



For Immediate Release

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Pegasi Energy Resources Corporation reports the performance of its Haggard A well in Marion County, Texas

Tyler, Texas, July 11, 2013/PrimeNewswire/ - Pegasi Energy Resources Corp. (OTCBB: PGSI) ("Pegasi" or the "Company"), an East Texas based oil and gas exploration and production company headquartered in Tyler, Texas, today reported the production performance of its Haggard A well in Marion County, Texas.

The Company fracture stimulated the well on April 2, 2013 and flowed the well back. Following flow back of the fracture stimulation fluids, the well achieved an AOF (absolute open flow) daily production rate of 1,341 MCF gas and 17 BBLs condensate. The Haggard A is the third development well in the Rodessa (Norbord – Travis Peak) field discovered by Pegasi in 2010.

Mr. Michael Neufeld, President and CEO of Pegasi said; "We are pleased with the production rate of the Haggard A well. The performance of the Haggard A confirms the opportunity to drill further wells to develop the Rodessa (Norbord– Travis Peak) field in Marion County."

About Pegasi Energy Resources Corporation

Pegasi Energy Resources Corporation is an organic growth-oriented independent oil and gas exploration and production company, headquartered in Tyler, Texas. Pegasi is focused on a repeatable, low geological risk, high potential project in the active East Texas oil and gas region. The Company's strategy is focused on establishing a portfolio of drilling opportunities to exploit undeveloped reserves to grow production, as well as undertaking exploration to grow future reserves. Additional information concerning Pegasi Energy is available at www.pegasienergy.com.

Forward-Looking Statements Disclosure

Certain statements in this press release are forward-looking within the meaning of the Private Securities Litigation Reform Act of 1995. These statements may be identified by the use of forward-looking words such as "anticipate," "believe," "forecast," "estimated" and "intend," among others. These forward-looking statements are based on the Company's current expectations and actual results could differ materially. There are a number of factors that could cause actual events to differ materially from those indicated by such forward-looking statements. These factors include, but are not limited to, history of losses; speculative nature of oil and natural gas exploration, particularly in the Rodessa Oil Field in East Texas on which the Company is focused; substantial capital requirements and ability to access additional capital; ability to meet the drilling schedule; changes in tax regulations applicable to the oil and natural gas industry; relationships with partners and service providers; ability to acquire additional leasehold interests or other oil and natural gas properties; defects in title to the Company's oil and natural gas interests; ability to manage growth in the Company's businesses; ability to control properties that the Company does not operate; lack of diversification; competition in the oil and natural gas industry; global financial conditions; oil and natural gas realized prices; ability to market and distribute oil and natural gas produced; seasonal weather conditions; and government regulation of the oil and natural gas industry, including potential regulations affecting hydraulic fracturing and environmental regulations such as climate change regulations. The Company does not undertake an obligation to update or revise any forward-looking

statement. Investors should read the risk factors set forth in the Annual Report on Form 10-K filed with the SEC on March 27, 2013 and future periodic reports filed with the Securities and Exchange Commission. All of the Company's forward-looking statements are expressly qualified by all such risk factors and other cautionary statements. The information set forth herein speaks only as of the date hereof.