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**Canadian Overseas Petroleum Limited Announces
Closing of Brokered Portion of Private Placement
and
Appointment of Broker to LSE Main Market**

Calgary, Canada, May 3, 2016 - Canadian Overseas Petroleum Limited (the "**Company**") (TSX-V: XOP) (LSE: COPL) is pleased to announce that it has closed the brokered portion of its previously announced private placement of units of the Company ("**Units**") through Dundee Securities Ltd. (the "**Agent**"). The Company issued 100,866,868 Units at a price of \$0.07 per Unit for aggregate gross proceeds of approximately \$7.1 million (the "**Brokered Offering**"). Each Unit consists of one common share in the capital of the Company ("**Common Share**") and one Common Share purchase warrant ("**Warrant**"). Each Warrant entitles the holder thereof to purchase one Common Share at a price of \$0.095 per Common Share at any time prior to 4:30 p.m. (Calgary time) on the date that is 24 months from the closing date of the Brokered Offering.

The Company has raised aggregate gross proceeds of approximately \$8.6 million pursuant to the Brokered Offering and the non-brokered private placement completed on April 28, 2016 (collectively, the "**Offering**"). Certain directors, officers and employees of the Company participated in the Brokered Offering purchasing in aggregate of 13,813,440 Units for aggregate gross proceeds of approximately \$1.0 million.

In connection with the Brokered Offering, the Company paid a commission to the Agent and certain sub-agents of 6% of the gross proceeds of the Brokered Offering, excluding proceeds in respect of sales to certain president's list subscribers. The Company also issued to the Agent and certain sub-agents an aggregate of 5,233,206 warrants ("**Broker Warrants**"), each Broker Warrant entitling the holder to purchase one Unit at an exercise price of \$0.07 per Unit for a period of 24 months following the closing date of the Brokered Offering.

The Company intends to use the net proceeds of the Offering to fund the Company's obligations on its ongoing projects in West Africa, notably seeing its way through the drilling of the first exploration well offshore Liberia, overhead costs for its offshore Nigerian oil appraisal and development project, and general corporate purposes.

All securities issued in relation to the Brokered Offering are subject to a four month hold period pursuant to applicable securities laws and the policies of the TSX Venture Exchange (the "**TSXV**"), expiring on September 4, 2016.

The Company is also pleased to announce it has appointed Shore Capital Stockbrokers Limited as its UK Broker in respect of its Main Market listing on the London Stock Exchange ("**LSE**").

Mr. Arthur Millholland, President and CEO, commented "the completion of this financing is a testament to the quality and the opportunity of the Company's projects in West Africa. We have an exciting year ahead; firstly with the drilling of the deep water well offshore Liberia later this year. In addition to this, the appointment of Shore Capital Stockbrokers Limited as Broker to our LSE Main Market listing will enable us to relaunch Canadian Overseas Petroleum to the London market, utilize our listing on the LSE, and most importantly gain exposure to the UK retail market."

This news release shall not constitute an offer to sell or the solicitation of an offer to buy any securities in the United States, nor shall there be any sale of the securities in any jurisdiction in which such offer, solicitation or sale may be unlawful. The Common Shares, Warrants and Broker Warrants have not been and will not be registered under the 1933 Act or any U.S. state securities laws and may not be offered or sold in the United States absent registration under the 1933 Act or an applicable exemption from the registration requirements of the 1933 Act and applicable U.S. state securities laws.

About the Company

The Company is an international oil and gas exploration and development company focused in the offshore West Africa. The Company holds a 17% working interest in Block LB-13, offshore Liberia, with ExxonMobil the operator holding an 83% working interest. The Company is actively pursuing opportunities in Nigeria in partnership with Shoreline Energy as part of its strategy to generate stable cash flow from secure offshore assets. The Company and Shoreline through their jointly held affiliated company, Shoreline Canadian Overseas Petroleum Development Corporation ("Shorecan") are currently seeking Government of Nigeria approval for the acquisition of 80% of a Nigerian corporation holding an attractive oil appraisal and development project in mid water offshore Nigeria.

ShoreCan is building a portfolio of exploration and development assets in sub-Saharan Africa. To date, ShoreCan has taken a position in Nigeria, Namibia and an option to take a position in Tanzania. It continues to evaluate a variety of assets in Nigeria, Equatorial Guinea.

The Common Shares are listed under the symbol "XOP" on the TSXV and under the symbol "COPL" on the LSE.

For further information on the Company, please link here: <http://canoverseas.com/>

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Forward-Looking Statements

This press release may contain forward-looking statements under applicable securities legislation. Forward-looking information in this press release may include, but is not limited to, statements about the use of proceeds of the Offering, the drilling of a deep water well offshore Liberia and the Company's access to the London market. The forward-looking statements in this press release are based on the Company's current expectations and assumptions as to a number of factors including regulatory approvals and general economic and industry conditions. If those expectations and assumptions prove to be incorrect, or factors change, then actual results could differ materially from the forward-looking statements contained in this press release.

Generally, statements included in this press release that address activities, events or developments that the Company expects, believes or anticipates will or may occur in the future are forward-looking statements. Such forward-looking statements involve substantial known and unknown risks and uncertainties, certain of which are beyond the Company's control, including: the impact of general economic conditions in the areas in which the Company operates, civil unrest, industry conditions, changes in laws and regulations including the adoption of new environmental laws and regulations and changes in how they are interpreted and enforced, increased competition, the lack of availability of qualified personnel or management, fluctuations in commodity prices, foreign exchange or interest rates, stock market volatility and obtaining required approvals of regulatory authorities. In addition there are risks and uncertainties associated with the oil and gas industry, therefore the Company's actual results, performance or achievement could differ materially from those expressed in, or implied by, these forward-looking statements will transpire or occur, or if any of them do so, what benefits, including the amounts of proceeds, which the Company will derive therefrom. Such statements are based on assumptions made by the Company based on its experience perception of historical trends, current conditions, expected future developments and other factors it believes are appropriate in the circumstances.

The forward-looking statements contained in this press release are made as of the date hereof and the Company undertakes no obligation to update publicly or revise any forward-looking information, whether as a result of new information, future events or otherwise, unless required by applicable securities laws.

Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.