

Bowleven Q&A post Passing of Delisting Resolutions on the 28th August 2024

Question	Answer
Will the membership of the Board change post-delisting?	There are no plans for the composition of the Board to change immediately following the delisting. If the Board changes following the delisting the company’s website will be updated and relevant filings with the registrar of companies will be made.
Will the Board salary/fees be meaningfully reduced post-delisting (i.e. at least halved)?	<p>As stated in the circular posted on 9 August 2024, the Directors intend to reduce their salaries/fees following the delisting. The salaries/fees payable to Eli Chahin and Jack Arnoff post delisting are anticipated to be significantly lower.</p> <p>Mark Vermeulen does not receive any fees for his role as non-executive director and this is not expected to change post-delisting.</p>
<p>Will OVMK be staying a shareholder post delisting?</p> <p>Can anything be said of the position of the remaining major investors?</p>	To the best of the Board’s knowledge, they are not aware of any major shareholder who is not supportive of the transition to a private company.
<p>Will the transition from PLC to Limited company status have an impact under the terms of the PSC agreement with the Government of Cameroon?</p> <p>Is Bowleven Limited effectively a new legal entity requiring consent and approval.</p>	When Bowleven PLC is re-registered as a limited company, it will remain the same legal entity (with the same company number, and company history) albeit with a different name.
Is consent required from the Government and/or SNH and has this been received?	<p>No consent is required. The Company intends to engage with and notify the Government of Cameroon and other Cameroon regulatory bodies (such as SNH or CEMAC) in case they have any questions regarding the re-registration to a private company.</p> <p>In principle there should be no issues as Bowleven is currently and will continue to be the ultimate legal owner of EurOil, which owns the Bowleven interest in the Etinde PSC.</p>
How much is this exercise costing?	The total anticipated cost of the delisting, re-registration and exit opportunity process for the Company is approximately £120,000, including adviser fees, administrative costs and costs associated with the matched bargain facility etc.
How much of the \$2m raised in March will remain following the delisting and what is the	Both Bowleven and the Etinde project continue to minimise expenditure and operate on a “care and maintenance” basis. Expenditure remains similar to FY2022/23 levels.

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forecast monthly expenditure for the next twelve months?	For the moment, Etinde project expenditure is projected to remain at a reduced level rate, pending SNH approval to implement a development plan. Bowleven's expenditure is expected to decline following the delisting.
Are Crown Ocean Capital (COC) contributing to the cost of this transition?	Most costs in relation to the delisting have been borne by the company itself, of which COC is a 58% shareholder.
What are the Board's plans and intention regarding future communication to all shareholders?	We intend that the company website will be the principal means of communication directly with all shareholders. We will seek to implement a bilateral notification system over time and likely through the website portal.
Can you provide an initial indication of the frequency and nature of shareholder updates Bowleven Limited will provide to shareholders going forward?	We intend regular communication alongside annual updates as has been the case as a listed entity. To the extent there are any material developments the Board will connect with shareholders as and when the Board considers that is required.
As the operatorship is pivotal and as, post the Perenco aborted interest in Etinde, New Age is understood to have significantly downsized their technical team in Autumn 2022 and is it known if they have recruited/are recruiting replacement personnel commensurate with their position as Operator?	We understand New Age are currently using a number of their previous technical team members on a contract consultancy basis for specific Etinde project activity, which has been authorised and approved by a majority vote by the Etinde Joint venture management committee.
Are New Age currently seeking an exit from the Etinde joint venture?	We are not aware of and have not been informed of any such intentions by the New Age board.
At the time of the Interims, it was indicated that a meeting with SNH was anticipated regarding the proposed pursuit of the Bioko development concept, did that meeting take place and were SNH supportive?	<p>In addition to routine discussion and day to day operational issues, the JV partners have formally met twice in 2024.</p> <p>At these meetings we held an open and friendly dialogue which focussed on all JV partners opinions and requirements from the development of the Etinde discoveries.</p> <p>This discussion focussed around each partners views on the optimum development plan for Etinde as well as focussing on the technical and other risks, open questions and other known and unknown issues.</p>

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	<p>New Age are currently seeking to arrange a meeting with SNH to discuss all options. However, the political environment within Cameroon remains uncertain. In addition, there are ongoing management changes at a senior level within SNH currently.</p>
<p>Is the JVP yet unified on the form of the Bioko Island development concept that Bowleven has previously discussed?</p>	<p>All JV partners agree that the focus around using the existing Bioko Island based processing facilities (now owned by Chevron Oil) is the optimum solution for Etinde. This option is most likely to generate the simplest and lowest cost implementation project and provides long term stability.</p> <p>Discussions between the JV partners are ongoing around whether regulatory approval will be possible for all components and what development compromises may be required to satisfy all external regulatory and commercial partners.</p> <p>The JV partners remain very sensitive to the need for considerable commercial and technical agreement to be reached with the owners of the Bioko Island facility alongside both the Cameroon and Equatorial Guinea governments.</p> <p>We recognise that the existing inter-governmental agreements relating to the development of Yo-Yo/Yolande gas field provides a template for the Etinde project.</p>
<p>Are the considerable tax losses accrued by the PLC transferrable to the LTD?</p>	<p>The re-registration as a private limited company does not require any transfer – the private limited company will be the same entity as the public limited company.</p> <p>Bowleven has considerable tax losses in the United Kingdom which will not be affected by the change in legal status.</p> <p>However, the Bowleven group's only current taxable operations are in an overseas country; there are a complex set of legal and fiscal rules and regulations that apply to our situation in practice.</p> <p>There are also various legal exemptions and international agreements currently available under UK and international law/practice that limit which elements of the group's overseas income may be taxable in the UK.</p>
<p>Crown Ocean Capital, in their "Open Letter to Bowleven Shareholders" dated February 2017, posited "With Bowleven becoming an efficient, one-asset company with available tax losses to shelter future taxable income, we view it as a</p>	<p>At the moment there are considerable commercial, technical and political issues, which require resolution at both JV partner and Governmental level (potentially including other external Governments and potential partners).</p> <p>In addition, each JV partner's existing shareholders are likely to have their own preferences on the best way forward.</p>

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<p>likely scenario that the final monetisation of Etinde would take place in the form of a corporate transaction, i.e. an offer to all shareholders by a third party".</p> <p>Does the Board of Bowleven share that forecast "likely" scenario?</p>	<p>We believe that the existing JV partners will need to present a commercially viable and commercially financed development plan to SNH and the Government of Cameroon, which broadly fulfils every party's requirements before any party will approve FID. Further, we believe that putting such conditions in place is likely to require a concerted effort from all JV partners most probably over several years.</p> <p>FID is the value inflexion point and the Board's principal focus at this stage is on progressing the Etinde asset to this point.</p> <p>It is therefore not possible at this stage to comment on any possible final monetisation.</p>