



## OANDO ENERGY RESOURCES ANNOUNCES COMPLETION OF THE UMUGINI PIPELINE

CALGARY, ALBERTA, DECEMBER 5, 2014 – Oando Energy Resources Inc. (“OER” or the “Company”) (TSX: OER), a company focused on oil and gas exploration and production in Nigeria, today is pleased to announce the completion of the 45,000bbls/d, 51km Umugini pipeline. The pipeline will provide an alternative evacuation route for crude oil produced from the Ebendo Field through the Trans Forcados export pipeline.

Following the successful drilling of Ebendo wells 5, 6, and 7 over the past 12 months, oil production capacity within OML 56 has grown to 7,140boepd gross for OER and Energia Limited the operator of the asset (3,052boepd net to OER). However, export had been constrained at 3,093boepd (1,322boepd OER Share) via the Agip operated Kwale-Brass NAOC/JV infrastructure, in which OER currently has a 20% interest through the recent \$1.5Bn acquisition of ConocoPhillips Nigerian Oil & Gas Business. The completion and commencement of operations on the Umugini pipeline ensures that the Ebendo field can now produce at its full capacity.

Commenting, Pade Durotoye, CEO Oando Energy Resources said: “The completion of the Umugini pipeline now allows us maximize the value of our investments to date on the asset and provides the latitude for further profitable development of prospects and resources identified in Ebendo”.

Ebendo is located onshore, in the central Niger Delta approximately 100 km north-west of Port Harcourt and covers an area of 65 km<sup>2</sup> (16,062 acres). The License includes two fields, Ebendo (producing) and the Obodeti field (undeveloped). Oando Energy Resources holds a 42.75% working interest on the field.

### 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 14,909 boe/d in the first nine months of 2014, with only 61 days of production from OMLs 60 -63 attributed to this period. However production from OML’s 60 - 63 has contributed an average of 46,858boe/d for the 61 days from July 30, 2014 to September 30, 2014.

### Cautionary Statements

#### 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.



## 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.

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