

**THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.** If you are in any doubt as to the action you should take, you are recommended to seek your own financial advice immediately from your stockbroker, bank manager, solicitor, accountant or other appropriate independent financial adviser authorised under the Financial Services and Markets Act 2000, as amended (“FSMA”) if you are resident in the United Kingdom or, if not, from another appropriately authorised independent financial adviser.

This document comprises a supplementary prospectus for the purposes of Article 3 of the European Union (“EU”) Directive 2003/71/EC, as amended by the EU Directive 2010/73/EU, (the “Prospectus Directive”) (the “Supplementary Prospectus”) relating to Afren plc (the “Company”) and has been prepared in accordance with the Prospectus Rules of the Financial Conduct Authority (the “FCA”) made under Section 73A of the FSMA. This document is supplemental to and must be read in conjunction with the prospectus published by the Company on 19 June 2015 (the “Original Prospectus”). Save as disclosed in this Supplementary Prospectus, there have been no significant new factors, material mistakes or inaccuracies relating to the information contained in the Original Prospectus. Save where otherwise stated, terms defined in the Original Prospectus have the same meaning when used in this Supplementary Prospectus. A copy of this Supplementary Prospectus has been filed with the FCA and has been made available to the public as required by section 3.2 of the Prospectus Rules.

If you have sold or otherwise transferred all of your Ordinary Shares, please forward this Supplementary Prospectus at once to the purchaser or transferee, or to the bank, stockbroker or other agent through whom the sale or transfer was effected for delivery to the purchaser or transferee. However, this Supplementary Prospectus should not be forwarded or transmitted in or into any jurisdiction in which such act would constitute a violation of the relevant laws or regulations of such jurisdiction. If you have sold or transferred only part of your holding of Ordinary Shares, you should retain this Supplementary Prospectus and consult the bank, stockbroker or other agent through whom the sale or transfer was effected.

**For a discussion of certain risk and other factors that should be considered in connection with an investment in the Ordinary Shares, see the section entitled “Risk Factors” in the Original Prospectus.**

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Afren plc

*(incorporated under the Companies Act 1985 and registered in England and Wales, with registered number 05304498)*

**Supplementary prospectus in respect of the proposed Capital Restructuring**

**Issue of Ordinary Shares in connection with the repayment of Existing Notes and Bridge Securities and the issue of New Senior Notes**

**Proposed Open Offer of up to 4,922,491,218 Ordinary Shares at 1 pence per Open Offer Share**

**Morgan Stanley**

*Sponsor and Financial Adviser*

The whole of the text of this Supplementary Prospectus, the Original Prospectus and each of the documents incorporated herein and therein by reference should be read in their entirety by any Shareholder and any other person contemplating a subscription of Ordinary Shares. In particular, your attention is drawn to the letter of recommendation from the chairman of Afren which is set out in Part I (*Letter from the Chairman to Shareholders*) of the Original Prospectus and you should read the section entitled “Risk Factors” of the Original Prospectus for a discussion of certain risks and other factors that should be considered when deciding what action to take in relation to the Open Offer and whether or not to subscribe for Ordinary Shares.

This Supplementary Prospectus does not constitute, or form, nor will form, part of, any offer or invitation to sell or issue, or any solicitation of any offer to purchase or acquire Ordinary Shares to any person with a registered address, or who is located, in the United States, or to any person with a registered address, or who is located, or resident in any of the Excluded Territories. Subject to certain exceptions, the Ordinary Shares are being offered outside the United States only in reliance on Regulation S. The Ordinary Shares have not been and will not be registered under the Securities Act or under securities laws of any state or other jurisdiction of the United States. The Ordinary Shares may not be offered, sold, taken up, resold, transferred or delivered, directly or indirectly, in or within the United States except pursuant to an applicable exemption from, or in a transaction not subject to, the registration requirement of the Securities Act and in compliance with any applicable securities laws of any state or other jurisdiction of the United States. For a description of these and further restrictions, see paragraph 6 “Overseas Shareholders” of Part VII (*Terms and Conditions of the Open Offer*) of the Original Prospectus.

The Existing Shares are listed on the premium listing segment of the Official List and traded on the London Stock Exchange's main market for listed securities. Applications will be made to (i) the UKLA for the Ordinary Shares to be admitted to the premium listing segment of the Official List, and (ii) the London Stock Exchange for the Ordinary Shares to be admitted to trading on the London Stock Exchange's main market for listed securities. It is expected that Admission will become effective and that dealings in the Ordinary Shares issued in connection with the Debt for Equity Swap and the New Senior Notes Share Issue will commence (fully paid and for normal settlement) on 5 August 2015. It is expected that Admission will become effective and that dealings in the Ordinary Shares issued in connection with the Open Offer, the Early Subscriber Issue and the Bridge Securities Share Issue will commence (fully paid and for normal settlement) on 24 August 2015.

No action has been taken by Afren or any other person that would permit an offer of the Ordinary Shares or possession or distribution of this document or any other offering or publicity material in any jurisdiction where action for that purpose is required, other than in the United Kingdom.

The Ordinary Shares being offered and sold outside the United States are being offered and sold in offshore transactions in reliance on Regulation S in transactions not subject to the registration requirements of the Securities Act. Until 40 days after the commencement of the Open Offer, an offer, sale or transfer of Ordinary Shares within the United States by a dealer (whether or not participating in the Open Offer) may violate the registration requirements of the Securities Act.

All Overseas Shareholders, and any person (including, without limitation, a nominee, custodian or trustee) who has a contractual or other legal obligation to forward this Supplementary Prospectus, if and when received, or other document to a jurisdiction outside the UK, should read paragraph 6 "*Overseas Shareholders*" of Part VII (*Terms and Conditions of the Open Offer*) of the Original Prospectus.

Morgan Stanley & Co. International plc ("**Morgan Stanley**"), which is authorised by the Prudential Regulation Authority (the "**PRA**") and regulated by the FCA and PRA in the United Kingdom, is acting exclusively for Afren in relation to the Open Offer and the Restructuring and nobody else, and will not be responsible to anyone other than Afren for providing the protections afforded to customers of Morgan Stanley nor for providing advice in relation to the Open Offer and the Restructuring, the contents of this Supplementary Prospectus, the Original Prospectus or any other matter referred to in this document.

Apart from the responsibilities and liabilities, if any, which may be imposed upon Morgan Stanley by the FSMA or the regulatory regime established thereunder, Morgan Stanley accepts no responsibility whatsoever and makes no representation or warranty, express or implied, concerning the contents of this Supplementary Prospectus or the Original Prospectus, including the accuracy, completeness or verification of either of them, or concerning any other statement made or purported to be made by it, or on its behalf, in connection with Afren, the Ordinary Shares or the Open Offer, and nothing in this Supplementary Prospectus or the Original Prospectus is, or shall be relied upon as, a promise or representation in this respect, whether as to the past or future. Morgan Stanley accordingly disclaims to the fullest extent permitted by law all and any responsibility and liability whatsoever, whether arising in tort, contract or otherwise (save as referred to above) which it might otherwise have in respect of this Supplementary Prospectus, the Original Prospectus or any such statement.

**Any reproduction or distribution of this document, in whole or in part, and any disclosure of its contents or use of any information contained in or incorporated by reference into this document for any purpose other than in considering an investment in the Ordinary Shares is prohibited. By accepting delivery of this document, each recipient agrees to the foregoing.**

This document is dated 7 July 2015.

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## **PART 1 SUPPLEMENTARY SUMMARY**

This Supplementary Prospectus is supplemental to, and should be read in conjunction with, the Original Prospectus.

Capitalised terms used but not otherwise defined herein have the definition given to them in the Original Prospectus, except for the purposes of this Supplementary Prospectus:

**“2015 AGM”** means the annual general meeting of the Company held on 25 June 2015;

**“AAL”** means Afren Assets Limited, a private company incorporated under the laws of England and Wales, and which is a 100% direct subsidiary of the Company;

**“Director Nominee”** means each member of the Company’s Board and the board of directors of the Notes Issuer, Afren International Limited and AAL (as applicable) as appointed by the holders of the Alternative New Senior Notes pursuant to the Investor Rights Agreement;

**“Directors”** means the directors of the Company from time to time, and each a **“Director”**;

**“Executive Directors”** means the Directors who hold the position of executive director, and each an **“Executive Director”**, being Mr. Alan Linn and Mr. David Thomas;

**“Investor Rights Agreement”** the investor rights agreement for the purposes of the Alternative Restructuring, to be entered into on or around the Alternative Restructuring Effective Date, allowing holders of the Alternative New Senior Notes the right to appoint a majority of the Company’s Board and the board of directors of the Notes Issuer, Afren International Limited and AAL, with control over the process for the sale of the Group’s business;

**“Non-Executive Director”** means the Director who holds the position of non-executive director, being David C. L. Frauman;

**“Original Prospectus”** means the prospectus approved in accordance with the Prospectus Rules and published by the Company on 19 June 2015;

**“Security Reorganisation”** means the transfer of all or substantially all assets of the Group to AAL and Afren International Limited, in satisfaction of the relevant condition to the Scheme; and

**“Supplementary Prospectus”** means this supplementary prospectus approved in accordance with the Prospectus Rules and published by the Company on 7 July 2015.

The Company regards the following information as a significant new factor relating to the information contained in the Original Prospectus and, accordingly, has prepared and published this Supplementary Prospectus in accordance with section 87G of FSMA and the Prospectus Rules. Save as disclosed in this Supplementary Prospectus, there is no further information that is required to be disclosed in this Supplementary Prospectus pursuant to Section 87G of FSMA or the Prospectus Rules.

In accordance with Prospectus Rule 3.4.2, the following revises and/or supplements the Original Prospectus:

### **1. Board of Directors**

As announced on 25 June 2015, Mr. Egbert Imomoh, Mr. Toby Hayward, Mr. Patrick Obath, Ms. Sheree Bryant and Mr. Iain McLaren notified the Company that they would not stand for re-election at the annual general meeting of the Company held on 25 June 2015 (the **“2015 AGM”**), and as a result, they are no longer directors of the Company.

Following the close of the 2015 AGM, Mr. David C. L. Frauman joined the Board as Non-Executive Chairman and Mr. David Thomas, who was appointed Chief Operating Officer of the Company on 8 June

2015, joined the Board as an Executive Director. As previously announced, the Company has appointed search consultants to identify suitable candidates for appointment to the Board as non-executive directors. It is not currently anticipated that any new non-executive directors will be appointed before the completion of the Restructuring.

The persons set forth below are the current members of Afren's Board of Directors. The address for each of Afren's Directors and executive officers is Kinnaird House, 1 Pall Mall East, London, SW1Y 5AU.

<b>Name</b>	<b>Age</b>	<b>Position</b>	<b>Type of Director</b>
Mr. David C. L. Frauman.....	68	Chairman	Non-Executive Director
Mr. Alan Linn .....	57	Chief Executive Officer	Executive Director
Mr. David Thomas .....	59	Chief Operating Officer	Executive Director

### ***Non-Executive Director***

**Mr. David C. L. Frauman** was appointed as an independent Non-Executive Chairman of Afren's Board of Directors on 25 June 2015. Mr. Frauman has over 40 years of experience overall, both as a restructuring lawyer and more recently as a director of companies that have been engaged in financial restructurings. He retired as a partner in the London office of Allen & Overy LLP in 2009, and since that time has been a director of EMI Music, the Jost Group in Germany, the Luxembourg subsidiary of the Italian group, Seat Pagine Gialle, where he was the chairman of the board, the UK hotels group QMH Ltd., and the Luxembourg subsidiaries of the former Icelandic investment bank, Straumur Burdaras, where he is the sole director.

### ***Executive Directors***

**Mr. Alan Linn** was appointed as Afren's Chief Executive Officer and a Director on 30 April 2015. Prior to that, he was Chief Executive Officer and executive director at ROC Oil, based in Australia and Malaysia, from 2008 to February 2015. Mr. Linn has held senior roles in operational, commercial and general management previously with African Arabian Petroleum, Tullow Oil, Cairn Energy, LASMO/ENI and ExxonMobil. He has direct experience of successfully managing complex partner and government relationships as well as leading operational and EHS excellence from boardroom to drill bit.

**Mr. David Thomas** was appointed as Afren's Chief Operating Officer on 8 June 2015 and a Director on 25 June 2015. Mr. Thomas has over 35 years' executive and operational experience in the international oil and gas industry covering operations, exploration, business development and corporate transactions with both large and small companies. Prior to joining Afren, Mr. Thomas was Chief Operating Officer with Petroceltic International from 2012 to 2015 and Chief Executive Officer for Melrose Resources from 2007 to 2012.

## **2. Senior Management**

The following table sets forth Afren's senior management as at the date of this Supplementary Prospectus other than those individuals who are also members of the Board of Directors.

<b>Name</b>	<b>Position</b>
Mr. Adebayo Ayorinde.....	Managing Director, Afren Nigeria
Mr. John Beaird .....	Managing Director, Afren USA
Ms. Jane Barker .....	Human Resources Director
Mr. Patrick Cherlet .....	Commercial Director
Ms. Lucy Watson .....	Interim Chief Financial Officer

**Ms. Lucy Watson** was appointed as Interim Chief Financial Officer for the Group with effect from 24 June 2015 and previously held the position of Group Head of Corporate Finance since August 2011. Prior to joining Afren, she was a Director in KPMG's Transaction and Restructuring Group, and specialised in advising clients in the Energy and Natural Resources Sector. She is a chartered accountant.

### 3. Composition of the Board and Board Committees

The risk factor “*If the Group’s new CEO is unable to implement the Company’s strategy, or if the Group is unable to strengthen its Board, its business could be harmed*” in section 2 “*Risks relating to Afren’s Business*” of Part II (*Risk Factors*) of the Original Prospectus is updated since the date of the Original Prospectus as follows:

The current management team is actively managing the business in accordance with the 2015 Business Plan approved by the Directors. On 30 April 2015, Afren appointed Alan Linn as the Company’s new CEO. On 8 June 2015, Afren appointed David Thomas as COO and subsequently appointed Mr. Thomas as an Executive Director on 25 June 2015. On 12 June 2015, the Company announced the resignation of Darra Comyn as a Director, to take effect from the close of the Company’s 2015 annual general meeting. The Company is seeking a replacement of Mr. Comyn as Group Finance Director, but he will remain with the Company in that position until the completion of the Restructuring. Ms. Lucy Watson, Group Head of Corporate Finance at Afren, was appointed as interim chief financial officer for Afren on 24 June 2015 pending the appointment of a replacement Group Finance Director.

Additionally, in response to the events covered by the WFG Review (see “—*Violation or circumvention of Afren’s corporate governance policies and code of conduct, or the Company’s internal controls and procedures, could have a material adverse effect on Afren’s business, prospects, financial condition and results of operations*”) and as required by the Bridge Noteholders as a condition to providing the Interim Funding, the Directors are seeking to strengthen the Board and improve the Board’s internal management and reporting controls. The Directors have engaged search consultants to find suitable candidates for the Board and such search will be expanded to find replacements for Mr. Imomoh, Mr. McLaren, Mr. Hayward, Mr. Obath and Ms. Bryant, who decided not to seek re-election to the Board at the 2015 AGM. If the Company is unable to recruit a replacement Group Finance Director or additional or alternative non-executive directors with appropriate experience, it may lack the necessary skills and expertise to provide the necessary oversight of the Group’s activities.

The description of the membership of the committees of the Board in paragraph 3 “*Board Committees*” of Part V (*Directors, Senior Management and Corporate Governance*) of the Original Prospectus is updated since the date of the Original Prospectus as follows:

Following the resignation of the non-executive directors on 25 June 2015, the Company has currently suspended the operation of the Audit and Risk Committee, the Nomination Committee and the Remuneration Committee. The composition of these Board committees will be reviewed and reconfigured in due course following the appointment of additional non-executive directors. Until such time, the matters to be considered by such committees will be considered by the Board as a whole, together with input from members of Senior Management as required.

### 4. Corporate Governance

The description of the section “*Governance Matters*” in paragraph 4 “*Corporate Governance*” of Part V (*Directors, Senior Management and Corporate Governance*) of the Original Prospectus is updated since the date of the Original Prospectus as follows:

Afren is currently not in compliance with the provisions of the Code that at least half of the Board of Directors, excluding the Chairman, shall comprise independent non-executive directors. The Board of Directors currently comprises a Non-Executive Chairman and two Executive Directors. Annually, the Board of Directors reviews whether each Non-Executive Director is independent of management and any business or other relationship that could materially interfere with their exercise of objective, unfettered and independent judgment or their ability to act in the best interests of the shareholders. Where a Director is considered by the Board of Directors to be independent, but is affected by circumstances that may give rise to a perception that they are not, the Board of Directors will explain the reasons it has reached its conclusion. In making a determination, the Board of Directors considers a Director’s relationships with management, major shareholders, associated companies and other

parties with whom Afren transacts business against predetermined materiality thresholds, all of which are set out in Afren's relevant policy. Tested against this policy, the Board of Directors considers Mr. Frauman, its Non-Executive Chairman, to be the only member of the Board of Directors who is independent within the meaning of "independent" as defined in the Code. Afren intends to comply with the independence requirements of the Code in due course following the appointment of additional non-executive directors.

The Code recommends that the Board of Directors should appoint one of its independent non-executive directors to be the Senior Independent Director. This role is currently vacant. The Board will seek to fill this role at such time as an appropriate independent non-executive director is appointed to the Board.

Afren is currently not in compliance with the provisions of the Code that require an audit committee, a nomination committee and a remuneration committee of the Board of Directors, as well as provisions relating to the composition of such committees, including number, experience and independence of committee members. As described above, following the resignation of the non-executive directors on 25 June 2015, the Company has currently suspended the operation of the Audit and Risk Committee, the Nomination Committee and the Remuneration Committee. The composition of these Board committees will be reviewed and reconfigured and Afren intends to comply with these provisions of the Code following the appointment of appropriate additional directors.

## **5. Compensation**

The description of the compensation of the Directors in paragraph 5 "*Compensation*" of Part V (*Directors, Senior Management and Corporate Governance*) of the Original Prospectus is updated since the date of the Original Prospectus as follows:

### ***Compensation Paid to the Directors***

The non-executive directors of the Board of Directors (as the Board was constituted prior to the 2015 AGM) each received £53,000 for the financial year ended 31 December 2014, aside from former non-executive directors Peter Bingham, John St. John and Toby Hayward who each received £59,000, £55,000 and £43,000, respectively for the financial year ended 31 December 2014. In addition, the former Chairman, Mr. Egbert Imomoh, received compensation in the amount of £210,300 for the financial year ended 31 December 2014. Former executive directors Toby Hayward (noting that Mr Hayward ceased to act as interim Chief Executive Officer with effect from 30 April 2015) and Group Finance Director, Darra Comyn, received salaries for the financial year ended 31 December 2014 of £567,000 and £395,000, respectively.

The new Chief Executive Officer and Executive Director, Mr. Alan Linn, will receive an annual base salary of £530,000. The new Chief Operating Officer and Executive Director, Mr. David Thomas, will receive an annual salary of £335,000. The new Non-Executive Chairman, Mr. David Frauman will receive an annual fee of £120,000 in his role as a Director.

## **6. Directors' and Senior Managers' confirmations**

The confirmation of the directors and senior managers in paragraph 8, "*Directors' and Senior Managers' confirmations*" of Part V (*Directors, Senior Management and Corporate Governance*) of the Original Prospectus apply equally to and are also confirmed by the Directors and Senior Managers in this Supplementary Prospectus.

## **7. Security Reorganisation and Investor Rights Agreement**

The description of the Security Reorganisation in Risk Factors—"*The Alternative New Senior Notes will have security over the assets of the Group and the Company will be required to enter into an agreement by no later than 31 December 2016 to dispose of all of its assets*", paragraph 3 "*Overview of the Restructuring—Security Reorganisation*" of Part I (*Letter from the Chairman to Shareholders*), paragraph 3 "*Structure of the Group*"

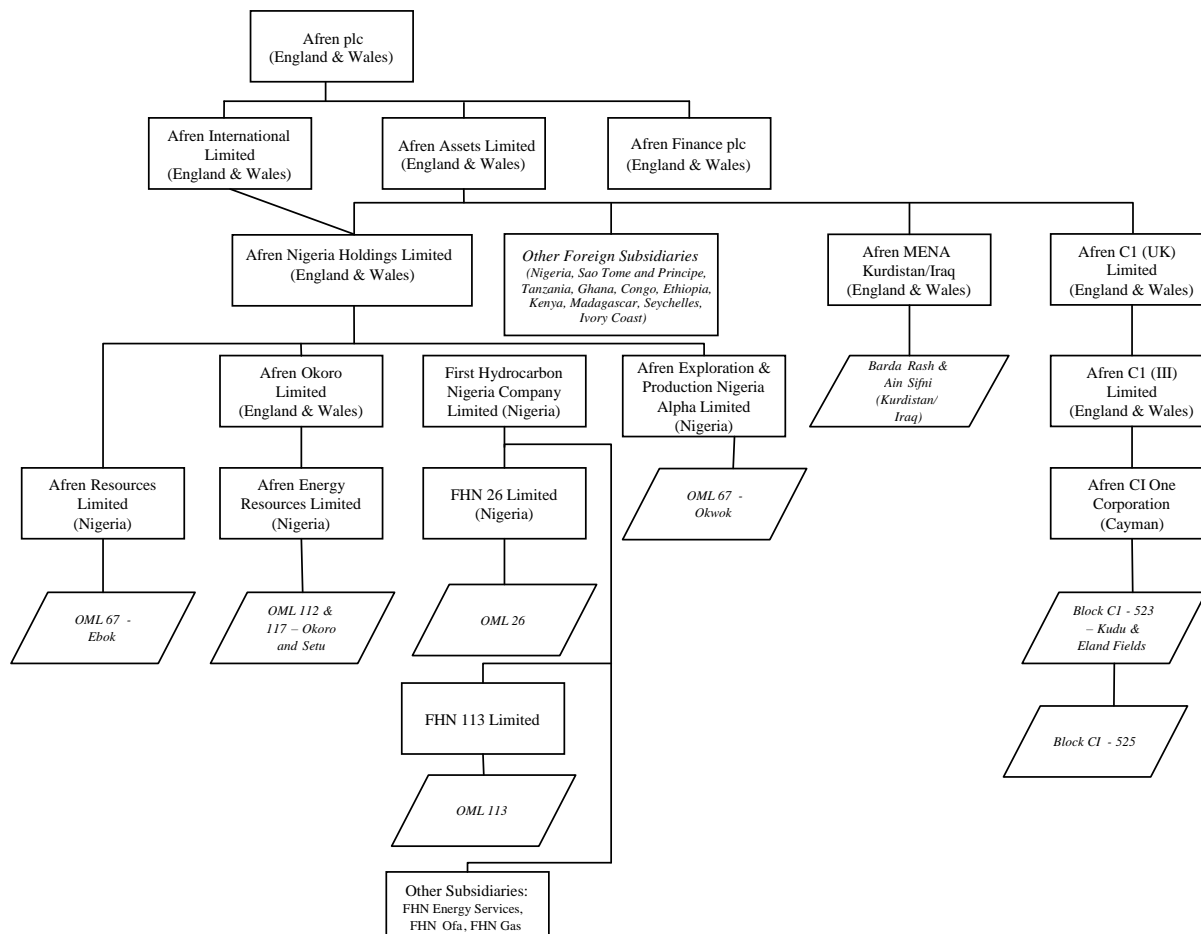
of Part II (*Description of the Business*) of the Original Prospectus is updated since the date of the Original Prospectus as follows:

### ***Security Reorganisation***

Prior to the implementation of the Scheme, the Group will undertake an internal reorganisation and each of Afren Assets Limited (“AAL”) and Afren International Limited will become an intermediate holding company of the Group. It is no longer intended that the Notes Issuer will become an intermediate holding company of the Group or otherwise acquire any assets from the Company as part of the Security Reorganisation. Instead, AAL will hold 50% of the shares of Afren Nigeria Holdings Limited and the other operating subsidiaries of the Group in place of the Notes Issuer. Accordingly, AAL (together with Afren International Limited) will subsequently hold all of Afren’s investments in its operating subsidiaries and will also acquire all (or substantially all) of Afren’s assets, though the contractual liabilities of Afren (including guarantees) will remain with Afren.

The Security Reorganisation and security structure is intended to make it easier for the holders of the New Senior Notes (or as applicable the Alternative New Senior Notes) to exercise and enforce their security upon any default under the New Senior Notes (or as applicable the Alternative New Senior Notes)). The Security Reorganisation will also provide the necessary flexibility for Afren to dispose of its assets (subject to shareholder approval) either as a single disposal of shares in AAL (or Afren International Limited) or the sale of separate operating assets as required by the terms of the Alternative New Senior Notes. The Security Reorganisation will also mean that after any sale of all or substantially all of the Group’s business there will be few if any assets left in Afren to meet the claims of Shareholders on any liquidation of Afren following any disposal of the Group’s assets as required by the Alternative Restructuring.

The following chart provides an updated Summary of the Group’s structure following the completion of the Security Reorganisation.





The description of the Investor Rights Agreement in Risk Factors—*“The Alternative New Senior Notes will have security over the assets of the Group and the Company will be required to enter into an agreement by no later than 31 December 2016 to dispose of all of its assets”*, the description of events of default under the Alternative New Senior Notes, paragraph 15.1 *“Material Contracts”* of Part IX (Additional Information) of the Original Prospectus (as applicable) is updated since the date of the Original Prospectus as follows:

### ***Investor Rights Agreement***

If the Alternative Restructuring proceeds, pursuant to the terms of the Investor Rights Agreement, the holders of 50% or more of the Alternative New Senior Notes will have the right to appoint a majority of Afren’s Board of Directors and the board of directors of the Notes Issuer, Afren International Limited and AAL (each such member, a **“Director Nominee”**), with control over the process for the sale of the Group’s business, under the terms of an investor rights agreement. Under the Investor Rights Agreement, the obligations of the Company, the Notes Issuer, Afren International Limited and/or AAL are to ensure that such Director Nominees are appointed to the relevant board of directors. It will be an event of default under the Alternative New Senior Notes if the Company, the Notes Issuer, Afren International Limited and/or AAL breaches the terms of the Investor Rights Agreement.

## **8. Okwok Field Development Plan**

On 24 June 2015, the Company notified Oriental that it intends to proceed with the further development of the Okwok field and that it is committed to funding the associated works. The Company will shortly enter into discussions with Oriental and its key contractors in order to optimise the scope and timing of the project restart programme following its temporary suspension in 2014. Accordingly, the risk factor *“The Group must continue to make significant capital expenditures in order to maintain its production levels and improve overall efficiency. The inability to finance these and other expenditures could have a material adverse effect on the Group’s business, prospects, financial condition and results of operations”* in section 2 *“Risks relating to Afren’s Business”* of Part II (Risk Factors) of the Original Prospectus is updated since the date of the Original Prospectus to delete any reference to the potential transfer of Afren’s interests in the Okwok field to Oriental if the Company decided not participate in the future development at the end of June 2015.

## **9. Directors’ authority to allot shares, dis-apply pre-emption rights, and make market purchases**

As announced on 25 June 2015, the shareholders of the Company did not approve resolutions which were proposed at the 2015 AGM to grant the Directors authority to allot shares and grant rights to subscribe for or convert securities into shares of the Company under certain conditions up to a maximum amount, to dis-apply pre-emption rights, and to make certain market purchases of Company securities. Accordingly, the Company currently has no authority to allot and issue ordinary shares (including upon the settlement of any share option) or purchase its own shares. This position is without prejudice to the authorities being sought pursuant to the Resolution at the General Meeting which, if approved, will grant the Company authority to allot and issue new Ordinary Shares for the purposes of the Restructuring and the Open Offer, as well as providing further general authority to allot and issue new Shares.

**ANY DECISION TO INVEST IN ORDINARY SHARES SHOULD BE BASED ON A CONSIDERATION OF THE ORIGINAL PROSPECTUS, THIS SUPPLEMENTARY PROSPECTUS AND THE DOCUMENTS INCORPORATED BY REFERENCE IN THE ORIGINAL PROSPECTUS, AS A WHOLE.**

## **PART 2**

### **OTHER IMPORTANT INFORMATION**

Investors should rely only on the information in the Original Prospectus and this Supplementary Prospectus and each of the documents incorporated herein and therein by reference. No person has been authorised to give any information or make any representations other than those contained in the Original Prospectus and this Supplementary Prospectus in connection with the Admission and, if given or made, such information or representations must not be relied on as having been authorised by the Company, the Directors or the Sponsor.

Without prejudice to any obligation of the Company to publish a supplementary prospectus pursuant to section 87G of FSMA and PR 3.4.1 of the Prospectus Rules, the publication of this Supplementary Prospectus or any sale made under this Supplementary Prospectus does not, under any circumstances, create any implication that there has been no change in the affairs of the Group since, or that the information contained herein is correct at any time subsequent to, the date of this Supplementary Prospectus.

#### **Withdrawal Rights**

In accordance with section 87Q(4) of FSMA, where a supplementary prospectus has been published and, prior to the publication, a person agreed to buy or subscribe for transferable securities to which it relates, he may withdraw his acceptance before the end of the period of two working days beginning with the first working day after the date on which the supplementary prospectus was published.

Qualifying Shareholders wishing to exercise or direct the exercise of statutory withdrawal rights pursuant to section 87Q(4) of the FSMA after the publication of this Supplementary Prospectus must do so by lodging a written notice of withdrawal (which shall include a notice sent by electronic mail) which must include the full name and address of the person wishing to exercise statutory withdrawal rights and, if such person is a CREST member, the CREST participant ID and the CREST member account ID of such CREST member with Computershare Investor Services PLC, Corporate Actions Projects, The Pavilions, Bridgwater Road, Bristol BS99 6AH, United Kingdom or email to [withdraw@computershare.co.uk](mailto:withdraw@computershare.co.uk) so as to be received by no later than 5:00pm on 9 July 2015. Notice of withdrawal given by any other means or which is deposited with or received by Computershare after expiry of such period will not constitute a valid withdrawal, *provided that* the Company will not permit the exercise of withdrawal rights after payment by the relevant Qualifying Shareholder of its subscription in full and the allotment of Ordinary Shares to such Qualifying Shareholder becoming unconditional, save to the extent required by statute. In such event, Shareholders are advised to seek independent legal advice.

#### **Cautionary Note Regarding Forward-Looking Statements**

This Supplementary Prospectus and the Original Prospectus contain forward-looking statements which reflect the Group's current views or, as appropriate, those of the Directors, with respect to financial performance, business strategy, plans and objectives of management for future operations (including development plans relating to the Group's business). These forward-looking statements relate to the Group and the sectors and industries in which it operates. Statements that include the words "expects", "intends", "plans", "believes", "projects", "anticipates", "estimates", "will", "may", "targets", "aims", "may", "should", "would", "could", "continue", "budget", "schedule" and similar statements of a future or forward-looking nature identify forward-looking statements for purposes of the United States federal securities laws or otherwise.

Forward-looking statements are necessarily based upon a number of estimates and assumptions that, while considered reasonable by the Company, are inherently subject to significant business, economic and competitive uncertainties and contingencies.

Any forward-looking statements in this Supplementary Prospectus or the Original Prospectus reflect the Group's current views with respect to future events and are subject to these and other risks, uncertainties and assumptions relating to the Group's operations, financial condition, results of operations and growth strategy.

Investors are cautioned that forward-looking statements are not guarantees of future performance. Forward-looking statements may, and often do, differ materially from actual results. Any forward-looking statements in this Supplementary Prospectus speak only as of the date of this Supplementary Prospectus, reflect the

Company's current view with respect to future events and are subject to risks relating to future events and other risks, uncertainties and assumptions relating to the Company's operations, results of operations and growth strategy. Investors should specifically consider the factors identified in the Original Prospectus and this Supplementary Prospectus which could cause actual results to differ before making an investment decision. All of the forward-looking statements made in this Supplementary Prospectus or the Original Prospectus are qualified by these cautionary statements.

Any forward-looking statements speak only as at the date of this Supplementary Prospectus. Subject to any obligations under the Prospectus Rules, the Listing Rules and/or the Disclosure and Transparency Rules, the Company undertakes no obligation to update publicly or review any forward-looking statement, whether as a result of new information, future developments or otherwise. All subsequent written and oral forward-looking statements attributable to the Group or individuals acting on behalf of the Group are expressly qualified in their entirety by this paragraph.

### **Currency Presentation**

References to "US Dollars" or "US\$" are to United States Dollars, the lawful currency of the United States.

## **PART 3**

### **ADDITIONAL INFORMATION**

#### **1. Persons Responsible**

The Company and the Directors, whose names are set out below, accept responsibility for this Supplementary Prospectus and declare that having taken all reasonable care to ensure that such is the case, the information contained in this Supplementary Prospectus is, to the best of their knowledge, in accordance with the facts and contains no omission likely to affect its import.

Directors:

David C.L. Frauman – Non-Executive Chairman

Alan Linn – Executive Director, Chief Executive Officer

David Thomas – Executive Director, Chief Operating Officer

#### **2. Directors' service contracts/letters of appointment**

##### ***David C.L. Frauman***

Mr. Frauman was appointed Non-Executive Chairman of Afren on 25 June 2015. Mr. Frauman is entitled to an annual fee of £120,000 in his role as a Director, which is reviewed by the Board from time to time. His appointment may be terminated by either party giving the other not less than one month's written notice.

Additionally, Mr. Frauman is a party to a consultancy agreement dated 1 May 2015, as amended 1 July 2015, with the Company. Pursuant to such agreement, Mr. Frauman provides certain services to the Group in connection with the Restructuring. Mr. Frauman is entitled to a monthly fee of £32,000 during the term of this Agreement, which may be terminated by either party on one month's written notice. It is anticipated that the consultancy arrangement will cease following the completion of the Restructuring.

##### ***Mr. David Thomas***

Mr. Thomas was appointed as an Executive Director of Afren on 25 June 2015 and as Chief Operating Officer under an agreement dated 8 June 2015. His period of appointment as Chief Operating Officer is deemed to have commenced on 8 June 2015. Mr. Thomas is entitled to an annual fee of £335,000, variable as determined by the Board from time to time. His appointment may be terminated by either party giving the other not less than twelve months' written notice. The agreements also contain provisions relating to confidentiality, share dealings and conflicts of interest.

#### **3. Major interests in shares**

As at the close of business on 3 July 2015 (being the latest practicable date prior to the publication of this Supplementary Prospectus), the share ownership and any options over such shares held by the Directors and Senior Managers in respect of the share capital of Afren are as follows:

	Number of Existing Shares	Options to acquire Shares	Deferred Bonus Shares	Shares held pursuant to Performance Share Plan	Total
David Frauman .....	-	-	-	-	-
Alan Linn.....	-	-	-	-	-
David Thomas .....	-	-	-	-	-
Adebayo Ayorinde...	835,240	950,000	61,805	589,953	2,436,998
John Beaird.....	-	200,000	24,223	225,926	450,185
Jane Barker .....	305,223	480,000	54,090	464,844	1,304,157
Patrick Cherlet.....	-	400,000	57,870	493,787	951,657
Lucy Watson.....	11,800	85,000	-	225,926	322,726

#### 4. Subsidiaries

On 6 July 2015, Afren Assets Limited was incorporated under the laws of England and Wales (“AAL”). AAL is a 100% indirect subsidiary of Afren plc and will become a significant subsidiary of the Company upon the completion of the Security Reorganisation.

#### 5. Material Contracts

##### *Investor Rights Agreement*

Pursuant to the terms of the Investor Rights Agreement, the holders of 50% or more of the Alternative New Senior Notes will have the right to appoint a majority of Afren’s Board of Directors and the board of directors of the Notes Issuer, Afren International Limited and AAL (each such member, a “**Director Nominee**”), with control over the process for the sale of the Group’s business, under the terms of an investor rights agreement. Under the Investor Rights Agreement, the obligations of Afren, the Notes Issuer, Afren International Limited and/or AAL (as applicable) are to ensure that such Director Nominees are appointed to the relevant board of directors. It will be an event of default under the Alternative New Senior Notes if Afren, the Notes Issuer, Afren International Limited and/or AAL breaches the terms of the Investor Rights Agreement.

#### 6. Consents

Morgan Stanley has given and has not withdrawn its written consent to the issue of this document with references to its name being included in the form and context in which it appears.

#### 7. No Significant Change

There has been no significant change in the financial or trading position of the Group since 31 March 2015, the end of the most recent financial period for which historical financial information has been published.

#### 8. Documents Available for Inspection

In addition to those documents set out in paragraph 25 of Part IX (*Additional Information*) of the Original Prospectus, copies of this Supplementary Prospectus and the written consent referred to in paragraph 6 of Part 3 (*Additional Information*) of this Supplementary Prospectus may be inspected at Afren’s UK registered office at Kinnaird House, 1 Pall Mall East, London, SW1Y 5AU during usual business hours on any weekday (not including Saturdays, Sundays or any public holidays in the United Kingdom) from the date of publication of this Supplementary Prospectus up to and including the date of the General Meeting.

#### 9. General

- 9.1 Morgan Stanley & Co. International plc is the Company's sponsor and is authorised by the PRA and regulated in the UK by the PRA and the FCA.
- 9.2 To the extent that there is any inconsistency between any statement in or incorporated by reference in this Supplementary Prospectus and any other statement in or incorporated by reference in the Original Prospectus, the statements in or incorporated by reference in this Supplementary Prospectus will prevail.
- 9.3 Save as disclosed in this Supplementary Prospectus, no other significant new factor, material mistake or inaccuracy relating to information included in the Original Prospectus has arisen or been noted, as the case may be, since the publication of the Original Prospectus.
- 9.4 This Supplementary Prospectus is dated 7 July 2015.