

Canadian Overseas Petroleum Limited
20 April 2016

Canadian Overseas Petroleum Limited Announces Private Placement of First Tranche of Units

Calgary, Canada, 20 April 2016 - Canadian Overseas Petroleum Limited (the "**Company**") (TSXV: XOP) (LSE: COPL), is pleased to announce the first tranche of a previously announced private placement of units (the "**Units**") in the Company (the "**Offering**") for gross proceeds of £800,000, pursuant to which the Company will issue 22,857,143 Units at a price of £0.035 per Unit. Further to the Company's announcement on March 30, 2016, the Company has now entered into definitive agreements for a private placement on a non-brokered basis to investors in the United Kingdom (the "**First Tranche**"). Admission of the First Tranche to the London Stock Exchange ("**LSE**"), and thus closing, is expected on April 28, 2016.

Each Unit consists of one common share ("**Common Share**") in the capital of the Company and one Common Share purchase warrant ("**Warrant**"). Under the First Tranche, each Warrant entitles the holder thereof to purchase one Common Share at an exercise price of £0.0475 per Common Share at any time prior to 17:00 hrs (London time) on or before the date that is 24 months from the closing of the First Tranche. The Common Shares and Warrants comprising the Units will separate immediately upon closing.

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 Nigerian oil appraisal and development project offshore Nigeria, and general corporate purposes.

Management, representing approximately 3% of the share capital of the Company, and certain insiders of the Company are expected to participate in the second tranche of the Offering for an amount approximately equal to or exceeding their proportionate current holdings in the Company.

The First Tranche offering is subject to customary conditions and the receipt of required regulatory approvals, including the approval of the LSE and the TSX Venture Exchange (the "**TSXV**"). All securities issued pursuant to the Offering will be subject to a four month trading hold period through the facilities of the TSXV, pursuant to applicable securities laws and the policies of the TSXV.

Mr. Arthur Millholland, President and CEO commented "this financing is the first step in relaunching Canadian Overseas Petroleum to the London market and utilizing our listing on the London Stock Exchange. It marks the start of an exciting year".

This press 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 Units in any jurisdiction in which such offer, solicitation or sale may be unlawful. The Common Shares and 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 COPL

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, where it expects to participate in the drilling of a deep water exploration well in late 2016. The Company is also 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, and Namibia. It continues to evaluate a variety of 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.

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 anticipated terms of the Offering and the First Tranche and the use of proceeds of the Offering. 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.