

Taipan Resources Inc. Farms Out 15% of Block 2B Kenya to Tower Resources

April 9, 2014 (Source: Marketwired) – Taipan Resources Inc. (“Taipan”) (TSX VENTURE:TPN), through its wholly owned Kenya-based subsidiary Lion Petroleum Corp., has signed a binding farm-out agreement with Tower Resources (Kenya) Limited, a subsidiary of AIM-listed Tower Resources plc (LN:TRP) (“Tower”), whereby Tower will acquire a 15-per-cent participating interest in Block 2B onshore Kenya. Taipan will retain a 30-per-cent operated interest in Block 2B.

The principal terms of the farm-out agreement are as follows:

- Tower will pay to Taipan US\$4.5-million in cash at completion;
- Tower will issue to Taipan 9-million shares in Tower Resources Plc in two tranches (the “Farm-In-Shares), 50% at completion and 50% three months following completion;
- Tower will make a US\$1.0-million payment to Taipan conditional upon the spud of a second well in Block 2B;
- Completion is conditional solely on approval from Premier Oil Investments Limited;
- Tower will, on and from the effective date of transfer, pay its participating interest share of costs incurred in conducting joint operations as per the provision of the joint operating agreement, the initial phase of which, are estimated to cost gross US\$29.5 million;
- Tower will provide guarantees for its share of the minimum work and expenditure obligations required under the PSC for Block 2B;

Taipan, is presently preparing to drill the Badada Prospect on Block 2B in Kenya. The Badada prospect has been independently

estimated by Sproule International Limited (“Sproule”) to have Mean Gross Unrisked Prospective Resources of 251 MMB0E and High (P10) Estimate Gross Unrisked Prospective Resources of 498 MMB0E. The total estimated Mean Gross Unrisked Prospective Resources on Block 2B is 1,593 MMB0E based on 19 exploration leads¹.

Taipan, through its subsidiary Lion Petroleum will retain operatorship of Block 2B during the exploration phase.

Maxwell Birley, Chief Executive Officer, commented: “We have further de-risked our prospect in Block 2B with this farm out to Tower. The farm out to Tower is being completed at a favorable premium to the farm down to Premier announced in December of last year, and is reflective of the increased sentiment towards the value of our acreage in Block 2B. Between this farm down and the recent private placement, Taipán is now fully-funded and exposed to the drilling of a well on each of Block 1 and Block 2B in 2014. We have now set our sights not only on the drilling of these two exciting targets, but also on other sub-Saharan assets which will allow us to expand our portfolio of exploration assets in 2015 and beyond”.

1. Sproule completed an updated independent assessment of the Company’s prospective resources on Block 2B with an effective dated of December 31, 2013. The independent assessment was carried out in accordance with the standards established by the Canadian Securities Administrators in National Instrument 51-101 Standards of Disclosure for Oil and Gas Activities.

About Tower Resources plc

Tower Resources plc (LSE:TRP) is an AIM-listed, London-based independent oil and gas exploration company with a regional focus on sub-Saharan Africa.

The Company holds a 30% working interest in a license

comprising three Blocks offshore Namibia and a 50% interest in three contiguous licenses, onshore and offshore, in the Sahawari Democratic Republic. The company plans to spud their Welwitschia-1 well offshore Namibia with partners Repsol in late April 2014.

On April 9, 2014, the Company announced the proposed acquisition of Rift Petroleum Holdings Limited, a company with interests offshore South Africa and onshore Zambia.

About Taipan Resources Inc.

Taipan Resources Inc. (TSX VENTURE:TPN) is an independent, Africa-focused oil exploration company with interests in Block 1 and Block 2B onshore Kenya through its wholly owned subsidiary Lion Petroleum Corp.

After the farmout, Taipan will hold a 30% working interest in Block 2B (1.35 million acres / 5,464 km²). The Company's 20% working interest in Block 1 (5.497 million acres / 22,246 km²) is operated by East Africa Exploration (Kenya) Ltd, a subsidiary of Afren plc.

Prospective Resources are those quantities of petroleum that are estimated, as of a given date, to be potentially recoverable from undiscovered accumulations by application of future development projects. Prospective Resources have both an associated chance of discovery and a chance of development. Prospective Resources are further subdivided in accordance with the level of certainty associated with recoverable estimates assuming their discovery and development and may be sub-classified based on project maturity.

There is no certainty that any portion of the Prospective Resources will be discovered. If discovered, there is no certainty that it will be commercially viable to produce any portion of the resources.

Neither the TSX Venture Exchange nor its Regulation Services

Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release. The statements contained in this release that are not historical facts are forward-looking statements, which involve risks and uncertainties that could cause actual results to differ materially from the targeted results. The Company relies upon litigation protection for forward looking statements.

The reader is cautioned that assumptions used in the preparation of any forward-looking information may prove to be incorrect. Events or circumstances may cause actual results to differ materially from those predicted, as a result of numerous known and unknown risks, uncertainties, and other factors, many of which are beyond the control of Taipan. As a result, Taipan cannot guarantee that any forward-looking statement will materialize and the reader is cautioned not to place undue reliance on any forward-looking information. Such information, although considered reasonable by management at the time of preparation, may prove to be incorrect and actual results may differ materially from those anticipated. Forward-looking statements contained in this news release are expressly qualified by this cautionary statement and include, but are not limited to, statements with respect to estimates of resources, future drilling and other exploration activities, and ultimate recovery of resources. The forward-looking statements contained in this news release are made as of the date of this news release and Taipan will only update or revise publicly any of the included forward-looking statements as expressly required by Canadian securities law. Statements concerning resource estimates constitute forward-looking statements and reflect conclusions that are based on certain assumptions that the resources can be economically exploited.