



## OANDO ENERGY RESOURCES ANNOUNCES SIGNIFICANT INCREASE IN RESERVES

CALGARY, ALBERTA, April 8, 2015 – Oando Energy Resources Inc. (“OER” or the “Company”) (TSX: OER), a company focused on oil and gas exploration and production in Nigeria, today announced its 2014 year-end summary Reserves and Resources for its assets in Nigeria. The annual independent reserves and resources evaluation was undertaken by DeGolyer and MacNaughton (“D&M”), worldwide petroleum consulting group, and prepared in accordance with National Instrument 51-101 “Standards of Disclosure for Oil and Gas Activities” of the Canadian Securities Administrators (“NI 51-101”) and the Canadian Oil and Gas Evaluation Handbook (“COGEH”). Reserves and other oil and gas information in this news release is effective December 31, 2014 unless otherwise stated.

### Highlights

The Company has significantly increased its reserves, both Proved (1P) and Proved and Probable (2P) Reserves, as a result of technical revisions and the acquisition of the Nigerian upstream oil and gas business of ConocoPhillips Company (“COP” or the “Acquisition Assets”) versus the Form 51-101F1 and Form 51-101F2 filed for the year ended December 31, 2013;

- Proved net reserves (1P) increased by 78% to 288.5 MMboe, while Proved and Probable net reserves (2P) increased by 82% to 420.3 MMboe. The increase was largely due to recognizing the precedence of the license renewal under the Nigerian Petroleum Act, which is the basis of the extension of the reserves beyond the current license limit.
- Best Estimate (working interest) Contingent Resources (2C) correspondingly decreased by 78% from 547 MMboe to 122 MMboe as a result of the conversion of approximately 190 MMboe of 2C Resources to 2P Reserves due to the rebased evaluation utilizing the economic life of the producing fields; also, net negative revisions of 246 MMboe occurred due to the current crude oil price environment which has deemed certain contingent developments uneconomic; and lastly, the change in the interpretation of reservoirs by the Independent Evaluator.
- Unrisked and Risked Mean Estimate Prospective Resources also decreased to 957.1MMboe and 229.6MMboe, respectively.
- The economic value (NPV 10% of Future Net Revenue) of the Proved and Probable Reserves (2P) has increased by \$545 Million (+44%) to \$1,785 Million, largely due to the COP acquisition.

“We are very pleased with the new 2014 Reserves Numbers that confirms our thesis at the time we embarked on our transformative COP acquisition,” said Pade Durotoye, CEO of Oando Energy Resources. “This large Reserves base gives us significant scope and opportunity to even further enhance production over the coming years and pursue in-field exploration opportunities that will further increase our Resource Base.”



For further information, please refer to the Company's statement of reserves data and other information in Form 51-101F1, report on reserves and resources data by D&M, the company's independent qualified reserves evaluator in Form 51-101F2, report of management and directors on oil and gas disclosure in Form 51-101F3, and the Company's Annual Information Form for the year ended December 31, 2014. All documents are available on the System for Electronic Document Analysis and Retrieval ("SEDAR") at [www.sedar.com](http://www.sedar.com). Please refer to these documents for additional information. All monetary figures reported herein are U.S. dollars unless otherwise stated.

## About Oando Energy Resources Inc. (OER)

OER currently has a broad suite of producing, development and exploration assets in the Gulf of Guinea (predominantly in Nigeria). OER's sales production was 52,734 boe/d for the month ending February 28, 2015.

## Cautionary Statements

More information about the Company's oil and gas assets, including cautionary language regarding the estimation of reserves and resources, can be found in the most recent Form 51-101F1 filed under the Company's profile on SEDAR at [www.sedar.com](http://www.sedar.com). "Gross" or "gross" means, when used in relation to production, reserves and resources, OER's working interest share of production, reserves and resources before deduction of royalties. "Net" or "net" means, when used in relation to production, reserves and resources, either OER's working interest share of production, reserves and resources after deduction of royalties or OER's entitlement to production reserves and resources after deduction of royalties and PPT for production sharing contracts. In relation to OER's interest in wells, "Net" or "net" means the number of wells obtained by aggregating OER's working interest in each of its gross wells. In relation to OER's interest in property, "Net" or "net" means the total area in which OER has an interest multiplied by the working interest owned by OER. "WI" means with respect to interests governed by a JOA, PSC, farm-in agreement or farm-out agreement, the undivided interest of such party (expressed as a percentage of the total interests of all parties in the contract) in the rights and obligations derived from such contract, which may be an operating or non-operating interest.

## Oil and Gas Equivalents

Production information is commonly reported in units of barrel of oil equivalent ("boe" or "Mboe" or "MMboe") or in units of natural gas equivalent ("Mcf" or "MMcfe" or "Bcfe"). However, boe's or Mcfe's may be misleading, particularly if used in isolation. A boe conversion ratio of 6 Mcf = 1 barrel, or a Mcfe conversion ratio of 1 barrel = 6 Mcf, is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead. Readers are cautioned that boe may be misleading, particularly if used in isolation.

## Definition of Reserves and Resources Categories



**Proved reserves** are those reserves that can be estimated with a high degree of certainty to be recoverable. It is likely that the actual remaining quantities recovered will exceed the estimated proved reserves. There is at least a 90 percent probability that the quantities actually recovered will equal or exceed the estimated proved reserves.

**Probable reserves** are those additional reserves that are less certain to be recovered than proved reserves. It is equally likely that the actual remaining quantities recovered will be greater or less than the sum of the estimated proved plus probable reserves. Probable reserves are those reserves that are less certain to be recovered than proved reserves. It is equally likely that the actual remaining quantities recovered will be greater or less than the sum of the estimated proved plus probable plus possible reserves. There is at least a 50 percent probability that the quantities actually recovered will equal or exceed the sum of the estimated proved plus probable reserves.

**Possible reserves** are those additional reserves that are less certain to be recovered than probable reserves. It is unlikely that the actual remaining quantities recovered will exceed the sum of the estimated proved plus probable plus possible reserves. Possible reserves are those reserves that are less certain to be recovered than probable reserves. It is unlikely that the actual remaining quantities recovered will be greater or less than the sum of the estimated proved plus probable reserves. There is at least a 10 percent probability that the quantities actually recovered will equal or exceed the sum of the estimated proved plus probable reserves plus possible reserves.

**Contingent resources** are those quantities of petroleum estimated, as of a given date, to be potentially recoverable from known accumulations using established technology or technology under development, but which are not currently considered to be commercially recoverable due to one or more contingencies. Contingencies may include factors such as economic, legal, environmental, political and regulatory matters or lack of infrastructure or markets. It is also appropriate to classify as Contingent resources the estimated discovered recoverable quantities associated with a project in the early evaluation stage. Contingent resources are further classified in accordance with the level of certainty associated with the estimates and may be sub-classified based on project maturity and/or characterized by their economic status.

**Best estimate (2C)** is considered to be the best estimate of the quantity of resources that will actually be recovered. It is equally likely that the actual remaining quantities recovered will be greater or less than the best estimate. Those resources that fall within the best estimate have at least a 50% confidence level that the actual quantities recovered will equal or exceed the estimate.

**Low estimate (1C)** is considered to be a conservative estimate of the quantity of resources that will actually be recovered. It is likely that the actual remaining quantities recovered will exceed the low estimate. Those resources at the low end of the estimate range have the highest degree of certainty – at least a 90% confidence level - that the actual quantities recovered will equal or exceed the estimate.



**High estimate (3C)** is considered to be an optimistic estimate of the quantity of resources that will actually be recovered. It is unlikely that the actual remaining quantities of resources recovered will meet or exceed the high estimate. Those resources at the high end of the estimate range have a lower degree of certainty – at least a 10% confidence level - that the actual quantities recovered will equal or exceed the estimate.

**Prospective resources** are those quantities of petroleum estimated, as of a given date, to be potentially recoverable from undiscovered accumulations by application of future development projects. Prospective Resources have both an associated chance of discovery and a chance of development. Prospective Resources are further subdivided in accordance with the level of certainty associated with recoverable estimates assuming their discovery and development and may be sub-classified based on project maturity.

**Best estimate** is considered to be the best estimate of the quantity of resources that will actually be recovered. It is equally likely that the actual remaining quantities recovered will be greater or less than the best estimate. Those resources that fall within the best estimate have at least a 50% confidence level that the actual quantities recovered will equal or exceed the estimate.

**Low estimate** is considered to be a conservative estimate of the quantity of resources that will actually be recovered. It is likely that the actual remaining quantities recovered will exceed the low estimate. Those resources at the low end of the estimate range have the highest degree of certainty (at least a 90% confidence level) that the actual quantities recovered will equal or exceed the estimate.

**High estimate** is considered to be an optimistic estimate of the quantity of resources that will actually be recovered. It is unlikely that the actual remaining quantities of resources recovered will meet or exceed the high estimate. Those resources at the high end of the estimate range have a lower degree of certainty (at least a 10% confidence level) that the actual quantities recovered will equal or exceed the estimate.

**Mean Estimate** – In accordance with petroleum industry standards, the mean estimate is the probability weighted average (expected value), which typically has a probability in the P45 to P15 range, depending on the variance of prospective resources volume or associated quantity. Therefore, the probability of a prospect or accumulation containing the probability-weighted average volume or greater is usually between 45 and 15 percent. The mean estimate is the preferred probabilistic estimate of resources volumes.



## Future Net Revenue

All evaluations of future net revenue are after deduction of royalties, development cost, production costs, abandonment costs and taxes (unless otherwise stated) but before consideration of indirect cost such as administrative, overhead, and other miscellaneous expenses. It should not be assumed that the estimates of future net revenue presented in the following tables represent the fair market value of the Company's reserves. There is no assurance that the forecast price and cost assumptions contained in the D&M Report will be attained and variances could be material. Other assumptions relating to costs and other matters are included in the D&M Report. The recovery and reserve estimates attributed to the OER's properties described herein are estimates only. The actual reserves attributed to the OER's properties may be greater or less than those calculated. The range in estimates of reserves and future net revenue for individual properties may not reflect the same confidence level as the range in estimates of reserves and future net revenue for all properties in combination, due to effects of aggregation.

## Forward Looking Statements

This news release contains forward-looking statements and forward-looking information within the meaning of applicable securities laws. The use of any of the words "expect", "anticipate", "continue", "estimate", "objective", "ongoing", "may", "will", "project", "should", "believe", "plans", "intends" and similar expressions are intended to identify forward-looking information or statements. In particular, this news release contains forward-looking statements relating to intended acquisitions.

Although the Company believes that the expectations and assumptions on which such forward-looking statements and information are reasonable, undue reliance should not be placed on the forward-looking statements and information because the Company can give no assurance that such statements and information will prove to be correct. Since forward-looking statements and information address future events and conditions, by their very nature they involve inherent risks and uncertainties.

Actual results could differ materially from those currently anticipated due to a number of factors and risks. These include, but are not limited to: risks related to international operations, the integration of assets acquired under the COP acquisition, the actual results of current exploration and drilling activities, changes in project parameters as plans continue to be refined and the future price of crude oil. Accordingly, readers should not place undue reliance on the forward-looking statements. Readers are cautioned that the foregoing list of factors is not exhaustive.

Additional information on these and other factors that could affect the Company's financial results are included in reports on file with applicable securities regulatory authorities and may be accessed through the SEDAR website ([www.sedar.com](http://www.sedar.com)) under the Company. The forward-looking statements and information contained in this news release are made as of the date hereof and the Company undertakes no obligation to update publicly or revise any forward-looking statements or information, whether as a result of new information, future events or otherwise, unless so required by applicable securities laws.



**Oando** Energy Resources BC:0902702

**Contact Information:**

Pade Durotoye, CEO  
Oando Energy Resources Inc.  
pdurotoye@oandoenergyresources.com  
+1 403-561-1713

Tokunboh Akindele  
Head Investor Relations  
Oando Energy Resources Inc.  
takindele@oandoenergyresources.com  
+1 403-560-7450