

Vancouver, British Columbia--(Newsfile Corp. - August 10, 2015) - [Taipan Resources Inc.](#) (TSXV: TPN) (OTCQX: TAIPF) ("Taipan" or the "Company") announces that it has entered into a non-binding letter of intent dated July 29, 2015 (the "Letter of Intent") with Petroleum Exploration Limited ("PEL") to acquire a 50% interest in PEL's Block 2769-13 (Salam) (the "Interest") located in the Jacobabad and Ghotki Districts of the Sindh Province in Pakistan (the "Transaction").

Commented Maxwell Birley, CEO "Taipan believes that this Transaction will provide Taipan with immediate exposure to a prospective, low risk exploration well in a province adjacent to existing producing fields. Significantly it would also bring a relationship with PEL offering access to additional production and exploration opportunities and a partner with the capacity to finance such projects. Having PEL and, in particular the Zaheeruddin family, positioned in Taipan as strategic investors would be a step towards our goal of building a production-focused oil and gas company with diversified interests in emerging oil and gas jurisdictions."

PEL is part of the Shahzad Group of Companies, a diversified Pakistan-based conglomerate with a wide spectrum of interests including onshore/offshore oil & gas exploration and production, power generation; mineral exploration & development; oil & gas field services, supply of oil & gas equipment and materials; information technology; security; telecommunication; and trading. The Group has been instrumental in bringing a number of multinational companies to Pakistan, attracting substantial profitable investment and significant Oil & Gas discoveries.

The Shahzad Group of Companies is wholly-owned by the Zaheerudin family, who have interests both within Pakistan and abroad and who are active in a broad range of Pakistani social initiatives and charities.

Pursuant to the terms of the Letter of Intent, Taipan will acquire the Interest in exchange for the issuance of such number of Taipan common shares as is equal to 50% of the outstanding Taipan common shares (the "Consideration Shares") following completion of the Transaction (which is at arm's length). Prior to completion of the Transaction, Taipan intends to consolidate its outstanding common shares on a 10-for-1 basis (the "Consolidation"). In addition to the Consideration Shares, Taipan will agree to pay a USD\$1,000,000 discovery fee to PEL within 120 days of a commercial discovery that meets certain agreed to parameters and will pay a USD\$1,000,000 production bonus upon commercial production on the Salam Block.

Taipan will be liable for its pro rata share of all costs of exploration on the Salam Block, including the expected USD\$5,000,000 ("gross") in drilling anticipated to be completed on the Ibrahim Well, the first well to be drilled on the Block. Taipan will not be liable for any past costs associated with the Salam Block. PEL will retain operatorship of the Salam Block. PEL has also agreed to grant Taipan the following two options for a 12 month period following execution of the definitive agreements (the "Definitive Agreements") for the Transaction: (a) an option or a right of first offer to acquire, subject to agreement on mutually acceptable terms, a 10% gross interest in the 2,435.4 square km Sukkur Block, of which PEL has a 41.18% non-operated interest; and (b) an option or a right of first offer to acquire, subject to agreement on mutually acceptable terms, a 20% gross interest in the [2,568.16] square km Mirpur Khas West Block, of which PEL has a 100% operated interest.

The Salam Block is situated in the Central Indus Basin and covers an area of 200.22 square kilometres. It lies between 4 producing fields; Qadirpur, Khandkhot, Khandkot West and Badar..

The area has well-developed communications and access to existing infrastructure. The Ibrahim Prospect lies c. 10 kilometres from the existing Qadirpur Production Plant. It is anticipated that in the event of success, a well could be placed on production within 12 months.

The Ibrahim-1 well is anticipated to spud in the fourth quarter of 2015, and will be drilled to a target depth of 1,500 metres to test the Ibrahim Prospect.

As part of the transaction, Taipan will be welcoming to its Board of Directors Mr. Shahzad Zaheer, a Director and son of the founder and Chairman of PEL, along with Mr. Ahmad Waqar who previously held the senior government posts of "Secretary of Petroleum", "Secretary Finance", "Chairman of the Federal Board of Revenue", "Secretary Privatization" and "Joint Controller Military Accounts" of Pakistan.

Completion of the Transaction remains subject to numerous conditions precedent, including execution of the Definitive Agreements, completion of legal due diligence by the parties, approval of the Government of Pakistan, approval of the TSX Venture Exchange and approval of the Taipan shareholders.

Further details on the Transaction will be provided once available. The Transaction may constitute a "reverse takeover" under the applicable policies of the TSX Venture Exchange. In accordance with the policies of the TSX Venture Exchange, in the event the Transaction is deemed to be a reverse takeover, the Company will be required to obtain a sponsor for the Transaction.

About Taipan Resources Inc.

[Taipan Resources Inc.](#) (TSXV: TPN) (OTCQX: TAIPF) is an independent, oil exploration and development company with interests in Block 1 and Block 2B onshore Kenya through its wholly owned subsidiary Lion Petroleum Corp.

Taipan presently operates and holds a 66.66% working interest in Block 2B (1.35 million acres / 5,464 km²) and a 20% working interest in Block 1 (5.497 million acres / 22,246 km²) which is operated by East Africa Exploration (Kenya) Ltd, a subsidiary of Afren plc.

Contact Information:

Joel Dumaresq
Director
[Taipan Resources Inc.](#)
(604) 336 3193
jdumaresq@taipanresources.com
www.taipanresources.com

Completion of the Transaction is subject to a number of conditions, including TSX Venture Exchange acceptance and disinterested shareholder approval. The Transaction cannot close until the required shareholder approval is obtained. There can be no assurance that the Transaction will be completed as proposed or at all.

Investors are cautioned that, except as disclosed in the Filing Statement to be prepared in connection with the Transaction, any information released or received with respect to the Transaction may not be accurate or complete and should not be relied upon. Trading in the securities of Taipan should be considered highly speculative.

The TSX Venture Exchange has in no way passed upon the merits of the proposed Transaction and has neither approved nor disapproved the contents of this press release.

Cautionary Notes Regarding Forward Looking Statements

This news release contains certain forward-looking information and statements within the meaning of applicable securities laws. The use of any of the words "expect", "anticipate", "continue", "estimate", "may", "might", "will", "project", "should", "believe", "plans", "intends" and similar expressions are intended to identify forward-looking information and/or statements. Forward-looking statements and/or information are based on a number of material factors, expectations and/or assumptions of Taipan which have been used to develop such statements and/or information but which may prove to be incorrect. Although Taipan believes that the expectations reflected in such forward-looking statements and/or information are reasonable, undue reliance should not be placed on forward-looking statements as Taipan can give no assurance that such expectations will prove to be correct. In addition to other factors and assumptions which may be identified herein, assumptions have been made regarding, among other things: that the Transaction will be effected as currently proposed, and that all requisite shareholder, regulatory and third party consents will be obtained in connection therewith in form and substance acceptable to each of Taipan and PEL; the; availability of financing and/or cash flow to fund current and future plans and expenditures, the impact of increasing competition; the general stability of applicable economic and political environments; the general continuance of current industry conditions; and the timely receipt of any required regulatory approvals. The forward-looking information and statements included in this news release are not guarantees of future performance and should not be unduly relied upon. Such information and/or statements, including the assumptions made in respect thereof, involve known and unknown risks, uncertainties and other factors that may cause actual results and/or events to differ materially from those anticipated in such forward-looking information and/or statements including, without limitation: risks associated with the failure to complete the Transaction, as currently proposed or at all, the uncertainty of conducting operations under a foreign regime, exploration risk, the uncertainty of obtaining all applicable regulatory and/or shareholder approvals, and/or certain other risks detailed from time-to-time in Taipan's public disclosure documents. Furthermore, the forward-looking statements contained in this news release are made as at the date of this news release and the Company does not undertake any obligations to publicly update and/or revise any of the included forward-looking statements, whether as a result of additional information, future events and/or otherwise, except as may be required by applicable securities laws.