

INTRODUCTION

The Objective of this Code of Business and Ethical Conduct is to promote a culture of Ethics and Compliance in our Company and to define the way and manner we shall conduct our business in a way that truly reflects the values we profess.

This Code is applicable to and must be complied with by the Company's Directors, and Employees, including management trainees, term contract staff, third party personnel, as well as the Company's Business Partners. For the avoidance of doubt, **nobody** shall be exempted from adhering to the provisions of this Code.

This Code covers a wide range of business practices and procedures. It does not cover every issue that may arise, but it sets out basic principles to guide all employees of Acorn Petroleum Plc, its subsidiaries and affiliate Companies in and outside Nigeria. All of our employees must conduct themselves accordingly and seek to avoid even the appearance of improper behavior. This Code shall also be made available to and followed by the third parties with whom we relate. In addition to this Code, there are Company Policies that apply to various personnel issues and Company operations and you need to know and follow those policies that apply to you and your specific job function.

Employees are responsible for understanding the legal and policy requirements that apply to their jobs and reporting any suspected violations of law, this Code or Company policy. Ignorance of any of the provisions of this Code or any Company Policy shall not be an excuse for violation or contravention of provisions of this Code or any Company Policy.

In any situation where there is a conflict between the provisions of this Code and other Company Policies, the provisions of the Code shall supersede. Any ambiguity in the interpretation of the provisions herein shall be referred to the Group Legal Office.

Those who violate the standards in this Code shall be subject to disciplinary action, *including possible dismissal*. Furthermore, violations of this Code may also be violations of the law and may result in civil or criminal penalties for you, your supervisor and/or the Company. *If you are in a situation which you believe may violate or lead to a violation of this Code, discuss with your line manager or the Group Legal Office.*

I. ACTING WITH INTEGRITY AN ACORN CORE VALUE

Integrity is one of our core values as a Company. The others are Audacity, Professionalism, Passion and Innovation.

Integrity is the consistency of actions, values, methods, measures, principles, expectations and outcome. Within the context of this Code, Integrity means the quality of **having a sense of honesty and truthfulness in regard to the motivations for one's actions**. Put simply, integrity means doing that which is right.

By acting with integrity, we reflect positively on the image and reputation of our Company and our brand.

Employees are expected to always consider their actions and ask themselves the following questions if in doubt about a course of conduct:

- Is it consistent with the Code?
- Is it ethical?
- Is it legal?
- Will it reflect well on me and the Company?
- Would I want to read about it in the newspaper?

If the answer is "No" to any of these questions, don't do it.

Managers should at all times model appropriate conduct. As a manager, you should:

- Ensure that the people you supervise understand their responsibilities under the Code and other Company policies.
- Take opportunities to discuss the Code and reinforce the importance of Ethics and Compliance with employees.
- Create an environment where employees feel comfortable raising concerns.
- Consider conduct in relation to the Code and other Company policies when evaluating employees.
- Never encourage or direct employees to achieve business results at the expense of ethical conduct or compliance with the Code or the law.
- Always act to stop violations of the Code or the law by those you supervise.
- Respond to questions and concerns of the people you supervise.
- If approached with a question or concern related to the Code which is unclear to you, seek clarification from the Group Legal Office.

2. COMPLIANCE WITH LAWS, RULES AND REGULATIONS

Obeing the law, both in letter and in spirit, is the foundation on which our Company's ethical standards are built.

All employees must respect and obey the laws, rules and regulations of the states and countries in which Acorn operates. Although employees are not expected to know the details of each of these laws, rules and regulations, it is important to know enough to determine when to seek advice from line managers or other appropriate personnel. If a provision of the Code conflicts with applicable law, the law prevails. Employees are reminded that ignorance of the law is not a defense. This fundamental principle applies in all jurisdictions.

Wherever in doubt, employees should consult with the Group Legal Office for guidance.



3. CONFLICTS OF INTEREST

A “conflict of interest” exists when a person's private interest interferes in any way - or even appears to interfere - with the interests of the Company. A conflict situation can arise when an employee or officer takes actions or has interests that may make it difficult to perform his or her duties objectively and effectively. Conflicts of interest may also arise when an employee or officer, or a relative, receives improper personal benefits as a result of his or her position in the Company.

Relatives

In this Code, a relative is defined to include a spouse, parent, sibling, grandparent, child, grandchild, mother- or father-in-law. Also included is any family member who lives with you or who is otherwise financially dependent on you, or on whom you are financially dependent.

In dealing with Suppliers, Service Providers and Customers, you must take particular care to ensure that your personal interests and relationships do not interfere, or appear to interfere, with your ability to make decisions in the best interest of the Company.

You will need to disclose to your line manager or superior officer and seek written approval from the Group Legal Office which should be renewed annually in the following situations:

- You have discretionary authority in dealing with a relative as a Supplier, Service Provider or Customer or with a company who is a Supplier, Service Provider or Customer that employs your relative.
- Your relative is employed by a competitor of the Company.

It is a conflict of interest for a Company employee or officer to work for a competitor, customer or supplier. You should avoid any direct or indirect business connection with the Company's customers, suppliers or competitors, except as required on our behalf.

In summary **conflicts of interest are prohibited as a matter of Company Policy**. Conflicts of interest may not always be clear-cut, so if you have a question, you should consult with your supervisor. Any employee or officer who becomes aware of a conflict or potential conflict should bring it to the attention of a supervisor, manager or other appropriate personnel.

Conflict of Interest Scenarios

Scenario A: *It is my job to select an Internet Service Provider for the Company. One of the Service Providers being considered is a company owned by my spouse. Do I need to take any precautions?*

Appropriate Action: *In this situation, your interest in your spouse's business conflicts - or at least appears to conflict - with your responsibility to select the best Service Provider for the Company. You should consult your manager/Superior Officer and the Group Legal Office. The best course of action is either for you not to be involved in the selection process, or for your spouse's business to be eliminated from consideration.*

Scenario B: *My brother works for company X, which is one of our customers, but he has no dealings with Acorn. I work in Acorn Marketing, but have had no contact with company X. I now have been asked to manage company X account. What should I do?*

Appropriate Action: *Tell your manager about your brother's employment, because in your new job you will have discretionary authority in dealing with company X. If your manager still wants you to work on the company X account, seek written approval from the Group Legal Office.*

Friends

It is recognized that you may and permissible that you have friends who are employed by, or have ownership interests in, customers or suppliers of Acorn. If you deal with such a customer or supplier, take care to ensure that your friendship does not affect, or appear to affect, your ability to act in the best interest of the Company. If you are uncertain whether your friendship may create an issue, consult your line manager or the Group Legal Office.

Personal Relationships at Work

Personal relationships at work must not influence your ability to act in the best interest of the Company, and must not affect any employment relationship. Appraisals, promotions and other employment related decisions should be based on qualifications, performance, skills and experience.

It is recognized that in the work environment, personal relationships may develop between employees. Employees are expected to declare to their line manager or Group HR any personal relationships which may give rise to a real or perceived conflict of interest, trust or breach of confidentiality.

Where it is believed that personal relationships may have a detrimental effect on the Company either by way of an identifiable breach of confidentiality situation, or in any other way, the Company may seek a suitable solution, including separation within the work environment where appropriate.

Directorships

Directorships outside the Company must be disclosed by you at the time of employment. You may be required to give up such directorships if such position/s might present a conflict of interest. You must consult with and get the approval of the Group Legal Office before taking up any new directorship.



4. GIFTS, MEALS AND ENTERTAINMENT

Employees are **prohibited** from accepting directly or indirectly gifts, meals or entertainment, or any other favor, from customers or suppliers if doing so might compromise, or appear to compromise, their ability to make objective business decisions in the best interest of the Company.

Gifts

Employees should **NOT**:

- Accept gifts in exchange for doing, or promising to do, anything for a customer or supplier.
- Ask for gifts from a customer or supplier.
- Accept gifts of cash or cash equivalents, such as vouchers, recharge cards, etc.

Employees can accept:

- Gifts of symbolic value, such as trophies and plaques that are inscribed in recognition of a business relationship.
- Gifts or discounts offered to a large group of employees as part of an agreement between the Company and a customer or supplier and such shall be used as intended by the customer or supplier.
- Gifts of modest value such as a logo pen or t- shirt, or a **small** gift basket at holiday time.

All gifts received must be declared. A gift not declared is deemed to be a bribe or kickback.

Where in doubt as to whether a gift is within acceptable limit or not, employees are to consult Group Legal Office.

Meals and Entertainment

- Do not accept meals or entertainment in exchange for doing, or promising to do, anything for a customer or supplier.
- Do not ask for meals or entertainment from a customer or supplier.

Travel and Premium Events

If you are invited by a customer or supplier to an event involving out-of-town travel or overnight stay, or to a premium event such as the Olympics, World Cup, or other such event consult your manager to determine if there is adequate business rationale for your attendance. If there is, the Company should pay for your travel, accommodation and attendance (including tickets) at the event.

Refusing Gifts, Meals and Entertainment

If you are offered a gift, meal or entertainment that exceeds the limits noted above, politely decline and explain the Company's rules. If returning a gift would offend the giver, or the circumstances under which it was given preclude its return, you may accept the gift, but should notify the Group Legal Office which will work with you either to donate the item to charity, or to distribute or raffle the item among a large group of employees.

Gifts, Meals and Entertainment for Customers and Suppliers

Gifts, meals and entertainment for customers and suppliers must support the legitimate business interests of Acorn and should be reasonable and appropriate under the circumstances. Always be sensitive to our customers' and suppliers' own rules on receiving gifts, meals and entertainment.

Gifts

An employee who is managing the Company's relationship with a travel agency accepts from the agency discounted rates for personal travel that are not available to other employees. The employee is in violation of the Code by accepting this personal benefit.

Business Partners

Business Partners in this code mean all contractors, suppliers, consultants, brokers, finders, dealers, joint venture partners and any other third party with whom or through whom Acorn does business.

Business Partners are strongly discouraged from giving benefits, gifts or entertainment to the Company's directors, employees and managers. All forms of solicitation from employees and managers at all levels should be promptly reported to the Group Legal Office, who will investigate all allegations, and refer the matter to a Disciplinary Committee (to be constituted to treat individual Code violations) for appropriate sanctions to be meted out to the erring employee or officer. Business Partners should however be cautious as all forms of malicious reports or accusations shall not be tolerated by the Company.

Please refer to the Gifts and Benefits Policy.

5. BRIBES AND FACILITATION PAYMENTS

A bribe is defined under this Code as something, such as money or a favor, offered or given to a person in a position of trust to influence that person's views or conduct. It includes giving or offering to give **anything of value** to a government official to influence a discretionary decision. Examples of bribes include payment to a government official to encourage a decision to award a contract or continue business relations, to influence the outcome of a government audit or inspection, or to influence tax or other legislation.

Bribery is the offering, promising or giving, as well as demanding or accepting, of any undue advantage, whether directly or indirectly, to or from; a public official; a political candidate, party or party official; or any private sector employee in order to obtain, retain or direct business or to secure any other improper advantage in the conduct of business.

Anything of Value

This phrase literally means anything that might have value to a government official, including cash, gifts, meals, entertainment, business opportunities, product, offers of employment, and more. There is no monetary threshold; any amount could be construed as a bribe.

It is prohibited to give bribe in any form, including on contract payment or a portion of a contract payment, or by any means or channel to provide improper benefits to government officials, customers, contractors, agents, suppliers or employees of Acorn.

The Company may be held liable for bribes paid by a third party agent or consultant acting on the Company's behalf. Take particular care when evaluating a prospective third party who might interact with the government on behalf of the Company. You must not engage a third-party agent or consultant if there is reason to believe that the agent or consultant may attempt to bribe a government official. Also, ensure that all agents and consultants agree to abide by this Code and our Anti-Bribery Policy.

Facilitation payments under this Code are small payments made to secure or expedite the performance of routine action to which the Company is entitled. These payments are generally illegal in most of the countries in which we do business and are accordingly prohibited. However, in exceptional cases and with the **prior** approval of the Group Legal Office, such payments which must be properly accounted for and of limited scope, may be made.

ANTI-BRIBERY POLICY - PARTNERING AGAINST CORRUPTION INITIATIVE (PACI)

*Launched by CEOs at the World Economic Forum Annual Meeting in 2004 in Davos, the **Partnering Against Corruption Initiative (PACI)** was established as a platform for companies to mitigate corruption risks. With over 140 companies from multiple industries and global locations, PACI represents "the business voice against bribery and corruption". To become engaged in PACI, CEOs sign the PACI support statement and thereby commit to zero-tolerance policy towards bribery and corruption and agree to put in place an internal-corruption program that reflects PACI Principles. Acorn is a signatory to PACI. The Group Legal Office is working with PACI to develop and implement a comprehensive Anti-Bribery and Corruption Policy.*

6. CONFIDENTIALITY

All non-public information about the Company should be considered confidential information. Do not disclose non-public information to anyone outside the Company, including to family and friends, except when disclosure is required for business purposes. Even then, take appropriate steps, such as execution of a Confidentiality Agreement, to prevent misuse of the information. Do not disclose non-public information to others inside the Company unless they have a business reason to know.

All employees are required to observe the following rules regarding confidentiality of non-public information:

- Business matters should not be discussed in public areas/places where they can be overheard.
- You must ensure that confidential documents are not left open to general view either in hard copy on your desk, or on display on your personal computer.
- All confidential records and files should be put away at the close of work.
- When leaving the office, you must ensure that all drawers and cabinets for which you are responsible are locked.
- You must ensure that confidential documents and drafts which are no longer required are disposed of by shredding and not dropped in the waste paper bin.

All confidential records, documents and other papers, together with any copies or extracts thereof, made or acquired by you in the course of your employment are the property of the company and must be returned at the time of your exit from the Company.

The Group Legal Office may if the need arises, issue notices regarding retention of records in the case of actual or threatened litigation or government investigation. Employees must abide by the directions contained in these notices, as failure to do so could subject the Company and employees to serious legal risks.

Insider Trading

To use non-public information for personal financial benefit or to "tip" others who might make an investment decision on the basis of this information is not only unethical but also illegal. If you have any questions, please consult the Group Legal Office.

What Is Non-public Information?

It is any information that the Company has not disclosed or made generally available to the public. Examples include information related to:

- Employees
- Contracts
- Strategic and business plans
- Major management changes
- New product launches
- Mergers and acquisitions
- Technical specifications
- Pricing
- Proposals
- Financial data
- Product costs

Scenario: *I am in possession of a document accidentally left on the copying machine containing the salaries of several other employees. May I share it with other people at work?*

Appropriate Action: *No. You and your friends at work have no business reason to have this information. You should hand the document in to the author without making any copies thereof. Disclosing the information to other employees is a Code violation.*



7. PRIVACY AND DISCLOSURE OF PROPRIETARY INFORMATION

The Company respects the privacy of all its employees, business partners and customers. We must handle personal data responsibly and in compliance with all applicable privacy laws. Employees who handle the personal data of others must:

- Act in accordance with applicable law;
- Act in accordance with any relevant contractual obligations;
- Collect, use and process such information only for legitimate business purposes;
- Limit access to the information to those who have a legitimate business purpose for seeing the information; and
- Take care to prevent unauthorized disclosure.

Employees must maintain the confidentiality of proprietary information entrusted to them by the Company or its customers or suppliers, except when disclosure is authorized in writing by the Group Legal Office or required by laws or regulations. Proprietary information includes all non-public information that suppliers and customers have entrusted to us. The obligation to preserve proprietary information continues even after employment ends.

8. CORPORATE OPPORTUNITIES AND COMPETING WITH THE COMPANY

Employees are prohibited from taking for themselves opportunities that are discovered through the use of corporate property, information or position. No employee or officer may use corporate property, information, or position for personal gain, and no employee or officer may compete with the Company directly or indirectly. Employees owe a duty to the Company to advance the Company's interests when the opportunity to do so arises. No employee or Officer shall as an owner, officer, director or employee engage in any business that is substantially similar or in direct or indirect competition with the Company's business.

9. COMPETITION AND FAIR DEALING

We seek to outperform our competition fairly and honestly. Our vision is to be the leader in the energy sector through dynamic and efficient business processes and a highly motivated manpower. We seek competitive advantages through superior performance, never through unethical or illegal business practices. Stealing proprietary information, possessing information that was obtained without the owner's consent, or inducing such disclosures by past or present employees of other companies is prohibited. Each employee and officer should endeavor to respect the rights of and deal fairly with the Company's customers, suppliers, competitors and employees. No employee or officer should take unfair advantage of anyone through manipulation, concealment, abuse of privileged information, misrepresentation of material facts, or any other illegal trade practice.

No employee or officer is permitted to engage in price fixing, bid rigging, allocation of markets or customers, or similar illegal anti-competitive activities.

Competitive Intelligence

Employees are encouraged to collect, share and use information about our competitors, but to do so only in a legal and ethical manner. Just as the Company values and protects its own non-public information, we respect the non-public information of other companies.

Acceptable Intelligence Gathering

It is acceptable to collect competitive intelligence through publicly available information or ethical inquiries. For example, you may gather and use information from sources such as:

- Publicly available filings with government agencies (e.g. Corporate Affairs Commission)
- Public speeches of company executives
- Annual reports
- News and trade journal articles and publications
- You may also ask third parties about our competitors, or accept competitive intelligence offered by a third party, as long as there is no reason to believe that the third party is under a contractual or legal obligation not to reveal such information.

Prohibited Activities

The following basic restrictions apply to our ability to gather competitive intelligence:

- Do not engage in any illegal or illicit activity to obtain competitive information. This includes theft, trespassing, eavesdropping, wiretapping, computer hacking, invasion of privacy, bribery, misrepresentation, coercion, espionage or threats.
- Do not accept, disclose or use competitive information that you know or have reason to believe was disclosed to you in breach of a confidentiality agreement between a third party and one of our competitors.
- Do not disclose or use competitive information that is, or you believe should have been, marked "proprietary" or "confidential" without consulting Group Legal Office.

10. POLITICAL CONTRIBUTIONS

Political contributions in cash or in kind by the Company or its business units are prohibited under this Code. These include:

- (a) any contributions of Company funds or other assets for political purposes,
- (b) encouraging individual employees to make any such contribution; or
- (c) reimbursing an employee for any contribution.

Individual employees are free to make personal political contributions as they see fit.

11. CHARITABLE CONTRIBUTIONS

Charitable contributions and Sponsorships shall be transparent and made in accordance with the Laws that govern such contributions in the respective jurisdiction. These contributions shall not be used as a subterfuge for bribery. All charitable donations and sponsorships shall be approved by the Group Legal Office.

12. HEALTH, SAFETY AND ENVIRONMENTAL

The Company strives to provide each employee with a safe and healthy work environment. Each employee has responsibility for maintaining a safe and healthy workplace for all employees by following environmental, safety and health rules and practices and reporting accidents, injuries and unsafe equipment, practices or conditions. Violence and threatening behavior are not permitted.

The Company expects its employees to follow all applicable environmental laws and regulations that prohibit waste or contamination of the air, water and other natural resources. If you are aware of any condition that poses an environmental, health or safety hazard, you have an obligation under this Code to report same as appropriate.

13. DRUGS, ALCOHOL, USE OF SUBSTANCES

Employees of the Company are expected to report fit for duty for scheduled work and be able to perform assigned duties safely and acceptably without any limitations due to the use or after-effects of alcohol, illicit drugs, non-prescription drugs, or prescribed medications or any other substance.

Recognizing that off the job and on the job involvements with alcohol or drugs can have adverse effects upon the workplace, the integrity of our work the safety of other employees, the Company shall have zero-tolerance for employees who arrive at work under the influence of alcohol or drugs, and/or whose ability to work is impaired in any way by reason of the consumption of alcohol or drugs, or who consume alcohol or drugs on Company property.

The Company strictly prohibits the use, sale, purchase, offer to purchase or sell, transfer, distribution, consumption, or possession of drugs or alcohol on Company property or while operating Company equipment or driving Company vehicles. To this end, the Company reserves the right to conduct searches for drugs or alcohol on Company facility. Any drugs or alcohol found as a result of such a search will be confiscated and the user of the object found will be subject to disciplinary action, up to and including termination of employment.

14. BUSINESS AND FINANCIAL RECORDS

The Company requires honest, accurate and timely recording and reporting of information in order to make responsible business decisions. All business expense accounts must be documented and recorded accurately in a timely manner. All of the Company's books, records, accounts and financial statements must be maintained in reasonable detail, must appropriately reflect the Company's transactions, must be promptly disclosed in accordance with any applicable laws or regulations and must conform both to applicable legal requirements and to the Company's system of internal controls.

Ensuring accurate and complete business and financial records is everyone's responsibility, not just the role of accounting and finance personnel. Accurate record keeping and reporting reflects on the Company's reputation and credibility, and ensures that the Company meets its legal and regulatory obligations.

Employees dealing with financial records are to be guided as follows:

- Always record and classify transactions in the proper accounting period and in the appropriate account and department. Do not delay or accelerate the recording of revenue or expenses to meet budgetary goals.
- Estimates and accruals must be supported by appropriate documentation and be based on your best judgment.
- Ensure that all reports to regulatory authorities are full, fair, accurate, timely and understandable.
- Never falsify any document.
- Do not distort the true nature of any transaction.
- Never enable another person's efforts to evade taxes or subvert local currency laws. For this reason, payments generally should be made only to the person or firm that actually provided the goods or services.

15. IMPROPER INFLUENCE ON CONDUCT OF AUDITORS

You are prohibited from directly or indirectly taking any action to coerce, manipulate, mislead or fraudulently influence the Company's external auditors for the purpose of rendering the financial statements of the Company materially misleading. Prohibited actions include but are not limited to those actions taken to coerce, manipulate, mislead or fraudulently influence an auditor:

- (1) to issue or reissue a report on the Company's financial statements that is not warranted in the circumstances (due to material violations of generally accepted accounting principles, generally accepted auditing standards or other professional or regulatory standards);
- (2) not to perform audit, review or other procedures required by generally accepted auditing standards or other professional standards;
- (3) not to withdraw an issued report; or
- (4) not to communicate matters to the Company's Audit Committee.

16. PROTECTION AND PROPER USE OF COMPANY ASSETS

All employees should protect the Company's assets and ensure their efficient use. Theft, carelessness, and waste have a direct impact on the Company's profitability. You must ensure the security of the Company's property in your care at all times. All Company assets are to be used for legitimate Company purposes. Any suspected incident of fraud or theft should be immediately reported for investigation. Company assets should not be used for non-Company business.

17. INFORMATION TECHNOLOGY

In business, access to the right information at the right time can mean the difference between success and failure. Information can be in many forms, viz written, spoken word, electronic form. What is important is that we recognize its importance and protect it accordingly. The following rules and guidelines apply to electronic information:

E-mail

- You should not transmit anything in an e-mail that you would not be comfortable writing in a letter or memorandum.
- Confidentiality and integrity of the information is not guaranteed.
- Electronic mail is easy to forge, so implicit trust should never be given to its source or content. Seek some other means of confirmation.
- Attachments could contain a virus or unauthorized information, thus care should always be taken in opening them.
- There is no guarantee that a message will reach its destination, so double-check or set an auto-acknowledgement.

You should be aware that e-mail messages and data files within the Company's computing environment should relate specifically to business matters and cannot be considered the private property of employees. The misuse of e-mail facilities is a Code violation.

Misuse of E-mail facilities

The sending and receiving of mail or attachments that fall into the following categories constitute e-mail misuse:

- Illegal e.g. pornographic images
- Distasteful e.g. crude, sexist, fanatical or racist images or any material likely to incite discrimination, hatred, or division
- Non-Business e.g. Cartoons, jokes, family pictures.

These categories are not media dependent and could be in any format including video, sound, text, etc.

Both inbound and outbound mail of this nature is unacceptable and you should be aware that both the sending and the solicited receipt of such material will amount to violation of this Code.

Internet

If you have been granted access to internet browsing, please be guided by the following:

- The internet is inherently insecure because it is a public network that has no central management or control.
- There are people on the internet who can and probably will attack our computer systems and compromise the integrity of our information.
- Do not download software/applications/music/games or any potentially illegal or inflammatory material as this could lead to virus infections and/or infringement of copyright and other legal issues.

Viruses

Viruses are computer programmes designed to cause damage or disruption to computer systems. To safeguard yourself and the Company:

- Do not leave your computer logged in and unattended.
- Do not open e-mail attachments if you are not sure of the source or content.
- Do not follow unknown or dubious links to websites.

18. REPORTING CODE VIOLATION AND INVESTIGATION

Employees are encouraged to talk to supervisors, line managers or other appropriate personnel about observed behavior, which they believe may be illegal or a violation of this Code of Business and Ethical Conduct or Company policy or when in doubt about the best course of action in a particular situation. Code violations or suspected violations should be reported to the Group Legal Office.

When you make a report to the Group Legal Office, you may choose to remain anonymous, although you are encouraged to identify yourself to facilitate communication. If you make your identity known, the Group Legal Office and the Investigation Committee will take every reasonable precaution to keep your identity confidential, consistent with conducting a thorough and fair investigation. To help maintain confidentiality, avoid discussing these issues, or any investigation, with other employees. Because we strive to maintain strict confidentiality in all investigations, we may not be able to inform you of the outcome of an investigation.

Investigations

The Company takes all reports of possible misconduct seriously. The Group Legal shall constitute an Investigation Committee to investigate a reported violation of the Code. The Committee will investigate the alleged violation confidentially, make a determination whether the Code or the law has been violated, and recommend appropriate corrective action. If you become involved in a Code investigation, cooperate fully and answer all questions completely and honestly.

No Retaliation

The Company values the help of employees who identify potential problems that the Company needs to address. Any retaliation against an employee who raises an issue honestly is a violation of the Code. That an employee has raised a concern honestly, or participated in an investigation, cannot be the basis for any adverse employment action, including separation, demotion, suspension, loss of benefits, threats, unfair appraisal, harassment or discrimination. If you work with someone who has raised a concern or provided information in an investigation, you should continue to treat the person with courtesy and respect. If you believe someone has retaliated against you, report the matter to the Group Legal Office.

Making False Accusations

The Company will protect any employee who raises a concern honestly, but it is a violation of the Code to knowingly make a false accusation, lie to investigators, or interfere or refuse to cooperate with a Code investigation. Honest reporting does not mean that you have to be right when you raise a concern; you just have to believe that the information you are providing is accurate.



19. DISCIPLINARY ACTION

The Company will strive to impose discipline that fits the nature and circumstances of each Code violation. Under a system of progressive discipline, first-time violators will be given letters of reprimand for less significant offenses. Violations of a more serious nature may result in suspension without pay, loss or reduction of bonus or stock option, or termination of employment. When an employee is found to have violated the Code, a notation of the final decision, and a copy of any letter of reprimand, will be placed in the employee's personnel file as part of the employee's permanent record.

20. REPORTING OF CODE DECISIONS AND INVESTIGATIONS

The Group Legal Office will periodically report all pending Code investigations and final Code decisions, including disciplinary actions taken, to executive management of the Company and to the Audit Committee of the Board of Directors.

21. SIGNATURE AND ACKNOWLEDGMENT

To help ensure compliance with this Code of Business and Ethical Conduct, the Company requires that all employees shall upon initial employment or appointment and thereafter annually or as shall otherwise be required, review the Code and acknowledge their understanding and adherence in writing on the attached form. All executed acknowledgment forms shall be kept in individual personnel files of respective employees. Failure to read the Code or sign the acknowledgment form does not excuse an employee from compliance with the Code.

22. WAIVERS OF THE CODE OF BUSINESS AND ETHICAL CONDUCT

Any waiver of this Code for executive officers or directors may be made only by the Board of Directors or its designated Committee and will be promptly disclosed as required by law or regulation.

23. GROUP-WIDE APPLICATION

All references in this code to "Acorn", "Acorn Petroleum Plc" or the "Company" shall mean Acorn Petroleum Plc, its subsidiary and affiliate companies within and outside Nigeria.

THIS CODE OF BUSINESS AND ETHICAL CONDUCT IS DATED THIS 20TH DAY OF NOVEMBER, 2009



APPENDIX A

PERSONAL COMMITMENT TO THE ACORN CODE OF BUSINESS AND ETHICAL CONDUCT

Iacknowledge that I received a copy of Acorn's Code of Business Conduct dated _____ ("the Code"), that I have read the Code and that I understand it. I shall comply with the Code. I understand that I have a duty to report promptly any violation or impending violation of the Code. I understand that I will be held accountable for any violation of the Code and that violation may result in disciplinary action including summary dismissal or as appropriate, criminal Prosecution or civil action.



Dated this.....day of200..

Signature

APPENDIX B

DECLARATION OF INTEREST FORM

I Hereby
 declare as follows:

RELATIVES CLAUSE 3

That the following persons who are my relatives as defined by Clause 3 of the Code are employed by a company which is a supplier, contractor, service provider or competitor of Acorn or otherwise have any interest in such supplier, contractor, service provider or competitor:

S/N	NAME	RELATION	COMPANY	POSITION



DIRECTORSHIPS CLAUSE 3

That I hold the following directorships in the following companies which are **NOT** involved in the same or substantially similar business to the business of Acorn or in direct or indirect competition with the Company.

S/N	NAME OF COMPANY	BUSINESS

NON-COMPETE CLAUSE 8

That I do not own (wholly or in part), manage or direct nor otherwise engage in any business that is substantially similar or in direct or indirect competition with the Company's business.

Dated this.....day of200..

Signature