COPL

CANADIAN OVERSEAS PETROLEUM LIMITED

ANNUAL INFORMATION FORM

For the year ended December 31, 2016

March 28, 2017

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ABBREVIATIONS

Crude Oils and Natural Gas Liquids		Natural Gas	
° API	degrees API gravity(1)	MMbbls	millions of barrels
bbl	barrel(2)	Mboe	thousands of barrels of oil equivalent
bbls	barrels	MMBTU	million British thermal units
bbls/d	barrels per day	Mcf	thousand cubic feet
Bcf	billion cubic feet	MMcf	million cubic feet
boe	barrels of oil equivalent(3)	Mcf/d	thousand cubic feet per day
Gj	gigajoules	MMcf/d	million cubic feet per day
ha	hectares	NGLs	natural gas liquids
km^2	square kilometres	Psi	pounds per square inch
Mbbls	thousands of barrels	Psia	pounds per square inch absolute

Notes:

(1) An indication of the specific gravity of crude oil measured on the API gravity scale. Liquid petroleum with a specified gravity of 28 ° API or higher is generally referred to as light crude oil.
(2) Each barrel represents 34.972 Imperial gallons or 42 U.S. gallons.
(3) Boe's may be misleading, particularly if used in isolation. A boe conversion ratio of 6 Mcf: 1 bbl is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead.

CONVERSIONS

The following table sets forth standard conversions from Standard Imperial Units to the International System of Units (or metric units).

To Convert From	To	Multiply By
boes	Mcfs	6.000
Mcf	Cubic metres ("**m^3**")	28.174
Cubic metres	Cubic feet	35.494
bbls	Cubic metres ("**m^3**")	0.159
Cubic metres ("**m^3**")	bbls oil	6.290
Feet	Metres ("**m**")	0.305
Metres ("**m**")	Feet	3.281
Miles	Kilometres ("**km**")	1.609
Kilometres ("**km**")	Miles	0.621
Acres	Hectares	0.405
Hectares	Acres	2.471

ANALOGOUS INFORMATION

In certain sections of this AIF (as defined herein), including without limitation "*Description of the Business – Status of exploration and development activity offshore Sub-Saharan Africa*", "*Description of the Business – Nigeria*" and "*Description of the Business – Equatorial Guinea*", the Corporation provides certain historical information concerning reserves or resources, estimates of the volume of reserves or resources, production estimates, historical production amounts, well tests and other information in respect of the areas referenced above and the countries surrounding the areas referenced above, which may be "analogous information" as defined by applicable securities laws. This analogous information is derived from publicly available information sources that the Corporation believes are predominantly independent in nature and for which references to such information sources have been provided in such sections. Some of this data may not have been prepared by qualified reserves evaluators or auditors and the preparation of any estimates may not be in strict accordance with the Canadian Oil & Gas Evaluation Handbook. In addition, estimates by engineering and geo-technical practitioners may vary and the differences may be significant. The Corporation believes that the provision of this analogous information is relevant to the Corporation's activities, given its ownership interests and operations (either ongoing or planned) in the areas in question, however, readers are cautioned that there is no certainty that any of the Corporation's activities in these areas will be successful to the extent in which operations in the areas in which the analogous information is derived from were successful, or at all.

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GLOSSARY

In this annual information form, the following terms have the meanings set forth below:

"**Agent Warrants**" has the meaning ascribed thereto under the heading "*General Development of the Business – Three Year History – Year-Ended December 31, 2015*".

"**AIM**" means AIM, the junior market operated by the London Stock Exchange.

"**AIF**" or "**Annual Information Form**" means the annual information form of the Corporation for the year ended December 31, 2016, dated March 28, 2017.

"**Articles**" means the articles of incorporation of the Corporation.

"**Asset Purchase Agreement**" means the asset purchase agreement dated November 16, 2011 between COPL Bermuda and ExxonMobil Liberia, as amended on March 8, 2013.

"**Audit Committee**" means the audit committee of the Corporation.

"**BG Group**" means, collectively, BG Group plc. and its subsidiaries.

"**Block EG-18**" means the off shore block EG-18 in Equatorial Guinea.

"**Block LB-13**" means Block LB-13 in the Liberian Basin offshore Liberia.

"**Block LB-13 JOA**" means the joint operating agreement dated March 8, 2013 entered into between COPL Bermuda and ExxonMobil Liberia.

"**Board**" means the board of directors of the Corporation.

"**Brent Crude**" means a major trading classification of sweet, light crude oil that is predominantly used in the United Kingdom and elsewhere in the world.

"**Chevron**" means Chevron Corporation.

"**Common Share**" or "**Common Shares**" means, respectively, one or more common shares in the capital of COPL.

"**COPL**" or the "**Corporation**" means Canadian Overseas Petroleum Limited.

"**COPL Bermuda**" means Canadian Overseas Petroleum (Bermuda) Limited.

"**COPL Bermuda Holdings**" means Canadian Overseas Petroleum (Bermuda Holdings) Limited.

"**COPL Namibia**" means Canadian Overseas Petroleum (Namibia) Limited.

"**COPL Technical**" means COPL Technical Services Limited.

"**COPL (UK)**" means Canadian Overseas Petroleum (UK) Limited.

"**D&M**" means DeGolyer and MacNaughton, independent reserves evaluator.

"**D&M Report**" means the report as of December 31, 2015 on the "*Prospective Resources Attributable to Various Prospects Owned by Canadian Overseas Petroleum Bermuda Limited in Liberia-Sierra Leone Basin Liberia NI 51-101*".

"**Directors**" means the directors of the Corporation.

"**EITI**" means the Extractive Industries Transparency Initiative.

"**ENI**" means ENI S.p.A.

"**Equatorial Guinea**" means the Republic of Equatorial Guinea.

"Essar Nigeria" means Essar Exploration and Production Limited (Nigeria).

"**ExxonMobil Liberia**" means ExxonMobil Exploration and Production Liberia Limited.

"**FPSO**" means floating production, storage and offloading vessel.

"**GDP**" means gross domestic product.

"**GPDC**" means GEC Petroleum Development Company Limited.

"**Ghana**" means the Republic of Ghana.

"**the Group**" means COPL, or the Corporation, and its subsidiaries, taken as a whole.

"**Liberia**" means the Republic of Liberia.

"**Liberian PSC**" means the restated and amended production sharing contract dated March 8, 2013 in relation to Block LB-13.

"**LSE**" or "**London Stock Exchange**" means the London Stock Exchange plc.

"**Mesurado-1 Well**" means the Mesurado-1 exploration well drilled by ExxonMobil Liberia during the fourth quarter of 2016.

"**MMIE**" means Minister of Mines, Industry and Energy.

"**MOU**" means the memorandum of understanding signed by COPL and the MMIE in Malabo, Equatorial Guinea on May 27, 2015 with respect to Block EG-18.

"**Namibia**" means the Republic of Namibia.

"**NI 51-101**" means National Instrument 51-101 – *Standards of Disclosure for Oil and Gas Activities* of the Canadian Securities Administrators.

"**NI 52-110**" means National Instrument 52-110 – *Audit Committees* of the Canadian Securities Administrators.

"**NSAI**" means Netherland, Sewell & Associates, Inc., independent reserves auditors.

"**NSAI Report**" means the report as of December 31, 2016 on the "*Estimates of Contingent and Prospective Resources to the Canadian Overseas Petroleum Limited Interest in Certain Discoveries and Prospects Located in Oil Prospecting License 226 Offshore Nigeria*".

"**NOCAL**" means the National Oil Company of Liberia.

"**NYSE**" means the New York Stock Exchange.

"**Oilexco**" means Oilexco Inc.

"**OPEC**" means the Organization of Petroleum Exporting Countries.

"**OPL 2010**" means the non-binding agreement-in-principle with GPDC, a Nigerian oil and gas company, to enter into an option agreement concerning GPDC's prospecting licence.

"**OPL 226**" means Oil Prospecting License block 226 in Nigeria.

"**OPL 226 Transaction**" means the acquisition of 80% of Essar Nigeria shares by Shoreline CanOverseas Petroleum Development Corporation Limited on September 13, 2016.

"**Option**" means an option to purchase a Common Share granted under the Corporation's Stock Option Plan.

"**Peppercoast**" means Peppercoast Petroleum plc.

"**Preferred Shares**" means preferred shares in the capital of the Corporation.

"**Pounds Sterling**" or "**£**" means pounds sterling, being the lawful currency of the United Kingdom.

"**PSC**" means production sharing contract.

"**Sale and Purchase Agreement**" means the sale and purchase agreement dated May 18, 2011, among Peppercoast, COPL Bermuda and COPL as amended March 8, 2013.

"**Shareholder**" means a holder of Common Shares from time to time.

"**ShoreCan**" means Shoreline CanOverseas Petroleum Development Corporation Limited, the joint venture company in which COPL and Shoreline each hold a 50 percent interest.

"**Shoreline**" means Shoreline Energy International Limited, a corporation that has entered into a joint venture company with COPL.

"**Sierra Leone**" means the Republic of Sierra Leone.

"**Stock Option Plan**" means the stock option plan of the Corporation.

"**Tanzania**" means the United Republic of Tanzania.

"**Transform Margin**" or "**West African Transform Margin**" means the emerging formation for offshore oil and gas exploration located offshore West Africa.

"**TSX**" means the Toronto Stock Exchange.

"**TSXV**" means the TSX Venture Exchange.

"**UK**" or "**United Kingdom**" means the United Kingdom of Great Britain and Northern Ireland.

"**US**" or "**United States**" means the United States of America, its territories and possessions, any State of the United States of America, and the District of Columbia.

"**USD**" or "**US dollars**" means United States dollars, being the lawful currency of the United States.

"**USGS**" means United States Geological Society.

"**Warrants**" means Common Share purchase warrants of the Corporation, each such warrant entitling the holder thereof to purchase one Common Share at a specified exercise price prior to the specified expiry date.

Words importing the singular number include the plural, and vice versa, and words importing any gender include all genders.

All dollar amounts set forth in this AIF are in Canadian dollars, except where otherwise indicated.

FORWARD-LOOKING STATEMENTS

Certain statements contained in this AIF constitute forward-looking information and statements. Forward-looking information and statements are often, but not always, identified by the use of words such as "anticipate", "believe", "could", "estimate", "expect", "forecast", "guidance", "intend", "may", "plan", "predict", "project", "should", "target", "will", or similar words suggesting future outcomes or language suggesting an outlook. These statements involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking statements. The Directors believe the expectations reflected in those forward-looking statements are reasonable, but no assurance can be given that these expectations will prove to be correct and such forward-looking statements included in this AIF should not be unduly relied upon.

In particular, this AIF contains forward-looking information and statements pertaining to the following:

- business strategy, strength and focus;
- expanding operations into other jurisdictions;
- the dividend policy of the Corporation;
- cost sharing arrangements with joint operators;
- the performance characteristics of the oil and natural gas properties to be acquired by the Corporation;
- the Corporation's commitments under the OPL 226 Transaction;
- granting a consent to OPL 226 Transaction by the Nigerian Government;
- the timing of work program under OPL 226;
- the potential obligations of the Corporation under the MOU;
- the signing of a PSC with respect to Block EG-18;
- the timelines for activities under the Liberian PSC and future evaluation;
- oil and natural gas production levels;
- information in respect of prospective resources the Corporation may have, including disclosure of the NSAI Report;
- expectations that the estimated volumes will be reduced in the Mesurado prospect in Block LB-13;
- timing estimates for a new resource report in respect of Block LB-13;
- anticipated forthcoming activity in the oil and natural gas industry in the fields in which the Corporation operates;
- the size of the oil, natural gas and natural gas liquids reserves and the ability to commercially exploit them;
- drilling and exploitation timelines;
- projections of market prices and costs;
- supply and demand for oil and natural gas;
- the significant follow-up potential for a discovery well in the Noa West and Noa East prospect areas that were defined by the NSAI Report;
- expectations regarding the ability to raise capital and to continually add to reserves through acquisitions and development;
- the timing of any potential financings, including: offerings, private placements or contributions of funds by existing shareholders;
- anticipated use of funds from offerings and future use of current cash flow;
- the Group's intention in respect of maintaining sufficient insurance;
- treatment under governmental regulatory regimes and tax laws, including environmental regulation;
- tax horizon and future income taxes;
- capital expenditure programs; and
- abandonment and reclamation costs.

Currently the Group has no oil and gas reserves. Statements relating to "reserves" and "resources" are deemed to be forward-looking statements, as they involve the implied assessment, based on certain estimates and assumptions that the reserves and resources described can be profitably produced in the future.

Forward-looking information and statements are based on the Corporation's current beliefs as well as assumptions made by, and information currently available to, the Corporation concerning future oil and natural gas production levels, future commodity prices, the ability to add oil and natural gas reserves through farm-in, acquisition and/or drilling at competitive prices, future exchange rates, the cost and availability of equipment and services in the field, the impact of increasing competition and the ability to obtain financing on acceptable terms.

The actual results could differ materially from those anticipated in these forward-looking statements as a result of the risk factors set forth below and elsewhere in this AIF:

- possible failure to realize anticipated benefits of acquisitions;

- failure to obtain government consent to the OPL 226 Transaction;
- failure to enter into a PSC with respect to Block EG-18;
- volatility of crude oil and natural gas prices;
- negative operating cash flow;
- outbreak and resurgence of certain contagious diseases in the areas where the Group operates that may impact operations;
- "resources" vs. "reserves", as discussed further under "*Risk Factors*" – "*Resources*" *vs* "*Reserves*";
- estimates of resources;
- volatility of crude oil and natural gas prices;
- status and stage of development;
- operational dependence;
- reliance on key individuals;
- availability of capital to fund future operations;
- insurance;
- marketability of crude oil and natural gas;
- availability of equipment and access restrictions;
- nature of reserves and additional funding requirements;
- operatorship;
- control over joint ventures;
- cybersecurity and terrorism;
- project risks;
- third party credit risk;
- operating hazards and other uncertainties;
- competition;
- joint property ownership;
- access to production facilities;
- global financial instability;
- alternatives to, and changing demand for, petroleum products;
- interest rate cash flow risk;
- geo-political change;
- foreign operations;
- operations in African countries;
- the Group does business in Liberia, and Nigeria and plans to do business in other foreign jurisdictions, with inherit risks relating to fraud, bribery and corruption;
- changes in government policy could have a negative impact on the Group's business;
- permits, licenses, approvals and authorizations;
- the Group is exposed to the risk of changes in laws in the jurisdictions where it operates;
- working with local communities and indigenous peoples on property onshore;
- corporate tax regime;
- tax regimes in the jurisdictions in which the Group operates are subject to differing interpretations and are subject to change;
- foreign currency exchange risk;
- governmental regulation;
- environmental regulations;
- climate change;
- country-specific political risk—Liberia, Nigeria and Equatorial Guinea;
- share price volatility;
- liquidity of the Common Shares and realisation of investment in Common Shares; and
- dilution and further sales.

With respect to forward looking statements contained in this Annual Information Form, COPL has also made assumptions regarding, among other things, the willingness of operators to conduct operations on certain properties in foreign jurisdictions; future oil and gas prices or cost of products sold; ability to obtain required capital to finance exploration, development and operations; the ability to maintain sufficient funds to continue to the operations of the Corporation; the timely receipt of any required regulatory approvals; ability to obtain drilling success consistent with expectations; the ability of COPL to secure adequate product transportation; no material variations in the current tax and regulatory environments; and the ability to obtain equipment, services, supplies and personnel in a timely manner to carry out its activities. Forward-looking statements and other information contained herein concerning the oil and gas industry and COPL's general expectations concerning this industry are based on estimates prepared by management of COPL, using data from publicly available industry sources as well as from reserve reports, market research and industry analysis and on assumptions based on data and knowledge of this industry, which COPL believes to be reasonable. Although this data is generally indicative of relative market positions, market shares and performance characteristics, it is inherently imprecise. While COPL is not aware of any misstatements regarding any industry data presented herein, the industry involves risks and uncertainties and is subject to change based on various factors.

The above summary of major risks and assumptions, related to forward-looking statements included or incorporated by reference in this AIF has been provided for readers to gain a more complete perspective on COPL's future operations. However, readers should be cautioned that the above list of factors is not exhaustive and that this information may not be appropriate for other purposes. Forward-looking statements included or incorporated by reference in this AIF are valid only as at the date of this AIF, and the Corporation does not intend to update or revise these forward-looking statements except as required by applicable securities laws. The forward-looking statements contained in this AIF are expressly qualified by this cautionary statement.

NOTE REGARDING INDUSTRY INFORMATION

In certain sections of this AIF, including without limitation "*Description of the Business*", "*Oil and Gas Properties*" and "*Risk Factors*", the Corporation provides certain historical, market and industry data and forecasts that were obtained from third-party sources, industry publications and publicly available information, as well as industry data prepared by management on the basis of its knowledge of the areas in which the Corporation operates. This third-party source information is derived from publicly available information sources that the Corporation believes are predominantly independent in nature. Historical, market and industry data and forecasts generally state that they have been obtained from sources believed to be reliable, although they do not guarantee the accuracy or completeness of such information. The Corporation believes that the provision of this third-party source information is relevant to the Corporation's activities business and operations, however, readers are cautioned that there is no certainty that any of the Corporation's activities in these areas will be successful to the extent in which operations in the areas in which the third-party source information is derived from were successful, or at all.

THE CORPORATION

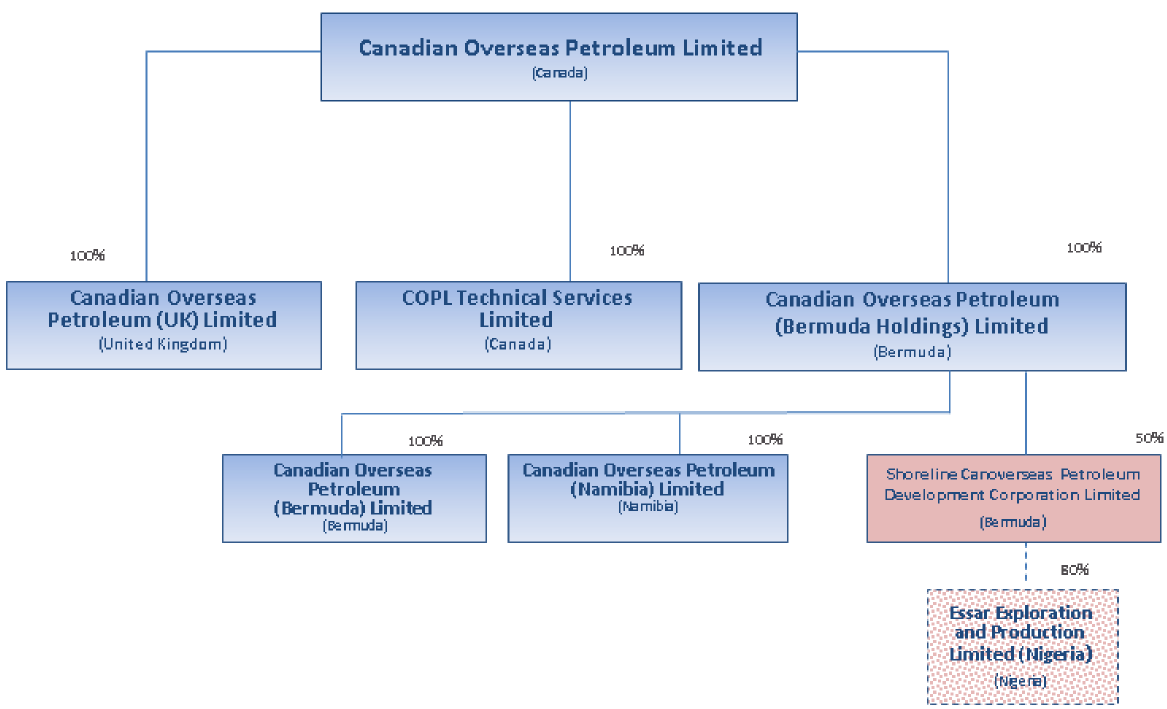
Name, Incorporation and Address

Canadian Overseas Petroleum Limited was incorporated under the *Canada Business Corporations Act* on July 8, 2004 under the name Aureus Ventures Inc. The Corporation changed its name to Velo Energy Inc. on July 5, 2006, and to Canadian Overseas Petroleum Limited on July 22, 2010. The Common Shares were consolidated on July 23, 2010 on the basis of one post-consolidation Common Share for every four pre-consolidation Common Shares. COPL's head office is located at Suite 3200, 715 – 5th Avenue S.W. Calgary, Alberta T2P 2X6 and its registered office is located at Suite 400, 444 – 7 Ave, SW, Calgary, Alberta T2P 0X8.

COPL is an international oil and gas exploration and development company currently active in offshore sub-Saharan Africa. Senior management and strategic corporate functions are performed by COPL's head office in Calgary, and geological, geophysical, engineering, accounting and administrative functions are performed by COPL Technical. Some technical and projects related functions are provided by COPL (UK). COPL Bermuda Holdings and COPL Namibia were incorporated for operations offshore in Liberia and potential opportunities elsewhere in Africa.

Intercorporate Relationships

The following diagram sets forth the names of COPL's subsidiaries, their jurisdiction of incorporation and the percentage ownership held by COPL in each subsidiary. As of December 31, 2016, COPL had five wholly-owned subsidiaries: (i) COPL Technical, incorporated under the *Business Corporations Act* (Alberta); (ii) COPL (UK), which is registered under the laws of England and Wales; (iii) COPL Bermuda Holdings, which is registered under the laws of Bermuda; (iv) COPL Bermuda, which is registered under the laws of Bermuda; and (v) COPL Namibia, which is registered under the laws of Bermuda (considered to be dormant as of December 31, 2016). The Corporation, through its wholly-owned subsidiary COPL Bermuda Holdings, also holds a 50 percent interest in the ShoreCan joint venture company, which is registered under the laws of Bermuda. ShoreCan holds 80% of the shares of Essar Nigeria, which is registered under the laws of Nigeria and holds the OPL 226 licence.



DESCRIPTION OF THE BUSINESS

Business Objectives and Strategy

The Corporation's strategy is to use the expertise and experience of its senior management team to grow its international oil and gas business offshore sub-Saharan Africa and elsewhere in the world. As part of its sub-Saharan Africa strategy, the Corporation currently holds a 17 percent interest in the Liberian PSC for Block LB-13 offshore Liberia. ExxonMobil Liberia holds the remaining 83 percent of the Liberian PSC and is the operator. In Nigeria, the Corporation has a 40 percent economic interest (through ShoreCan) in OPL 226 pending confirmation by the appropriate government bodies. In Equatorial Guinea, the Corporation is anticipating a 40 percent economic interest (through ShoreCan) in Block EG-18, once PSC negotiations are finalized.

In order to execute this strategy, the Corporation plans to:

- exploit management's experience at finding and investing in high return exploration, appraisal or development opportunities focused primarily on oil;
- continue to evaluate opportunities on the West African Transform Margin, similar to Blocks LB-13 and OPL 226 that are focused on oil trapped in Late Cretaceous sandstone reservoirs. As some parts of West Africa are relatively lightly explored via exploratory drilling, it has the potential to offer high reward for large, undiscovered oil and gas deposits;
- partner with sub-Saharan African operators to explore for, appraise and/or develop properties, in particular onshore and offshore Nigeria;
- enter into joint ventures, with entities such as Shoreline, in an effort to diversify and balance its asset portfolio; and
- target desirable exploration and development prospects that contain similar seismic and geological characteristics of nearby existing discoveries or producing fields.

Specialized Skill and Knowledge

Operations in the oil and natural gas industry mean that the Corporation requires professionals with skills and knowledge in diverse fields of expertise. In the course of its exploration and operation, the Corporation utilizes the expertise of geophysicists, geologists, petroleum engineers and negotiators. Domestically, COPL is based in Calgary, Alberta, which is the center of Canada's energy industry. The Group's operations are based in sub-Saharan Africa, an area in which international competitors include major integrated oil and gas companies and numerous other independent oil and gas companies. The Group competes with these major competitors for skilled industry personnel and the Group's competitors include companies that have greater financial and personnel resources available to them. As a result, COPL faces the challenge of attracting and retaining sufficient employees to meet its needs, both in Alberta and sub-Saharan Africa.

Environmental Protection and Regulation

Offshore oil and gas operations such as those with which the Group is involved in Liberia and Nigeria, are subject to certain environmental laws and regulations at the federal, provincial/state and local levels. These laws and regulations generally require the Group to limit, remove or remedy the effect of its activities on the environment at present and former operating sites, including limiting emissions to the environment, dismantling wells, pipelines and production facilities, decommissioning and remediating damage caused by the disposal or release of specified substances, and reclaiming former sites. Compliance with such legislation can require significant expenditures. A breach of such legislation may result in the imposition of material fines and penalties, the suspension or revocation of necessary licenses and authorizations, civil liability for pollution damage or the issuance of clean-up orders. The Group intends to operate in a manner intended to ensure that the Group's projects meet appropriate environmental standards. The Group did not incur any material expenditure in the past year as a result of environmental protection requirements, nor does it anticipate environmental protection requirements to have any material financial or operational effects on the capital expenditures, earnings or competitive position of the Group in 2017.

Economic Dependence

The Corporation's interest in Liberia is dependent on the terms of the Liberian PSC and the Block LB-13 JOA, both of which are discussed in more detail under the heading "*Description of the Business - Status of exploration and development activity offshore Sub-Saharan Africa – Liberia*" and the full text of which are available on www.sedar.com.

COPL's interest in Nigeria is dependent on the terms of the oil producing license of OPL 226 in offshore Nigeria; the terms of acquisition of Nigeria interest by ShoreCan and the terms of joint venture arrangements of ShoreCan, which are discussed in more detail under the heading "*Description of the Business - Status of exploration and development activity offshore Sub-Saharan Africa – Nigeria*".

Sub-Saharan Africa Government Regulation

The oil and natural gas industry is subject to extensive controls and regulations imposed by various levels of government. It is not expected that any of these controls or regulations will affect the operations of the Group in a manner materially differently than they would affect other oil and natural gas companies of a similar size operating in the geographic areas in which the Group operates.

Pricing and Marketing of Oil

In sub-Saharan Africa, producers of oil negotiate sales contracts directly with oil purchasers, with the result that the market determines the price of oil. The price depends in part on oil quality, prices of competing fuels, distance to market, the value of refined products, the supply/demand balance and other contractual terms, as well as the world price of oil.

Employees

As at December 31, 2016, COPL and its subsidiaries had a combined total of 13 full-time employees.

Offshore West Africa; The West African Transform Margin, Energy Industry Environment

Overview

The Transform Margin, offshore West Africa, is an emerging region for offshore oil and gas exploration that has had greater political stability in recent years in a number of the countries that comprise the region which has encouraged oil and gas companies to engage in drilling activities there.

The countries of Sierra Leone, Liberia, Côte d'Ivoire and Ghana have long been thought to contain significant offshore oil targets but have only recently, because of increased political stability, been the sites of new exploration drilling.

The primary geological targets offshore West Africa are Cretaceous-aged turbidite fan systems that have high quality sands.

While the governments in the region are relatively young democracies, the United Nations, foreign governments such as the United States, Japan and China, and other not-for-profit agencies have provided considerable assistance to these countries to help develop good governance practices and enhanced legal and accounting processes and technology systems to provide a stable working environment within the countries.

Competitive Environment

The sub-Saharan Africa offshore energy industry has an active group of international companies that are participants. They include independent oil companies such as Kosmos Energy Ltd., Cobalt International Energy, Inc., Tullow Oil plc, and OAO Lukoil. The larger independents in the US including Hess, Anadarko and Noble Energy have all made this area part of their portfolios along with European majors such as ENI, Statoil, Repsol and BG Group. The super majors are active in sub-Saharan Africa and include ExxonMobil Corp., Chevron, Royal Dutch Shell, and Total S.A. Many larger companies have recently entered the West African Transform Margin through the purchase of exploration rights via farm-in agreements over the last two to three years from other companies.

Status of Exploration and Development Activity Offshore Sub-Saharan Africa

Some of the recent and anticipated forthcoming activity offshore sub-Saharan Africa includes the following:

Senegal

Cairn Energy plc ("**Cairn**") drilled one exploration well (SNE-1) in 2014 with its partners that was classified as an oil discovery. SNE-1 encountered a 95 metre gross oil-bearing column with 36 m of net oil pay in Albian clastics. Samples of 32^{o} API oil were recovered to surface. The SNE-2 well was drilled November 2015 through January 2016. A drill-stem test over a 12 metre interval of the lower reservoir unit flowed a maximum stabilized constrained rate of 8,000 bbls/d of oil. Three additional wells were drilled between the fourth quarter of 2015 and second quarter of 2016: SNE-3, SNE-4 and BEL-1, with Cairn currently estimating 2C contingent resources to be 473 MMbo. (Drillinginfo International report, January 26, 2017).

Côte d'Ivoire

Ophir Energy is planning to spud the Ayame-1 NFW in late May 2017. Ophir Energy completed its farm-in to the CI-513 block in March 2016, acquiring 45% equity and operatorship from African Petroleum plc. paying a US$ 16.9 million contribution to back costs and agreeing to pay 55% of the costs of drilling the first exploration well. A new PSC was also agreed with the government of Côte d'Ivoire, with adjusted fiscal terms to reflect the current economic climate. The well is a commitment well due by March 2018. Equity is split Ophir (45% + operator), APCL (45%) and Petroci Holding (10%). (Drillinginfo International report, January 12, 2017).

Ghana

Tullow reported that first oil was produced on Thursday, August 18, 2016 at the Tweneboa, Enyenra, Ntomme ("**TEN**") complex on time and on budget three years after the Plan of Development was approved by the government of Ghana in May 2013. The TEN start-up process was well advanced and Tullow expected oil production to ramp-up gradually towards the FPSO capacity of 80,000 bbls/d through the remainder of 2016. Tullow estimated that TEN average annualized production in 2016 would be approximately 23,000 bbls/d gross. (Offshore Energy Today, August 18, 2016)

Liberia

The Block LB-13 JOA provides, amongst other things, that ExxonMobil Liberia will pay COPL's participating interest share of the costs, expenses and liabilities charged to the joint account under the Block LB-13 JOA of drilling the first exploration well, up to the first USD $120 million of gross drilling costs committed under the Liberian PSC (which may be carried over to further costs, expenses and liabilities charged to the joint account under the Block LB-13 JOA to the extent that the first exploration well costs less than USD $120 million), and, save for certain ongoing payments under the Liberian PSC, COPL's costs, expenses and liabilities charged to the joint account under the Block LB-13 JOA up to release of the rig for the first exploration well as well as costs, expenses and liabilities charged to the joint account under the Block LB-13 JOA thereafter (up to USD $1 million).

During the fourth quarter of 2016, ExxonMobil Liberia drilled the Mesurado-1 Well. Although the well intersected 145 meters (475 feet) of net sand of which 118 meters (387 feet) was deemed to be reservoir quality, no hydrocarbons were indicated by the logging while drilling operations were performed across the targeted intervals. As such, the operator plugged and abandoned the well and released the rig on December 27, 2016. The Mesurado-1 Well fulfills the work obligations of the second exploration period under the Liberian PSC. The partners are in the process of evaluating the results and will need to determine the overall effect on the remaining exploration prospects on Block LB-13. Further discussion on the possible impact of the unsuccessful Mesurado-1 Well on the estimated Prospective Resource volumes for Block LB-13 can be found under Appendix A on the NI 51-101 F1 form attached to this AIF.

Liberian PSC between the Republic of Liberia by and through NOCAL, ExxonMobil Liberia and COPL Bermuda relating to Block LB-13

The following is a summary of the Liberian PSC, a contract upon which the business of COPL is substantially dependent. This summary does not purport to be complete and is subject to, and qualified in its entirety by reference to, the terms of the Liberian PSC, which has been filed with the applicable Canadian securities regulatory authorities and is available under COPL's profile on www.sedar.com.

The Republic of Liberia, through NOCAL, ExxonMobil Liberia and COPL Bermuda are parties to the Liberian PSC. The Liberian PSC was approved by the Liberian legislature, signed into law by the President of Liberia and dated March 8, 2013. The Liberian PSC is governed by the laws of Liberia. Pursuant to the terms and conditions of the Liberian PSC and the commercial agreement with ExxonMobil Liberia, COPL Bermuda holds 17 percent of the participating interest in Block LB-13 and the remaining 83 percent is held by ExxonMobil Liberia. Through NOCAL, Liberia has the right to assume a 10 percent participating interest in Block LB-13 on the start of commercial production. This participating interest will be taken from ExxonMobil Liberia and COPL Bermuda (and any other participant at the time which is not a Liberian state-owned entity) in proportion to their respective participating interest shares. Through NOCAL, Liberia has the right to assume a further 5 percent participating interest in Block LB-13 on the start of commercial production to be allocated to Liberian citizens. This participating interest will be taken from ExxonMobil Liberia and COPL Bermuda (and any other participant at the time which is not a Liberian state-owned entity) in proportion to their respective participating interest shares.

The Liberian PSC grants an exclusive exploration authorization to ExxonMobil Liberia and COPL Bermuda (the "**Contractor**" for the purposes of the Liberian PSC) for a period of three years from March 8, 2013, which may be renewed for a further two years if all work obligations have been fulfilled and 33 percent of the surface of Block LB-13 is relinquished. During the three years from March 8, 2013, the Contractor committed to carry out a minimum work program consisting of the analysis of 3D seismic at a cost of no less than USD $10 million and the drilling of one exploration well. As a result of the Ebola outbreak in Liberia and neighboring countries, NOCAL and ExxonMobil Liberia entered into a "State of Emergency Agreement" which effectively suspended the Contractor’s obligations on Liberian PSC work commitments, and extended the timeframe for the completion of those obligations until after the Ebola crisis had passed. ExxonMobil has informed the Corporation that the length of the extension period granted by NOCAL was 619 days and that the second exploration period timeframe has been extended until September 25, 2017.

The Liberian PSC contemplates that upon the discovery of oil or gas, an exclusive appraisal period of two years may be granted following approval of a work program and budget for the appraisal. If the discovery is deemed to be commercial, an exclusive exploitation period of 25 years, which may be renewed for a further 10 years, may be granted. During the exploitation phase, NOCAL is to receive a share of the oil produced of 40 to 60 percent (depending on the level of daily production) of the volumes after deduction of the cost recovery volumes, and 35 percent of the gas volumes after deduction of cost recovery volumes; this share may be taken in cash or kind, at NOCAL’s option. The royalty payable on volumes produced will be either five or 10 percent, depending on the water depth of the well head. Bonus payments of USD $2 million, USD $3 million and USD $5 million will be payable when production reaches 30,000, 50,000 and 100,000 bbls (respectively) in a continuous 30 day period. Up to 10 percent of the production from Block LB-13 is to be sold to NOCAL for the domestic market, at the market price determined in accordance with the Liberian PSC.

A parent company guarantee was required from COPL under the Liberian PSC; the guaranteed amount is COPL Bermuda’s pro rata participating interest share of the minimum work program required under the Liberian PSC, which amounts to USD $8,500,000 prior to the grant of the initial exclusive exploitation authorization under the Liberian PSC, and USD $17,000,000 following the grant of the initial exclusive exploitation authorization until the first commercial production of any field.

NOCAL and ExxonMobil Liberia, the operator, continue to meet regularly to discuss Corporate Social Responsibility activities and the fulfillment of the Block LB-13 work program.

ShoreCan Interest Properties

In October 2014, COPL formed a joint venture company with Shoreline Energy International Limited called Shoreline CanOverseas Petroleum Development Corporation Limited. Both partners hold a 50 percent interest in the jointly controlled company, which is focused on acquiring upstream oil and gas exploration, development and producing assets in sub-Saharan Africa. ShoreCan is a special purpose vehicle registered in Bermuda. The following country and project overviews fall under the realm of ShoreCan’s dealings.

Namibia

Namibian Farm-Out Agreement

On or around December 31, 2014, ShoreCan entered into a Farm-Out Agreement with Camelot Investment Group (Pty) Ltd ("**Camelot**"), a Namibian registered company, whereby ShoreCan acquired an 80 percent working interest in offshore Namibia deepwater Blocks 1708, 1709 and 1808 (the "**Farm-Out Agreement**"). ShoreCan was to be the operator of the blocks, and Camelot would retain a 10 percent carried interest and the Namibian National Oil Company would also have a 10 percent carried interest.

On November 2, 2016, ShoreCan sent a formal letter to Camelot expressing its desire to exit from the joint venture relationship with Camelot and to relinquish its interests in Namibia license PEL 075 relative to offshore blocks 1708, 1709, and 1808. COPL held a 40% equity interest in the blocks through its 50% interest in the joint venture company ShoreCan. Following a technical assessment of the exploration and economic potential, the partnership decided to relinquish its interests in the blocks.

Nigeria

OPL 226

OPL 226 is located in the Niger Delta province, offshore Nigeria, and has an area of 1530 km^2 and is located in water depths ranging from 40 to 180 m. This block is situated along the southwestern edge of a large growth fault-controlled structural complex (Anyala and Noa Complex) that can be mapped with available 3D seismic data.

Essar Nigeria was awarded OPL 226 in the 2007 bidding round with a signature bonus payment of $37 million. Currently, Essar Nigeria has acquired a 3D seismic survey in excess of its commitments under Phase 1 of the PSC governing OPL 226; however, the company has yet to drill a well under Phase 1 of the PSC. On September 14, 2016, COPL announced that ShoreCan had completed the purchase of 80 percent of the issued share capital of Essar Nigeria (the "**OPL 226 Transaction**"). Essar Nigeria's sole asset is the 100 percent interest in and operatorship of OPL 226 in Nigeria. Under the terms of the PSC, Essar Nigeria is required to seek Ministerial consent for the change in control of Essar Nigeria. Application has been made to the appropriate bodies and the parties to the OPL 226 Transaction are awaiting its approval, which, as of the date of filing this AIF, has not been received. Under the terms of the acquisition, ShoreCan has taken over management and has a majority of the board of directors of Essar Nigeria effective January 12, 2017; upon receipt of Ministerial approval, ShoreCan will be the official registered owner of the 80 percent working interest in OPL 226, and COPL will own 40% thereof pursuant to its interest in ShoreCan. One stipulation of the OPL 226 Transaction was that Essar would obtain an extension period to the Phase 1 exploration period, and this has been successfully obtained to December 31, 2017.

Historically, only five wells have been drilled on OPL 226 by previous operators including: Noa-1 drilled by Solgas in 2001 that is an oil and gas discovery; Oyoma-1 (1972) –oil and gas discovery; Dubagbene-1 (1972) –oil discovery; Nduri-1 (1973) –gas discovery; and HJ South-1 (1973) –gas discovery.

The Noa-1 discovery well, drilled in 2001, encountered fine to medium-grained sandstones of the Agbada Formation in the footwall block that is trapped by a counter-regional (antithetic) fault. The Noa-1 discovery well encountered a thick sand in the 6100' stratagraphic zone that has 7.0 m of gas net pay and 18.7 m of oil net pay. Three additional gas-bearing sands (3600', 4900', 5500' sands) were also encountered (uphole) in the Noa-1 well.

OPL 226 is situated around and adjacent to Oil Mining License 83 in which the undeveloped Anyala oil and gas field is located. The Anyala field was discovered in 1972 and lies at the crest of northwest to southeast trending anticline plunging to the northwest and southeast. Two wells drilled in 1972, Oyoma-1 and Dubagbene-1 discovered oil and gas on the northwest plunge, while Noa-1 discovered oil and gas on the southeast plunge on OPL 226.

Essar Nigeria has two 3D seismic surveys on OPL 226. The first survey acquired in 1999 and licensed by Essar Nigeria covers the Anyala Anticline, with seismic coverage on the northwest plunge on OPL 226, the crestal area on oil mining license 83, and the southeast plunge on OPL 226. In 2012 and 2013, Essar Nigeria acquired 634 km^2 of 3D on the southwest plunging area of the Anyala Anticline and adjacent areas to evaluate the extent of the Noa-1 oil accumulation as well as to evaluate associated and adjacent structures.

<u>NSAI Report</u>

In March 2016, COPL (on behalf of ShoreCan) commissioned NSAI to produce an updated Resource Report to the 2010 report that was originally completed for Essar Nigeria in relation to OPL 226. This new report incorporated the results of the 2012 3D seismic program and modeling completed by the Nigerian oil company, and was structured to comply with the requirements of NI 51-101on the reporting of contingent and prospective resources. At the end of 2016, NSAI updated the report for year-end 2016. The disclosure of this report (dated December 31, 2016) and the calculated volumes is included in Appendix A of this AIF in the form required by NI 51-101.

Overview of the oil and gas industry in Nigeria

There are two types of licenses issued to oil producers in Nigeria, namely: the oil prospecting license (OPL) and the oil mining license (OML), with validity periods ranging from 5 to 20 years respectively.

Geology

The Niger Delta is situated within the Gulf of Guinea and extends throughout the Niger Delta geological province. For the last 50 million years (Eocene to the present), the Niger Delta has built outward to the southwest, forming distinct belts of sand and shale deposition. These belts approximate the paleo shorelines and form one of the largest wave-dominated deltas in the world with an area of about 300,000 km^2.

The Niger Delta province contains only one identified petroleum system. This system is referred to as the "Tertiary Niger Delta (Akata – Agbada) Petroleum System". Most of the petroleum is located in fields located both onshore and offshore that are, generally, simple growth-fault controlled structures.

Geological background

The Tertiary section of the Niger Delta is divided into three formations, representing prograding depositional facies that are distinguished on the basis of sand:shale ratios. The Akata Formation at the base of the delta is of marine origin and is composed of thick shale sequences that are potential source rocks, turbidite sands, and minor amounts of clay and silt. From the Paleocene through the Recent, the Akata Formation formed during lowstands when terrestrial organic matter and clays were transported to deep water areas characterized by low energy conditions and oxygen deficiency. This formation underlies the entire Niger Delta and is up to 7,000 m thick and is, typically, overpressured.

Deposition of the overlying Agbada Formation, the major petroleum-bearing unit, began in the Eocene and continues into the Recent. The formation includes belts of quartz-rich clastics that accumulated in delta-front, delta-topset, and fluvio-deltaic environments. During the Tertiary, these clastic belts overstepped each other into the Gulf of Guinea. The Agbada Formation is overlain by the Benin Formation, a continental (latest Eocene to Recent) deposit of alluvial and coastal plain sands and shales.

The depobelts of the Agbada Formation seems to be defined by synsedimentary faulting that occurred in response to variable rates of subsidence and sediment supply. The interplay of subsidence and supply rates resulted in deposition of discrete depobelts. When further subsidence of the basin could no longer be accommodated, the focus of sediment deposition shifted seaward, forming a new depobelt. Each depobelt is a separate unit that corresponds to a break in regional dip of the delta and is bounded (landward) by growth faults and seaward by large counter-regional (antithetic) faults of the next growth fault of the next seaward belt.

On the Niger Delta, gravity "tectonism" became the primary deformational process. Shale mobility induced internal deformation and occurred in response to two processes. First, shale diapirs formed from loading of poorly compacted, over-pressured, prodelta and delta-front clays of the Akata Formation by the higher density, delta-front sands of the Agbada Formation. Second, slope instability occurred due to a lack of lateral, basinward support for the under-compacted delta-slope clays of the Akata Formation.

For each given depobelt, gravity "tectonics" were completed before the deposition of the Benin Formation and are expressed in complex structures, including shale diapirs, growth fault-induced roll-over anticlines, collapsed growth fault crests, and steeply dipping, flank faults.

Petroleum systems evaluation

According to the USGS, there is one petroleum system in the Niger Delta basin that is comprised of the marine interbedded shale in the Agbada Formation and the marine Akata Formation shales. Volumetrically, it is estimated that the Akata shales are present beneath the Agbada Formation and have generated much of the oil for the Niger Delta.

These source rocks contain Type II kerogen with an average total organic carbon content of 2.2 percent but range up to 14.4 percent.

The physical and chemical properties of the oil in the Niger Delta are highly variable. The oil within the Niger Delta has an API gravity range of 16^o to 40^o API. Most oils fall within one of two groups. The first group are light, paraffin-based, waxy oils from deeper reservoirs. The second group of oil are biodegraded and from shallow reservoirs. They have a lower API gravity that averages 26^o API. The concentration of sulfur in most oils is low, between 0.1 percent and 0.3 percent. ("The Niger Delta Petroleum System: Niger Delta Province, Nigeria, Cameroon, and Equatorial Guinea, Africa" USGS Open File Report 99-50-H, 1999).

Legal framework and process in Nigeria

Regulation of the oil industry

In the 1960s, government interest in the oil industry was limited to the collection of taxes, royalties and lease rentals. Many developing countries had begun to agitate for greater control over their natural resources in reaction to the continued control of their economies by the old colonial masters. In 1962, *the Resolution on Permanent Sovereignty over Natural Resources* was adopted by a majority of the General Assembly of the United Nations (the "**Resolution**"). The Resolution asserted that the right of people to freely use and exploit their natural wealth and resources is inherent in their sovereignty. In this spirit, in

1969 the *Petroleum Act* was enacted which vested the entire ownership and control of all petroleum in, under or upon all land or Nigerian territorial waters in the Nigerian government.

In 1971 Nigeria joined OPEC, which was formed to improve the lot of oil producing countries by adopting a "group" stance (all resolutions adopted are binding on every member).

In accordance with OPEC's 1968 and 1971 resolutions urging member countries to participate in oil operations by acquiring ownership in the concessions held by foreign companies, Nigeria's military government in 1971 established the Nigerian National Oil Corporation ("**NNOC**") by Decree. The NNOC was empowered to acquire any asset and liability in existing oil companies on behalf of the Nigerian government, and to participate in all phases of the petroleum industry. In that same year, the government acquired 33 percent and 35 percent of the operating interests of Agip and Elf respectively. Further acquisitions occurred in 1973 and 1974 in the operations of all the other foreign oil companies.

Oil & Gas Law

The current climate of the industry has largely been influenced by the passage of various laws and regulations that are administered by local, national and other government organizations representing the interests of state and country. Through these bodies, the Nigerian Government regulates exploration and production of natural gas and crude oil as a result of the authority provided through the *Nigerian Constitution* and the *Petroleum Act* ("**PA**"), which vests the entire ownership and control of petroleum in the Nigerian Government on behalf of the people of Nigeria.

Amongst the most notable government institutions are the Ministry of Petroleum Resources, Nigerian National Petroleum Corporation and the Department of Petroleum Resources, which ensure that operations within the industry are regulated to a specific standard.

It is with great input from these bodies that various laws and regulations that directly and indirectly regulate the Nigerian oil and gas industry are implemented and monitored. These laws and regulations vary from those applying to the operational aspects, to the fiscal aspects, such as the PA, the *Petroleum Profits Tax Act*, the *Deep Offshore and Inland Basin Production Sharing Contract Act* and regulations which have been made pursuant to the PA, such as the *Petroleum (Drilling & Production) Regulations*, which regulate operational aspects of the drilling and production of crude oil.

To consolidate the objective of increasing Indigenous participation, the Government introduced the Nigerian Oil and Gas Industry Content Development Act 2010 (the "**Local Content Act**"). This has brought about a significant shift in ensuring an increase in indigenous participation within the industry and therefore trying to achieve the government target of seventy percent (70 percent) use of indigenous labor, materials and resources in all oil and gas projects in country.

Even though the Local Content Act appears as if it was introduced to consolidate the notion of increasing indigenous participation, it should be noted that this concept has always been at the forefront of the Nigerian government's intention to implement.

EITI

Nigeria is a member of the EITI and has been a compliant member since 2011. The petroleum sector is dominated by joint venture operations between the Nigerian government and five major international oil companies—Shell, ExxonMobil, Chevron, ENI, and Total. The Nigeria EITI process has exposed outstanding debts by the national oil company to the Nigerian government, recovered uncollected taxes, identified weaknesses in the regulatory bodies, audited oil-related transfers to subnational government, estimated oil theft, and examined oil sales.

Geopolitical information

Nigeria has a population of approximately 185.0 million inhabitants, and a population growth rate of 2.8 percent (in 2016). 48.1 percent of the population lives in urban areas. The life expectancy for the general population at birth is 63.88 years. English is the official language of Nigeria, although Hausa, Igbo, and Yoruba languages are spoken by a significant portion of the population. Literacy (defined as those aged 15 or over who can read and write) is 69.2 percent for men and 49.7 percent for women. According to a 2014 study, 50.5 percent of the population is Christian, with Islam being the second greatest religion with 43.5 percent (95 percent Sunni Islam and 5 percent Shia Islam) with the remainder of the population belonging to traditional or other religions, or having no religion.

Based on the most recent United Nations Human Development Report, Nigeria's Human Development Index ("**HDI**"), a measure of health, education and income, was 0.514 in 2015, giving it a ranking of 152 out of 187 countries with comparable data. The HDI for sub-Saharan Africa as a whole was 0.475, placing Nigeria above the regional average.

Nigeria's GDP per capita for 2013 was estimated at USD $3,005.51, on a purchasing power parity basis. Real gross domestic product growth was estimated at about 5.4 percent in 2013. (2015 Human Development Report (HDR) Work for Human Development (Nigeria) – UN Report – no update for a 2016 report available)

Equatorial Guinea

COPL and Shoreline successfully pre-qualified to be involved in the Equatorial Guinea Licensing Round in September 2014 and paid the requisite fees and ShoreCan attended the RPS Energy (UK) seismic data room near London for a total of three days in November 2014.

Upon review of the available 3D seismic data, the stratigraphic level of the prospects found in the Liberia LB-13 Block are the same as those determined to be prospective in the Equatorial Guinea Block EG-18. The mid-Cretaceous stratigraphic interval (Campanian, Santonian, Turonian stages) shows a meandering sand trend across Block EG-18 on the "Far angle amplitude map." From the seismic data, it appears like this trend is a "confined turbidite channel" that may have an updip pinchout and could be, therefore, a possible trap for hydrocarbons. It was estimated that the main amplitude anomaly trend has an area of roughly 220 km^2. Historically, no wells have been drilled in Block EG-18.

COPL informed the Equatorial Guinea 2014 Bid Committee that, although they were unable to submit a bid by the required date of November 30, 2014, they were keen to make a bid for Block EG-18 by way of direct block negotiation if it remained available. On May 27, 2015, COPL signed the MOU. A meeting to negotiate the PSC with the MMIE occurred on February 10, 2016 in Malabo, Equatorial Guinea. An additional meeting was held between COPL and representatives from MMIE in Malabo, Equatorial Guinea on June 29 and 30, 2016 to further discuss possible changes to a PSC. Negotiations continue but no PSC has been signed as of December 31, 2016.

Overview of the oil and gas industry in Equatorial Guinea

Development of the oil industry in Equatorial Guinea

License blocks were first designated by the Spanish administration and offered for international tender in 1965 with awards going to groups operated by Mobil and Spanish Gulf Oil (Spangoc) but the exploration effort led to no commercial success. After independence in 1968, petroleum activity was much reduced and further significant exploration did not occur until after the 1979 change of government. Hispanoil and the new government formed a joint venture company, Grupo Empresarial del Pacifico S.A. ("**GEPSA**"), which discovered the Alba gas condensate accumulation in 1983. GEPSA deemed Alba to be non-commercial and their licenses lapsed. During the 1980's, Total and Elf operated groups that explored onshore and offshore Rio Muni where extensive seismic surveys were undertaken and four wells were drilled without success.

The Alba acreage was relicensed in 1990 to US independent Walter International ("**Walter**"), which commenced production in 1991 from two new wells. In 1995, Nomeco (subsequently CMS Oil and Gas) acquired Walter and progressively expanded onshore processing capacity to cope with increased production from additional Alba wells. The success of the Estrella-1 well (CMS, 2001), a gas condensate discovery 6 km north of the Alba Field, emphasized the large potential of the Alba Block. All CMS assets were acquired by Marathon Oil ("**Marathon**") in January 2002 and Marathon has continued with investment and expansion of the Alba Field.

In 1992, United Meridian Corporation (UMC, subsequently Ocean Energy / Devon Energy) licensed Blocks A and B and in 1995, licensed Blocks C and D. UMC drilled the unsuccessful Dorado-1 well in Block A and the Delta-1 well in Block B in 1994. In 1995, Mobil farmed-in to Block B and drilled the Zafiro-1 discovery well of the 1.1 billion barrel Zafiro Field (Republic of Equatorial Guinea, Ministry of Mines, Industry and Energy website, "Exploration History," January 2016). Mobil drilled nine exploration wells in Block B outside of the Zafiro area, with discoveries at Azurita-1 (1997), Berilo-1 (1998), Turmelina-1 (1998) and Esmerelda (2005). Mobil also farmed-in to Block C in 1999 and drilled the Ostra-1 exploration well, followed by the Oreja Marina-1 exploration well in 2001 and Estrella del Mar-1 in 2002.

During 2000, Ocean Energy relinquished Block A and operatorship of Block D was taken over by CMS (now Marathon). In 2004, Marathon drilled the Corona-1 discovery well in Block D, which extended the Alba Field into Block D.

Triton Energy ("**Triton**") was awarded Rio Muni Blocks F & G in 1997, covering areas previously licensed to Elf and acquired seismic through 1997 and 1998. In late 1999, Triton made a significant discovery with the first well on its licences, Ceiba-1, which tested oil at 12,400 bbls/d and led to the first production in the Rio Muni basin in November 2000 (Alexander's Gas&Oil Connections, "Triton confirms significant oil discovery in Equatorial Guinea," November 22, 1999). As a result of the Ceiba discovery, an aggressive exploration program was undertaken by Triton during 2000 - 2001 that continued after the acquisition of Triton by Amerada Hess in 2001. This exploration campaign resulted in 18 successful wells which proved up several hundred million barrels of oil in northern Block G, which were developed as the 'Okume Complex'.

The Okume Plan of Development was approved by the MMIE in 2003 and the field came onstream in 2006. Additionally the G-13 discovery was made in southern Block G in late 2002, which was appraised in 2003 but remains undeveloped (Republic of Equatorial Guinea, Ministry of Mines, Industry and Energy website, "Exploration History," January 2016).

Following a Deep Water Licensing Round in 1998-99, five exploration licenses were signed during 2000 with Atlas Petroleum (Blocks H, I and J), Vanco (Block K) and Chevron (Block L) as operators. Extensive 3D surveys were acquired in these licenses in 2001 and exploratory drilling commenced in early 2003 with the drilling of the unsuccessful L-1 well by Chevron. In 2000 RocOil farmed-in to the Atlas Block H and became technical operator. This was followed in 2004 by the farm-in of Pioneer Natural Resources and the drilling of the unsuccessful H-1 well. In 2011 White Rose farmed-in to Block H and took over as technical operator from Roc Oil.

In 2004, Nexen farmed-in to Block K, assumed operatorship and drilled the K-1 well in late 2004 followed by the K-2 well in 2005. In 2005, Petrobras farmed in to Block L and drilled the unsuccessful L-2 exploration well and in 2006 both Chevron and Petrobras withdrew from Equatorial Guinea and Block L was relinquished.

In October 2005, Noble Energy announced that the O-1 well in Block O was a gas condensate discovery, the first discovery in the Equatorial Guinea part of the Douala Basin. The O-1 discovery was appraised by the O-3 and I-4 wells in 2007 and declared a commercial discovery, the Alen Field. The Alen Field Plan of Development was approved in January 2011 and production commenced in 2013. In February 2009, Noble Energy announced that the O-5 (Carmen) exploration well was an oil discovery, the first oil discovery in Block O.

In 2004, Noble Energy farmed-in to Block I and took over as technical operator and in June 2007 announced that the I-1 exploration well was a gas condensate discovery. In October 2007, Noble announced that the I-2 appraisal well to the I-1 discovery, had encountered oil below the gas condensate found in the I-1 well and in June 2008 announced that the I-5 well had confirmed the downdip extent of the oil leg. In July 2009, the Equatorial Guinea ministry approved the Aseng Plan of Development and first oil from the Aseng Field was produced in November 2011. In November 2007, Noble announced that the I-3 (Yolanda) exploration well was a dry gas discovery, and in July 2008 announced that the I-6 (Diega) exploration well was another oil discovery in Block I. In December 2006, Santa Isabel Petroleum Company Ltd, a subsidiary of the China National Petroleum Corporation, farmed-in and took over operatorship of Block M. In 2011, Santa Isabel withdrew from Block M and Fruitex resumed as operator.

Geology

Equatorial Guinea territory overlies parts of two petroliferous sedimentary basins. Both are highly prospective for hydrocarbons with proven petroleum systems including marine, oil-prone source rocks and sandstone reservoirs.

Geological background

In the north of the country around Bioko Island, the offshore sector overlies the distal parts of the Niger Delta-Rio del Rey basin system. The Niger Delta is one of the world's largest petroleum provinces with estimated proven reserves of 48 billion boe and 135 trillion cubic feet of gas. ("The Niger Delta Petroleum System: Niger Delta Province, Nigeria, Cameroon, and Equatorial Guinea, Africa" USGS Open File Report 99-50-H, 1999) The Equatorial Guinea part of this basin has established oil and gas production from Alba, Zafiro, and Fortuna fields plus a number of other discoveries.

The southern part of Equatorial Guinea's offshore sector overlies the Rio Muni basin. This is contiguous with the Douala basin of Cameroon to the north and with the North Gabon basin to the south. The potential of the Rio Muni basin has been demonstrated by the oil production at Ceiba and Okume fields and other discoveries. Block EG-18 is located in the Rio Muni basin.

Industry attention has also extended to the ultra-deep water Gulf of Guinea around the islands of the Cameroon volcanic trend, which include the Equatorial Guinean island of Annobon. It is postulated that the strata could contain a thick sedimentary section with petroleum potential, as evidenced by oil seeps on the neighboring volcanic islands of Sao Tome and Principe.

Petroleum systems evaluation

According to the USGS, the southern offshore sector of Equatorial Guinea is situated within the Melania-Gamba Total Petroleum System and the Azile-Senonian Total Petroleum System. The northern offshore sector of Equatorial Guinea is situated within the Tertiary Niger Delta (Akata-Agbada) Total Petroleum System. The Akata and Agbada source rocks contain Type II kerogen with an average total organic carbon content of 1.4 percent to 1.8 percent. In the Rio Muni basin, the

Kissenda shales are lacustrine source rocks of Barremian to Aptian age. These lacustrine rock constitute the primary source rock in this basin. This source rock consists of algal kerogen with total organic carbon ranging up to 6 percent.

Legal framework and process in Equatorial Guinea

Regulation of the oil industry

The legal framework governing the upstream petroleum industry in Equatorial Guinea is set out in the *Decree Law, No7/1981* (the "**Hydrocarbons Law**") as amended by further decree in November 1998. The Hydrocarbons Law provides the framework for the licensing and award of exploration and production rights and authorizes the MMIE to enter into contracts with oil companies. Contracts governing the exploration and exploitation of hydrocarbons are based on the model PSC, revised and updated in 1998.

Oil & Gas Law

The main legislation governing oil and gas exploration and development in Equatorial Guinea is the Hydrocarbons Law. This is supplemented by various regulations made pursuant to the Hydrocarbons Law (in particular, the petroleum regulations made by Ministerial Order No. 4/2013 dated 20 June 2013) and general taxation legislation. Guinea Ecuatorial de Petroleos ("**GEPetrol**"), established in 2001, is the national oil company of Equatorial Guinea. Sociedad Nacional de Gas de Guinea Ecuatorial ("**Sonagas**") was established in 2005 and is the national gas company. International oil companies wishing to participate in the industry in Equatorial Guinea bid for licenses and, if successful, will enter into a PSC with the government and GEPetrol (or Sonagas). The current 2006 model PSC is the basis for all negotiated production sharing contracts.

EITI

Equatorial Guinea was admitted to the EITI as a candidate member in September 2007. Equatorial Guinea applied to extend their deadline for completing EITI validation, however, the EITI board did not agree to grant Equatorial Guinea an extension. The EITI board acknowledged that supporters of the EITI stand ready to provide assistance for Equatorial Guinea if they want to renew their efforts to be admitted to the EITI.

Geopolitical information

As of January 1, 2016, Equatorial Guinea has a population of approximately 817,182 inhabitants, and a population growth rate of 2.64 percent from the previous year. There are only two cities in the country with a population of more than 30,000: Bata (180,000), and Malabo (165,000). 42.0 percent of the population lives in urban areas. The life expectancy for the general population at birth is 62.4 years. Spanish is the official language of Equatorial Guinea, although other African dialects are spoken by a significant portion of the population. Literacy (defined as those aged 15 or over who can read and write) is 94.0 percent. According to a 2014 study, 93.0 percent of the population is Christian (predominantly Catholic), with the remainder of the population (2 percent) belonging to Islam (mainly Sunni) and (5 percent) belonging to other religions, or having no religion.

Based on the most recent United Nations Human Development Report, Equatorial Guinea's Human Development Index, a measure of health, education and income, was 0.587 in 2014, giving it a ranking of 138 out of 188 countries with comparable data.

Equatorial Guinea's GDP per capita for 2013 was estimated at USD $20,581.61, on a purchasing power parity basis. Real gross domestic product growth is estimated at about -4.8 percent in 2013 and 3.2 percent in 2012. (2014 Human Development Report (HDR) Work for Human Development (Equatorial Guinea) UN Report)

GENERAL DEVELOPMENT OF THE BUSINESS

COPL is an international oil and gas exploration and development company that focuses in sub-Saharan Africa. The following describes COPL's recent developments and developments during the past three years.

Recent Developments

In February 2017, during an operational meeting, ExxonMobil informed the Corporation that its team continues evaluation of Mesurado-1 Well drilling results and that further geological and geophysical analysis will be performed to re-evaluate other prospects on Block LB-13. The Corporation's team is also performing further analysis of seismic data of all Liberia prospects and leads.

In respect of OPL 226 Transaction, the Corporation is still awaiting Nigerian Government ministerial consent for the transaction. The respective application has been made but the consent was not received as at the date of filing this AIF.

COPL has been in discussions with certain shareholders and other organisations to obtain funding for its obligations under OPL 226 Transaction. ShoreCan has committed to invest up to a maximum of $80 million into Essar Nigeria in the form of an interest-free shareholder loan. The funds will be used for Essar Nigeria operations and in particular, to cover work program obligations, including the costs of drilling one well under Phase-1 of the PSC.

Three Year History

Year-Ended December 31, 2016

On March 30, 2016, the Corporation announced that it had engaged Dundee Securities Ltd as agent for an offering of up to 85.7 million units of the Corporation (each, a "**Unit**" and together, the "**Units**") at a price of $0.07 per Unit for aggregate gross proceeds of up to $6.0 million, including the costs of the non-brokered private placement (the "**Offering**"). Each Unit consisted of one Common Share and one Warrant. Each Warrant would entitle the holder thereof to purchase one (1) Common Share for a period of 24 months from the closing of the Offering at an exercise price of $0.095 per Common Share. The Corporation also announced that it intended to market on a non-brokered basis, the private placement to investors in the United Kingdom, on similar terms, priced in the UK market, subject to the requirements of its listing on the London Stock Exchange.

On April 20, 2016, the Corporation announced the closing of the first tranche of the previously announced private placement for gross proceeds of £800,000, pursuant to which the Corporation issued 22,857,143 Units at a price of £0.035 per Unit (the "**First Tranche**"). Further to the Corporation's announcement on March 30, 2016, the Corporation entered into definitive agreements for a private placement the Units on a non-brokered basis to investors in the United Kingdom. Under the First Tranche, each Warrant entitled 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 would separate immediately upon closing.

On April 26, 2016, COPL announced that in connection with the Offering, the Corporation and Dundee Securities Ltd. had agreed to increase the size of the private placement. The Corporation would now issue up to 117.9 million Units of the Corporation at a price of $0.07 per Unit for aggregate gross proceeds of up to approximately $8.25 million under the brokered and non-brokered portions of the Offering, collectively, inclusive of the non-brokered private placement to investors in the United Kingdom announced on March 30, 2016 and on April 20, 2016.

On April 26, 2016, the Corporation announced that it had made an application for the admission to the standard listing segment of the Official List, and to trading on the London Stock Exchange's main market for listed securities, of 46,891,400 Common Shares of no par value in the capital of the Corporation (the "**New Shares**"). These Common Shares were issued or are issuable pursuant to: (i) the First Tranche; and (ii) 1,177,114 finder's Warrants the Corporation agreed to issue in relation to the Offering. Each finder's Warrant entitles the holder thereof to purchase one Common Share at an exercise price of £0.035 at any time prior to 16:30 hrs (Calgary time) on or before the date that is 24 months from the closing of the Offering.

On April 29, 2016, the Corporation announced the admission to the standard listing segment of the Official List, and to trading on the London Stock Exchange's main market for listed securities, of 22,857,143 Common Shares of no par value in the capital of the Corporation, which were issued pursuant to the previously announced First Tranche which closed on April 28, 2016.

On May 3, 2016, COPL announced that it had closed the brokered portion of its previously announced Offering. The Corporation issued 100,866,868 Units at a price of $0.07 per Unit for aggregate gross proceeds of approximately $7.1 million. The Corporation raised aggregate gross proceeds of approximately $8.6 million pursuant to the entire Offering.

On May 13, 2016, the Corporation announced the appointment of Aleksandra Owad CPA, CGA, FCCA(UK) as its Chief Financial Officer effective May 12, 2016. Kristin Obreiter, the Corporation’s previous interim Chief Financial Officer, stepped down effective May 10, 2016 for personal reasons due to a forthcoming relocation. Ms. Owad previously worked for the Corporation as Chief Financial Officer until October 2013.

On September 14, 2016, COPL announced that ShoreCan had completed the acquisition of 80% of the share capital of Essar Nigeria. Essar Nigeria's sole asset is a 100% interest and operatorship of OPL 226 located 50 km offshore in the central area of the Niger Delta. Under the terms of the PSC governing OPL 226, Essar Nigeria is required to seek Ministerial consent for the OPL 226 Transaction. Application has been made and the parties to the OPL 226 Transaction are awaiting its approval. An extension to the first phase of the PSC to December 31, 2017 was granted to Essar Nigeria.

On November 2, 2016, ShoreCan sent a formal letter to Camelot Investment Group (PTY) Ltd expressing their desire to exit from the joint venture relationship with Camelot and to relinquish its interests in Namibia license PEL 075 relative to offshore blocks 1708, 1709, and 1808. COPL held a 40% equity interest in the blocks through its 50% interest in the joint venture company ShoreCan. Following a technical assessment of the exploration and economic potential, the partnership decided to relinquish its interests in the blocks.

On November 23, 2016, the Corporation announced that ExxonMobil Liberia commenced drilling operations on the Mesurado-1 Well on November 22, 2016 utilizing the Drillship Seadrill West Saturn. The Mesurado-1 Well is located about 50 miles offshore Liberia on Block LB-13 in approximately 2,500 meters of water. The well, targeting oil in Late Cretacous sands is the first well operated by ExxonMobil Liberia offshore Liberia.

On December 19, 2016, the Corporation announced that the Mesurado-1 Well reached final total depth on December 17, 2017. The well, targeting oil in a sequence of Late Cretaceous Santonian aged sands, intersected 145 meters (475 feet) of net sand of which 118 meters (387 feet) was deemed to be reservoir quality. No hydrocarbons were indicated by the logging while drilling operations were performed across the targeted intervals. As such, the operator advised the Corporation that no further logging operations would be conducted and the well would be plugged and abandoned.

On December 27, 2016, the drillship West Saturn was released from service after drilling the Mesurado-1 Well.

Year-Ended December 31, 2015

On February 12, 2015, Canadian Overseas Petroleum (Nigeria) Limited was dissolved and removed from the Register of Companies in Bermuda, as the company ceased to carry on business, had discharged in full the liabilities to all its known creditors, and distributed its surplus assets in accordance with the *Companies Act* 1981.

On February 20, 2015, ShoreCan entered into a commercial acquisition, ratified by the Ministry of Energy in Namibia, of an 80 percent interest in three blocks offshore Namibia. The blocks were defined as 1708, 1709 and 1808 in the Namibe Basin.

On February 23, 2015, the Corporation resolved to remove COPL New Zealand Limited from the New Zealand Register of Companies as the company ceased to carry on business, had discharged in full the liabilities to all its known creditors, and distributed its surplus assets in accordance with its constitution and section 318(1)(d)(i) of the *Companies Act* 1993.

On February 26, 2015, COPL announced that it had formed a joint venture company with Shoreline, in line with the Corporation's strategy to diversify and balance its asset portfolio to generate stable cash flow from secure assets. Both partners hold a 50 percent interest in the jointly controlled company, which is focused on acquiring upstream oil and gas exploration, development and producing assets in sub-Saharan Africa. ShoreCan had taken positions in Tanzania and Namibia while it continues to evaluate a variety of assets in Nigeria, Equatorial Guinea and Mozambique.

On February 26, 2015, COPL announced that the ShoreCan partnership had entered into an option agreement to acquire a 60 percent working interest in two offshore blocks, identified as the Latham License Area (5056 km^2) and the Kimbiji License Area (4298 km^2), they extend from the shore to offshore depths of approximately 500 to 1000 m.

On February 26, 2015, COPL announced that ShoreCan had entered into a commercial acquisition, ratified by the Ministry of Energy in Namibia, of an 80 percent interest in three blocks offshore Namibia. The blocks are defined as blocks 1708, 1808, and 1709. These blocks are situated north of the Walvis Ridge on the Namibian/Angolan border within the Namibe Basin.

On March 4, 2015, ShoreCan entered into a farm-in option agreement to acquire a 60 percent participating interest in the Petroleum Exploration License and Petroleum Agreement with respect to the Kimbiji and Latham offshore blocks in Tanzania. ShoreCan has evaluated the historic 2D and 3D seismic and regional geological information and after a detailed technical review and a short marketing exercise, the directors of ShoreCan decided not to continue with the option during the fourth quarter of 2015 and have since confirmed to Petrodel Resources (Nevis) Limited the termination of the option on both the Kimbiji and Latham Blocks effective the end of December 2015.

On April 15, 2015, COPL announced that Chris McLean, the company's Chief Financial Officer, was taking a leave of absence for health reasons following a serious traffic accident.

On May 9, 2015, the World Health Organization declared Liberia Ebola-free. On September 23, 2015, the Corporation announced it had received a Work Program and Budget for 2016 from ExxonMobil Liberia of its best estimate as to the timing of key activities with respect to the drilling of the Mesurado-1 Well.

On May 27, 2015, COPL signed the MOU.

On June 2, 2015, COPL announced that its partner, ExxonMobil, remained committed to completing their work program and obligations under the Liberian PSC. The government of Liberia continued to provide its assurances that it will act under the terms of the Liberian PSC to provide the Corporation and ExxonMobil sufficient time to complete their work program, extending the current exploration period, if necessary.

On July 9, 2015, the Corporation closed a short form prospectus in connection with a marketed offering of Units of the Corporation, which consisted of one Common Share in the capital of the Corporation and one Warrant. Each Warrant entitles the holder thereof to purchase one Common Share at an exercise price of $0.12 per Common Share on or before the date that is 24 months following the closing date. The Corporation issued 80,288,699 Units at a price of $0.09 for gross proceeds of $7.2 million. The Corporation also issued 4,548,380 Common Share purchase warrants to its agents, which entitle the holder to purchase one Common Share until July 9, 2017, at an exercise price of $0.09 (USD $0.07) (the "**Agent Warrants**").

On July 23, 2015, COPL announced that Christopher McLean had resigned from the Board of Directors, effective July 21, 2015. He also resigned as the Chief Financial Officer effective on the same date due to health reasons following a serious road traffic accident.

On August 13, 2015, COPL announced its admission to the standard listing segment of the "Official List" to trade on the London Stock Exchange's main market.

On August 17, 2015, ShoreCan agreed to an acquisition in Nigeria, subject to the approvals of the Nigerian regulatory authorities, to acquire 80 percent of the issued share capital of a company with 100 percent of the equity and titled interest of an oil appraisal and development project offering near-term oil production. The terms of the transaction also provide that ShoreCan will take over management and operatorship of this asset.

On September 23, 2015, COPL reported an update on its activities in Liberia that is focused on deep water Block LB-13. COPL had received a Work Program and Budget for 2016 from ExxonMobil Liberia.

On October 1, 2015, COPL reported an update on its activities in Africa. ShoreCan reported progress in respect of an acquisition in Nigeria, subject to regulatory approvals, pursuant to which ShoreCan would acquire 80 percent equity and titled interest of an oil appraisal/development project offering near-term oil production, as well as significant future exploration upside. This transaction would provide ShoreCan the opportunity to take over management and ownership of the asset.

On November 2, 2015, COPL announced that Mr. Richard H. Schmitt had resigned from the Board of Directors effective October 31, 2015.

On November 16, 2015, COPL announced that Mr. John F. Cowan had joined the Board of Directors effective November 10, 2015.

Year-Ended December 31, 2014

On February 12, 2014, COPL was recognized as one of the "TSX Venture 50" for 2014, which identifies the top 50 performing companies in the sectors of Clean Technology, Diversified Industries, Mining, Oil & Gas and Technology & Life Sciences on the TSXV. The rankings are made based on the criteria of market capitalization growth, share price appreciation, trading volume and analyst coverage.

On March 31, 2014, COPL received approval from the UK Listing Authority for the publication of a prospectus relating to its admission to the standard listing segment of the Official List, and to trading on the main market for listed securities of the LSE. The Corporation issued 17,777,777 Common Shares at a price of £0.135 per Common Share for gross proceeds of £2,400,000. The Corporation also announced that it had reached a non-binding agreement-in-principle for the potential acquisition of an interest in OPL 2010 in the Niger Delta in Nigeria.

On April 4, 2014, COPL began its first day of trading on the main market of the London Stock Exchange.

On July 23, 2014, COPL announced that the drilling program in Liberia had been delayed due to the Ebola outbreak in the region. The Corporation also announced that the option on OPL 2010 had expired.

On July 29, 2014, COPL filed a preliminary short form prospectus to issue Common Shares in an offering in certain provinces of Canada and on a private placement basis in the United States, the United Kingdom and Europe. This offering closed on August 21, 2014. The Corporation raised $10.1 million aggregate gross proceeds by issuing 50,555,000 Common Shares at $0.20 per Common Share.

On September 16, 2014, COPL announced that it appointed Dr. Richard Mays Vice-President, Business Development and General Council.

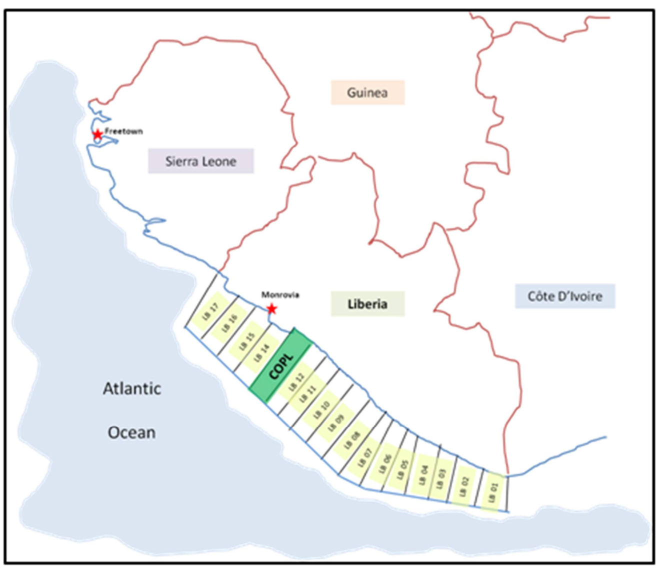
On November 27, 2014, COPL announced that it and its partners remain committed to completing their work program and obligations under the Liberian PSC, when the situation in Liberia improves. The Corporation announced that the government of Liberia has provided its assurances that it will act under the terms of the Liberian PSC to provide them with sufficient time to complete the work program, extending the current exploration period if necessary.

STATEMENT OF RESERVES DATA AND OTHER OIL AND GAS INFORMATION

As of December 31, 2016, COPL had no reserves. Consequently, no reserves data is reported for "Disclosure of Reserves Data" on the annual reporting of NI 51-101F1. For further information, please refer to "*Appendix A – Statement of Reserves Data and Other Oil and Gas Information*" for disclosure in respect of prospective resources.

OIL AND GAS PROPERTIES

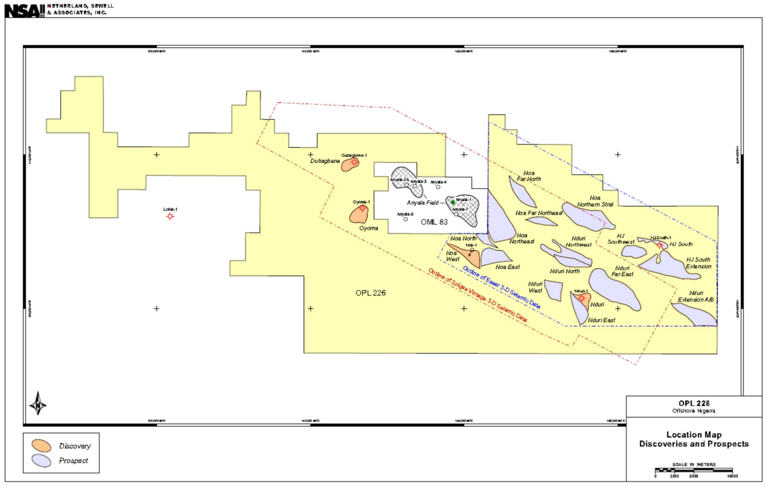
Block LB-13, Offshore Liberia, 17 Percent Equity Interest



Block LB-13 covers an area of approximately 2,540 km^2. The nature of the geology and geophysical signature of the drilling prospects identified to date on Block LB-13 is very familiar to the technical staff of the Corporation. The drilling targets the Corporation has identified on Block LB-13 are Cretaceous turbidite sand stratigraphic traps. The Corporation has identified a number of drilling prospects on Block LB-13 each having strong seismic amplitude versus offset anomalies and other direct hydrocarbon indicators.

The Corporation has a licence to 2,023 km^2 of long offset 3D seismic data that was shot in 2010 to evaluate the oil potential of deep-water Cretaceous sands analogous to the recent deep-water oil discoveries offshore Ghana and Sierra Leone. Reviews of the seismic data conducted internally by the Corporation, and externally by D&M, have identified the potential for a number of Cretaceous turbidite sand stratigraphic traps on Block LB-13.

License Block OPL 226, Offshore Nigeria – 40% Interest through ShoreCan



OPL 226 has an area of 1,530 km² and is located approximately 50 km offshore the central delta region of Nigeria in water depths ranging from 40 to 180 meters. It offers oil appraisal and development opportunities having near term oil production potential and significant exploration upside. Historically, five wells have been drilled, with the first oil discovery on the Block made in 2001 in the fifth well after earlier drilling intersected predominantly gas-bearing sands.

The Block is situated along a large growth fault-controlled structural complex, which the Corporation refers to as the "**Noa Complex**". Extensive seismic campaigns have been conducted on the block over the years with 1,750 km of 2D seismic, and approximately 1,300 km² of 3D seismic data acquired to date. In the last year, ShoreCan has completed additional seismic processing to the most recent 634 km² 3D seismic survey acquired by Essar Nigeria in 2012. The advanced seismic processing techniques applied to this data set by ShoreCan were done to differentiate oil-bearing sands from gas and water bearing sands. These techniques were unavailable previously due to the poor quality and inappropriate parameters of the earlier seismic data sets. In addition, COPL Technical has been preparing for the eventual drilling of the first exploitation well on the Noa Complex by advancing cost estimates and contracting and tendering processes.

At the request of COPL, NSAI has prepared the NSAI Report in accordance with Canadian National Instrument 51-101 evaluating the Contingent and Prospective Resources attributed to OPL 226, as at December 31, 2016. The results of the NSAI report are disclosed under the attached Appendix A, Form 51-101F1 – PART 7.

DIVIDENDS

The Corporation has not declared or paid any dividends on its outstanding Common Shares. The Directors do not anticipate paying dividends in the near future. Payment of dividends in the future will be dependent on, among other things, the cash flow, results of operations and financial condition of the Corporation, the need for funds to finance ongoing operations and other considerations as the Board considers relevant.

DESCRIPTION OF CAPITAL STRUCTURE

The Corporation's authorized share capital consists of an unlimited number of Common Shares and an unlimited number of Preferred Shares. As at December 31, 2016, there were 617,139,350 Common Shares outstanding. As at the date of this AIF, there were 617,139,350 Common Shares outstanding. There were no Preferred Shares outstanding as at December 31, 2016 or at the date of this AIF. As of the date of this AIF, there were 254,850,267 Warrants outstanding (including Agent Warrants).

Common Shares

The holders of Common Shares are entitled to notice of and to vote at all meetings of Shareholders (except meetings at which only holders of a specified class or series of shares are entitled to vote) and are entitled to one vote per Common Share. Subject to the preferences accorded to holders of Preferred Shares and any other shares of the Corporation ranking senior to the Common Shares from time to time with respect to the payment of dividends, holders of Common Shares are entitled to receive, if, as and when declared by the Board, such dividends as may be declared thereon by the Board from time to time. In the event of the liquidation, dissolution or winding-up of the Corporation, or any other distribution of assets among its Shareholders for the purpose of winding-up its affairs (such event referred to herein as a "**Distribution**"), holders of Common Shares, subject to the preferences accorded to holders of Preferred Shares and any other shares of the Corporation ranking senior to the Common Shares from time to time with respect to payment on a Distribution, are entitled to share equally, share for share, in the remaining property.

Preferred Shares

In respect of the Preferred Shares, such shares are issuable in series and the Board may fix the number of such Preferred Shares in each series and the designation, rights, privileges, restrictions and conditions attached to each such series. As at the date of this AIF, there are no Preferred Shares issued and outstanding.

Warrants

The Warrants entitle the holder thereof to purchase one Common Share, for an exercise price set out in the terms of the agreements governing such Warrants. The Warrants have a weighted average exercise price of $0.16 (USD $0.14) per Common Share and a remaining contractual life of between six and seventeen months from the date of this AIF and are described further in COPL's audited consolidated financial statements for the year ended December 31, 2016 and management's discussion and analysis for its most recently completed financial year, which are filed on SEDAR at www.sedar.com.

RISK FACTORS

The risks and uncertainties discussed below are not the only ones facing the Corporation. Additional risks and uncertainties not presently known to the Corporation or which the Corporation currently considers immaterial may also impair the business and operations of the Corporation and cause the value of the securities of the Corporation to decline. If any of the following risks actually occur, the Corporation's business may be harmed and the financial condition and results of operation of the Corporation may suffer significantly. In that event, the trading price of the Corporation's Common Shares could decline and shareholders may lose all or part of their investment. Prospective investors should review the risks with their legal and financial advisors and should consider, in addition to the matters set forth elsewhere in this AIF, the following risks. An investment in the securities of the Corporation is suitable only for purchasers who are aware of such risks and who have the ability and willingness to accept the risk of total loss of their invested capital.

An investment in COPL should be considered speculative due to the nature of its activities and the present stage of its development. Investors should carefully consider the risk factors set forth below.

Risk Related to the Group's Business

Negative Operating Cash Flow

The Group has had negative operating cash flow in prior financial periods before the date of this AIF and will have negative operating cash flow until such time that sufficient cash flows from operating activities are generated based on the Group's success in developing producing assets. The Group's current general and administrative expenses total approximately $550,000.00 (USD $420,000) per month. It is anticipated that the Group's general and administrative expenses will remain approximately at this level for the foreseeable future, not including costs related to specific projects. At current general and administrative cost levels and taking into account the Corporation's outstanding working capital, it is expected that the Group will be able to continue to fund its general and administrative costs for approximately three to four months, in the absence of access to additional capital or a further reduction of general and administrative costs in the interim. To mitigate this risk, COPL has been in discussions with certain shareholders and other organisations to obtain funding to meet ongoing obligations. In order to fund future capital, general, administrative and other expenditures, the Group will need to obtain additional capital through debt financing, equity financing, a combination thereof or such other means of financing as may be available to the Corporation or through the disposition of assets.

Going Concern

Currently, the Corporation does not have material cash inflows and/or adequate financing to develop profitable operations. The Corporation is pursuing exploration projects and contracts that will require substantial additional financing before it is able to generate positive operating cash flows. Accordingly, the Corporation's continued successful operations are dependent on its ability to obtain additional financing, which will depend on the Corporation's ability to obtain such capital through debt financing, equity financing or through a combination thereof or such other means of financing as may be available to the

Corporation. There is no assurance that the Corporation will be able to obtain adequate financing in the future or that such financing will be obtained on terms advantageous to the Corporation.

Possible Failure to Realise Anticipated Benefits of Acquisitions

Previously, the Group completed an acquisition of a 17 percent interest in Block LB-13 offshore Liberia, an 80 percent interest in OPL 226 through ShoreCan, and may complete other acquisitions in the future with a view to strengthening its position in the oil and natural gas industry and to create the opportunity to realise certain benefits. Achieving the benefits of these acquisitions depends in part on factors outside of the Group's control.

The consideration and rationale for acquisitions is based in large part on engineering, environmental and economic assessments made by the Group, independent engineers and consultants. These assessments include a series of assumptions regarding such factors as recoverability and marketability of oil and gas, environmental restrictions and prohibitions regarding releases and emissions of various substances, future prices of oil and gas and operating costs, future capital expenditures and royalties and other government levies which may be imposed. Many of these factors are subject to change and are beyond the control of the Group. All such assessments involve a measure of geologic, engineering, environmental and regulatory uncertainty that could result in lower production and reserves or higher operating or capital expenditures than anticipated.

Although title and environmental reviews are conducted prior to any purchase of resource assets, such reviews cannot guarantee that any unforeseen defects in the chain of title will not arise to defeat the Group's title to certain assets or that environmental defects or deficiencies do not exist. Such deficiencies or defects could result in a reduction of the value of an investment in the Corporation.

Volatility of Crude Oil and Natural Gas Prices

The Group's plan is to explore for and/or appraise oil and gas properties which could then lead to eventual development. Crude oil and natural gas are commodities that are sensitive to numerous worldwide factors, many of which are beyond the Group's control, and are generally sold at contract or posted prices. Changes in world crude oil and natural gas prices may significantly affect the Group's results of operations and cash generated from operating activities. Consequently, such prices may also affect the value of the Group's oil and gas properties and the level of spending for oil and natural gas exploration and development.

The economics of producing from some wells may change as a result of lower prices, which could result in a reduction in the volumes of the Group's reserves, which may also impact potential financing sources. The Group might also elect not to produce from certain wells at lower prices. All of these factors could result in a material decrease in the Group's net production revenue. All of the Group's expenditures are subject to the effects of inflation and prices received for the product sold are not readily adjustable to cover any increase in expenses from inflation.

Crude oil prices are influenced by various reference prices, primarily Brent Crude. Adjustments are made to the reference price to reflect quality differentials and transportation. Reference prices are affected by numerous and complex worldwide factors such as supply and demand fundamentals, economic outlooks, production quotas set by OPEC and political events. Quality differentials are affected by local supply and demand factors.

Foreign Operations

The Group carries on its business in Liberia and Nigeria, and plans to carry on its business in other foreign countries, where exploration for and exploitation, production and sale of oil and gas are subject to extensive laws and regulations, including complex tax laws and environmental laws and regulations. As such, the Group's business, prospects, financial condition or results of operations could be significantly affected by risks over which it has no control. These risks may include risks related to economic, social or political instability or change, government intervention relating to the oil and gas industry, expropriation, actions by terrorist or insurgent groups, war, civil unrest, security issues, hyperinflation, currency non-convertibility or instability and changes of laws affecting foreign ownership or foreign investors, interpretation or renegotiation of existing contracts, government participation, taxation policies, including royalty and tax increases and retroactive tax claims, and investment restrictions, working conditions, rates of exchange, exchange control, exploration licensing, petroleum and export licensing and export duties, government control over domestic oil and gas pricing, currency fluctuations, devaluation or other activities that limit or disrupt markets and restrict payments or the movement of funds, the possibility of being subject to exclusive jurisdiction of foreign courts in connection with legal disputes relating to licences to operate and concession rights in countries where the Group currently operates, and difficulties in enforcing the Group's rights against a governmental agency because of the doctrine of sovereign immunity and foreign sovereignty over international operations. Problems may also arise due to the quality or failure of locally obtained equipment or technical support, which could result in failure to achieve expected target dates for exploration operations or result in a requirement for greater expenditure.

The Group does business in Liberia and Nigeria, and plans to do business in other foreign countries, with inherent risks relating to fraud, bribery and corruption

Fraud, bribery and corruption are more common in some jurisdictions than in others. The Group plans to carry on its business in certain jurisdictions that have been allocated low scores on Transparency International's "Corruption Perceptions Index". Doing business in international developing markets brings with it inherent risks associated with enforcement of obligations, fraud, bribery and corruption. In addition, the oil and gas industries have historically been shown to be vulnerable to corrupt or unethical practices.

The Group uses its best efforts to prevent the occurrence of fraud, bribery and corruption, but it may not be possible for the Group to detect or prevent every instance of fraud, bribery and corruption in every jurisdiction in which its employees, agents, sub-contractors or joint venture partners are located. The Group may therefore be subject to civil and criminal penalties and to reputational damage. Participation in corrupt practices, including the bribery of foreign public officials, by the Group, its subsidiaries or other predecessors in interest, whether directly or indirectly (through agents or other representatives or otherwise) may also have serious adverse consequences on the rights and interests of the Group, including but not limited to title to government contracts, licenses and concessions, including production sharing contracts.

Instances of fraud, bribery and corruption, and violations of laws and regulations in the jurisdictions in which the Group operates, could have a material adverse effect on its business, prospects, financial condition or results of operations. In addition, as a result of the Group's anti-corruption training programs, codes of conduct and other safeguards, there is a risk that the Group could be at a commercial disadvantage and may fail to secure contracts within jurisdictions that have been allocated a low score on Transparency International's "Corruption Perceptions Index" to the benefit of other companies who may not have or comply with such anti-corruption safeguards.

Permits, Licences, Approvals and Authorizations

The operations of the Group require permits, licences, approvals and authorizations from various governmental and non-governmental authorities. Such permits, licences, approvals and authorizations are subject to the discretion of the applicable governmental and non-governmental authorities. The Group must comply with existing standards, laws and regulations, as applicable, that may entail greater or lesser costs and delays, depending on the nature of the activity to be permitted and the permitting authority. There can be no assurance that the Group will be able to obtain all necessary permits, licences, approvals or authorizations. Failure to obtain such licences, permits, approvals or authorizations may have a material adverse effect on the Group's business, prospects, financial condition or results of operations. The Group's intended activities will be dependent on such permits, licences, approvals and authorizations which, if obtained, could subsequently be withdrawn or made subject to limitations. There can be no guarantee as to the terms of any such permits, licences, approvals and authorizations that future permits, licences, approvals and authorizations will be renewed or, if so, on what terms when they come up for renewal. Properties in the jurisdiction in which the Group currently carries on business are subject to licence requirements, which generally include, inter alia, certain financial commitments which, if not fulfilled, could result in the suspension or ultimate forfeiture of the relevant licences. Government action, which could include non-renewal of licences, may result in any income receivable by the Group or licences held by the Group being adversely affected. In particular, changes in the application or interpretation of laws and/or taxation provisions in the regions in which it carries on business could adversely affect the value of the Group's interests.

Joint Venture Risks

The Corporation has entered into a joint venture arrangement to form ShoreCan. Pursuant to the terms of that agreement, the Group may have a lesser degree of control over the joint venture that may expose the Group to additional operational, financial, compliance and legal risks. We may be dependent on our joint venture counterparty for capital, product distribution, local market knowledge, or other resources. Our ability to exercise management control or influence over the joint venture and the success of our investments in it will depend on the cooperation between the joint venture participants and the terms of the joint venture agreement, which allocates control among the joint venture participants. If we are unable to effectively manage the joint venture, or our joint venture counterparty fails to meet its obligations under the joint venture arrangement, encounters financial difficulty, elects to alter, modify or terminate the relationship, or a joint venture does not comply with local legislation or regulations, we may be unable to achieve our objectives and our results of operations may be negatively impacted.

The Risk of Ebola

In March 2014, an outbreak of Ebola Haemorrhagic Fever was reported in Liberia, the disease having crossed from its initial source in adjacent Guinea. It quickly spread in various parts of Liberia and was prevalent in the capital Monrovia and constituted a major health matter. The World Health Organization ("**WHO**") described it as an International Public Health Emergency. On July 23, 2014, COPL announced that the drilling program in Liberia had been suspended due to this Ebola outbreak in the region. Commerce and daily life were heavily impacted and international companies removed personnel and suspended business operations. During the first part of January 2016, the WHO declared the end of the most recent outbreak of Ebola virus disease in Liberia and stated that all known chains of transmission had been stopped in West Africa. Liberia was first declared free of Ebola transmission in May 2015, but the virus has been re-introduced twice since then, with the latest flare-up in November 2015. The latest WHO announcement came 42 days (two 21-day incubation cycles of the virus) after the last confirmed patient in Liberia tested negative for the disease 2 times. (World Health Organization news release, January 14, 2016) As such, there remains a risk for further flare-ups of the disease, which have the potential to be as serious, if not more serious, than the previous outbreak in terms of the effects on the Corporation and its operations. ExxonMobil and NOCAL have agreed that the second exploration period (defined in Article 32 of the PSC) is extended for a total of 619 days until September 25, 2017. There is a risk of further delays and suspensions in relation to further outbreaks, with associated costs and risks to the Corporation.

Changes in government policy could have a negative impact on the Group's business

Governments of oil and gas producing jurisdictions typically exercise significant influence over their domestic oil and gas industries, as well as many other aspects of their respective economies. Government policy may change to discourage foreign investment or restrictions and requirements not currently foreseen may be implemented. There can be no assurance that the Group's assets and properties will not be subject to nationalization, expropriation, requisition or confiscation, whether legitimate or not, by any authority or body. Similarly, the Group's operations may be affected in varying degrees by government regulations with respect to restrictions on production, price controls, export controls, income taxes, expropriation of property or environmental legislation. As an example, the Liberian government is currently in the process of amending its Petroleum Law, which may have an impact on the legal environment within which Block LB-13 exists. Any government action concerning the economy, including the oil and gas industry (such as a change in oil or gas pricing policy or taxation rules or practice, or renegotiation or nullification of existing concession contracts or oil and gas exploration policy, laws or practice), could have a material adverse effect on the Group. Sovereign or regional governments could also require the Group to grant to them larger shares of oil and gas or revenues than previously agreed to, or postpone or review projects, nationalize assets, or make changes to laws, rules, regulations or policies, in each case, which could adversely affect the Group's business, prospects, financial condition or results of operations.

Cyber Attacks or Terrorism

The Group may be threatened by problems such as cyber-attacks, computer viruses, or terrorism that may disrupt operations and harm operating results. While the Group expects that the probability of a targeted attack is low, security measures have been implemented to protect the Corporation's information technology systems and network infrastructure. Despite the implementation of security measures, technology systems may be vulnerable to disability or failures due to hacking, viruses, acts of war or terrorism, and other causes. Additionally, the Group is reliant on third party service providers for certain information technology applications. While we believe that these third party service providers have adequate security measures, there can be no assurance that these security measures will prevent any cyber events or computer viruses from impacting the Group was unable to recover in a timely way, we might be unable to fulfill critical business functions, which could have a material adverse effect on the business, financial condition, and results of operations.

The Group may be required by regulators or by the future terrorist threat environment to make investments in security that cannot be predicted. The implementation of security guidelines and measures and maintenance of insurance, to the extent available, addressing such activities could increase costs. These types of events could materially adversely affect the Group's business and results of operations.

"Resources" vs. "Reserves"

The Group currently has no reserves. Throughout this AIF, the Group has attempted to provide an appreciation of the potential that the Group's asset base offers. In doing so, the Group often uses the terms "resource" or "resources". These terms refer to the estimated original resource size of a particular prospect and it should be distinguished from reserves. Reserves are the amount of hydrocarbons that are estimated to be economically recoverable from a particular resource base from a given date forward. Ultimate recoverable reserves can range widely depending on resource characteristics, available technologies and economic and contractual parameters.

Estimates of Resources

The resources estimates presented in the D&M Report and the NSAI Report have been classified as prospective resources. The resources estimates in the D&M Report and NSAI Report are estimates only. There is no certainty that any portion of the resources will be discovered. If discovered, there is no certainty that it will be commercially viable to produce any portion of the resources. Readers are cautioned that the quantities presented are estimates only and should not be construed as being exact quantities. The Group's proposed exploration program must be considered as a high risk exploration play.

Status and Stage of Development

The Group has no production. There can be no assurance that any of the Group's properties will commence production, generate earnings, operate profitably or provide a return on investment in the future.

There is a risk that none of the proposed exploration, appraisal or development of the Group's assets will be completed on time or within the applicable capital cost estimates or at all. Additionally, there is a risk that proposed projects may experience delays, interruption of operations or increased costs due to many factors, including, without limitation:

- breakdown or failure of equipment or processes;
- construction performance falling below expected levels or disruptions or declines in productivity;
- design errors;
- contractor or operator errors;
- non-performance by third party contractors;
- labour disputes;
- disruptions or declines in productivity;
- increases in materials or labour costs;
- inability to attract sufficient numbers of qualified workers;
- delays in obtaining, or conditions imposed by, regulatory approvals;
- changes in project scope;
- violation of permit requirements;
- disruption in the supply of energy and other inputs, including natural gas and diluents; and
- catastrophic events such as fires, earthquakes, storms or explosions.

Numerous factors, many of which are beyond the Group's control, could impact the Group's ability to explore and develop these assets and the timing thereof, including the risk factors set forth elsewhere in this AIF.

Operational Dependence

The Group is not the designated operator for all of its properties. While it is common for companies to assume a non-operating role in offshore properties, such companies may be susceptible to disadvantages in regards to the operators who have ultimate responsibility for the drilling and operating of wells and the health, safety and environmental concerns on-site. As such, there may be times when the operator deems it necessary to engage in certain activities for its best interests that the non-operator may disagree with, and which may not be in the non-operator's best interests. Examples of these competing interests could include the timing of wells to be drilled and decisions made during drilling operations. Further, the Group's return on assets operated by others therefore depends upon a number of factors that may be outside of the Group's control, including the timing and amount of capital expenditures, the operator's expertise and financial resources, the approval of other participants, the selection of technology and risk management practices. In particular, in Liberia, ExxonMobil Liberia operates the asset in which the Group has an interest. As a result, the Group has limited ability to exercise influence over the operation of that asset or its associated costs, which could adversely affect the Group's financial performance.

Reliance on Key Individuals

Although the Group has experienced senior management and personnel, the Group is substantially dependent upon the services of a few key personnel. The loss of services of these individuals could have a material adverse effect on the business of the Group. Competition for qualified personnel in the oil and gas industry markets is intense, and the Group may be unable to attract or retain highly qualified individuals, or its key personnel, in the future. The rate of growth of the Group's operations and personnel may strain operating and control systems.

Insurance

Oil and gas operations will be subject to the risks normally associated with the operation and development of oil and natural gas properties and the drilling of offshore oil and natural gas wells, including encountering unexpected formations or pressures, blowouts, cratering and fires, all of which could result in personal injuries, loss of life and damage to the property of the Group and others. In accordance with customary industry practice, the Group may not be fully insured against all of these risks, nor are all such risks insurable. The Group intends to maintain an insurance program consistent with industry practice to protect against losses due to accidental destruction of assets, well blow-outs and destruction to the environment.

Marketability of Crude Oil and Natural Gas

The marketability and price of oil and natural gas will be affected by numerous factors beyond the control of the Group. The Group will be affected by the differential between the price paid by refiners for light quality oil and the medium grades of oil, which may be produced by the Group. The ability of the Group to market its oil and natural gas may depend upon its ability to acquire access to production facilities and space on pipelines. The Group will also be subject to market fluctuations in the prices of oil and natural gas, deliverability uncertainties related to the proximity of its reserves to pipeline and processing facilities and extensive government regulation relating to price, taxes, royalties, land tenure, allowable production, the export of oil and natural gas and many other aspects of the oil and natural gas business.

Availability of Equipment and Access Restrictions

Oil and natural gas exploration and development activities are dependent on the availability of drilling equipment in the particular areas where such activities will be conducted as well as production equipment, such as pipe for pipelines, manifolds, valves, compressors and other equipment, which may be unavailable or subject to long lead times between order and delivery. Similarly, installation of production equipment and operation of drilling rigs offshore is highly dependent on a wide range of service providers, many of which are in limited supply. Demand for such limited equipment, access restrictions and availability of service providers may delay exploration, development and production activities.

Nature of Reserves and Additional Funding Requirements

Obtaining future production from proven undeveloped, probable and possible reserves, and the development of properties where oil is discovered, are each conditional on the availability of additional financing to fund the expenditures necessary to develop the reserves or develop the properties. Such additional financing may not be available in the near term, and may not be available on favourable terms. The ability of the Group to arrange such financing in the future will depend in part upon the prevailing capital market conditions. There can be no assurance that the Group will be successful in its efforts to arrange additional financing in the near term. If adequate funds are not available, the Group may not be able to take advantage of opportunities, or otherwise respond to competitive pressures and remain in business.

Project Risks

The Group may manage in the future a variety of prospective small and large projects in the conduct of its business. Project delays may delay expected revenues from operations. Significant project cost over-runs could make a project uneconomic. The Group's ability to execute projects and market oil and natural gas depends upon numerous factors beyond the Group's control, including:

- the availability of processing capacity;
- the availability and proximity of pipeline capacity;
- the availability of storage capacity;
- the supply of, and demand for, oil and natural gas;
- the availability of alternative fuel sources;
- the effects of inclement weather;
- the availability of drilling and related equipment;
- unexpected cost increases;
- accidental events;
- currency fluctuations;
- changes in regulations;
- the availability and productivity of skilled labour; and
- the regulation of the oil and natural gas industry by various levels of government and governmental agencies.

As a result of these factors, the Group could be unable to execute projects on time, on budget or at all, and may not be able to effectively market the oil and natural gas that it produces.

Third Party Credit Risk

The Group may be exposed to third party credit risk through its contractual arrangements with its current or future joint venture partners, marketers of its petroleum and natural gas production and other parties. In the event such entities fail to meet their contractual obligations to the Group, such failures may have a material adverse effect on the Group's business, financial condition, results of operations and prospects. In addition, poor conditions in the industry and of joint venture partners may impact a joint venture partner's willingness to participate in the Group's ongoing capital program, potentially delaying the program and the results of such program until the Group finds a suitable alternative partner.

Operating Hazards and Other Uncertainties

Acquiring, developing, exploring for and producing oil and natural gas involves many risks. These risks include encountering unexpected formations or pressures, premature declines of reservoirs, blow-outs, equipment failures and other accidents, craterings, sour gas releases, uncontrollable flows of oil, natural gas or well fluids, adverse weather conditions and environmental risks. Should the Group be successful at acquiring properties, it will maintain insurance in accordance with customary industry practice, though the Group cannot fully insure against all of these risks. Losses resulting from the occurrence of these risks could have a material adverse impact on the Group's business, prospects, financial condition or results of operations.

Competition

The oil and gas industry is highly competitive, particularly as it pertains to the search for and development of, new sources of crude oil and natural gas reserves, the construction and operation of crude oil and natural gas pipelines and facilities, and the transportation and marketing of crude oil, natural gas, sulphur and other petroleum products. Competitors include major integrated oil and gas companies and numerous other independent oil and gas companies, many of which have greater financial and other resources than the Group. The oil and natural gas industry is intensely competitive and the Group must compete in all aspects of its operations with a substantial number of other companies, which may have greater technical or financial resources.

The Group competes for the acquisition, exploration, production and development of oil and natural gas properties, for capital to finance such activities and for skilled industry personnel and the Group's competitors include companies that have greater financial and personnel resources available to them. The Group's competitors include major integrated oil and natural gas companies and numerous other independent oil and natural gas companies and individual producers and operators.

The Group's ability to successfully bid on and acquire additional property rights, to discover reserves, to participate in drilling opportunities and to identify and enter into commercial arrangements with customers will be dependent upon developing and maintaining close working relationships with its future industry partners and joint operators, and its ability to select and evaluate suitable properties and to consummate transactions in a highly competitive environment. Hiring and retaining technical and administrative personnel continues to be a competitive process. To meet this challenge, the Group provides opportunities for existing and prospective consultants and employees to participate in the equity of the Group. The Group believes its competitive advantage is its scientific, integrated approach to successfully identify desirable drilling prospects.

Joint Property Ownership

It is common for more than one company to have an equity stake in a license, as is the case with the Corporation's interests in Block LB-13 and OPL 226. The Corporation has developed or intends to develop joint operating agreements to outline the rights, duties and understandings of the Corporation and its partners to govern the expectations for how the licenses will be worked. However, the Corporation and its partners may experience differences of opinion on such topics as geological interpretation, timing for actions, financial resources and commitments and preferred courses of action. Where there is such a lack of consensus, this could delay plans for such properties and thus increase the costs of and/or delay revenue generated by these properties.

Access to Production Facilities

Offshore sub-Saharan Africa is a large geographical area and with the exception of only a few countries, is only lightly explored. Liberia does not have any offshore oil and gas infrastructure, and as such, there is no development option for tie-ins to pipelines or production facilities. As such, it is likely that any exploration success achieved by the Group would likely require an FPSO development solution, which would likely take a longer time period to procure and at an increased cost compared to a tie-in to an existing production facility and/or pipeline. In addition, offshore oil and gas developments are typically substantially more expensive than onshore developments because of the nature of weather offshore, transportation challenges, and the inherent difficulties of installing and servicing equipment on the ocean floor especially in deeper water areas. Severe weather conditions can result in delays and increased costs of the projects.

Global Financial Instability

In the autumn of 2007 and again in 2008, a severe crisis in some of the world's largest banks and other financial institutions led to sharp contractions in the availability of credit for debt financing in the years that followed. A number of banks and financial institutions around the world either failed or required massive government bailouts to continue operating, including several major banks in the United States and the United Kingdom. The crisis ushered in a severe recession across the globe that also led to a sharp drop in the price of oil. Similar shocks to the global financial system could again increase the volatility of commodity prices and adversely impact oil companies' revenues and ability to access debt and equity financing. Any such occurrence may have a material adverse effect on the Group's business, prospects, financial condition or results of operations.

Alternatives to and Changing Demand for Petroleum Products

Fuel conservation measures, alternative fuel requirements, increasing consumer demand for alternatives to oil and natural gas, and technological advances in fuel economy and energy generation devices could reduce the demand for crude oil and other liquid hydrocarbons. The Group cannot predict the impact of changing demand for oil and natural gas products, and any major changes may have a material adverse effect on the Group's business, prospects, financial condition or results of operations.

Interest Rate Cash-Flow Risk

Floating rate debt may be used to finance development activities, if it is available in the future. The floating rate debt obligations would expose the Group to changes in interest payments due to fluctuations in interest rates.

Geo-Political Change

The marketability and price of oil and natural gas that may be acquired or discovered by the Group is, and will continue to be, affected by political events throughout the world that cause disruptions in the supply of oil. Conflicts, or conversely peaceful developments, arising in the Middle East, and other areas of the world, have a significant impact on the price of oil and natural gas. Any particular event could result in a material decline in prices and therefore result in a reduction of the Group's net production revenue.

In addition, the Group's oil and natural gas properties, future wells and facilities could be subject to a terrorist attack. If any of the Group's properties, wells or facilities are the subject of a terrorist attack it may have a material adverse effect on the Group's business, prospects, financial condition or results of operations. The Group will not have insurance to protect against the risk of terrorism.

Risks Related to the Group's Jurisdictions of Operation

Operating in African Countries

The Group carries on business principally in African countries such as Liberia and Nigeria and intends to carry on business in other African countries in the future, including, without limitation, Equatorial Guinea. Social, political and economic conditions in Africa are in varying stages of development and are volatile. Volatility may be caused, without limitation, by the following:

- significant governmental influence over many aspects of local economies;
- unexpected or radical changes in legislation, regulatory requirements, labour conditions or other government policies, and changes in interpretations or enforcement of existing laws or regulations;
- governmental regulations that favour or require the awarding of contracts to local contractors or require foreign contractors to employ citizens of, or purchase supplies from, a particular jurisdiction or otherwise benefit residents of that country or region;
- changes in tax laws and conflicting national or local interpretations of tax laws;
- political, social and economic instability, terrorism, war and civil disturbances;
- damage to equipment or violence directed at employees, including kidnapping;
- lack of law enforcement;
- imposition of trade barriers;
- wage and price controls;
- foreign currency fluctuations and devaluation;
- restrictions on currency conversion and repatriation;

- renegotiation, nullification, or unilateral termination of concessions, licences, permits and agreements by government-owned entities;
- seizure, expropriation or nationalization of assets or industries;
- difficulty in collecting international accounts receivables;
- changing political conditions;
- solicitation by government officials for improper payments or other forms of corruption;
- regional economic downturns;
- inflation and adverse economic conditions stemming from governmental attempts to reduce inflation, such as the imposition of higher interest rates;
- the burden of complying with multiple and potentially conflicting laws; and
- other forms of governmental regulation and economic conditions that are beyond our control.

This volatility could create difficulty for the Group in executing its business strategy, which could have a material adverse effect on its business and financial performance. These factors may impact on the profitability and viability of the Group's business in these countries.

The Group is exposed to the risk of changes in laws in the jurisdictions where it operates

The legal and regulatory framework under which the Group has entered into its various operations in different jurisdictions may be changed to the detriment of the Group. The Liberian legislature is currently in the process of amending its Petroleum Law, the main piece of legislation applicable to the oil and gas industry in Liberia. Liberia is not currently an oil-producing country; should it become oil-producing in the future, it may choose to reform the legal and regulatory framework applicable to the oil and gas sector, as other jurisdictions have done, and this may have a material adverse effect on the Group's business, prospects, financial condition or results of operations.

Corporate Tax Regime

Development of reserves and rates of return are susceptible to changes in national fiscal policy. Liberia and Nigeria, in which the Group operates, are developing democracies that do not have an established oil and gas industry, and so may be more likely to implement changes in fiscal policy which are detrimental to the interests of oil and gas companies operating there than a country with a more developed oil and gas industry. In addition, any changes to taxation laws in Liberia, Nigeria or other jurisdictions in which the Group operates may have a material adverse effect on the Group's business, prospects, financial condition or results of operations.

Tax regimes in the jurisdictions in which the Group operates are subject to differing interpretations and are subject to change

Tax regimes in the jurisdictions in which the Group operates can be subject to differing interpretations and are often subject to legislative change and changes in administrative interpretation in those jurisdictions. The interpretation by the Corporation's relevant subsidiaries of relevant tax law as applied to their transactions and activities (including farm ins and farm outs) may not coincide with that of the relevant tax authorities. As a result, transactions may be challenged by tax authorities and any profits of the Corporation's subsidiaries from activities in those jurisdictions may be assessed to additional tax or additional transactional taxes (e.g. stamp duty or VAT), which, in each case, could result in significant additional taxes, penalties and interest, any of which could have a material adverse impact on the Group's business, prospects, financial condition or results of operations.

Foreign Currency Exchange Risk

A significant amount of the Group's proposed activities will be transacted in or referenced to various currencies including Canadian dollars, US dollars and Pounds Sterling. As a result, fluctuations in currencies could result in unanticipated fluctuations in financial results, which are denominated in US dollars. The Group will manage a portion of its exposure to fluctuations in exchange rates, however, there can be no assurance that such management will fully offset the fluctuations.

Governmental Regulation

The industry in which the Group operates is subject to regulation, intervention and certain approvals by governments in such matters as the awarding of exploration and production interests, the imposition of specific drilling obligations, environmental protection controls, control over the development and abandonment of fields (including restrictions on production) and possibly expropriation or cancellation of contract rights. As well, governments may regulate or intervene with respect to price, taxes, royalties and the exportation of oil and natural gas. Such regulations may be changed from time to time in response to economic or political conditions. The implementation of new regulations or the modification of existing regulations affecting the oil and gas industry could reduce demand for natural gas and crude oil, increase costs and may have a material adverse effect on the Group.

Environmental Regulations

Offshore oil and gas operations such as those with which the Group is involved in Liberia and Nigeria, and those which the Group may in the future be involved with in other foreign jurisdictions, are subject to stringent environmental laws and regulations. These laws and regulations generally require the Group to limit, remove or remedy the effect of its activities on the environment at present and former operating sites, including limiting emissions to the environment, dismantling production facilities, and decommissioning and remediating damage caused by the disposal or release of specified substances. The Directors intend to operate in a manner intended to ensure that the Group's projects meet appropriate environmental standards. There can be no assurance that application of existing environmental laws and regulations will not have a material adverse effect on future financial conditions or results of operations.

It is expected that other changes in environmental legislation may also require, among other things, reductions in emissions to the air from operations and could result in increased capital expenditures. Although the Group does not expect that future changes in environmental legislation will result in materially increased costs, such changes could occur and result in stricter standards and enforcement, larger fines and liability, and increased capital expenditures and operating costs, which could have a material adverse effect on the Group's financial condition or results of operations.

Climate Change

In December 2015, Liberia, Nigeria and 191 other countries that are members of the United Nations Framework Convention on Climate Change met in Paris, France and signed the Paris Agreement on climate change. The stated objective of the Paris Agreement is to hold "the increase in global average temperature to well below 2^{o} Celsius above pre-industrial levels and to pursue efforts to limit the temperature increase to 1.5^{o} Celsius." The countries which agreed to the Paris Agreement committed to meeting every five years to review their individual progress on greenhouse gas emissions reductions and to consider amendments to non-binding individual country targets. These countries are required to report and monitor their greenhouse gas emissions, though the implementation of such reporting and monitoring has yet to be determined. The Paris Agreement also contemplates that by 2020 the parties thereto will develop a new market-based mechanism related to carbon trading, which is expected to be based largely on lessons learned from the Kyoto Protocol.

Many countries will develop country-wide approaches to implementing the Paris Agreement. The Corporation is unable to predict the impact of the Paris Agreement on its operations. It is possible that mandatory emissions reduction requirements may have a material adverse effect on the Corporation's financial condition, results of operations and cash flow.

The Group's proposed exploration activities will emit greenhouse gases and require the Group to comply with greenhouse gas emissions legislation and policy. The direct or indirect costs of these regulations may have a material adverse effect on the Group's business, prospects, financial condition or results of operations. The future implementation or modification of greenhouse gases regulations, whether to meet the limits required by the Paris Agreement, Kyoto Protocol, the Copenhagen Accord or as otherwise determined, could have a material impact on the nature of oil and natural gas operations, including those of the Group. Given the evolving nature of the debate related to climate change and the control of greenhouse gases and resulting requirements, it is not possible to predict the impact on the Group and its operations and financial condition.

Risks related to the Purchase of Common Shares

Share Price Volatility

The market price for Common Shares may be volatile and subject to wide fluctuations in response to numerous factors, many of which are beyond the Group's control, including the following: (i) actual or anticipated fluctuations in the Group's quarterly results of operations; (ii) actual or anticipated changes in oil and natural gas prices; (iii) recommendations by securities research analysts; (iv) changes in the economic performance or market valuations of other companies that investors deem comparable to the Group; (v) addition or departure of the Group's executive officers and other key personnel; (vi) sales or perceived sales of additional Common Shares; (vii) significant acquisitions or business combinations, strategic partnerships, joint ventures or capital commitments by or involving the Group or its competitors; and (viii) news reports relating to trends, concerns, technological or competitive developments, regulatory changes and other related issues in the Group's industry or target markets.

Financial markets have experienced significant price and volume fluctuations in the last several years that have particularly affected the market prices of equity securities of companies and that have, in many cases, been unrelated to the operating performance, underlying asset values or prospects of such companies. Accordingly, the market price of the Common Shares may decline even if the Group's operating results, underlying asset values or prospects have not changed. Additionally, these factors, as well as other related factors, may cause decreases in asset values that are deemed to be other than temporary, which may result in impairment losses.

As well, certain institutional investors may base their investment decisions on consideration of the Group's environmental, governance and social practices and performance against such institutions' respective investment guidelines and criteria, and failure to meet such criteria may result in a limited or no investment in the Common Shares by those institutions, which could adversely affect the trading price of the Common Shares. There can be no assurance that continuing fluctuations in the price and volume of publicly traded equity securities will not occur. If such increased levels of volatility and market turmoil continue, the Group's operations could be adversely impacted and the trading price of the Common Shares may be adversely affected.

Discretion in the Use of Proceeds

The Corporation intends to use proceeds of any offerings of securities in the manner described in the offering document for the offering. However, there may be circumstances where in the judgement of management, a different use of such proceeds is in the best interests of the Corporation. The Corporation has discretion concerning the use of the proceeds of any offerings of securities completed by the Corporation, as well as the timing of the expenditure of such proceeds. As a result, purchasers will be relying on the judgment of the Corporation for the application of the proceeds of any offerings of securities once completed. The Corporation may use the net proceeds of any offerings in ways that purchasers may not consider desirable. The results and the effectiveness of the application of the net proceeds are uncertain. If the proceeds are not applied effectively, the results of the Corporation's operations may suffer.

Liquidity of the Common Shares and Investment in the Common Shares

Investors and potential investors should be aware that the value of the Common Shares and income from the Common Shares can go down as well as up, and that there may not be a liquid market in the Common Shares.

An investment in the Common Shares may thus be difficult to realise. The ability of an investor to sell Common Shares will depend on there being a willing buyer for them at an acceptable price. Consequently, it might be difficult for an investor to realise on their investment in the Corporation and they may lose all their investment. In the event of a winding-up of the Corporation, the Common Shares will rank behind any liabilities of the Corporation and therefore any return for Shareholders will depend on the Group's assets being sufficient to meet prior entitlements of creditors.

Dividends

The Corporation has never declared or paid any cash dividends on its Common Shares. The Corporation currently intends to retain future earnings, if any, for future operations, expansion and/or debt repayment, if necessary (although the Corporation does not have any bank debt as at the date of this AIF). The Directors do not anticipate paying dividends in the near future. Any decision to declare and pay dividends will be made at the discretion of the Board and will depend on, among other things, the Corporation's results of operations, current and anticipated cash requirements and surplus, financial condition, contractual restrictions and financing agreement covenants, solvency tests imposed by corporate law and other factors that the Board may consider relevant.

In addition to the foregoing, the Corporation's ability to institute and pay dividends now or in the future may be limited by covenants contained in the agreements governing any indebtedness that the Group may incur in the future including the terms of any credit facilities the Group may enter into with third party lenders. It is not uncommon that credit facilities will prevent a borrower from declaring or paying any dividends (excluding stock dividends) to any of its shareholders or returning any capital (including by way of dividend) to any of its shareholders.

As a result of the foregoing factors, purchasers of Common Shares may not receive any return on an investment in Common Shares held by them unless they sell such Common Shares for a price greater than that which they paid for it.

Dilution and Further Sales

The Group may make future acquisitions or enter into financings or other transactions involving the issuance of securities of the Group which may be dilutive.

There are no restrictions to the Corporation issuing or selling Common Shares (or Preferred Shares) other than those pursuant to applicable securities laws and stock exchange policies. The sale of a substantial number of the Common Shares in the public market, or the perception that such sales may occur, could adversely affect the prevailing market price of the Common Shares and negatively impact the Corporation's ability to raise equity capital in the future.

Forward-Looking Statements May Prove Inaccurate

Investors are cautioned not to place undue reliance on forward-looking statements. By their nature, forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking statements. Additional information on the risks, assumptions and uncertainties are found in this AIF under the heading "*Forward-Looking Statements*".

MARKET FOR SECURITIES

The outstanding Common Shares are listed and posted for trading on the TSXV under the symbol "XOP", and on the LSE under the symbol "COPL".

Trading Price and Volume

The following table sets forth the price range and trading volume of the Common Shares as reported by the TSXV for the periods indicated:

	Common Shares		
Month	**High $**	**Low $**	**Volume**
2016			
January	0.045	0.03	12,699,565
February	0.05	0.025	14,329,319
March	0.09	0.04	318,817,161
April	0.075	0.06	21,875,730
May	0.08	0.06	14,118,901
June	0.07	0.055	17,628,996
July	0.09	0.065	310,646,970
August	0.14	0.08	19,731,151
September	0.145	0.1	22,779,844
October	0.18	0.12	43,625,640
November	0.18	0.14	27,609,865
December	0.16	0.025	90,096,328

Prior Sales

Outlined below is a summary of the securities that COPL issued during the financial year ended December 31, 2016, which are not listed or quoted on a marketplace.

Type of Security	Date Issued	Number of Securities	Conversion/Exercise Price
Finder's Warrants	April 28, 2016	1,177,114	GBP 0.035 (USD $0.051)
Agent's Warrants	May 3, 2016	5,233,206	CAD $0.07 (USD $0.055)
Options	May 12, 2016	40,780,000	CAD $0.10
Options	August 11, 2016	4,400,000	CAD $0.115
Options	November 15, 2016	7,500,000	CAD $0.10

LEGAL PROCEEDINGS AND REGULATORY ACTIONS

There are no material legal proceedings the Corporation is or was a party to, or that any of its property is or was the subject of, since the beginning of 2016, nor are any such legal proceedings known to the Corporation to be contemplated.

There have not been any penalties or sanctions imposed against the Corporation by a court relating to securities legislation or by a securities regulatory authority since the beginning of 2016, nor have there been any other penalties or sanctions imposed by a court or regulatory body against the Corporation that would likely be considered important to a reasonable investor in making an investment decision, and the Corporation has not entered into any settlement agreements before a court relating to securities legislation or with a securities regulatory authority since the beginning of 2016.

INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

To the knowledge of the Directors and officers of COPL, none of the Directors or executive officers of COPL or any person or company that beneficially owns, or controls or directs, directly or indirectly, more than ten percent (10%) of the outstanding voting securities of COPL, or any of their respective associates or affiliates, has or has had any material interest, direct or indirect, in any transaction during the three most recently completed financial years or during the current financial year that has materially affected or is reasonably expected to materially affect COPL.

DIRECTORS AND OFFICERS

The names, location of residence, positions with the Group and the principal occupations of the directors and officers of the Group for the past five years are set out in the following table.

Name and Municipality of Residence	Current Positions & Offices Held	Director Since	Principal Occupations During Past Five Years
Arthur S. Millholland P. Geol(2) Alberta, Canada	Director, President and Chief Executive Officer	August 14, 2009	The President and CEO of COPL since August 2009. Mr. Millholland has been a professional geologist for 34 years. Mr. Millholland has been a member of the Board of Directors of Rupert Resources Ltd. since March 2014. Mr. Millholland has worked in a variety of regions including the UK North Sea, Canada, the Gulf of Mexico, the United States, South America, and West and North Africa. He is a member of the Association of Professional Engineers Geologists and Geophysicists, and the American Association of Petroleum Geologists. He is a graduate of the University of Waterloo where he obtained an Honours Bachelor of Science degree in Earth Science.
Massimo C. Carello(1) (3) (4) London, United Kingdom	Director	September 29, 2009	Mr. Carello is an independent business man who has performed consulting services and managed his own investment portfolio during the past five years. Mr. Carello was a Director of Uranium One Inc. from June 2007 to December 2010. He has been a Director of Canaccord Genuity Group Inc. (formerly: Canaccord Financial Inc.) since August 2008. Prior thereto, Mr. Carello served as a Director of Urasia Energy Ltd. from November 2005 to April 2007, and a non-executive director of Anker plc from 2004 to 2005. From June 2001 to June 2004, Mr. Carello served as President and CEO of Diners UK Ltd. Mr. Carello started his career in 1972 in Pan-European automotive manufacturing with Lucas Industries PLC in the United Kingdom. From 1980 to 1990, Mr. Carello was the Managing Director of Carello Group SpA. The company became the third largest European headlamp producer before being sold to the Fiat Group. After the sale to Fiat he was appointed Chairman and CEO of Fiat UK from 1990 to 2001. He currently lives in London, England, and is a Knight Commander of the Royal Order of Francis I of the Two Sicilies. Mr. Carello has a degree in Political Science from the University of Turin.

Name and Municipality of Residence	Current Positions & Offices Held	Director Since	Principal Occupations During Past Five Years
Harald H. Ludwig[(1) (3) (4)] British Columbia, Canada	Director and Chairman of the Board	September 29, 2009	Currently the President of Macluan Capital Corporation, a diversified private equity investment company and a member of the Board of Directors of West Fraser Timber Co. Limited (TSX) and is Chairman of its Compensation Committee, a member of its Governance and Nominating Committee and former Chairman of its Audit Committee, and is a Director of Seaspan Corporation (NYSE) and a member of its Governance and Conflicts Committee. He is a founding partner or private equity investor in a number of North American and international private equity firms, hedge funds, mezzanine lenders, growth capital providers, distressed investment firms and real estate investment vehicles. Mr. Ludwig also serves as a member of the advisory board of Tennenbaum Capital Partners, LLC.
Viscount William Astor[(1) (2) (3) (4)] Oxfordshire United Kingdom	Director	March 28, 2013	Independent business man and politician who sits as an elected hereditary peer in the House of Lords. Viscount Astor is a director of a number of private companies in the United Kingdom and is currently chairman of Silvergate Media Ltd. (since 2011) and a non-executive director of W L Ross Holdings Corp. From 2007 to 2014, Viscount Astor was a director of Networkers Plc, a global recruitment consultancy listed on AIM, specialising in telecommunications, information technology, financial markets, energy & engineering, ERP and managed services & projects. Prior to that, Viscount Astor was Deputy Chairman of Chorion Plc, a media company, which owned, managed, and developed family entertainment brands in the United Kingdom (from 1977 to 2011).
John Cowan[(1), (2), (4)] Sarnia, Ontario	Director	November 16, 2015	Mr. Cowan, a petroleum geologist, has been involved in the Canadian oil and gas industry for 38 years. During this period he and his team founded three publicly listed Canadian junior exploration, production and storage companies. Currently, Mr. Cowan is a director of Dundee Energy Ltd, a TSX listed Canadian oil and gas company. Mr. Cowan's previous public company committee experience includes: Audit; Corporate Governance and Reserves; Health and Safety; and Compensation. Mr. Cowan is the Chair of COPL's Audit Committee. In 2004, Mr. Cowan was a founding shareholder and President of Xtivity Inc. a closely held Web Architected, Maintenance Inventory Optimization firm with a Fortune 100 client base. This remains his principal occupation today.
Aleksandra Owad Alberta, Canada	Chief Financial Officer	N/A	Currently the Chief Financial Officer of COPL since May 12, 2016. Previously the Chief Financial Officer of COPL from October 2, 2009 until April 9, 2013 and Chief Accounting Officer from April 9, 2013 to October 16, 2013. From April 2007 until July 2009, Ms. Owad was the Chief Accounting Officer at Oilexco. Ms. Owad's background includes extensive financial advisory and audit services to companies in a variety of sectors in Europe while working with KPMG. She is a Fellow of the Association of Chartered Certified Accountants (FCCA) in the United Kingdom, has her Chartered Professional Accountant designation

Name and Municipality of Residence	Current Positions & Offices Held	Director Since	Principal Occupations During Past Five Years
			(CPA, CGA) in Canada and holds a Master of Economics Degree from the Warsaw School of Economics.
Rod Christensen Alberta, Canada	Vice-President, Exploration and Exploitation	N/A	Currently Vice-President, Exploration and Exploitation since December 2011. Manager Exploration and Development from November 2010 to December 2011. Consulting Professional Geologist to COPL and other clients from August 2009 to October 2010. Mr. Christensen graduated from the University of Washington with a Bachelor of Geological Sciences Degree. He has over 35 years of experience working in the natural resource industry in Western Canada, the UKCS and throughout the world, and held key positions with Canadian Hunter Exploration, Cuesta Energy, and Oilexco.
Richard Mays Angus, United Kingdom	Vice-President, Business Development and General Counsel	N/A	Currently Vice-President, Business Development and General Counsel since September 1, 2014. Director of Sallork Limited, a consultancy company, from August 2009 to September 2014. Executive Chairman of Black Star Petroleum plc from November 2012 to January 2014. Executive Chairman of Peppercoast Petroleum plc from March 2010 to April 2013.

Notes:

(1) Member of the Audit Committee.
(2) Member of the Reserve Committee.
(3) Member of the Compensation Committee.
(4) Member of the Corporate Governance and Nominating Committee.

Each Director of COPL will hold office until the close of the next annual meeting of the Shareholders or until his or her successor is duly elected or appointed or his or her office is earlier vacated in accordance with the *Canada Business Corporations Act* and the Articles and by-laws of COPL. The Board is comprised of a majority of independent directors.

The Board currently has four committees: the Reserves Committee; the Audit Committee; the Compensation Committee; and the Corporate Governance and Nominating Committee. The Audit Committee and Compensation Committee are comprised of independent directors.

The Directors and executive officers of COPL as a group beneficially own, directly or indirectly, or exercise control or direction over, an aggregate of 25,759,065 Common Shares, approximately 4.17 percent of the issued and outstanding Common Shares.

Messrs. Millholland, Christensen and Mays and Ms. Owad, officers of the Corporation, devote their full time and attention to the business and affairs of the Corporation. The Directors of COPL, with the exception of Mr. Millholland, who devotes his full time to COPL, devote their time and attention to the affairs of COPL as required.

Cease Trade Orders, Bankruptcies, Penalties or Sanctions

Except as set forth below, no Director or executive officer of COPL is, as at the date of this AIF, or was within 10 years before the date of this AIF, a director, chief executive officer or chief financial officer of any corporation that: (a) was subject to an order that was issued while the director or executive officer was acting in the capacity as director, chief executive officer or chief financial officer; or (b) was subject to an order that was issued after the director or executive officer ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer. For the purposes of this paragraph, "order" means a cease trade order, an order similar to a cease trade order or an order that denied the relevant corporation access to any exemption under securities legislation, in each case that was in effect for a period of more than 30 consecutive days.

Except as set forth herein, no Director or executive officer of COPL: (a) is, as at the date of this AIF, or has been within 10 years before the date of this AIF, a director or executive officer of a corporation that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets; or (b) has, within the 10 years before the date of this AIF, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the director or executive officer.

Except as set forth herein, no Director or executive officer of the Corporation has been subject to: (a) any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or (b) any other penalties or sanctions imposed by a court or regulatory body that would be likely to be considered important to a reasonable investor in making an investment decision.

Arthur Millholland

Mr. Millholland was a director of Oilexco North Sea Ltd., the wholly-owned operating subsidiary of Oilexco, when it was the subject of an order by the UK court for Administration under the provisions of paragraph 22 of Schedule B1 to the *Insolvency Act of 1986* (UK) on January 7, 2009. Mr. Millholland was a director and officer of Oilexco when it obtained a court order for protection under the *Companies' Creditors Arrangement Act* (Canada) ("**CCAA**") on February 5, 2009. He served in the same capacity when Oilexco was the subject of a liquidation order from the Alberta Court of Queen's Bench on July 16, 2009.

On December 9, 2009 Mr. Millholland was reprimanded by the TSXV for failing to ensure that Oilexco maintained a transfer agent and for failing to ensure that Oilexco issued press releases or otherwise provided the market place with timely disclosure of the process of the CCAA proceedings in September 2009, notwithstanding that Oilexco had no funds at such time.

Harald Ludwig

Mr. Ludwig was the Chairman of Zatikka plc on August 5, 2013, when it was announced that administrators were to be appointed in respect of that company. Mr. Ludwig subsequently resigned as a director of Zatikka plc with effect from August 8, 2013. On October 28, 2013, the administrators of Zatikka plc announced that they intend to exit the administration of that company by means of a creditors' voluntary liquidation.

John Cowan

Mr. Cowan was a director and officer of Oilexco when it obtained a court order for protection under the CCAA on February 5, 2009. He served in the same capacity when Oilexco was the subject of a liquidation order from the Alberta Court of Queen's Bench on July 16, 2009.

Rod Christensen

Mr. Christensen was the Senior Vice President Exploration and Development and an Officer of Oilexco when it obtained a court order for protection under CCAA on February 5, 2009, and served in the same capacity when Oilexco was the subject of a liquidation order from the Alberta Court of Queen's Bench on July 16, 2009.

Aleksandra Owad

Ms. Owad was the Chief Accounting Officer of Oilexco when it obtained a court order for protection under the CCAA on February 5, 2009. She served as Chief Financial Officer when Oilexco was the subject of a liquidation order from the Alberta Court of Queen's Bench on July 16, 2009.

Richard Mays

Mr. Mays was the Vice President (Commercial Operations) and an Officer of Oilexco as well as an Officer of Oilexco's operational subsidiary Oilexco North Sea Limited, when Oilexco North Sea Limited was placed in administration by an order of the English High Court on January 7, 2009. Oilexco obtained a court order for protection under CCAA on February 5, 2009, and was the subject of a liquidation order from the Alberta Court of Queen's Bench on July 16, 2009.

Conflicts of Interest

Certain Directors and executive officers of COPL are, and may continue to be, also directors, officers or shareholders of other oil and gas companies whose operations may, from time to time, be in direct competition with those of COPL or with entities which may, from time to time, provide financing to, or make equity investments in competitors of COPL. In accordance with the *Canada Business Corporations Act*, such Directors and executive officers will be required to disclose all conflicts of interest as such conflicts arise. If a conflict of interest arises at a meeting of the Board, any Director in a conflict will disclose his interest and abstain from voting on such matter.

AUDIT COMMITTEE

Audit Committee

Messrs. Carello, Cowan, Ludwig and Viscount Astor are the members of the Audit Committee. Mr. Cowan is the Chair of the Audit Committee. The Audit Committee is comprised of independent Directors and constituted in accordance with applicable securities laws and the policies of the TSXV.

Independence of Audit Committee

NI 52-110 provides that a member of an audit committee is independent if the member has no direct or indirect material relationship with the issuer, which could, in the view of the issuer's board of directors, be reasonably expected to interfere with the exercise of the member's independent judgment. Each of the members of the Audit Committee, in the view of the Board, is "independent" as that term is defined in NI 52-110.

Financial Literacy of Audit Committee

NI 52-110 provides that an individual is "financially literate" if he or she has the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the issuer's financial statements. All of the Audit Committee members are financially literate as that term is defined in NI 52-110.

Relevant Education and Experience

Massimo Carello

Mr. Carello has over 30 years of international senior management and board level experience, and in the past five years has served as an independent businessman working as a consultant and managing his own investment portfolio. He was a director of Uranium One Inc. from June 2007 to December 2010. Mr. Carello has been a director of Canaccord Genuity Group Inc. since August 2008 and a member of its audit committee. Prior thereto, Mr. Carello served as a director of Urasia Energy Ltd. from November 2005 to April 2007, and a non-executive director of Anker plc from 2004 to 2005. From June 2001 to June 2004, Mr. Carello served as President and CEO of Diners UK Ltd. Prior to this, Mr. Carello started his career in 1972 in pan-European automotive manufacturing with Lucas Industries PLC. From 1980 to 1990, Mr. Carello was the Managing Director of Carello Group SpA, a leading manufacturer of automotive components for the car industry. The company became the third largest European headlamp producer before being sold to the Fiat Group. After the sale to Fiat he was appointed Chairman and CEO of Fiat UK from 1990 to 2001. Mr. Carello is a Knight Commander of the Royal Order of Francis I of the Two Sicilies, and has a degree in Political Science from the University of Turin.

John Cowan

Mr. Cowan, a petroleum geologist, has been involved in the Canadian oil and gas industry for 38 years. During this period he and his team founded three publicly listed Canadian junior exploration, production and storage companies. Currently, Mr. Cowan is a director of Dundee Energy Ltd, a TSX listed Canadian oil and gas company. Mr. Cowan's previous public company committee experience includes: Audit; Corporate Governance and Reserves; Health and Safety; and Compensation. Mr. Cowan is the Chair of COPL's Audit Committee. In 2004, Mr. Cowan was a founding shareholder and President of Xtivity Inc. a closely held Web Architected, Maintenance Inventory Optimization firm with a Fortune 100 client base. This remains his principal occupation today.

Harald Ludwig

Mr. Ludwig has over 30 years of extensive business and investment experience, including as President of Macluan Capital Corp. (a diversified private equity investment company) and as a member of the Board of Directors of West Fraser Timber Co. Ltd. (TSX) and is Chairman of its Compensation Committee, a member of its Governance and Nominating Committee and former Chairman of its Audit Committee, and is a Director of Seaspan Corp. (NYSE) and a member of its Governance and Conflicts Committee. He is a founding partner or private equity investor in a number of North American and international private equity firms, hedge funds, mezzanine lenders, growth capital providers, distressed investment firms and real estate investment vehicles. Mr. Ludwig also serves as a member of the advisory board of Tennenbaum Capital Partners, LLC.

Viscount William Astor

Viscount Astor is a director of a number of private companies in the United Kingdom and is currently chairman of Silvergate Media Ltd. (since 2011) and a non-executive director of W L Ross Holdings Corp. From 2007 to 2014, Viscount Astor was a director of Networkers Plc, a global recruitment consultancy listed on AIM, specialising in telecommunications, information technology, financial markets, energy & engineering, ERP and managed services & projects. Prior to that, Viscount Astor was Deputy Chairman of Chorion Plc, a media company, which owned, managed, and developed family entertainment brands in the United Kingdom (from 1977 to 2011).

Audit Committee Oversight

Since the commencement of COPL's most recently completed financial year, there has not been a recommendation of the Audit Committee to nominate or compensate an external auditor that was not adopted by the Board.

Pre-Approval Policies and Procedures

The Audit Committee Charter attached as Appendix D sets forth the specific policies and procedures that the Audit Committee has adopted for the engagement of non-audit services.

External Auditor Service Fees

The fees paid to the Corporation's external auditor in the last two fiscal years are set out in the table below. Audit fees were incurred in connection with annual financial statements, statutory filings, quarterly reviews of financial information and services rendered for prospectuses.

	2015 in USD	**2016 in USD**
Audit and audit related fees (1)	$125,134	$101,084
Tax related fees (2)	34,510	27,883
Total	**$159,644**	**$128,967**

Notes:

(1) Audit fees were paid for professional services rendered by the auditor for the audit of the Corporation's annual financial statements, services provided in connection with statutory and regulatory filings and quarterly reviews of financial information.

(2) Tax fees were paid for preparation of income tax returns and advice with respect to tax compliance and international tax compliance.

TRANSFER AGENT AND REGISTRAR

The registrar and transfer agent for the Common Shares and Warrants is Computershare Trust Company of Canada at its principal office in Calgary, Alberta and sub-agency office in Toronto, Ontario.

MATERIAL CONTRACTS

In respect of Block LB-13, the amended and restated Asset Purchase Agreement and the amended and restated Sale and Purchase Agreement were entered into on March 8, 2013, which have been filed with the applicable Canadian securities regulatory authorities are available under COPL's profile on www.sedar.com. For a description of these agreements, please see the appropriate sections of this Annual Information Form.

INTERESTS OF EXPERTS

COPL's auditor is Deloitte LLP, Chartered Accountants in Calgary, Canada. Deloitte LLP is independent in accordance with the Rules of Professional Conduct as outlined by the Institute of Chartered Professional Accountants of Alberta.

As at the date hereof, the designated professionals of NSAI, independent reserves auditors, beneficially own, directly or indirectly, less than one percent of the outstanding Common Shares.

ADDITIONAL INFORMATION

Additional information relating to COPL, including directors' and officers' remuneration and indebtedness, principal holders of COPL's securities and securities authorized for issuance under COPL's Stock Option Plan, is contained in the Corporation's Information Circular for its most recent meeting of security holders that involved the election of directors relating to the Annual and Special Meeting of Shareholders is expected to be held on June 5, 2017, and in documents filed on SEDAR at www.sedar.com.

Additional financial information is provided in COPL's audited consolidated comparative financial statements and management's discussion and analysis for its most recently completed financial year, and which are filed on SEDAR at www.sedar.com. Documents can also be retrieved from the Corporation's website at www.canoverseas.com.

APPENDIX A
FORM NI 51-101F1

STATEMENT OF RESERVES DATA AND OTHER OIL AND GAS INFORMATION

CANADIAN OVERSEAS PETROLEUM LIMITED
The "Reporting Issuer" or "the Corporation"

For fiscal Year Ended December 31, 2016

This is the form referred to in item 1 of section 2.1 of National Instrument 51-101 *Standards of Disclosure for Oil and Gas Activities* ("**NI 51-101**"). Terms for which a meaning is given in NI 51-101 have the same meaning in this Form 51-101F1.

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PART 1 DATE OF STATEMENT

Item 1.1 Relevant Dates

1. The date of this report and statement is: March 28, 2017.
2. The effective date of information provided in this statement is as of the Corporation's most recently completed fiscal year ended: December 31, 2016.
3. The date of preparation of the information provided herein is: February 20, 2017.

PARTS 2-5 DISCLOSURE OF RESERVES DATA

As of December 31, 2016, COPL had no oil and gas reserves. Consequently, no reserves data is enclosed on this statement for Parts 2 through 5 of NI 51-101 F1.

PART 6 OTHER OIL AND GAS INFORMATION

Item 6.1 Oil and Gas Properties

On November 2, 2016, ShoreCan sent a formal letter to Camelot Investment Group (PTY) Ltd expressing their desire to exit from the joint venture relationship with Camelot and to relinquish its interests in Namibia license PEL 075 relative to offshore blocks 1708, 1709, and 1808. COPL held a 40% equity interest in the blocks through its 50% interest in the joint venture company ShoreCan. Following a technical assessment of the exploration and economic potential, the partnership decided to relinquish its interests in the blocks.

In Liberia, COPL holds a 17% equity interest in one PSC with the Liberia through NOCAL relating to offshore deep water Block LB-13. ExxonMobil Liberia, with the remaining 83% working interest, is the operator of Block LB-13. One COPL interest well has been drilled on Block LB-13 to date. For a description of COPL's properties in Block LB-13, Offshore Liberia, please see appropriate sections of the Annual Information Form dated March 28, 2017 to which this Form 51-101 F1 is appended.

In Nigeria, COPL through its 50% owned affiliate ShoreCan, has completed the acquisition of 80% of the share capital of Essar Nigeria. Essar Nigeria's sole asset is a 100% interest and operatorship of OPL 226 located 50km offshore in the central area of the Niger Delta. Under the terms of the PSC, Essar Nigeria is required to seek Ministerial consent for the change in control of Essar Nigeria. Application has been made to the appropriate bodies and the parties to the OPL 226 Transaction are awaiting its approval, which, as of the date of filing this AIF, has not been received. Under the terms of the acquisition, ShoreCan has taken over management and has a majority of the board of directors of Essar Nigeria effective January 12, 2017; upon receipt of Ministerial approval, ShoreCan will be the official registered owner of the 80 percent working interest in OPL 226, and COPL will own 40% thereof pursuant to its interest in ShoreCan. For a description of COPL's properties in OPL 226 license block Nigeria, please see appropriate sections of the Annual Information Form dated March 28, 2017 to which this Form 51-101 F1 is appended.

Item 6.2 Properties with No Attributed Reserves

The table below provides Gross and Net areas of COPL’s holdings in Liberia and Nigeria.

Block	Equity Interest %	Operator	Current Land Holdings (Gross Hectares)	Current Land Holdings (Net Hectares)
Liberia LB-13	17%	ExxonMobil	254,000 ha	43,180 ha
Nigeria OPL 226	40%	ShoreCan	153,000 ha	61,200 ha

There are no attributable reserves in either Block LB-13 in Liberia or OPL226 in Nigeria. Contingent and Prospective Resources have been assigned to Nigeria OPL 226 and Liberia Block LB-13 and are discussed in PART 7 below.

Work Commitments and Costs

The principal work commitments, timing of completion and minimum expenditures to be incurred during the current exploration period of each of the respective Production Sharing Contracts are listed in the following tables:

REGION	BLOCK(s)	EXPL PERIOD & EXPIRY	WORK COMMITMENTS	MINIMUM EXPENDITURE
Liberia	LB-13	Initial Exploration Period. Expiry extended to 25 Sep 2017 due to Ebola delays.	Re-interpretation of existing Seismic Data Drilling of one (1) Exploration Well (COMPLETE)	Costs up to 120 MM $US covered by ExxonMobil Farm-in Agreement Nil $US net to COPL
Nigeria	OPL 226	Initial Exploration. Period. Expiry: 31 Dec 2017 (extension granted)	Drill one exploration/exploitation well before the end of the extension period.	30MM $US (gross) 15MM $US (net)

Item 6.2.1 Significant Factors or Uncertainties Relevant to Properties with No Attributed Reserve

As of the effective date of this report, reserves have yet to be attributed to any of the properties in which the Corporation holds an interest. Contingent and Prospective Resources have been assigned to Nigeria OPL 226 and Liberia Block LB-13. All the risks and probabilities identified in the definition of Contingent and Prospective Resources as discussed in PART 7 below are inherent in the nature of these properties.

COPL participated in the drilling of Block LB-13 well Mesurado-1 during the late part of 2016. The well, drilled by ExxonMobil Liberia, was not successful. Although the well intersected 145 meters (475 feet) of net sand of which 118 meters (387 feet) was deemed to be reservoir quality, no hydrocarbons were indicated by the logging while drilling operations were performed across the targeted intervals. As such the operator plugged and abandoned the well and released the rig on December 27, 2016. The partners are in the process of evaluating the results and will need to determine the overall effect on the remaining exploration prospects on the block.

The drilling of an unsuccessful well at Mesurado will have a material impact on the Prospective Resources estimates for Liberia Block LB-13 documented by DeGolyer & MacNaughton and which were disclosed in the year-end 2015 AIF under NI 51-101 F1. Until a new resource report is completed by D&M the Corporation cannot estimate how much of a change will occur, however a reasonable expectation is that the estimated volumes will be reduced in the Mesurado prospect. As there are numerous other prospects on the LB-13 block, an assessment of impact on their volumetric estimates cannot be made until the appropriate work is completed and the new resource report is issued later in 2017.

For a discussion of significant factors or uncertainties relevant to properties with no attributed reserves in respect of Nigeria license Block OPL 226, please see the appropriate sections of the Annual Information Form dated March 28, 2017 to which this Form 51-101 F1 is appended and COPL's audited consolidated comparative financial statements for the year ended December 31, 2016 and management's discussion and analysis for its most recently completed financial year, which are filed on SEDAR at www.sedar.com.

Item 6.3 Forward Contracts

COPL is not currently party to any agreements relating to the transportation or marketing of oil and gas.

Item 6.5 Tax Horizon

COPL was not required to pay income taxes during 2016. Given the Corporation is in the exploration stage and does not currently have reserves, no reasonable time estimate can be made as to when the Corporation will be required to pay income taxes in the future.

For a discussion of COPL's tax status, please see COPL's audited consolidated comparative financial statements for the year ended December 31, 2016 and management's discussion and analysis for its most recently completed financial year, which are filed on SEDAR at www.sedar.com.

Item 6.6 Costs Incurred

The net costs (in thousands of $US) incurred by the COPL in relation to the two geographic areas in which they had interests during 2016 were as follows:

COUNTRY	LEASE	COST (m $US)[1]
Liberia – Exploration Costs	Block LB-13	274 [(1)]
Nigeria – Acquisition Costs	OPL 226	125
TOTAL		399

Note:

(1) Costs related to Liberia Block LB-13 represent capitalized G&G evaluation work of COPL's personnel. All other exploration costs are covered by Exxon/Mobil by farm-in agreement.

Item 6.7 Exploration and Development Activities

COPL participated in the drilling of Block LB-13 well Mesurado-1 during the late part of 2016. The well, drilled by ExxonMobil Liberia, was not successful. Although the well intersected 145 meters (475 feet) of net sand of which 118 meters (387 feet) was deemed to be reservoir quality, no hydrocarbons were indicated by the logging while drilling operations were performed across the targeted intervals. As such the operator plugged and abandoned the well and released the rig on December 27, 2016. The partners are in the process of evaluating the results and will need to determine the overall effect on the remaining exploration prospects on the block.

The drilling of an unsuccessful well at Mesurado will have a material impact on the Prospective Resources estimates for Liberia Block LB-13 documented by DeGolyer & MacNaughton and which were disclosed in the year-end 2015 AIF under NI 51-101 F1. Until a new resource report is completed by D&M the Corporation cannot estimate how much of a change will occur, however a reasonable expectation is that the estimated volumes will be reduced in the Mesurado prospect. As there are numerous other prospects on the LB-13 block, an assessment of impact on their volumetric estimates cannot be made until the appropriate work is completed and the new resource report is issued later in 2017.

In Nigeria offshore block OPL226, it is expected that COPL (through its relationship with ShoreCan) will drill a well in the 4th quarter 2017 to follow up the Noa-1 oil discovery drilled in 2001. The results of this well will determine the next exploitation or exploration steps to be taken by the Corporation.

Item 6.8 Production Estimates

Since both the Liberia and Nigeria blocks are in an early exploration/exploitation phase, COPL is unable to estimate production or future net revenue from its oil and gas activities as of December 31, 2016.

Item 6.9 Production History

COPL had no oil and gas production history as of December 31, 2016.

PART 7 OPTIONAL DISCLOSURE OF CONTINGENT RESOURCES AND PROSPECTIVE RESOURCES DATA

Item 7.1 Contingent Resources

Nigeria

The Corporation engaged the services of NSAI to evaluate the contingent and prospective resources of OPL 226 in the Niger Delta region. Their evaluation of the Corporation's contingent petroleum resources on OPL 226 are contained in the NSAI Report, effective December 31, 2016.

The contingent resources are those quantities of petroleum estimated, as of a given date, to be potentially recoverable from known accumulations using established technology or technology under development, but which are not considered commercially recoverable because of one or more contingencies. The contingent oil resources in the Report have been sub classified as Development Unclarified, which are resources from a discovered accumulation where evaluations are incomplete and there is ongoing activity to resolve any risks or uncertainties. The estimates of contingent oil resources in this report are for the 6100 Sand discovered in 2001 by the Noa-1 well in the Noa West Discovery. The report does not include economic analysis for these properties. Based on the known PSC terms and analogous field developments, NSAI determined that the best estimate Development Unclarified contingent oil resources would have a reasonable chance of being economically viable, but there is no certainty that it will be commercially viable to produce any portion of the contingent oil resources.

As presented in the NSAI Report, the estimations of unrisked and risked gross (100%) and company gross development Unclarified Contingent resources (based on the acquisition 40% interest) in these properties, along with Pd is as follows:

SUMMARY OF DEVELOPMENT UNCLARIFIED CONTINGENT RESOURCES
OPL 226, OFFSHORE NIGERIA
AS OF DECEMBER 31, 2016

	Unrisked Contingent Light/Medium Oil Resources (Mbbl)						Risked Contingent Light/Medium Oil Resources (Mbbl)						
	Gross (100%)			Company Gross(1)			Gross (100%)			Company Gross(1)			
Discovery	Low Estimate (1C)	Best Estimate (2C)	High Estimate (3C)	Low Estimate (1C)	Best Estimate (2C)	High Estimate (3C)	Low Estimate (1C)	Best Estimate (2C)	High Estimate (3C)	Low Estimate (1C)	Best Estimate (2C)	High Estimate (3C)	P_d (decimal)
Noa West	11,497.4	16,072.9	20,653.3	4,599.0	6,429.2	8,261.3	3,953.8	5,527.3	7,102.4	1,581.5	2,210.9	2,841.0	0.34

(1) COPL owns a 40 percent working interest in these properties, contingent upon Nigeria's Ministry of Petroleum Resources approval of the acquisition of EEPL's shares.

SUMMARY OF UNRISKED DEVELOPMENT NOT VIABLE CONTINGENT RESOURCES
OPL 226, OFFSHORE NIGERIA
AS OF DECEMBER 31, 2016

	Unrisked Gross (100%) Contingent Resources						Unrisked Company Gross Contingent Resources[1]						
	Conventional Natural Gas (MMcf)			Condensate (Mbbl)			Conventional Natural Gas (MMcf)			Condensate (Mbbl)			
Discovery	Low Estimate (1C)	Best Estimate (2C)	High Estimate (3C)	Low Estimate (1C)	Best Estimate (2C)	High Estimate (3C)	Low Estimate (1C)	Best Estimate (2C)	High Estimate (3C)	Low Estimate (1C)	Best Estimate (2C)	High Estimate (3C)	P_d[2] (decimal)
Dubagbene	6,021.1	9,411.5	13,212.7	18.1	28.2	39.6	2,408.4	3,764.6	5,285.1	7.2	11.3	15.8	0.0
Nduri	13,386.7	45,843.6	126,686.8	40.2	137.5	380.1	5,354.7	18,337.4	50,674.7	16.1	55.0	152.0	0.0
Noa West	70,907.2	84,379.8	115,730.1	212.7	253.1	347.2	28,362.9	33,751.9	46,292.0	85.1	101.2	138.9	0.0
Oyoma	49,240.3	76,185.8	106,497.8	147.7	228.6	319.5	19,696.1	30,474.3	42,599.1	59.1	91.4	127.8	0.0
Total	139,555.3	215,820.7	362,127.4	418.7	647.5	1,086.4	55,822.1	86,328.3	144,851.0	167.5	259.0	434.6	

Totals may not add because of rounding.

(1) COPL owns a 40 percent working interest in these properties, contingent upon Nigeria's Ministry of Petroleum Resources approval of the acquisition of EEPL's shares.
(2) The P_d is 0 because there is currently no market for gas.

Item 7.2 Prospective Resources

Liberia

The Corporation engaged the services of D&M to evaluate the prospective resources of the exploration prospects in Block LB-13 in the Liberian Basin, Liberia. D&M's evaluation of the Corporation's prospective petroleum resources in Block LB-13 are contained in the D&M Report, effective December 31, 2015 and were disclosed in the year-ending 2015 AIF by COPL on March 28, 2016.

At the end of 2016, ExxonMobil Liberia, as operator of the LB-13 license block, completed the drilling of the Mesurado-1 exploration well on the block (rig release date of December 27, 2016). Although the well intersected 145 meters (475 feet) of net sand of which 118 meters (387 feet) was deemed to be reservoir quality, no hydrocarbons were indicated by the logging while drilling operations were performed across the targeted intervals. As such the operator plugged and abandoned the well. The partners are in the process of evaluating the results and will need to determine the overall effect on the remaining exploration prospects on the block. As such, a new resource report by D&M will be commissioned in 2017, which will document the potential prospective resources for those prospects.

Nigeria

As part of the NSAI Report, prospective resources were estimated for a number of undrilled exploration and exploitation prospects. The prospective resources estimated in the NSAI Report and presented in this AIF are those quantities of petroleum that are potentially recoverable from accumulations yet to be discovered.

Although NSAI have identified prospective resources, there are numerous uncertainties inherent in estimating oil and gas resources, including many factors beyond the Corporation's control and no assurance can be given that the indicated level of resources will be discovered. There is uncertainty that it will be commercially viable to produce any portion of the resources. There is no certainty that any portion of the resources will be discovered. If discovered, there is no certainty that it will be commercially viable to produce any portion of the resources. The resources reported in the NSAI Report are estimates only and there is no certainty that it will be economically or technically viable to produce any portion of the reported prospective resources. In general, estimates of recoverable oil and gas resources are based upon a number of factors and assumptions made as of the date on which the resources estimates were determined, such as geological and engineering estimates which have inherent uncertainties and the assumed effects of regulation by governmental agencies and estimates of future commodity prices and operating costs, all of which may vary considerably from actual results. All such estimates are, to some degree, uncertain and classifications of resources are only attempts to define the degree of uncertainty involved. For these reasons, estimates of the recoverable oil and gas and the classification of such resources based on risk of recovery, when prepared by different engineers or by the same engineers at different times, may vary substantially.

Estimates of resources always involve uncertainty, and the degree of uncertainty can vary widely between accumulations/projects and over the life of a project. Consequently, estimates of resources should generally be quoted as a range according to the level of confidence associated with the estimates. An understanding of statistical concepts and terminology is essential to understanding the confidence associated with resources definitions and categories.

The range of uncertainty of estimated recoverable volumes may be represented by either deterministic scenarios or by a probability distribution. Resources should be provided as low, best, and high estimates as follows:

- Low Estimate – The low estimate is the P90 quantity. P90 means there is a 90 percent chance that an estimated quantity, such as a prospective resources volume or associated quantity, will be equaled or exceeded.

- Best (Median) Estimate – The best (median) estimate is the P50 quantity. P50 means there is a 50 percent chance that an estimated quantity, such as a prospective resources volume or associated quantity, will be equaled or exceeded.

- High Estimate – The high estimate is the P10 quantity. P10 means there is a 10 percent chance that an estimated quantity, such as a prospective resources volume or associated quantity, will be equaled or exceeded.

This approach to describing uncertainty may be applied to reserves, contingent resources, and prospective resources. There may be significant risk that sub-commercial and undiscovered accumulations will not achieve commercial production. However, it is useful to consider and identify the range of potentially recoverable quantities independently of such risk.

Oil and Gas Resources

In this section, the following terms have the meanings set forth below:

"Pg" means the probability of discovering reservoirs that flow petroleum at a measurable rate. Pg is estimated by quantifying the probability of each of the following individual geologic factors: trap, source, reservoir, and migration. The product of these four probabilities or chance factors is computed as Pg.

Pd" means the probability of development. Pd is defined as the probability that a given discovery will be a viable development project. It takes into account the chance that the discovery target zone will flow the predicted hydrocarbon phase(s) at a commercial rate. It also considers the chance that the target zone can be mechanically completed and appraised in a reasonable time and in compliance with the projected cost schedule. The Pd is estimated by the quantification and product of these two factors.

"prospect" means a potential accumulation that is sufficiently well defined to be a viable drilling target. For a prospect, sufficient data and analyses exist to identify and quantify the technical uncertainties, to determine reasonable ranges of geologic chance factors and engineering and petrophysical parameters, and to estimate prospective resources. In addition, a viable drilling target requires that 70 percent of the median potential production area be located within the block or license area of interest.

"prospective resources" means those quantities of petroleum estimated, as at a given date, to be potentially recoverable from undiscovered accumulations by application of future development projects. Prospective resources have both an associated chance of discovery and a chance of development.

"resources" is a general term that may refer to all or a portion of total resources.

Prospective Resources

The following tables set forth summary information relating to the Corporation's oil prospective resources including the Gross and Net volumes for both unrisked and risked estimates, as evaluated in the NSAI Report.

SUMMARY OF UNRISKED GROSS (100%) PROSPECTIVE RESOURCES
OPL 226, OFFSHORE NIGERIA
AS OF DECEMBER 31, 2016

	Light/Medium Oil (Mbbl)			Condensate (Mbbl)			Conventional Natural Gas (MMcf)		
Prospect	Low Estimate	Best Estimate	High Estimate	Low Estimate	Best Estimate	High Estimate	Low Estimate	Best Estimate	High Estimate
HJ South	0.0	0.0	0.0	113.2	197.2	331.8	53,070.6	80,177.2	122,550.8
HJ South Extension	36,842.3	61,307.0	98,887.5	50.6	113.0	250.2	55,825.6	103,088.2	184,659.5
HJ Southwest	0.0	0.0	0.0	106.8	176.7	273.0	51,244.7	72,095.9	100,065.6
Nduri East	3,054.5	5,523.8	8,693.7	103.9	204.9	403.1	50,921.8	88,448.9	158,699.3
Nduri Extension A	0.0	0.0	0.0	260.7	509.0	977.5	118,504.4	208,300.9	367,784.0
Nduri Extension B	11,033.4	20,603.4	37,148.0	0.0	0.0	0.0	9,907.4	18,478.0	33,534.7
Nduri Far East	10,853.5	19,938.6	34,309.0	308.2	592.3	1,173.7	146,732.6	260,338.8	482,224.0
Nduri North	708.8	1,851.9	5,034.8	22.9	46.1	87.8	11,437.8	20,508.0	38,573.5
Nduri West	5,183.4	13,428.0	36,980.9	174.2	317.5	541.6	84,246.7	139,961.1	233,348.7
Noa East	59,692.9	108,096.2	194,494.0	109.4	190.4	312.3	104,502.0	176,509.9	290,863.0
Noa Far North	16,784.9	27,907.1	45,794.2	0.0	0.0	0.0	14,942.2	24,975.1	41,549.0
Noa Far Northeast	16,504.5	29,243.7	52,375.3	52.8	107.4	208.9	38,835.9	70,026.6	125,341.7
Noa North	19,992.1	34,086.5	55,769.0	9.3	19.5	40.4	21,959.9	38,753.2	66,488.9
Noa Northeast	53,692.3	94,852.5	161,652.5	377.5	690.4	1,315.6	216,348.3	366,871.6	634,895.8
Noa Northern Stratigraphic	24,615.3	43,922.5	76,554.0	0.0	0.0	0.0	21,959.9	39,095.9	68,590.3
Total	258,957.6	460,761.2	807,693.0	1,689.3	3,164.3	5,915.8	1,000,439.9	1,707,629.2	2,949,168.7

Totals may not add because of rounding.

Note: Prospective resources are the arithmetic sum of multiple probability distributions. Totals of unrisked prospective resources beyond the prospect level are not reflective of volumes that can be expected to be recovered and are shown for convenience only. Because of the geologic and development risk associated with each prospect, meaningful totals beyond this level can be defined only by summing risked prospective resources. Such risk is often significant.

SUMMARY OF UNRISKED COMPANY GROSS PROSPECTIVE RESOURCES(1)
OPL 226, OFFSHORE NIGERIA
AS OF DECEMBER 31, 2016

	Light/Medium Oil (Mbbl)			Condensate (Mbbl)			Conventional Natural Gas (MMcf)		
Prospect	Low Estimate	Best Estimate	High Estimate	Low Estimate	Best Estimate	High Estimate	Low Estimate	Best Estimate	High Estimate
HJ South	0.0	0.0	0.0	45.3	78.9	132.7	21,228.3	32,070.9	49,020.3
HJ South Extension	14,736.9	24,522.8	39,555.0	20.2	45.2	100.1	22,330.3	41,235.3	73,863.8
HJ Southwest	0.0	0.0	0.0	42.7	70.7	109.2	20,497.9	28,838.4	40,026.2
Nduri East	1,221.8	2,209.5	3,477.5	41.5	81.9	161.2	20,368.7	35,379.6	63,479.7
Nduri Extension A	0.0	0.0	0.0	104.3	203.6	391.0	47,401.7	83,320.4	147,113.6
Nduri Extension B	4,413.4	8,241.4	14,859.2	0.0	0.0	0.0	3,963.0	7,391.2	13,413.9
Nduri Far East	4,341.4	7,975.5	13,723.6	123.3	236.9	469.5	58,693.1	104,135.5	192,889.6
Nduri North	283.5	740.8	2,013.9	9.2	18.4	35.1	4,575.1	8,203.2	15,429.4
Nduri West	2,073.4	5,371.2	14,792.4	69.7	127.0	216.6	33,698.7	55,984.4	93,339.5
Noa East	23,877.1	43,238.5	77,797.6	43.7	76.2	124.9	41,800.8	70,604.0	116,345.2
Noa Far North	6,713.9	11,162.8	18,317.7	0.0	0.0	0.0	5,976.9	9,990.0	16,619.6
Noa Far Northeast	6,601.8	11,697.5	20,950.1	21.1	42.9	83.5	15,534.4	28,010.6	50,136.7
Noa North	7,996.8	13,634.6	22,307.6	3.7	7.8	16.2	8,783.9	15,501.3	26,595.6
Noa Northeast	21,476.9	37,941.0	64,661.0	151.0	276.2	526.2	86,539.3	146,748.6	253,958.3
Noa Northern Stratigraphic	9,846.1	17,569.0	30,621.6	0.0	0.0	0.0	8,784.0	15,638.4	27,436.1
Total	103,583.1	184,304.5	323,077.2	675.7	1,265.7	2,366.3	400,176.0	683,051.7	1,179,667.5

Totals may not add because of rounding.

Note: Prospective resources are the arithmetic sum of multiple probability distributions. Totals of unrisked prospective resources beyond the prospect level are not reflective of volumes that can be expected to be recovered and are shown for convenience only. Because of the geologic and development risk associated with each prospect, meaningful totals beyond this level can be defined only by summing risked prospective resources. Such risk is often significant.

(1) COPL owns a 40 percent working interest in these properties, contingent upon Nigeria's Ministry of Petroleum Resources approval of the acquisition of EEPL's shares.

SUMMARY OF RISKED GROSS (100%) PROSPECTIVE RESOURCES
OPL 226, OFFSHORE NIGERIA
AS OF DECEMBER 31, 2016

Prospect	Light/Medium Oil (Mbbl) Low Estimate	Light/Medium Oil (Mbbl) Best Estimate	Light/Medium Oil (Mbbl) High Estimate	Condensate[1] (Mbbl) Low Estimate	Condensate[1] (Mbbl) Best Estimate	Condensate[1] (Mbbl) High Estimate	Conventional Natural Gas[1] (MMcf) Low Estimate	Conventional Natural Gas[1] (MMcf) Best Estimate	Conventional Natural Gas[1] (MMcf) High Estimate
HJ South	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
HJ South Extension	3,424.0	5,698.7	9,195.0	0.0	0.0	0.0	0.0	0.0	0.0
HJ Southwest	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Nduri East	196.6	355.6	559.7	0.0	0.0	0.0	0.0	0.0	0.0
Nduri Extension A	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Nduri Extension B	863.0	1,610.6	2,913.8	0.0	0.0	0.0	0.0	0.0	0.0
Nduri Far East	1,026.4	1,883.3	3,235.3	0.0	0.0	0.0	0.0	0.0	0.0
Nduri North	20.3	53.0	144.2	0.0	0.0	0.0	0.0	0.0	0.0
Nduri West	209.5	652.4	2,147.2	0.0	0.0	0.0	0.0	0.0	0.0
Noa East	8,373.3	15,159.9	27,312.3	0.0	0.0	0.0	0.0	0.0	0.0
Noa Far North	1,644.0	2,727.2	4,478.3	0.0	0.0	0.0	0.0	0.0	0.0
Noa Far Northeast	2,199.6	3,897.4	6,980.3	0.0	0.0	0.0	0.0	0.0	0.0
Noa North	1,870.7	3,184.7	5,201.9	0.0	0.0	0.0	0.0	0.0	0.0
Noa Northeast	8,070.7	14,218.4	24,254.0	0.0	0.0	0.0	0.0	0.0	0.0
Noa Northern Stratigraphic	2,208.0	3,949.1	6,934.7	0.0	0.0	0.0	0.0	0.0	0.0
Total	30,106.2	53,390.3	93,356.6	0.0	0.0	0.0	0.0	0.0	0.0

Totals may not add because of rounding.

Note: Prospective resources are the arithmetic sum of multiple probability distributions. These volumes are based on estimates of unrisked prospective resources that have been risked for P_g and P_d. If a discovery is made, there is no certainty that it will be developed or, if it is developed, there is no certainty as to the timing of such development. Different prospects and reservoirs within prospects can have different P_g and P_d risks. These differences can be significant.

(1) Risked prospective conventional natural gas and condensate resources are 0 because there is currently no market for gas.

SUMMARY OF RISKED COMPANY GROSS PROSPECTIVE RESOURCES[1]
OPL 226, OFFSHORE NIGERIA
AS OF DECEMBER 31, 2016

Prospect	Light/Medium Oil (Mbbl) Low Estimate	Light/Medium Oil (Mbbl) Best Estimate	Light/Medium Oil (Mbbl) High Estimate	Condensate[2] (Mbbl) Low Estimate	Condensate[2] (Mbbl) Best Estimate	Condensate[2] (Mbbl) High Estimate	Conventional Natural Gas[2] (MMcf) Low Estimate	Conventional Natural Gas[2] (MMcf) Best Estimate	Conventional Natural Gas[2] (MMcf) High Estimate
HJ South	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
HJ South Extension	1,369.6	2,279.5	3,678.0	0.0	0.0	0.0	0.0	0.0	0.0
HJ Southwest	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Nduri East	78.7	142.2	223.9	0.0	0.0	0.0	0.0	0.0	0.0
Nduri Extension A	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Nduri Extension B	345.2	644.2	1,165.5	0.0	0.0	0.0	0.0	0.0	0.0
Nduri Far East	410.6	753.3	1,294.1	0.0	0.0	0.0	0.0	0.0	0.0
Nduri North	8.1	21.2	57.7	0.0	0.0	0.0	0.0	0.0	0.0
Nduri West	83.8	261.0	858.9	0.0	0.0	0.0	0.0	0.0	0.0
Noa East	3,349.3	6,063.9	10,924.9	0.0	0.0	0.0	0.0	0.0	0.0
Noa Far North	657.6	1,090.9	1,791.3	0.0	0.0	0.0	0.0	0.0	0.0
Noa Far Northeast	879.8	1,559.0	2,792.1	0.0	0.0	0.0	0.0	0.0	0.0
Noa North	748.3	1,273.9	2,080.8	0.0	0.0	0.0	0.0	0.0	0.0
Noa Northeast	3,228.3	5,687.4	9,701.6	0.0	0.0	0.0	0.0	0.0	0.0
Noa Northern Stratigraphic	883.2	1,579.6	2,773.9	0.0	0.0	0.0	0.0	0.0	0.0
Total	12,042.5	21,356.1	37,342.6	0.0	0.0	0.0	0.0	0.0	0.0

Totals may not add because of rounding.

Note: Prospective resources are the arithmetic sum of multiple probability distributions. These volumes are based on estimates of unrisked prospective resources that have been risked for P_g and P_d. If a discovery is made, there is no certainty that it will be developed or, if it is developed, there is no certainty as to the timing of such development. Different prospects and reservoirs within prospects can have different P_g and P_d risks. These differences can be significant.

(1) COPL owns a 40 percent working interest in these properties, contingent upon Nigeria's Ministry of Petroleum Resources approval of the acquisition of EEPL's shares.
(2) Risked prospective conventional natural gas and condensate resources are 0 because there is currently no market for gas.

Risk factors for the OPL 226 prospects were detailed by NSAI on a reservoir level as each formation has different reservoir characteristics. The resulting risked volumes on a reservoir basis were rolled up into the Prospect tables seen previously in this section. These risk factors (Pg and Pd) are summarized in the following table:

SUMMARY OF P_g AND P_d
PROSPECTIVE RESOURCES
OPL 226, OFFSHORE NIGERIA
AS OF DECEMBER 31, 2016

Prospect/Reservoir	P_g (decimal)	P_d (decimal) Conventional Natural Gas/ Condensate	P_d (decimal) Light/Medium Oil
HJ South			
3600 A	0.29	0.00	-
3600 B	0.29	0.00	-
5500	0.29	0.00	-
6100	0.29	0.00	-
HJ South Extension			
4900	0.15	0.00	-
6100	0.18	0.00	0.49
7000	0.20	0.00	0.36
8000	0.23	0.00	0.47
HJ Southwest			
5500	0.32	0.00	-
6100	0.27	0.00	-
Nduri East			
3600	0.35	0.00	-
5500	0.29	0.00	-
8000	0.23	0.00	0.28
Nduri Extension A			
Above 3600	0.29	0.00	-
3600	0.29	0.00	-
5500 Gas	0.30	0.00	-
Nduri Extension B			
7000	0.20	0.00	0.41
8000	0.20	0.00	0.34
Nduri Far East			
3600	0.29	0.00	-
4900	0.19	0.00	-
5500	0.19	0.00	-
6100 - 7000	0.25	0.00	0.37
8000	0.25	0.00	0.38
Nduri North			
4900	0.27	0.00	-
5500	0.22	0.00	-
6100	0.27	0.00	0.11
Nduri West			
3600	0.37	0.00	-
4900	0.37	0.00	-
5500	0.14	0.00	-
6100	0.08	0.00	0.36
8000	0.34	0.00	0.25
Noa East			
3600	0.30	0.00	-
4900	0.30	0.00	-
5500	0.30	0.00	-
6100	0.23	0.00	0.63
7000	0.30	0.00	0.53
8000	0.21	0.00	0.48
Noa Far North			
7000	0.24	0.00	0.47
8000	0.18	0.00	0.49
Noa Far Northeast			
4900	0.24	0.00	-
5500	0.24	0.00	-
6100	0.24	0.00	0.56
Noa North			
4900	0.30	0.00	-
5500	0.30	0.00	-
6100	0.23	0.00	0.47
7000	0.19	0.00	0.45
8000	0.19	0.00	0.41
Noa Northeast			
3600	0.23	0.00	-
4900	0.23	0.00	-
5500	0.23	0.00	-
6100	0.25	0.00	0.63
7000	0.23	0.00	0.53
Noa Northern Stratigraphic			
7000	0.18	0.00	0.55
8000	0.15	0.00	0.51

APPENDIX B
FORM 51-101F2
REPORT ON CONTINGENT RESOURCES DATA AND PROSPECTIVE RESOURCES DATA BY INDEPENDENT QUALIFIED RESERVES EVALUATOR

To the board of directors of Canadian Overseas Petroleum Limited (the "Company"):

1. We have evaluated the Company's contingent resources data and prospective resources data as at December 31, 2016. The contingent resources data and prospective resources data are risked estimates of volume of contingent resources and prospective resources and related risked net present value of future net revenue as at December 31, 2016, estimated using forecast prices and costs.

2. The contingent resources data and prospective resources data are the responsibility of the Company's management. Our responsibility is to express an opinion on the contingent resources data and prospective resources data based on our evaluation.

3. We carried out our evaluation in accordance with standards set out in the Canadian Oil and Gas Evaluation Handbook as amended from time to time (the "COGE Handbook") maintained by the Society of Petroleum Evaluation Engineers (Calgary Chapter).

4. Those standards require that we plan and perform an evaluation to obtain reasonable assurance as to whether the contingent resources data and prospective resources data are free of material misstatement. An evaluation also includes assessing whether the contingent resources data and prospective resources data are in accordance with principles and definitions presented in the COGE Handbook.

5. The following tables set forth the risked volume and risked net present value of future net revenue of contingent resources and prospective resources (before deduction of income taxes) attributed to contingent resources and prospective resources, estimated using forecast prices and costs and calculated using a discount rate of 10 percent, included in the Company's statement prepared in accordance with Form 51-101F1 and identifies the respective portions of the contingent resources data and prospective resources data that we have evaluated and reported on to the Company's management:

Classification	Independent Qualified Reserves Evaluator	Effective Date of Report	Location of Resources Other than Reserves (Country or Foreign Geographic Area)	Risked Volume (MBOE)
Development Unclarified Contingent Resources (2C)	Netherland, Sewell & Associates, Inc.	December 31, 2016	Offshore Nigeria	2,210.9
Development Not Viable Contingent Resources (2C)	Netherland, Sewell & Associates, Inc.	December 31, 2016	Offshore Nigeria	0.0
Prospective Resources (Best Estimate)	Netherland, Sewell & Associates, Inc.	December 31, 2016	Offshore Nigeria	21,356.1

6. In our opinion, the contingent resources data and prospective resources data respectively evaluated by us have, in all material respects, been determined and are in accordance with the COGE Handbook, consistently applied. We express no opinion on the contingent resources data and prospective resources data that we reviewed but did not audit or evaluate.

7. We have no responsibility to update our report referred to in paragraph 5 for events and circumstances occurring after the effective date of our report.

8. Because the contingent resources data and prospective resources data are based on judgments regarding future events, actual results will vary and the variations may be material.

Executed as to our report referred to above:

NETHERLAND, SEWELL & ASSOCIATES, INC.
Texas Registered Engineering Firm F-2699
Dallas, Texas, USA
March 20, 2017

/s/ Danny D. Simmons
By: ______________________________
Danny D. Simmons, P.E.
President and Chief Operating Officer

JMM:DMN

APPENDIX C
FORM 51-101F3

REPORT OF MANAGEMENT AND DIRECTORS ON RESERVES DATA AND OTHER INFORMATION

Management of COPL are responsible for the preparation and disclosure of information with respect to the Corporation's oil and gas activities in accordance with securities regulatory requirements. This information includes reserves data and includes, if disclosed in the statement required by item 1 of section 2.1 of NI 51-101, other information such as contingent resources data and prospective resources data.

An independent qualified reserves evaluator has evaluated the Corporation's contingent resources data and prospective resources data. The report of the independent qualified reserves evaluator will be filed with securities regulatory authorities concurrently with this report.

The Reserves Committee of the board of directors of the Corporation has

a) reviewed the Corporation's procedures for providing information to the independent qualified reserves evaluator;

b) met with the independent qualified reserves evaluator or to determine whether any restrictions affected the ability of the independent qualified reserves evaluator to report without reservation; and

c) reviewed the contingent resources data and prospective resources data with management and the independent qualified reserves evaluator.

The Reserves Committee of the board of directors has reviewed the Corporation's procedures for assembling and reporting other information associated with oil and gas activities and has reviewed that information with management. The board of directors has, on the recommendation of the Reserves Committee, approved

a) the content and filing with securities regulatory authorities of Form 51-101F1containing contingent resources data and prospective resources data and other oil and gas information;

b) the filing of Form 51-101F2 which is the report of the independent qualified reserves evaluator on the reserves data, contingent resources data, or prospective resources data; and

c) the content and filing of this report.

Because the contingent resources data and prospective resources data are based on judgements regarding future events, actual results will vary and the variations may be material.

(signed) "*John Cowan*"
Director (Chair of Reserves Committee)

(signed) "*Harald H. Ludwig*"
Director

(signed) "*Arthur Millholland*"
Director and Chief Executive Officer

(signed) "*Rod Christensen*"
Vice-President, Exploration and Exploitation

March 28, 2017

APPENDIX D
AUDIT COMMITTEE CHARTER

1. PURPOSE

The Audit Committee (the "**Committee**") of Canadian Overseas Petroleum Limited ("**COPL**") is a committee of the Board of Directors with the responsibility under the governing legislation of COPL to review the financial statements, accounting policies and reporting procedures of COPL.

The primary function of the Committee is to assist the Board of Directors in fulfilling its oversight responsibilities by reviewing the financial reports and other financial information provided by COPL to any governmental body or the public, the systems of internal controls of COPL regarding finance, accounting and legal compliance that management and the Board have established, and the auditing, accounting and financial reporting processes of COPL generally. Consistent with this function, the Committee should encourage continuous improvement of, and should foster adherence to, the policies, procedures and practices at all levels of COPL.

The primary duties and responsibilities of the Committee are to:

- Serve as an independent and objective party to monitor the financial reporting process and the system of internal controls of COPL.

- Monitor the independence and performance of the auditor of COPL (the "**Auditor**") and the internal audit function of COPL.

- To communicate directly with the internal and external auditors and provide an open avenue of communication among the Auditor, financial and senior management and the Board of Directors.

The Committee will primarily fulfill these responsibilities by carrying out the activities set out in Section 4 of this Charter.

2. COMPOSITION

- The Committee shall be comprised of three or more directors as determined by the Board of Directors. The composition of the Committee shall adhere to all applicable corporate and securities laws and all requirements of the stock exchanges on which shares of COPL are listed.

- All members of the Committee shall have a working familiarity with basic finance and accounting practices, and be "financially literate" in accordance with applicable laws and all requirements of the stock exchanges on which shares of COPL are listed or become financially literate within a reasonable period of time following his or her appointment.

- Members of the Committee shall be elected by the Board at the meeting of the Board held immediately after the annual meeting of shareholders or such other times as shall be determined by the Board and shall serve until the next such meeting or until their successors shall be duly elected and qualified.

- Any member of the Committee may be removed or replaced at any time by the Board of Directors and shall cease to be a member of the Committee as soon as such member ceases to be a director. Subject to the foregoing, each member of the Committee shall hold such office until the next annual meeting of shareholders after his or her election as a member of the Committee.

- The members of the Committee shall be entitled to receive such remuneration for acting as members of the Committee as the Board of Directors may from time to time determine.

- Any person with a past affiliation with COPL as an officer or auditor is subject to a three year “cooling-off” period, meaning they may not be a member of the Committee during that period.

3. MEETINGS

- The Committee may appoint one of its members to act as Chairman of the Committee. The Chairman will appoint a secretary who will keep minutes of all meetings (the "**Secretary**"). The Secretary does not have to be a member of the Committee or a director and can be changed by written notice from the Chairman.

- No business may be transacted by the Committee except at a meeting at which a quorum of the Committee is present or by a consent resolution in writing signed by all members of the Committee. A majority of the members of the Committee shall constitute a quorum, provided that if the number of members of the Committee is an even number, one half of the number of members plus one shall constitute a quorum.

- The Committee will meet as many times as is necessary to carry out its responsibilities, but at least quarterly to review the financial statements of COPL. The Committee will meet with management and the Auditor in separate executive sessions to discuss any matters that the Committee or these parties believe should be discussed privately.

- The time at which, and the place where, the meetings of the Committee shall be held, the calling of meetings and the procedure in all respects of such meetings shall be determined by the Chairman, unless otherwise provided for in the By-Laws of COPL or otherwise determined by resolution of the Board of Directors.

- The Committee may invite to, or require the attendance at, any meeting of the Committee, such officers and employees of COPL, legal counsel or other persons as it deems necessary in order to perform its duties and responsibilities

- Subject to the provisions of the governing legislation of COPL and applicable regulations the Chairman of the Committee may exercise the powers of the Committee in between meetings of the Committee. In such event, the Chairman shall immediately report to the members of the Committee and the actions or decisions taken in the name of the Committee shall be recorded in the proceedings of the Committee.

4. RESPONSIBILITIES AND DUTIES

To fulfill its responsibilities and duties the Committee shall:

Documents/Reports Review

- Review and recommend for approval to the Board of Directors of COPL any revisions or updates to this Charter. This review should be done at least annually.

- Review the interim unaudited quarterly financial statements and the annual audited financial statements and accompanying MD&A, and the related press releases of COPL and report on them to the Board of Directors.

- Satisfy itself, on behalf of the Board of Directors, that the unaudited quarterly financial statements and annual audited financial statements of COPL are fairly presented both in accordance with generally accepted accounting principles and otherwise, and recommend to the Board of Directors whether the quarterly and annual financial statements should be approved.

- Satisfy itself, on behalf of the Board of Directors, that the information contained in the quarterly financial statements of COPL, annual report to shareholders and similar documentation does not contain any untrue statement of any material fact or omit to state a material fact that is required or necessary to make a statement not misleading, in light of the circumstances under which it was made.

- Review any reports or other financial information of COPL submitted to any governmental body, or the public, including any certification, report, opinion or review rendered by the Auditor.

- Review, and if deemed advisable, approve any related party transactions.

- Have the right, for the purpose of performing their duties: (i) to inspect all the books and records of COPL; (ii) to discuss such accounts and records and any matters relating to the financial position of COPL with the officers and auditors of COPL and the Auditor; (iii) to commission reports or supplemental information relating to the financial information; (iv) to require the Auditor to attend any or every meeting of the Committee; and (v) to engage such independent counsel and other advisors as are necessary in the determination of the Committee.

- Permit the Board of Directors to refer to the Committee such matters and questions relating to the financial position of COPL and its affiliates or the reporting related to it as the Board of Directors may from time to time see fit.

Independent Auditor

- Be directly and solely responsible for the appointment, compensation, and oversight of the work of the Auditor of COPL upon shareholder approval of the appointment, with such Auditor being ultimately accountable to the shareholders, the Board and the Committee.

- Act as the Auditor's channel of direct communication to COPL. In this regard, the Committee shall, among other things, receive all reports from the Auditor of COPL, including timely reports of:

  (a) all critical accounting policies and practices to be used;
  (b) all alternative treatments of financial information within generally accepted accounting principles that have been discussed with the management of COPL, ramifications of the use of such alternative disclosures and treatments, and the treatment preferred by the Auditor of COPL; and
  (c) other material written communications between the Auditor and the management of COPL, including, but not limited to, any management letter or schedule of unadjusted differences.

- Satisfy itself, on behalf of the Board of Directors that the Auditor is "independent" of management, within the meaning given to such term in the rules and pronouncements of the applicable regulatory authorities and professional governing bodies. In furtherance of the foregoing, the Committee shall request that the Auditor at least annually provide a formal written statement delineating all relationships between the Auditor and COPL, and request information from the Auditor and management to determine the presence or absence of a conflict of interest. The Committee shall actively engage the Auditor in a dialogue with respect to any disclosed relationships or services that may impact the objectivity and independence of the Auditor. The Committee shall take, or recommend that the full Board take, appropriate action to oversee the independence of the Auditor.

- Be responsible for pre-approving all audit and non-audit services provided by the Auditor; provided, however, that the Committee shall have the authority to delegate such responsibility to one or more of its members to the extent permitted under applicable law and stock exchange rules.

- Review the performance of the Auditor and make recommendations to the Board of Directors as to whether or not to continue to engage the Auditor.

- Determine and review the remuneration of the Auditor and any independent advisors (including independent counsel) to the Committee.

- Satisfy itself, on behalf of the Board of Directors, that any matter which the Auditor wishes to bring to the attention of the Board of Directors has been addressed and that there are no "unresolved differences" with the Auditor.

Financial Reporting Process and Risk Management

- Review the audit plan of the Auditor for the current year and review advice from the Auditor relating to management and internal controls and the responses of COPL to the suggestions made put forth.

- Monitor the internal accounting controls, informational gathering systems and management reporting on internal controls of COPL.

- Review with management and the Auditor the relevance and appropriateness of the accounting policies of COPL and review and approve all significant changes to such policies.

- Satisfy itself, on behalf of the Board of Directors, that COPL has implemented appropriate systems of internal control over financial reporting and the safeguarding of the assets of COPL and other "risk management" functions (including the identification of significant risks and the establishment of appropriate procedures to manage those risks and the monitoring of corporate performance in light of applicable risks) affecting the assets of COPL, management, financial and business operations and the health and safety of employees and that these systems are operating effectively.

- Review and approve the investment and treasury policies of COPL and monitor compliance with such policies.
- Establish procedures for the receipt and treatment of (i) complaints received by COPL regarding accounting, controls, or auditing matters and (ii) confidential, anonymous submissions by employees of COPL as to concerns regarding questionable accounting or auditing.

Legal and Regulatory Compliance

- Satisfy itself, on behalf of the Board of Directors, that all material statutory deductions have been withheld by COPL and remitted to the appropriate authorities.
- Without limiting its rights to engage independent counsel and other advisors as it determines necessary to carry out its duties generally, review, with the principal legal external counsel of COPL, any legal matter that could have a significant impact on the financial statements of COPL.
- Satisfy itself, on behalf of the Board of Directors, that all regulatory compliance issues have been identified and addressed.

Budgets

- Assist the Board of Directors in the review and approval of operational, capital and other budgets proposed by management.

General

- Perform any other activities consistent with this Charter, the Articles of COPL and governing law, as the Committee or the Board of Directors deem necessary or appropriate.
- The audit committee must review and approve COPL's hiring policies regarding partners, employees and former partners or employees of the present or former external auditor of COPL.