

CALGARY, June 30, 2015 /CNW/ - [Oando Energy Resources Inc.](#) ("Oando Energy Resources", "OER" or the "Company") (TSX: OER) today reports a fire incident which started on 28th June 2015 involving two crude storage tanks at the Ebocha Oil Centre in Rivers State. In the early hours of 30th June 2015, a third tank collapsed after suffering structural damages due to the fire outbreak. The facility is in the Nigerian Agip Oil Company Limited Joint Venture ("NAOC JV").

OER received information from its Joint Venture Partner and Operator, NAOC, confirming the incident. The Ebocha Oil Centre is the default hub for most of the land area oil production in the NAOC JV, collecting and stabilizing land area crude from 4 Flow Stations/Processing Facilities.

The fire has now been successfully extinguished with no injuries, fatalities, or environmental spills. The cause of the incident is unknown at this time.

Consequently, all production in the Northern land area was initially shut-in at approximately 100,000 boepd gross (20,000 boepd net to OER). However, production is currently being gradually restored, and a significant portion of the shut-in production has been recovered. Restoration of oil flow through alternative routes is currently being explored and may be executed upon completion of a proper risk assessment. The Operator is expected to provide an update soon on when this will happen.

Now that the incident has been contained, a full investigation will commence to determine the root cause.

OER holds a 20% non-operating interest in Oil Mining Leases ("OMLs") 60, 61, 62, and 63 as well as related infrastructure and facilities in the Nigerian Agip Oil Company Limited Joint Venture ("NAOC JV"). The other partners are the Nigerian National Petroleum Corporation ("NNPC") with a 60% interest and NAOC (20% and operator).

About Oando Energy Resources Inc.

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 52,889 boe/d for the month ended May 31, 2015.

SOURCE [Oando Energy Resources Inc.](#)

Contact

Pade Durotoye, CEO, pdurotoye@oandoenergyresources.com, +1 403-561-1713; Tokunboh Akindele, Head Investor Relations, takindele@oandoenergyresources.com, +1 403-560-7450