



For immediate release

19 December 2007

## **GASOL PLC**

("Gasol" or "the Company")

### **Extension of option to acquire African LNG (AfLNG)**

**Gasol plc** (AIM: GAS), whose strategic objective is to become the premier independent liquefied natural gas (LNG) company creating value by connecting LNG produced in West and Central Africa to high-value growth markets in the US and Europe, is pleased to announce it has negotiated an extension to its option to acquire the balance of 80 per cent of the share capital of African LNG (AfLNG), the LNG project company in which Gasol currently owns 20 per cent.

AfLNG has made significant progress to date: it has identified a portfolio of LNG opportunities to monetise flared and stranded gas in West and Central Africa, and is in the final stages of discussions with major European utilities in respect of partnerships and strategic alliances to provide access to high-value markets for LNG. AfLNG has also completed key appointments to strengthen its management team.

AfLNG's portfolio of multiple land-based and floating LNG opportunities in the Gulf of Guinea region has the potential to underpin Gasol's objective of liquefying and selling 5 million tonnes of LNG within five years. AfLNG's plans to monetise flared gas are of particular interest owing to initiatives both in Africa and globally to prevent gas flaring with the objective of avoiding environmental damage and wastage of finite resources.

In order to properly value AfLNG and its portfolio of LNG opportunities, Gasol is in the final stages of discussions with leading consultancies and investment banks to carry out appropriate due diligence and provide an expert independent valuation, which will commence early in 2008. To allow time for this exercise and complete other related formalities, Gasol has negotiated an extension to its option period to acquire the balance of 80 per cent of AfLNG's shares (Option Shares) from 24 December 2007 to 30 April 2008.

Gasol has also negotiated an additional discount of 5% to the independently assessed price of the Option Shares and has agreed to continue to provide £50,000 a month to the working capital of AfLNG during the extension period. As a result, Gasol will have the right to acquire the 80 per cent shareholding at a total discount of 30% to the independent valuation, which should deliver additional value to Gasol shareholders. The consideration for the 80 per cent shareholding will be satisfied in Gasol ordinary shares at a price of 15p per ordinary share.

**Soumo Bose, Gasol's Chief Executive Officer, said:** "We look forward to completing the acquisition of 100% of African LNG based on a valuation by a reputed, independent consultancy or investment bank. Completion of the acquisition is expected to represent an important milestone in Gasol's development as a premier Africa focussed LNG player. We are encouraged by the continued positive fundamentals of the global LNG business and the key role West and Central African gas is expected to play in supplying gas to high-value markets in US, Europe and Asia, via the LNG route."

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## **Background Information**

### **About Gasol plc**

Gasol plc was established in February 2005 to identify and secure acquisition and investment opportunities in the oil and gas sectors. Following its IPO on the AIM market of the London Stock Exchange on 16 March 2005, Gasol has refined its strategy to focus on opportunities in liquefied natural gas in the Gulf of Guinea region of West Africa.

Gasol's strategic objective is to become a significant independent Gulf of Guinea focused player across the entire LNG value chain, in partnership with governments, energy and utility majors and independents. The Company's aim is to procure, liquefy and sell 5 million tonnes of LNG within five years with a longer term plan of achieving 10 million tonnes of LNG capacity thereby capturing substantial gas monetisation value by connecting low cost African gas to high value markets in the US and Europe.

Significant progress has been made, through its investee company AfLNG in which Gasol holds a 20 per cent shareholding and has an option to acquire the remaining 80 per cent, in business development initiatives consisting of multiple conventional / floating LNG projects in Central and West Africa. Discussions have progressed with several major utility companies and energy funds on commercial arrangements and partnerships, which are expected to facilitate the funding of these projects.

Gasol derives the benefit of a strong board with unparalleled experience and relationships in the oil and gas business in Africa consisting of Dr Osman Shahenshah (CEO of Afren plc), Dr Charles Osezua (formerly a Special Assistant to the Nigerian Head of State on petroleum matters and now Chairman of the Owel-Linkso Group, a leading gas company in West Africa); Mr Paul Biggs (a project finance specialist and partner of Trinity International LLP); and Mr Haresh Kanabar. Dr Rilwanu Lukman, the former OPEC President & Secretary General who is currently Honorary Advisor to the President of Nigeria on Energy and Strategic Matters, is Strategic Advisor to the Board. Gasol's management team, under the leadership of CEO Mr Soumo Bose, is well positioned to drive the strategy forward to establish Gasol as a leading Africa focused LNG player.

Gasol shares trade under the ticker symbol "AIM: GAS". Further information is available from the Company's website, [www.gasolplc.com](http://www.gasolplc.com).

### **About African LNG**

AfLNG is a company with a formidable management team with vast experience of the oil and gas industry and uniquely of LNG in Africa. AfLNG's management team comprises Theo Oerlemans, who has spent the majority of his 30-year plus career with the Royal Dutch Shell Group of Companies where he held senior positions in Shell's Sakhalin, Malaysia, Brunei and Oman LNG projects and was the CEO of Nigeria LNG, responsible for launching what has become the largest private sector LNG project in the world.

African LNG intends to become the premier independent integrated LNG company in the Gulf of Guinea with planned operations across the LNG value chain, from gas gathering and liquefaction to shipping, storage and re-gasification in the Atlantic Basin.