



1 October 2010

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

Vitol option update

Bowleven, the West Africa focused oil and gas exploration group listed on AIM, is pleased to announce that it has entered into a revised option agreement with Vitol E&P Limited (Vitol) in respect of the Etinde Permit (Etinde), offshore Cameroon.

Under the agreement, which replaces the previous option arrangement, Vitol have an option to acquire a 10 percent 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 or (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.

The nature of the option and its applicability to only block MLHP-7 reflects Vitol's primary focus on appraisal and development activities and the understandable requirement for further technical work to be completed prior to a firm future development and appraisal plan being agreed on the IE and IF field areas. In this regard, work is ongoing integrating the results of the recent IE-3 appraisal well and on the processing and interpretation of the newly acquired 3D seismic over the IF field area.

Bowleven and Vitol currently have participating interests of 75 percent and 25 percent respectively in the Etinde Permit. In the event of option exercise, Bowleven's participating interest in block MLHP-7 would be 65 percent with effect from the date of exercise, with its participating interest in blocks MLHP-5 and MLHP-6 remaining at 75 percent. All participating interests are expressed prior to the exercise of any state back-in rights.

The Etinde PSC effectively restricts the equity that can be transferred to a new participant to a minimum of 25 percent (pre state back-in). Consequently by retaining a greater equity position Bowleven retains the flexibility to bring in a further partner, if deemed appropriate, whilst still retaining a material ongoing position.

Bowleven estimates that it will have approximately \$80 million of cash and no debt on completing the Sapele-1 exploration well (excluding testing). This excludes approximately \$35 million proceeds anticipated from the disposal of EOV, offshore Gabon. Once the remainder of the existing Vitol \$100 million carry is exhausted, Vitol will continue to fund activities across the Etinde Permit in accordance with their existing 25 percent equity interest.

The Etinde joint venture is currently drilling the high impact Sapele-1 exploration well on block MLHP-5 (Bowleven participating interest 75 percent). Update announcements on drilling activities will be made as appropriate.

Kevin Hart, Chief Executive of Bowleven commented:

“We are delighted to have agreed a revised option arrangement with Vitol that is mutually beneficial. It highlights the enhanced value of our existing discoveries on MLHP-7 and also ensures that Bowleven retains a significant equity interest in the Douala basin, an emerging exploration province that is increasingly capturing industry attention. This includes the high impact Sapele-1 exploration well that is currently drilling on block MLHP-5, Etinde. With an estimated \$80 million in cash post Sapele-1 drilling and an additional \$35 million disposal proceeds anticipated we are well positioned to fund our 2011 work programme. The higher equity interest we have retained across the Etinde acreage affords the opportunity to bring in additional partners if deemed appropriate.”

Ian Taylor, President and CEO of the Vitol Group commented:

“The principal focus of Vitol’s participation in Etinde is to move the existing discovered resource base towards development sanction. The extension to the option exercise date gives the joint venture additional time to evaluate the extensive data recently acquired from the IE-3 appraisal well and other activities, before agreeing the optimal next steps to progress the acreage towards development.”

ENQUIRIES

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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 a West Africa focused oil and gas 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 percent 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 or (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. 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. As announced on 15 September 2010, drilling operations have commenced on the high impact exploration well, Sapele-1, on block MLHP-5, Etinde Permit, Cameroon. The Sapele-1 well is to be drilled to an estimated target depth of approximately 4,450 metres and drilling is expected to take approximately 70 to 80 days (excluding testing).

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/Kribi Campo basin.

Bowleven holds, through its wholly-owned subsidiary FirstAfrica Oil Limited, a 100% equity interest in the EOY 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 EOY. 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.

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	GGPC Gabon (EOV), a wholly owned subsidiary of Bowleven plc that holds a 100% equity interest in the EOV Permit offshore Gabon
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
Etinde Permit	the production sharing contract between the Republic of Cameroon and EurOil (an indirectly wholly-owned subsidiary of the company) dated 22 December 2008 in respect of the area of approximately 2,316 km ² , comprising Block MLHP-5, Block MLHP-6 and Block MLHP-7, offshore Cameroon or, as the context may require, the contract area to which this production sharing contract relates
IE	the Isongo E field area, block MLHP-7
IF	the Isongo F field area, block MLHP-7
PSC	production sharing contract
3D seismic	three dimensional seismic