

21 October 2015

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

Corporate Update

African Petroleum, an independent oil and gas exploration company operating ten licences in five countries offshore West Africa, provides the following corporate update.

Farm-Out Status

African Petroleum continues to seek strategic partners on its ten licences in Côte d'Ivoire, Liberia, Senegal, The Gambia and Sierra Leone in order to share risk and the potential reward of the Company's exploration programme, and to fund its high impact exploration drilling campaign in 2016 and beyond. The Company's immediate focus is to conclude the transaction in Côte d'Ivoire (refer below), and to farm out the Company's assets in The Gambia and Senegal as ongoing discussions mature with key potential partners. The quality of the Company's acreage, coupled with the high level of equity interest held in all of the licences, provides management with confidence that agreements will be concluded in due course.

(i) Côte d'Ivoire

As announced on 29 June 2015, African Petroleum has signed a binding joint bidding agreement with a London listed oil and gas company to provide a framework for the incoming third party to secure a 45% operated interest in a Production Sharing Contract (on terms to be agreed) covering the Company's Block CI-513 licence area in Côte d'Ivoire. It is intended that African Petroleum will hold a non-operated interest of 45%, with the remaining 10% carried interest held by Petroci, the National Oil Company of Côte d'Ivoire.

Completion of the transaction is subject to negotiation and entry into commercial agreements and several conditions precedent including, but not limited to, the agreement and approval of the Government of Côte d'Ivoire.

African Petroleum and the incoming party are working together towards completion of the transaction as soon as possible, and the Company expects to make further announcements, including further details of commercial terms, in due course as progress is made.

Meanwhile, third party activity continues in the region with the Vitol led group due to commence exploration drilling during 4Q 2015 in their licence CI-508, which is adjacent to the Company's CI-509 and CI-513 licences.

(ii) The Gambia & Senegal

The Company is in advanced farm-out discussions with several interested parties across the Company's Gambia and Senegal assets. This part of the Atlantic Margin has become highly active with the recent exploration success of third party operators, namely Cairn Energy in

Senegal and Kosmos in Mauritania. A significant level of activity in the region is ongoing as Cairn and its partners commence a multi-well exploration and appraisal programme to be drilled across their Senegalese acreage. In addition, Kosmos, currently drilling in Mauritania, has announced plans to move south into Northern Senegal to follow-up their significant Tortue gas discovery with exploration and appraisal drilling.

African Petroleum's data room schedule remains active with a high calibre of industry companies continuing to view the data. A number of these parties have confirmed their interest in pursuing a transaction and have initiated detailed due diligence. The Company seeks to attract binding offers as soon as possible. Further announcements on progress will be made in due course.

NSX De-Listing

On 22 September 2015, the Company announced that it had elected to voluntarily de-list from the National Stock of Exchange of Australia ("NSX"). The decision to delist from the NSX was principally as a result of limited trading liquidity on the exchange compared with the Oslo Axess exchange, where African Petroleum has had its primary listing since May 2014.

The decision was also made as part of African Petroleum's on-going focus on capital discipline in reviewing all costs across the business. The Company continues to act prudently in light of current challenging market conditions and remains on target to reduce general and administrative expenses significantly by year end.

Outlook

Whilst it is frustrating not to have concluded a transaction, the quality of the Company's assets is such that the level of interest from potential partners remains high. Based on the positive and ongoing dialogue with numerous potential partners, African Petroleum is confident that despite the industry-wide challenges created as a result a low oil price environment, the attractiveness of the Company's assets should allow for a successful conclusion to ongoing farm-out discussions. It is hoped that the Company will be in a position to announce further progress on these discussions by the end of 2015.

Jens Pace, African Petroleum's CEO, comments:

"The quality of our assets and the level of third party activity underway in adjacent acreage, has translated into a consistently high level of industry interest in our acreage and accordingly we remain confident of completing a farm-out transaction despite the difficult market conditions. We look forward to updating the market on our progress in due course."

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About African Petroleum

African Petroleum is an independent oil and gas exploration company operating ten licences in five countries offshore West Africa. 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. With a combined net acreage position of 30,378km² through its licences in Côte d'Ivoire, Liberia, Senegal, Sierra Leone and The Gambia, the Company has matured its portfolio through the acquisition of more than 18,500km² of 3D seismic data and successfully drilling three deep-water wells, one of which was the first hydrocarbons discovery in the offshore Liberian – Sierra Leone Basin.

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