

## NEWS RELEASE

### **WesternZagros Announces First Contingent Resources from Kurdamir-1**

**Calgary, Alberta – November 26, 2009** – WesternZagros Resources Ltd. (TSX-V – WZR) ("WesternZagros" or "the Company") is pleased to announce that Sproule International Ltd. ("Sproule") has completed an independent audit which confirms the Company's best estimate contingent resources of 523 billion cubic feet (BCF) of natural gas and 21 million barrels (MMBBL) of condensate from the Tertiary interval of the Kurdamir-1 well as of November 23, 2009. Sproule has also confirmed additional prospective resources of either oil or gas from this Tertiary interval. These resource estimates do not include any assessments for the deeper Cretaceous reservoir targets yet to be drilled. WesternZagros is currently widening the existing wellbore at the Kurdamir-1 well in preparation to set the 9 5/8 inch casing at approximately 2,700 metres, prior to drilling into the Cretaceous reservoir targets.

"While we still have more work to do on this well and on our longer-term drilling program, this confirmation of a significant hydrocarbon accumulation is an important milestone for WesternZagros," said Simon Hatfield, WesternZagros' Chief Executive Officer. "Finding the world-class Oligocene reservoir present on our block is good news. We drilled 168 metres of it at Kurdamir-1 and achieved high test rates in both of our drill stem tests. We look forward to the possibility of discovering significant quantities of oil, both in the deeper Cretaceous targets and on the flanks of the Kurdamir structure."

WesternZagros' estimated range of discovered gas initially-in-place is from 635 BCF to 1,098 BCF and the estimated range of gross unrisksed contingent resources is from 379 BCF to 696 BCF of gas and from 13 MMBBL to 32 MMBBL of condensate. The discovered gas initially-in-place and the contingent resources estimates were assigned across the crest of the Kurdamir structure down to a depth of 2,312 metres, which is the lowest known gas in the Kurdamir-1 wellbore as determined by wireline logs. These estimates do not include any potential in the as yet undrilled downdip flanks of the Kurdamir structure in the Tertiary reservoir deeper than 2,312 metres. This undrilled potential is classified as undiscovered prospective resource, and was also confirmed in the Sproule report.

The Kurdamir-1 well encountered no porous reservoir below 2,312 metres. It is therefore uncertain whether the gas and condensate encountered is associated with other prospective resources. The gas and condensate may be in a gas cap associated with a deeper oil column downdip on the flanks of the structure; it may be in a non-associated accumulation with a deeper gas and condensate column downdip on the flanks of the structure (without any downdip oil column); or it may be in association with a water column; or it may be in association with any combination of these. Additional information, likely to be obtained by drilling a well on the flank of the structure, will be required to confirm the existence of these prospective resources and, if present, whether they are gas and condensate, oil or a combination of both.

If the Tertiary reservoirs below 2,312 metres on the flank of the Kurdamir structure contain gas and condensate only, WesternZagros' estimated range of undiscovered gas initially-in-place is from 371 BCF to 1,032 BCF and the estimated range of gross unrisksed prospective resources is from 180 BCF to 609 BCF of gas and from 8 MMBBL to 25 MMBBL of condensate.

Alternatively, if the Tertiary reservoirs below 2,312 metres on the flank of the structure contain oil only, WesternZagros' estimated range is from 164 MMBBL to 508 MMBBL of gross undiscovered oil initially-in-place and from 32 MMBBL to 207 MMBBL of gross unrisksed prospective oil resources (recoverable).

These prospective resources, whether gas and condensate or oil, would be in addition to any hydrocarbons that may be discovered in the deeper Cretaceous reservoir targets yet to be drilled.

Sproule carried out its audit in accordance with the standards established by the Canadian Securities Administrators in National Instrument 51-101 Standards of Disclosure for Oil and Gas Activities. Those standards require that prospective resource estimates are prepared in accordance with the Canadian Oil and Gas Evaluation Handbook (the "COGE Handbook"). In Sproule's opinion, WesternZagros' estimates were determined in accordance with industry practice and the guidelines and definitions contained in the COGE Handbook.

The estimated contingent and prospective resources for Kurdamir-1 are expressed in the tables below as a range of estimates.

<b>Table 1</b> <b>Kurdamir-1 Tertiary Gross Unrisked Discovered and Contingent Resources<sup>(1)(3)(10)(11)</sup></b> <b>Gas and Condensate</b> (As of November 23, 2009)				
	Low Estimate P90 <sup>(6)</sup>	Best Estimate P50 <sup>(7)</sup>	High Estimate P10 <sup>(8)</sup>	Mean Estimate <sup>(9)</sup>
Gas Initially-In-Place <sup>(4)</sup>	635	847	1,098	856
Gas Contingent Resources (BCF)	379	523	696	532
Condensate Contingent Resources (MMBBL)	13	21	32	22

<b>Table 2</b> <b>Kurdamir-1 Tertiary Gross Unrisked Undiscovered and Prospective Resources<sup>(2)(3)(10)(12) (13)</sup></b> <b>If Gas and Condensate Only</b> (As of November 23, 2009)				
	Low Estimate P90 <sup>(6)</sup>	Best Estimate P50 <sup>(7)</sup>	High Estimate P10 <sup>(8)</sup>	Mean Estimate <sup>(9)</sup>
Undiscovered Gas Initially-In-Place <sup>(5)</sup>	371	692	1,032	699
Gas Prospective Resources(BCF)	180	363	609	381
Condensate Prospective Resources (MMBBL)	8	15	25	16

<b>Table 3</b> <b>Kurdamir-1 Tertiary Gross Unrisked Undiscovered and Prospective Resources<sup>(13)</sup></b> <b>If Oil Only</b> (As of November 23, 2009)				
	Low Estimate P90 <sup>(6)</sup>	Best Estimate P50 <sup>(7)</sup>	High Estimate P10 <sup>(8)</sup>	Mean Estimate <sup>(9)</sup>
Undiscovered Oil Initially-In-Place (MMBBL) <sup>(5)</sup>	164	328	508	333
Gross Unrisked Prospective Resources Oil (MMBBL) <sup>(2)(10)(12)</sup>	32	100	207	112

Notes to the tables:

- (1) The contingent resources are the gross volumes estimated for the Tertiary carbonate reservoirs at Kurdamir-1, without any adjustments for working interest or encumbrances.
- (2) The prospective resources are the gross volumes estimated for the Tertiary carbonate reservoirs at Kurdamir-1 below 2,312 metres, without any adjustments for working interest or encumbrances.
- (3) The gross unrisksed contingent resources and gross unrisksed prospective resources for gas reflect reductions for condensate recovery, surface losses, and fuel gas.
- (4) Discovered Resources (equivalent to discovered petroleum initially-in-place) are those quantities of petroleum that are estimated, as of a given date, to be contained in known accumulations prior to production. The recoverable portion of discovered petroleum initially-in-place includes production, reserves and contingent resources; the remainder is unrecoverable.
- (5) Undiscovered resources (equivalent to undiscovered petroleum initially-in-place) are those quantities of petroleum that are estimated, as of a given date, to be contained in accumulations yet to be discovered. The recoverable portion of the discovered petroleum initially-in-place is referred to as prospective resources, the remainder is unrecoverable.
- (6) Low Estimate is considered to be a conservative estimate of the quantity that will actually be recovered. It is likely that the actual remaining quantities recovered will exceed the low estimate. If probabilistic methods are used, there should be at least a 90 percent probability (P90) that the quantities actually recovered will equal or exceed the low estimate.
- (7) Best Estimate is considered to be the best estimate of the quantity that will actually be recovered. It is equally likely that the actual remaining quantities recovered will be greater of less than the best estimate. If probabilistic methods are used, there should be at least a 50 percent probability (P50) that the quantities actually recovered will equal or exceed the best estimate.
- (8) High Estimate is considered to be an optimistic estimate of the quantity that will actually be recovered. It is unlikely that the actual remaining quantities recovered will exceed the high estimate. If probabilistic methods are used, there should be at least a 10 percent probability (P10) that the quantities actually recovered will equal or exceed the high estimate.
- (9) Mean Estimate is the average from the probabilistic assessment.
- (10) The gross contingent and prospective resource estimates are based on 115 kilometres of 2D seismic lines (10 lines), wireline logs and two drill stem tests. Logging results indicated a gross hydrocarbon pay of 168 metres, penetrated from the top of the porous Tertiary carbonate reservoir at 2,144 metres to the base of the porous reservoir at 2,312 metres. The two drill stem tests conducted were between 2,195 metres and 2,235 metres and between 2,280 metres and 2,352 metres. Combined test rates indicate approximately 27.5 million cubic feet per day of gas and 1,172 barrels per day of 61° API natural gas liquids (condensate). Test rates were limited due to testing equipment restrictions; however, initial well test analysis conducted by an independent third party indicates that reservoir production potential of approximately 52 million cubic feet per day of gas and 2,240 barrels per day of condensate could be expected from these intervals. No formation water was recovered during the testing.
- (11) Contingent resources are those quantities of petroleum estimated, as of a given date, to be potentially recoverable from known accumulations using established technology or technology under development, but which are not currently considered to be commercially recoverable due to one or more contingencies. Contingent resources have an associated chance of development (economic, regulatory, market and facility, corporate commitment or political risks). These estimates have not been risksed for the chance of development. There is no certainty that the contingent resources will be developed and, if developed, there is no certainty as to the timing of such development or that it will be commercially viable to produce any portion of the contingent resources.

(12) 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 (geological chance of success) and a chance of development (economic, regulatory, market and facility, corporate commitment or political risks). The chance of commerciality is the product of these two risk components. These estimates have not been risked for either the chance of discovery or the chance of development. There is no certainty that any portion of the prospective resources will be discovered. If a discovery is made, there is no certainty that it will be developed or, if it is developed, there is no certainty as to the timing of such development or that it will be commercially viable to produce any portion of the prospective resources. In this case, prospective resources are undiscovered resources that indicate development potential in the event the discovery is made and is commercial and they should not be construed as reserves or contingent resources. Prospective resources are provided for gas and condensate in Table 2, if the remainder of the Tertiary below 2,312 metres is a non-associated accumulation without any oil downdip, and for oil in Table 3, if there is a deeper oil column downdip on the flanks of the structure. Additional information, likely through the drilling of an appraisal well, will be required to confirm the existence of these prospective resources and determine if this is a non-associated accumulation without any oil downdip or whether there is a deeper oil column downdip on the flanks of the structure.

(13) The volumes reported in Table 2 and Table 3 are for separate cases and are not additive.

There are several contingencies that prevent the classification of the contingent resources as reserves. WesternZagros has no definitive plans to develop the gas and/or condensate resources at this time and accordingly these are considered contingent resources. An evaluation has yet to be conducted in order to determine the economic viability of these contingent resources. Currently there is limited local infrastructure and markets for natural gas and condensate, and export infrastructure to access other markets has not yet been developed. WesternZagros will work with its co-venturers, the Kurdistan Regional Government and Talisman Energy Inc., to evaluate the commercial potential and technical feasibility of the gas and condensate discovered to date at Kurdamir-1, together with any additional discoveries yet to be made. Beyond this contingency, no federal Iraq legislation has been agreed to or enacted to address the future organization of Iraq's petroleum industry or the sharing of petroleum and other revenues within Iraq. Failure to enact legislation (or the enactment of federal legislation contradictory to Kurdistan Region legislation) could materially adversely impact WesternZagros' interest in the Kurdistan Region and the PSC.

This resource disclosure coincides with the filing on SEDAR at [www.sedar.com](http://www.sedar.com) of a material change report, which includes the following additional information: the risks and level of uncertainty associated with the discovery and recovery of the resources, the risks and uncertainties relating to the development of any discovered resources, and the significant positive and negative factors relevant to the estimates.

#### **About WesternZagros Resources Ltd.**

WesternZagros is an international natural resources company engaged in acquiring properties and exploring for, developing and producing crude oil and natural gas in Iraq. WesternZagros, through its wholly-owned subsidiaries, holds a Production Sharing Contract with the Kurdistan Regional Government in the Kurdistan Region of Iraq. WesternZagros' shares trade in Canada on the TSX Venture Exchange under the symbol "WZR".

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*This news release may contain forward-looking information based on assumptions that are subject to a wide range of business risks. WesternZagros' operations are subject to all risks normally incident to the exploration, development and operation of crude oil and natural gas properties and the drilling of crude oil and natural gas wells, including geological risk, encountering unexpected formations or pressures, premature declines of reservoirs, potential environment damage, blow-outs, fires and spills, all of which could result in personal injuries, loss of life and damage to property of WesternZagros and others; environment risks; delay or changes in plans with respect to exploration or development projects or capital expenditures; its joint venture partner's continued participation in the exploration activities under the PSC, the ability to attract key personnel; the risk of commodity price and foreign exchange rate fluctuations.*

*All of WesternZagros' assets are located in Kurdistan. As such, WesternZagros is subject to political, economic, and other uncertainties of that region as well as risks of loss due to civil strife, acts of war, guerrilla activities and insurrections. WesternZagros' operations may be materially adversely affected by changes in government policies and legislation or social instability and other factors which are not within its control. Risks also include the uncertainty involved in the estimation of undiscovered resources. For further information on WesternZagros and the risks associated with its business, please see WesternZagros' Annual Information Form dated March 26, 2009 which is filed at [www.sedar.com](http://www.sedar.com) and on the Company's web site.*

*Forward-looking information typically contains statements with words such as "anticipate", "estimate", "expect", "potential", "could", or similar words suggesting future outcomes. We caution readers and prospective investors of the Company's securities not to place undue reliance on forward-looking information as by its nature, it is based on current expectations regarding future events that involve a number of assumptions, inherent risks and uncertainties, which could cause actual results to differ materially from those anticipated by WesternZagros.*

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