



12 January 2017

OAX Announcement

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

Private Placement Allocation Completed

Reference is made to the stock exchange notice published by the Company on 11 January 2017 at 16:32 (CET) regarding the contemplated private placement to certain existing and new investors (the "Private Placement") of new ordinary shares (the "Offer Shares"). The Board of Directors of the Company is pleased to announce that the Private Placement has been successfully allocated raising NOK 26,675,000 (approximately US\$3.1 million) in gross proceeds through the allocation of 10,670,000 Offer Shares at a subscription price of NOK 2.50 per share (the "Subscription Price"). The Subscription Price was determined during the book building process and represents a discount of NOK 0.50 to the opening price of the shares on the Oslo Axess today.

The application period for the Private Placement closed at 08:00 (CET) today, 12 January 2017. The completion of the Private Placement is conditional upon (i) the Company receiving full payment for the Offer Shares on the due date for payment; and (ii) any regulatory approvals and filings required in connection with the issuance of the Offer Shares.

Following issuance of the Offer Shares the issued and outstanding share capital of the Company will be 117,388,447 shares. The shares do not have a par value. It is expected that the new shares will be issued on a delivery-versus-payment basis on or about 18 January 2017.

The proceeds from the Private Placement will be used to strengthen the Company's balance sheet and liquidity position, to fund working capital and for general corporate purposes.

Mirabaud Securities LLP has acted as Lead Manager for the Private Placement.

African Petroleum's Chief Executive Officer, Jens Pace, commented:

"We are pleased by the confidence placed in us by our existing and new investors for this heavily over-subscribed US\$3.1 million fundraise and are grateful for their support. The net proceeds of the Placing will be used to primarily strengthen the Company's balance sheet and liquidity position whilst we work towards completing farm-out transactions on our high impact exploration acreage. The proceeds will also help us prepare for the exciting and approaching spudding of the exploration well with Ophir Energy in Q2 2017 on the CI-513 block in Côte d'Ivoire. The well will be targeting a mean prospective resource of 352 million

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barrels and has the potential to be truly transformational for African Petroleum in the success case.”

For further information, please contact:

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

Lead Manager:

Mirabaud Securities LLP
Peter Krens
Tel: +44 20 7878 3362

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 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

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

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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 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.

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