



NEWS RELEASE

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Ticker: **EW** (TSX-V)

EAST WEST PETROLEUM ANNOUNCES OPERATIONAL UPDATE FOR NEW ZEALAND

Vancouver, British Columbia: September 4, 2014 East West Petroleum Corp. (TSX-V: EW, the “Company” or “East West”), is pleased to provide the following update on its operations in New Zealand. TAG Oil Ltd. (“TAG”) is the operator and co-owner of all of the Company’s licenses in New Zealand.

PEP 54879 (Cheal South), 50% East West

The Cheal-G1 well on the Cheal South permit has completed its scheduled 11-day flow test. Approximately 1,020 boe (94% oil)] was produced during the test. Over the last 5 days of the test, the well averaged 127 boepd (93% oil) of steady production utilizing a jet pump artificial lift system.

The well is now shut in and undergoing temperature and pressure analysis. The joint venture partners are continuing to review the prospectivity of the area accessible from the Cheal G-site to identify further drilling targets.

The oil produced during the test has been comingled and sold with production from the Cheal E-site. Under the PEP 54879 joint venture agreement with TAG, East West is entitled to receive 100% of the first \$2.5 million of revenue from the permit, while paying 100% of the costs to produce that revenue, in return for funding the first \$2.5 million in exploration costs. After receiving the first \$2.5 million in revenue, all revenues and costs will be split on a 50:50 basis between the joint venture parties.

PEP 55770 (East Coast), 40% East West

East West is pleased to announced that the joint operating agreement (the “JOA”) for PEP 55770 located in the East Coast Basin has been finalized with the permit operator TAG Oil Ltd (“TAG”) who holds a 60% interest in the permit. PEP 55770 was awarded in the 2013 New Zealand Block Offer and has a term of 10 years commencing April 1, 2014. Under the terms of the permit and JOA, the committed work includes the reprocessing of existing seismic data during the first 12 months. Post the completion of the committed work, and should the joint venture choose to continue with the permit, the next six months contingent work will entail the acquisition of 60 km of 2D seismic data followed a further contingent work period of 12 months which would include the drilling of one exploration well.

Reprocessing of existing seismic data is currently underway. In addition, East West is awaiting the results of TAG’s Waitangi Valley-1 well which is drilling in the nearby PEP 38348. Under the terms of

the JOA and in return for funding 100% of the program mentioned above, East West will have access to all of the data and results of the Waitangi Valley-1 well, which will be combined with the reprocessed seismic to assess the prospectivity of PEP 55770 before committing to seismic acquisition in H1 2015.

PEP 54877 (Cheal North), 30% East West

Production from the Cheal E-site remains stable with a low decline rate. July achieved the highest monthly average daily rate to date with 882 boepd (gross, 78% oil) produced through July from the Cheal-E1 and the E4 wells which continue to flow naturally and the E5 well which is on artificial lift with a jet pump. To date, the Cheal E-site has produced approximately 176,000 BOE (gross, 81% oil) since production started in mid-November 2013.

In addition, a joint venture review of the Cheal-E2 drilling and completion operations that targeted the Urenui Formation determined that mechanical completion issues prevented commercial production from the Urenui. After comparing these results with all of the E-site drilling data now available and comparing with seismic coverage over the permit, the joint venture has decided to isolate the Urenui Formation in this well and re-complete Cheal-E2 to establish production from the Mt. Messenger Formation. Following recompletion, the E2 well will undergo flow testing and temperature and pressure analysis. The estimated net cost to East West is approximately NZ\$240,000.

The Nova-1 rig is scheduled to be used to drill the Cheal-E6 well on the PEP 54877 permit from the Cheal E-site prior to year end. The net costs of the Cheal-E6 well are approximately \$1 million to East West and will be funded from the Company's existing cash balance. The Cheal E-site has the capacity for 12 wells to be drilled from the well pad and work continues by the joint venture partners to identifying additional E-site drilling targets for drilling in 2015.

Termination of Morocco

The Company has reached the end of the initial three year exploration period for the Doukkala permit in Morocco and will not be continuing with further exploration work on the permit.

About East West Petroleum Corp.

East West Petroleum (<http://www.eastwestpetroleum.ca>) is a TSX Venture Exchange listed company established in 2010 to invest in international oil & gas opportunities. East West has built a diverse portfolio of attractive exploration assets covering a gross area of approximately 1.3 million acres. The Company has its primary focus on two key areas: New Zealand, where it has established production and cash flow and is evaluating a low risk exploration play, and Romania where it is fully carried on an upcoming high impact 12 well exploration program. In New Zealand, East West holds an interest in three exploration permits near to existing commercial production in the Taranaki Basin, operated by TAG Oil Ltd. (TSX: TAO); in December 2013, the Company was awarded a 40% interest in one block in the emerging East Coast Basin of New Zealand, which covers over 100,000 acres. The Company also

has interests in four exploration concessions covering 1,000,000 acres in the prolific Pannonian Basin of western Romania with Naftna Industrija Srbije (“NIS”).

Forward-looking information is subject to known and unknown risks, uncertainties and other factors that may cause the Company’s actual results, level of activity, performance or achievements to be materially different from those expressed or implied by such forward-looking information. Such factors include, but are not limited to: the ability to raise sufficient capital to fund exploration and development; the quantity of and future net revenues from the Company’s reserves; oil and natural gas production levels; commodity prices, foreign currency exchange rates and interest rates; capital expenditure programs and other expenditures; supply and demand for oil and natural gas; schedules and timing of certain projects and the Company’s strategy for growth; competitive conditions; the Company’s future operating and financial results; and treatment under governmental and other regulatory regimes and tax, environmental and other laws.

Prospective Resources are those quantities of petroleum 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 subclassified based on project maturity. Best estimate resources are considered to be the best estimate of the quantity that will actually be recovered from the accumulation. If probabilistic methods are used, this term is a measure of central tendency of the uncertainty distribution (most likely/mode, P50/median, or arithmetic average/mean). As estimates, there is no certainty that any portion of the resources will be discovered. If discovered, there is no certainty that it will be commercially viable to produce any portion of the resources that the estimated reserves or resources will be recovered or produced.

This list is not exhaustive of the factors that may affect our forward-looking information. These and other factors should be considered carefully and readers should not place undue reliance on such forward-looking information. The Company disclaims any intention or obligation to update or revise forward-looking information, whether as a result of new information, future events or otherwise.

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