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Afren announces acquisition of EER's residual interest in Oriental's OML 115

London, 15 July 2010 - Afren plc ("Afren") announces that terms have been agreed to acquire Energy Equity Resources Oil and Gas's ("EER") residual license interest in Oriental's OML 115, offshore south east Nigeria.

Transaction Highlights

- Located offshore south east Nigeria, adjacent and on trend with Oriental's and Afren's Ebok and Okwok fields
- Afren's net license interest in OML 115 increases from 32.5 per cent. to 40 per cent., through acquiring EER's outstanding interest
- Extensive technical work has been carried out on OML 115, identifying significant additional potential within the D series reservoir intervals
- Ebok Deep exploration well established a working hydrocarbon system and high quality reservoir sands with up dip potential in the Biafra and Isongo intervals that are believed to also extend throughout OML 115
- Independently certified mid case prospective resources of 206 million barrels
- Afren's commitment is to drill one exploration well on the block by the end of Q1 2011, with drilling expected in Q4 2010

Commercial Terms

Afren will pay EER a contribution towards its back costs, to acquire their 7.5% outstanding interest in OML 115. This increases Afren's interest to 40 per cent., with Oriental Energy Resources ("Oriental") retaining a 60 per cent. interest. Afren's commitment is to drill one exploration well on the field by the end of Q1 2011.

Background

This extension to Afren's license interest in OML 115, located 40 km offshore in 50 m water depth, follows the initial acquisition in January 2010. Since this transaction, Afren has carried out extensive technical work on the block, identifying significant potential within the D series reservoir intervals. In addition, the Ebok Deep well encountered oil shows and established 250 ft of good quality reservoir sands in the deeper Biafra and Isongo intervals, suggesting good up dip potential on OML115. This is in line with the earlier understanding that, in addition to the Qua Iboe, the deeper reservoirs may have significant additional hydrocarbon potential on OML 115.

The OML 115 license, in the prolific eastern Niger Delta, surrounds the Okwok field and extends to within approximately 2 km of the Ebok field that is currently under development. Upon successful exploration and appraisal drilling, Afren expects to be able to deliver significant production and operational synergies between the three fields.

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Alhaji Mohammed Indimi, Chairman of Oriental, commented:

"We are pleased to strengthen Oriental's existing partnership with Afren through this transaction. Significant progress has been made on the Ebok – Okwok – OML 115 area over the last twelve months and we look forward to realising the full potential of this emerging production hub in south east Nigeria."

Osman Shahenshah, Chief Executive of Afren, commented:

"Since the original acquisition of an interest in OML 115, we have carried out extensive technical work, identifying greater potential both in the D series reservoir intervals and most recently the up dip potential of the deeper Biafra and Isongo sands, as established by the Ebok Deep well. This acquisition we are announcing today further aligns Oriental and Afren's involvement in this area."

Osamede Okhomina, Chief Executive Officer of EER, commented:

"We are pleased to conclude this transaction with Afren, a long standing and respected partner of ours. Our divestment is in line with EER's strategy that takes us towards increasing our onshore Nigeria focus."