

WELCH-BORNHOLDT WHERRY PROJECT UPDATE

ASX Announcement

(ASX: WLR)

12 September 2014

World Oil Resources Limited ('World Oil' or 'the Company') advises that the #1-1 Krehbiel Trust well has been temporarily turned off due to issues associated with the existing salt water disposal well. Prior to the shutdown of the well, the initial gross production was approximately 50 BOPD. In light of the success of the well, the Company, together with our Joint Venture Partner CMX have decided to drill a salt water disposal well on the property.

This will involve the reconfiguration of an older well into a dedicated salt water disposal well near the #1-1 Krehbiel Trust well. This new well is expected to take 4 to 6 weeks to complete at which point the joint venture will be able to resume production. World Oil's exposure to this salt water disposal well is approximately US\$185,000. Once completed, the new salt water disposal well can be used for other wells planned for the immediate area.

We were very encouraged by the initial results of the #1-1 Krehbiel Trust well and will now be looking to fast track other wells in the immediate area.

Once the #1-1 Krehbiel Trust well recommences production, we will provide updates accordingly.

WELCH-BORNHOLDT WHERRY PROJECT

- Welch-Bornholdt Wherry Oil Fields
- Rice and McPherson Counties, Kansas USA (WLR 50% WI)

OVERVIEW

Location and Description

The Welch-Bornholdt and Wherry Oil Fields are located in Rice and McPherson Counties, Kansas, United States, approximately 140 miles from the Klick East Oil Field in Oklahoma.

The Welch-Bornholdt and Wherry Oil Fields are mature, developed and mostly abandoned crude oil accumulation. Approximately 1,400 vertical wells have been drilled over more than 60 years on the fields, and aggregate production totals 46 million barrels of mainly high quality sweet crude oil.

World Oil and its joint venture partner CMX have established a large 15,000 acre position in the Welch-Bornholdt and Wherry Oil Fields. This acreage covers a

significant contingent resource, mainly in the Mississippian age cherty carbonate rock formation that is up to 10 metres thick across the area. World Oil and CMX (also joint venture partners for the Klick Project) produce from this Mississippian formation at the Klick Project.

The Welch-Bornholdt and Wherry Oil Fields are uniquely positioned, and benefit from having a refinery at the city of McPherson approximately 30 kilometres by road, which is serviced by trucks and pipelines.

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| Operator | CMX is the operator of the project. |
| Joint Venture Partner | CMX |
| Working Interest | Under the joint venture arrangement with CMX, each of CMX and World Oil has a 50% net working interest in leases covering approximately 15,000 acres of the Welch-Bornholdt and Wherry Oil Fields. |
| Well | The well is a vertical well to assess oil production potential in this area of the project. |
| Drilling or production status | Production due to commence at #1-1 Krehbiel Trust well. |
| Exploration/ Development | The Company with its joint venture partner is reviewing the area for similar vertical locations if commercial oil production can be established with the initial well. |

For Further information, please contact:

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