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EnDevCo Announces Formation of Strategic Resources Fund

EnDevCo, Inc. (OTCBB:ENDE.OB) the *Energy Development Company*, today announced formation of the Strategic Resources Fund (SRF). The SRF is targeting an initial funding of \$100 million, soliciting investment capital from institutional investors, private money managers, investment banks and high net-worth individuals. The Strategic Resources Fund name is derived from the Company's recognition that energy resource development is of strategic importance in what is becoming the "Decade of Commodities". The Fund will provide project financing for both EnDevCo and third party projects.

EnDevCo has already identified projects for the SRF that meet the criteria of offering fund investors downside risk protection and immediate cash flow from known producible reserves. However, a characteristic unique to the SRF requires that projects should also deliver significant upside potential in the form of exploratory drilling. The borrower will fund exploration drilling from project cash flow after payout of the SRF development loan. "Real reserve growth can only be accomplished through the drill bit", stated Chris A. Dittmar, CEO of EnDevCo. "Trading reserves between companies through the process of merger and acquisition does not create a larger reserve base. Considering that oil and gas prices are currently at all time highs, the winner at an auction may well have paid too much for those reserves. The SRF management has developed a structure that offers Fund investors an opportunity to participate in the project upside, while limiting their financial risk and exposure."

EnDevCo's projects targeted for the SRF include drilling opportunities on four blocks in the Gulf of Mexico and an unconventional gas play being developed in the U.S. mid-continent region. Initial work planned in the Gulf of Mexico includes drilling and completion of three wells on Eugene Island Block 294. These low risk wells are less than 6,000 feet deep, can be developed utilizing the existing platform facility and are targeted to produce an estimated 16.2 Bcf of new gas reserves. These reserves have been identified and mapped by EnDevCo's technical staff utilizing 3D seismic data. EnDevCo management believes the SRF will provide the Company with additional financing options over and above traditional stock offerings which are dilutive in nature."

Mr. Richard Boyce, EnDevCo COO added, "We are particularly focused on developing natural gas projects in North America. Our analysis of the fast-growing U.S. demand for natural gas indicates strong returns on natural gas projects for at least the next two decades. A properly structured deal will allow the financiers of such projects to benefit from the upside created by that demand. Our management team is also positioning EnDevCo for participation in oil development projects in international venues. We believe that demand from growing economies in China and through out the far east will continue to support high crude oil prices for the foreseeable future."

This press release includes certain "forward-looking statements". The forward-looking statements reflect the beliefs, expectations, objectives, and goals of EnDevCo, Inc. management with respect to future events and financial performance. They are based on assumptions and estimates, which are believed reasonable at the time such statements are made. However, actual results could differ materially from anticipated results. Important factors that may impact actual results include, but are not limited to commodity prices, political developments, legal decisions, market and economic conditions, industry competition, the weather, changes in financial markets and changing legislation and regulations. The forward-looking statements contained in this report are intended to qualify for the safe harbor provisions of Section 21E of the Securities and Exchange Act of 1934, as amended.

EnDevCo, Inc., the *Energy Development Company*, (OTCBB:ENDE.OB) is a dynamic and growing energy company establishing an identity consistent with its business development activities. The Company participates in three sectors of today's energy industry: 1) oil and gas exploration and production, 2) development of new technologies which increase oil and gas production, using that technology to gain leverage in the purchase of domestic natural gas production, and 3) merchant power and integrated industrial site development. EnDevCo maintains offices in Houston and Dallas, Texas. For more information on EnDevCo visit www.endevcoinc.com.

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