING RESULTS

CALGARY, ALBERTA (January 10, 2013) ROOSTER ENERGY LTD. (the “Company”) (www.roosterenergyltd.com)(TSXV: COQ) announced today that its South Timbalier Block 198 #A-7 ST#1 well achieved its target depth of 13,869’ MD/12,372’ TVD. While the well encountered the expected reservoir as projected, it was determined that the well was non-commercial. As a result, the well will be plugged and abandoned. The Company owns a 100% working interest in the well and expects to incur an expense of approximately US\$5.5 Million related to the drilling of the well.

As a result of drilling the unsuccessful development well at South Timbalier Block 198, the Company’s estimated 2013 operating guidance is listed below:

<u>Operating Metrics</u>	<u>Barrels of Oil Equivalent</u>
Production (35% liquids)	1,000,000- 1,100,000
Operating Expense	\$10.00-\$12.00
Depreciation, Depletion & Amortization Expense	\$9.00-\$11.00
General & Administrative Expense	\$3.50-\$4.50

Robert P. Murphy, President & Chief Executive Officer, commented that “the results at South Timbalier Block 198 were disappointing, however we are looking forward to growing our reserve and production base through our 2013 drilling program.”

ABOUT ROOSTER ENERGY LTD.

The Company is a Houston, Texas 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 September 30, 2012, our primary assets consist of interests in twenty-five producing oil and/or natural gas wells and seventeen federal lease blocks. We are the operator of the majority of our properties and daily oil and gas production.

Investors are welcome to visit our website at www.roosterenergyltd.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.

Note Regarding BOEs

The term barrel of oil equivalent ("boe") may be misleading, particularly if used in isolation. A conversion ratio for gas of 6 mcf/1 boe is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead. Given that the value ratio based on the current price of crude oil as compared to natural gas is significantly equivalency conversion ratio of 6:1, utilizing a conversion on a 6:1 basis is misleading as an indication of value.

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