



**African
Petroleum**
CORP LTD

Company Presentation

Pareto Securities – Oil & Offshore
Conference, Oslo

14 September 2016



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Competent person statements

The information in this Presentation relating to hydrocarbon resource estimates includes information compiled by Dr Adam Law, Geoscience Director of ERC Equipoise Ltd. Dr Law, is a post-graduate in Geology, a Fellow of the Geological Society and a member of the Society of Petroleum Evaluation Engineers. He has 18 years relevant experience in the evaluation of oil and gas fields and exploration acreage, preparation of development plans and assessment of reserves and resources. Dr Law has consented to the inclusion in this Presentation of the matters based on the information in the form and context in which it appears.

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Company Highlights

World Class Exploration Acreage Position

- > Large acreage position in West Africa Margin: 5 countries, 10 licences
- > 11.6bn+ barrels net unrisks prospective oil resources¹

Significant Discoveries in Adjacent Acreage

- > Several material hydrocarbon discoveries made in adjacent acreage by Total in Côte d'Ivoire, and Cairn Energy and Kosmos in Senegal
- > Discoveries are on trend with prospects in African Petroleum acreage

Securing Partnerships in a Challenging Market

- > Successfully bringing in partners to share risk/reward on licences
- > Ophir Energy transaction (45% operated interest CI-513) – Mar 2016
- > LOI with undisclosed international E&P company (Gambia) – Aug 2016

High Impact Drilling to Commence in 2017

- > Exploration well with Ophir Energy in Côte d'Ivoire (CI-513) in H2 2017
- > Possible further two wells in The Gambia and Senegal in 2017/2018²
- > Proven deep-water operator and expertise on West Africa margin

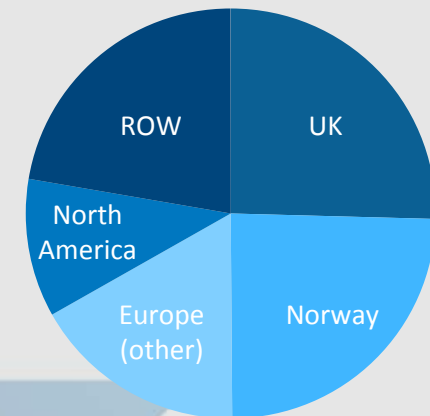
Listed on Oslo Axess

- > Strong support from Norwegian retail investors since May 2014 listing
- > Blue chip institutional shareholder base

Market Statistics (9-Sep-2016)

Listing	OAX (APCL)
Shares on Issue	106,685,114
Market Cap	NOK 261.4m
Share Price	NOK 2.45
Debt	Nil

Geographic Analysis of Investors



Blue Chip Shareholder Base



¹Prospective resource volumes taken from ERC Equipose 2014 & 2015 (adjusted for Ophir Energy deal); ²Subject to financing through farm-out transactions, and licence extensions

Securing Licence Partners

Despite the challenging business and investment environment in the energy sector, African Petroleum is continuing to deliver partnership transactions on its licenses – a testament to the quality of our acreage...



Côte d’Ivoire: Transaction Completed With Ophir Energy (Mar 2016)

- > New PSC negotiated for CI-513 licence in Côte d’Ivoire: better fiscal terms, lower holding costs and an extension to work commitments
- > Ophir Energy holds a 45% Operated interest
- > African Petroleum received US\$16.9m in cash at completion
- > Exploration well planned for H2 2017

Gambia: LOI With International E&P Company (Aug 2016)

- > Non-binding commercial proposal regarding the possible acquisition of interests in Licences A1 and A4
- > Conditional upon extension of the exploration periods of both licences by at least 12 months
- > Subject to ongoing due diligence and commercial negotiations

Experienced Board & Management Team



Jens Pace: CEO & Executive Director

- > 30 years at BP, and heritage company Amoco, gaining E&P leadership experience in Africa, Europe and Russia
- > Managed an active exploration portfolio for BP in North Africa
- > Additional experience in the areas of field development and as commercial manager



Stephen West: CFO & Executive Director

- > 20+ years of financial and corporate experience from public practice, oil & gas, mining and investment banking
- > Chartered Accountant with Bachelor of Commerce (Accounting and Business Law)
- > Non-Executive Director of Apollo Consolidated (ASX:AOP) and Zeta Petroleum (ASX:ZTA)



Michael Barrett: Exploration Director

- > 20+ years global exploration experience at Chevron, Addax International
- > Specialised in Play and Prospect risk assessment, volumetric analysis, commercial evaluation and portfolio management
- > Background in quantitative geophysics, stratigraphic interpretation workflows and 3D visualisation

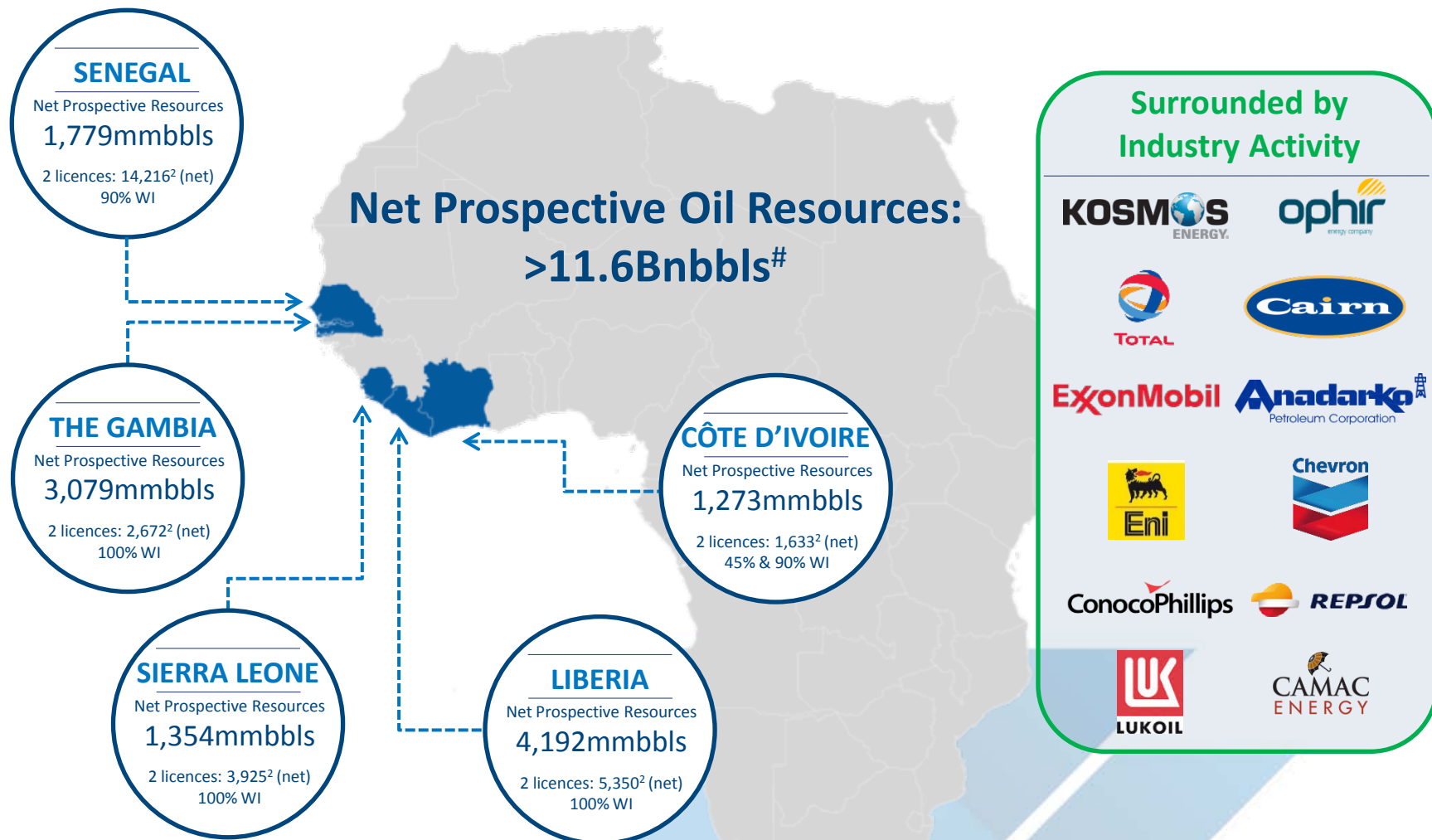


David King: Non-Executive Chairman

- > 30+ years experience in natural resources
- > Co-founded and held executive and non-executive board positions in a number of successful ASX listed companies
- > Fellow at the Australian Institute of Company Directors, the Australian Institute of Geoscientists, and Australasian Institute of Mining & Metallurgy
- > Chairman of two ASX listed companies: Galilee Energy Limited and Cellmid Limited

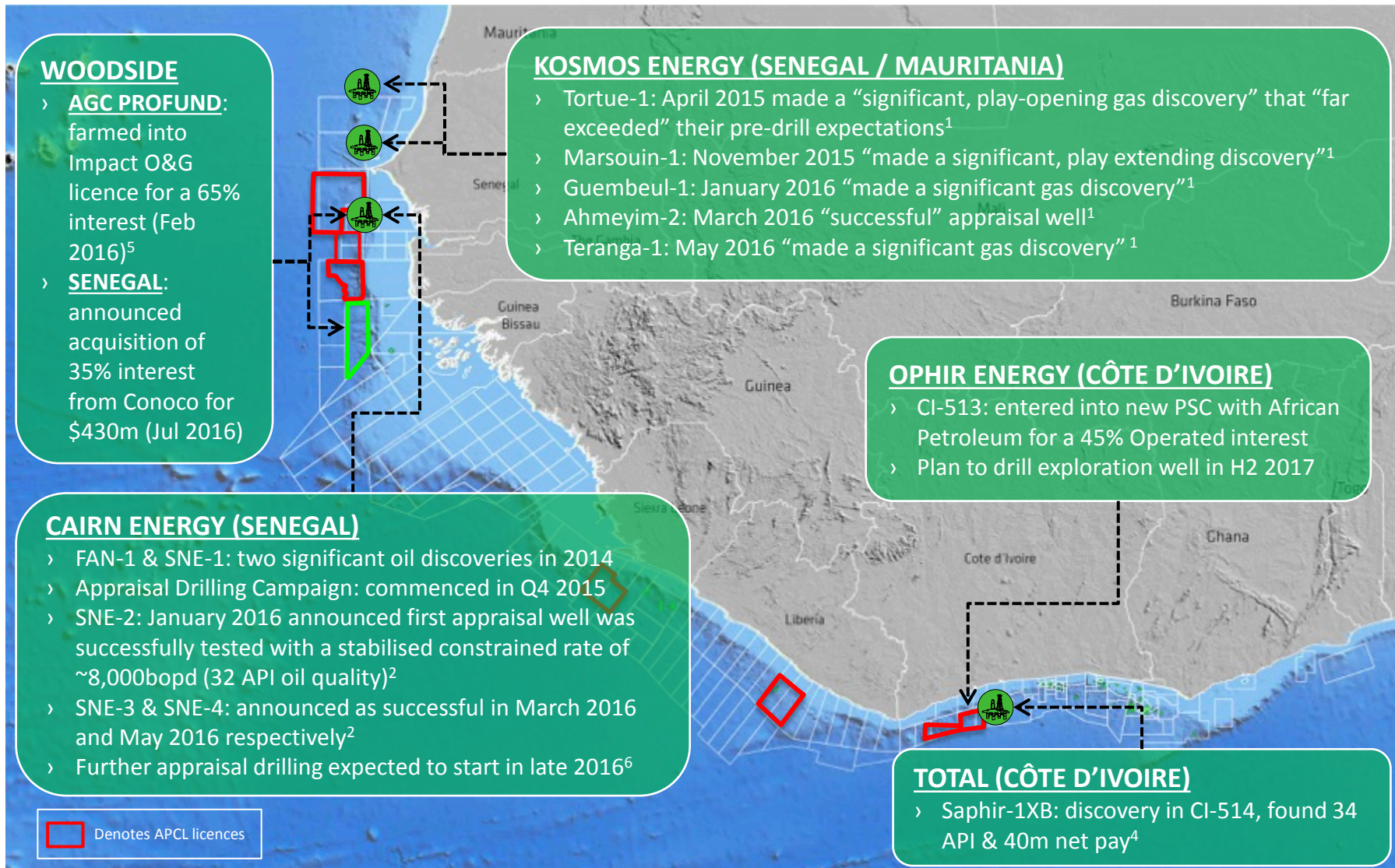
Bjarne Moe, Timothy Turner & Anthony Wilson: Non-Executive Directors

World Class Exploration Acreage in Proven Basins



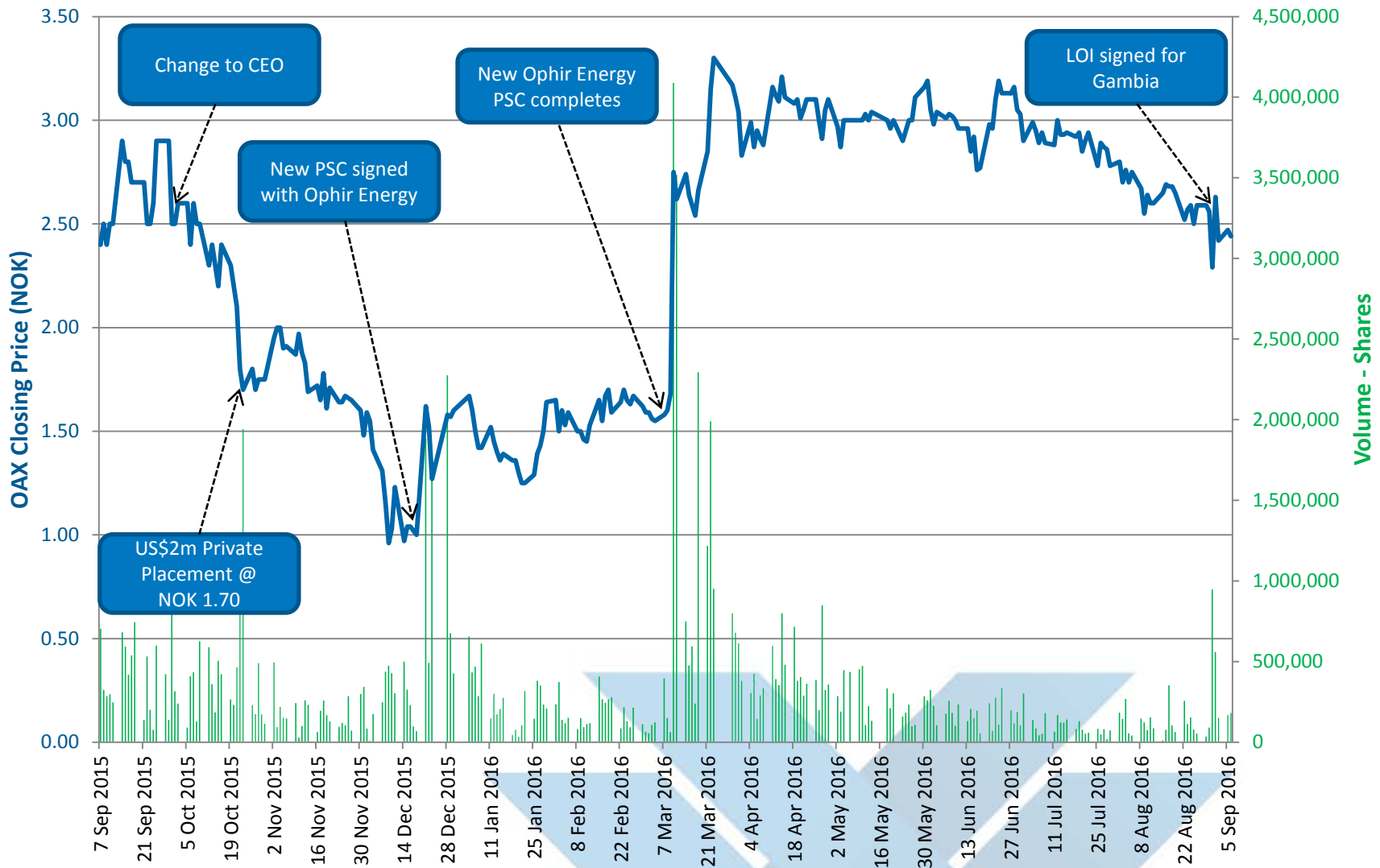
[#]Estimated net unrisked mean prospective oil resources, ERC Equipoise CPR (adjusted for Ophir Energy deal)

Recent Third Party Catalyst Activity



¹Kosmos Energy news releases; ²Cairn Energy news releases; ³AfrOil Week Oil and Gas Monitor, Issue 597, 7 July 2015; ⁴Total news release 17 April 2014; ⁵Impact Oil & Gas press release 18 February 2016; ⁶FAR Limited press release 1 September 2016

Share Price Performance – 12 Months



Objectives for 2016 & 2017

2016:

- > Complete further farm-out transactions during 2016 to fund forward drilling programme for next 18 – 24 months
- > Strengthen financial position through successful farm-outs: contribution towards significant historic cost pool
- > Maintain capital and cost discipline with focused team
- > Undertake focused technical work to support prospect maturation
- > Manage portfolio via licence extensions and/or rationalise portfolio consistent with exploration potential and holding costs



2017:

- > Commence high impact exploration drilling campaigns in Côte d'Ivoire (H2 2017) and The Gambia⁺ (Q3 2017)

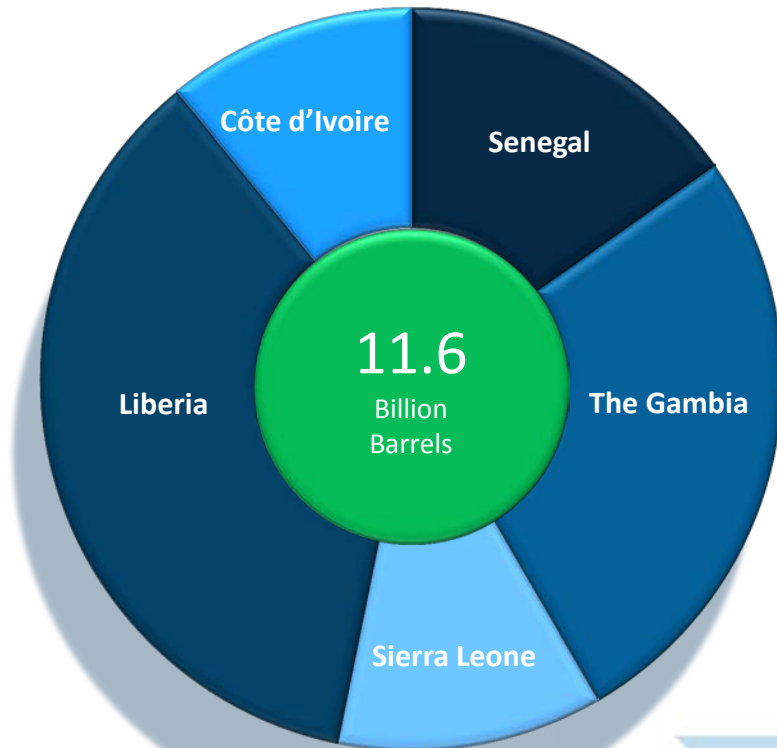
**Subject to licence extensions being granted*

Great Time to Invest in Exploration

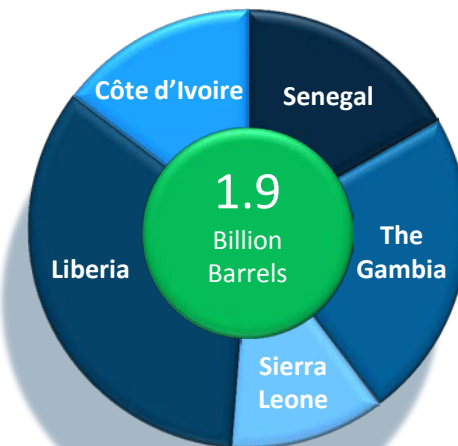
- > The industry is benefitting from a significant decrease in prices for drilling rigs and seismic vessels
- > Estimated well cost of <\$40m, compared to +\$80m two years ago
- > Significant activity in the West African Margin during last two years with positive results by Total in Côte d'Ivoire, Cairn Energy in Senegal and Kosmos in Mauritania and Senegal
- > Attractive PSC/licence terms: our projects are economic, even at current low oil prices
- > Ophir Energy deal for Côte d'Ivoire (completed in Mar 2016) and recently announced LOI for The Gambia (Aug 2016) indicates industry interest remains for world class exploration assets despite the weak oil price environment
- > Oil exploration is for the long term: our long term strategy is to realise potential value of our 11.6bnbbbls+ assets



Net Mean Prospective Oil Resources



UNRISKED

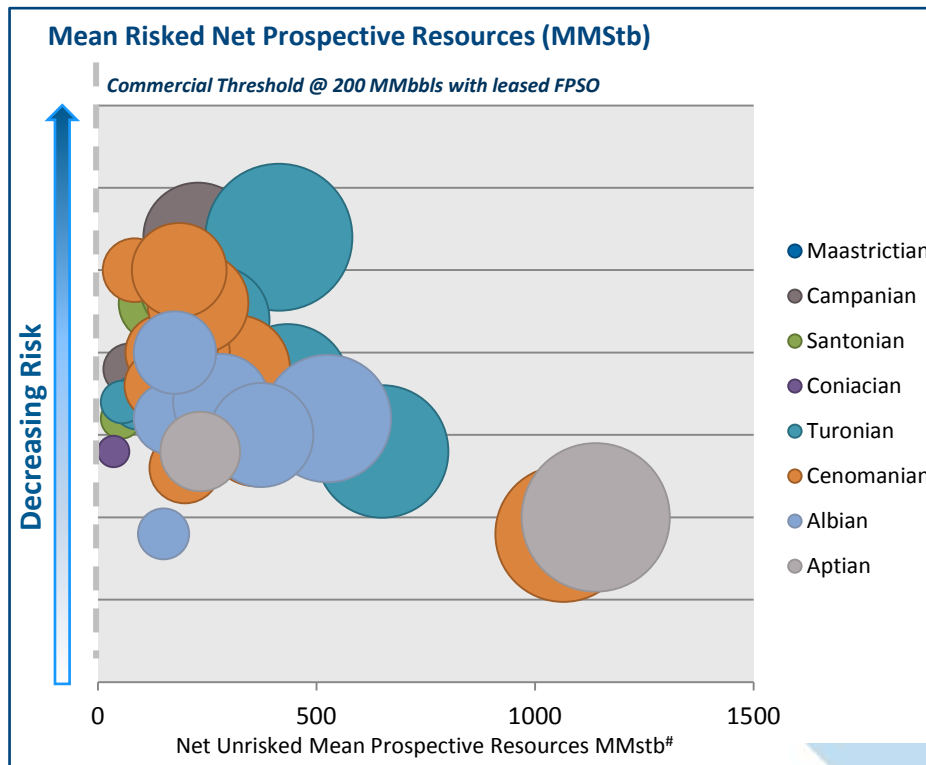


RISKED

Resource volumes extracted from ERC Equipoise, CPR (adjusted for Ophir Energy deal)

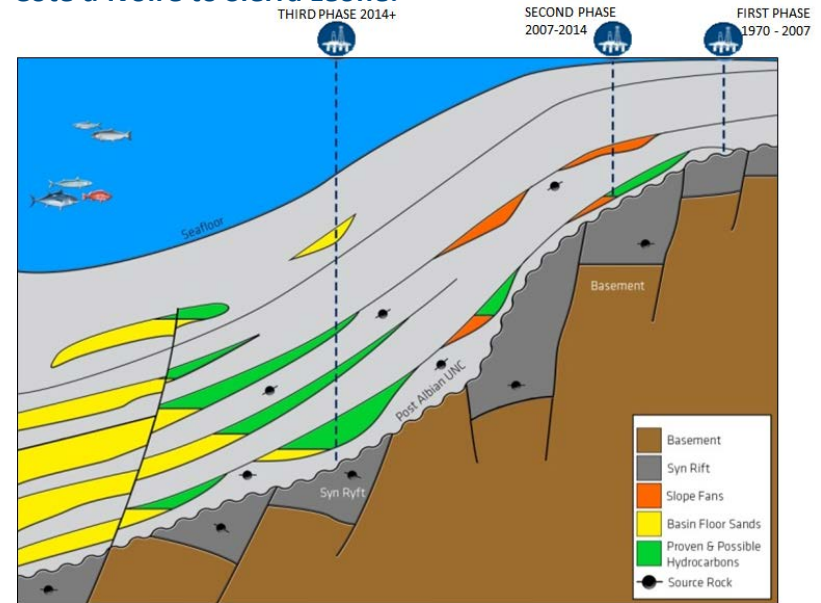
Prospects and Plays

- > Pure play deep-water exploration
- > 2014-16: transformational exploration/appraisal in Senegal, Mauritania and Côte d'Ivoire
- > CPR inventory is diverse and material
- > Our large equity position provides room for partners to participate in the transformation

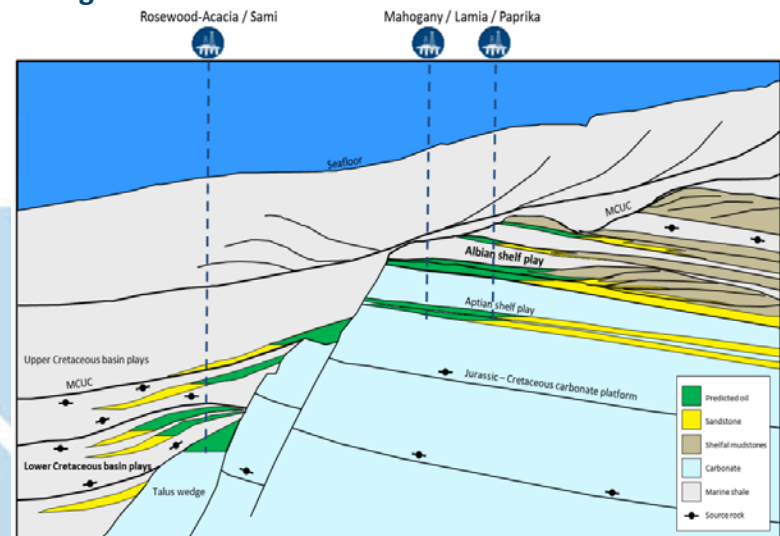


[#]Resource volumes extracted from 2014 CPR and ERCE Audits January 2015

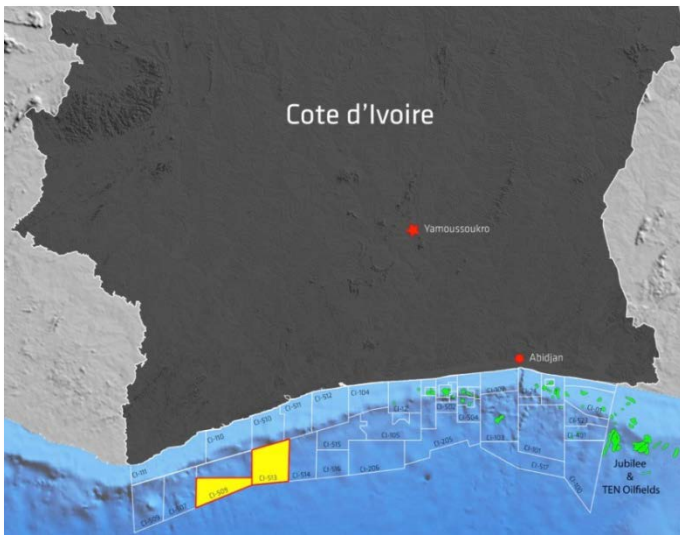
Côte d'Ivoire to Sierra Leone:



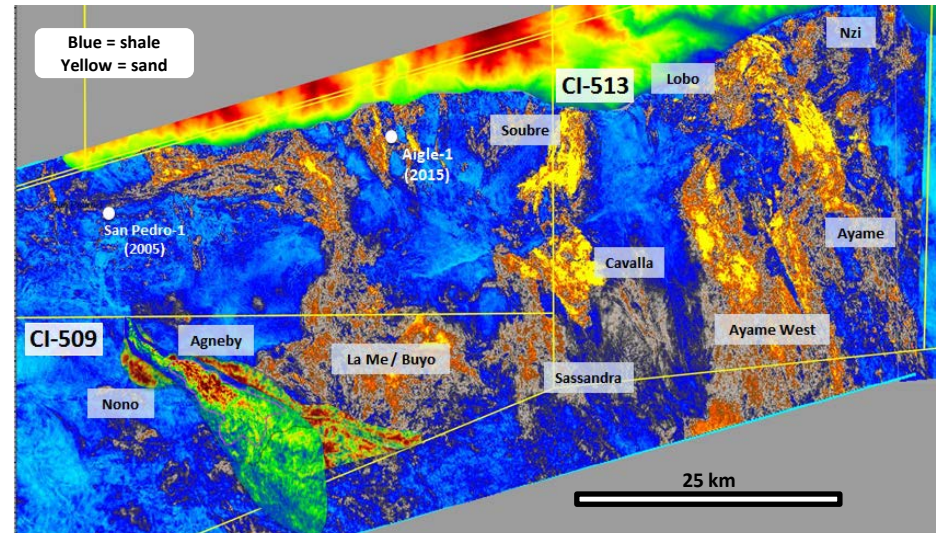
Senegal to Gambia:



Côte d'Ivoire – CI-509 and CI-513

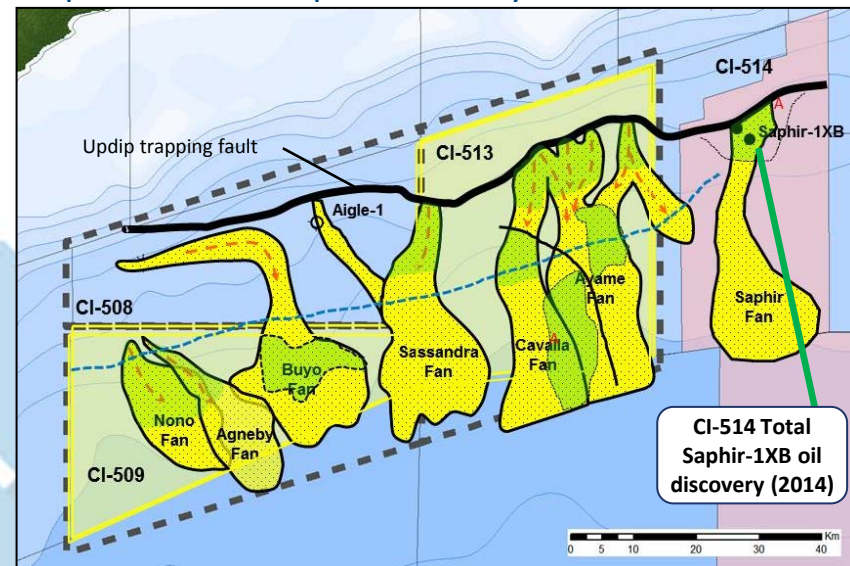


Prospects: Cretaceous (post rift) Composite Amplitude

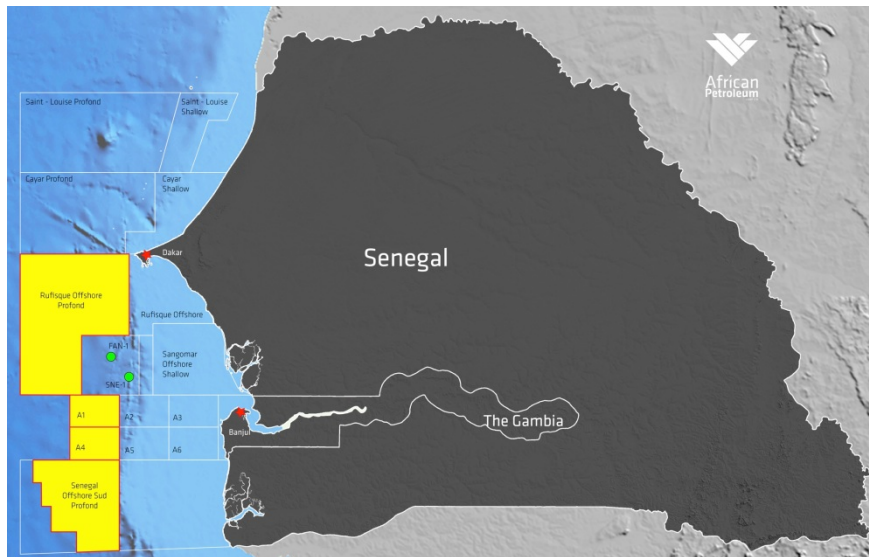


- > CI-513: 45% Ophir (Operator), 45% African Petroleum
- > CI-509: 90% African Petroleum (Operator)
- > High quality proprietary 3D seismic. New PSDM delivered in March 2014
- > April 2014 – Total oil discovery at Saphir-1XB (Block CI-514) 40m net oil pay 34° API
- > Well defined fan systems with numerous material prospects identified
- > Plan to drill exploration well with Ophir Energy on CI-513 in H2 2017

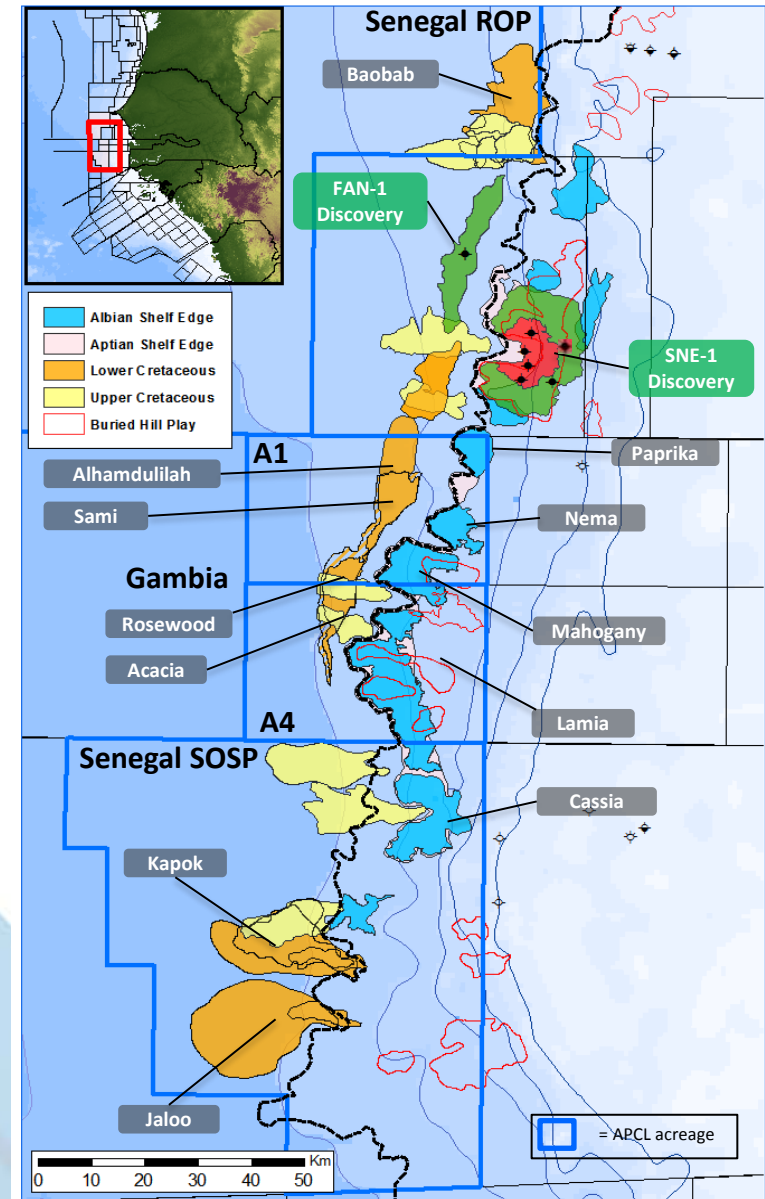
Prospects on trend with Saphir-1XB Discovery



Gambia and Senegal Overview



- > High potential frontier exploration area
- > 90% working interest in Senegal, 100% Gambia
- > Multiple prospects analogous to Cairn Energy operated oil discoveries each approx. 1 Billion barrels in place (with 3.5 bnbbbls follow up potential¹)
- > Basin opening Kosmos multi-TCF gas discoveries in Mauritania and Senegal in 2015/2016²
- > High level of industry interest in Senegal/Gambia



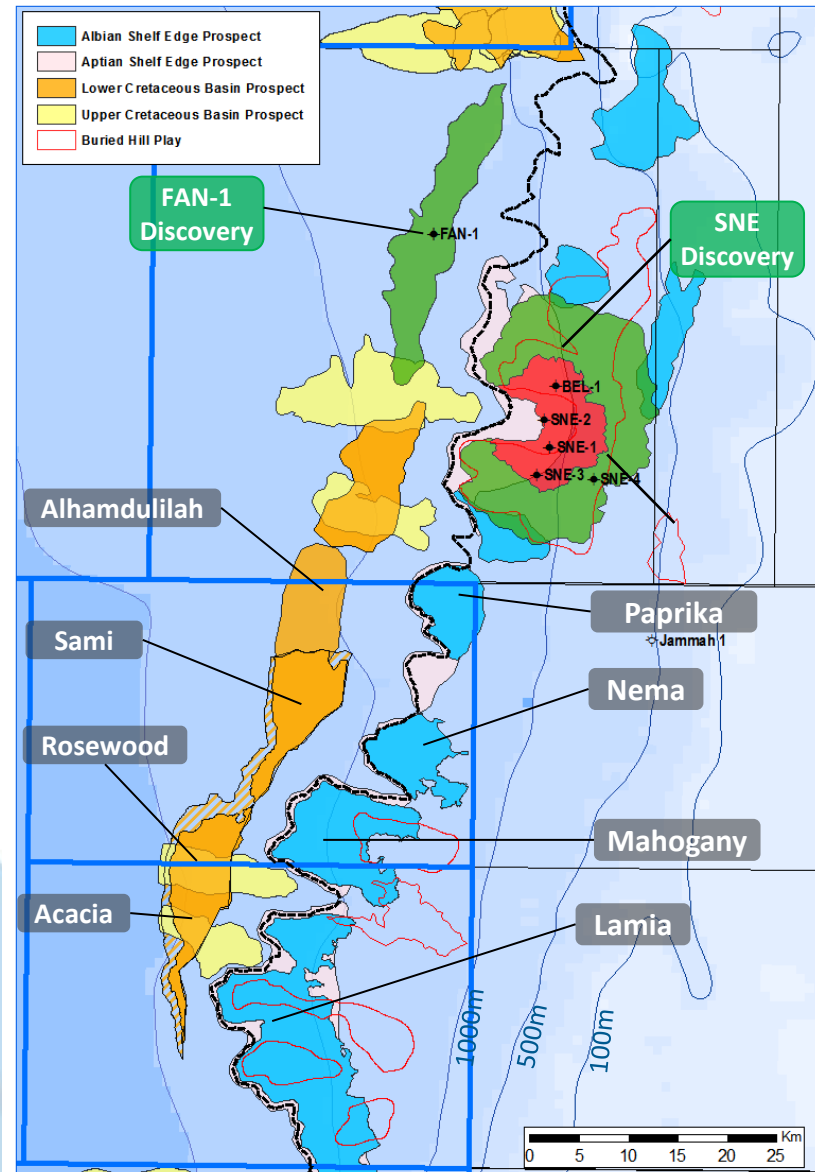
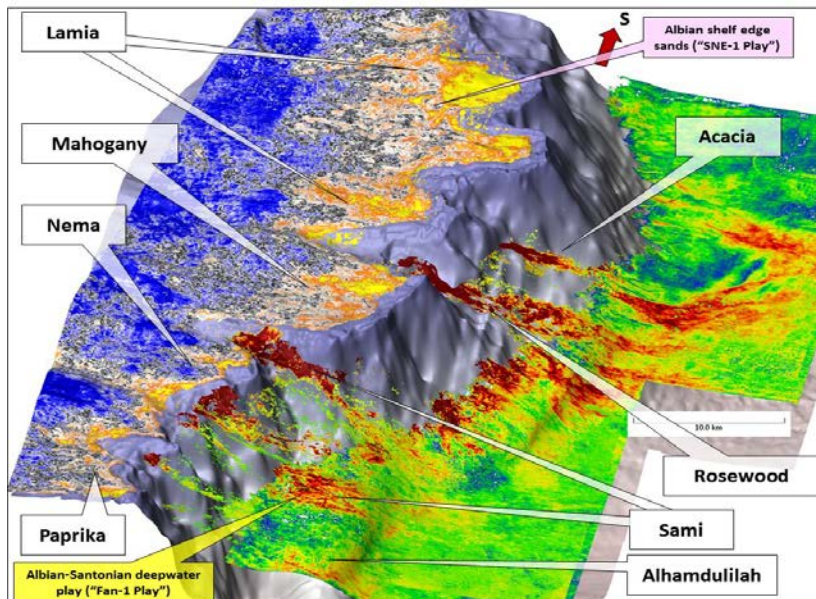
¹FAR, Investor Presentation November 2014; ²Kosmos Energy news releases

The Gambia – A1 & A4



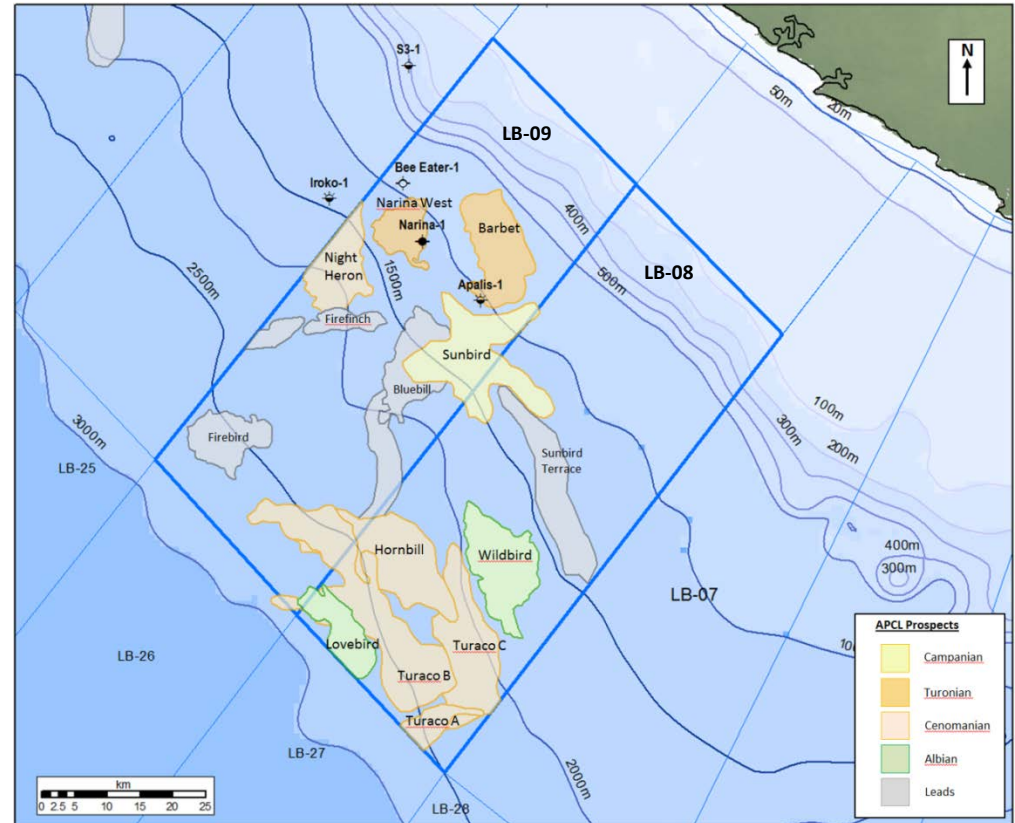
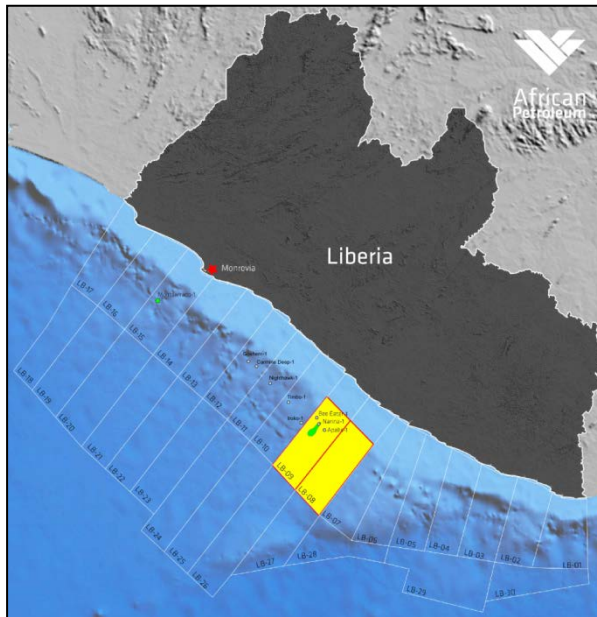
- > 100% working interest in both licences¹
- > 2,500km² 3D seismic acquired over licences
- > Material discoveries by Cairn Energy in Senegal on trend
- > Unrisked resource potential 3,079 MMbbls²

Looking at the Gambian 3D seismic volume from the North:



¹Extension requested and being discussed with the Gambian government; ²ERC Equipoise March 2015

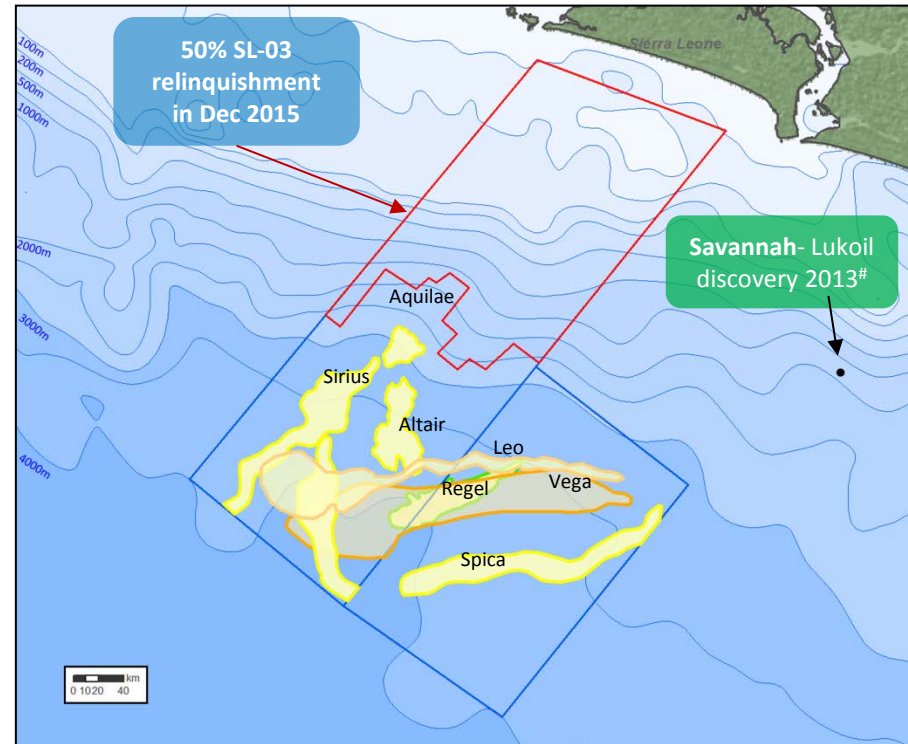
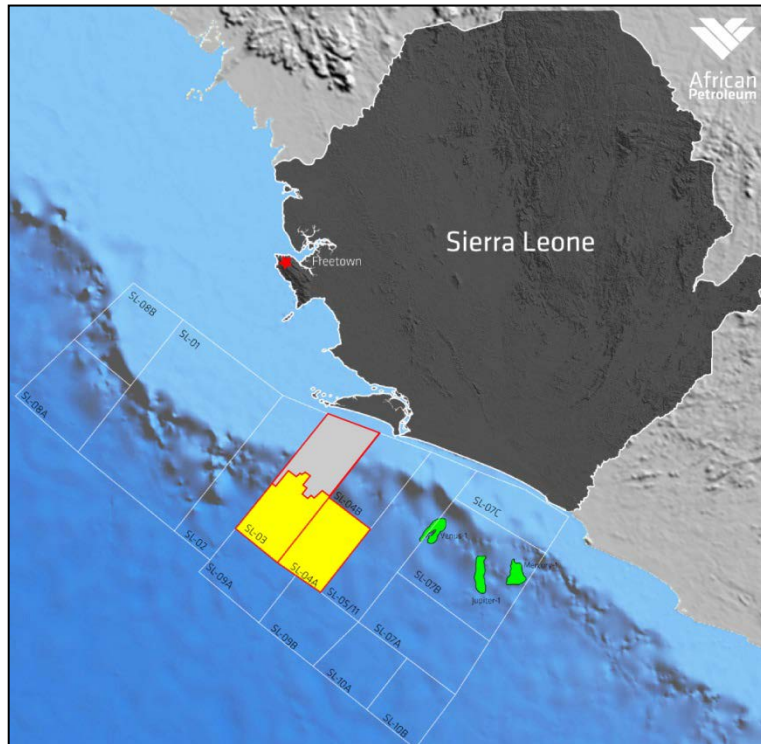
Liberia – LB-08 & LB-09



- > APCL 100% working interest#
- > Liberia-Sierra Leone basin has five discoveries announced to date
- > Under-explored potential in deep water
- > Multiple prospects in LB-08 & 09 at various intervals in the Cretaceous, within working petroleum system
- > Narina-1 Turonian oil discovery in block LB-09 by African Petroleum (Feb 2012)
- > Attractive early mover fiscal terms

#extension under discussion with the Liberian government

Sierra Leone – SL-03 & SL-4A-10




- > Retained area fully covered by 3D seismic, SL-4A-10 3D acquired 2014, completed processing 1Q 2015
- > Prospective at multiple levels within the Cretaceous, in basin floor setting relative to announced oil discoveries by Anadarko/Tullow/Repsol partnership
- > Amplitude support for stacked hydrocarbon plays at multiple Upper Cretaceous levels

Conclusion: Value Creation (Near & Long Term)

Assets

- 
- Diverse portfolio in 5 countries with multiple prospects
 - 11.6 bnbbbls+ net unrisked prospective oil resources
 - Assets significantly de-risked through historic investment and third party activity and discoveries


Capabilities

- 
- Highly experienced management team
 - Excellent relationships with host Governments
 - Proven ability to attract credible industry partners

Discoveries

- 
- Narina-1 oil discovery by African Petroleum in Liberia
 - Recent significant discoveries in Côte d'Ivoire (Total), Senegal (Cairn & Kosmos) and Mauritania (Kosmos)
 - Further drilling underway in Senegal by Cairn in late 2016

Investment Proposition

- 
- Blue chip investor base
 - Positioned for low price environment
 - No debt
 - Recommence drilling with up to 3 wells in next 18 months
 - Ongoing discussions with potential partners

Q & A



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