

## Palo Duro Update

### BROSEH #1 WELL UPDATE

**Vancouver, BC, January 12th, 2006 -Tyner Resources Ltd.** announces that the Broseh #1 well (“Broseh”), located in Floyd County, Texas, and operated by its wholly owned subsidiary, Tyner Texas Operating Company (“Tyner Texas”), has been perforated. The perforations (“perfs”) were carried out as planned on a staged basis, in the Lower Penn Shale (“Penn Shale”) encountered in the well. Tyner has a 93.75% working interest in the Broseh well. Tyner perforated 162 feet (48 feet net) of the approximate 600 feet of Penn Shale. Schlumberger Limited (“Schlumberger”), a leading oil field services company, provided Tyner Texas with a full interpretation of the Broseh well logs prior to frac design. Schlumberger has independently assessed that the potential original gas in place, based on the suite of well logs they completed, indicates 80 BCF per section.

On December 23<sup>rd</sup>, 2005, the Broseh well was fraced by BJ Services (“BJ”). BJ initiated the frac with 804 Barrels (“BBLs”) of KCL treated water, 1,360 MCF of N2 (“Nitrogen”) and 82,405lbs Carobillite 20/40 Sand. Perfs screened off with 99% of 3 lbs per gallon sand, putting a total of 51,405lbs of sand in the formation. Since frac completion, we have recovered 1100 BBLs of 1500 BBLs (used Nitrogen and KCL treated water) of frac fluids. After a 48 hour shut-in the pressure was recorded at 1100 pounds per square inch (“PSI”), after 12 hrs of shut-in pressure was 480 PSI, which takes 4 hrs to blow down (wide open choke). We are swabbing 40 & 45 BBLs per day, with shut-in pressure increasing daily, with a good gas blow after each swab run. This well, which was drilled to total depth in 22 days, is approximately ten miles northwest of the Stephens #1 well (“Stephens”), and is Tyner’s second well in the Palo Duro basin.

### STEPHENS WELL UPDATE

Since water frac completion, Tyner has recovered 2,300 BBLs of 4,000 BBLs of frac fluid. The current gas rate is 340 MCFPD @ 40 PSI, and at 12 PSI is 1,152 MCFPD. Currently, Tyner is recovering 12BBLs of fluid per day (approximately 10 BBLs of condensate and two BBLs of water). We are continuing to flow the well back to recover load water. In the last two weeks the gas rate has increased as the liquids are recovered.

### RUSHING WELL

Tyner Texas has initiated drilling activity on our third Lower Bend Shale well in the Palo Duro Basin. The third well, the Rushing #1 (“Rushing”) well, is located 1.5 miles from Basa Resources Inc.’s Foster #1 well (drilled and awaiting completion), 3 miles from Apollo Energy’s Miller well (drilled, completed, and currently in production), and 1 mile from Bankers Petroleum Misner #1 well (currently being drilled), Northeast of Floydada in Floyd County. The Rushing well has been permitted to a total depth of 10,000 feet. Tyner has a 93.75% working interest in the well, subject to royalties of 24%. Patterson-UTC Drilling Company is planning to mobilize a triple rig to the site in the next two weeks and all work

in respect of road, pit and pad construction are nearing completion. The well is expected to take approximately 30 days to drill and an additional 20 to 45 days for completion and production tests as required. This well drilling program, in conjunction with the results of the Stephens and Broseh wells, is designed to evaluate the Lower Bend Shale and the Granite Wash (Atoka Sands).

Tyner further announces that in conjunction with our program to acquire pipeline right of way to the basin centered major pipeline, Tyner has further initiated a land acquisition program to increase the lease holdings in the core drilling acreage, subsequent to the cessation of our Area of Mutual Interest (AMI) clause with Bankers Petroleum.

**ON BEHALF OF THE BOARD**

*Paul Larkin*  
**President**

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