

May 2009
Company Fact Sheet

EVOLUTION PETROLEUM
AMEX: EPM



Enhancing Mature O&G Potential

WWW.EVOLUTIONPETROLEUM.COM

- **Evolution Petroleum Corporation (EPM)** is a small-cap oil and gas company that develops known bypassed onshore resources in the U.S. It applies conventional and specialized technology to accelerate production and develop incremental reserves, thus enhancing value per share. Its strategic initiatives include: I) Enhanced oil recovery (EOR) through gas flooding, II) conventional redevelopment of mature oil and gas fields, and III) unconventional natural gas development.

- **“Company-Making” Delhi CO₂-EOR Project.** In 2006, EPM farmed out its working interest in the Delhi Field to Denbury Resources (DNR), retaining a separately acquired 7.4% royalty and a 25% after-payout carried working interest. DNR committed to develop the field using its own capital and proved natural CO₂ resources in addition to its CO₂ flooding expertise. The project is moving forward rapidly with CO₂ injections expected by midyear 2009 and production response expected in early 2010. Probable reserves in the Delhi Field, net to EPM’s interest, are estimated at approximately 13 million barrels of oil (MMBO), about 1/3rd of which are royalty barrels.

- **Continued Contributions From Giddings Field Development.** Drilling and leasing activities in the Giddings Field in Central Texas increased EPM’s 2008 proved reserve base by 133% over 2007. EPM currently has nine wells producing in Giddings, including the two newest horizontal reentries that were completed in January 2009. Successful drilling in the Giddings Field has driven sales volumes up 346% in the 2009 fiscal third quarter compared to the same period last year. Annual sales volumes in fiscal 2008 rose 79% from 2007 to 51,614 BOE. EPM owns 100% of the working interest (~80% net revenue interest) in its Giddings field interests and its staff has outstanding expertise in the Giddings area gained at UPRC, Anadarko and Columbia Gas.

- **Capital Budget Focused on Higher Value-Added Activities.** The 2009 capital budget has been reduced to less than \$10 million and, in addition to drilling two wells at Giddings to maintain production, the focus is now on drilling to move reserves into the Proved Category. Specifically, EPM plans to initiate drilling of its unproved shallow Woodford Shale acreage and its development of the Neptune oil project in South Texas this year, with the objective of adding proved reserves. At the end of Q3 FY 2009, EPM had incurred \$8.3 million of its \$10 million budget.

- **Strong Balance Sheet and Liquidity.** EPM has no funded debt and ended the third quarter of fiscal 2009 with \$6.6 million of cash and CD’s, and \$7.5 million of working capital. Its strong balance sheet, in addition to cash flows from producing properties and no near term expiring leases, should allow EPM to adjust its capital budget to capture select opportunities that may arise for the benefit of its shareholders without the need of additional financing.

Price (May 18, 2009) \$2.60

Stock Data

Fiscal Year-End	June
Symbol / Exchange:	EPM / AMEX
52-Week Range:	\$2.12 - \$7.15
Shares Outstanding 3/31/09:	26.2mm
Fully-Diluted Shs 3/31/09 ^(*) :	32.7mm
Market Capitalization:	\$85.0mm
Enterprise Value (EV):	\$78.4mm
Avg. Daily Volume (L3M):	N/A

Ownership Profile

Employees:	20%
Institutions:	~38%
Non-management Directors:	18.5% (incl. affiliates)

* Based on 26.2 million shares outstanding and 6.5 million options and warrants at ~\$2.01 weighted average exercise price

Financial Data \$ millions (FY ending June 30)

Select Income Statement:	9M2009	9M2008
<i>\$ millions</i>		
Revenues	\$5.1	\$1.9
Net Income (Loss):	(\$1.9)	(\$1.9)
EPS:	(\$0.07)	(\$0.07)
Non-cash stock comp. expense:	\$1.6	\$1.3

Select Balance Sheet:

Working Capital:	\$7.5	\$13.6
Total Debt:	\$0	\$0
Total Stockholders’ Equity:	\$32.0	\$33.0

Oil & Gas Reserves at July 1, 2008

Proved: 4 MMBOE (increased 133% since 7/01/07)
Probable: 16 MMBOE (13 MMBOE associated w/Delhi CO₂ project, un-risked)

Stock Price



COMPANY PROFILE

Headquartered in Houston, Texas, Evolution Petroleum Corporation (AMEX:EPM) is focused on acquiring known, onshore oil and gas resources with the intent of redeveloping those resources through the application of technology, expertise and capital. Its initiatives include enhanced oil recovery utilizing gas flooding; conventional redevelopment of mature fields using its expertise in horizontal drilling and completion technologies; and unconventional gas shale development. Its strategy is intended to generate scalable low-risk development opportunities at normally pressured depths in order to generate low-cost, long-life predictable reserves.

INVESTMENT CONSIDERATIONS

Production From CO₂ Enhanced Oil Recovery Project Expected Near Year-end Calendar 2009. Evolution Petroleum's core asset is its non-operated interest in the Delhi Field located in northeastern Louisiana. Originally purchased for \$2.8 million, the Delhi Field was farmed out for \$50 million in 2006 to Denbury Resources (DNR), one of the most successful and experienced CO₂ operators in the region. EPM retained a 25% after-payout carried working interest (20% net revenue interest) in the field that reverts once DNR generates \$200 million in net operating income from the project, excluding capital costs. EPM also retained a separately acquired 7.4% in overriding and mineral royalty interests, effective throughout the project's life, which bear no capital or operating costs.

The crude oil at Delhi will be recovered through the injection of carbon dioxide, one of the most efficient methods for enhanced oil recovery (EOR). The CO₂ acts like a solvent for the oil, helping to remove more of the residual oil from the rock formation as the CO₂ contacts and is absorbed by the oil. Carbon dioxide gas floods historically have been limited to a few areas near sources of relatively pure carbon dioxide, one of which is near Jackson, Mississippi, about 90 miles east of the Delhi Field.

DNR has completed and tested the CO₂ pipeline to the Delhi Field and plans to begin injecting CO₂ by midyear 2009. An initial oil production response is expected in early 2010. Based on varying projections of how much of the original-oil-in-place (OOIP) will be recovered, the estimated unrisks probable reserves in the field is approximately 13 million barrels of oil (MMBO), net to Evolution's interest, about one-third being royalty barrels.

Conventional Horizontal Re-Development Program Drove Record-High Production. EPM also looks for hydrocarbons in proven mature fields that have been previously discovered, but for various reasons were previously "bypassed" or overlooked, or historically considered uneconomic to produce due to dated technology and/or lower product prices. Its strategy is to acquire scalable properties with development potential using modern and efficient drilling and completion techniques, particularly horizontal drilling.

EPM has accumulated ~18,000 net acres in the Giddings Field in central Texas, where it has identified and fully leased 34 proved undeveloped (PUDs) drilling or well re-entry locations, nine of which have been drilled or reworked and are

now producing. Six of these locations were re-entered for new lateral penetrations, one was drilled as a new well and two wells were restored to production during fiscal 2008 and 2009. One additional well is shut-in pending installation of EPM's proprietary artificial lift technology.

Of its 2008 fiscal year total proved reserves of 4 MMBOE, all of the 133% increase was associated with the Giddings Field. Also, essentially all of the 228% increase in EPM's fiscal Q2 2009 sales was attributable to the Giddings development operations. Total annual sales volumes hit a record 51,614 barrels of oil equivalent (BOE) for fiscal 2008. This represented a 22,800 BOE, or 79%, increase over fiscal 2007 sales volumes.

Reserve Potential in Unconventional Development of Woodford Shale. EPM is also developing two projects in Oklahoma that are an extension of the existing Woodford gas shale play, where it has identified more than 400 potential vertical locations and 100 horizontal locations. Since March 2007, EPM has acquired ~17,600 net acres in Oklahoma and it plans to commence an unconventional drilling initiative during calendar 2009. Initial test drilling of up to five, low-cost vertical wells should potentially quantify and convert the potential gas shale resource into proved and probable reserves. Because these shale formations are relatively shallow, EPM believes it can develop this play at a very attractive cost per mcf that is economic at current market prices of natural gas.

EPM revised its 2009 budget from \$19 million to less than \$10 million. In addition to drilling two wells at Giddings to maintain production, it will focus on higher value-added activities such as identifying and leasing reserves that it believes will be categorized as proved undeveloped, drilling to move existing reserves into the proved category, and selectively repurchasing shares. At the end of the 3rd quarter of fiscal 2009, EPM had incurred \$8.3mm to complete two re-entry wells in the Giddings Field, prepare additional locations for drilling and acquire additional lease acreage. For the remainder of the fiscal year, capital expenditures are expected to be limited to drilling three low cost wells in Oklahoma to begin proving Woodford shale reserves and field work to prepare for future low-cost shallow wells on its Neptune project in Texas to establish proved reserves of moderately heavy associated oil, subject to oil price.

Experienced Team & Conservative Balance Sheet. The strategy of acquiring and redeveloping known reserves requires expertise, technology and capital. EPM's management team has substantial technical expertise in horizontal drilling in the Austin Chalk and other unconventional plays. At December 31, 2008, EPM had a strong balance sheet, with \$10.3 million of cash and certificates of deposits, and no debt obligations.

Intrinsic Value Depicts Unclassified Reserve Potential. EPM's management and employees all have a substantial equity ownership in the company and are therefore closely aligned with shareholders. Thus, management is focused on protecting and creating shareholder value. Each share of EPM reflects proved reserves of 0.15 BOE, probable reserves of 0.60 BOE, working capital of \$0.29 and substantial gas shale potential.

USING ENHANCED OIL RECOVERY ON DELHI FIELD

Delhi Field Development by EPM and DNR



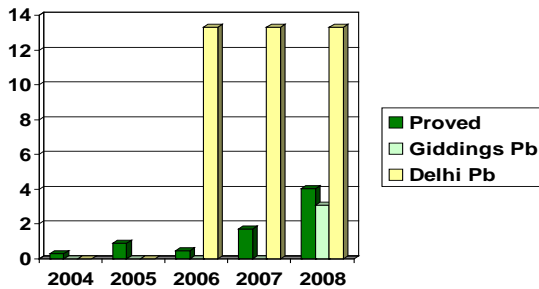
- ~2014 - Deemed payout achieved subject to oil price - EPM's 25% WI effective through reversion
- 2009 - CO₂ injection projected 1H09 and material production increase expected ~ late 2009
- 2008 - DNR announces plan to spend \$80MM in 2008 on Delhi project
- 2007 - DNR investment exceeds \$70 million including right-of-way, CO₂ pipe acquisition and construction and field work
- 2006 - Sold farm-out to Denbury for \$50MM + 25% BI-APO + commitment to fund and install CO₂ flood. Acquired 7.4% of royalty interests for \$1.5 million
- 2004 - Increased production to level of ~145 boepd through expenditures of ~\$2.5 million
- 2003 - Purchased the working interest in the Delhi Field for \$2.8 million



Production to date	190 MMBO
Original oil in place est. ("OOIP")	400-500 MMBO
Average depth	~3,300'
Size	13,636 acres
Formations	Tuscaloosa & Paluxy

DELIVERING GROWTH AND MAINTAINING A SOLID BALANCE SHEET

EPM Reserves Growth by Fiscal Year



- Does not include shale gas resource in 2 Oklahoma Woodford projects
- FYE 06 proved reserves impacted by farmout to Denbury that included proved reserves

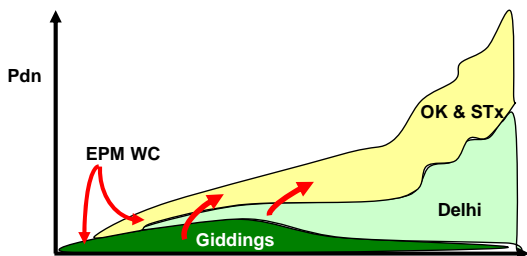
Balance Sheet at 3/31/09

	<u>3/31/09 (unaudited)</u>
Assets	
Working Capital	\$7,503,457
Properties & Equipment, net	28,655,188
Other Assets (primarily long-term CD)	356,399
Total Assets	\$37,980,788
Liabilities & Equity	
Long Term Debt	\$0
Other Liabilities (primarily deferred income tax)	4,471,156
Total Long Term Liabilities	4,471,156
Equity	\$32,043,888

DEVELOPING FIELDS TO DRIVE GROWTH

Business Plan

Current cash resources & operations fund near-term projects, while Delhi funds future project development.

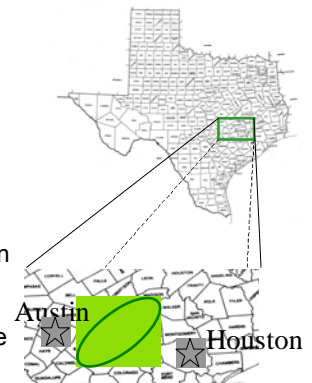


Initiative II – Conventional Redevelopment

Acquire and develop known resources where we can apply our expertise and technology in horizontal drilling and other modern completion/production technologies:

First target is the Giddings Field in Central Texas, which extends 30-40 miles in width and 100+ miles in length and is primarily known for its naturally fractured Austin Chalk and Georgetown formations.

The EPM team has extensive expertise in drilling and operating hundreds of horizontal wells in the Giddings Field over the last 18 years.



Giddings Field

The logo for Evolution Petroleum Corporation features a stylized blue oil rig icon to the left of the word "EVOLUTION" in large, bold, black capital letters. Below "EVOLUTION" is a thick black horizontal line, and underneath that line is the word "Petroleum Corporation" in a smaller, blue, sans-serif font.

EVOLUTION

Petroleum Corporation

AMEX: EPM

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This document is issued by Evolution Petroleum Corporation and was prepared in conjunction with the firm of Dennard Rupp Gray & Easterly, LLC.

Reader Advisory and Forward Looking Statements

This Fact Sheet is presented as a brief company overview for the information of investors, analysts and other parties with an interest in Evolution Petroleum Corporation (herein referred to as "the Company", "Evolution" and by its stock exchange ticker, "EPM"). The management of Evolution Petroleum Corporation hopes that this Fact Sheet will encourage analysts and investors to investigate more about the Company through its Securities and Exchange Commission ("SEC") filings, press releases and other public materials. This Fact Sheet does not constitute an offer to sell or a solicitation of an offer to buy any securities of the Company. This Fact Sheet contains forward-looking statements, some of which may be identified by words like "expects," "anticipates," "plans," "intends," "projects," "indicates," and similar expressions. These statements are based on the Company's current assumptions, expectations and projections about future events, which are subject to a wide range of business risks. The Company encourages investors to review the information regarding the risks inherent to Evolution and the energy industry in which it operates, as described in its Form 10-K for the year ended June 30 2008, a copy of which is available over the Internet at the SEC's website (<http://www.sec.gov>). This Fact Sheet does not purport to be all-inclusive or to contain all of the information that a reader may desire as to the structure or the affairs of the Company. Although the Company believes that the assumptions reflected in these forward-looking statements are reasonable, the Company can give no assurance that these assumptions will prove to be correct or that financial or market forecasts, savings or other benefits anticipated in the forward-looking statements will be achieved. Forward-looking statements are not guarantees of future performance and actual results may differ materially from those projected. The information contained in this Fact Sheet is only current as of its date, and the Company undertakes no obligation to update this Fact Sheet.