



# Asean Energy Corp

**For Immediate Release**

**October 14, 2014**

## **ASEAN ENERGY PROVIDES PROJECT UPDATES**

**Vancouver, B.C., October 14, 2014 – Asean Energy Corp. (CSE: ASA) (“Asean Energy”)** and its wholly-owned subsidiary Asean Energy Holdings Corp. (“**Asean Holdings**”) (together the “**Company**”), is pleased to provide updates concerning the shallow oil field development initiatives in East Java, Indonesia, the Farmin Agreement for eleven heavy oil wells plus one revenue-generating waste water disposal well in Saskatchewan, and the Letter of Intent with Global Oil 57 Pte Ltd. (“**Global Oil**”).

### **Update on shallow oil well work-overs - East Java, Indonesia**

Asean Energy has negotiated and entered into Agreements directly with a local District Cooperative to acquire the production rights to 6 existing shallow oil wells in the Dandangilo field, with negotiations in progress to acquire an additional 4 existing wells. Negotiations with drilling and production contractors are substantially complete, and the Company is positioning to work-over the first well and bring it into production before the end of the year, subject to finalizing project funding arrangements. In addition, the Company is in negotiations to enter into a Letter of Intent for the production rights to 24 wells in the adjacent Ngrayong mature field.

Well selection has been undertaken under the direction of Hesham Fathi, President of the Company’s 100%-owned subsidiary Asean Energy Holdings Corp., in consultation with Dr. Didit Hadianto, a former director of PT Pertamina and current professor at Institute Technical Bandung (Indonesia’s top technical university). Dr. Hadianto has two undergraduate degrees in Math and Physics, a Master’s degree in Petroleum Engineering and a Ph.D. in Physical Chemistry in enhanced oil production. The rework program is primarily focused on three oil producing pay zones from the Ngrayong sandstone formation, at a shallow depth of 150m to 500m.

The Company’s efforts have encountered a series of delays to the original timing and production expectations, as previously disclosed, primarily as a result of past partners’ inability to complete on their commitments, and/or efforts to alter, enhance or circumvent the original terms of the underlying agreements.

The resulting delays have however resulted in two positive developments: (1) the Company developed the necessary local connections and expertise to select and contract directly with local individual and collective well owners, and (2) a recent entrant with a similar focus has preceded us, made some initial mistakes, and ultimately selected the appropriate drilling, completion and production solutions to successfully produce oil. They have now purchased additional wells, and after some initial drilling problems have one well producing with another three in progress. After working out the initial problems, a second well was drilled and completed successfully in 16 days. Initial well production is reported to be in the range of 3,000 to 4,000 litres (20 to +25 bbls) per day of light crude, between 27° API (893 kg/m3) and 38° API (835 kg/m3), from a depth of approximately 380m.

The arrangements may be subject to applicable regulatory approval. There can be no assurance that the transaction(s) will be completed as proposed or at all.

## **Update on Farmin and Participation Agreement – Saskatchewan**

Asean Energy can earn an undivided 50% working interest in eleven heavy oil wells plus one revenue-generating waste water disposal well (the “Agreement”), as announced on July 24, 2014. The wells present an opportunity to maximize production and profits through the application of new and/or enhanced oil recovery technologies, and are complimentary to the Company’s shallow well redevelopment activities in Indonesia.

The Company expects to receive a technical assessment and suggested work program on the geographic area of wells and facilities held by the Farmor, which incorporate the wells and facility under the Agreement, prior to the end of this month. Receipt of sufficient supporting data may result in additional discussions to increase the number of wells and lands covered under the existing Agreement.

Subject to the parties agreeing to a reactivation program, the Company intends to proceed under the Agreement with the objective of increasing production and/or reactivation of certain existing wells, including any potential additional wells and lands that may be included as a result of current discussions. Upon the Company fulfilling its obligations pursuant to the Agreement, it shall have a priority 100% recoupment of its expenditures under the reactivation program, and thereafter shall have earned a fifty percent (50%) working interest.

There can be no assurance that the conditions and obligations under the Farmin and Participation Agreement will be agreed to or completed as proposed or at all.

## **Update on Letter of Intent with Global Oil 57 Pte Ltd.**

The Letter of Intent as announced on August 29, 2014 between Asean Holdings and Global Oil was granted a 30-day extension to October 30, 2014 to allow Global Oil to complete its deposit commitments and to negotiate and enter into a definitive agreement. While Global Oil did advance a portion of the funds required under the LOI, the balance of funds have not been forthcoming, contrary to the terms of the LOI, and despite continued assurances and subsequent written confirmation received. Asean Holdings does not intend to grant any further extensions and, given the recent lack of progress, expects the LOI to expire at the end of this month.

## **About Asean Energy**

Asean Energy is Canadian-based oil and gas issuer listed on the CSE, under the symbol “ASA”. Operations are primarily focused on oil field redevelopment (EOR) and near-production opportunities, as well as well-positioned large-target exploration fields in Southeast Asia. The Company employs a strategy of attracting farm-in and joint venture participation to reduce risk and shareholder dilution. Additional information is available under Asean Energy’s SEDAR profile at [www.sedar.com](http://www.sedar.com).

## **ON BEHALF OF ASEAN ENERGY CORP.**

(signed) “Robert van Santen”  
Chief Executive Officer

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**Some of the statements contained in this press release are forward-looking statements and information within the meaning of applicable securities laws. Forward-looking statements and**

information can be identified by the use of words such as “expects”, “intends”, “is expected”, “potential”, “suggests” or variations of such words or phrases, or statements that certain actions, events or results “may”, “could”, “should”, “would”, “might” or “will” be taken, occur or be achieved. Forward-looking statements and information are not historical facts and are subject to a number of risks and uncertainties beyond the Company’s control. Actual results and developments are likely to differ, and may differ materially, from those expressed or implied by the forward-looking statements contained in this news release. Accordingly, readers should not place undue reliance on forward-looking statements. The Company undertakes no obligation to update publicly or otherwise revise any forward-looking statements, except as may be required by law.

The Company will provide further updates respecting these initiatives as developments occur. There can be no assurance that interests in any or all of these or additional projects being pursued will be acquired, funded and/or commercialized.

Neither the Canadian Securities Exchange (the “CSE”) nor its Regulation Services Provider (as that term is defined in the policies of the CSE) accepts responsibility for the adequacy or accuracy of this release.