

16 June 2008

Tower Resources Plc ('Tower' or 'the Company')

Acquisition

Tower Resources, the oil and gas exploration company, is pleased to announce that the Company has completed the acquisition of Comet Petroleum Ltd ('Comet').

Description of Comet

Comet Petroleum is the 50% holder of two exploration licences in the SADR (see editor notes below) originally awarded in March 2006. Other parties to the licences are Maghreb Exploration Limited (10%) and Osceola Hydrocarbons Limited (40%).

The Guelta and Bojador Blocks are in the Aaiun basin which is essentially unexplored in modern times. This basin is one of a series of mature passive margin basins that lie along the North Atlantic margin of Northwest Africa. A well drilled by Conoco in shallow water more than 25 years ago encountered asphalt in the early Tertiary and throughout the early to late Cretaceous. A 13 metre thick tar saturated sand was found in the Aptian. An extensive Lower Cretaceous deltaic sequence is present in the shallow to mid-range of water depths, and becomes progressively more marine to the west.

Triassic salt to the west provides the mechanism for the development of large tilted fault blocks, overlain by drape structures, providing multi-level prospectivity. Although seismic and well information is very sparse, it appears from the available evidence that all the ingredients for a working petroleum system are present in the Guelta and Bojador Blocks, namely, source rocks, reservoir rocks, seals and potentially large structures.

The basin is one of very few West African basins to be left essentially unexplored in modern times, and lies adjacent to the proven petroleum productive basins of Mauritania.

The Licences

The Guelta Licence is offshore having an area of 15,760 square kilometres and water depths varying between 100 and 2,800 metres. The Bojador Licence is onshore having an area of 44,298 square kilometres.

Gross Licence Commitments are commercially confidential but are consistent with industry norms and the uncertainties surrounding the Licence awards. They comprise agreed geological and geophysical studies, seismic acquisition and well drilling

operations over three phases of exploration each of three years duration. These become effective once the territorial dispute has been resolved (see notes below) and SADR becomes a universally acknowledged nation state.

Acquisition terms

The consideration payable for the acquisition comprises an initial consideration of 721,544 new ordinary shares at 6.542p per share (being the average mid-market closing price of the Company's shares for the 3 days prior to the date of the agreement). This equates to the verified back costs of £47,201 incurred by Comet in respect its interests in the assets being acquired.

Further consideration will be triggered as a consequence of the licenses becoming operative, which will occur in the event that and at an agreed date after SADR reaches agreement with Morocco to become an independent nation state. Prior to that event occurring, a state of force majeure will apply which is governed by an 'Assurance Agreement' between the licensee and the SADR. The further consideration payable for Comet will be determined through an independent valuation of Comet's share of the assets at that time, subject to a minimum consideration of £500,000 per licence and a maximum consideration of £1,500,000 per licence. This consideration will be satisfied through the issue of shares in the Company at a price per share equivalent to the 3-day average share price immediately preceding the licenses becoming operative and payable upon the completion of the independent expert's valuation if this is later.

The acquisition is a related party acquisition by virtue of the fact that Comet is owned as to 50% each by Peter Blakey and Peter Taylor both of whom are directors of and shareholders in Tower. In the event that such issue of consideration shares would result in Messrs Blakey and Taylor incurring regulatory obligations under the stock exchange rules or takeover code regimes applicable at that time, all or part of the consideration may be met in cash form.

The independent directors of the Company consider, having consulted with its nominated adviser, Blue Oar Securities, that the terms of the transaction are fair and reasonable insofar as its shareholders are concerned.

Peter Kingston, Tower's Executive Chairman, commented:

'The Comet assets in SADR have considerable technical merit and, when the Licences become operative, they are likely to have equivalent prospectivity to other North-West African exploration provinces. The acquisition meets Tower's corporate philosophy of securing prospective exploration acreage before it becomes attractive to the industry at large. Initial costs are small and will not materially add to the company's existing financial commitments.'

In accordance with AIM guidelines, James Webb, who is an Exploration Geologist having 38 years of experience in technical, executive and advisory roles in the oil exploration and production industry, and is Exploration Manager to the Company, is the qualified person that has reviewed and approved the technical information contained in this announcement.

For further information, please contact:

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Notes to Editors

Tower Resources Plc is an AIM-listed, independent oil and gas exploration company based in London.

The company is focused on sub-Saharan Africa, holding exploration licences in Namibia and Uganda through its two operating subsidiaries Neptune Petroleum (Namibia) Ltd and Neptune Petroleum (Uganda) Ltd.

The company's assets include; blocks 1910A, 1911 and 2011A offshore Namibia and onshore block 5 in Northern Uganda.

The Saharawi Arab Democratic Republic - SADR

The area widely referred to as Western Sahara is classed by the United Nations as a non self-governing territory. Western Sahara lies on the Atlantic coast of North West Africa, bordered by Morocco to the north, Algeria to the northeast and Mauritania to the south and southeast. The Saharawi Arab Democratic Republic (SADR) was proclaimed by the indigenous people of the territory of Western Sahara on 27th of February 1976. Following Spain's withdrawal of the Spanish colonial government and military in 1975 and Morocco's unilateral invasion and occupation of most of the territory, subsequently concluded on 15th October 1975 by the International Court of Justice to be without legal foundation, war resulted with the Saharawi people. The SADR is a full member of the African Union and is recognised internationally by over 70 countries.

In 1988 both parties to the conflict, SADR and Morocco, agreed to a UN and OAU Settlement Plan. The UN Security Council adopted the Plan in resolutions 658 (690) and 690 (1991), by which it mandated the establishment of the UN Mission for a referendum on the Western Sahara (MINURSO). This eventually led to the declaration of a cease-fire in 1991 with the aim of holding a referendum in February 1992 to determine the wishes of the Saharawi people. The UN managed process has not yet led to a referendum and final resolution of the conflict. Further information can be obtained on the West Sahara website <http://www.sadroilandgas.com>.

SADR held a Licence Round in early 2006 awarding licence interests to eight international companies and is planning a Second Licence Round in the course of 2008.