



## NEWS FOR IMMEDIATE RELEASE

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### ROYALE CASH FLOW IMPROVES \$2.8MM TO 20 CENTS PER SHARE

- **Nine month Natural Gas daily production rates increased 158% over 2010**
- **Nine month Natural Gas revenue increased 142% over 2010**

**San Diego, November 4, 2011 – Royale Energy, Inc. (NASDAQ:ROYL)** today announced during the first nine months of 2011, total cash flow was \$2,174,182 compared to (\$709,406) for the same period in 2010. The significant improvement in overall cash flow was a result of increased revenue from higher natural gas production, and a continuing effort to hold down rising costs.

In the first nine months of 2011, natural gas revenues were \$4,095,834 compared to \$1,689,437 in 2010; an increase of \$2,406,397 or 142%. Natural gas production was up 158% over 2010 to 977,190 Mcf compared to 378,172 Mcf for the first nine months of 2010. The average gas price was \$4.19 per thousand feet of natural gas (Mcf) compared to \$4.47 per Mcf for the same period in 2010.

Exploration related expenses increased by \$241,691 for drilling and development and \$1,234,787 for depreciation. The higher non-cash depreciation and depletion costs were due to the higher natural gas production rates from our new discoveries, which accelerated the amortization schedule and resulted in a loss of \$74,033 or 1 cent per share for the nine months ended September 30, 2011.

“Our increased exploration activities add to near term expenses, while the cash flow is a good indicator of our future development plans,” said Stephen Hosmer, the company’s CFO. “Considering our recent discoveries and the planned 3D Seismic Survey, we believe Royale is positioned for an improvement in Natural Gas prices.”

#### **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 over 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](http://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.

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