



FEBRUARY 4, 2015

Given global speculation about conventional oil markets and Utah's strong interest in unconventional oil resources, oil-shale development company Red Leaf Resources issued the following statement today regarding the timeline of its commercial demonstration project:

Red Leaf is not yet in commercial production. Our large scale demonstration project is under construction and will continue despite current oil prices. We have designed a deliberately slow and careful construction process for this first capsule which, coincidentally, will give oil prices time to recover before we begin full commercial production.

Red Leaf recently approved the work plan and schedule for the next phase of capsule construction with Ames Construction. As part of the new work plan, and in part due to current market forces, Red Leaf will push back the target date for completion of capsule construction and applying first heat until the second half of 2016.

Generally speaking, we believe that oil prices will continue to be cyclical, as they have always been. Cyclical troughs, like the one we are in now, serve to both stimulate demand and restrict new investment in incremental production. Over time these factors lead to new cyclical highs. We believe that weak prices now will increase the odds that we bring our continuous commercial production online in a strong oil price environment.

Red Leaf has made strategic asset acquisitions in recent weeks and will continue to look for good opportunities in today's depressed market. We remain confident in our technology and are pleased with the progress made so far on the commercial demonstration project.

