

Canadian Overseas Petroleum Limited
(the "Company")
Publication of Prospectus in respect of a Second Tranche Offering, a Placing
and application for Admission

The Company is pleased to announce the approval by the UK Listing Authority of a prospectus (the "**Prospectus**") prepared by the Company in relation to the admission, to the standard listing segment of the Official List of the Financial Conduct Authority (the "**FCA**") and to trading on the Main Market for listed securities of the London Stock Exchange, of: (i) 101,066,868 second tranche offering closing shares (the "**Second Tranche Offering Closing Shares**") in connection with an offering completed by the Company on 3 May 2016; and (ii) 656,000,000 placing shares (the "**Placing Shares**" together with the Second Tranche Offering Closing Shares, the "**New Shares**") comprising 650,000,000 Placing Shares announced on 25 May 2017 and a subsequent placing of a further 6,000,000 Placing Shares. The New Shares are expected to be admitted to trading on the London Stock Exchange, on or about, 12 June 2017 (the "**New Share Admission**").

Details of the New Shares:

On 3 May 2016, the Company issued 101,066,868 units at a price of CAD\$0.07 per unit (the "**Second Tranche Offering**"). Each unit comprised of one common share in the capital of the Company and one common share purchase warrant. Each warrant entitles the holder thereof to purchase one common share at a price of CAD\$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 closing of the Second Tranche Offering. Further, on or around 25 May 2017, the Company completed the placing of 656,000,000 Placing Shares of £0.005 per Placing Share to raise gross proceeds of £3.28 million. Each New Share is a common share in the capital of the Company and ranks *pari passu* with the Company's existing common shares.

Copies of the Prospectus, which is dated 8 June 2017, will be available for inspection for a period of 12 months following New Share Admission at the offices of McCarthy Tétrault, 26th Floor, 125 Old Broad Street, London EC2N 1AR. The Prospectus will also be available on the website of the Company at <http://canoverseas.com>, subject to applicable securities laws, and shall shortly be submitted to the National Storage Mechanism and be available for inspection at www.morningstar.co.uk/uk/NSM.

Total voting rights:

Following the New Share Admission, the Company's share capital and total voting rights comprises 1,273,139,350 common shares of no par value and the Company does not hold any shares in treasury. Consequently, 1,273,139,350 is the figure which may be used by shareholders as the denominator for the calculation by which they will determine if they are required to notify their interest in, or a change to their interest in, the Company under the FCA's Disclosure and Transparency Rules.

Capitalised terms used in the Prospectus shall, unless the context provides otherwise, have the same meaning in this announcement.

About the Company:

The Company is an international oil and gas exploration and development company focused in offshore West Africa. The Company holds a 17% working interest in Block LB-13, offshore Liberia, with ExxonMobil Liberia the operator holding an 83% working interest. The Company is also actively pursuing opportunities in Nigeria in partnership with Shoreline as part of its strategy to generate stable cash flow from secure offshore assets. The Company and Shoreline, through their jointly held affiliated company, ShoreCan has acquired 80% of the share capital of Essar Exploration and Production Limited (Nigeria) which holds an attractive oil appraisal and development project in shallow to mid water offshore Nigeria on its 100% holding in OPL 226. Drilling of the first

appraisal well is planned to commence in late 2017. ShoreCan is currently waiting for final approval from the Government of Nigeria for the acquisition.

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

The common shares are listed under the symbol "XOP" on the TSXV and under the symbol "COPL" on the London Stock Exchange.

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