



FOURTH QUARTER 2011

Report to unit holders for the period ended December 31, 2011

N.A Energy Resources Corp Declares Distribution on its Kentucky Petroleum Limited Partnership Fund

“For Immediate Release”

January 31, 2012 – a company focused on investments in North American Oil & Gas production based properties, announced its third distribution to the unit holders for 2011.

Key Highlights

- The Partnership had a strong quarter of operating and financial results from material agreements, as well as the production volumes more than tripled in comparison to the previous quarter.
- On December 21, 2011, the partnership executed a Farm-out Agreement which would give the opportunity for the partnership to benefit from 5 newly drilled wells on a “Net Carried Working Interest” basis. Also the partnership will benefit from creation of an “interconnect” between existing pipelines on the various properties that the partnership owns. Finally the last but yet invaluable benefit would be the collection of all geological data from the tests wells which will in turn benefit the operations of the partnership in the years to come.
- In December 2011, the partnership completed its full acquisition of oil and gas properties under its purchase agreement on the North Laurel Leases, in Laurel County, Kentucky.

The management on behalf of the General Partner has declared a cash distribution of **\$307.50 per unit or 6.15% return for the quarter** to each investor for the third quarter payout of this project ; totalling **13.00%** in distributions for three quarters production in 2011. Kentucky Petroleum Investment Corporation a subsidiary or KPO also declared a dividend payout to investors at 4.39% rate for the quarter. The distribution is payable on January 31, 2012, to unit holders.

Management Commentary

Mehran Ehsan, N.A Energy Resources Corp’s CEO, said: “With a sign of success from both the production increases and the strategic material agreements that the company embarked on, we look at 2012 being yet another year of success for this project and the company as a whole. Not only will we diligently work towards enhancing our production volumes in the years to come, but utilize our creative outside of the box mentality to capture any further revenues that would benefit the partnership thus our investors.”

About ERC

ERC seeks to provide investors current income, as well as long-term capital appreciation potential, by participating in multiple asset valued characteristic properties within the oil and gas industry. ERC seeks to put forward 2-3 limited partnerships with strong set characteristics in various geographical locations for investors to participate.

About Kentucky Petroleum Operating Ltd

Kentucky Petroleum Operating Ltd. (KPO) is an incorporated entity under the management of N.A Energy Resources Corp. KPO sole responsibility is to be the general partner for the “Kentucky Petroleum Limited Partnership” and associated properties under the LP fund.

ON BEHALF OF THE BOARD

“Mehran Ehsan” President & Director

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