



## Canadian Overseas Petroleum Operational Update

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**Calgary, Canada, December 20, 2013** – Canadian Overseas Petroleum Limited (“COPL” or “the Company”) (TSX-V: XOP), the offshore West Africa focused oil exploration and development company, is pleased to provide an operational update.

### **Highlights**

#### Liberia

- Block LB-13 drilling programme, in partnership with Exxon-Mobil, is expected to commence in late H1 2014
- The exploration programme is targeting P50 Prospective Resources of 2.6 bn bbls of oil\*
- As part of the farm out agreement, ExxonMobil is paying COPL’s share of drilling cost for the first exploration well up to US\$120 million of gross expenditures
- Long lead items ordered with rig confirmation pending, expected Q1 2014

#### New Zealand

- COPL continues to work towards proving up the legacy asset in the prolific onshore East Coast Basin
- Geological studies including seismic reprocessing completed, fulfilling block work commitments
- 2D Seismic campaign due to commence in 2014

#### Business Development

- COPL is actively looking at further opportunities in West Africa with near term focus on Nigeria and Angola
- Evaluation of offshore acreage including in-depth seismic analysis
- COPL has been invited to bid with several indigenous consortiums in the current Nigerian marginal field round

### **Mr. Arthur Millholland, President and CEO of COPL commented,**

*“The Company has made significant progress in the latter part of 2013 as we continue to move forward with the drilling programme in Liberia, assess appraisal and development opportunities in West Africa and progress towards the 2D seismic campaign in New Zealand. COPL has built a highly skilled technical team with extensive offshore experience which we*



*believe will stand us in good stead as we look to broaden our portfolio. We look to 2014 with considerable confidence and look forward to reporting further progress to shareholders.”*

### ***Liberia***

The Company, in partnership with Exxon Mobile who are paying COPL's share of costs on the first exploration well, have continued to make progress towards the 2014 exploration drilling programme on the Block LB-13 offshore Liberia.

The location for the first exploration well has now been identified and work is being carried out on the design and planning of the well. The Environmental Impact Study is also underway and expected to be completed in early 2014. The partners have also placed orders for long lead items required for the planned exploration programme and are awaiting confirmation of rig availability.

### ***New Zealand***

In December the operatorship of the Petroleum Exploration Permit (PEP) 53806 in the East Coast Basin Offshore New Zealand reverted to COPL. The primary target is a light oil resource play in the Whangai shale that is widespread throughout the East Coast Basin, reaching thicknesses up to 600m with potential multi-billion barrels of OOIP. The secondary target is the overlying Waipawa shale that is only up to 70 m in thickness.

Geological studies including seismic reprocessing have recently been completed on the block, in line with the Company's work commitments. A 2D seismic campaign covering 223 km is currently being planned to be conducted on the acreage in 2014.

### ***Business Development***

COPL believe that offshore West Africa is an attractive region due to the significant oil and gas discoveries made in the past five years while remaining underexplored because of its vast size. Whilst the Company's first priority remains its interest offshore Liberia, the Company has been actively pursuing other opportunities in the region.

The Company's strategy is to use the expertise and experience of its senior management team to grow its footprint in West Africa with a focus on prospects which offer near term cash flow potential.

In the latter part of 2013 COPL has been actively evaluating and progressing appraisal and development opportunities offshore Nigeria. COPL was also recently invited to participate with indigenous partners in the upcoming oil and gas marginal field bid round in Nigeria.

### **About the Company**

COPL is an international oil and gas exploration and development company focussed in the offshore West Africa. The Company holds a 17% working interest in Block LB-13, offshore Liberia, with ExxonMobil the operator holding an 83% working interest. COPL is carried by ExxonMobil for its share of the first \$120 million of gross drilling costs of a two well exploration programme planned for 2014. COPL also holds exploration acreage with shale oil potential on the north island of New Zealand.

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*\*By definition of the COGC Handbook - "Prospective Resources are those quantities of oil and gas estimated on a given date to be contained in accumulations yet to be discovered." Further the Handbook states - Caution (per NI 51-101/5.9(2)(v)(B)) - "There is no certainty that any portion of the resources will be discovered. If discovered, there is no certainty that it will be commercially viable to produce any portion of the resources."*

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