



OANDO ENERGY RESOURCES ANNOUNCES EXECUTION OF PRODUCTION SHARING CONTRACT FOR BLOCK 12 AND FARM-OUT OF 65% PARTICIPATING INTEREST IN BLOCKS 5 AND 12 IN THE EXCLUSIVE ECONOMIC ZONE OF THE DEMOCRATIC REPUBLIC OF SAO TOME AND PRINCIPE

CALGARY, ALBERTA, APRIL 5, 2016 – Oando Energy Resources Inc. (“OER” or the “Company”) (TSX: OER), a company focused on oil and gas exploration and production in Nigeria and the Gulf of Guinea, is pleased to announce the following transactions by its 81.5% held subsidiary, Equator Exploration Ltd (“Equator”), relating to its blocks in the Exclusive Economic Zone (“EEZ”) of the Democratic Republic of Sao Tome and Principe (“STP”). On February 19, 2016, Equator executed a Production Sharing Contract (“PSC”) with the National Petroleum Agency of STP (“ANP-STP”) for Block 12, taking an 87.5% participating interest with ANP-STP holding the remaining 12.5% as a carried interest. Subsequently, Equator has farmed out a 65% participating interest and transferred operatorship in each of Blocks 5 and 12 to Kosmos Energy Sao Tome and Principe (“Kosmos”).

The Block 5 farmout transaction was approved by ANP-STP on February 19, 2016 and the Block 12 farmout transaction was approved on 31 March 2016.

Prior to the Block 5 farmout transaction, Equator held an 85% participating interest in the PSC for Block 5, with ANP-STP holding the remaining 15% as a carried interest. The PSC was signed in April 2012 and a 3D seismic survey of 1480 km² was acquired in April 2015. After completion of both farmouts, the parties hold the following interests:

Company	Block 5	Block 12
ANP-STP	15%	12.5%
Equator	20%	22.5%
Kosmos	65%	65%

Block 5 has an area of 2,844km² in water depths ranging from 2,000m to 2,500m. It was ranked highest in the EEZ by Equator with regard to hydrocarbon potential based on water depth, proximity to both the Equatorial Guinea shelf and the ancient Ogouee delta, and the presence of structural development related to basement faulting in the Cretaceous where oil has been found in Equatorial Guinea.

Block 12 has an area of 7,940km² in water depths ranging from 2,500m to 3,000m. The block is situated within Zone B of the government block classification scheme, and within this group has been ranked the most attractive by Equator due to its proximity to the North Gabon salt basin and the presence of structural prospects located both on the footwall of the Ascension Fault and similar sub-parallel trends.



Commenting on the transaction, Pade Durotoye, CEO OER said: “Building on our long term relationship with ANP-STP and the government and people of STP, we are delighted to be partnering with Kosmos, who are renowned for their exploration efficiency, and track record of finding large oil and gas resources at better than average industry success rates. Our intention is to keep growing our business, and this farmout transaction will bolster the achievement of our organic growth quota. We are committed to creating value by focused exploration and development of key assets regionally. The partnership with Kosmos enables us to focus our resources on high potential opportunities, whilst at the same time maximizing profitable production of our Nigerian assets”.

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).

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 “MMcf” 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



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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) 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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