

Namibian Resources plc ('Namibian' or 'the Company')

21 December 2015

Proposed Acquisition, Proposed Change of Name, Appointment of Director and Nominations for Directorship

Namibian announces that it has entered into a binding agreement, subject to a number of conditions set out below, with the French-registered holding company, Sister Holding SAS, to acquire shares in Petro Kouilou S.A. ("Petro Kouilou"), a company registered in the Republic of the Congo ("the Acquisition").

Petro Kouilou holds a 56% interest, via a production-sharing agreement, alongside the Société Nationale des Petroles du Congo ("SNPC"), in a producing offshore oil asset with exploration potential, the Tilapia field, which is located offshore/onshore 30km north of the coastal city of Pointe-Noire. The consideration will be settled by (i) cash consideration of US\$2.5 million, (ii) the issue of shares in the Company valued at issue at US\$2.5 million, and representing at least 20% of the issued share capital of the Company following the placing being conducted in connection with the Acquisition; and (iii) a commitment from the Company to fund an agreed development plan for Petro Kouilou's asset involving capital expenditure of at least US\$5.5 million.

The Tilapia field currently produces approximately 50 barrels of oil per day ("bopd"). In its latest financial year to 31 December 2014, Petro Kouilou reported revenues of US\$1.76 million and a loss (after depreciation of US\$205,000) of US\$278,000. As at 31 December 2014, Petro Kouilou had a net asset book value of US\$2.76 million.

In accordance with the terms of the agreement, the Acquisition is conditional on the financing of Petro Kouilou's development programme in early 2016, which consists of a development of the already proven structure R1-R2-Mengo (with the aim of increasing production to at least 200 bopd up to 500 bopd) and to drill deeper into the Djeno horizon which has been proven prolific in neighbouring fields (with wells in these structures producing multiple thousands of bopd).

To better reflect the transaction and new focus of the Company, it is proposed that the name of the Company will be changed to Anglo African Oil & Gas Plc.

The Acquisition, which constitutes a reverse takeover under Rule 14 of the AIM Rules for Companies, is subject to a number of pre-conditions, including approval by Namibian shareholders, the raising by Namibian of funding for the Acquisition and admission of the Namibian group, as enlarged by the Acquisition, to AIM. In respect of the proposed fundraising, indications of interest have already been received from potential equity investors for the majority of the funds being sought.

In accordance with Rule 14 of the AIM Rules for Companies, shares in the Company are being suspended pending publication of an AIM admission document in respect of the proposed enlarged entity or notification that one of the pre-conditions has not been met and the Acquisition is not proceeding. The long-stop date for completion of the Acquisition is, unless extended by agreement, 15 March 2016.

The Company will provide further updates in due course.

Appointment of director

The Company is pleased to announce the appointment of Alex MacDonald as a director of the Company with immediate effect.

Alex has more than 30 years of City and business experience in investment banking and corporate finance, with specific experience of engineering and oil & gas. He was until June 2014 head of the oil & gas team at Whitman-Howard, having previously held a similar position at Libertas Capital Corporate Finance LLP. During these periods, he was mainly involved in fund raising and M&A activities.

Much of his early business life has been in the oil & gas sector in upstream exploration at international level, particularly in Africa and the Middle East. Between 1975 and 1985, Alex worked for companies in the oil & gas sector, including Ocean Inchcape, Brown & Root and Otis Engineering. From 1985 to 1998, he was mainly engaged in investment banking and corporate finance. In 1995, as part of the post-privatisation of the British coal industry, he and three other partners acquired the entire mining engineering facilities from British Coal, which he ran for three years, after which it was successfully sold to Lloyds Development Capital.

Since 1998 he has been involved, mainly, in private equity investments, and has held a number of non-executive directorships.

Alexander (Alex) Allan Baillie MacDonald, aged 68 is, or has been, a director of the following companies during the last five years:

Current directorships and partnerships	Past directorships and partnerships
None	African Oil Exploration Limited
	Northdown Energy Limited
	Northdown Petroleum Plc
	Strategic Natural Resources Plc
	Sureland Jade Limited

Alex was a director of Strategic Natural Resources Plc between 14 May 2014 and 6 July 2014. A petition to wind the company up was made on 19 March 2015 and an order to wind up was delivered on 8 September 2015. A liquidator has been appointed and is in the process of winding up the company.

Alex was appointed to the board of New Moon Interiors Limited on 13 August 1993. The company was placed into compulsory liquidation on 14 January 1997, whilst he was still a director. The company was dissolved on 29 March 2005.

There is no further information that is required to be disclosed pursuant to Schedule 2 paragraph (g) of the AIM Rules for Companies.

Pursuant to shareholder approval and satisfaction of the pre-conditions for completion of the Acquisition, it is intended that Mike Solomon and David Johnson will resign from the Board and proposed that the following directors will then join the Namibian board:

David Sefton

David has extensive experience of making, managing and exiting investments and has public and private board experience. He is a specialist in the oil & gas industry across Europe, Russia, the Middle East and North America.

David is the managing partner of Linton Capital LLP, a private equity manager and corporate finance advisory business. He has been a member of the board of private equity funds and also several companies operating in the oil & gas industry in the United States of America, Canada, the Middle East and Africa.

Prior to Linton Capital LLP, David was Chief Legal Officer at LukOil Financial Services Limited, advising the wider OAO LukOil group on international transactions for both the upstream and downstream businesses. Before joining LukOil, he was a senior associate at Cleary, Gottlieb, Steen and Hamilton based in London and New York, where he specialised in complex cross-border mergers and acquisitions and corporate finance. He principally advised companies in the oil & gas and telecommunications sectors and worked on transactions in Russia, Eastern Europe, the Middle East and Africa.

David completed undergraduate and postgraduate studies at the University of Oxford and qualified as a barrister.

James Cane

James has operated a financial and management consultancy business for over thirty years. He has advised a number of national and international private-equity firms on strategy, fundraising, marketing and business development.

James has been a chief executive and finance director in both listed and private equity-backed businesses, including at Ashley House plc, a quoted developer of doctors' surgeries and health centres. He was a non-executive director of the Lambeth Building Society until its sale to the Nationwide in 2006. He was the chief financial officer of 8 Miles LLP, a private equity firm managing a fund to invest in buyouts across Africa. James is the chief financial officer of Linton Capital, an investment manager in the oil & gas services sector and finance director of K&C REIT plc.

James has been a trustee of the UK's longest-established drama school, LAMDA (the London Academy of Music and Dramatic Art) since 2008 and chairs its finance committee. He is also an affiliate governor of the Conservatoire for Dance and Drama, an umbrella organisation for eight leading UK dance, circus and drama schools, and sits on its finance committee. James is a member of the finance committee of The Queen's Club, a leading UK racquet sports club and is a fellow of the Institute of Chartered Accountants in England and Wales.

Oleg Schkoda

Oleg has worked for several oil services companies (during expatriate postings in Asia, Europe and America). He spent more than 12 years with Schlumberger, Baker Hughes and GE Energy. He held executive postings with services and E&P companies. Oleg started his career in 1996 with the Belgian oil & gas E&P company, Petrofina (now part of the TOTAL group), as a reservoir engineer. He has drilled, fracked, completed and operated wells in the Mengo Sands in the Republic of Congo.

Contacts

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