

April 2011
Company Fact Sheet

EVOLUTION PETROLEUM
NYSE Amex: EPM

Enhancing Mature O&G Potential



WWW.EVOLUTIONPETROLEUM.COM

- Evolution Petroleum Corporation (EPM)** develops known bypassed onshore petroleum resources in the U.S. It applies conventional and specialized technology to develop production and reserves with a focus on enhancing share value. EPM's 6/30/2010 proved reserves are 83% oil and 8% natural gas liquids. The EPM team has demonstrated a successful track record of value growth through project origination, capture and development of an extensive portfolio of drilling locations for oil and natural gas.
- “Company-Making” Delhi CO₂-EOR Project.** After investing a total of \$6.8 million in the field between 2003 and 2006, EPM farmed out its interest in the Delhi Holt Bryant Unit to Denbury Resources (DNR). In the farm-out, EPM obtained \$50 million in cash, while retaining a 24% after-payout carried working interest (19% revenue interest) and a separately acquired 7+% royalty. DNR is developing this EOR project utilizing its CO₂ flooding expertise at no expected capital cost to EPM's proved reserves. Initial production began 3/2010 following Phase I CO₂ injection in 11/2009. In the quarter ended 12/31/2010, volumes net to EPM's royalty interest rose 37% compared to the previous quarter to 6,266 barrels of oil (920 bopd average gross rate). Gross field production from Phase I continues to increase over December 2010 production. Phase II CO₂ injection began at the end of 2010 and response began in March 2011. EPM's net proved and probable reserves in the Delhi Field have been independently assigned at 9.4 and 5.7 million barrels of oil (MMBO) respectively, with a combined PV10 of \$276 million based on a \$76 oil price.
- Proven Track Record for Creating Value.** In the Giddings Field, EPM has also demonstrated its ability to create value from modest investments. Its \$26.7 million investment in Giddings through 6/30/2010 was assigned proved and probable reserves of 3 and 1 MMBOE respectively, with a combined PV10 of \$53 million as of 6/30/10. EPM entered into a joint venture to drill up to five wells in Giddings, and has drilled three wells to date.
- Expanding Opportunities in Low-Risk, Low-Cost Reserves.** In eastern Oklahoma, EPM is testing substantial shale gas potential in the shallow and moderate depth Woodford Shale.
- Capital Budget Focused on Higher Value-Added Activities.** EPM's fiscal 2011 capital budget of \$4 million includes its 3-5 well drilling joint venture in the Giddings Field, testing in the Woodford Shale and deployment of its artificial lift technology. Funds from production in the Giddings and Delhi Fields should cover cash overhead and most of the capital expenditure plan. The capital plan may be expanded due to expansion of its artificial lift activity and test results in Oklahoma, utilizing joint ventures, working capital and outside sources of funds.
- Strong Balance Sheet and Liquidity.** EPM has no debt and \$3.2 million of working capital as of December 31, 2010. Its cash and cash flows from producing properties should provide EPM with sufficient liquidity through fiscal 2011.

Price (March 31, 2011) \$ 7.80

Stock Data

Fiscal Year-End	June
Symbol / Exchange:	EPM / AMEX
52-Week Range:	\$4.10 - \$8.39
Shares Outstanding:	27.5 MM
Fully-Dilutable Shares Outstanding	33.1 MM
Market Capitalization:	\$248 MM
Enterprise Value (EV):	\$245 MM
Avg. Daily Volume (L3M):	84,000
Ownership Profile	
Employees (beneficial):	20%
Institutions	~42%

* Based on 27.5 million shares outstanding and 5.6 million options and warrants at \$1.83 weighted average exercise price

Financial Data \$ millions

Select Income Statement:	Q2 2011	Q2 2010
<i>\$ millions, except EPS</i>		
Revenues	\$1.2	\$1.2
Net loss:	(\$0.5)	(\$0.7)
EPS:	(\$0.02)	(\$0.03)
Select Balance Sheet:	12/31/2010	6/30/2010
Working Capital:	\$3.2	\$4.9
Total Debt:	0.0	0.0
Total Stockholders' Equity:	\$31.9	\$31.5

Oil & Gas Reserves as of June 30, 2010

Proved:	12.4 MMBOE (up 306% from 6/30/09 due to 9.4 MMBOE Delhi reserve additions)
Probable:	7.2 MMBOE (5.7 MMBOE from Delhi CO ₂ project, per engineers DeGolyer & MacNaughton)
Potential:	Gas Shale project in Eastern Oklahoma

Stock Performance



COMPANY BUSINESS MODEL

EPM generates and implements oil & gas projects, onshore in the U.S., by applying its expertise and modern technology to known petroleum resources, for the purpose of building per share value. Our strategy is to:

- *Generate project ideas to develop known resources*
- *Capture project value without overpaying*
- *Initiate development to prove concept and reduce risk*
- *Utilize third parties to finance full development*

INVESTMENT CONSIDERATIONS

EPM's management team has substantial technical expertise in horizontal drilling and other unconventional applications. The Company is also closely aligned with its shareholders, with all of its employees beneficially owning ~20% of fully dilutable shares. It also has a strong balance sheet with no debt, and a liquid asset position of approximately \$3 million. With the enhanced oil recovery project at Delhi increasing production, combined with incremental production in the Giddings Field from the new drilling joint venture, EPM's cash flow is expected to grow significantly in fiscal 2011. No capital expenditures will be required from EPM to realize its proved reserves or production increases at Delhi.

CORE ASSETS

Delhi CO₂ Enhanced Oil Recovery Project. The Delhi Field, located in northeastern Louisiana, is a mature oil field in which EPM owns a 7.4% royalty interest that bears no capital or operating costs and a 24% reversionary working interest (19% revenue interest) in a CO₂ EOR project with Denbury (DNR).

Originally purchased in 2003 for \$2.8 million, EPM farmed out its working interest for \$50 million in 2006 to DNR, one of the most successful and experienced CO₂ operators in the U.S. In addition to its separately acquired royalty interests, EPM retained the 24% after-payout working interest that reverts once the project generates \$200 million in revenues less operating costs (operating costs do not include capital costs). Consequently, EPM expects to bear no capital costs associated with its proved reserves.

The oil at Delhi is being recovered through the injection of CO₂, one of the most efficient methods for enhanced oil recovery (EOR). DNR is transporting CO₂ to the Delhi Field via the Delta Pipeline that it constructed from its Jackson Dome resource in Mississippi, about 90 miles east of the Delhi Field.

DNR began injecting CO₂ to the Delhi Field in mid-November 2009 and initial oil production began in March of 2010 from Phase I. Field sales during the third fiscal quarter of 2011 continue to substantially increase from the second quarter average of 930 barrels per day. First CO₂ injection in Phase II began in December 2010 and Phase II oil response occurred in March 2011; Phase II is more than double the size of Phase I. Denbury is continuing work on the four remaining phases that are similar in size to Phase II.

Year-End Proved Reserves Increased by 306%, and Proved PV10 increased 642%. At June 30, 2010, the end of EPM's fiscal 2010 year, its independent reservoir engineer assigned total proved reserves of 12.4 MMBOE, being 83% oil and 91% total liquids by volume including natural gas liquids. PV10 of proved reserves totaled \$266 million (based on trailing 12-month, first day of the month average prices). Oil prices have substantially increased over the \$76 price utilized in the 6/30/2010 PV10. The proved reserves included for the first time 9.4 MMBO and 5.7 MMBO of net proved and probable reserves assigned to the Delhi Field, of which approximately 3.4 MMBO and 1.6 MMBO, respectively, related to EPM's royalty interests that bear no operating costs or capital expenditures.

Conventional Horizontal Development in Texas. EPM acquired ~18,000 net acres in the Giddings Field in central Texas where, after 3 years of production, it still has 3.0 MMBOE of proved reserves and 1.0 MMBOE of probable reserves as of 6/30/2010. The proved reserves in Giddings are 28% crude oil, 35% NGLs and 37% natural gas. On July 2, 2010, EPM entered into a joint venture to drill up to five proved and probable drilling locations, and three wells have been drilled to date with aggregate results as expected. During the 2011 second fiscal quarter, EPM sold 15.9 MBOE of production volumes from the Giddings Field, and production from the joint venture wells are expected to increase EPM's net production from the Giddings Field.

Low Cost, Shallow Shale Gas in Eastern Oklahoma. On approximately 15,000 net acres in Eastern Oklahoma, EPM is testing and developing two gas projects that are extensions of the Woodford gas shale play. These projects target potential gas reserves of 500 – 1,000 MMCF per vertical well in Haskell County and 200 – 300 MMCF per vertical well in Wagoner County at a projected development cost of ~\$1 per MCF. The reserves are shallow in depth and, therefore, can be drilled with smaller rigs and completed with much smaller hydraulic fracture stimulations at lower day rates. Testing is currently in progress in both areas and meaningful contribution is expected later in the second half of this year.

Proprietary Artificial Lift Technology. EPM has developed a proprietary artificial lift technology that is targeted at recovering otherwise abandoned reserves in pressure depleted horizontal wells due to limitations of conventional artificial lift methods. At a projected cost of \$4 - \$10 per BOE of incremental recovery, EPM's technology could be applied broadly to many horizontal plays and has been fully or partially installed in several of EPM's wells with positive results. EPM is negotiating two joint ventures to apply the technology.

Intrinsic Value Depicts Unclassified Reserve Potential. Management's focus is on creating and protecting shareholder value. The 6/30/10 PV-10 of its proved and probable reserves per fully diluted share is ~\$10 per share, excluding working capital or any consideration of further upside at Delhi, EPM's proprietary technology or development of its shale gas assets in Oklahoma. The PV-10 at 6/30/10 is also based on constant \$76.21 NYMEX oil price, adjusted for location and grade differentials.

STRONG TRACK RECORD IN PROJECT DEVELOPMENT

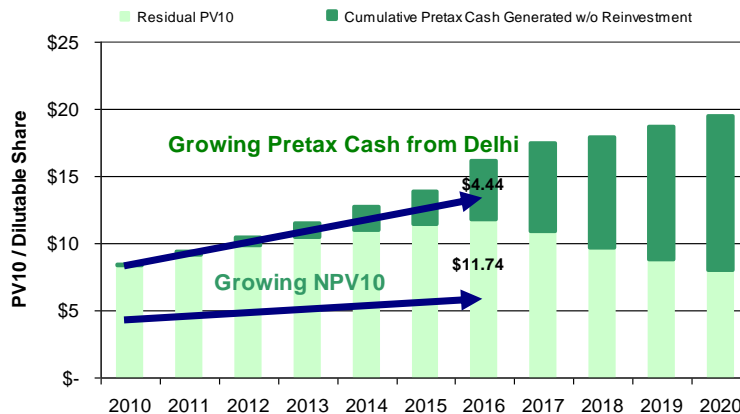
Engineering-driven project development and value creation

Project	Invested	Results (7/1/10 PV-10 unrisks)	
Delhi EOR	\$6.8 mm	\$50mm pretax cash + 1P PV-10 of \$224 million 2P PV-10 of \$276 million	<ul style="list-style-type: none"> > Substantial oil and gas reserves 12.4 MMBOE Proved 7.2 MMBOE Probable
Giddings	\$26.7 mm	\$9.7 MM cash from field + Proved PV-10* of \$41 million Probable PV-10* of \$12 million	<ul style="list-style-type: none"> > Oily – Proved reserves are 83% black oil and 8% NGL > Valuation Metrics at fiscal year-end (6/30/2010): (@SEC NYMEX pricing of \$76.21/BO, \$4.10/MMBTU)
Artificial Lift	\$0.2 mm	Field tests successful; JV pending	<ul style="list-style-type: none"> Proved PV10 \$8.03 / FD Share Probable PV10 \$1.93 / FD Share
OK Shale	\$6.2 mm	~15K net acres of Woodford potential & first reserves assigned – testing ongoing	<ul style="list-style-type: none"> 2P PV10 \$9.96 / FD Share 2P PV10 Futures \$11.68 / FD Share

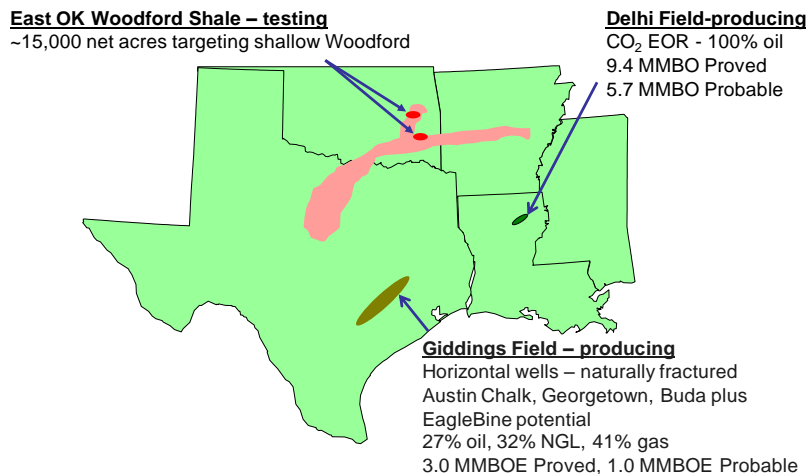
* Does not include impact of Giddings drilling JV

DEVELOPING FIELDS TO DRIVE GROWTH

EPM's Delhi Residual 2P PV10 and Cumulative Pretax Cash per Fully Diluted Share, at \$76 oil



Oil & Gas Core Assets (Net Reserves at 7/1/10)





AMEX: EPM

Company Headquarters

2500 CityWest Blvd, Suite 1300
Houston, Texas 77042

Phone: 713-935-0122 • Fax: 713-935-0199
www.evolutionpetroleum.com

Officers

Robert S. Herlin, CEO, Chairman and Co-Founder
Sterling H. McDonald, Vice President, Chief Financial Officer & Treasurer
Daryl V. Mazzanti, Vice President of Operations

Company Contact

Sterling H. McDonald

Investor Relations Contact

Lisa Elliott – DRG&L
713-529-6600
lelliott@drg-l.com

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 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 2010, 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.