



10 January 2011

Bowliven plc ('Bowliven' or 'the Company')

Further drilling success with Sapele-1 discovery well

Sapele-1 Exploration Well, Block MLHP-5, Etinde Permit, Offshore Cameroon

Bowliven, the West Africa focused oil and gas exploration group traded on AIM, announces that the Sapele-1 exploration well drilling in the Douala Basin, offshore Cameroon has encountered further hydrocarbon-bearing pay in both the Tertiary and Cretaceous objectives based on the results of drilling, wireline logs, samples of reservoir fluid and pressure data.

The well was designed to intersect multiple stacked objectives of Tertiary to Cretaceous age. Wireline log evaluation indicates all of the five objectives to be hydrocarbon-bearing with net pay confirmed in three, based on fluid samples. The well has reached a current total depth (TD) of 4,539 metres and the intention is to set liner and drill onwards, subject to attaining various approvals, on completion of current logging activities.

Highlights

- All five target objectives indicated to be hydrocarbon-bearing from log evaluation; net pay confirmed in three post sampling.
- Increased oil in-place estimates for Deep Omicron; P90 to P10 now 65 to 430 mmbbls.
- Cross-cut objective encountered 4 metres of log evaluated net hydrocarbon pay.
- Gas condensate encountered in Epsilon Complex validates Cretaceous prospectivity; extends play fairway significantly offshore.
- Further Cretaceous reservoir potential identified; Sapele-1 drilling planned to continue on completion of current logging activities.
- Epsilon Complex volumetrics to be updated following integration and evaluation of extensive well data.
- Preparing for testing and subsequent appraisal drilling/sidetrack activity.
- Group cash at 31 December 2010 circa \$190 million; well positioned to fund forward work programme.

Drilling update

The Sapele-1 exploration well location, on block MLHP-5 in the Etinde Permit, was selected to intersect multiple independent exploration targets from the proven Miocene fairway down to the deeper Cretaceous fairway from a single location. This required that a number of the targets be intersected at sub-optimal locations. Consequently, while the well has confirmed the prognosed targets as hydrocarbon-bearing, this is believed to have occurred at the extremities of Lower and Deep Omicron and the Cretaceous Epsilon Complex.

Since the announcement on 25 November 2010, the well, which is drilling in shallow water depths of around 20 metres, has been drilled to a current TD of 4,539 metres and has drilled through the Cross-cut event and into the Cretaceous.

A principal objective of the Sapele-1 well was to prove the concept of the Cretaceous play offshore Douala Basin. The well has now confirmed the presence of reservoir and hydrocarbons in the Cretaceous, offshore Douala Basin, and as a result extends the Cretaceous play fairway significantly offshore.

The updates for these most recent reservoir sections are outlined below:

Cross-cut event

The well has intersected a log evaluated gross hydrocarbon interval of approximately 18 metres in what are believed to be moderate quality interbedded reservoir sands. The provisional net pay is estimated to be approximately 4 metres, with an average porosity of 17%.

Epsilon Complex

The well has intersected a log evaluated gross hydrocarbon interval of approximately 9 metres in moderate to good quality reservoir sands. The Cretaceous net pay encountered to date is estimated to be approximately 4 metres, with an average porosity of 13%. Fluid samples acquired during logging activities confirm the presence of lean gas condensate as reservoir fluid.

It is believed that the well has encountered additional sands at the current TD. Further Cretaceous targets have also been identified and consequently, drilling is planned to continue upon completion of current logging activities.

Initial in place estimates

Following the identification of additional net pay at Deep Omicron Bowleven's (as operator) in-place volumetrics on a P90 to P10 range have been revised upwards to 65 to 430 mmbbls (updated mean 217 mmbbls). These numbers are subject to ongoing revision following

further evaluation and additional appraisal drilling. Due to the stratigraphic nature of the Omicron discoveries, further appraisal will be required and is being planned.

Updated volumetrics for the Epsilon Complex will be generated following completion of the well and the integration and evaluation of the extensive well data acquired.

Sapele-1 forward programme

Wireline logging operations are ongoing over the Cross-cut and Epsilon Complex intervals. Once completed, it is planned to continue drilling, subject to required approvals and agreement with the joint venture partner, further into the Cretaceous. The forward plan will be reviewed by the joint venture on reaching the revised target depth and on completion of logging activities.

Meanwhile, preparations for testing Sapele-1 are underway and any testing will be undertaken once drilling and logging activities are completed. Due to the stratigraphic nature of these discoveries further evaluation and appraisal will be required to determine commerciality. Consequently, planning for sidetrack/appraisal activities is in progress and this activity is expected to commence on completion of the testing programme.

Further update announcements on drilling activities will be made as appropriate.

Financial position

The Group has circa \$190 million cash and no debt at the 31 December 2010. This excludes approximately \$35 million proceeds anticipated from the disposal of EOV. Consequently, the Group is well funded to carry out the extensive work programme envisaged for 2011 across its acreage.

Kevin Hart, Chief Executive of Bowleven plc, commented:

“2010 has been an exciting year for Bowleven. As we enter 2011 the ground-breaking Sapele-1 exploration well continues to excite and highlights the potential of the Douala Basin. Whilst further evaluation and appraisal are required, the Sapele-1 well has the potential to be transformational. The discovery of oil at Sapele-1 in high quality Miocene reservoirs and in shallow water depths is significant in terms of both acreage-wide prospectivity and potential future development. The Cretaceous result also validates the play within this part of the Douala basin and has potentially significant implications for the overall prospectivity of the Etinde Permit. Furthermore, the Sapele-1 well will have a pivotal role in calibrating and de-risking the multiple exploration prospects identified across Etinde. The momentum is continuing to build in our operations in Cameroon and 2011 promises to be our busiest year yet with an extensive exploration and appraisal programme planned.”

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
Natalia Erikssen	

RBS Hoare Govett	
Stephen Bowler	00 44 207 678 8000
Jamie Buckland	00 44 207 678 8000

Note to Announcement:

- (1) The technical information in this release has been reviewed by Ed Willett, who is a qualified person for the purposes of the AIM Guidance Note for Mining, Oil and Gas Companies. Ed Willett, Exploration Director of Bowleven plc, is a geologist and geophysicist, a Fellow of the Geological Society (FGS) and a member of the Petroleum Exploration Society of Great Britain (PESGB) with over 25 years' experience in oil and gas exploration and production.

Notes to the Editor:

Bowleven is a West Africa focused oil and gas exploration group, based in Edinburgh and traded on AIM since December 2004.

On 12 August 2009, Bowleven entered into a farm-out agreement with Vitol E&P Limited (Vitol) in respect of the Etinde Permit (Etinde) Cameroon, comprising three shallow water blocks in offshore Cameroon, West Africa; namely Blocks MLHP-5, MLHP-6 and MLHP-7. As a consequence, Vitol acquired an initial 25% participating interest in Etinde, in return for funding a \$100 million gross work programme and Bowleven retained its 75% operated participating interest in the Etinde Permit. Bowleven holds its interest in Etinde through its wholly owned subsidiary EurOil Limited. The original agreement also included an option for Vitol to acquire a further participating interest.

On 30 September 2010, a revised option arrangement was agreed with Vitol. Under this agreement, Vitol have an option to acquire a 10% participating interest in block MLHP-7, Etinde, in return for funding an agreed \$50 million gross appraisal work programme. The option expires on the earlier of (i) the spud date of the next appraisal well on block MLHP-7 and (ii) 31 March 2011. The option arrangement excludes blocks MLHP-5 and MLHP-6, Etinde, where the Sapele-1 exploration well is currently being drilled. Bowleven will retain operatorship of all three blocks.

Under the production sharing contract (PSC), the state of Cameroon has the right to elect to take a 20% participating interest in development activity on the acreage. In the event that this back-in right is exercised, Bowleven and Vitol have agreed that they shall correspondingly reduce their participating interests in any future development on a pro rata basis.

The Etinde Permit comprises approximately 2,316 km² of exploration acreage located across the Rio del Rey and Douala Basins in the Etinde Permit. The exploration period for the Etinde Permit expires at the end of 2011. There is explicit provision in the PSC for a one year extension to complete appraisal activity. Since 2007, the Bowleven group has drilled five wells on the Permit, all of which have been successful. Drilling operations are ongoing on a multi well drilling programme on the Etinde Permit. The IE-3 appraisal well, the first well in the campaign, was drilled to a final depth of 3,048 metres and a testing programme of five DSTs (drill stem tests) was successfully completed. Drilling operations are ongoing on the high potential exploration well, Sapele-1, on block MLHP-5, Etinde Permit, Cameroon. The targets of the Sapele-1 exploration well, are a series of vertically stacked reservoir objectives, from the proven Miocene fairway down to the deeper Cretaceous fairway. The Sapele-1 well has so far been drilled to a current total depth of 4,539 metres. All five target objectives have indicated to be hydrocarbon bearing from log evaluation with net pay confirmed in three post sampling. Further details on Sapele-1 drilling results were also provided in announcements made on 9 and 25 November 2010. On completion of logging activities drilling is planned to continue, subject to attaining various approvals and agreement with the joint venture partner, on the Sapele-1 well.

The drilling rig contract signed for the Etinde drilling programme is for the Noble Tommy Craighead jack-up, owned by Noble International, a subsidiary of Noble Corporation (NYSE:NE).

EurOil Limited also has a 100% equity interest in the Bomono Permit, onshore Cameroon, extending to approximately 2,328 km² in the Douala Basin.

Bowleven holds, through its wholly owned subsidiary FirstAfrica Oil Limited, a 100% equity interest in the EOV Permit offshore Gabon, which contains an existing oil discovery that is awaiting development. A sale and purchase agreement has been initialled for the disposal of the Group's entire interest in EOV. Government acknowledgement of the transaction has been requested (although not a legal requirement). Bowleven also has a 50% non-operated equity interest in the Epaemeno Permit, which is approximately 1,340 km² of exploration acreage onshore Gabon. Addax is operator of the Epaemeno Permit. An 18 month extension to the second exploration term has been agreed with the Gabonese authorities, running from the expiry of the original exploration phase through to February 2012.

GLOSSARY OF TERMS:

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

AIM	Alternative Investment Market
Bowleven	Bowleven plc and/or its subsidiaries as appropriate
EOV Permit	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; or, as the context may require, the contract area to which this production sharing contract relates
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 2,316 km ² , comprising former blocks MLHP-5, MLHP-6 and MLHP-7, offshore Cameroon; or, as the context may require, the contract area to which this production sharing contract relates
mean	in the context of estimated resource volumes, means the arithmetic sum of a range of resource estimate cases divided by the number of cases.
mmbbls	million barrels
P10	10% probability that volumes will be equal to or greater than stated volumes
P90	90% probability that volumes will be equal to or greater than stated volumes

Notes:

For the purposes of this announcement all volumes quoted are on a gross basis.