

CALGARY, ALBERTA--(Marketwired - Oct 26, 2015) - [Condor Petroleum Inc.](#) ("Condor" or the "Company") (TSX:CPI) is pleased to provide an operations update for the Company's 100% owned Zharkamys West 1 Territory in Kazakhstan.

The KN-501 Primary Basin well was drilled to 3,992 meters and has been abandoned. After accruing for the total estimated well costs of CA\$7.7 million, the Company has estimated working capital of CA\$46 million and no debt.

Despite encountering numerous gas shows while drilling the over-pressured main hole section, no commercial hydrocarbon reservoirs were identified. It appears that the target zones were fully encapsulated in salt before younger, coarser-grained sediments were deposited. This resulted in a lack of reservoir quality rock like that which was encountered in the Company's play opening KN-E Primary Basin discovery.

Using KN-501 data, the Company's high resolution 3D seismic has been calibrated to the geological age of Primary Basin sediments. This is extremely beneficial in helping to identify potential reservoir quality rock in the extensive Primary Basin inventory. KN-501 has also confirmed that hydrocarbon source, migration, trap and seal are present in this region and that the Company's geologic model is able to accurately predict sedimentary packages within salt. The Company is currently prioritizing the Primary Basin inventory with the newly calibrated 3D seismic data and applying the KN-501 and KN-E seismic interpretation learnings to mature drill-ready targets for 2016.

The recent Primary Basin geological and operations learnings are also being applied to the Company's deeper Pre-Salt prospect inventory. The geologic model validation from KN-501 now provides a high degree of confidence in predicting structures within the Pre-Salt. The seismic responses within the Primary Basin also confirm the ability to seismically predict the Pre-Salt geology, which is key to further developing this play type. Pre-Salt well cost estimates of CA\$21 to CA\$25 million for a 6,500 meter well are considerably less than prior estimates given the knowledge gained while drilling KN-501's massive salt section and highly over-pressured formations. The Company is discussing Pre-Salt farm-down alternatives.

Kazakhstan Government approvals of the Shoba and Taskuduk West commercial production contracts are expected in Q1 2016. Production facilities are operational and, once the production contracts have been received, the Company's production will re-commence along with access to export oil sales markets and pricing. The approval timeline was extended to 2016 given the low commodity prices of 2015.

About Condor: Condor is a Canadian based oil and gas company with a 100% interest in the exploration rights to the 3,777 square kilometer Zharkamys West 1 Territory located in Kazakhstan's Pre-Caspian basin. The Company is listed on the TSX under the symbol "CPI".

Advisory on Forward-Looking Statements:

All statements other than statements of historical fact may be forward-looking statements. Such statements are generally identifiable by the terminology used, such as "seek", "anticipate", "believe", "intend", "expect", "plan", "estimate", "continue", "project", "predict", "budget", "outlook", "may", "will", "should", "could", "would" or other similar wording. Forward-looking statements in this news release includes but is not limited to: the estimated cost of drilling the KN-501 well; estimated working capital; the ability to calibrate 3D seismic to the geological age of sediments; the ability to identify potential reservoir quality rock in subsequent prospects; the ability to confirm that hydrocarbon source, migration, trap and seal are present in Zharkamys; the ability of the geologic model to accurately predict sedimentary packages within salt and in the Pre-Salt; the timing and ability to mature drill-ready targets; the validation of the geologic model; the ability to predict Pre-Salt geology; the timing and ability to obtain various approvals including seismic, drilling, production and construction permits; the expectations, timing and costs of exploration, appraisal and development activities including the cost of drilling future wells; the timing and ability to form a strategic partnership for exploration, appraisal and development activities; the timing and ability to bring discoveries into commercial production including the timing and ability to obtain production contracts; the timing and ability to re-commence production; the timing and ability to access export oil sales markets; and treatment under governmental regulatory regimes and tax laws.

Forward-looking statements involve the use of certain assumptions that may not materialize or that may not be accurate and are subject to known and unknown risks and uncertainties and other factors, which may cause actual results or events to differ materially from those expressed or implied by such information. Condor's operations are also subject to certain other risks and uncertainties inherent with oil and gas operations and additional information on these and other factors that could affect Condor's operations and financial results. These factors are discussed in greater detail under Risk Factors - Risks Relating to the Company in Condor's Annual Information Form which may be accessed through the SEDAR website (www.sedar.com). The Company believes that the expectations reflected in these forward-looking statements are reasonable, but no assurance can be given that these expectations will prove to be correct and such forward-looking statements should not be unduly relied upon. The Company does not undertake any obligation to update or to revise any of the forward looking information, except as required by applicable law.

The TSX does not accept responsibility for the adequacy or accuracy of this news release.

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