

## **James Bay Resources Limited: Seplat Petroleum subsidiary Newton Energy Limited sued in English High Court**

**30 January 2017**

**LONDON – James Bay Resources Limited (“James Bay”), a Canadian company listed on the Canadian Stock Exchange (CSE:JBR) and Crestar Integrated Natural Resources Limited (“Crestar”) announced that Crestar has commenced legal proceedings in the High Court of Justice in England, against the Nigerian subsidiary of Seplat Petroleum Development Company PLC (“Seplat”) (Nigeria: SEPL). Crestar’s claim alleges bad faith conduct by Seplat’s subsidiary Newton Energy Limited (“Newton”), relating to Oil Mining Lease No. 25 (“OML 25”) in the Niger Delta region.**

Crestar and Newton are parties to a series of agreements under which Newton could partner with Crestar to acquire the 45% interest in OML 25 currently held by joint venture partners Shell Petroleum Development Company of Nigeria Limited, Total E&P Nigeria Limited, and Nigerian AGIP Oil Company Limited. The dispute in the English High Court centers on US\$20.5 million held in escrow, which Crestar alleges should have been released to Crestar had Newton not sent its bad faith election that it intended to finance the OML 25 purchase. Crestar asserts that Newton had no intention to participate – and that, indeed, neither Newton nor its parent Seplat possessed the financial wherewithal to secure the requisite financing – yet Newton issued a false notice to the escrow agent, claiming an intent to proceed with the transaction and requesting that the escrowed funds be released to Newton instead of Crestar. The escrow agent has opted to hold the escrowed funds pending resolution of the dispute by the English High Court.

“We have initiated these legal proceedings only after attempting for months to negotiate an amicable resolution with Seplat and its subsidiary,” said Stephen Shefsky, CEO of James Bay, one of Crestar’s shareholders, and the provider of financial and technical services for the OML 25 transaction. “We have never heard a valid justification for Newton’s conduct, and the apparent recklessness toward Seplat’s shareholders surprises us. Unfortunately,

we were left with no choice other than to pursue Crestar's rights in the English High Court," Shefsky said.

Crestar is represented by Amsterdam & Partners LLP, an international law firm with offices in London and Washington D.C.

### **About James Bay Resources Limited**

James Bay is a Canadian resource company with 41,474,070 shares outstanding and trades on the Canadian Securities Exchange under the symbol "JBR". Please visit the James Bay website at [www.jamesbayresources.com](http://www.jamesbayresources.com).

### **Disclaimer**

*This news release includes certain statements that may be deemed "forward-looking statements" within the meaning of the United States Private Securities Litigation Reform Act of 1995 and applicable Canadian securities legislation. Forward-looking statements include, but are not limited to, statements with respect to James Bays' operations, exploration and development plans, expansion plans, estimates, expectations, forecasts, objectives, predictions and projections of the future. Generally, these forward-looking statements can be identified by the forward-looking terminology such as "plans", "expects" or "does not expect", "is expected", "budget", "scheduled", "estimates", "projects", "intends", "anticipates", or "does not anticipate", or "believes", or "variations of such words and phrases or state that certain actions, events or results "may", "can", "could", "would", "might", or "will" be taken", "occur" or "be achieved". Forward-looking statements are subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance or achievements of James Bay Resources Limited to be materially different from those expressed or implied by such forward-looking statements, including but not limited to: risks related to James Bays' change of business and the oil and gas industry in Nigeria generally, risks related to operations, construction delays and cost overruns, the actual results of exploration, development and construction activities, conclusions of economic evaluations, changes in project parameters as plans continue to be refined, future copper prices, as well as those factors discussed in the sections relating to risk factors of our business filed in James Bay Resources Limited's required securities filings on SEDAR. Although James Bay Resources Limited has attempted to identify important factors that could cause results to differ materially from those contained in forward-looking statements, there may be other factors that cause results to be materially different from those anticipated, described, estimated, assessed or intended.*

*There can be no assurance that any forward-looking statements will prove accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements. James Bay Resources Limited does not undertake to update any forward-looking statements that are incorporated by reference herein, except in accordance with applicable securities laws.*

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