

African Petroleum Corporation Limited
c/o Wikborg, Rein & Co. advokatfirma DA
Att: Marianne Sahl Sveen
By e-mail: mss@wr.no

Your ref:

Our ref:

Date: 9 May 2014

Exemption from Norwegian rules on take-over bids

We refer to letter dated 22 February 2014 regarding application for exemption from Norwegian take-over rules in respect of African Petroleum Corporation Limited ("African Petroleum" or the "Company").

The rules on take-over bids are set out in chapter 6 of the Norwegian Securities Trading Act ("STA").

Section 6-23 of the STA states:

"Section 6–23 Takeover bids with links to more than one state

(1) The provisions of this chapter apply equally in relation to

- 1. companies with their registered office in another state whose shares or other securities comparable to shares are not quoted on a regulated market in the state in which the company has its registered office but on a Norwegian regulated market, and*
- 2. companies with their registered office in Norway whose shares are quoted on a regulated market in another EEA state.*

(2) The ministry may in cases as mentioned in subsection (1) lay down further regulations on the application of the provisions of this chapter as well as on the takeover supervisory authority and choice of law.

(3) The takeover supervisory authority may by individual decision make exception from some or all of the provisions of this chapter in the case of companies with their registered office in Norway whose shares are quoted on a regulated market both in Norway and a state outside the EEA. The same applies in relation to companies with their registered office in a state outside the EEA whose shares are quoted on a regulated market in Norway.

Oslo Børs ASA is the take-over supervisory authority in respect of companies listed on Oslo Børs or Oslo Axxess.

African Petroleum is an Australian public limited liability company. Hence, it is a company with registered office outside the EEA.

African Petroleum has applied for admission to listing on Oslo Axess.

African Petroleum is currently listed on the National Stock Exchange of Australia, a regulated market in the state in which the company has its registered office (Australia). As a consequence of the listing on the National Stock Exchange of Australia, the Norwegian rules on take-over bids will not be applicable in relation to African Petroleum.

In the application African Petroleum states that it is contemplated that the Company following listing on Oslo Axess will commence the process to become de-listed from the National Stock Exchange of Australia. Following such delisting, African Petroleum will only be listed on Oslo Axess and not on any other regulated market.

As a consequence of a de-listing from the National Stock Exchange of Australia, the Norwegian rules on take-over bids will be applicable in relation to African Petroleum. However, Oslo Børs, in capacity as take-over supervisory authority, may decide to make exception from all or some of the provisions of the Norwegian rules on take-over bids in relation to companies with their registered office in a state outside the EEA, cf. the STA section 6-23, third paragraph.

African Petroleum has applied for an exemption from all provisions regulating voluntary and mandatory takeover bids in chapter 6 of the STA.

Exemptions from the rules on take-over bids in respect of primary listed companies will only be granted in extraordinary circumstances, cf. Circular 11/2007: Norwegian rules on takeover bids - application to foreign companies - rules on exemptions.

As per Australian law the take-over rules of Australia will continue to be applicable in relation to African Petroleum also following a de-listing from the National Stock Exchange of Australia. African Petroleum has informed that these rules include provisions that are in conflict with Norwegian rules. Further, it is not possible to be granted exemption from the applicability of Australian take-over rules.

In connection with this application Oslo Børs has also received information from the Company Secretary of African Petroleum regarding Australian take-over rules.

On this basis, Oslo Børs, in capacity as take-over supervisory authority, has resolved to exempt African Petroleum from all provisions regulating voluntary and mandatory takeover bids in Chapter 6 of the STA, cf. Section 6-23, third paragraph. Oslo Børs has particularly emphasized that the company by virtue of law is subject to the Australian rules on take-over bids and that these rules are in conflict with the Norwegian take-over rules. The exemption is only effective provided Australian take-over rules apply in relation to African Petroleum. Should Australian take-over rules cease to be applicable, African Petroleum must notify Oslo Børs. Such notification shall be made prior to the event becoming effective and as early as possible.

African Petroleum shall make this decision and the implications of the decision public. This may be done in the listing prospectus published in connection with admission to listing on Oslo Axess.

Yours sincerely,
OSLO BØRS ASA

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