

**Schedule 1
Form of Conversion Notice**

**ADDAX PETROLEUM CORPORATION
U.S.\$300,000,000 3.75 per cent. Convertible Bonds
due 2012 (the "Bonds")
convertible into Common Shares of
ADDAX PETROLEUM CORPORATION**

To: ADDAX PETROLEUM CORPORATION

[where the Bonds in respect of which this Conversion Notice is given are evidenced by the Global Bond, this Notice need not be signed. In such a case, delivery of the Conversion Notice will constitute confirmation by the beneficial owner of interest in the Bonds to be converted that the information and the representations in the Conversion Notice are true and accurate on the date of delivery.]

Failure to properly and completely deliver this Conversion Notice (in the determination of the Paying, Transfer and Conversion Agent) may result in this Conversion Notice being treated as null and void. Once validly delivered, this Notice is irrevocable.

- 1** I/We, the undersigned, being the holder(s) of the Bonds/interests in the Global Bond specified below hereby irrevocably elect to convert such Bonds in accordance with the Conditions of the Bonds into Common Shares in Addax Petroleum Corporation ("Common Shares") at the Conversion Price (as defined in the Conditions).

The total principal amount and, where applicable, certificate numbers of Bonds to which the Notice applies.

Bonds:

Global Bond:

Total principal amount (must be an authorised denomination, as defined in the Conditions):

Certificate numbers of Bonds, if in definitive form:

If necessary, the certificate numbers of Bonds can be attached separately.

I/We hereby irrevocably elect that the Common Shares shall be (check one only):

...

... issued in uncertificated form on the Canadian register of Addax Petroleum Corporation and in this regard I/we have provided details of a CDS Participant to whom the Common Shares may be credited

...

... issued in certificated form on the Canadian register of Addax Petroleum Corporation and in this regard I/we have provided full details so that the Common Shares may be registered in my/our name.

If this Conversion Notice is delivered prior to 1 October 2007, then the undersigned must certify as follows:

I/We hereby certify that I/we and any beneficial purchaser on behalf of whom I/we are acting (check one only):

... are or are acting for a beneficial purchaser who is an "accredited investor" in Canada and who purchased the Bonds from Addax Petroleum Corporation as part of their initial issuance in Canada under an exemption from Canadian prospectus requirements and therefore irrevocably elect that the Common Shares be issued in certificated form on the Canadian share register of Addax Petroleum Corporation

... are or are acting for a beneficial purchaser who is **NOT** an "accredited investor" in Canada and who **DID NOT** purchase the Bonds from Addax Petroleum Corporation as part of their initial issuance in Canada under an exemption from Canadian prospectus requirements.

2 I/We request that the Common Shares to be issued on conversion of the Bonds mentioned above be registered in the name(s) of the person(s) who is/are* named below (see Note 1):

1 Name [•]

Address [•]

2 Name [•]

Address [•]

3 Name [•]

Address [•]

4 Name [•]

Address [•]

Dated: [•]

Signature: [•]

PRINT NAME(S)

IN THE CASE OF COMMON SHARES TO BE DELIVERED IN UNCERTIFICATED FORM THROUGH CDS

I/We hereby request that:

the Common Shares to be delivered in pursuance of this Conversion Notice to be credited to the CDS account, details of which are set out below.

CDS Participant ID:
Member Account ID:
Name:
Address:

I/We hereby request that any payment of interest required to be made pursuant to Condition 6(j) of the Bonds be transferred to the U.S. dollar account details in respect of which are given below (delete as applicable):

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Account no:
Account name:
Bank:
Branch:
SWIFT Code:

N.B.

- (i) This Conversion Notice will be void unless the introductory details and Sections 1 and 2 are completed.
- (ii) Your attention is drawn to Condition 6 of the Bonds with respect to the conditions relating to Conversion.
- (iii) The exercise of a Conversion Right is subject to any applicable fiscal or other laws or regulations applicable in the jurisdiction where the office of the Agent to whom this notice is presented is located.
- (iv) This Conversion Notice may be completed by or on behalf of an accountholder of any clearing system in which an interest in the relevant Bonds is held at such time which has an interest in such Global Bond.
- (v) The holding of an interest in a Bond by an accountholder of any clearing system in which interests in the Global Bond is held and in respect of which Conversion Rights are being exercised will be confirmed by the Principal Paying, Transfer and Conversion Agent with the relevant clearing system.
- (vi) Terms used in this Conversion Notice and not otherwise defined have the meanings set forth in the Trust Deed dated 30 May 2007 between Addax Petroleum Corporation and The Law Debenture Trust Corporation p.l.c. as Trustee.

3 The relevant certificates in respect of Bonds to be converted are attached hereto (not necessary in the case of Bonds evidenced by Global Bonds).

Dated:
Name of Bondholder:

Signature:

- 4** I/We hereby represent and warrant that the Bonds to which this Conversion Notice relates are free from all liens, charges, encumbrances or any other third party rights and that the person(s) named in section 2 have consented to become a shareholder of Addax Petroleum Corporation.

To be completed by the Principal Paying, Transfer and Conversion Agent

5

- (A) Bond conversion identification reference: []
(B) Date of delivery of Conversion Notice to Paying and Conversion Agent:
(C) Conversion Date: (to be filled in by Paying and Conversion Agent):

6

- (A) Aggregate principal amount of Bonds deposited for conversion/represented by the Global Bond* being converted:.....
(B) Conversion Price on Conversion Date:
(C) Number of Common Shares to be issued: (disregard fractions)
(D) Interest Payable:

N.B. The Paying and Conversion Agent must complete items 1 and 2.

* Delete as appropriate.

Notes

- 1** If it is desired to nominate a person or persons other than the holder of the Bond(s) specified above as the allottee(s) of Common Shares issued on conversion of such Bond(s) that person or those persons must have consented to the Common Shares being registered in its/their name(s).
- 2** A corporation should sign under hand by an authorised official who must state his/her capacity and print the name of the relevant corporation.
- 3** Where Conversion Rights are exercised in respect of a definitive Bond, in circumstances where Conversion Rights are exercised in respect of less than the entire aggregate principal amount of the Bonds represented by the relevant certificate, a certificate for the balance of the Bonds will be registered in the name of the Bondholder exercising Conversion Rights and such certificate will be despatched as provided in the Conditions.
- 4** Where Conversion Rights are exercised prior to 1 October 2007 during a Change of Control Period and where the holder of the bond or any beneficial purchaser thereof is an "accredited investor" in Canada and who purchased the Bonds from Addax Petroleum Corporation as part of their initial issuance in Canada under an exemption from Canadian prospectus requirements, then the certificate that is issued representing the Common Shares will bear the following legend:

"UNLESS PERMITTED UNDER SECURITIES LEGISLATION, THE HOLDER OF THIS SECURITY SHALL NOT TRADE THE SECURITY BEFORE 1 OCTOBER 2007"

If the holder of the Bond or any beneficial purchaser wishes to resell the Common Shares prior to 1 OCTOBER 2007, they must contact Addax Petroleum Corporation.