



24 February 2015

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

Etinde Farm-Out Update – Presidential Decree Gazetted

Bowleven, the Africa focused oil and gas exploration group traded on AIM, is pleased to announce that the Presidential decree regarding the Etinde transaction has now been gazetted. This has satisfied the final outstanding condition of the farm-out process with LUKOIL and NewAge. The transaction is now scheduled to complete within 15 business days, at which point the company will receive the initial cash proceeds of approximately \$170 million from LUKOIL and NewAge.

The farm-out transaction was announced on 24 June 2014 and comprises the acquisition of a 30% and additional 10% interest in Etinde by LUKOIL and NewAge, respectively, in return for an aggregate consideration of approximately \$250 million. The proceeds comprise:

- Approximately \$170 million cash at completion (includes \$5 million estimated working capital adjustment, subject to finalisation);
- Up to \$40 million (net) carry for two Etinde appraisal wells;
- \$15 million cash to be received on completion of appraisal drilling; and
- \$25 million cash contingent upon and to be received at Etinde development project FID.

Bowleven will retain a 20% interest in Etinde and operatorship transfers to NewAge.

Kevin Hart, Chief Executive of Bowleven plc, said:

“The completion of the Etinde farm-out places us in a strong position to exploit further our existing asset base. The resulting consideration of cash and carry, together with an expanded and strengthened joint venture, will enable us to progress both the Etinde development and importantly to participate in the near-term appraisal of the exciting Intra Isongo formation.

Looking forward, our immediate challenge is to continue to optimise the potential of our Cameroon acreage, with drilling and commercialisation activities on Etinde and, shortly, Bomono. While our strengthened balance sheet is a real advantage through this volatile period for the sector, we remain determined to exercise discipline in the choice and timing of our capital spending.”

ENQUIRIES

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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 three blocks in Cameroon, with one block located offshore in shallow water and two onshore. All of these blocks are currently 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 farm-out agreement to sell an aggregate 40% (post government back-in) operated interest in the Etinde Permit, Cameroon to LUKOIL and NewAge (or their nominated affiliates).

On completion of the farm-out transaction operatorship of the offshore Etinde Permit in Cameroon will transfer to NewAge and participating interests will be:

NewAge:	30%
LUKOIL:	30%
Bowleven:	20%
SNH:	20%

Information on LUKOIL

LUKOIL is one of the largest listed oil and gas companies in the world with a market capitalisation of around \$40 billion. LUKOIL is listed on the Russian Stock Exchange (MICEX) and has had a full listing on the London Stock Exchange for over 10 years.

It has over 20 years of operating experience. Most of the LUKOIL group's exploration and production activity is located in Russia and its main resource base is in Western Siberia. It also has E&P interests in Sierra Leone, Cote d'Ivoire, Ghana, Egypt, Saudi Arabia and Iraq amongst others and is currently implementing oil & gas exploration and production projects in over 10 countries. It has extensive experience in operating multi-tcf gas fields, developing and producing hydrocarbons (including the processing of natural gas liquids) and working with multiple stakeholders.

Information on NewAge

NewAge (African Global Energy) Limited is a privately-owned oil and gas exploration and production company, with operations in 7 countries and a portfolio of 21 oil and gas

concessions covering 6 hydrocarbon basins. NewAge has experience in finding and developing oil and gas in emerging areas. NewAge has completed seismic acquisition in all assets and has discovered and appraised 5 oil fields and 6 gas fields. NewAge is currently producing from two fields and has two further development fields expected to commence production in 2015. Camop, an existing partner in the Etinde joint venture, is a subsidiary undertaking of NewAge and has held a 25% (20% post government back-in) equity interest in the Permit since 2009.

As previously announced, the Group has a \$30 million bridge facility available for utilisation pending completion of the farm-out transaction. This facility is not currently drawn. Following completion any amounts drawn will be repaid and the facility cancelled.

Notes to Announcement:

- (1) The information in this release reflects the views and opinions of Bowleven as operator and has not been reviewed in advance by its joint venture partners.

Glossary of Terms:

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
Etinde Permit	the Etinde Exploitation Authorisation (EA) Area. The Etinde EA, granted on 29 July 2014, covers an area of approximately 461km ² (formerly block MLHP-7) and is valid for an initial period of 20 years
FID	final investment decision
LUKOIL	LUKOIL Overseas West Project Ltd, a subsidiary undertaking of OAO LUKOIL
NewAge	New Age (African Global Energy) Limited
SNH	Société Nationale des Hydrocarbures, the national oil and gas company of Cameroon
\$	United States of America Dollars