



**TSXV: LNE**  
**NEWS RELEASE**  
**COLOMBIA – TUQUEQUE-1X UPDATE**

**Calgary, Alberta: April 18, 2011** - Loon Energy Corporation ("Loon") provides the following update on the status of the Tuqueque-1X well located in the Buganviles Block, Upper Magdalena Valley Basin, Colombia. Loon has a 10% interest in the well and in the Buganviles Block.

**Tuqueque-1X**

The petrophysical evaluation of the upper part of the well indicated three prospective intervals in the Olini Formation with aggregate potential hydrocarbon pay of 34 feet and a prospective interval in the Montserrat Formation with potential hydrocarbon pay of 31 feet.

Three intervals, two in the Olini Formation and one in the Montserrat Formation, were perforated without any appreciable amounts of hydrocarbons flowing into the well. The rig has been released and the well has been suspended pending analysis of the testing results and a decision by the joint venture partners on further activity on the well.

For further information, please contact:

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**Cautionary Note Regarding Forward-Looking Statements**

This news release contains forward-looking statements relating to the testing of the Tuqueque-1X well and other related matters, some of which may not be historical facts. Readers are cautioned not to place undue reliance on forward-looking statements, as there can be no assurance that the plans, intentions or expectations upon which they are based will occur. By their nature, forward-looking statements involve numerous assumptions, known and unknown risks and uncertainties, both general and specific, that contribute to the possibility that the predictions, forecasts, projections and other forward-looking statements will not occur, which may cause actual performance and results in future periods to differ materially from any estimates or projections of future performance or results expressed or implied by such forward-looking statements. These assumptions, risks and uncertainties include, among other things: the risk that the wells may encounter drilling and/or completion problems which could lead to greater cost and, potentially, a failure to reach total depth or to evaluate the prospects being drilled, the state of the economy in general and capital markets in particular, investor interest in the business and future prospects of Loon.

The forward-looking statements contained in this press release are made as of the date of this press release. Except as required by law, Loon disclaims any intention and assumes no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by applicable securities law. Additionally, Loon undertakes no obligation to comment on the expectations of, or statements made, by any third parties in respect of the matters discussed above.