Avalon Oil & Gas, Inc. Forms Limited Partnership

03.12.2015 | GlobeNewswire

MINNEAPOLIS, Dec. 03, 2015 - Avalon Oil & Gas, Inc. (Avalon) (OTCQB:AOGN) today announced the company has formed Avalon 2015 -1, L.P., a Delaware Limited Partnership with Drax Holdings, N.A., (“Drax”), a Canadian Corporation. Drax has invested $600,000 in the Limited Partnership, representing 100% of the invested capital. The funds will be used to purchase non-operated oil and gas producing properties in Oklahoma and Texas. Initially, Drax will receive 98% of the revenues from the Limited Partnership and Avalon will receive 2% of the revenues. After Drax receives 100% of its investment from revenues from the sale of oil and gas, Avalon will increase its share of revenues from 2% to 30%.

Kent Rodriguez, Avalon’s CEO, commented, "We are excited to form this Limited Partnership with Drax and develop a portfolio of oil and gas producing properties. With the continued weakness in the market price for oil and natural gas, we believe that we can purchase producing properties with an internal rate of return of at least 25%. We look forward to this opportunity to identify and acquire assets for Avalon 2015 -1, L.P., and to continue to build long-term shareholder value for Avalon.” He added, “We are currently negotiating with two existing shareholders to form Avalon 2015 -2, L.P., and hope to close another Limited Partnership before year-end.”

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Forward-Looking Statements

This press release contains statements, which may constitute "forward-looking statements" within the meaning of the Securities Act of 1933 and the Securities Exchange Act of 1934, as amended by the Private Securities Litigation Reform Act of 1995. Those statements include statements regarding the intent, belief or current expectations of Avalon Oil & Gas, Inc., and members of its management as well as the assumptions on which such statements are based. Prospective investors are cautioned that any such forward-looking statements are not guarantees of future performance and involve risks and uncertainties, and that actual results may differ materially from those contemplated by such forward-looking statements. The Company undertakes no obligation to update or revise forward-looking statements to reflect changed assumptions, the occurrence of unanticipated events or changes to future operating results.

FOR FURTHER INFORMATION,

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