



4 November 2008

Bowleren plc ('Bowleren' or 'the Company')

Preliminary Results Announcement

Bowleren, the African focused oil and gas exploration group traded on AIM, today announces its preliminary results for the year ended 30 June 2008.

HIGHLIGHTS

- First oil discovery on Etinde Permit; IF-1r well tested an average of 3,371 bopd from upper Isongo section.
- Mean oil in place for IF discovery estimated to be 137 mmbbls.
- Upgraded IE/ID field resource base; project sanction anticipated in early 2010.
- Significantly enhanced and expanded prospect inventory across Etinde Permit.
- Agreement reached on Etinde PSC terms including further exploration phase, with signing anticipated before end 2008.
- PSC will provide excellent framework to establish commercial viability of IE/ID and IF discoveries.
- Farm-out discussions across portfolio progressing well.
- Current cash position of approximately \$45m.

2009 OBJECTIVES

- Drill further appraisal wells on IE and IF structures.
- Progress IE/ID, IF & EOV development projects towards sanction.
- Build on our new technical work with further high impact exploration drilling in both Cameroon and Gabon.
- Investigate exploration potential of onshore acreage in Cameroon and Gabon.
- Secure funding flexibility to pursue opportunity rich portfolio.

Kevin Hart, Chief Executive said:

"In terms of exploration and portfolio development, Bowleven has had a highly successful year. As a result, despite unprecedented turmoil and collapsing values in capital and commodity markets, Bowleven's asset base has never looked better. The key to realising value from our portfolio is access to capital. Even given the extreme environment, we remain confident that we will be able to obtain the capital required to make substantial progress and create value for shareholders."

ENQUIRIES

For further information please contact:

Bowleven plc

Kevin Hart, Chief Executive 00 44 131 524 5678
Kerry Crawford, Head of Investor Relations 00 44 131 524 5678

Brunswick Group LLP

Patrick Handley 00 44 207 404 5959
Deborah Spencer

RBS Hoare Govett

Andrew Foster 00 44 207 678 8000

A presentation to analysts is scheduled for 9.00 a.m. on 4 November 2008. A copy of the presentation will be available on the Bowleven website: www.bowleven.com.

These materials contain forward-looking statements regarding Bowleven, our corporate plans, future financial condition, future results of operations, future business plans and strategies. All such forward-looking statements are based on our management's assumptions and beliefs in the light of information available to them at this time. These forward-looking statements are, by their nature, subject to significant risks and uncertainties and actual results, performance and achievements may be materially different from those expressed in such statements. Bowleven undertakes no obligation to revise any such forward-looking statements to reflect any changes in its expectations with regard thereto or any change in circumstances or events after the date thereof.

Notes to the Editor:

Bowleven is an African focused oil and gas group, based in Edinburgh and traded on AIM since December 2004.

Bowleven holds, through its wholly-owned subsidiary EurOil Limited, a 100% equity interest in the Etinde Permit area comprising three shallow water blocks in offshore Cameroon, West Africa; namely blocks MLHP-5, MLHP-6 and MLHP-7. In total Bowleven has approximately 2,314 km² of exploration acreage located across the Rio del Rey and Douala basins in the Etinde Permit. EurOil Limited also has a 100% equity interest in the Bomono Permit, onshore Cameroon, extending to approximately 2,328 km² in the Douala/Kribi Campo basin. Bowleven has operated in Cameroon since 1999.

Bowleven also holds, through its wholly-owned subsidiary FirstAfrica Oil Limited, a 100% equity interest in the EOY Permit offshore in Gabon, which contains an existing oil discovery that it is seeking to develop, and a 50% equity interest in the Epaemeno Permit,

which is approximately 1,340 km² of exploration acreage in onshore Gabon and sits adjacent to a number of recent discoveries in surrounding blocks.

As announced yesterday, agreement has been reached with the Cameroon authorities on key fiscal terms for a PSC for the Etinde Permit incorporating a further three year exploration phase commencing from the date of signature of the contract. The award of the PSC is subject to final approval by the relevant government ministries. It is anticipated that the PSC will be signed by the end of 2008 and will provide an excellent framework to establish the commercial viability of the IE/ID and IF discoveries.

CHAIRMAN'S AND CHIEF EXECUTIVE'S STATEMENT

Bowleven has achieved considerable operational success during the year, against a backdrop of looming global slowdown, tumbling oil prices and unprecedented capital market conditions. Despite the current market environment, the Group's portfolio has never looked so promising.

The significant milestones which the Group has achieved over the last year include:

- Completion of a successful three well drilling campaign on Etinde Permit in 2007.
- IF oil discovery in 2008, the first oil discovery on the Etinde Permit.
- IE/ID development plans progressed.
- Agreement reached on Etinde PSC terms including further exploration phase.
- Expanded and enhanced resources and exploration portfolio.
- Securing an option over EOV FPSO.
- Bomono PSC signed.

Our next step is to build on this success, and this will need more financial resources. Despite the difficult environment we are confident that we will be able to secure the capital to support further development of the significant potential of our acreage. Key to the process of adding value for shareholders is the commercial exploitation of our existing resource base and the discovery of new fields.

RESOURCE TO RESERVES

The Group's combined P50 resource base has increased to approximately 203 mmboe (2007: 167 mmboe) following the IF oil discovery, the upgrade of the resource estimate for the IE field and the completion of the EOV subsurface review and dynamic modelling.

Work is underway to bring the Group's liquid hydrocarbon resource to project sanction and ultimately production. In particular, we have a high degree of confidence that both the IE/ID gas/condensate discoveries and the recent IF oil discovery in block MLHP-7 on the Etinde Permit in Cameroon, will provide attractive commercial developments. Likewise in Gabon we have secured an option to utilise an FPSO for the EOV field development. Advancing these projects towards sanction is a key objective for Bowleven over the next year.

In addition the Group has a mean unrisks in place exploration prospect inventory comprising over 2.4 billion boe (2007: 1.8 billion boe). This has been significantly enhanced through the work undertaken by the Bowleven technical team to further mature the prospect inventory across the Etinde Permit.

GAS MONETISATION

The options for monetising the gas on the Etinde Permit have been significantly expanded and enhanced by our exploration success in adding potential development synergies following the IF oil discovery.

Positive steps have also been made towards monetising the substantial undeveloped gas resource within Cameroon. Several options are being examined, including gas export to Equatorial Guinea and indigenous smaller scale LNG solutions. Whatever the final outcome, we are confident that Bowleven's substantial gas resource base will provide a significant proportion of the required feed stock.

OPERATIONS

Excellent progress has been made across Bowleven's entire asset base. Successful exploration drilling (including the first oil discovery in Cameroon for many years and the first ever on the Etinde Permit), the continued development of a substantial prospect inventory over the Group's asset base and the securing of new acreage highlights the Group's opportunity rich portfolio.

Cameroon

2008 activity has further demonstrated the potential of the Group's acreage in Cameroon, with drilling success on IF, the identification of commercial development opportunities for both the IE/ID and IF discoveries and a significantly enhanced prospect inventory over the entire Etinde Permit.

Following the completion of a successful three well drilling campaign in 2007, further exploration drilling activity in 2008 resulted in the IF oil discovery. Mean oil in place volumes for IF discovery are estimated to be 137 mmbbls. The southern compartment has the potential to add an additional mean STOIP of 142 mmbbls. Plans for 2009 include appraisal drilling on both the IF and IE discoveries.

The commercialisation of the Group's growing resource base in Cameroon remains a priority and various options to optimise the development and monetisation of our IE/ID gas/condensate and IF oil discoveries are being considered.

As announced yesterday, agreement has been reached with the Cameroon authorities on key fiscal terms for a PSC for the Etinde Permit incorporating a further three year exploration phase commencing from the date of signature of the contract. The award of the PSC is subject to final approval by the relevant government ministries. It is anticipated that the PSC will be signed by the end of 2008 and will provide an excellent framework to establish the commercial viability of the IE/ID and IF discoveries.

Work undertaken by the Bowleven technical team has resulted in the significant enhancement of the Group's prospect inventory across the Etinde Permit. Numerous

prospects and leads have been mapped on the acreage. Plans under consideration for 2009 include high impact exploration drilling and acquiring additional 3D seismic over part of block MLHP-6 adjacent to MLHP-7 and possibly over part of block MLHP-5.

Further details can be found in the Exploration & Operational Review.

Gabon

Since Bowleven acquired the EOV Permit and the Epaemeno Permit in Gabon through the acquisition of FirstAfrica Oil in January 2007, significant progress has been made in advancing both Permits.

Pre-sanction work is nearing completion on the EOV oil development. The subsurface review by ERC and Equipoise and the associated dynamic modelling work has now been completed. From a facilities perspective, the jacket is complete and the topsides are close to completion. In addition, an option over an FPSO has been secured for the development. Financing and partnership options are under review and these, alongside the overall macro-economic environment that we are currently experiencing, remain integral considerations to project sanction decision timing.

Interpretation work on the North West Kowe prospect is complete and has confirmed its attractiveness as an exploration target. Plans to drill this prospect are being considered in conjunction with the EOV development drilling proposals.

Phase 1 of the 2D seismic acquisition on the onshore Epaemeno Permit is nearing completion with processing and interpretation to follow. Addax, as operator, is now proceeding with Phase 2 of the seismic programme with a view to accelerating the 2009 drilling plan for the acreage.

Further details can be found in the Exploration & Operational Review.

FINANCE

This is the first year end in which Bowleven has reported under IFRS and in US dollars. The Group reported a loss of \$10.9m for the year ended 30 June 2008 (2007: loss \$20.1m) as we work towards delivery of first production. The results for the year include an increase in administrative expenses to \$16.3m compared to \$11.6m for 2007. The increase of \$4.7m reflects the expansion of operations to enable us to exploit opportunities in our asset portfolio. The overall reduction in loss is principally due to movements in foreign exchange. A foreign exchange gain of \$1.6m arose in 2008 (2007: exchange loss \$13.6m), primarily due to the treatment under IFRS of exchange movements on intra-group funding.

The majority of the \$73.5m (2007: \$75.9m) capital expenditure in the period was expended in exploration and appraisal activities on the Etime Permit, including the recent IF-1r well.

Bowleven strengthened its balance sheet by raising approximately \$76 million (net of expenses) via an equity placing in March 2008.

As at the end June 2008 the Group had circa \$103m cash and no debt. The Group currently has circa \$45m cash, no debt and minimal capital commitments. The majority of expenditure since the year end relates to the IF-1r well.

The Group continues to review all available funding options to best deliver business progression and thus increase shareholder value, including the potential farm-out of part of the Group's existing positions in both Cameroon and Gabon and equity and debt finance. The Group is also currently in advanced discussions with a number of parties who have expressed an interest in farming-in to one, or both, of the Etinde Permit and the EOY Permit. The Group will, however, only proceed with a farm-in on either asset on terms which the Board considers attractive and value accretive for shareholders. In the interests of maintaining financial flexibility the Company has today also announced its intention to issue a shareholder circular seeking approval for an equity issue if appropriate.

Bowleven has numerous attractive investment opportunities within its portfolio and has an ambitious set of objectives intended to add significant value for shareholders during 2009. These future exploration, appraisal and development activities will require access to additional capital. There can be no doubt that in this period of unprecedented market turbulence and uncertainty, maintaining a robust financial base and maximising financial flexibility is critical but unusually challenging.

OUTLOOK

Next year has the makings of being a defining year for Bowleven as we seek to increase our resource base through further successful exploration. Of even greater importance will be our goal to appraise and sanction project development on our EOY, IE/ID and IF discoveries. We believe we have a world class team capable of achieving these objectives with the goal of delivering material organic growth and value creation for both host governments and our shareholders.

Ronnie Hanna, Chairman
Kevin Hart, Chief Executive

4 November 2008

EXPLORATION AND OPERATIONAL OVERVIEW

OVERVIEW

2008 was another extremely successful year for Bowleven.

In Cameroon we made a significant oil discovery with the drilling of the IF-1r well in block MLHP-7. This is the first oil discovery in the Rio del Rey basin since 2004 and is a highly significant event both for Bowleven, and for the country, as the understanding of the distribution of oil and gas across Cameroon's sedimentary basins has been changed significantly.

Following our successful 2007 and 2008 drilling on the Etinde Permit, we have completed a full interpretation of the 3D seismic datasets acquired earlier on the Permit. This review has revealed a significant number of prospects and leads and the Permit is now recognised to have potential for both gas/condensate and oil.

During the year the Group also secured an 18 month extension of the exploration period for the Etinde Permit (to September 2009), and in late October 2008 Bowleven reached agreement in principle on the key fiscal terms for the Etinde Permit PSC, incorporating a further three year extension to the exploration phase commencing on the date of signature of the contract. The PSC is subject to final approval by the relevant government ministries. It is anticipated that the PSC will be signed before the end of 2008.

In December 2007 we also signed a PSC for two onshore blocks, collectively known as the Bomono Permit, and we have already commenced field survey work on this acreage with the objective of undertaking a seismic campaign in 2009.

In Gabon we have continued with development planning for the EOY field in the EOY Permit and in addition to completing subsurface studies, we have also agreed an option for the lease of the Knock Taggart FPSO operated by Fred Olsen Production. This option is exercisable up to 15 December 2008. Assuming the development receives project sanction by the end of 2008, the EOY field is expected to be on stream by early Q2 2010.

Also in Gabon, seismic and airborne geophysical operations commenced in the Epaemeno Permit and we expect to commence the exploration drilling campaign, together with the operator, Addax, in 2009.

HEALTH, SAFETY, SECURITY & ENVIRONMENT

Over the past 12 months we have maintained our record of operating free of lost time injurious incidents. The planning and diligence of our staff drilling team in Cameroon is a key reason for this achievement, together with the safety culture of our main contractors. As we extend our operations into seismic surveying (in Bomono and Epaemeno) and probable development activity (in EOY and in due course Etinde), the effort of all those

who work in the Group and with the Group will remain crucial to providing a safe working environment. All incidents are avoidable and we will continue to plan all our operations in such a way as to make safety the priority.

We are progressing the Environmental Impact Assessment (EIA) for our onshore Bomono Permit in Cameroon and we will also be submitting an updated EIA for the EOY Permit development to the authorities in Gabon.

CAMEROON

Etinde Permit – MLHP-5, MLHP-6 and MLHP-7 (Bowleven group 100% - operator)

Exploration – MLHP-7

The Trident IV jack-up rig operated by Transocean's subsidiary GlobalSantaFe was contracted to drill the IF-1r well in the MLHP-7 block of the Etinde Permit during Q2 and Q3 2008. This well was a re-drill of the original IF-1 well drilled in 2007, which had to be abandoned following a high pressure kick of hydrocarbons in the uppermost Isongo formation, the primary objective. The IF prospect is located on the same structural trend and is 7 km south and structurally up dip of the IE gas/condensate field which we successfully appraised in 2007.

The IF-1r well encountered hydrocarbon shows over a gross interval of approximately 800 ft from 5750 ft MD to an oil water contact (OWC), defined by pressure data, at 6548ft MD in the uppermost Isongo formation. Pressure data recorded in the well confirmed an oil column of at least 200 ft above the OWC and beneath the equivalent kick zone in the original IF-1 well. On test, the well produced an average rate of 3,371 bopd through a half inch choke with peak rates in excess of 4,000 bopd and with a gas oil ratio (GOR) of about 1200 scf/bbl. Unfortunately the test had to be curtailed prematurely as a failed cement job allowed cross flow from adjacent formations causing an influx of water into the test zone from the aquifer below the OWC. Nevertheless, the well proved excellent deliverability from the encountered thin bed reservoir section in the uppermost Isongo formation. Initial analysis of the well results indicates a mean in place volume of discovered hydrocarbons of 137 million barrels of oil. The structure continues to the south of the IF-1r well location and the initial estimate of the mean STOIP for this untested southern compartment is 142 million barrels.

Drilling in 2008 successfully built upon the 2007 programme, significantly enhancing the value of the Etinde Permit with the discovery of an oil field alongside the cluster of gas and condensate fields already discovered on the MLHP-7 block. This has completely transformed the traditional perception and understanding of Cameroon's petroleum systems, which ascribed oil potential only to the northern part of the Rio del Rey basin with all acreage south of this historically considered to be gas and gas/condensate prone.

Furthermore, the recognition of highly productive thin bed pay in the IF-1r well will lead to a review and expected upgrade of the resource potential of the other MLHP-7 Isongo

discoveries. Considerable undrilled exploration potential is also recognised in other structures in MLHP-7 mapped on the 3D seismic.

We have now completed a full integrated review of MLHP-7 based on the 3D seismic volume and have identified a number of prospects and leads within the Isongo formation predominantly adjacent to the existing discoveries. Mean unrisks in place volumes for the prospect inventory of MLHP-7 are estimated at 142 million barrels of oil and 1.6 tcf of gas with 73 million barrels of associated condensate.

Exploration – MLHP-5 and MLHP-6

The discovery of oil in offshore acreage in the Douala basin adjacent to our MLHP-5 block of the Etinde Permit has also significantly changed the historical perception that this area is predominantly gas prone. Together with multiple onshore oil seeps and oil shows in historical wells, our emphasis has been on re-evaluating MLHP-5 to identify high grade oil prone prospects for priority drilling. We have now completed this work and have mapped a number of prospects and leads with multiple stratigraphic objectives within the Miocene, Eocene and Cretaceous aged sections. Mean unrisks in place volumes for the prospect inventory for MLHP-5 are estimated at 727 million barrels of oil and 4.5 tcf of gas with 251 million barrels of associated condensate.

Exploitation/commercialisation – Etinde Permit

Conceptual development planning has continued through the year for the MLHP-7 discoveries. We stated last year that the development of our existing gas/condensate discoveries (initially the IE and ID fields) was likely to be based on a gas recycling scheme to maximise liquids recovery and, in fact, this concept also fits well with the development of the high GOR IF oil discovery. It could also incorporate a gas depletion commercialisation scheme in later years.

Early appraisal of the IF discovery is important in order to anchor the development of the fields in MLHP-7 and we will be seeking to drill appraisal wells in 2009.

Contingent resources for the Etinde Permit are shown in the Resources table below. These resource totals now include LPGs in the IE and ID fields not previously included in the liquids volumes, as well as the oil and gas volumes attributable to the IF discovery.

As announced yesterday, agreement in principle has now been reached with SNH on the key terms of a PSC for the Etinde Permit. This will contain the fiscal terms attaching to the acreage and also envisages a further 3 year extension to the exploration phase commencing from the date of signature of the contract. The award of the PSC is subject to final approval by the relevant government ministries, with signing anticipated by the end 2008. This PSC will provide the framework for Bowleven and the Government of Cameroon to move forward quickly with further exploration, appraisal and development of the Etinde Permit for the benefit of all stakeholders.

Bomono Permit (Bowleven group 100% - operator)

On 12 December 2007 we signed a PSC for the new 2,328 km² Bomono Permit, which comprises blocks OLHP-1 and OLHP-2 onshore Cameroon. The Permit covers the onshore extension of the highly prospective Douala basin, which is characterised by numerous surface oil seeps but is virtually unexplored by modern exploration methods. Previous exploration in the area was conducted predominantly in the 1950s when 11 wells were drilled, most with hydrocarbon shows. The area was licensed again in the 1970s and the 1980s when some regional 2D seismic was acquired but no further drilling took place and there has been an exploration hiatus until the present day. The Permit has an initial term of five years, with minimum work obligations including an airborne gravity and magnetics survey, 500km of 2D seismic and one well. We are currently preparing to initiate the airborne survey and conduct surface field work.

GABON

East Orovinyare (EOV) Permit (Bowleven group 100% - operator)

EOV field development

2008 has seen significant progress on the commercialisation of the EOV field. The development plan for the EOV field was re-evaluated and three different evacuation routes were assessed. Discussions took place with the owners of available fixed infrastructure evacuation routes and also with the operators of available FPSOs. In addition, after initial evaluation of the field and the reservoir planning undertaken by the previous operator, we decided that a complete subsurface review was required, commencing with a re-evaluation of the 3D seismic interpretation. This remapping exercise was followed by the development of a new static model, which was then taken forward to a dynamic reservoir simulation. The production profiles derived from this work demonstrate potential recoverable volumes ranging from 6 to 12 million barrels of oil which are included in the table of the Group's Resources set out below.

Following this subsurface review, the consideration of evacuation infrastructure and further significant negotiations with Fred Olsen Production, an option to contract the Knock Taggart FPSO for use at the EOV field was agreed. A full contract containing the option and covering the lease of the FPSO and operational responsibility for the field once in production, was signed with a subsidiary of Fred Olsen Production on 28 August 2008. This option is available until 15 December 2008 and if the option is exercised the option fee is available for offset against the initial mobilisation fee. Assuming the development receives project sanction by the end of 2008, it is expected that oil production will commence early in Q2 2010.

EOV – exploration

The EOV Permit also contains a number of exploration leads and prospects. During 2008 we received 3D seismic covering previously unmapped portions of probably the largest

feature on the Permit, the North West Kowe prospect. We have now matured this prospect to drillable status. The mean in place volumes are assessed as 234 million barrels in multiple reservoir objectives, which we believe can be accessed by a single deviated exploration well. Plans to drill this prospect are being considered in conjunction with the EOY development drilling proposals.

Epaemeno Permit (Bowleven group 50%, Addax 50% - operator)

Activity has progressed as planned on the Epaemeno Permit. A 2D seismic survey is currently being acquired by the operator Addax and the 600km programme is scheduled for completion early in 2009. Interpretation of the dataset will then be undertaken by Bowleven under its technical services agreement with the operator, Addax. The outcome of this work will be a high-graded prospect inventory that will serve as the basis for locating future wells. Addax is now proceeding with Phase 2 of the seismic programme with a view to accelerating the 2009 drilling plan for the acreage.

New Opportunities

Strategically, our objective is to collaborate with indigenous companies in the Gulf of Guinea region and focus on opportunities onshore and offshore in shallow water in up to three countries. Bowleven currently has the potential for such an opportunity in connection with onshore blocks to be offered in the forthcoming Angolan licencing round. We continue to actively pursue opportunities to secure attractive acreage in Cameroon, Gabon and other Gulf of Guinea countries, both as a farm-in partner and in direct negotiation with national authorities.

RESOURCES

The table below outlines the Group's resources position on a gross basis:

Recoverable Resources

Contingent Resources	P90	P50	P10
Gas (bcf) including LPGs	340	615	1080
Condensate (mmbbls)	30	60	108
Oil (mmbbls)	18	41	94
Total BOE (mmbbls)	105	203	382

Notes:

- Etinde Permit gas contingent resources are estimated based on a consideration of the range of recovery factors that may be typically anticipated from a gas field. A range of 60-80% of GIIP can be considered typical for such fields. Tabulated gas figures are based on an assumed net gas recovery of 70% of GIIP, allowing for gas shrinkage (due to liquids drop-out) of 15% of net gas recovery. Etinde Permit oil resource volumes are similarly estimated based on a considered typical recovery range of 15-45% of STOIP. Tabulated oil figures for Etinde Permit assume a recovery of 30% of STOIP.
- Oil resource estimates for EOV field are based on recently completed initial reservoir simulation studies.
- Ranges of recovery factors will be reviewed as technical evaluations are progressed.

PROGRAMME FOR 2009

On the Etinde Permit we are currently working up potential appraisal locations for the IF discovery in Cameroon and we expect to drill at least one of these wells in H1 2009. In addition we also plan to drill further exploration and appraisal wells in both MLHP-5 and MLHP-7 during 2009. It is also likely that further 3D seismic data will be acquired over an area of MLHP-6 adjacent to MLHP-7 and possibly over part of MLHP-5. We will continue with development planning for both oil and gas/condensate development in MLHP-7, with the objective of sanctioning our first Cameroonian development by early 2010.

On the Bomono Permit, once we have completed fieldwork, we intend to acquire airborne magnetic and gravity surveys and 2D seismic data during 2009.

In Gabon, it is our hope to sanction the EOV field development by the end of 2008 with the target of the production of first oil by early Q2 2010. Financing and partnership options are under review and these, alongside the overall macro-economic environment that we are currently experiencing, remain integral considerations to project sanction decision timing.

On the Epaemeno Permit, following the completion of seismic acquisition it is intended to commence exploration drilling in the second half of 2009.

Our portfolio now has an exciting range of assets with operations ranging from early exploration activities to appraisal drilling and development. We look forward to making substantial progress on all these fronts in the coming year.

John Morrow, Chief Operating Officer
Ed Willett, Exploration Director

4 November 2008

FINANCIAL REVIEW

“THE GROUP HAS A SOLID ASSET BASE, SUPPORTED BY ITS DRILLING SUCCESSES FROM WHICH TO ACCESS THE ADDITIONAL CAPITAL NEEDED TO DEVELOP ITS BUSINESS”

FINANCIAL SUMMARY

	Year ended 30 June	
	2008 \$000	2007 \$000
Operating loss before financing costs	(16,287)	(11,649)
Loss from continuing operations	(10,946)	(20,147)
Net cash used operating activities	(10,226)	(22,195)
Net cash and cash equivalents	103,226	105,307
Net assets	377,019	309,359

ADOPTION OF IFRS AND CHANGE IN PRESENTATION CURRENCY

This is the first year that the financial statements for the Group have been prepared under International Financial Reporting Standards (IFRS) as adopted by the European Union. It is also reporting in US Dollars for the first time, the revised presentation currency for the Group. A detailed conversion and restatement document was issued on 20 November 2007 and a copy of this is available on the Company's website.

CHANGE IN OIL AND GAS ACCOUNTING POLICY

In preparing the accounts for the year ended 30 June 2007, the Group followed the full cost method of accounting for oil and gas assets. Under this method, all expenditure incurred in connection with the acquisition, exploration, appraisal and development of oil and gas assets were initially capitalised. Following the implementation of IFRS the Group has changed its accounting policy for exploration/appraisal to a successful efforts based policy, effective from the transition date of 1 July 2006. The comparative information for the year to 30 June 2007 has been restated accordingly. Further details can be found in the restatement document discussed above.

RESULTS

Our operations continue to be in an exploration and development phase as we work towards delivering first production from our assets. The Group's results for the year showed a loss of \$10.9 million for the year ended 30 June 2008 compared to a loss of \$20.1 million for the previous financial year.

The total administrative expenses for the Group were \$16.3 million, approximately \$4.7 million higher than the previous year. This was in line with expectations, primarily reflecting the growth in the organisation as the business invests in its human resource base as it seeks to appropriately evaluate and exploit its prospective portfolio of exploration acreage to fulfil the Group's strategic objectives.

Finance income increased by \$0.2 million to \$5.4 million. Whilst the reduced cash balances held by the Group during the year resulted in a reduction in interest receivable of \$1.4 million to \$3.7 million, there was also an amount of \$1.6 million recorded within finance income relating to foreign currency exchange differences. In the previous year, there were \$13.6 million of foreign currency exchange differences included within finance costs arising principally from exchange movements on intra-group lending. Exchange differences were recorded within administrative expenses in previous years and have been reclassified within finance income or finance costs, as appropriate, in the Income Statement.

Loss per share was \$0.14 compared to \$0.37 for the previous year.

CASH FLOW AND CAPITAL EXPENDITURE

There was a Group cash outflow from operating activities (cash operating loss, adjusted for movements in current assets and liabilities) of \$10.2 million for the year against a cash outflow of \$22.2 million for the previous year.

In the year under review, \$73.5 million was invested in capital expenditure on the Group's portfolio of assets (2007: \$75.9 million). The majority of expenditure (\$59 million) was on exploration and appraisal activities, primarily on the Etinde Permit. The most significant individual components were approximately \$19 million on completion of the 2007 drilling programme and \$7 million expended to 30 June 2008 on drilling the IF-1r exploration well in block MLHP-7. In addition, \$14 million was invested on pre-sanction development work for the EOv field in Gabon.

Interest received in the year amounted to \$3.7 million (2007: \$5.1million)

The Group is currently financed entirely from shareholders' equity. Its finances were further bolstered by the successful placing of just under 12 million ordinary shares for approximately \$76 million (net of expenses) on 28 March 2008.

The above elements contributed to the small decrease in cash balances of \$2.1 million to

\$103.2 million at the year end.

BALANCE SHEET AND FINANCING

The balance sheet was considerably strengthened by the net \$77.1 million of equity finance received during the year, the principal element of which was the placing of just under 12 million shares in March 2008, the balance being shares issued on exercise of share options. Shareholders' funds had increased by \$67.7 million to \$377.0 million as at 30 June 2008.

The Group has a sound basis for its committed investment programme, being debt free and having cash resources of approximately \$103.2 million as at 30 June 2008. Future development, appraisal and exploration activities will, however, require additional capital. Accordingly, the Group continues to review all available funding options and believes it is well positioned to access these given its solid asset base and recent drilling success.

John Brown, Finance Director

4 November 2008

Bowleven plc
GROUP INCOME STATEMENT
for the year ended 30 June 2008

	2008	2007
	\$'000	As restated \$'000
Revenue	-	-
Administrative expenses	(16,287)	(11,649)
Operating loss before financing costs	<u>(16,287)</u>	<u>(11,649)</u>
Finance income	5,351	5,108
Finance costs	(10)	(13,606)
Loss from continuing operations before taxation	<u>(10,946)</u>	<u>(20,147)</u>
Taxation	-	-
Loss for the Year From Continuing Operations Attributable to Equity Shareholders of the Parent Undertaking	<u>(10,946)</u>	<u>(20,147)</u>
Basic and diluted loss per share (\$/share)	(0.14)	(0.37)

Bowleven plc
STATEMENTS OF RECOGNISED INCOME AND EXPENSE
for the year ended 30 June 2008

GROUP	2008	2007
	\$'000	As restated \$'000
Exchange differences on retranslation of foreign operations	(1,196)	13,728
Net (expense)/income recognised directly in equity	<u>(1,196)</u>	<u>13,728</u>
Loss for the year	<u>(10,946)</u>	<u>(20,147)</u>
Total Recognised Income and Expense for the Year Attributable to Equity Shareholders	<u>(12,142)</u>	<u>(6,419)</u>

Bowleven plc

GROUP BALANCE SHEET 30 June 2008

	2008	2007
	\$'000	As restated \$'000
Non-current Assets		
Intangible exploration assets	206,155	149,709
Evaluated Oil & Gas Properties	74,156	63,237
Property, plant and equipment	931	695
	<u>281,242</u>	<u>213,641</u>
Current Assets		
Inventory	5,655	7,802
Trade and other receivables	5,621	2,080
Cash and cash equivalents	103,226	105,307
	<u>114,502</u>	<u>115,189</u>
Total Assets	<u>395,744</u>	<u>328,830</u>
Current Liabilities		
Trade and other payables	(18,725)	(19,471)
Total Liabilities	<u>(18,725)</u>	<u>(19,471)</u>
Net Assets	<u>377,019</u>	<u>309,359</u>
Equity		
Called up share capital	16,841	14,378
Share premium	414,682	340,058
Foreign exchange reserve	12,532	13,728
Other reserves	10,098	7,383
Retained deficit	(77,134)	(66,188)
Total Equity Attributable to the Equity Shareholders	<u>377,019</u>	<u>309,359</u>

Bowleven plc

GROUP CASH FLOW STATEMENT for the year ended 30 June 2008

	2008	2007
	\$'000	As restated \$'000
Cash flows from operating activities		
Group operating loss	(10,946)	(20,147)
<i>Adjustments to reconcile group operating loss to net cash inflows from operating activities:</i>		
Depreciation and impairment of property, plant and equipment	553	353
Loss on disposal of property, plant and equipment	-	73
Finance income	(5,351)	(5,108)
Finance costs	10	13,606
Non-cash payment of FAO Directors' share option scheme dues	-	116
Equity settled share based payment transactions	2,715	1,539
Adjusted operating loss before changes in working capital	(13,019)	(9,568)
Decrease/(increase) in inventory	2,147	(5,769)
(Increase)/decrease in trade and other receivables	(700)	679
Increase/(decrease) in trade and other payables	1,816	(1,814)
Exchange differences	(460)	(5,704)
Interest paid	(10)	(19)
Net Cash Used in Operating Activities	(10,226)	(22,195)
Cash flows from investing activities		
Acquisition of subsidiary net of costs	-	(962)
Purchases of property, plant and equipment	(789)	(391)
Purchases of evaluated oil & gas properties	(13,843)	(4,758)
Purchases of intangible exploration assets	(58,916)	(70,755)
Interest received	3,694	5,108
Net Cash Used in Investing Activities	(69,854)	(71,758)
Cash flows from financing activities		
Net proceeds from issue of ordinary shares	77,087	140,818
Pre-acquisition loan to FirstAfrica Oil Limited	-	(26,071)
Net Cash Flows from Financing Activities	77,087	114,747
Net (Decrease)/Increase in Cash and Cash Equivalents	(2,993)	20,794
Net (decrease)/increase in cash and cash equivalents	(2,993)	20,794
Effect of exchange rates on cash and cash equivalents	912	7,405
Cash and cash equivalents at the beginning of the year	105,307	77,108
Cash and Cash Equivalents at the Year End	103,226	105,307

NOTES TO THE PRELIMINARY FINANCIAL STATEMENTS

For the year ended 30 June 2008

(1) Accounting Policies and Presentation of Financial Information

Basis of Preparation

These financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union (EU) and with those parts of the Companies Act 1985 applicable to companies reporting under IFRS. The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain financial assets and liabilities (including derivative instruments).

IFRS was adopted on 1 July 2007, and the comparative figures in respect of the year ended 30 June 2007 were restated from UK Generally Accepted Accounting Practice (UK GAAP) to comply with IFRS.

The Company issued a 'Restatement of 2006-07 Results from UK GAAP (United Kingdom Generally Accepted Accounting Practices) to IFRS' document on 20 November 2007 that highlighted the principal accounting differences between IFRS and UK GAAP. The comparative information was also restated in US Dollars in this document following a change in the presentation currency of the Group.

Bowleven plc, as a company, operates using a functional currency of GB Pounds. These financial statements are presented in US Dollars, the Group's presentation currency, rounded to the nearest \$'000. This is a change from the UK GAAP accounts previously produced, which had a presentation currency of GB Pounds.

Full disclosure of the Group accounting policies is included in the annual report scheduled to be posted to shareholders on Monday 17 November 2008.

(2) Going concern

After making enquiries, the Directors are satisfied that the Group has adequate resources to continue in operational existence for the foreseeable future. For this reason, the Directors continue to adopt the going concern basis in preparing the financial statements.

(3) Post balance sheet events

As announced on 4 November 2008, the Company has convened an Extraordinary General Meeting on 11 December 2008 to propose a resolution to:

(a) increase its authorised share capital to £45,000,000 by the creation of 330,000,000 new ordinary shares;

(b) grant the directors authority to allot shares up to an aggregate nominal amount equal to £25,000,000 pursuant to section 80 of the Companies Act 1985; and

(c) confer on the directors the power to make such allotments for cash as if section 89(c) of the Companies Act did not apply.

Parts (b) and (c) of the special resolution, if passed, shall expire, if not used before then, on 31 March 2009.

(4) Other notes

(a) The basic and diluted earnings per share is calculated on a loss of \$10,946,000 (2007 restated: \$20,147,000) on a weighted average of 78,087,017 (2007: 53,980,015) ordinary shares.

(b) The Directors have not recommended a dividend (2007:nil).

(5) 2008 Annual Report and Accounts

Full accounts are scheduled to be posted to shareholders on Monday 17 November 2008 and can be obtained, free of charge, at the Company's registered office, 1 North St Andrew Lane, Edinburgh, EH2 1HX, for a period of one month.

(6) Annual General Meeting (AGM)

The AGM is due to be held on Thursday 11 December 2008.

(7) Review by Qualified Person

The technical information and opinions in relation to the Group's operations and reserves presented in this announcement have been reviewed by Ed Willett, Exploration Director, who is a geologist and geophysicist, a Fellow of the Geological Society (FGS) and a member of the Petroleum Exploration Society of Great Britain (PESGB).

GLOSSARY:

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

Addax – Addax Petroleum Corporation

API – American Petroleum Institute units as a measure of oil specific gravity

bcf – billion cubic feet of gas

boe or BOE – barrel(s) of oil equivalent

Bomono Permit – the production sharing contract between the Republic of Cameroon and EurOil dated 12 December 2007 in respect of the area of approximately 2,328km², which includes blocks OLHP-1 and OLHP-2 onshore Cameroon or, as the context may require, the contract area to which this production sharing contract relates

bopd – barrel(s) of oil per day

discovery – a discovery of hydrocarbons not previously evidenced by drilling, recoverable at the surface in a flow measurable by conventional petroleum industry testing methods

DST – drill stem test

Epaemeno Permit – the permit constituted by the exploitation and production sharing contract between the Republic of Gabon and GGPC Gabon (Epaemeno) Limited (an indirectly wholly-owned subsidiary of the Company) dated 17 November 2004, as the context may require, the contract area to which this production sharing contract relates

Equipoise – Equipoise Solutions Limited

Etinde Permit – the permit granted by the Government of Cameroon that covers the area of 2,314 km² and consists of Block MLHP-5, Block MLHP-6 and Block MLHP-7, all within the Rio del Rey Basin and the Douala Basin

EOV field – an oil discovery within the EOV Permit

EOV Permit – the permit constituted by the exploitation and production sharing contract between the Republic of Gabon and GGPC Gabon (EOV) Limited (an indirectly wholly-owned subsidiary of the Company) dated 16 February 2004, as the context may require, the contract area to which this production sharing contract relates

ERC – Energy Resource Consultants Limited

FAO – FirstAfrica Oil Limited (formerly FirstAfrica Oil plc)

FPSO – floating production, storage and offloading vessel

Ft - feet

GOR – gas oil ratio

GIIP – gas in place

H1 - first half

LNG – liquefied natural gas

LPG – liquefied petroleum gas, including secondary condensate recovery, propane and butane

m - million

MD – measured depth

mmbbls – million barrels

OWC – oil water contact

P10 – 10 per cent probability that volumes will be equal to or greater than stated volumes

P50 – 50 per cent probability that volumes will be equal to or greater than stated volumes

P90 – 90 per cent probability that volumes will be equal to or greater than stated volumes

prospect, lead and play – a play is an exploration concept or idea that is conducive to the identification of leads that may, in turn, become prospects when they are ready to be drilled

PSC – production sharing contract

scf – standard cubic feet

STOIIP – stock tank oil initially in place

tcf – trillion cubic feet

thin bed pay - interbedded hydrocarbon bearing reservoir and shale where the thickness of individual beds are below the resolution (typically 6-12") of conventional electric logging tools

\$ - United States of America dollars

2D – two dimensional

3D - three dimensional