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Energy
Resources
Limited

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Ebok field development update

Abuja, 23 December 2010 - Oriental Energy Resources ("Oriental" or the "Company"), issues the following update on development activities for the Ebok field, located offshore south east Nigeria.

Highlights

- Flow tests to date on three producers on the Central Fault Block have delivered a constrained aggregate rate of 12,500 bopd
- Test data confirms initial Phase 1 production expectation of 15,000 bopd should be exceeded, with more than 35,000 bopd from Phases 1 and 2 anticipated by end Q2 2011
- 24° API crude and excellent reservoir properties demonstrated
- The well head platform for Phase 1 has been successfully installed in the field
- Installation of the well head platform for Phase 2 has been accelerated and will be completed in the next few weeks
- All pipelines are on site in the field and will be installed in the next few weeks
- Other facilities in transit to field location with immediate installation and commissioning expected upon arrival in January 2011

Phase 1 development drilling update

The Adriatic IX jack up drilling unit is currently drilling at the Ebok field, where production testing has been undertaken on three of the five horizontal production wells as part of the Phase 1 development. The test results demonstrate excellent reservoir properties with porosity of between 30% to 35% and multi Darcy permeability. The wells flowed 24° API oil.

The test results undertaken to date have delivered a constrained aggregate rate of 12,500 bopd. Together with the remaining production wells, these results provide confirmation that the Company's production expectation of 15,000 bopd from Phase 1 should be exceeded.

Facilities update and production start up

The Ebok Floating Storage and Offloading vessel (FSO) set sail from the Yulian shipyard in Shenzhen, China, on 2 December 2010 and is currently in transit to the field location. Departure and expected arrival time at the field location will coincide with the Mobile Offshore Production Unit (MOPU), which is expected to arrive in late January 2011. The vessel was converted from an existing tanker, and has a storage capacity of 1.2 million barrels and will accommodate regular crude offtake by tankers up to Very Large Crude Carrier (VLCC) size.

The MOPU, which has undergone refurbishment at the Gulf Copper shipyard in Galveston, USA, has been converted from an existing jack up drilling rig by removing the

drilling package and replacing it with a newly fabricated processing module capable of producing 50,000 bopd, installing new accommodation quarters for up to 30 crew and a new helideck.

Phase 2 development update

Installation of the Ebok Phase 2 wellhead platform, at the West Fault Block location, is currently underway and expected to be completed in the next few weeks. Development drilling, incorporating four horizontal production wells and up to two water injection wells, is set to commence in early February 2011 with the GSF High Island VII jack up drilling rig, once infill drilling operations on the Okoro field have completed. Production start up from Phase 2 is currently expected in early March 2011, with a combined production of more than 35,000 bopd from Phases 1 and 2 expected by end Q2 2011.