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The resource information in this announcement has been reviewed on behalf of Azonto by Ian Bulley, who has consented to the inclusion of such information in this report in the form and context in which it appears. Ian is a full-time employee of the Company, with more than 20 years' relevant experience in the petroleum industry.

DECEMBER 2013

Azonto Quarterly Activities Report

Recent Highlights

1. Signature of new PSC for Block CI-202 in Côte d'Ivoire in November 2013.
2. Completion of deal with Vitol E&P Limited to purchase 65% of Rialto Energy (Côte d'Ivoire) - now renamed Vioco - in return for a loan to fund the first US\$50 million of Gazelle Field Development Plan.
3. Ongoing preparation for development of Gazelle gas field.
4. Strengthening of the Executive team with appointment of Andrew Rose as Finance Director and Gregory Stoupnitzky as Commercial Director.

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A message from the Managing Director – Rob Shepherd

The last quarter is the most significant to-date since I joined Azonto Petroleum Limited (“Azonto” or the “Company”) and I firmly believe that 7 November 2013 will come to be seen as the date that we finally turned the corner after what has clearly been a difficult time for our shareholders and staff alike.

As some of you will be aware, the date is significant in that we:

- 1) Signed a new Production Sharing Contract (“PSC”) for Block CI-202 in Côte d’Ivoire; and
- 2) Completed the previously announced transaction with Vitol E&P Limited (“Vitol”).

As is customary with most PSCs, the details are largely confidential, however the key elements are in line with those previously disclosed by the Company as outlined below:

- The new PSC will have three consecutive exploration periods over a total of seven years from signature;
- Substantially all petroleum costs incurred to-date on Block CI-202 will be carried over for recovery; and
- All remaining liabilities under the previous PSC have been waived upon award of the new agreement.

Following the signature of the new PSC, the transaction with Vitol (originally announced on 23 April 2013) was completed. Consequently, Vitol has acquired 65% of the shares in Rialto Energy (Côte d’Ivoire) Ltd (that has now been renamed Vioco Petroleum Limited (“Vioco”)) in exchange for providing US\$50 million in loan capital to be invested in the development of the Gazelle gas field. We are delighted to have a partner who brings substantial financial and technical capability, an existing portfolio of assets in our area of operations in Côte d’Ivoire and Ghana and a proven track record of monetising upstream assets in a timely manner.

Following completion of the transaction, Vioco has established an experienced joint project team comprising secondees from Vitol, the Company and direct hires. The team has been working hard to refine the Field Development Plan (“FDP”) for the development of Gazelle, which remains our primary

focus and the first step in a wider area development strategy. A revised draft of the FDP has been submitted to the Ministry of Energy in Côte d’Ivoire and we are currently in discussion with them regarding a new gas sales agreement. Once approved, an application will be made for a new Exclusive Exploitation Authorisation (“EEA”) to replace the existing authorization for Gazelle.

Following approval at the Annual General Meeting (“AGM”), the Company changed its name to Azonto Petroleum Limited. As some of you may be aware, the name originates from a popular Ghanaian dance movement. The Board chose the name as we believe it appropriately reflects the positive energy and vibrancy that is clearly evident at the Company as we continue to move forward.

Stabilising the Company, including obtaining shareholder approval for the new performance incentive scheme, has also enabled us to secure the services of Mr Andrew Rose on a permanent basis as Finance Director. We are particularly pleased with this strengthening of the Executive team given his experience and the high regard with which he is held by investors, equity analysts and others within the industry.

Additionally, following the outstanding work Mr Gregory Stoupnitzky undertook in supporting the renegotiation of the PSC in Côte d’Ivoire, we are extremely pleased that he has agreed to join the Company as full time Commercial Director, a role in which his extensive connections in West Africa and elsewhere will be instrumental in helping the Company build its asset base.

Furthermore, we anticipate additional key hires in the near future that will further complement what is already a strong team with clear aspirations to create material value for shareholders going forwards.

As shareholders may be aware, in addition to the performance awards made to directors and senior management following approval at the AGM in November 2013, a number of the Board and Executive team have in the last six months invested over US\$500,000 net new equity in Azonto. We believe this demonstrates a clear commitment to align our own incentives, and funds, with those of shareholders.

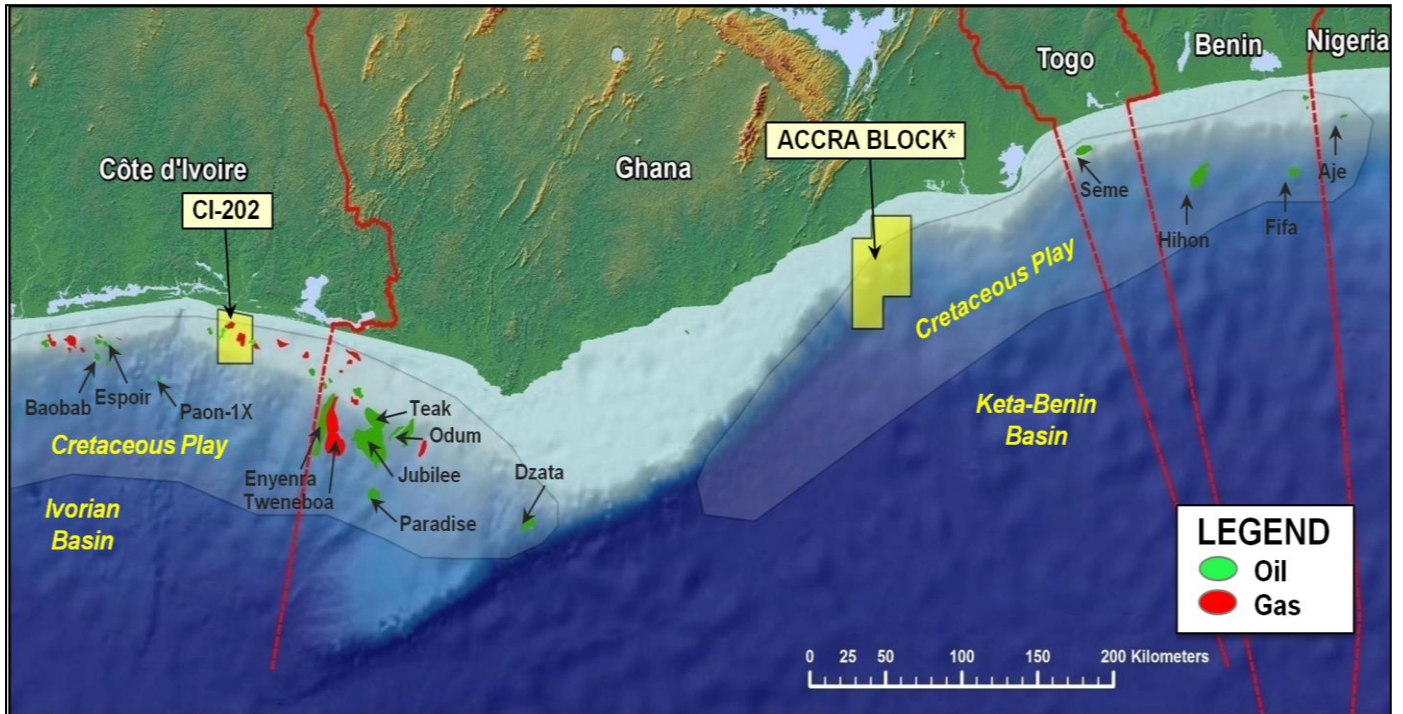
In summary, whilst I can fully understand that some shareholders will be impatient for further positive news, in reality the Company in its current form is less than three months old. It is only since the beginning of November 2013 that the new Executive team has been able to focus wholly on creating value and it is our intention to continue to transform the Company in a patient and pragmatic way for the long-term benefit of all Azonto shareholders. As outlined in the presentation released on 14 January 2014, our strategy going forwards includes a number of new initiatives in our core focus area that have already been identified and are being rapidly progressed by the team. The year ahead will see the Company maintain focus on achieving our stated goals including the development of Gazelle and we are confident that we have the right team in place to deliver this project in line with our realistic projections.

Given our operating focus is on Africa, progress on current and future business activities will take time but we are confident that, for those shareholders who are willing to be patient and have belief in the new team, the future is bright.

A handwritten signature in black ink, appearing to read 'Rob Shepherd', with a horizontal line extending to the right.

Rob Shepherd
Managing Director

Operations Summary



CI-202 – Côte d'Ivoire

Azonto: 35% ownership interest in Vioco Petroleum Ltd (formerly Rialto Energy (Côte d'Ivoire) Ltd), which holds an 87% operated working interest in offshore Block CI-202. Vioco's working interest can be reduced to 71% if PETROCI exercises its 16% back-in right after development approval is granted.

On 7 November 2013, Azonto was granted a new PSC for Block CI-202, offshore Côte d'Ivoire. The new PSC incorporates an area originally relinquished and hence now comprises a total area of 707 km². Azonto believes that this block is located in one of the world's most exciting petroleum provinces, the West African Transform Margin. Block CI-202 contains multiple exploration and appraisal targets in water depths of 50 to 1,000 metres.

Prospect Generation, Seismic Processing and Quantitative Analysis

The final version of the Pre-Stack Depth Seismic data volume is currently being interpreted, with re-mapping of old prospects, and new prospectivity evaluation underway. Once the prospect portfolio has been updated, detailed geophysical work including AVO, inversion, etc, can be performed on the high graded targets.

Gazelle Field and Greater CI-202 Development

Azonto is working with the relevant parties in Côte d'Ivoire to determine the optimum solution for the delivery of gas from the Gazelle field. A revised draft of the Field Development Plan was submitted to Petroci and Director General of Hydrocarbons ("DGH"), the state oil company and regulatory authority respectively, in January 2014, and we are currently in discussion regarding a new gas agreement. Once approved, an application will be made for a new Exclusive Exploitation Authorisation ("EEA") to replace the existing authorisation for Gazelle. A Competent Persons Report specifically for the Gazelle Field is currently being completed by RPS Group Plc.

Offshore Accra Contract Area – Ghana

Work continues to interpret and evaluate the results of the Starfish-1 well drilled last year ahead of a forthcoming decision on whether to participate in the second two year exploration phase that begins on 23 March 2014, and carries a one well commitment.

Azonto's initial equity of a 12.5% participating interest has subsequently been diluted to 7.07% by Vitol carrying Azonto's share of the Starfish-1 well.

WA-399-P – Australia

As previously announced, the partners have decided to withdraw from the licence, approval of which is pending from the Government.

Petroleum tenements held at the end of each quarter and their location:

CI-202

Offshore Côte D'Ivoire – Ivorian Basin
30km South East of CDI Capital – Abidjan
35% ownership interest in Vioco Petroleum Ltd (formerly Rialto Energy (Côte d'Ivoire) Ltd), which holds an 87% operated working interest in offshore Block CI-202. Vioco's working interest can be reduced to 71% if PETROCI exercises its 16% back-in right after development approval is granted.

Offshore Accra Block

Offshore Ghana – Keta Basin
20 km South East of Ghana Capital - Accra
7.07% working interest

WA-399-P

Offshore Western Australia – Carnarvon Basin
50 km North of Exmouth
12% working interest

No petroleum tenements or farm-in, farm-out interests were acquired during the quarter.

As part of the Vitol deal the Company disposed of a 54.55% working interest in Block CI-202 reducing its interest to 30.45%.

Corporate

On 7 November 2013 Rialto Energy (Côte d'Ivoire) signed the new PSC for Block CI-202 with the Côte d'Ivoire Ministry of Oil & Energy and the state oil company PETROCI, to replace the existing PSC.

Subsequently Rialto Energy (Côte d'Ivoire) changed its name to Vioco Petroleum Ltd, and, following shareholder approval at the AGM on 22 November 2013, the Company changed its name to Azonto Petroleum Ltd.



Since the conclusion of the Vitol joint venture transaction, Vioco has been substantially populated by staff seconded from both Vitol and Azonto, supplemented by high calibre directly contracted staff. Planning for the Gazelle Field Development is now well advanced. This has included commencing discussions with a number of commercial banks who have expressed interest in providing debt finance to support the development of the project.

Personnel Changes

As of 1 December 2013, Andrew Rose, who had hitherto been acting in a temporary capacity as Chief Financial Officer, became a permanent employee.

In addition, Gregory Stoupnitzky, who is currently a Non-executive Director, has agreed to join the Company on a full time basis as Commercial Director. Significant progress has also been made during the period in the search for a new Technical Director who is expected to be appointed shortly.

Financial

Equity Issues

During the quarter, following the approval at the Annual general meeting, the Company granted up to 82,152,657 Performance Rights to directors and employees of the Company under the Azonto Petroleum Limited Performance Rights Plan.

Capital Structure at 31 December 2013

	Number
Shares	1,155,765,100
Unlisted options	38,810,151

Cash

Cash on hand at 31 December 2013 was \$9.4 million (unaudited).

Significant Shareholders at 31 January 2014

	Number	%
Artemis Global Energy Fund	100,000,000	8.65%
Genesis Asset Managers LLP	70,138,995	6.07%
International Finance Corporation (IFC)	63,707,267	5.51%