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SEYCHELLES SIGNS FINAL APPROVAL FOR WHL ENERGY FARM-OUT

Highlights:

- **Seychelles Government approves Ophir Energy farm-in**
- **WHL Energy to receive initial US\$4 million payment for past costs**
- **JV now looking to potentially fast-track 3D seismic acquisition programme**

Australian energy company WHL Energy Limited (**ASX: WHN**) ("**WHL Energy**" or "**the Company**") is pleased to announce that the Republic of the Seychelles has signed formal documentation approving Ophir Energy plc's ("**Ophir**") previously reported* farm-in to WHL Energy's large offshore Seychelles exploration position. Under the agreement Ophir is farming-in to earn a 75% interest in WHL Energy's offshore Seychelles petroleum exploration project area.

Vice-President Danny Faure was joined by a number of Republic of Seychelles dignitaries, including representatives of national petroleum regulator PetroSeychelles and Ambassador Barry Faure, at a special signing ceremony in the capital Victoria overnight Australian time.

During the ceremony, the Vice-President who signed on behalf of the President, whose responsibilities include the portfolio responsible for hydrocarbons, WHL Energy Managing Director David Rowbottam and Ophir Energy Commercial Director, Glenn Corrie, signed formal documentation approving the farm-in agreement including an amended Petroleum Agreement (PA). The amended PA includes variations to the minimum work commitments, extending the term of the current exploration period to 31 July 2016, a reduction in the size of the Seychelles permitted area controlled by the JV to 12,856 km² and the transfer of operatorship over the project areas to a subsidiary company of Ophir.

Ambassador Faure earlier said: "The Seychelles was pleased to have a company of Ophir Energy's international standing and technical expertise join WHL Energy in the search for hydrocarbons off the country's coastline.

"We believe there is potential for large amounts of oil and gas deposits to be found in Seychelles waters and we welcome the commitment and investment of companies like Ophir Energy and WHL Energy in searching for those potential riches.

"We look forward to this new Joint Venture moving forward in a timely manner to meet its commitments to explore in our water with great attention to environmental and technical excellence," said Ambassador Faure.



Signing Ceremony at State House, Victoria, Mahe, Republic of Seychelles

Commenting on the signing of the final approvals, WHL Energy Managing Director David Rowbottam said: “This is a significant milestone in WHL Energy’s history and something we have been working very hard to achieve since late 2010, when the Seychelles interests were first acquired.

“Since that time we have undertaken major investments including being the cornerstone client for a multi-client 2D seismic survey in Seychelles waters, additional substantial original work to develop the exploration potential of the Seychelles, identified that the Seychelles is most likely to be oil prone and, most importantly, formed a close working and personal relationship with the Seychelles Government and PetroSeychelles.



Seychelles Vice-President Danny Faure (right) and WHL Energy Managing Director David Rowbottam at the Signing Ceremony.

"I would like to thank President Michel for his continuing support, and likewise the Board and Staff at PetroSeychelles, and I would also like to take this opportunity to thank the WHL Energy team. We have only a small team at WHL Energy but we have a very strong focus on technical excellence and that has paid dividends in being able to develop a unique understanding of the Seychelles prospectivity and to now attract a Joint Venture partner of the quality of Ophir Energy.

"Independent assessment has identified a collective billion barrels plus opportunity within our project area and we now look forward to working closely with Ophir Energy to further explore the very large oil potential we believe is contained there," Mr Rowbottam said.

The winning 3D seismic contract bidder for an initial seismic survey under the new JV is expected to be named within the next few weeks, potentially allowing the acquisition programme to commence as early as the end of May or the beginning of June to take advantage of the current availability of a number of state-of-the-art seismic vessels in the East African region – which would also significantly reduce vessel mobilisation costs.

Ophir Energy will fully fund the initial 1,500 km² 3D seismic acquisition programme up to a total amount of US\$17 million, now that the agreement has become unconditional. Reaching this milestone will also trigger the payment of an initial US\$4 million to WHL Energy for the recovery of past costs.

Following the acquisition and evaluation of the Initial Seismic, and on or before 31 July 2015 (or 31 December 2015 if a seismic vessel has not commenced data acquisition by 31 May 2014), Ophir may either withdraw from the farm-in or exercise the option to both:

- fully fund the acquisition of a further 1,000km² of 3D seismic, up to a total amount of US\$12 million (the "Additional Seismic"); and
- fund 90% of the costs of the first exploration well, up to a total amount of US\$30 million (the "Exploration Well").

Upon exercising the option to retain its interests, Ophir will pay WHL Energy a further US\$2 million in cash for further partial recovery of past costs.

** 4 March 2014 ASX Announcement, "Seychelles farm in agreement with Ophir Energy PLC".*

Ends

FURTHER INFORMATION

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The summary information on the oil and gas projects in this report has been prepared by WHL Energy Limited full time Exploration Manager Mr Matt Fittall. He is a Geologist [BSc(hons) Geology] of more than 28 years, practising in Petroleum Geology. Mr Fittall has consented in writing to the inclusion of the information in the form and context in which it appears.

About WHL Energy Limited

ASX-listed WHL Energy Ltd (ASX: WHN) is an oil and gas exploration Company focussed on East Africa and Australia.

WHL Energy holds a 12,856 km² exploration area offshore Seychelles, at 25% equity. A world class exploration portfolio and new exploration concepts are being matured in the acreage. In-depth work by

WHL Energy has to date identified an initial inventory containing ten, 200 million barrel plus potential targets, which is being expanded to quantify the potential in emerging concept areas.

Further work to develop the leads and targets will include 3D seismic acquisition and geological studies, followed by drilling.

Most structures identified to date are in < 50 m water with drilling targets at < 2000m depth, allowing for low cost drilling with a jack up rig.

WHL Energy also holds 40% equity in Exploration Permit VIC/P67 in the offshore Otway Basin, approximately 200 km WSW of Melbourne off the Victorian coastline. VIC/P67 contains the undeveloped La Bella gas field in proximity to the Victorian gas market, and several nearby exploration prospects.

The Company in addition holds 33.33% equity in exploration permit WA-460-P, in the offshore Southern Carnarvon Basin, which contains an extension of the very large Palta Prospect. A Shell led Joint Venture has recently drilled the Palta-1 well in the adjacent block; the data surrounding the result of this well is expected to be made public in 2015.

The Company is also actively investigating growth opportunities in the wider East African region.

About Ophir Energy plc

Ophir Energy (OPHR.LN) is an African focused, upstream oil and gas exploration company which is listed on the London Stock Exchange (FTSE 250). Ophir has an extensive deepwater acreage position in West and East Africa acquired since its foundation in 2004.

The Group's headquarters are located in London (England), with an operational office in Perth (Australia), and regional offices in Dar es Salaam and Mtwara (Tanzania), Malabo (Equatorial Guinea), Libreville (Gabon), Nairobi (Kenya) and Accra (Ghana).