

24 July 2012
NSX Announcement

African Petroleum Corporation Limited to Raise A\$85.0 million

African Petroleum Corporation Limited (NSX:AOQ) (“African Petroleum” or the “Company”), is pleased to announce that it has received firm commitments for 62,963,000 new fully paid ordinary shares (“Shares”) at A\$1.35 per Share with institutional shareholders to raise a total of A\$85.0 million (USD\$87.3 million), before costs (“Placement”). The Placement is subject to the Terms and Conditions found in the Appendix.

Following completion of the Placement, which is expected to take place on 27 July 2012, African Petroleum will have 1,693,533,051 shares on issue and a market capitalisation of approximately A\$2.3 billion (based on the Placement issue price).

Mirabaud Securities LLP and Dundee Securities Europe Limited acted as Joint Bookrunners to the Placement.

The Company intends to use the funds raised from the Placement to contract an additional oil rig. This has been conditionally contracted and is currently expected to drill an appraisal well at Narina in the Liberia offshore Block LB-09 in the latter part of the third quarter or the early part of the fourth quarter of this year ahead of the previous contracted two well programme with the Eirik Raude, due at the end of the year.

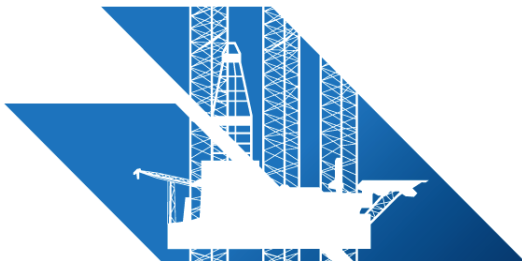
African Petroleum currently holds a 100% interest in Blocks LB-08 and LB-09 offshore Liberia, where a significant discovery was announced earlier this year at our Narina-1 Well in LB-09. The Company plans to drill its third well in September or October 2012.

African Petroleum holds a 100% interest in Block SL-03 offshore Sierra Leone, where it has completed 3D seismic acquisition covering 2, 535 sq km. The Company recently has been provisionally awarded, together with Kosmos Energy LLC, Block SL-4A-10 offshore Sierra Leone.

African Petroleum holds a 90% interest in Blocks CI-509 and CI-513 offshore Cote d’Ivoire. These two blocks cover an area of 2,531 sq km. The Company is currently undertaking a 3D seismic acquisition programme over both Blocks.

African Petroleum has a 90% interest in two offshore blocks in Senegal: Rufisque Offshore Profond and Senegal Offshore Sud Profond, covering an area of 18,277 sq km. A 3,600 km 3D seismic acquisition programme over Senegal Offshore Sud Profond has now been completed.

African Petroleum has recently announced that it has entered into an Memorandum of Understanding with PetroChina International Investment Company Limited



(“PetroChina”), a subsidiary of China National Petroleum Corporation, giving PetroChina an exclusive period to agree an investment of up to 20% of Block LB-09 in Liberia and up to 20% in one or more exploration Blocks in Cote d’Ivoire, The Gambia, Liberia, Senegal and Sierra Leone.

Commenting on the Placement, Non-Executive Chairman, Mr Frank Timis said: “We are delighted with the support we have received for this well oversubscribed placing, from our blue chip institutional investors. It is a further endorsement of African Petroleum’s management and the quality of its assets and will enable the Company to continue to build on our strategy of becoming West Africa’s largest independent oil and gas exploration and development company.”

Yours faithfully
African Petroleum Corporation Limited

Tony Sage
Non-Executive Deputy Chairman

APPENDIX

TERMS AND CONDITIONS OF THE PLACING

IMPORTANT INFORMATION FOR PLACEES ONLY REGARDING THE PLACING.

THIS ANNOUNCEMENT, INCLUDING THE APPENDIX AND THE INFORMATION CONTAINED HEREIN IS RESTRICTED AND IS NOT FOR PUBLICATION, RELEASE OR DISTRIBUTION, DIRECTLY OR INDIRECTLY, IN OR INTO OR FROM THE UNITED STATES, CANADA, AUSTRALIA, JAPAN OR ANY JURISDICTION IN WHICH THE SAME WOULD BE UNLAWFUL (A "RESTRICTED JURISDICTION"), SUBJECT TO CERTAIN LIMITED EXCEPTIONS.

EACH PLACEE SHOULD CONSULT WITH ITS OWN ADVISERS AS TO LEGAL, TAX, BUSINESS AND RELATED ASPECTS OF A SUBSCRIPTION FOR THE PLACING SHARES.

Details of the Placing

Mirabaud Securities and Dundee Securities have today entered into an agreement with African Petroleum Corporation Limited (the "Placing Agreement") under which, subject to the conditions set out in that agreement, Mirabaud Securities and Dundee Securities have agreed to use their reasonable endeavours to procure subscribers for Placing Shares at the Placing Price with certain institutional and other investors.

The Placing Shares will, when issued, rank *pari passu* in all respects with the Existing Ordinary Shares, including the right to receive dividends and other distributions declared, made or paid following Admission.

Application for admission to trading

Application will be made to the NSX for admission of the Placing Shares to trading on the NSX. It is expected that Admission will become effective and that dealings in the Placing Shares will commence on the NSX at 8.00 a.m. on 27 July 2012.

Participation in, and principal terms of, the Placing

Mirabaud Securities and Dundee Securities are arranging the Placing as joint bookrunners for and on behalf of the Company. Mirabaud Securities and Dundee Securities will determine in their absolute discretion the extent of each Placee's participation in the Placing, which will not necessarily be the same for each Placee.

Each Placee will be required to pay to Mirabaud Securities and Dundee Securities, on the Company's behalf, the Placing Price for each Placing Share agreed to be acquired by it under the Placing in accordance with the terms set out herein. Each Placee's obligation to acquire and pay for Placing Shares under the Placing will be owed to Mirabaud Securities and Dundee Securities, as the case may be, and the Company. Each Placee has an immediate, separate, irrevocable and binding obligation, owed to each of Mirabaud Securities and Dundee Securities, as the case may be, to pay to it (or as it may direct) in cleared funds an amount equal to the product of the Placing Price and the number of Placing Shares such Placee has agreed to subscribe for. Each Placee will be deemed to have read and understood this Appendix in its entirety, to be participating in the Placing upon the terms and conditions contained in this Appendix, and to be providing the representations, warranties, agreements, acknowledgements and undertakings, in each case as contained in this Appendix. To the fullest extent permitted by law and applicable FSA rules (the "FSA Rules"), neither (i) Mirabaud Securities nor Dundee Securities, (ii) any of their respective

directors, officers, employees or consultants, or (iii) to the extent not contained within (i) or (ii), any person connected with Mirabaud Securities or Dundee Securities as defined in the FSA Rules ((i), (ii) and (iii) being together “affiliates” and individually an “affiliate”), shall have any liability to Placees or to any person other than the Company in respect of the Placing.

Conditions of the Placing

The obligations of Mirabaud Securities and Dundee Securities under the Placing Agreement are conditional on, amongst other things:

- (a) the Company providing evidence to Mirabaud Securities and Dundee Securities that the Placing Shares will be admitted to trading on the NSX effective on Admission; and
- (b) the Placing Agreement having become unconditional in all material respects and not having been terminated at any time prior to Admission.

If any of the conditions contained in the Placing Agreement in relation to the Placing Shares are not fulfilled or waived by Mirabaud Securities and Dundee Securities, by the respective time or date where specified, the Placing will not proceed and the Placee's rights and obligations hereunder in relation to the Placing Shares shall cease and terminate at such time and each Placee agrees that no claim can be made by the Placee against the Company, Mirabaud Securities or Dundee Securities in respect thereof.

Mirabaud Securities and Dundee Securities may, at their discretion and upon such terms as they think fit, waive compliance by the Company with the whole or any part of any of the Company's obligations in relation to the conditions in the Placing Agreement. Any such extension or waiver will not affect Placees' commitments as set out in this Announcement.

None of Mirabaud Securities, Dundee Securities, the Company or any other person shall have any liability to any Placee (or to any other person whether acting on behalf of a Placee or otherwise) in respect of any decision they may make as to whether or not to waive or to extend the time and/or the date for the satisfaction of any condition to the Placing nor for any decision they may make as to the satisfaction of any condition or in respect of the Placing generally, and by participating in the Placing each Placee agrees that any such decision is within the absolute discretion of Mirabaud Securities and Dundee Securities and (where applicable) the Company.

Termination of the Placing Agreement

Each of Mirabaud Securities and Dundee Securities is entitled, at any time before Admission, to terminate the Placing Agreement in relation to its respective obligations in respect of the Placing Shares by giving notice to the Company in certain limited circumstances. Such circumstances include, inter alia, material breach by the Company of the terms of the Placing Agreement or any warranty therein being untrue or incorrect in any material respect, or on the occurrence of certain specified events or of certain events of force majeure.

Upon such termination, the parties to the Placing Agreement shall be released and discharged (except for any liability arising before or in relation to such termination) from their respective obligations under or pursuant to the Placing Agreement subject to certain exceptions.

By participating in the Placing, Placees agree that the exercise by Mirabaud Securities or Dundee Securities of any right of termination or other discretion under the Placing Agreement shall be within the absolute discretion of Mirabaud Securities or Dundee Securities and that they need not

make any reference to Placees and that they shall have no liability to Placees whatsoever in connection with any such exercise or failure so to exercise.

No prospectus

No offering document, prospectus or admission document has been or will be submitted to be approved by the FSA in relation to the Placing and Placees' commitments will be made solely on the basis of the information contained in this Announcement (including its Appendix) released by the Company today, and subject to the further terms set forth in the contract note to be provided to individual prospective Placees.

Each Placee, by accepting a participation in the Placing, agrees that the content of this Announcement (including its Appendix) is exclusively the responsibility of the Company and confirms that it has neither received nor relied on any other information, representation, warranty, or statement made by or on behalf of the Group, Mirabaud Securities or Dundee Securities or any other person and none of Mirabaud Securities, nor Dundee Securities nor the Company nor any other person will be liable for any Placee's decision to participate in the Placing based on any other information, representation, warranty or statement which the Placees may have obtained or received. Each Placee acknowledges and agrees that it has relied on its own investigation of the business, financial or other position of the Group in accepting a participation in the Placing. Nothing in this paragraph shall exclude the liability of any person for fraudulent misrepresentation.

Registration and settlement

Settlement of transactions in the Placing Shares following Admission will take place within the system administered by CHESSE.

Participation in the Placing is only available to persons who are invited to participate in it by Mirabaud Securities or Dundee Securities.

A Placee's commitment to acquire a fixed number of Placing Shares under the Placing will be agreed orally with Mirabaud Securities or Dundee Securities. Such agreement will constitute a legally binding commitment on such Placee's part to acquire that number of Placing Shares at the Placing Price on the terms and conditions set out or referred to in this Appendix and subject to the Company's constitution and byelaws.

After such agreement is entered into, each Placee allocated Placing Shares in the Placing will be sent contract notes stating the number of Placing Shares allocated to it at the Placing Price and settlement instructions.

The Company will deliver Placing Shares to the CHESSE accounts operated by or on behalf of Mirabaud Securities or Dundee Securities as agents for the Company and Mirabaud Securities or Dundee Securities or their agents will enter their delivery (DEL) instruction into the CHESSE system. The input to CHESSE by a Placee of a matching or acceptance instruction will then allow delivery of the relevant Placing Shares to that Placee against payment.

It is expected that settlement will take place on 27 July 2012, being the date of Admission, on a delivery versus payment basis.

Interest is chargeable daily on payments not received from Placees on the due date in accordance with the arrangements set out above at the rate of two percentage points above the Reserve Bank of Australia base rate as determined by Mirabaud Securities or Dundee Securities.

Each Placee is deemed to agree that, if it does not comply with these obligations, the Company may sell any or all of the Placing Shares allocated to that Placee on such Placee's behalf and retain from the proceeds, for the Company's account and benefit, an amount equal to the aggregate amount owed by the Placee plus any interest due. The relevant Placee will, however, remain liable for any shortfall below the aggregate amount owed by it and may be required to bear any stamp duty or stamp duty reserve tax (together with any interest or penalties) which may arise upon the sale of such Placing Shares on such Placee's behalf.

If Placing Shares are to be delivered to a custodian or settlement agent, Placees should ensure that the trade confirmation is copied and delivered immediately to the relevant person within that organisation. Insofar as Placing Shares are registered in a Placee's name or that of its nominee or in the name of any person for whom a Placee is contracting as agent or that of a nominee for such person, such Placing Shares should, subject as provided below, be so registered free from any liability to UK stamp duty or stamp duty reserve tax. Placees will not be entitled to receive any fee or commission in connection with the Placing.

Representations and warranties

By participating in the Placing each Placee (and any person acting on such Placee's behalf) acknowledges, undertakes, represents, warrants and agrees (as the case may be) to the Company, Mirabaud Securities and Dundee Securities that it:

1. has read this Announcement, including its Appendix, in its entirety;
2. acknowledges and agrees that no offering document, prospectus or admission document has been or will be prepared in connection with the Placing and represents and warrants that it has not received a prospectus, admission document or other offering document in connection with the Placing or the Placing Shares;
3. acknowledges that the Ordinary Shares are admitted to trading on the NSX, and the Company is therefore required to publish certain business and financial information in accordance with the rules and practices of the NSX (collectively, the "Exchange Information"), which includes a description of the nature of the Company's business and the Company's most recent balance sheet and profit and loss account and that it is able to obtain or access such Exchange Information without undue difficulty and is able to obtain access to such information or comparable information concerning any other publicly traded company without undue difficulty;
4. acknowledges that neither Mirabaud Securities, nor Dundee Securities nor the Company nor any of their respective affiliates or any person acting on behalf of any of them has provided, and will not provide, it with any material regarding the Placing Shares or the Group other than this Announcement; nor has it requested any of Mirabaud Securities, Dundee Securities, the Company, any of their respective affiliates or any person acting on behalf of any of them to provide it with any such information;
5. acknowledges that (i) it and, if different, the beneficial owner of the Placing Shares is not, and at the time the Placing Shares are acquired will not be located in or residents of a Restricted Jurisdiction (other than the United States, and then only in accordance with paragraph 19 below) and (ii) the Placing Shares have not been and will not be registered under the securities legislation of the United States, Canada or Japan and, subject to certain exceptions, may not be offered, sold, taken up, renounced or delivered or transferred, directly or indirectly, in or into those jurisdictions or any other jurisdiction where to do so would be unlawful;

6. acknowledges that the content of this Announcement is exclusively the responsibility of the Company and that neither Mirabaud Securities nor Dundee Securities nor any person acting on their behalf has or shall have any liability for any information, representation or statement contained in this Announcement or any information previously published by or on behalf of the Company and will not be liable for any Placee's decision to participate in the Placing based on any information, representation or statement contained in this Announcement or otherwise. Each Placee further represents, warrants and agrees that the only information on which it is entitled to rely and on which such Placee has relied in committing itself to subscribe for the Placing Shares is contained in this Announcement and any information previously published by the Company by notification to a Regulatory Information Service, such information being all that it deems necessary to make an investment decision in respect of the Placing Shares and that it has neither received nor relied on any other information given or representations, warranties or statements made by Mirabaud Securities, Dundee Securities or the Company and neither Mirabaud Securities nor Dundee Securities nor the Company will be liable for any Placee's decision to accept an invitation to participate in the Placing based on any other information, representation, warranty or statement. Each Placee further acknowledges and agrees that it has relied on its own investigation of the business, financial or other position of the Company in deciding to participate in the Placing;
7. acknowledges that neither Mirabaud Securities nor Dundee Securities nor any person acting on behalf of them nor any of their affiliates has or shall have any liability for any publicly available or filed information, or any representation relating to the Group, provided that nothing in this paragraph excludes the liability of any person for fraudulent misrepresentation made by that person;
8. represents and warrants that neither it, nor the person specified by it for registration as a holder of Placing Shares is, or is acting as nominee or agent for, and that the Placing Shares will not be allotted to, a person who is or may be liable to stamp duty or stamp duty reserve tax under any of sections 67, 70, 93 and 96 of the Finance Act 1986 (depository receipts and clearance services);
9. represents and warrants that it has complied with its obligations in connection with money laundering and terrorist financing under the Proceeds of Crime Act 2002, the Terrorism Act 2000, the Terrorism Act 2006 and the Money Laundering Regulations 2007 (the "Regulations") and, if making payment on behalf of a third party, that satisfactory evidence has been obtained and recorded by it to verify the identity of the third party as required by the Regulations;
10. if a financial intermediary, as that term is used in Article 3(2) of EU Directive 2003/71/EC (the "Prospectus Directive") (including any relevant implementing measure in any member state), represents and warrants that the Placing Shares subscribed for by it in the Placing will not be acquired on a non-discretionary basis on behalf of, nor will they be acquired with a view to their offer or resale to, persons in a member state of the European Economic Area which has implemented the Prospectus Directive other than to qualified investors, or in circumstances in which the prior consent of Mirabaud Securities or Dundee Securities has been given to the proposed offer or resale;
11. represents and warrants that it has not offered or sold and, prior to the expiry of a period of six months from Admission, will not offer or sell any Placing Shares to persons in the United Kingdom, except to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of their business or otherwise in circumstances which have not resulted and which will not

result in an offer to the public in the United Kingdom within the meaning of section 85(1) of the Financial Services and Markets Act 2000 ("FSMA");

12. represents and warrants that it has not offered or sold and will not offer or sell any Placing Shares to persons in the European Economic Area prior to Admission except to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of their business or otherwise in circumstances which have not resulted in and which will not result in an offer to the public in any member state of the European Economic Area within the meaning of the Prospectus Directive (Directive 2003/71/EC) (including any relevant implementing measure in any member state);
13. represents and warrants that it has only communicated or caused to be communicated and will only communicate or cause to be communicated any invitation or inducement to engage in investment activity (within the meaning of section 21 of FSMA) relating to the Placing Shares in circumstances in which section 21(1) of FSMA does not require approval of the communication by an authorised person;
14. represents and warrants that it has complied and will comply with all applicable provisions of FSMA with respect to anything done by it in relation to the Placing Shares in, from or otherwise involving, the United Kingdom and confirms that, to the extent applicable, it is aware of its obligations in connection with the Criminal Justice Act 1993;
15.
 - (a) represents and warrants that it is a person falling within Article 19(5) and/or Article 49(2)(a) to (d) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 or is a person to whom this Announcement may otherwise be lawfully communicated; and
 - (b) acknowledges that any offer of Placing Shares may only be directed at persons in member states of the European Economic Area who are "qualified investors" within the meaning of Article 2(1)(e) of the Prospectus Directive and represents and agrees that it is such a qualified investor;
16. understands that the Placing Shares have not been and will not be registered under the Securities Act or with any securities regulatory authority of any state or other jurisdiction of the United States, and accordingly, may not be offered or sold or otherwise transferred in the United States or to, or for the account or benefit of, US Persons except pursuant to a registration statement under the Securities Act or an exemption from the registration requirements of the Securities Act;
17. undertakes that it has not distributed, forwarded, transferred or otherwise transmitted any offering materials concerning the Placing Shares within the United States or to any US Person, nor will it do any of the foregoing. It understands that the information in this Announcement, including financial information, may be materially different from any disclosure that would be provided in a US offering.
18. agrees, represents and warrants if it was not offered the Placing Shares while it was in the United States and it is not purchasing the Placing Shares in the United States as follows:
 - 18.1 it was, at the time of the offer and acceptance of the Placing Shares, outside the United States for the purposes of Regulation S;

- 18.2 it is not a US Person and is not acquiring the Placing Shares for the account or benefit of a US Person;
- 18.3 it will not offer or sell the Placing Shares in the United States or to US Persons absent registration or an exemption from registration under the Securities Act;
- 18.4 it is aware that the Placing Shares are being offered outside the United States in reliance on Regulation S;
- 18.5 it did not purchase or otherwise acquire the Placing Shares based on or due to directed selling efforts (as defined in Rule 902 under the Securities Act), including based on an advertisement in a publication with a generation circulation in the United States, nor has it seen or been aware of any activity that, to its knowledge, constitutes directed selling efforts in the United States;
- 18.6 the Placing Shares may only be offered, sold, pledged, hypothecated, disposed of or otherwise transferred by it (i) to the Company; (ii) in an "offshore transaction" (as defined in Rule 902(h) under the Securities Act) in compliance with Regulation S, including in regular brokered transactions on the NSX where neither it nor any person acting on its behalf knows, or has reason to know, that the sale has been pre-arranged with, or that the purchaser is, a person that is in the United States or a US Person; (iii) in a transaction exempt from registration under the Securities Act pursuant to Rules 144 or 144A thereunder (if available); or (iv) pursuant to an effective registration statement under the Securities Act (which it acknowledges that the Company has no obligation to file or make available) and in each of the cases (ii) through (iv) in accordance with any applicable securities laws of any state of the United States or any other jurisdiction;
- 18.7 it is not a Plan (which term includes (a) employee benefit plans that are subject to Section 406 of the US Employee Retirement Income Security Act of 1974, as amended ("ERISA"), or plans, individual retirement accounts and other arrangements that are subject to Section 4975 of the US Internal Revenue Code of 1986, as amended (the "Code"), (b) plans, individual retirement accounts and other arrangements that are subject to provisions under applicable US federal, state, local or other laws or regulations that are substantially similar to Section 406 of the ERISA or Section 4975 of the Code ("Similar Laws") and (c) entities the underlying assets of which are considered to include "plan assets" of such plans, accounts and arrangements) and are not purchasing the Placing Shares on behalf of, or with the "plan assets" of, any Plan;
- 19. agrees, represents and warrants if it was offered the Placing Shares while it was in the United States or if it is purchasing the Placing Shares in the United States or is a US Person that it understands that it will be required to execute a letter in which it agrees, represents and warrants as follows:
 - 19.1 it is an Accredited Investor as defined in Rule 501(a) of Regulation D promulgated under the Securities Act;
 - 19.2 it is not a Plan (which term includes (a) employee benefit plans that are subject to Section 406 of the US Employee Retirement Income Security Act of 1974, as amended ("ERISA"), or plans, individual retirement accounts and other arrangements that are subject to Section 4975 of the US Internal Revenue Code of 1986, as amended (the "Code"), (b) plans, individual retirement accounts and

other arrangements that are subject to provisions under applicable US federal, state, local or other laws or regulations that are substantially similar to Section 406 of the ERISA or Section 4975 of the Code ("Similar Laws") and (c) entities the underlying assets of which are considered to include "plan assets" of such plans, accounts and arrangements) and are not purchasing the Placing Shares on behalf of, or with the "plan assets" of, any Plan;

- 19.3 it agrees that the Company may require a certification from it in support of any transfer, in form and substance satisfactory to the Company, and agrees that the Company, the registrar, CHESS or any transfer agent may reasonably require additional evidence or documentation supporting compliance with applicable securities laws, and prior to any sale or transfer, the Company may require the delivery of such certifications, notifications, agreements and warranties and legal opinions of duly qualified counsel as it may reasonably require (including but not limited to the transferees that are not US Persons) to confirm that the proposed sale or other transfer complies with the foregoing restrictions;
- 19.4 it acknowledges that the Company reserves the right to make inquiries of any holder of the Placing Shares or interests therein at any time as to such person's status under the US securities laws, and to require any such person that has not satisfied the Company that such person is holding appropriately under the US securities laws to transfer such Placing Shares or interests therein immediately to the Company;
- 19.5 if it is acquiring the Placing Shares for the account of one or more other persons, it has sole investment discretion with respect to each such account and has full power and authority to make the confirmations, acknowledgements, warranties and undertakings herein on behalf of each such account;
- 19.6 it is purchasing the Placing Shares for its own account or for one or more investment accounts for which it is acting as a fiduciary or agent, in each case for investment only, and not with a view to or for sale or other transfer in connection with any distribution of the Placing Shares in any manner that would violate the Securities Act or otherwise cause the Company's assets to become subject to ERISA;
- 19.7 it understands and acknowledges that neither the Company nor any of its affiliates, makes any representation as to the availability of any exemption under the Securities Act for the reoffer, resale, pledge or transfer of the Placing Shares;
- 19.8 it agrees that the Placing Shares are "restricted securities" for US securities law purposes which may not be deposited into any unrestricted depository facility established or maintained by a depository bank. As such, it agrees not to offer or sell the Placing Shares to any person other than in compliance with the following restrictions which apply to all its Placing Shares and which shall be affixed in the form of a legend to any certificates of Placing Shares:

"THE SECURITIES REPRESENTED BY THIS CERTIFICATE (OR ITS PREDECESSOR) HAVE NOT BEEN REGISTERED UNDER THE US SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT") OR THE SECURITIES LAWS OF ANY STATE OR OTHER JURISDICTION IN THE UNITED STATES, AND, ACCORDINGLY, MAY NOT BE OFFERED, SOLD, PLEDGED, HEDGED OR OTHERWISE TRANSFERRED, EXCEPT (A) IN AN OFFSHORE TRANSACTION MEETING THE REQUIREMENTS OF RULE 903

OR 904 OF REGULATION S UNDER THE SECURITIES ACT (AND IS NOT ACTING IN A PREARRANGED TRANSACTION RESULTING IN THE RESALE OF THESE SECURITIES INTO THE UNITED STATES); (B) IN A TRANSACTION MEETING THE REQUIREMENTS OF RULE 144 UNDER THE SECURITIES ACT; (C) IN ACCORDANCE WITH ANOTHER EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT; OR (D) PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE SECURITIES ACT, SUBJECT, IN THE CASES OF CLAUSES (A), (B) AND (C), TO THE RIGHT OF THE ISSUER TO OBTAIN, IF THE ISSUER SO REQUESTS, AN OPINION, IN FORM AND SUBSTANCE AND FROM COUNSEL SATISFACTORY TO THE ISSUER AT THE EXPENSE OF THE HOLDER OF THIS CERTIFICATE, WHICH PROVIDES THAT SUCH OFFER, SALE, PLEDGE, HEDGE OR TRANSFER IS IN COMPLIANCE WITH THE SECURITIES ACT AND ALL APPLICABLE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES OR ANY OTHER APPLICABLE JURISDICTION.

EXCEPT AS OTHERWISE DETERMINED BY THE ISSUER, THE SECURITIES REPRESENTED BY THIS CERTIFICATE (OR ITS PREDECESSOR) MAY NOT BE DEMATERIALIZED INTO CHESSE OR ANY OTHER PAPERLESS SYSTEM UNLESS THE PARTY REQUESTING SUCH DEMATERIALIZATION FIRST OBTAINS A LETTER FROM THE TRANSFERREE STATING THAT SUCH TRANSFERREE IS NOT A US PERSON (AND IS NOT ACTING IN A PREARRANGED TRANSACTION RESULTING IN THE RESALE OF THESE SECURITIES INTO THE UNITED STATES)."

The Placee agrees, on its own behalf and on behalf of any accounts for which the Placee is acting, that if the Placee should offer, resell, pledge or otherwise transfer any such Placing Shares, it will do so only (i) in an offshore transaction meeting the requirements of Rule 903 or 904 of Regulation S under the Securities Act (and not in a prearranged transaction resulting in the resale of such Placing Shares into the US), (ii) in a transaction meeting the requirements of Rule 144 under the Securities Act, (iii) in accordance with another exemption from the registration requirements of the Securities Act, or (iv) pursuant to an effective registration statement under the Securities Act, provided that the Placee notify the Company of such proposed transaction and that the Placee intends to make such sale in accordance with the terms of this paragraph, and that, such offer, resale, pledge or transfer must, and will, be made in accordance with any applicable securities laws of any US state or other jurisdiction of the US. The Placee understands and acknowledges that any offer, resale, pledge or transfer made other than in compliance with the restrictions contained in this paragraph may not be recognised by the Company;

- 19.9 notwithstanding the foregoing, unless the Company determines otherwise, it agrees to hold the Placing Shares in certificated form and it will only transfer the Placing Shares in certificated form unless it sells the Placing Shares to a non-US Person and, if requested by the Company, the purchaser provides a signed letter addressed to the Company, containing a representation that it is not a US Person (and not acting in a prearranged transaction resulting in the resale of such Placing Shares into the US), in which case the Placing Shares will be eligible for settlement through CHESSE;
- 19.10 it has not purchased the Placing Shares as a result of "general solicitation" or "general advertising" (within the meaning of Rule 502(c) under the Securities Act), including advertisements, articles, research reports, notices or other communications published in any newspaper, magazine, on a website or in or on any similar media, or broadcast over radio or television, or any seminar or meeting whose attendees have been invited by general solicitation or general advertising; and

- 19.11 it will inform each purchaser who purchases the Placing Shares from it of the transfer restrictions stated herein and that if in the future such purchaser of the Placing Shares decides to offer, resell, pledge, or otherwise transfer such Placing Shares, any offer, resale or transfer must be made in compliance with the Securities Act;
20. agrees, represents and warrants that the Placing Shares have not been and will not be qualified for distribution by a prospectus under applicable Canadian securities laws, and may only be offered and sold pursuant to an exemption from the prospectus requirements of those laws. Accordingly, the Placing Shares may only be offered and sold to purchasers in Canada who are "accredited investors" within the meaning of Canadian securities laws and otherwise in compliance with all applicable Canadian securities laws;
21. represents and warrants that it is entitled to subscribe for Placing Shares under the laws of all relevant jurisdictions which apply to it, and that its subscription of the Placing Shares will be in compliance with applicable laws and regulations in the jurisdiction of its residence, the residence of the Company, or otherwise and that it has not taken any action or omitted to take any action which will or may result in Mirabaud Securities, Dundee Securities, or the Company or any of their respective affiliates or any person acting on behalf of any of them acting in breach of the legal or regulatory requirements of any territory in connection with the Placing;
22. acknowledges and agrees that its purchase of the Placing Shares does not trigger, in the jurisdiction in which it is resident or located: (i) any obligation to prepare or file a prospectus or similar document or any other report with respect to such purchase; (ii) any disclosure or reporting obligation of the Company; (iii) any registration or other obligation on the part of the Company;
23. undertakes that it (and any person acting on its behalf) will make payment for the Placing Shares allocated to it in accordance with this Announcement on the due time and date set out herein, failing which the relevant Placing Shares may be placed with other subscribers or sold as each of Mirabaud Securities and Dundee Securities may in its discretion determine and without liability to such Placee;
24. acknowledges that neither Mirabaud Securities nor Dundee Securities, nor any of their affiliates, nor any person acting on behalf of any of them, is making any recommendations to it, advising it regarding the suitability of any transactions it may enter into in connection with the Placing and that participation in the Placing is on the basis that it is not and will not be a client of either of Mirabaud Securities or Dundee Securities for the purposes of the Placing and that neither Mirabaud Securities nor Dundee Securities has any duties or responsibilities to it for providing the protections afforded to its respective clients or for providing advice in relation to the Placing nor in respect of any representations, warranties, undertakings or indemnities contained in the Placing Agreement nor for the exercise or performance of any of its respective rights and obligations thereunder including any rights to waive or vary any conditions or exercise any termination right;
25. undertakes that the person whom it specifies for registration as holder of the Placing Shares will be (i) itself or (ii) its nominee, as the case may be. Neither Mirabaud Securities nor Dundee Securities nor the Company will be responsible for any liability to stamp duty or stamp duty reserve tax resulting from a failure to observe this requirement. Each Placee and any person acting on behalf of such Placee agrees to participate in the Placing and it agrees, to the extent the Placing Shares are not certificated, to indemnify the Company, Mirabaud Securities and Dundee Securities in respect of the

same on the basis that the Placing Shares will be allotted to the CHESS stock accounts of Mirabaud Securities or Dundee Securities or their agents who will hold them as nominee on behalf of such Placee until settlement in accordance with its standing settlement instructions;

26. acknowledges that these terms and conditions and any agreements entered into by it pursuant to these terms and conditions and any non-contractual obligations arising out of or in connection with such agreements shall be governed by and construed in accordance with the laws of England and Wales and it submits (on behalf of itself and on behalf of any person on whose behalf it is acting) to the exclusive jurisdiction of the English courts as regards any claim, dispute or matter arising out of any such contract, except that enforcement proceedings in respect of the obligation to make payment for the Placing Shares (together with any interest chargeable thereon) may be taken by the Company or Mirabaud Securities or Dundee Securities in any jurisdiction in which the relevant Placee is incorporated or in which any of its securities have a quotation on a recognised stock exchange;
27. acknowledges that the Company, Mirabaud Securities and Dundee Securities and their affiliates will rely upon the truth and accuracy of the representations, warranties and acknowledgements set forth herein and which, together with its participation in the Placing, are irrevocable and are not capable of termination or rescission by it in any circumstances and it irrevocably authorises the Company, Mirabaud Securities and Dundee Securities to produce this Announcement, pursuant to, in connection with, or as may be required by any applicable law or regulation, administrative or legal proceeding or official inquiry with respect to the matters set forth herein;
28. agrees to indemnify and hold the Company, Mirabaud Securities, Dundee Securities and their respective affiliates harmless from any and all costs, claims, liabilities and expenses (including legal fees and expenses) arising out of or in connection with any breach of the representations, warranties, acknowledgements, agreements and undertakings in this Appendix and further agrees that the provisions of this Appendix shall survive after completion of the Placing;
29. acknowledges and agrees that time shall be of the essence as regards obligations pursuant to its commitment to subscribe for Placing Shares;
30. represents and warrants that it will acquire any Placing Shares subscribed for by it for its account or for one or more accounts as to each of which it exercises sole investment discretion and it has full power to make the acknowledgements, representations and agreements herein on behalf of each such account;
31. acknowledges that its commitment to subscribe for Placing Shares on the terms set out herein and in the relevant contract notes will continue notwithstanding any amendment that may in future be made to the terms of the Placing and that Placees will have no right to be consulted or require that their consent be obtained with respect to the Company's conduct of the Placing. The foregoing representations, warranties and confirmations are given for the benefit of the Company, Mirabaud Securities and Dundee Securities. The agreement to settle a Placee's subscription (and/or the subscription of a person for whom such Placee is contracting as agent) free of stamp duty and stamp duty reserve tax depends on the settlement relating only to the subscription by it and/or such person direct from the Company for the Placing Shares in question. Such agreement assumes, and is based on a warranty from each Placee, that neither it, nor the person specified by it for registration as holder, of Placing Shares is, or is acting as nominee or agent for, and that the Placing Shares will not be allotted to, a person who is or may be liable to stamp duty

or stamp duty reserve tax under any of sections 67, 70, 93 and 96 of the Finance Act 1986 (depository receipts and clearance services). If there are any such arrangements, or the settlement relates to any other dealing in the Placing Shares, stamp duty or stamp duty reserve tax may be payable. In that event the Placee agrees that it shall be responsible for such stamp duty or stamp duty reserve tax, and neither the Company, nor Mirabaud Securities nor Dundee Securities shall be responsible for such stamp duty or stamp duty reserve tax. If this is the case, each Placee should seek its own advice and notify Mirabaud Securities or Dundee Securities accordingly;

32. understands that no action has been or will be taken by any of the Company, Mirabaud Securities or Dundee Securities or any person acting on behalf of the Company or Mirabaud Securities or Dundee Securities that would, or is intended to, permit a public offer of the Placing Shares in any country or jurisdiction where any such action for that purpose is required;
33. in making any decision to subscribe for the Placing Shares, confirms that it has knowledge and experience in financial, business and international investment matters as is required to evaluate the merits and risks of subscribing for the Placing Shares. It further confirms that it is experienced in investing in securities of this nature in this sector and is aware that it may be required to bear, and is able to bear, the economic risk of, and is able to sustain a complete loss in connection with, the Placing. It further confirms that it relied on its own examination and due diligence of the Company and its associates taken as a whole, and the terms of the Placing, including the merits and risks involved;
34. represents and warrants that it has (a) made its own assessment and satisfied itself concerning legal, regulatory, tax, business and financial considerations in connection herewith to the extent it deems necessary; (b) had access to review publicly available information concerning the Group that it considers necessary or appropriate and sufficient in making an investment decision; (c) reviewed such information as it believes is necessary or appropriate in connection with its subscription of the Placing Shares; and (d) made its investment decision based upon its own judgment, due diligence and analysis and not upon any view expressed or information provided by or on behalf of the Company, Mirabaud Securities or Dundee Securities;
35. understands and agrees that it may not rely on any investigation that Mirabaud Securities or Dundee Securities or any person acting on their behalf may or may not have conducted with respect to the Company, its Group, or the Placing and that the Company, Mirabaud Securities and Dundee Securities have not made any representations to it, express or implied, with respect to the merits of the Placing, the subscription for the Placing Shares, or as to the condition, financial or otherwise, of the Company, its Group, or as to any other matter relating thereto, and nothing herein shall be construed as a recommendation to it to subscribe for the Placing Shares. It acknowledges and agrees that no information has been prepared by Mirabaud Securities or Dundee Securities or the Company for the purposes of this Placing; and
36. accordingly it acknowledges and agrees that it will not hold Mirabaud Securities or Dundee Securities or any of their affiliates or any person acting on their behalf responsible or liable for any misstatements in or omission from any publicly available information relating to the Group or information made available (whether in written or oral form) as part of roadshow discussions with investors relating to the Group (the "Information") and that neither Mirabaud Securities nor Dundee Securities nor any person acting on behalf of Mirabaud Securities or Dundee Securities, makes any representation or warranty, express or implied, as to the truth, accuracy or completeness of such Information or accepts any responsibility for any of such Information.

In addition, Placees should note that they will be liable for any stamp duty and all other stamp, issue, securities, transfer, registration, documentary or other duties or taxes (including any interest, fines or penalties relating thereto) payable outside the United Kingdom by them or any other person on the subscription by them of any Placing Shares or the agreement by them to subscribe for any Placing Shares.

Each Placee and any person acting on behalf of each Placee acknowledges and agrees that Mirabaud Securities or Dundee Securities or any of their affiliates may, at their absolute discretion, agree to become a Placee in respect of some or all of the Placing Shares.

When a Placee or person acting on behalf of the Placee is dealing with Mirabaud Securities or Dundee Securities, any money held in an account with Mirabaud Securities or Dundee Securities on behalf of the Placee and/or any person acting on behalf of the Placee will not be treated as client money within the meaning of the rules and regulations of the FSA made under FSMA. The Placee acknowledges that the money will not be subject to the protections conferred by the client money rules; as a consequence, this money will not be segregated from Mirabaud Securities' or Dundee Securities' money in accordance with the client money rules and will be used by each of Mirabaud Securities and Dundee Securities in the course of its own business; and the Placee will rank only as a general creditor of Mirabaud Securities or Dundee Securities.

All times and dates in this Announcement may be subject to amendment. Mirabaud Securities and Dundee Securities shall notify the Placees and any person acting on behalf of the Placees of any changes.

Past performance is no guide to future performance and persons needing advice should consult an independent financial adviser.

DEFINITIONS

The following definitions apply throughout this Announcement unless the context otherwise requires:

“Admission”	admission of the Placing Shares to trading on the NSX becoming effective in accordance with the NSX Listing Rules
“Announcement”	means this announcement (including the appendix to this announcement)
“Company”	African Petroleum Corporation Limited
“Dundee Securities”	Dundee Securities Europe Limited
“Existing Ordinary Shares”	the 1,630,570,051 Ordinary Shares in issue at the date of this Announcement
“FSA”	the Financial Services Authority in its capacity as the competent authority for the purposes of Part VI of FSMA
“FSMA”	the Financial Services and Markets Act of 2000 (as amended)
“Group”	the Company, its subsidiaries and its subsidiary undertakings
“Mirabaud Securities”	Mirabaud Securities LLP
“NSX”	The National Stock Exchange of Australia
“NSX Listing Rules”	the listing rules of the NSX
“Ordinary Shares”	ordinary shares in the capital of the Company
“Placing”	the placing of the Placing Shares at the Placing Price by Mirabaud Securities and Dundee Securities as agents for and on behalf of the Company pursuant to the terms of the Placing Agreement
“Placing Agreement”	the agreement dated 23 July 2012 between (i) the Company, (ii) Mirabaud Securities and (iii) Dundee Securities relating to the Placing, further details of which are set out in this Announcement
“Placing Price”	135 cents per Placing Share
“Placing Shares”	the 62,963,000 new Ordinary Shares to be issued under the Placing
“Regulation D”	Regulation D as promulgated under the Securities Act
“Regulation S”	Regulation S as promulgated under the Securities Act

"Securities Act"	the United States Securities Act of 1933, as amended
"Shareholders"	holders of Ordinary Shares
"UK" or "United Kingdom"	the United Kingdom of Great Britain and Northern Ireland
"United States"	the United States of America, its territories and possessions, any state of the United States of America and the district of Columbia and all other areas subject to its jurisdiction
"US Person"	bears the meaning ascribed to such term by Regulation S