



15 July 2014

Bowleven plc ('Bowleven' or 'the Company')

### **Update on Petrofac Strategic Alliance Agreement**

Bowleven, the Africa focused oil and gas exploration group traded on AIM, announces that it has reached a mutually acceptable agreement with Petrofac to terminate the Strategic Alliance Agreement. This satisfies one of the conditions of the LUKOIL and NewAge farm-out transaction announced on 24 June 2014. The termination agreement is subject to completion of the farm-out.

Under this arrangement Bowleven will pay \$9 million to Petrofac upon completion of the farm-out transaction as full and final settlement and the Strategic Alliance Agreement shall terminate.\*

#### **Kevin Hart, Chief Executive of Bowleven plc, said:**

“We have worked closely with Petrofac over the last two years and we appreciate their co-operation in reaching a mutually acceptable termination agreement.”

#### **Enquiries:**

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#### **Note:**

\*This specific termination event was not envisaged in the SAA. Under the SAA, a termination payment of \$15 million is payable in the event of either a change of control of Bowleven or a transfer by Bowleven of all of its interests in the Etinde Permit to a third party.

## Notes to Editors:

Bowleven is an African focused oil and gas exploration group, based in Edinburgh and traded on AIM. Bowleven's strategy is focused on creating and realising material value through exploration led organic growth. Bowleven holds equity interests in five blocks in Cameroon, with three blocks located offshore in shallow water and two onshore. All of these blocks are operated by Bowleven. Bowleven also holds an equity interest in an onshore block in Kenya, operated by Adamantine Energy, and has been awarded three blocks in Zambia, with applications on two blocks pending.

On 24 June 2014, Bowleven announced that the Group had entered into a conditional Sale and Purchase Agreement to sell an aggregate 50% operated interest in the Etinde Permit, Cameroon to LUKOIL and NewAge. It is anticipated that on completion of the farm-out transaction operatorship of the offshore Etinde Permit in Cameroon will transfer to CAMOP. Approval of the transaction by Bowleven shareholders will be sought at a general meeting on 21 July 2014. The circular relating to the proposed farm-out agreement has been sent to shareholders and a copy can be found on the Bowleven website [www.bowleven.com](http://www.bowleven.com).

## Glossary:

The following are the main terms and abbreviations used in this announcement:

AIM	the market of that name operated by the London Stock Exchange
Bowleven	Bowleven plc (LSE:BLVN) and/or its subsidiaries as appropriate
CAMOP	Cameroon Offshore Petroleum S.A.R.L, the holder of a 25% non-operated participating interest in the Etinde Permit and an affiliate of NewAge
Company	Bowleven plc
Etinde Permit	the production sharing contract between the Republic of Cameroon and EurOil Limited (an indirectly wholly owned subsidiary of the Company) dated 22 December 2008 in respect of the area of approximately 2,316km <sup>2</sup> , comprising former blocks MLHP-5, MLHP-6 and MLHP-7, offshore Cameroon; or, as the context may require, the contract area to which that production sharing contract relates
EurOil	EurOil Limited, an indirectly wholly owned subsidiary of Bowleven plc, incorporated in Cameroon
Group	the Company and its direct and indirect subsidiaries
LUKOIL	LUKOIL Overseas West Project Ltd, a subsidiary undertaking of OAO LUKOIL
NewAge	NewAge (Africa Global Energy) Limited, the parent undertaking of CAMOP

Petrofac	Petrofac Energy Developments West Africa Limited, an indirect subsidiary of Petrofac Limited (LSE: PFC)
strategic alliance	the proposed strategic alliance between the Company and Petrofac in respect of the Etinde development on the terms set out in the Strategic Alliance Agreement
Strategic Alliance Agreement or SAA	the agreement of that named dated 6 November 2012 between Bowleven and Petrofac
\$	United States of America Dollars