



NEWS FOR IMMEDIATE RELEASE

FORTUNE SMALL BUSINESS RANKS ROYALE ENERGY AMONG AMERICA'S FASTEST-GROWING SMALL COMPANIES

SAN DIEGO, June 26, 2006—FORTUNE Small Business announced today that Royale Energy (NASDAQ: ROYL) has been ranked on the sixth annual FSB 100 list of the fastest growing small companies in America. The list, which is comprised of public companies, appears in the July/August issue of FORTUNE Small Business and is available at FSB.com.

Royale Energy is honored to be recognized for its success in executing its long term business plan of finding, producing and selling oil and natural gas in its core areas of operation. Future growth will come from the company's plan for a new development project in the Rocky Mountains Uinta Basin in Utah. Last month the company tested 2,500,000 cubic ft. per day from a significant new discovery well on its 15,000 acre position in the Rockies.

California tops the list of the states with the most companies on the FORTUNE Small Business 100 with 18 companies, followed by Texas with 12, New York with eight and New Jersey with seven.

To compile the sixth annual list, FORTUNE Small Business asked financial research firm Zacks to rank public companies with revenues less than \$200 million and a stock price of more than \$1, based on their percentage growth in earnings, revenue, and stock performance over the past three years. Banks and real estate firms were excluded.

About the Company

Headquartered in San Diego, Royale Energy, Inc. is an independent energy company. The Company is focused on development, acquisition, exploration, and production of natural gas and oil in California, Texas and the Rocky Mountains. It has been a leading independent producer of oil and natural gas for nearly 20 years. The Company's strength is continually reaffirmed by investors who participate in funding over 50% of the company's new projects. Additional information about Royale Energy, Inc. is available on its web site at www.royl.com.

Forward Looking Statements

In addition to historical information contained herein, this news release contains "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995, subject to various risks and uncertainties that could cause the company's actual results to differ materially from those in the "forward-looking" statements. While the company believes its forward looking statements are based upon reasonable assumptions, there are factors that are difficult to predict and that are influenced by economic and other conditions beyond the company's control. Investors are directed to consider such risks and other uncertainties discussed in documents filed by the company with the Securities and Exchange Commission.

Royale Energy, Inc.

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