



12 May, 2017

Bovleven plc ('Bovleven' or 'the Company')

Corporate Update and

Award of Options

Bovleven, the Cameroon focused oil and gas group traded on AIM, is pleased to announce an update on progress with the Company's strategic efficiency programme and on the current status of its existing assets. The Company also announces the adoption of a Transformation Incentive Plan designed to align employees' interests with the Company's longer term strategic objectives.

Corporate Update

At a general meeting held on 14th March 2017 (the "General Meeting"), Bovleven's shareholders voted in favour of certain resolutions to change the composition of the board. Shortly after the General Meeting, a strategic review (the "Strategic Review") was launched to consider all options open to the Company, with a view to maximising value for all shareholders.

Following detailed consideration by the Board, the Strategic Review was completed with the Company announcing that the Board would remain focused on maximising value for its shareholders and was committed to the rationalisation of the cost base, alongside the preservation and enhancement of Bovleven's existing assets. The Board also confirmed that it did not expect to pursue any new exploration activity at the current time.

The Board has initially focused on the implementation of a number of efficiency programmes, in line with its stated objectives. These include:

- A reduction in head office staff to a level commensurate with the future strategy of the organisation as a holding company that does not expect to pursue any new exploration activity, in the absence of an overwhelming case to the contrary. A process to reduce overall U.K. headcount from 18 to 5 Full Time Employees (FTE) is underway. The use of contractors will underpin any additional support needed to ensure the Company continues to protect and enhance shareholder value, as well as maintaining a proper stewardship over the Etinde and Bomono assets.
- Streamlining Cameroon headcount and costs has also commenced. The Company will continue to maintain an appropriate presence in Cameroon to preserve and enhance value from its Etinde and Bomono assets. The Board intends to retain technical capacity and institutional knowledge as required so as to enable Bovleven to meet its contractual obligations under the terms of the joint venture and to pursue the most efficient route to value maximisation in relation to both Etinde and Bomono, in due course.

- As a result of these changes, the Board anticipates that, once staff reductions and other cost rationalisations efforts are complete, the monthly group G&A costs will be reduced to approximately US\$0.35 million per month in the second half of 2017, compared to monthly group G&A costs of US\$0.6 million per month in the 6 months to December 2016. In order to achieve these material cost reductions, the Group expects to incur one off costs in the region of \$3-4 million during 2017.
- The Etinde JV continues to engage with La Société Nationale des Hydrocarbures du Cameroun ('SNH') and the Cameroon authorities through the JV Operator, New Age (African Global Energy) Limited, to agree the plans for the development of the Etinde resources. The JV Operator has submitted a request to SNH to convene an Operating Committee Meeting to agree the forward plan.
- On Bomono, the Company is engaging with SNH to discuss the outstanding approval of the Bomono Farm-In which will allow Bomono hydrocarbons to be produced into the VOG, Gas du Cameroon, pipeline.
To that end, meeting dates are being offered to work-out an all-party solution to allow this transaction to conclude and allow work to commence to connect Bomono into the domestic gas market through the existing pipeline infrastructure.
- The Board will continue to consider all options as to identify the most value accretive proposition for shareholders. Once the development options as to gas monetisation of both the Etinde and Bomono assets have been determined and costed, the Board anticipates being in a position to determine the cash requirements of the business and whether there are surplus assets that can be returned to shareholders.

Implementation of Transformation Incentive Plan

The Board has adopted a Transformation Incentive Plan (the "Plan"), with effect from 9 May 2017. The Plan is a discretionary benefit offered by the Company to its employees and has been designed to align the interests of employees with the Company's long term business goals and performance through the potential for share ownership. The remuneration committee of the Company (the "Committee") retains the right to decide, in its sole discretion, whether or not and to whom awards under the Plan will be granted and may vary the terms of awards made under the Plan in certain circumstances.

The aggregate number of any issued or unissued ordinary shares in the capital of the Company being the subject of the Plan from time to time shall not in any circumstance exceed 5 per cent. of the issued ordinary share capital of the Company. This limit shall not affect the ability of the Company to grant awards under any other employee share plans adopted by it from time to time.

Grants under the Plan which have vested may be exercised within 10 years from the date of grant.

Award of Option

Eli Chahin was appointed Acting Chief Executive on 30th March 2017 and has since been confirmed as Chief Executive on a full time basis. We as a Board are delighted that he has agreed to take the chief executive role.

The Board has taken external advice from independent remuneration consultants as to the appropriate package for Mr Chahin, given his existing arrangements, the position of the Company and what is appropriate in the current market. In light of this, the Committee resolved on 9 May 2017 to grant Mr Chahin a right to acquire up to 10,000,000 ordinary shares in the Company (the “Option”) at a nil cost under the Plan.

The Option shall be exercisable subject to and in accordance with the rules of the Plan including the extent to which certain performance conditions are satisfied over the performance period commencing on the date of grant and ending on 31 March 2022. The Option’s performance conditions relate to the Company’s share price performance and the maintenance of annual cash costs below a certain level, and malus and clawback provisions apply.

Chris Ashworth, Non-Executive Chairman said:

“I am very honoured to have been appointed Chairman of this company. I believe that we should be able to transform Bowleven into a major asset for shareholders.

Having undertaken a detailed review of all strategic options available to the Company, the Board has implemented these necessary changes in line with our stated strategy. This will ensure that the Company and the wider group will have the right cost base, so that it can deal successfully with future demands and protect our interests in Cameroon, whilst at the same time seeking opportunities to maximise value for all shareholders. The difficult decisions, made by the Board and led by Eli Chahin as our Chief Executive, impact a large number of people. I would like to thank all the employees of Bowleven for their cooperation and contribution to Bowleven in the past and through this difficult transition period.”

Eli Chahin, Chief Executive said:

“We are confident that these changes will allow the Company to move forward on a more appropriate cost base, whilst retaining the necessary skills, relationships and capacity to progress a route to shareholder value at both Etinde and Bomono. We move forward from a position of strength, with a robust balance sheet, strict capital discipline and an experienced and focused core management team.”

ENQUIRIES

For further information please contact:

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Notes to Editors:

About Bowleven

Bowleven is a Cameroon focused oil and gas group, based in Edinburgh and traded on AIM. Bowleven holds equity interests in two blocks in Cameroon, with one block located offshore in shallow water (operated by NewAge) and one onshore (currently operated by Bowleven).

The following notifications are intended to satisfy the Company's obligations under Article 19(3) of EU Regulation No 596/2014 (the Market Abuse Regulation).

1	Details of the person discharging managerial responsibilities/person closely associated	
a)	Name	Eli Chahin
2	Reason for the notification	
a)	Position/status	PDMR (Chief Executive Officer)
b)	Initial notification/ Amendment	Initial Notification
3	Details of the issuer, emission allowance market participant, auction platform, auctioneer or auction monitor	
a)	Name	Bowleven plc
b)	LEI	213800UITVIP4EWSPE58

4	Details of the transaction(s): section to be repeated for (i) each type of instrument; (ii) each type of transaction; (iii) each date; and (iv) each place where transactions have been conducted					
a)	Description of the financial instrument, type of instrument Identification code	Ordinary shares of 10p each (“Shares”) GB00B04PYL99				
b)	Nature of the transaction	Grant of Option to acquire Shares pursuant to the terms of the Bowleven plc Transformation Incentive Plan.				
c)	Price(s) and volume(s)	<table border="1"> <thead> <tr> <th>Price(s)</th> <th>Volume(s)</th> </tr> </thead> <tbody> <tr> <td>£0</td> <td>10,000,000</td> </tr> </tbody> </table>	Price(s)	Volume(s)	£0	10,000,000
Price(s)	Volume(s)					
£0	10,000,000					
d)	Aggregated information — Aggregated volume — Price	Not applicable				
e)	Date of the transaction	9 May 2017				
f)	Place of the transaction	London Stock Exchange				

GLOSSARY:

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
G&A	general and administrative
JV	joint venture
NewAge	New Age (African Global Energy) Limited, a privately held oil and gas company
SNH	Société Nationale des Hydrocarbures, the national oil and gas company of the Republic of Cameroon
VOG	Victoria Oil & Gas plc, an integrated energy company with operations in Cameroon, traded on AIM