



N.A.  
**ENERGY RESOURCES**  
CORPORATION

## Tax Deduction for Kentucky Petroleum LP Investors

March 2, 2012

**Kentucky Petroleum Operating** was able capture tax benefits and flow them to its Limited Partners in the Kentucky Petroleum Limited Partnership fund. The partnerships performance exceeded its first years expected numbers and is set to grow its production volumes in the 12 – 24 months. The project comes with existing production and significant enhancement potential which has been the main point of discussion by management and representatives. However one investment characteristic that has not been discussed in the past would be the potential for tax benefits, in addition to its cash-flow nature. Management, thanks to the accounting and tax planning side was able to capture tax benefits for the investors in the 2011 tax year. This foreign expense deduction within the Natural Resources side equates to approximately 5% of the invested amount by every Limited Partner. The application of this tax deduction only applies to Kentucky Petroleum Limited Partnership and not Kentucky Petroleum Investment Corporation which already has pre-existing tax benefits in the form of the investment vehicle.

### Management Commentary

Mehran Ehsan, N.A Energy Resources Corp's CEO, said: "We thank all parties involved in assisting and creating this additional benefit for our investors within the Kentucky Petroleum LP fund. We will continue to review any and all possible benefits beyond the norm to be able to flow them to our investors. Our goal is to maintain strategic and sustainable Cash-flow, capital appreciation potential through constant exit evaluations; and now tax benefits through various foreign expense deductions for our Investors.

ON BEHALF OF THE BOARD

"Mehran Ehsan"

President & Director

### **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.

**Disclaimer:** Except for historical information contained herein, the matters set forth above may be forward-looking statements that involve certain risks and uncertainties that could cause actual results to differ from those in the forward-looking statements. Words such as "anticipate," "believe," "estimate," "expect," "intend" and similar expressions, as they relate to N.A Energy Resources Corp. and Kentucky Petroleum Operating Ltd., the potential reserves, production and ability to establish wells on the Prospect, identify forward-looking statements. Such forward-looking statements are based on the current beliefs of management, as well as assumptions made by and information currently available to management. Actual results could differ materially from those contemplated by the forward-looking statements as a result of certain factors such as the nature of business negotiations, the operational details of oil and gas properties, the competitive environment within the industry, the ability of N.A Energy Resources Corp. and Kentucky Petroleum Operating Ltd. to expand its operations, the level of costs incurred in these expansion efforts, economic conditions in the industry and N.A Energy Resources Corp / Kentucky Petroleum's financial strength. Energy Resources Corp and Kentucky Petroleum Operating Ltd. do not undertake any obligation to update such forward-looking statements. Investors are also directed to consider all other risks and uncertainties.