

18 October 2017

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

Licence Blocks A1 and A4 – The Gambia

African Petroleum advises that its wholly owned subsidiaries African Petroleum Gambia Limited and APCL Gambia B.V have lodged Requests for Arbitration ("RFA") documents with the International Centre for the Settlement of Investment Disputes ("ICSID") in order to protect its interests in the A1 and A4 licences in The Gambia, and that these RFAs have been registered and allocated case numbers by ICSID.

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.

Commenting on the update, CEO Jens Pace said:

"As we have emphasised on numerous occasions, arbitration is certainly not our preferred route; however, we believe arbitration is necessary to protect our interests in these licences in which we have made significant investment over the years. Despite the formal commencement of this process, we reiterate that we remain wholly open to engaging in constructive dialogue with the Gambian authorities with a view to establishing a satisfactory solution that is in the interest of all parties."

Our message to our shareholders at this time is that we fully appreciate the concerns and queries they might have around this process and we understand that they will be keen for regular updates in terms of timings and possible outcomes. We are; however, legally and commercially constrained by what we can disclose and therefore request their patience as we work through this sensitive, fluid and complex process. It is also important to emphasise that we would not be embarking on this process, nor would it have been formally registered with ICSID, if we did not feel that we had a valid claim supported by the legal counsel we have received on the matter to date."

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About African Petroleum

African Petroleum is an independent oil and gas exploration company with an equity interest in 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.

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