



**African
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9 May 2014

NSX/Oslo Axess Announcement

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

APPROVED PROSPECTUS AND LAUNCH OF IPO ON OSLO AXESS

African Petroleum Corporation has resolved to launch an initial public offering (the "Offering") of the Company's shares on Oslo Axess. Subject to successful completion of the Offering and fulfilment of the conditions for listing as determined by the Board of Oslo Børs on 30 April 2014, the shares of African Petroleum Corporation are expected to be admitted to listing on Oslo Axess on or about 30 May 2014.

The Company is a West African focused exploration company, and is operator of eight licences across Liberia, Sierra Leone, Côte d'Ivoire and Senegal. Its assets are principally in the West African Transform Margin, where several discoveries have been made in recent years, including African Petroleum Corporation's technical Narina-1 discovery in February 2012. The Company has a total net acreage position of 28,295 square kilometres with net unrisked prospective resources estimated at 5.2 billion barrels, highlighting the scale of African Petroleum Corporation's presence in the region.

Commenting on today's announcement, Stuart Lake, African Petroleum Corporation's Chief Executive Officer and Executive Director said: *"This is an important milestone and exciting time for African Petroleum Corporation. The initial public offering and the subsequent listing on Oslo Axess are key components to the further growth and development of the Company.*

With recent licence extensions in Côte d'Ivoire, Liberia and Sierra Leone, and as we are preparing for a drilling campaign in 2015, we look to unlock the exciting potential in our West African assets, we are pleased to offer new shares in the Company to existing and new investors."

The shares to be offered in the Offering (the "Offer Shares") will be offered at an indicative non-binding price range of between NOK 1.30 and NOK 1.45 (approximately A\$0.24 and A\$0.26) per Offer Share, which implies a pre-IPO value of African Petroleum Corporation of between NOK 843 million and NOK 940.3 million (approximately A\$153.1 million and A\$170.8 million). The final price per Offer Share may, however, be set above or below this indicative price range.

The Company intends to raise gross proceeds between NOK 100 million to NOK 200 million (approximately A\$18 million to A\$36 million), by issuing between 68,965,517 and 153,846,154 Offer Shares in the Offering. In addition, pursuant to an over-allotment facility, Pareto Securities AS, as manager of the Offering (the "Manager"), may elect to over-allot a number of additional shares equalling up to 10% of the number of Offer Shares initially allocated in the Offering. These shares will be provided by Sarella Investments Limited through a share lending arrangement with the Manager.



The Financial Supervisory Authority of Norway has today approved the prospectus dated 9 May 2014 that has been prepared in connection with the Offering and the expected listing of the shares of African Petroleum Corporation on Oslo Axess. In accordance with the prospectus, the Offering will consist of:

- a retail offering, in which Offer Shares are being offered to the public in Norway subject to a lower limit per application and allocation of NOK 10,500 and an upper limit per application and allocation of NOK 999,999 for each applicant (the “Retail Offering”). Applicants in the Retail Offering will receive a discount of NOK 1,500 on their aggregate application amount for the Offer Shares allocated to such applicants; and
- an institutional offering, in which Offer Shares are being offered to (i) investors in Norway, (ii) investors outside Norway and the United States pursuant to applicable exemptions from local prospectus requirements and other filing requirements and in compliance with Regulation S under the U.S. Securities Act, and (iii) in the United States to qualified institutional buyers (QIBs) as defined in, and in reliance on, Rule 144A under the U.S. Securities Act, in each case subject to a lower limit per application of NOK 1,000,000 (the “Institutional Offering”).

The bookbuilding period for the Institutional Offering will commence on 12 May 2014 at 09:00 a.m. (CET) and run until 3:00 p.m. (CET) on 20 May 2014, and the order period for the Retail Offering will commence on 12 May 2014 at 09:00 a.m. (CET) and run until 12:00 (CET) on 20 May 2014, both subject to shortening or extensions. The final number of Offer Shares to be allocated, and the final price per Offer Share, will be determined by the Board of the Company, in consultation with the Manager, after completion of the bookbuilding period for the Institutional Offering. The final pricing of the transaction is expected to take place on or around 20 May 2014 with the first day of trading on Oslo Axess expected to be on or around 30 May 2014.

Completion of the Offering is conditional upon (i) fulfilment of the conditions for listing on Oslo Axess as determined by the Board of Oslo Børs on 30 April 2014 and (ii) the Board of the Company, in consultation with the Manager, having resolved to issue the Offer Shares and complete the Offering.

The Board of Oslo Børs has approved the Company’s application for listing on Oslo Axess with the following conditions: (i) satisfaction of the listing requirements regarding the number of shareholders as set out in section 2.4.2 of the Oslo Axess Listing Rules and at least 25 per cent spread of share ownership among the general public as specified in section 2.4.1 of the Oslo Axess Listing Rules and publication of an approved prospectus, and (ii) the Company raising a minimum of NOK 30 million (approximately USD 5 million) through the Offering prior to the first day of listing.

There can be no assurance that any of the above-mentioned conditions will be satisfied.

The prospectus will, subject to regulatory restrictions in certain jurisdictions, be available at www.paretosec.com and www.africanpetroleum.com.au through a link to the website of Pareto Securities AS, from the start of the bookbuilding period and order period for the Offering, 12 May 2014 at 09:00 a.m (CET). Hard copies of the prospectus may also be obtained free of charge from the same date by contacting the Company or the Manager.

Pareto Securities is acting as Manager in the Offering.



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About African Petroleum Corporation Limited

African Petroleum Corporation is a dynamic, independent oil and gas exploration company operating eight licences in four 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's Narina-1 discovery in February 2012, which proved a working hydrocarbon system in the Liberian basin. With a combined net acreage position of 28,295km² through its licences in Côte d'Ivoire, Liberia, Senegal and Sierra Leone, the Company has matured its portfolio rapidly, acquiring more than 15,000km² of 3D seismic data and successfully drilling three wells, one of which was the first hydrocarbons discovery in the offshore Liberian deep-water basin. The Company emphasises that although the well encountered hydrocarbon columns supported by pressure and sample data, the accumulation does not qualify as reserves or contingent resources under the Petroleum Resources Classification Framework, which requires flow tests.

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

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This press release may not be distributed to any person in the United Kingdom except persons (i) who have professional experience in matters relating to investments falling within Article 19(5) (investment professionals) of the Financial Services and Markets Act 2000 (Financial Promotions) Order 2005 ("FPO"), (ii) who fall within the categories of persons referred to in Article 49(2)(a) to (d) (high net worth companies, unincorporated associations, etc.) of the FPO or (iii) to whom it may otherwise be lawfully communicated.

This press release is not an offer to sell, or the solicitation of an offer to buy, any of the Company's securities to or from investors in Australia. This press release is not a prospectus, product disclosure statement or other offer document under Australian law. As noted above, a prospectus will be prepared by the Company in compliance with the laws of Norway but this will not be a prospectus or an offer document under Australian law. Any offers relating to Company securities in Australia will be made only to persons who are professional investors or sophisticated investors (as those terms are used in s708(11) and s708(8) respectively of the Australian Corporations Act 2001 ("Corporations Act")) or other persons specified in s708 of the Corporations Act who do not require or need to be given a prospectus or other disclosure document under Chapter 6D of the Corporations Act to lawfully receive an offer to subscribe for or acquire securities in the Company.

This press release contains forward-looking statements. Forward-looking statements are statements that are not historical facts and may be identified by words such as "believe," "expect," "anticipate," "intends," "estimate," "will," "may," "continue," "should" and similar expressions. The forward-looking statements in this release are based upon various assumptions, many of which are based, in turn, upon further assumptions. Although African Petroleum Corporation believes that these assumptions were reasonable when made, these assumptions are inherently subject to significant known and unknown risks, uncertainties, contingencies and other important factors which are difficult or impossible to predict and are beyond its control. Such risks, uncertainties, contingencies and other important factors could cause actual events to differ materially from the expectations expressed or implied in this release by such forward-looking statements.

The information, opinions and forward-looking statements contained in this release speak only as at its date, and are subject to change without notice. African Petroleum Corporation disclaims any obligation to update and revise any forward-looking statements, whether as a result of new information, future events or otherwise.

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