



bowleven
oil & gas

BUILDING MOMENTUM

INTERIM REPORT 2010

WE ARE BOWLEVEN

Bowleven is a West Africa focused oil and gas group, based in Edinburgh and traded on AIM since December 2004. It holds equity interests in offshore and onshore exploration acreage in both Cameroon and Gabon.

2011 OUTLOOK

- Ongoing exploration and appraisal activity in Cameroon is likely to include:
 - Completion of Sapele-1ST (sidetrack) well and testing programme to appraise the Deep Omicron oil discovery;
 - Completion of the Sapele-2 appraisal well targeting Lower and Deep Omicron fairways;
 - Further exploration/appraisal wells targeting Tertiary and Cretaceous prospectivity in the Douala Basin;
 - Identification of potential leads and prospects from newly acquired MLHP-6 3D seismic prior to formulating the 2012 Etinde drilling programme;
 - Further appraisal activities on the block MLHP-7 discoveries; and
 - Generation of leads and prospects from the new Bomono 2D seismic ahead of planned 2012 drilling programme.
- Convert resources to reserves; progress IE and IF development projects towards sanction.

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www.bowleven.com

HIGHLIGHTS

“We are delighted with progress made towards our overarching objectives of exploring the significant potential of the Douala Basin and converting resources to reserves on Etinde.”

HIGHLIGHTS: OPERATIONAL

- Sapele-1 exploration well targeting multiple stacked objectives delivered positive results:
 - Significant prospectivity of the Douala Basin confirmed;
 - Two potentially significant oil and gas condensate discoveries made in the Tertiary interval at Sapele-1; and
 - Presence of hydrocarbons in the Cretaceous, offshore Douala Basin confirmed.
- Drilling on the Sapele-1ST (sidetrack) and Sapele-2 appraisal wells progressing on schedule.
- P50 contingent resources for the Group increased by 31% to 213 mmbob (net) after incorporating initial Sapele-1 Tertiary results.
- Multi-well drilling programme targeting both Tertiary and Cretaceous prospectivity is underway; forward programme is expected to evolve as drilling activity progresses.
- Seismic coverage expanded over the Etinde and Bomono Permits in Cameroon; evaluation of further exploration upside is ongoing.
- IE-3 appraisal well, offshore Cameroon, tested cumulative maximum rate of around 23,000 boepd; appraisal activities on the IE and IF discoveries are progressing.

HIGHLIGHTS: CORPORATE

- Successfully raised \$112 million via equity placing in November 2010.
- Group cash balance \$189 million at 31 December 2010, no debt.
- Fully funded for current drilling programme on Etinde; significant financing flexibility.

CHAIRMAN'S & CHIEF EXECUTIVE'S REVIEW

“It is an exciting time for the team and we look forward to pursuing the multiple opportunities our acreage has to offer.”



Ronnie Hanna
Chairman



Kevin Hart
Chief Executive

The recent period has represented an exciting and highly encouraging time for Bowleven. Significant progress has been made towards the Group's two overarching near term objectives, namely:

1. Further “Exploring the Douala Basin in Cameroon” and unlocking the potential of our acreage position in this relatively unexplored area encompassing both our onshore Bomono Permit and a substantial part of the offshore Etinde Permit; and
2. Converting “Resources to Reserves” through the ongoing appraisal and subsequent anticipated development sanction of the IE and IF discoveries on block MLHP-7 of the Etinde Permit.

These key objectives remain the primary focus of the business as we endeavour to create significant additional value for our stakeholders.

Details of the recent milestones reached and activities undertaken to achieve these objectives are provided below.

Operational activity has recently reached record levels within the Group. Following straight on from the drilling of the encouraging IE-3 appraisal well, and the highly successful and potentially transformational Sapele-1 exploration well, we are now embarking on an extensive 2011 work programme.

\$190m

Cash as at
31 December 2010

213
mmboe

Current P50
contingent resource
base

The operational highlights of the 2011 programme are likely to include:

- Completion of Sapele-1ST (sidetrack) and testing programme;
- Drilling the Sapele-2 appraisal well approximately 5 km down dip from the original discovery well;
- Further Tertiary exploration/appraisal wells on the Douala Basin acreage with the flexibility to drill the deeper Cretaceous potential;
- Interpretation of the new block MLHP-6 seismic and the identification of prospects as potential candidates for 2012 drilling locations;
- Further appraisal activities on the block MLHP-7 discoveries; and
- Evaluation of the 500 km of 2D seismic acquired over Bomono and the identification of prospects for drilling in 2012.

Exploring the Douala Basin

The Douala Basin is an emerging hydrocarbon province that until recently has seen limited exploration activity. The historic view that the Basin was gas prone has been transformed by the discovery of liquids by other operators in the area and Bowleven's own oil and gas condensate discoveries in the Sapele-1 exploration well.

The Sapele-1 well location was selected to intersect multiple independent exploration targets in both the Tertiary and Cretaceous intervals from a single location, albeit in necessarily sub-optimal locations.

In the Tertiary interval Sapele-1 encountered (based on wireline log evaluation, pressure gradients and fluid samples) the Deep Omicron oil and the Lower Omicron gas condensate discoveries. Given the stratigraphic nature of these discoveries further evaluation and appraisal is ongoing to establish their extent and confirm commerciality. Sapele-1ST (sidetrack) and Sapele-2 are both currently drilling and the principal objectives of these wells are to appraise the Deep Omicron (Sapele-1ST) and the Lower and Deep Omicron (Sapele-2) discoveries encountered at Sapele-1. Initial fairway mapping indicates that the Omicron fairways cover the majority of block MLHP-5 and, as a result, further Tertiary drilling is anticipated.

The Cretaceous stratigraphy drilled at Sapele-1 represents a new play, previously untested within this part of the Douala Basin. Plans to deepen the Sapele-1 well in the Cretaceous interval were halted prematurely at 4,673 metres (TD) in early February 2011 due to technical limitations after encountering a rapid influx of high pressure gas. Based on analysis of the major step change in pressure encountered and seismic interpretation, it is believed that the well may have encountered a significant hydrocarbon column in the Cretaceous. A principal objective of the Sapele-1 well was to prove the concept of the Cretaceous play offshore. Although further exploration drilling is required to assess the prospectivity of the Cretaceous, the well has confirmed the presence of reservoir and hydrocarbons (including oil) in the Cretaceous and consequently has extended the play fairway significantly offshore in the Douala Basin. Given the significant potential identified, the 2011 Etinde programme will be planned with the flexibility to include further Cretaceous drilling with the higher specification Sapphire Driller rig.

Activity has intensified across the Douala Basin in recent times, with neighbouring operators acquiring seismic, drilling exploration wells and more recently sanctioning development projects. Bowleven is well-positioned to access this emerging opportunity via both its offshore Etinde and onshore Bomono acreage.

Bowleven has also stepped up its activities in the Basin and this momentum is expected to continue. Given the level of activity planned, discussions are progressing well for an extension to the exploration period within the terms of the Etinde PSC. The near term Douala Basin drilling focus is on block MLHP-5. This however is expected to continue and expand into block MLHP-6 and the onshore Bomono Permit as the extensive seismic acquired over these areas during 2010/11 is interpreted and evaluated.

Although it is still at an early stage of evolution we believe that the Douala Basin has the potential to become a major hydrocarbon producing area in the future.

CHAIRMAN'S & CHIEF EXECUTIVE'S REVIEW CONTINUED

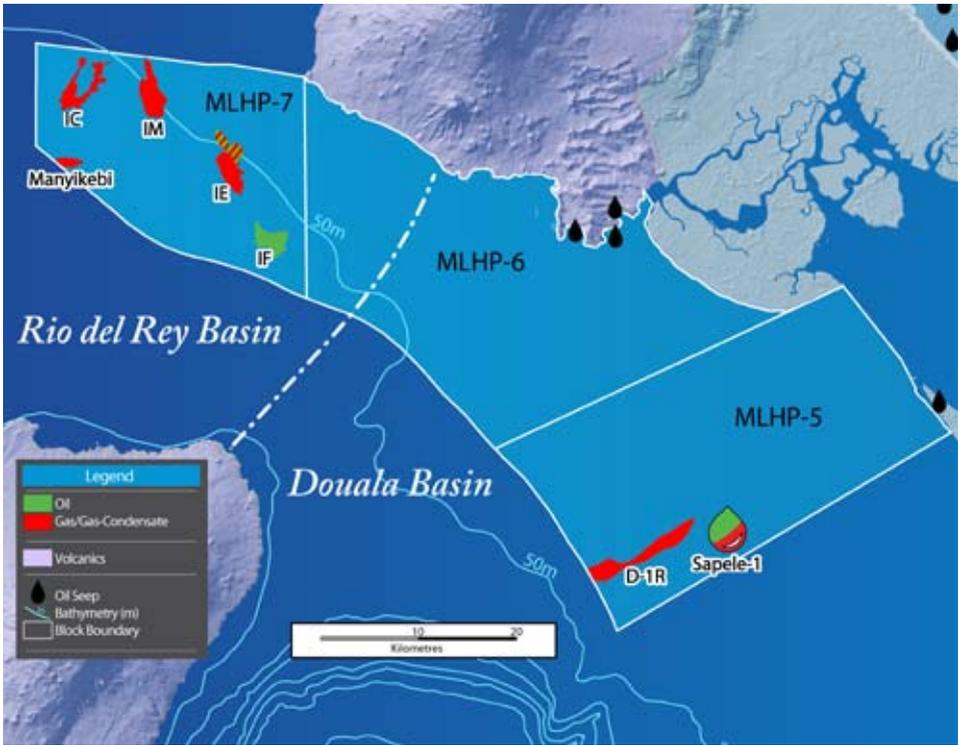


Resources to Reserves

As at 31 December 2010, Bowleven's combined P50 contingent resource base on a net basis is 213 mmboe (gross basis 281 mmboe). This represents an increase of 31% on both a net and gross basis from the resources disclosed in the 2010 Annual Report. This upward revision relates to the initial volumetrics included for the Tertiary discoveries encountered in the Sapele-1 well. Appraisal drilling is already underway with the Sapele-1ST sidetrack and Sapele-2 appraisal well and the results of this drilling have the potential to augment these initial volumes.

The Group remains focused on converting resources to reserves on block MLHP-7. A notable step towards this was achieved in the period with the completion and testing of the IE-3 appraisal well. Planned appraisal activities are progressing on both the IE and IF fields and a further MLHP-7 appraisal well is anticipated.

Etinde discoveries



Further volumetric updates are anticipated as appraisal activity, including drilling, is carried out on Etinde.

In addition to the contingent resource noted above, there remains a significant unrisksed prospective resource inventory across the Etinde and Bomono Permits. Sapele-1 has highlighted the potential of the Douala Basin and the well results are being used to calibrate the seismic and to de-risk other prospects and leads identified in the area. Moreover, the interpretation of newly acquired seismic will be integral in extending Bowleven's Basin-wide prospect inventory. The drilling of further exploration wells will be required to confirm this resource potential and future drilling is expected to target both the Tertiary and Cretaceous prospectivity identified across our acreage.

Operations

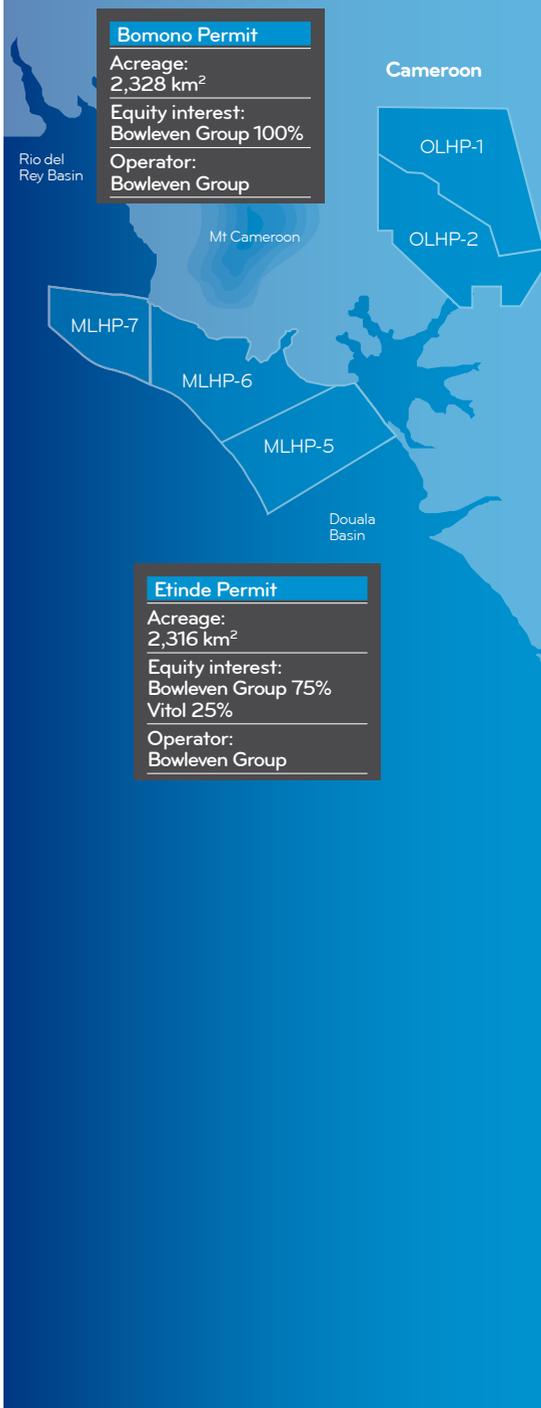
It has been an active period for the Group with appraisal and exploration drilling on the shallow water Etinde Permit and seismic activity on both Etinde and the onshore Bomono Permit. The multi-well drilling campaign on Etinde is well underway and with a second rig contracted and operating, the 2011 programme is expected to be our busiest yet.

Cameroon – Etinde Permit

Drilling

Drilling activity is centred around Bowleven's dual strategy of transferring resources to reserves and further investigating the potential of the Group's acreage through high impact exploration wells.

The Noble Tommy Craighead jack-up rig was contracted for a programme of two firm plus up to two contingent wells. The IE-3 appraisal well (MLHP-7) was the first well in the campaign and the Sapele-1 exploration well (MLHP-5) the second. The rig is now drilling Sapele-1ST to an estimated vertical depth of circa 3,682 metres (4,761 metres measured depth). Drilling is expected to take a further ten to 20 days (excluding testing) depending on the pace of drilling. After completing this well the intention is to release the rig for a mandatory recertification process. On conclusion of this process, which is expected to take three to five months, the rig will be available to complete the contract.



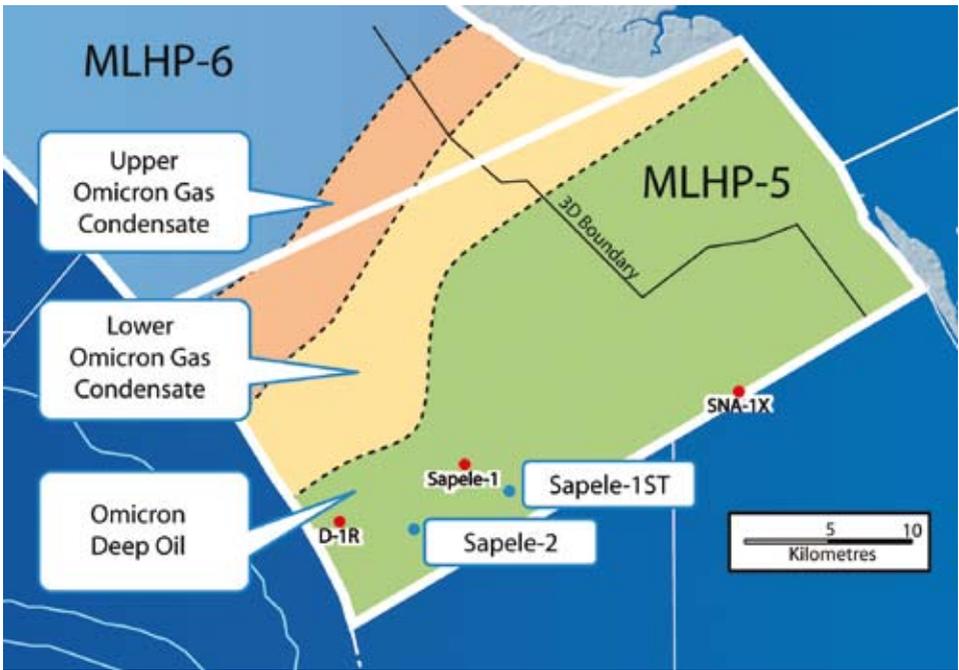
CHAIRMAN'S & CHIEF EXECUTIVE'S REVIEW CONTINUED



A second rig, the Vantage Sapphire Driller jack-up, came on contract in early March 2011 on a three firm wells plus one contingent well basis (subject to a break option at the end of the second well, exercisable by the joint venture). This rig spudded the Sapele-2 well on 17 March 2011 and drilling is expected to take approximately 50 to 60 days (excluding testing). The well is being drilled to an estimated target depth of circa 3,724 metres in water depths of around 25 metres.

Several further drilling locations have been identified on MLHP-5, including both Tertiary and Cretaceous targets. In addition to the current and planned drilling on MLHP-5, an appraisal well on MLHP-7 is anticipated. The specific timing for the MLHP-7 appraisal well will be influenced by the completion of ongoing appraisal work. The forward programme is expected to evolve as drilling activity progresses.

Etinde block MLHP-5; Omicron play fairway mapping



Seismic

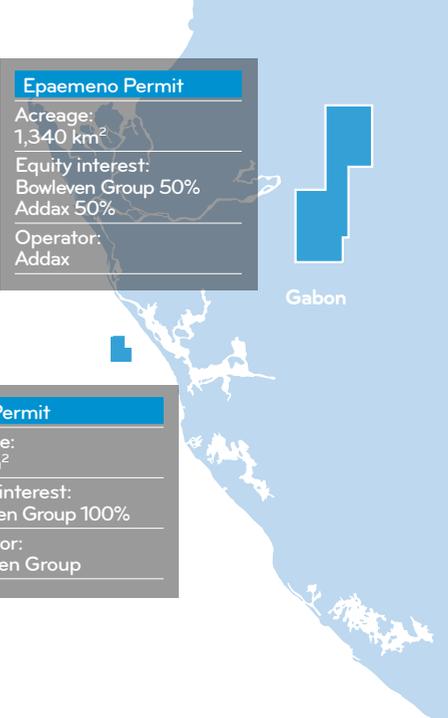
The acquisition of 658 km² of new marine 3D seismic and reprocessing of existing 3D seismic over Etinde was completed during 2010. The reprocessed survey has significantly improved seismic imaging and this, combined with the newly acquired seismic over the IF field, will be used in planning future appraisal and development activity on MLHP-7. In addition, seismic coverage over Etinde has been significantly extended through the acquisition of new seismic over MLHP-6 and the eastern edge of MLHP-5. This seismic will be integral in developing a Permit-wide prospect inventory and in planning future exploration drilling on the acreage.

Appraisal/Development

Considerable attention has been given to appraisal activities on the existing MLHP-7 fields during the period. Following the completion of the IE-3 appraisal well (including multi-interval testing) the focus, in collaboration with our joint venture partner (Vitol), has been on evaluating the extensive dataset acquired from IE-3 and building a dynamic model for the IE field. In addition, the newly acquired 3D over the IF field is now being interpreted. Alongside this appraisal activity, conceptual development planning for the MLHP-7 fields is progressing. Currently the preferred development route, ensuring potential synergies are exploited, is an FPSO combining both IE and IF field areas. In addition, the recent oil and gas condensate discoveries in Sapele-1 on MLHP-5 add a potential further dimension to development strategy and planning for Etinde. Preparations are ongoing on an appraisal plan for block MLHP-5 and an addendum to the block MLHP-7 appraisal plan.

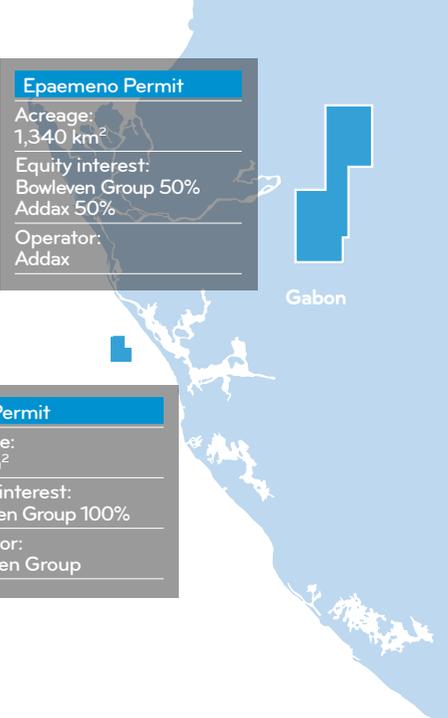
Cameroon Gas Monetisation

The GDF and SNH initiative to progress the monetisation of the substantial undeveloped gas resource within Cameroon via an in-country gas aggregation scheme to supply an LNG facility is moving forward. A pre-FEED project has commenced and is expected to be completed in the first half of 2011. The Etinde Permit fields are seen as key potential upstream contributors to the proposed LNG plant and preliminary discussions have commenced with GDF/SNH on the commercial aspects of the project.



Epaemeno Permit
Acreage: 1,340 km ²
Equity interest: Bowlven Group 50% Addax 50%
Operator: Addax

Gabon



EOJ Permit
Acreage: 105 km ²
Equity interest: Bowlven Group 100%
Operator: Bowlven Group

Cameroon – Bomono Permit

The programme to acquire 2D seismic on Bomono, onshore Douala Basin, was completed at the end of January 2011, resulting in the acquisition of 500 kilometres in total. Processing and interpretation of the new data is underway. The new seismic will be used to update the prospect and lead inventory for the Permit and subsequent selection of well locations for drilling in H1 2012.

Gabon – EOJ Permit

The Group is in the process of disposing of its entire interest in the EOJ Permit, offshore Gabon. An initialled SPA has been agreed and focus has been on engaging with the various authorities in Gabon to formalise the disposal. Despite the prolonged process significant progress towards completion has been made.

Proceeds expected include a cash consideration of \$35 million and a working capital adjustment from the effective date of the transaction.

CHAIRMAN'S & CHIEF EXECUTIVE'S REVIEW CONTINUED



Gabon – Epaemeno Permit

An 18 month extension to the exploration term (to February 2012) was confirmed by the Gabonese authorities in September 2010. Addax, as operator, is preparing for drilling activity in early 2012 and is planning the necessary civil works during 2011 on finalising the intended well location.

New Ventures/Farm-out Opportunities

Bowleven continues to review potential opportunities to acquire additional acreage in West Africa, its region of focus, and to review farm-out opportunities to optimise the exploitation of its overall portfolio for shareholders.

Vitol

The farm-out transaction whereby Vitol acquired a 25% participating interest in the Etinde Permit in return for funding a \$100 million (gross) exploration/appraisal work programme completed in June 2010. Consequently, Vitol-funded activities during 2010 included the extensive 3D seismic acquired on the Permit and IE-3 appraisal and Sapele-1 exploration wells. Vitol has an option (exercisable by 31 March 2011) to acquire a further 10% interest in block MLHP-7 only in return for funding a further agreed \$50 million (gross) appraisal programme. The principal focus of Vitol's participation in Etinde is to move the existing discovered resource base towards development sanction. Consequently, Vitol has been actively involved in ongoing appraisal activities on block MLHP-7 and this is expected to continue as the joint venture formulates the optimal path to development.



Finance

The Group has reported a loss of \$15.7 million for the six months ended 31 December 2010 (H1 2009: profit of \$1.0 million). The results for the period include a foreign exchange loss of \$8.3 million (H1 2009: foreign exchange gain \$7.7 million), primarily due to the recognition of foreign exchange differences on intra-group funding under IFRS as the US dollar weakened against sterling. Administrative expenses for the Group were \$7.7 million (H1 2009: \$7.0 million).

The majority of expenditure incurred on Etinde in the six months under review was covered by the \$100 million Vitol carry. As a result, capital expenditure cashflows during the period were only \$16.2 million, primarily on Etinde activities after utilising the carry and seismic activities on Bomono. A net cash inflow of \$6.2 million was received from investing activities in the period (H1 2009: cash outflows of \$14.2 million) including the \$22 million refund from Vitol for spend on Etinde while awaiting final government approval of the Etinde farm-out transaction.

On 26 November 2010, Bowleven issued 22,000,000 ordinary shares at a price of £3.27 per share, raising net proceeds of \$112 million.

At 31 December 2010, Bowleven had \$189 million of cash and no debt. With Bowleven's existing cash balances the Group is well-placed to fund its 2011 work programme. In addition, a further \$35 million proceeds are pending from the EOV disposal. As the Group moves from resources to reserves alternative development funding options will also be considered.

Farm-out opportunities across Bowleven's acreage remain under review. The 75% equity interest currently held on Etinde presents an opportunity to bring in additional farm-in partners if appropriate.

Outlook

The recent results from the Sapele-1 and IE-3 wells have provided an excellent and encouraging springboard for the forthcoming period.

We believe that through continued focus, application and team work we can deliver on our key objectives of converting resources to reserves and proving up the significant exploration potential of the Douala Basin.

The Sapele-1 well has provided an invaluable insight into what treasures may be awaiting discovery. Our future drilling programme will go a long way to determining how extensive these may be.

Ronnie Hanna
Chairman

Kevin Hart
Chief Executive

28 March 2011



GROUP INCOME STATEMENT

for the six months ended 31 December 2010

	6 months ended 31 December 2010 (Unaudited) \$'000	6 months ended 31 December 2009 (Unaudited) \$'000	Year ended 30 June 2010 (Audited) \$'000
Revenue	-	-	-
Administrative expenses	(7,743)	(7,040)	(12,399)
Operating loss before financing costs	(7,743)	(7,040)	(12,399)
Finance income	326	8,059	31,881
Finance costs	(8,298)	-	(1)
(Loss)/profit from continuing operations before taxation	(15,715)	1,019	19,481
Taxation	-	-	-
(Loss)/profit for the Period From Continuing Operations Attributable to Equity Shareholders of the Parent Undertaking	(15,715)	1,019	19,481
Basic and diluted (loss)/profit per share (\$/share)	(0.08)	0.01	0.10

GROUP STATEMENT OF COMPREHENSIVE INCOME

for the six months ended 31 December 2010

	6 months ended 31 December 2010 (Unaudited) \$'000	6 months ended 31 December 2009 (Unaudited) \$'000	Year ended 30 June 2010 (Audited) \$'000
(Loss)/profit for the period	(15,715)	1,019	19,481
Other comprehensive income:			
Currency translation differences	6,382	(9,029)	(35,495)
Total Comprehensive Income for the Period Attributable to Equity Shareholders	(9,333)	(8,010)	(16,014)

GROUP BALANCE SHEET

as at 31 December 2010

	As at 31 December 2010 (Unaudited) \$'000	As at 31 December 2009 (Unaudited) \$'000	As at 30 June 2010 (Audited) \$'000
Non-current Assets			
Intangible exploration assets	327,166	300,960	304,350
Property, plant and equipment	758	812	747
	327,924	301,772	305,097
Current Assets			
Inventory	8,657	8,644	6,926
Trade and other receivables	14,147	7,316	43,934
Cash and cash equivalents	189,389	109,966	79,152
	212,193	125,926	130,012
Total Assets	540,117	427,698	435,109
Current Liabilities			
Trade and other payables	(24,614)	(9,017)	(23,548)
Total Liabilities	(24,614)	(9,017)	(23,548)
Net Assets	515,503	418,681	411,561
Equity			
Called up share capital	37,807	34,280	34,280
Share premium	619,437	510,538	510,538
Foreign exchange reserve	(72,473)	(52,389)	(78,855)
Shares held by employee benefit trust	(944)	(975)	(944)
Other reserves	12,925	11,331	12,076
Retained deficit	(81,249)	(84,104)	(65,534)
Total Equity Attributable to the Equity Shareholders	515,503	418,681	411,561

GROUP CASH FLOW STATEMENT

for the six months ended 31 December 2010

	6 months ended 31 December 2010 (Unaudited) \$'000	6 months ended 31 December 2009 (Unaudited) \$'000	Year ended 30 June 2010 (Audited) \$'000
Cash Flows Used in Operating Activities			
(Loss)/profit before tax	(15,715)	1,019	19,481
<i>Adjustments to reconcile Group (loss)/profit before tax to net cash used in operating activities:</i>			
Depreciation and impairment of property, plant and equipment	215	251	496
Finance income	(326)	(8,059)	(31,881)
Finance costs	8,298	-	1
Equity-settled share based payment transactions	849	1,222	2,106
Adjusted loss before tax prior to changes in working capital	(6,679)	(5,567)	(9,797)
(Increase)/decrease in inventory	(1,731)	124	1,842
(Increase)/decrease in trade and other receivables	(607)	(591)	(804)
Decrease/(increase) in trade and other payables	2,571	1,754	1,490
Exchange differences	57	84	63
Net Cash Used in Operating Activities	(6,389)	(4,196)	(7,206)
Cash Flows From/(Used in) Investing Activities			
Purchases of property, plant and equipment	(226)	(137)	(317)
Purchases of intangible exploration assets	(15,965)	(14,344)	(39,352)
Refund of intangible exploration asset spend incurred on behalf of joint venture partner	22,052	-	-
Interest received	312	255	713
Net Cash From/(Used in) Investing Activities	6,173	(14,226)	(38,956)
Cash Flows From/(Used in) Financing Activities			
Net proceeds from issue of ordinary shares	112,426	533	533
Purchase of own shares	-	(975)	(975)
Net Cash Flows From/(Used in) Financing Activities	112,426	(442)	(442)
Net Increase/(Decrease) in Cash and Cash Equivalents	112,210	(18,864)	(46,604)
Net increase/(decrease) in cash and cash equivalents	112,210	(18,864)	(46,604)
Effect of exchange rates on cash and cash equivalents	(1,973)	(1,457)	(4,531)
Cash and cash equivalents at the beginning of the period	79,152	130,287	130,287
Cash and Cash Equivalents at the Period End	189,389	109,966	79,152

GROUP STATEMENT OF CHANGES IN EQUITY

for the six months ended 31 December 2010

	Equity share capital \$'000	Foreign exchange reserve \$'000	Shares held in trust \$'000	Other reserves \$'000	Retained deficit \$'000	Total equity \$'000
At 1 July 2009	544,285	(43,360)	-	12,296	(87,310)	425,911
Proceeds from issue of share capital	537	-	-	-	-	537
Cost of issue of share capital	(4)	-	-	-	-	(4)
Total comprehensive income for the period	-	(9,029)	-	-	1,019	(8,010)
Share based payments	-	-	-	1,222	-	1,222
Transfer between reserves	-	-	-	(2,187)	2,187	-
Share purchased by employee benefit trust	-	-	(975)	-	-	(975)
At 31 December 2009	544,818	(52,389)	(975)	11,331	(84,104)	418,681
Total comprehensive income for the period	-	(26,466)	-	-	18,462	(8,004)
Share based payments	-	-	31	853	-	884
Transfer between reserves	-	-	-	(108)	108	-
At 30 June 2010	544,818	(78,855)	(944)	12,076	(65,534)	411,561
Proceeds from issue of share capital	115,110	-	-	-	-	115,110
Cost of issue of share capital	(2,684)	-	-	-	-	(2,684)
Total comprehensive income for the period	-	6,382	-	-	(15,715)	(9,333)
Share based payments	-	-	-	849	-	849
At 31 December 2010	657,244	(72,473)	(944)	12,925	(81,249)	515,503

NOTES TO THE INTERIM STATEMENTS

for the six months ended 31 December 2010

1. ACCOUNTING POLICIES

Basis of Preparation

This Interim Report has been prepared on a basis consistent with the accounting policies applied to all the periods presented in these consolidated financial statements.

The disclosed figures are not statutory accounts in terms of section 435 of the Companies Act 2006. Statutory accounts for the year ended 30 June 2010, on which the auditors gave an unqualified report, have been filed with the Registrar of Companies.

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. In making this assessment, the Directors have considered the Group budgets, the cash flow forecasts and associated risks and the future financing for the organisation.

3. OTHER NOTES

- a) The basic earnings per ordinary share is calculated on a loss of \$15,715,000 (H1 2009: profit of \$1,019,000) on a weighted average of 197,099,783 (H1 2009: 193,020,451) ordinary shares.
- b) The loss attributable to ordinary shareholders and the number of ordinary shares for the purposes of calculating the diluted earnings per share are identical to those used for the basic earnings per share. The exercise of share options would have the effect of reducing the loss per share and consequently is not taken into account in the calculation for diluted loss per share.
- c) No dividend has been declared (2009: nil).
- d) On 26 November 2010, the Company issued 22,000,000 ordinary shares at a price of £3.27 per share with a nominal value of \$3,512,234. The total aggregate increase in the share premium reserve regarding the issue was \$108,653,128, after deducting \$2,684,690 in expenses. The balance of the increase in equity share capital of \$260,317 relates to the exercising of share options during the period.
- e) The refund of \$22,052,000 due from Vitol for the spend incurred on Etinde while awaiting final government approval of the Etinde farm-out transaction was received during the six months to 31 December 2010.

4. INTERIM REPORT

This document represents the Interim Report and half yearly results of Bowleven plc. Copies of the Interim Report will be sent to shareholders and can be obtained, free of charge, from the Company at 1 North St Andrew Lane, Edinburgh, EH2 1HX for a period of one month.

GLOSSARY OF TERMS

Addax: Addax Petroleum Corporation, a subsidiary of China Petrochemical Corporation (Sinopec)

AIM: Alternative Investment Market

BOE or boe: barrels 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 comprising former Blocks OLHP-1 and OLHP-2 onshore Cameroon; or, as the context may require, the contract area to which this production sharing contract relates

Bowleven: Bowleven plc and/or its subsidiaries as appropriate

Companies Act 2006: the United Kingdom Companies Act 2006 (as amended)

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

Epaemeno Permit: 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, in respect of an area of approximately 1,340km² onshore Gabon; 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 km², 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

EurOil: EurOil Limited, an indirectly wholly-owned subsidiary of the Company, incorporated in Cameroon

FEED: front end engineering and design

FPSO: floating production, storage and offloading vessel

GDF: GDF Suez S.A.

Group: the Company and its direct and indirect subsidiaries

H1: first half

IE: the Isongo E Field area, Block MLHP-7, Etinde Permit

IF: the Isongo F Field area, Block MLHP-7, Etinde Permit

IFRS: International Financial Reporting Standards

km: kilometres

km²: square kilometres

LNG: liquefied natural gas

mmbbls: million barrels

mmboe: million barrels of oil equivalent

PSC: production sharing contract

P50: 50% probability that volumes will be equal to or greater than stated volumes

prospect, lead & 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

SNH: Société Nationale des Hydrocarbures, the national oil company of Cameroon

SPA: sale and purchase agreement

STOIIP: stock tank oil initially in place

TD: total depth

Vitol: Vitol E&P Limited

2D: two dimensional

3D: three dimensional

\$: United States of America Dollars

£: Great Britain Pounds Sterling

COMPANY INFORMATION

BOARD OF DIRECTORS

Ronnie Hanna
Non-Executive Chairman

Kevin Hart
Chief Executive Officer

John Brown
Finance Director

Caroline Cook
Non-Executive Director

John Morrow
Chief Operating Officer

Tim Sullivan
Non-Executive Director

Chief Tabetando
Chairman of EurOil

Ed Willett
Exploration Director

Peter Wilson
Director/General Counsel

REGISTERED OFFICE

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Edinburgh EH2 1HX
Registered in Scotland

Company Number SC225242



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