

27 October 2016

**Amerisur Resources Plc**  
**OBA Pipeline Operational**

**Highlights**

- ARCH has issued the decree to Petroamazonas EP for the operation of the OBA system
- Line has been filled with oil and exports at an initial rate of 1,500 BOPD have begun
- Flow rates will be increased significantly in the weeks ahead
- Company has guaranteed right to throughput of up to 5,000 BOPD
- Discussions ongoing to increase this significantly
- Cash opex costs per barrel expected to reduce from approximately \$26 to under \$15
- Nine fully funded wells to be drilled in OBA cluster of assets in next [15] months
- OBA has been constructed and commissioned on budget of \$18m

Amerisur Resources Plc ("Amerisur" or the "Company"), the oil and gas producer and explorer focused on South America, is pleased to announce that the regulatory agency of Ecuador, ARCH has issued the decree to Petroamazonas EP for the operation of the OBA system in Ecuador. As a result, transport of Platanillo crude oil has commenced at an initial rate of 1,500 BOPD via the Petroamazonas EP owned and operated Amazonas Oil Pipeline System (RODA) to Lago Agrio, for further onward transport to the port of Esmeraldas. The OBA has been constructed and commissioned on budget of \$18m.

Once precise measurement of tanked volumes and adjustment of the dynamic measurement systems has been completed, flow rates will be increased significantly in the weeks ahead. The Company has a guaranteed throughput of up to 5,000 BOPD in the pipeline and an increase is currently being negotiated. The technical capacity is 50,000 BPD and the line has a currently installed export pump capacity of 18,000 BOPD.

Cash opex costs per barrel are expected to reduce from approximately \$26 to under \$15. In addition to the cost savings, Amerisur OBA and SOTE (Ecuadorian pipeline to the coast) exported crude will receive Oriente crude pricing plus a quality compensation factor, which has historically approximated to WTI pricing. Current trucked production is sold as South Blend, which is at a discount to WTI.

Giles Clarke, Chairman said:

"The OBA is the first piece of bilateral infrastructure between the two great countries of Colombia and Ecuador. Its delivery is a historic achievement and I would like to thank the Colombian and Ecuadorian Governments and congratulate the executive team at Amerisur. The OBA is a highly strategic and valuable asset for Amerisur and its shareholders."

John Wardle, CEO said:

"I am delighted this strategic piece of infrastructure is now operational. We have an OBA cluster of assets including Platanillo, Put-8, Put-12 and Coati, on which we are drilling nine fully funded wells in the next 15 months to increase low cost production, resources and reserves, all of which can feed this pipeline. In addition, in time we have the potential to take third party oil, initially from partners, and then from others."

## **Ends**

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### **Glossary**

ARCH	Agencia de Regulación y Control Hidrocarburífero
BOPD	barrels of oil per day
OBA	Oleoducto Binacional Amerisur pipeline
RODA	Red de Oleoductos Amazonas
SOTE	Sistema Oleoducto Trans-Ecuatoriano

### **Notes to editors**

Amerisur Resources is an independent full-cycle oil and gas company focused on South America, with assets in Colombia and Paraguay and production from the Platanillo field in southern Colombia. In 2016 Amerisur successfully built and is 100% owner of the strategic OBA pipeline into Ecuador.

In Colombia, the Company is operator and has a 100% working interest in the Platanillo block which includes the Platanillo field, which is currently producing circa 4,500 BOPD. The Company has a strong position in the Putumayo basin and has a cluster of near term activity assets around the OBA export pipeline including the Platanillo block, Put-8, Put-12 and Coati. It has a diverse portfolio of longer term exploration assets.

This announcement contains inside information as defined in EU Regulation No. 596/2014 and is in accordance with the Company's obligations under Article 17 of that Regulation.

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