

# James Bay Resources Announces Settlement Offer Accepted In Litigation with Seplat Petroleum Plc

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**James Bay Resources Limited** (“**James Bay**” or the “**Company**”) (CSE:**JBR**) announced that its settlement offer in the litigation between Crestar Natural Resources Limited and Newton Energy Limited, a subsidiary of Seplat Petroleum Development Company Plc, has been accepted. The litigation relates to proceedings brought in January 2017 by Crestar in the English High Court over the deposit of US\$20.5 million currently held in an escrow account, following a protracted dispute over the acquisition of Oil Mining Lease (OML) 25 from Shell and its partners. Under the terms of the settlement offer, James Bay shall receive US\$10.5 million of the escrowed funds, plus interest at 8% from January 3, 2018, along with its legal costs in relation to the action.

James Bay is obligated to pay a portion of the escrowed funds it receives under the settlement to the holders of unsecured convertible debentures (the “**Holders**”) which closed in Q2 of 2015. Net proceeds from that debenture offering were used to fund James Bay’s working capital needs, including in particular any litigation issues stemming from the Company’s enforcement of its right to acquire a 45% participating interest in OML 25 in Nigeria (the “**Litigation**”), as further disclosed in the Company’s news releases dated March 9, 2015 and January 26, 2015. James Bay had also entered into litigation funding agreements (the “**Litigation Funding Agreements**”) with the Holders to pay up to an aggregate of 30% of the net proceeds of the Litigation.

## **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 the Corporation’s 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 the Company's Litigation and the 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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***The Canadian Securities Exchange does not accept responsibility for the adequacy or accuracy of this news release.***