

23 November 2016

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

Licence Update - Liberia

African Petroleum, an independent oil and gas exploration company operating high impact exploration licences offshore West Africa, announces that the production sharing contracts for blocks LB-08 and LB-09 (the "PSCs") have expired and will not be extended.

The PSCs formally expired in June 2016 and since this time African Petroleum had been in discussions with the relevant Liberian authorities regarding the possible amendment of terms and extension of these blocks to enable the Company additional time to attract an industry partner whilst not enduring costly work commitments. An agreement on the terms proposed by African Petroleum, however, could not be reached and the Company was formally notified that the PSCs had expired.

As previously reported, the Company has been seeking partners on these PSCs for some time; however, the Company has received little industry interest as a result of the challenging market conditions for exploration activity and the lack of commercial discoveries in Liberia. Whilst the Company has been active in Liberia for some time and these licences played an important role within the portfolio in the early stages of the Company's development, the Company's portfolio has evolved significantly in recent years and the Company is now focussing on the licences where we see the most potential and industry interest to partner with African Petroleum.

The expiration of these PSCs reduces the Company's recognised prospective resources to 7.4 billion net unrisked mean prospective oil resources (based on independent reviews produced by ERC Equipose).

Commenting on the update, CEO Jens Pace said:

"African Petroleum has been active in Liberia for some time and has played a major role in helping to progress the industry in the country through the successful drilling of three exploration wells, including the non-commercial discovery at Narina-1. It is therefore disappointing to be exiting the country; however, our near term focus and resources must go towards the other more exciting assets within our portfolio that are generating the most industry interest and lie within proven hydrocarbon systems adjacent to world class commercial discoveries."

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About African Petroleum

African Petroleum is an independent oil and gas exploration company with an equity interest in eight licences in four countries offshore West Africa (Senegal, The Gambia, Côte d'Ivoire and Sierra Leone). The Company's assets are located in proven hydrocarbon basins in the West African Transform Margin and the Atlantic Margin, where several discoveries have been made in recent years. The Company is working with its partner Ophir Energy (operator) on the CI-513 licence in Côte d'Ivoire to drill an exploration well in Q2 2017.

For more information about African Petroleum, please see www.africanpetroleum.com.au