

MERGENT INDUSTRIAL

NEW LISTING

July 20, 2010



This Supplemental News Reports is published as required, is part of the annual MERGENT INDUSTRIAL, OTC INDUSTRIAL AND OTCUNLISTED MANUALS and will be included in the bound 2010 August Monthly News Reports and is published on our Website.

LA CORTEZ ENERGY, INC

Company Website: www.lacortezenergy.com

History: Incorporated in Nevada on June 9, 2006 as La Cortez Enterprises, Inc. Present name adopted on Feb. 7, 2008.

On Aug. 21, 2008, Co. contributed, assigned, conveyed and transferred all of its assets and property and all of its debts, adverse claims, liabilities, judgments and obligations relating to the Legacy Business, whether accrued, contingent or otherwise and whether known or unknown, to Co.'s subsidiary, De La Luz Gourmet Chocolates, Inc. Additionally, Co. sold all the outstanding capital stock of De La Luz Gourmet Chocolates, Inc. to Ms. de la Luz in exchange for the 9,000,000 shares of Co.'s common stock previously surrendered by Ms. de la Luz and all of Co.'s common stock that Ms. De La Luz currently owns, 2,250,000 shares.

On Mar. 2, 2010, Co. acquired all of the outstanding capital stock of a subsidiary of Avante Petroleum S.A., Avante Colombia S. ar.l., which became Co.'s wholly owned subsidiary in exchange for 10,285,819 newly issued shares of Co.'s common stock.

Business: La Cortez Energy is a development stage oil and gas exploration and production company focusing its business in South America. Co. has established an operating branch in Colombia, it has two initial working interest agreements, with Petroleos del Norte S.A., and with Emerald Energy Plc Sucursal Colombia. In addition, Co.'s subsidiary, Avante Colombia S.ar.l. has a 50% participation interest in, and is the operator of, the Rio de Oro and Puerto Barco production contracts with Ecopetrol S.A. in the Catatumbo region of northeastern Colombia, under an operating joint venture with Vetra Exploracion y Produccion S.A.

Property: Co. maintains its principal executive offices in Bogota, Colombia, consisting of approximately 3,000 square feet.

Co. has a 50% net working interest in the Putumayo 4 Block. The Putumayo 4 Block covers an area of 126,845 acres (51,333 hectares) located in the Putumayo Basin in southern Colombia and has over 400 km of pre-existing 2D seismic. There are four existing wells in the Putumayo 4 Block.

Co. has a 20% Participating Interest in the Maranta Block in the Putumayo Basin in Southwest Colombia. The Maranta Block covers an area of 90,459 acres (36,608 hectares) in the foreland of the Putumayo Basin.

Co.'s subsidiary, Avante Colombia has a 50% participation interest in the Rio de Oro and Puerto Barco production contracts with Ecopetrol S.A. in the Department of North Santander in the Catatumbo region of northeastern Colombia, under an operating joint venture with Vetra. The Rio de Oro field covers 5,590 acres (2,262 hectares), and the Puerto Barco field covers 5,945 acres (2,406 hectares).

Subsidiaries

La Cortez Energy Colombia, Inc. (Cayman Islands)
La Cortez Energy Colombia, E.U. (Colombia)
Avante Colombia S.a.r.l.

Officers

Andres Gutierrez Rivera, President; Chief Executive Officer
Nadine C. Smith, Chairman; Acting Chief Financial Officer

Directors

Nadine C. Smith
Alexander F.D. Berger
Andres Gutierrez Rivera
Jose Fernando Montoya Carrillo

Jaime Navas Gaona
Richard G. Stevens

Jaime Ruiz Llano

Auditors: BDO Seidman, LLP

Shareholder Relations: Andres Gutierrez Rivera, President, Chief Executive Officer Tel.: 941-870-5433

No. of Stockholders: Apr. 16, 2010, 59

No. of Employees: Apr. 16, 2010, 12

Address: Calle 67, #7-35 Oficina 409, Bogota, Colombia Tel.: 941 870-5433 Fax: 57 1 605-6937 Web: www.lacortezenergy.com

Consolidated Income Account, years ended Dec. 31 (\$):

	2009	2008 (revised)	2007 (revised)
Oil revenues	189,835		
Oper costs	421,693		
Depreciation, depl & amort	364,787	38,719	
Impair of oil & gas props	6,403,544		
Accretion exp	156		
Payroll	1,589,047	505,783	
Professional fees	1,114,423	441,683	19,695
Travel exps	191,320	168,812	
Rent exps	103,936	56,012	2,400
Other gen & admin exps	276,060	230,869	6,741
Tot exps	10,464,966	2,649,312	28,836
Income (loss) fr ops	(10,275,131)	(2,649,312)	(28,836)
Unrealized gain on fair value of derivative warrant instruments, net	83,997		
Int income	49,404	69,005	
Int exp		222	
Income (loss) bef inc tax - United States	(3,011,995)	(1,909,043)	
Income (loss) bef inc tax - Foreign	(7,130,391)	(671,486)	
Income (loss) bef inc tax	(10,141,730)	(2,580,529)	
Inc tax expense (benefit)	656		
Net income (loss)	(10,142,386)	(2,580,529)	(28,836)
Common shares:			
Weigh avg com shares outstg - basic	21,625,442	17,730,971	20,750,000
Weigh avg com shares outstg - diluted	21,625,442	17,730,971	20,750,000
Yr end com shares outstg	25,428,815	18,935,244	20,750,000
Net income (loss) per sh - basic	\$(0.47)	\$(0.15)	
Net income (loss) per sh - diluted	\$(0.47)	\$(0.15)	
No of full time employees	12		
Tot no of employees	12	8	2

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Reclassified to conform with 2009 presentation.
Reclassified to conform with 2008 presentation.
Adjusted for 5 for 1 stock split, February 27, 2008.
As of March 20, 2008. As of April 12, 2010. As of March 26, 2009.

Consolidated Balance Sheet, as of Dec. 31 (\$):

	2009	2008 (revised)
Assets:		
Cash & cash equivs	2,376,585	6,733,381
Accrued oil receivs	189,835	
Empl advances	26,294	
Ppd exps	19,519	20,132
Tot curr assets	2,612,233	6,753,513
Proved oil properties, using the full cost method of accting at cost	7,513,057	
Unproved oil properties, at cost	1,599,951	
Accum depl & impair	6,706,603	
Oil properties, net	2,406,405	
Other prop & equipment, gross	304,480	270,323
Less: accum deprec	100,274	38,719
Other prop & equipment, net	204,206	231,604
Restricted cash	2,672,500	
Tot assets	7,895,344	6,985,117
Liabilities:		
Accts pay	2,518,565	29,685
Accrued liabil	267,155	127,107
Derivative warrant instruments	7,500,138	
Tot curr liabil	10,285,858	156,792
Asset retirement oblig	3,860	
Tot liabil	10,289,718	156,792
Com stk	25,429	18,935
Addit paid-in cap	11,396,506	9,431,994
Retain earnings (accum deficit)	(13,816,309)	(2,622,604)
Tot shhldrs' equity (deficit)	(2,394,374)	6,828,325

Reclassified to conform with 2009 presentation.

Auditor's Report: The following is an excerpt from the Report of Independent Auditors, BDO Seidman, LLP, as it appeared in Co.'s 2009 10K:

"In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of La Cortez Energy, Inc at December 31, 2009 and 2008, and the results of its operations and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

As discussed in Note 1 to the consolidated financial statements, during 2009 the Company prepared and presented its reserve estimates and related disclosures as a result of adopting new oil and gas reserve estimation and disclosure requirements.

As discussed in Note 1 to the consolidated financial statements, effective January 1, 2009, the Company changed the manner in which it accounts for certain

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warrants pursuant to new authoritative guidance in FASB ASC topic 815-40, "Contract in Entity's Own Equity".

The accompanying financial statements have been prepared assuming that the Company will continue as a going concern. As discussed in Note 2 to the financial statements, the Company has limited operating history, no historical profitability, and has limited available funds that raise substantial doubt about its ability to continue as a going concern. Management's plan in regard to these matters is also described in Note 2. The financial statements do not include any adjustments that might result from the outcome of this uncertainty."

Capital Stock: 1. La Cortez Energy, Inc common; par \$0.001.

AUTHORIZED — 300,000,000 shs.

OUTSTANDING — Dec. 31, 2009, 25,428,815 shs; par \$0.001.

WARRANTS — 5,000 shs.

STOCK SPLITS — \$0.001 par shares split 5-for-1 Feb. 21, 2008.

OWNERSHIP — As of Apr. 12, 2010, Avante Petroleum S.A. owned 37.3% of Co.'s outstanding common stock.

OPTIONS — Dec. 31, 2009, authorized for issuance, 4,000,000; outstanding, 2,141,667.

PRIMARY EXCHANGE — Over-the-Counter (OTC): LCTZ

PRIVATE PLACEMENTS — (1,428,571 units) at \$1.75 per unit privately placed on Dec. 29, 2009. Each unit consisted of one common share a common stock purchase warrant to purchase one-half of one share of common stock.

(4,860,000 units) at \$1.25 per unit privately placed on June 19, 2009 for total proceeds of \$6,074,914 (\$5,244,279 net after offering expenses). Each unit consisted of one common share and one warrant.

(205,000 units) at \$1.25 per unit privately placed on July 31, 2009 for total proceeds of \$256,250 (\$216,798

net after offering expenses). Each unit consisted of one common share and one warrant.

(571,428 units) at \$1.75 per unit privately placed on Jan. 29, 2010 for gross proceeds of \$999,999. Each unit consisted of one common share a common stock purchase warrant to purchase onehalf of one share of common stock.

(857,144 units) at \$1.75 per unit privately placed on Mar. 2, 2010 for gross proceeds of \$1,500,000. Each unit consisted of one common share a common stock purchase warrant to purchase one-half of one share of common stock.

(5,905,121 units) at \$1.75 per unit privately placed on Apr. 19, 2010 for gross proceeds of \$10,333,962. Each unit consisted of one common share a common stock purchase warrant to purchase one-half of one share of common stock.