



## SECOND QUARTER 2012

Report to unit holders for the period ended June 31, 2012

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

#### **"For Immediate Release"**

**July 31, 2012** – a company focused on investments in North American Oil & Gas production based properties, announced its second quarter distributions in 2012 to unit holders.

#### **Key Highlights**

- The partnership successfully closed over 150 units at \$750,000 within the quarter pushing the fund further ahead towards closing.
- Management was able to hedge against decrease in commodity prices by increasing production. Although commodity prices dropped more than 30% during this quarter, the returns to investors increased within the fund.
- Management by utilizing cost trimming capabilities on the operating, pipeline side was able to further enhance returns to investors.
- The project has begun shifting to the second phase, developmental and enhancement of production.

The management on behalf of the General Partner has declared a cash distribution of **\$130.00 per unit or 2.60% return for the quarter** to each investor for the fifth quarter payout of this project. Kentucky Petroleum Investment Corporation a subsidiary of KPO also declared a dividend payout to investors at 2.00% rate for the quarter. The distribution is payable on July 31, 2012, to unit holders.

#### **Management Commentary**

Mehran Ehsan, N.A Energy Resources Corp's CEO, said: "Up to this point our intentional focus has been property driven to secure assets and enhance certain low capital intensive initiatives on the wells and properties. However by shifting gears we will now focus on enhancement & development of key locations on our properties and wells."

#### **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

**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 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 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 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.