

ROOSTER ENERGY LTD.

July 30, 2012

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ROOSTER ENERGY LTD. ANNOUNCES COMPLETION OF SHORT TERM SECURED CREDIT FACILITY AND OPERATIONS UPDATE.

CALGARY, ALBERTA (June 30, 2012) Rooster Energy Ltd. ("Rooster" or the "Company") (TSXV: COQ) –Rooster announced today that it has entered into a secured Credit Facility which provides for borrowing up to \$15 Million, to be used for general corporate purposes. The initial advance under the Credit Facility is \$8 Million less a 2% original issue discount.

The Credit Facility is a bridge loan until the Company secures a conventional revolving and/or term loan facility. The Company is currently in negotiations with other potential lenders for a conventional facility. The interest rate on all advances under the Credit Facility is 8% per annum and the term is for 60 days from the initial advance which term may be extended by the Lenders with payment by the Company thereafter on demand with a 2% penalty due on the outstanding balance on the maturity date. All of subsidiaries of Rooster are guarantors of any indebtedness owed under the Credit Facility.

The K2 Principal Fund L.P. serves as "Administrative Agent" under the Credit Facility. Participating lenders in the Credit Facility, in addition to K2, are Chester F. Morrison, Jr. and Cretaceous LLC, who are each a related party to Rooster. Additionally, none of the participants is a chartered bank, trust company or treasury bank.

OPERATIONS UPDATE:

As previously announced in June, 2012, Rooster resumed oil and gas production from its Vermilion Block 376 Field located in U.S. federal waters located offshore the State of Louisiana, following the successful drilling and completion of three new wells. The three new wells and the previously existing wells in the Field are performing as expected. Rooster's total net daily production for the last 30 days has averaged in excess of 3,300 barrels oil equivalent per day since the re-commencement of production from Vermilion Block 376 Field.

United States Securities Matters

This press release does not constitute an offer to sell or a solicitation of an offer to buy any securities in the United States. The securities of Rooster have not been and will not be registered under the United States Securities Act of 1933, as amended (the "US Securities Act") or any state securities laws and may not be offered or sold within the United States or to U.S. persons unless registered under the U.S. Securities Act and applicable state securities laws or an exemption from such registration is available.

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