



C. K. COOPER & COMPANY
Our Insight, Your Growth

THE STATE OF THE MARKETS

-Status of the Micro/Small Cap Energy Capital Markets

Offering Summary	
Issuer:	Houston American Energy
Symbol:	HUSA
Exchange:	NASDAQ
Market Cap:	\$124,323,428
Shares Offered:	2,890,000
Offering Price:	\$4.68
Amount Raised:	\$13,525,200

HOUSTON AMERICAN ENERGY CORP. CLOSSES A 2.89 MILLION SHARE REGISTERED DIRECT OFFERING VALUED AT \$13.5 MILLION

Recent Transaction Announcement

HOUSTON, Dec. 4 /PRNewswire-FirstCall/ -- Houston American Energy Corp. (Nasdaq: HUSA - News; the "Company") an independent energy company with interests in oil and natural gas wells and prospects, announced today that it closed and received the funds from its previously announced registered direct offering in the amount of 2,890,000 shares of the Company's common stock to select institutional investors at \$4.68 per share in a registered direct offering for net proceeds of approximately \$12.8 million, after deducting placement agents' fees and estimated offering expenses.

Economic Environment	
Measurement	Unit
Crude Oil	\$76.05
Natural Gas	\$5.19
12 Mo. Future Oil	\$84.42
12 Mo. Future Gas	\$7.07
Dow Jones	10,310
NASDAQ	2,138

November 27, 2009

The Company intends to use the net proceeds from the offering for general working capital purposes, including funding the Company's share of costs of development of properties in which the Company hold interests.

Headquartered in Houston, Texas, Houston American is an international exploration and production company that focuses its activities on properties in the South American country of Colombia, and in the U.S. onshore Gulf Coast region, principally Texas and Louisiana.

The following table outlines Houston American's stock characteristics prior to the announcement of this transaction based upon the inferred offering price:

Houston American Energy					
Measurement	1 Day	10 Day	15 Day	20 Day	30 Day
Avg Price Previous to Transaction	\$ 4.44	\$ 4.59	\$ 4.47	\$ 4.36	\$ 4.40
Avg Daily Volume Previous to Transaction	11,249	43,895	44,311	38,283	52,677
Percentage Discount to the Market	-5.4%	-2.0%	-4.7%	-7.4%	-6.3%

**negative = premium*

Below are the cumulative mean (average) and median discounts to the previous day's closing price of the issuing company in sampled day increments with the aforementioned transaction included:

CKCC Peer Running Avg % Discount to Market*					
Measurement	1 Day	10 Day	15 Day	20 Day	30 Day
Houston American Energy's % Discount to Market*	-5.4%	-2.0%	-4.7%	-7.4%	-6.3%
Peer Transaction Mean % Discount	14.5%	11.9%	10.0%	8.6%	5.0%
Peer Transaction Median % Discount	15.4%	12.1%	11.9%	12.3%	11.5%
Houston American Energy's Difference to Mean	-19.9%	-13.9%	-14.7%	-16.0%	-11.3%
Houston American Energy's Difference to Median	-20.8%	-14.1%	-16.6%	-19.7%	-17.8%

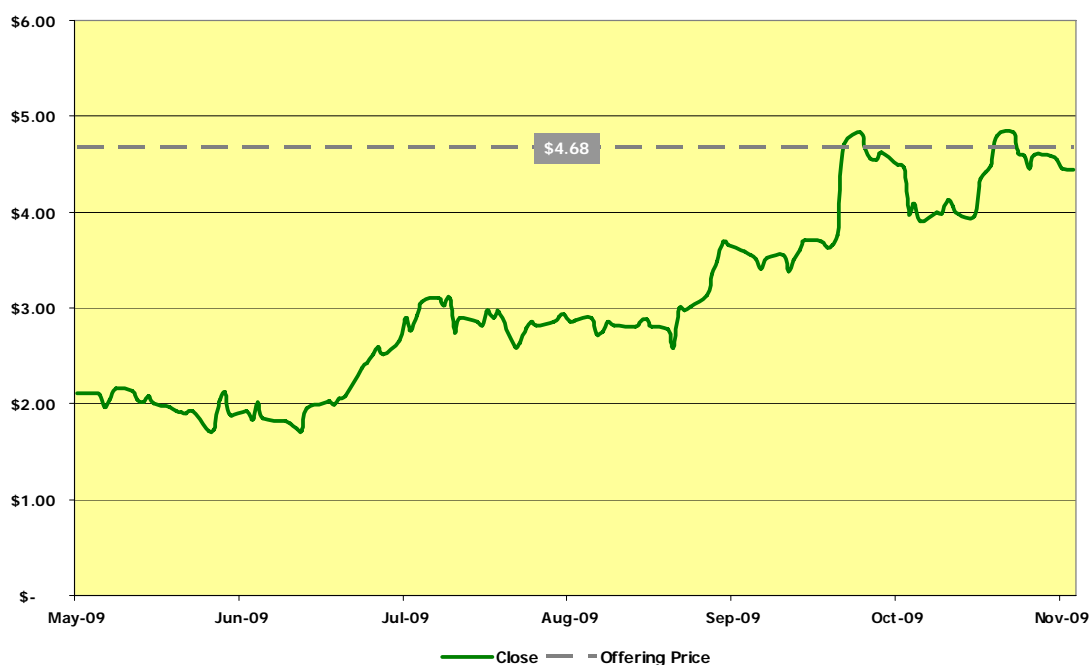
*Previous Closing Price to Announced Transaction

**negative = premium

The table above compares the 10 most recent transactions to the offering completed by Houston American. The Company's offering priced at a 5.4% premium to the previous day's close of announcement and a 6.3% premium to the 30 day average price of the stock. The offering priced at a 19.9% premium compared to recent peer transactions which averaged a 14.5% discount to the previous day's close of announcement, and the offering priced at an 11.3% premium to the 30 day mean discount which averaged a 5.0% discount.

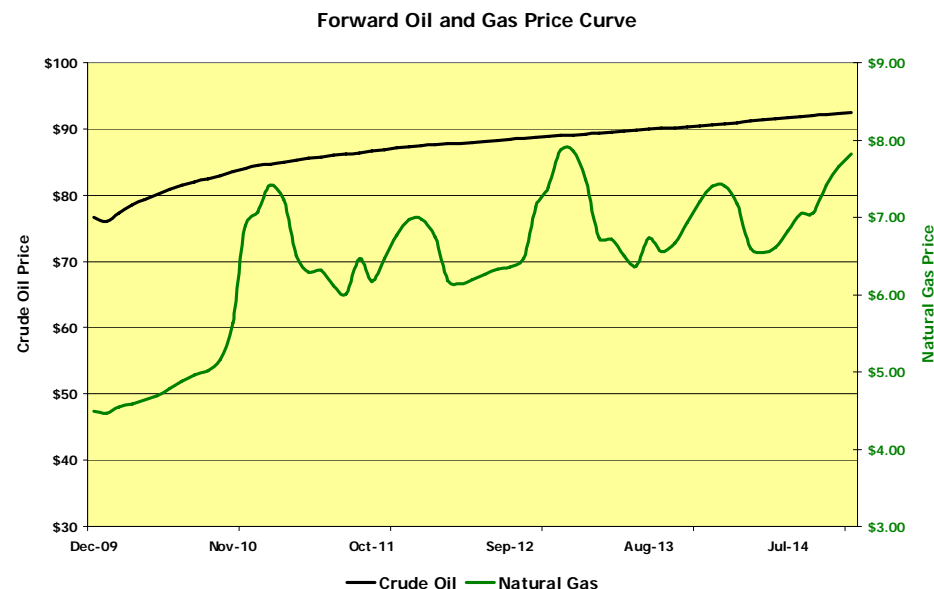
Houston American's offering priced at a premium to the 1 day through 30 day closing average. As indicated by the peer transactions, these are highly uncharacteristic terms of recent E&P equity offerings. We attribute this difference to the possibility that the institution(s) who participated in the offering have an especially unique view of Houston American, its recently acquired assets in Colombia, and development plan. This transaction is unequivocally favorable to the issuer especially considering the limited average trading volume of Houston American relative to its peers. While we do believe the market is being quite receptive to offerings by E&P companies, going forward we expect issuers to receive terms more in line with recent peer transactions we have outlined on the following page and consider the latest deal by Houston American to be an outlier.

6 Month Stock Performance Chart
Stock Price vs. Offering Price



C. K. Cooper's purpose for this analysis is to provide a snapshot of the current capital markets, demonstrating the current possibilities and arena for a similar company. We track every transaction in a specific peer group, defined by the following guidelines: oil and gas focused, micro and small cap companies from \$50 million to \$1.5 billion market capitalization, domestically based, developed and/or developable tangible assets, fundamentally strong and scalable organization, and common transactions structured under agreeable terms. The 10 most current transactions used for comparative purposes are shown below.

For informative purposes, the graph charts the NYMEX oil and gas future price curve at the date of this publication:



Issuer	Symbol	Exchange	Date	\$ Raised	Offering Px	% Discount to Market				
						1 Day	10 Day	15 Day	20 Day	30 Day
Petroleum Development**	PETD	NASDAQ	8/17/2009	\$ 51,750,000	\$ 12.00	30.4%	30.2%	28.5%	26.0%	22.9%
China North East Petroleum**	NEP	AMEX	9/16/2009	\$ 18,400,000	\$ 3.91	22.3%	20.0%	20.7%	21.1%	23.4%
ATP Oil & Gas**	ATPG	NASDAQ	9/22/2009	\$ 98,050,000	\$ 18.50	16.5%	2.0%	-11.2%	-21.3%	-38.8%
Brigham Exploration**	BEXP	NASDAQ	10/19/2009	\$ 168,000,000	\$ 10.50	-2.2%	-9.9%	-12.5%	-12.1%	-12.0%
GMX Resources**	GMXR	NASDAQ	10/19/2009	\$ 104,250,000	\$ 15.00	18.7%	8.5%	5.7%	4.6%	-0.3%
Warren Resources**	WRES	NASDAQ	10/22/2009	\$ 30,615,000	\$ 2.60	14.2%	17.5%	16.9%	15.9%	18.2%
Kodiak Oil & Gas**	KOG	NYSE-AMEX	10/26/2009	\$ 26,400,000	\$ 2.20	10.9%	12.9%	12.8%	11.2%	10.3%
Northern Oil & Gas**	NOG	NYSE-AMEX	10/30/2009	\$ 59,300,000	\$ 9.12	1.1%	8.0%	8.0%	5.5%	-0.5%
Magnum Hunter Resources**	MHR	NYSE-AMEX	11/11/2009	\$ 11,078,000	\$ 1.47	22.2%	18.3%	19.9%	21.8%	14.0%
GeoResources, Inc. **	GEOI	NASDAQ	11/13/2009	\$ 35,190,000	\$ 10.20	10.7%	11.2%	11.1%	13.4%	12.8%
Houston American Energy**	HUSA	NASDAQ	11/27/2009	\$ 13,525,200	\$ 4.68	-5.4%	-2.0%	-4.7%	-7.4%	-6.3%
Mean				\$ 60,303,300		14.5%	11.9%	10.0%	8.6%	5.0%
Median				\$ 43,470,000		15.4%	12.1%	11.9%	12.3%	11.5%

*PIPE

**Public Offering