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23 June 2015

**MADAGASCAR OIL LIMITED**  
**("Madagascar Oil" or the "Company")**

**Submission of Tsimiroro Phase 1a Development Environmental Impact Assessment**

Madagascar Oil, which has over 1.7 billion of contingent resources in the Tsimiroro field, is pleased to announce that following the Madagascar Government's approval of the Company's Block 3104 Tsimiroro Development Plan and the award of an extendable 25 year exploitation licence on 15 April 2015, it has submitted its Block 3104 Phase 1a Environmental Impact Assessment ("EIA") to the Office Nationale de l'Environnement ("O.N.E.") of Madagascar.

The EIA has been submitted in compliance with the environmental law of Madagascar following over 18 months of study by the Company and includes details on biodiversity, water management, waste and emissions management, as well as social baseline and sustainable development studies, and is an integral component in the development of the Tsimiroro licence.

Following submission of the EIA a period of review and public consultation has commenced, which on completion will allow the consideration for issuance of the Environmental Permit by the O.N.E. This permit will allow work to proceed on the development of Phase 1a of the Tsimiroro Field, an area which includes the existing Steam Flood Pilot plant and wells. A decision from O.N.E. is expected in the second half of 2015.

The submission of the EIA is significant for Madagascar in several respects. It will be the first ever petroleum exploitation EIA to be conducted in Madagascar. The terms of reference for the study were developed in consultation with the O.N.E. to ensure the EIA is in line with national requirements and international best practice. In support of Madagascar Oil's commitment to promoting local content, the study was conducted by an established national firm of consultants, SAVAIVO, who employed a network of local and international experts. The EIA includes a technical presentation of the oil extraction project, a comprehensive description of the receiving environment (physical and human), an analysis of environmental impacts (positive and negative) and an environmental management and monitoring plan. The EIA will be rigorously evaluated over a period of several months by a specially appointed Technical Evaluation Committee coordinated by O.N.E. and composed of environmental specialists from the concerned government ministries.

**Chief Executive Officer, Robert Estill, commented:**

*"The submission of the Environmental Impact Assessment is another significant milestone for the Company as we progress the Tsimiroro field development and we are looking forward to continuing the open dialogue with the National Environment Office and public institutions in their consideration of the document.*

*Madagascar Oil has achieved a proud record of operating in compliance with the existing Environmental Permit during the period of steam flood pilot operation and our goal is to be an exemplary Company in the petroleum industry as we proceed with the Tsimiroro Field development. ”*

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