

25 June 2018

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

### **Corporate Update – Senegal & The Gambia**

African Petroleum, an independent oil and gas exploration company with licence interests in offshore West Africa, provides the following update:

#### **Senegal (SOSP & ROP PSCs – 90% interest)**

In January 2018, formal notices of dispute were lodged with the Senegalese authorities in respect of the Senegal Offshore Sud Profond ("SOSP") and Rufisque Offshore Profond ("ROP") Petroleum Sharing Contracts ("PSCs") and, in accordance with the terms of the PSCs, the parties had three months to resolve the disputes.

Unfortunately, the parties were unable to resolve the disputes during the defined timeframe and during a period of subsequent discussions, and accordingly the Company's subsidiary African Petroleum Senegal Limited has lodged Request for Arbitration documents with the International Centre for the Settlement of Investment Disputes ("ICSID") in order to protect its interests in the ROP and SOSP blocks in Senegal.

Due to legal confidentiality considerations and commercial sensitivities associated with the arbitration process, the Company intends to only provide material updates to shareholders as and when appropriate.

African Petroleum notes recent media reports that Total has completed a significant seismic acquisition on the ROP block and is planning to drill a well in 2019. The Company continues to reserve its rights on the ROP PSC.

The Company remains open to engaging in constructive dialogue with the Senegalese authorities through appropriate and official channels, with a view to establishing a satisfactory solution that is in the interests of all parties.

#### **The Gambia (A1 & A4 Licences – 100% interest)**

The ICSID arbitration proceedings initiated by the Company to protect its interests in the A1 and A4 licences in The Gambia are continuing, with the following developments since the last update provided by the Company:

- The three original ICSID cases (ARB/17/38, ARB/17/39 and ARB/17/40) have been consolidated into one ICSID case (ARB/17/38); and
- The tribunal for the case has been constituted.

The Company notes recent media reports regarding alleged meetings between the Company and the Government. Due to legal confidentiality considerations and commercial sensitivities associated with the dispute and the arbitration process, the Company is unable

to comment on this speculation and intends to only provide material updates to shareholders through official channels as and when appropriate.

The Company is open to engaging in constructive dialogue with the Gambian authorities, with a view to establishing a satisfactory solution that is in the interests of all parties.

**Jens Pace, African Petroleum's CEO, comments:**

*"Our legal position regarding our rights over the licences in Senegal remains unchanged. We are taking this step of initiating official dispute resolution proceedings in order to underpin and shape discussions with the government, with the ultimate aim of protecting our interests. We believe in the significant potential of our licences and are determined to find a way forward with all stakeholders to secure value for our shareholders.*

*As previously stated, African Petroleum remains well funded and we can comfortably cover the legal costs associated with Senegal and The Gambia, whilst also funding the agreed work programs of European Hydrocarbons and African Petroleum Sierra Leone in Sierra Leone.*

*We thank our shareholders for their continued support and will continue to provide updates as and when we have material updates to provide."*

\*\*\*\*\*

**For further information, please contact:**

Jens Pace, Chief Executive Officer  
Stephen West, Chief Financial Officer  
Tel: +44 20 3655 7810

**Media Contacts:**

Buchanan  
Ben Romney/Chris Judd  
Tel: +44 207 466 5000

**About African Petroleum**

African Petroleum is an independent oil and gas exploration company with licence interests in offshore West Africa (Senegal, The Gambia 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.

For more information about African Petroleum, please see [www.africanpetroleum.com.au](http://www.africanpetroleum.com.au)