

23 December 2014

OAX / NSX Announcement

African Petroleum Corporation Limited  
("African Petroleum Corporation" or the "Company")

### **Term Sheet Signed for Liberian Licence LB-08**

African Petroleum Corporation, an independent oil and gas exploration company operating ten licences in five countries offshore West Africa, is pleased to announce that it has signed a non-binding term sheet agreeing terms with a private London based independent oil and gas company to farm-in to the Company's 100% owned Liberian LB-08 licence ("Term Sheet").

Pursuant to the Term Sheet the third party has agreed, subject *inter alia* to completion of due diligence and the entering into of mutually agreed contracts, to acquire a 50% net participating interest in the LB-08 licence in return for the payment of 50% of all future costs and expenditures relating to the LB-08 licence and a contribution to past costs and expenditures.

The LB-08 Licence is situated in a highly prospective region offshore Liberia. In an independent review of African Petroleum Corporation's acreage conducted by ERC Equipoise Ltd in April 2014, the estimated net unrisked mean prospective oil resources of LB-08 exceeds two billion barrels. With an oil discovery in the adjacent licence and proof of a working hydrocarbon system in the central Liberian basin, the Company believes that LB-08 has substantial potential.

Completion of the farm-in transaction as contemplated by the Term Sheet is subject to contract and a number of conditions precedent, which, apart from one pertaining to approval from the Liberian Government, must be satisfied or waived no later than 29 January 2015.

**African Petroleum Corporation's Chief Executive Officer, Dr Stuart Lake, commented:**  
"The signing of the Term Sheet is a significant milestone for African Petroleum Corporation. Should the farm-in transaction complete, the incoming third party will bring a breadth of knowledge and experience to the partnership and will allow the Company to continue its exploration programme in its highly prospective acreage in Liberia benefiting from the falling operating costs brought on by a lower oil price.

African Petroleum Corporation continues its negotiations with potential partners in its other licences and remains confident that it will secure additional farm-outs in due course."

**For further information, please contact:**

Stuart Lake, Chief Executive Officer

Stephen West, Finance Director

Tel: +44 20 3435 7700

Angeline Hicks, Company Secretary

Tel: + 61 401 489 883

**Media Contacts:**

For UK and International media – Bell Pottinger

Nick Lambert /Charlie Stewart

Tel: +44 20 3772 2500

For Norwegian media: First House

Geir Arne Drangeid

Tel: +47 913 10 458

Geir Gjervan

Tel: +47 908 79 108

**About African Petroleum Corporation**

African Petroleum Corporation is a dynamic, independent oil and gas exploration company operating ten licences in five countries offshore West Africa. The Company's assets are located in fast-emerging hydrocarbon basins, principally the West African Transform Margin, where several discoveries have been made in recent years, including African Petroleum Corporation's Narina-1 discovery in February 2012, which proved a working hydrocarbon system in the Liberian basin. With a combined net acreage position of 30,963km<sup>2</sup> through its licences in Côte d'Ivoire, Liberia, Senegal, Sierra Leone and The Gambia, the Company has matured its portfolio rapidly, acquiring more than 18,500km<sup>2</sup> of 3D seismic data and successfully drilling three wells, one of which was the first hydrocarbons discovery in the offshore Liberian deep-water basin.

For more information about African Petroleum Corporation, please see

[www.africanpetroleum.com.au](http://www.africanpetroleum.com.au)

This information is subject to disclosure requirements pursuant to section 5-12 of the Norwegian Securities Trading Act.