

CAP ENERGY LIMITED
("Cap" or the "Company")

Share Capital and Funding Update

Further to CAP's announcements of March 2013 and 23 July 2013 and following the passing of the resolutions at the Annual General Meeting of the Company held on 27 August 2013 ("the AGM"), the Directors of the Company are pleased to provide the following update to shareholders.

At the AGM, a resolution was passed to ratify the granting of convertible loan notes in respect of loans made to the Company by Global Energy Trade Limited ("GET"), Lina Haidar and Alexander Haly. Lina Haidar and Alexander Haly are Directors of the Company and the sole shareholders in GET. Following the AGM, the following events have occurred:

- Lina Haidar and Alexander Haly have transferred all of their existing convertible loan notes and the convertible loan notes approved at the AGM to GET, less convertible loan notes to the value of GBP 13,000 which they have transferred to Pierantonio Tassini, the Company's Chief Operating Officer;
- GET has converted GBP 1,009,000 of convertible loan notes into 20,174,109 ordinary shares of 5p each in the Company ("Ordinary Shares") at a price of 5 pence per share;
- Pierantonio Tassini has converted the GBP 13,000 of convertible loan notes held by him into 264,142 Ordinary Shares at a price equivalent to 5 pence per share;
- Of the loan of USD 2,000,000 announced by the Company on 23 July 2013, USD 1,350,000 has been converted into 783,718 Ordinary Shares at a price equivalent to 106 pence per share. The final payment of USD 650,000 is due imminently whereupon a further 377,346 Ordinary Shares will be issued;
- The Company has signed a subscription agreement with a private investor who has committed to subscribe USD 3,500,000 for the issue of a total of 1,451,331 Ordinary Shares. The first USD 1,000,000 tranche of this commitment has been received by the Company and 414,666 Ordinary Shares have been issued at a price equivalent to 148 pence per share.

The funds received by the Company will be used to further progress Cap's interests in its Block 1 and Block 5B licences offshore Guinea Bissau. Further information about these licences can be found on the Company's website at www.capenergy.co.uk.

The table below sets out the interests of Directors and major shareholder following the issues of Ordinary Shares referred to above:

Name	Number of Ordinary Shares	Percentage of Issued Share Capital
Global Energy Trade Limited	23,174,128	83.92
A Haly (Director)	1,200,000	4.35
L Haidar (Director)	800,000	2.90
M Haidar	493,452	1.79
S Pereira	414,666	1.50
M de sa Pereira	290,266	1.05
Pierantonio Tassini (Director)	264,142	0.96
Other shareholders	975,968	3.53
Total issued share capital	27, 612,622	100.00

The Directors of Cap Energy Limited are responsible for the contents of this announcement.

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