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## NEWS RELEASE

### AFRICA OIL 2019 THIRD QUARTER FINANCIAL AND OPERATING RESULTS

**November 13, 2019 (AOI-TSX, AOI-Nasdaq-Stockholm)** – Africa Oil Corp. (“Africa Oil” or the “Company”) is pleased to announce its financial and operating results for the three and nine months ended September 30, 2019. All dollar amounts are in United States dollars unless otherwise indicated.

#### HIGHLIGHTS:

- The Company ended the quarter with cash of \$330.3 million and working capital of \$300.2 million;
- Subsequent to end of the quarter the Company announced it had entered into an amendment to the share purchase agreement (the "Amended SPA") signed on October 31, 2018, between Petrobras International Braspetro B.V. and Petrovida Holding B.V. ("Petrovida"), a company formed to acquire an ownership interest in Petrobras Oil and Gas B.V. ("POGBV"). Consequently, Africa Oil will be the sole acquirer of the 50% interest in POGBV, having increased its ownership in Petrovida to 100%. The closing of this deal is subject to Government of Nigeria's approval;
- The primary assets of POGBV are an indirect 8% interest in Oil Mining Lease ("OML") 127, which contains the producing Agbami Field, operated by affiliates of Chevron Corporation, and an indirect 16% interest in OML 130, operated by affiliates of TOTAL S.A., which contains the producing Akpo and Egina fields;
- The first ever oil export from Kenya, a cargo of 240,000 barrels, sailed away from Mombasa on August 26, 2019. This shipment was a major milestone for the country and the Company's South Lokichar project. The project's Early Oil Production System ("EOPS") is producing at 2,000 barrels of oil per day ("bopd") with all the crude being trucked from Turkana to Mombasa. Africa Oil has a 25% working interest in the upstream assets (Block 10BB and 13T);
- On August 12, 2019, the Company announced that the Jethro-1 exploration well made the first oil discovery on the Orinduik block, offshore Guyana. On September 16, 2019, the Company announced a second oil discovery on this block with the Joe-1 exploration well, resulting in the opening of a new Upper Tertiary oil play in the Guyana basin. Africa Oil holds an approximately 18.7% equity interest in Eco (Atlantic) Oil & Gas Ltd. ("Eco"), and Eco holds a 15% working interest in the Orinduik Block;
- Subsequent to end of the quarter the operator (Tullow) of the Orinduik block announced that: "Following the completion of well operations, oil samples were sent for laboratory analysis and results indicate that the oils recovered from both Jethro-1 and Joe-1 are heavy crudes, with high sulphur content. Tullow and the Joint Venture Partners are assessing the commercial viability of these discoveries considering the quality of the oil, alongside the high-quality reservoir sands and strong overpressure";
- On July 3, 2019, the Company announced entering into a definitive farm-out agreement with Azinam Limited for a 20% participating interest and operatorship in the Exploration Right for Block 3B/4B, offshore South Africa. This block covers an area of 17,581 square kilometers and is located along-trend of an emerging Mid-Cretaceous oil play where operators are planning to drill several key exploratory wells. These have the potential to be play-openers for a world-class petroleum province.

Africa Oil President and CEO Keith Hill commented: "Africa Oil has had an excellent year so far with significant achievements on several fronts. We are very pleased with exploration successes by our investee companies Africa Energy, Eco Atlantic and Impact Oil and Gas. We are benefiting from three notable discoveries with one basin opening well offshore South Africa and two oil discoveries offshore Guyana. These are significant milestones that have de-risked the follow-on exploration and appraisal programs next year. We are also very pleased with our progress in Kenya and are proud that the country exported its first ever oil cargo supplied by our project in August. This follows the signing of Heads of Terms by the Joint Venture Partners and the Government of Kenya earlier in the year, concluding negotiations around key fiscal and commercial principles for the South Lokichar project. We continue to work diligently with our partners to reach the final investment decision milestone for the project's Phase 1 development, including the export pipeline from Turkana to Lamu. Finally, we have grasped the unique and transformational opportunity to acquire an increased interest in world class deepwater producing assets offshore Nigeria that are operated by Chevron and TOTAL. The Africa Oil team is committed to completing this acquisition and look forward to working with Petrobras and all stakeholders to accomplish that goal."

## 2019 Third Quarter Financial Results

(Thousands United States Dollars, except Per Share and Share Amounts)

|                                                                           | September 30, 2019               |                                  | December 31, 2018               |                                 |
|---------------------------------------------------------------------------|----------------------------------|----------------------------------|---------------------------------|---------------------------------|
| Cash and cash equivalents                                                 |                                  | 330,309                          |                                 | 370,337                         |
| Total assets                                                              |                                  | 948,169                          |                                 | 953,911                         |
| Total liabilities                                                         |                                  | 35,669                           |                                 | 31,831                          |
| Total equity attributable to common shareholders                          |                                  | 912,500                          |                                 | 922,080                         |
| Working capital                                                           |                                  | 300,161                          |                                 | 340,745                         |
|                                                                           |                                  |                                  |                                 |                                 |
|                                                                           | Three months ended Sep. 30, 2019 | Three months ended Sep. 30, 2018 | Nine months ended Sep. 30, 2019 | Nine months ended Sep. 30, 2018 |
| Operating expenses                                                        | 2,684                            | 2,358                            | 17,314                          | 53,350                          |
| Net loss                                                                  | 597                              | 323                              | 10,571                          | 48,493                          |
| Net loss per share (basic and diluted)                                    | 0.00                             | 0.00                             | 0.02                            | 0.10                            |
| Weighted average number of shares outstanding (basic and diluted) ('000s) | 471,214                          | 470,568                          | 471,030                         | 467,196                         |
| Number of shares outstanding ('000s)                                      | 471,214                          | 470,568                          | 471,030                         | 467,196                         |
|                                                                           |                                  |                                  |                                 |                                 |
| Cash flows provide by (used in) operations                                | (918)                            | 516                              | 149                             | (10)                            |
| Cash flows provide by (used in) investing                                 | (9,928)                          | 10,045                           | (39,267)                        | (11,558)                        |
| Cash flows provide by (used in) financing                                 | (154)                            | -                                | (888)                           | (568)                           |
| Total change in cash and cash equivalents                                 | (11,022)                         | 10,567                           | (40,028)                        | (12,146)                        |
|                                                                           |                                  |                                  |                                 |                                 |
| Change in share capital                                                   | -                                | -                                | 824                             | 14,333                          |
| Change in contributed surplus                                             | -                                | -                                | 167                             | 753                             |
| Change in deficit                                                         | -                                | -                                | (10,571)                        | (48,493)                        |
| Total change in equity                                                    | -                                | -                                | (9,580)                         | (33,407)                        |

The financial information in this table was selected from the Company's unaudited consolidated financial statements for the three and nine months ended September 30, 2019. The Company's consolidated financial statements, notes to the financial statements, management's discussion and analysis for the three and nine months ended September 30, 2019 and 2018, and the 2018 Annual Information Form have been filed on SEDAR ([www.sedar.com](http://www.sedar.com)) and are available on the Company's website ([www.africaoilcorp.com](http://www.africaoilcorp.com)).

## FINANCIAL POSITION AND EARNINGS

The Company ended the third quarter of 2019 with cash of \$330.3 million and working capital of \$300.2 million in comparison to cash of \$370.3 million and working capital of \$340.7 million at the end of 2018.

Africa Oil announced on November 1, 2019, that it has agreed the terms of a credit committee approved term sheet with BTG Pactual ("BTG") for a guarantee and loan facility ("Bridge Loan") of up to US\$250 million. It is anticipated that together with the Bridge Loan, the Company will have adequate cash available to complete the proposed acquisition of an effective 50% ownership interest in POGBV.

Under the terms of a farmout agreement completed in 2016 with Maersk (whose interest in the joint venture partnership was subsequently acquired by Total S.A.), upon a Final Investment Decision ("FID") of the South Lokichar development project (Block 10BB and 13T in Kenya), Total S.A. may be obligated to carry the Company for an additional amount of up to \$405.0 million dependent upon meeting certain thresholds of resource growth and timing of first oil. To date, a receivable has not been recorded in the Company's financial statements given uncertainty surrounding both resource growth and timing to first oil.

Until final South Lokichar Basin development and financing plan is approved, the Company will continue to assess the sufficiency of its capital resources. The Company's current working capital position may not provide it with sufficient capital resources to complete development activities being considered in the South Lokichar Basin (Kenya).

To finance its future acquisition, exploration, development and operating costs, AOC may require financing from external sources, including issuance of new shares, issuance of debt or executing working interest farmout or disposition arrangements. There can be no assurance that such financing will be available to the Company or, if available, that it will be offered on terms acceptable to AOC.

Investments in intangible exploration expenditures of \$10.8 million and \$28.8 million were incurred during the three and nine months ended September 30, 2019 respectively (\$8.8 million and \$30.2 million during the three and nine months ended September 30, 2018 respectively).

These expenditures relate primarily to the Company's share of appraisal stage projects (Blocks 10BB and 13T – Kenya) and include expenditures related to the following activities: geological and geophysical studies, development studies (including upstream and midstream FEEDs, land acquisition, ESIA's, water acquisition and subsurface reservoir studies) and general and administrative costs incurred in relation the Company's Production Sharing Agreements.

Operating expenses increased \$0.3 million during the third quarter of 2019 compared to the same period in 2018. Equity-based compensation decreased \$0.4 million due to the revaluation of RSUs. Travel increased \$0.2 million primarily due to travel required for potential business opportunities and the opening of the London office. Office and general increased \$0.3 million due to consulting work being performed on potential business opportunities, the hiring of a new CFO and creation of a new office in London. Depreciation increased \$0.1 million due to the depreciation expenses associated with the new office and living accommodations in London. The Company recognized \$0.4 million in losses during the three months ended September 30, 2018 relating to the revaluation of Impact warrants acquired during the first quarter of 2018. These warrants were exercised at the end of 2018. The share of gain from equity investments decreased \$0.3 million during the three months ended September 30, 2019 compared to the same period in 2018.

## CORPORATE UPDATE

Africa Oil opened a new corporate office in Central London (U.K.) on September 1, 2019, with three senior management staff relocating to London including Keith Hill (CEO), Tim Thomas (COO) and Paul Martinez (VP Exploration). This relocation is designed to facilitate greater access to the investment community, partners in our existing ventures and deal flow in the current highly prospective growth market for oil and gas assets.

As announced on September 3, 2019, Mr. Pascal Nicodeme joined Africa Oil as the Company's new Chief Financial Officer in October 2019. Mr. Nicodeme replaced Mr. Ian Gibbs who resigned to serve as CFO of another Lundin Group company, Josemaria Resources Inc, based in Vancouver. Mr. Gibbs has joined the Board of Africa Oil and will continue to provide his expertise and guidance as the Company moves forward with its expansion plans in Africa. In addition to these changes, Mr. Shahin Amini joined the Company in

September 2019 as Investor Relations and Commercial Manager. Mr. Nicodeme and Mr. Amini are based in the Company's London office.

## **About Africa Oil**

Africa Oil Corp. is a Canadian oil and gas company with assets in Kenya and has signed an agreement to acquire an interest in a producing asset in deep water Nigeria. The Company is listed on the Toronto Stock Exchange and on Nasdaq Stockholm under the symbol "AOI".

## **Additional Information**

This information is information that Africa Oil Corp. is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact person set out below on November 13, 2019 at 7:00 p.m. ET.

## **Forward Looking Information**

Certain statements made and information contained herein constitute "forward-looking information" (within the meaning of applicable Canadian securities legislation). Such statements and information (together, "forward looking statements") relate to future events or the Company's future performance, business prospects or opportunities. Forward-looking statements include, but are not limited to, statements with respect to estimates of reserves and or resources, future production levels, future capital expenditures and their allocation to exploration and development activities, future drilling and other exploration and development activities, ultimate recovery of reserves or resources and dates by which certain areas will be explored, developed or reach expected operating capacity, that are based on forecasts of future results, estimates of amounts not yet determinable and assumptions of management.

All statements other than statements of historical fact may be forward-looking statements. Statements concerning proven and probable reserves and resource estimates may also be deemed to constitute forward-looking statements and reflect conclusions that are based on certain assumptions that the reserves and resources can be economically exploited. Any statements that express or involve discussions with respect to predictions, expectations, beliefs, plans, projections, objectives, assumptions or future events or performance (often, but not always, using words or phrases such as "seek", "anticipate", "plan", "continue", "estimate", "expect", "may", "will", "project", "predict", "potential", "targeting", "intend", "could", "might", "should", "believe" and similar expressions) are not statements of historical fact and may be "forward- looking statements". Forward-looking statements involve known and unknown risks, ongoing uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking statements, including the completion of the Company's POGBV transaction in Nigeria; estimated production levels at the Amosing temporary production facility; estimated levels of oil trucking to Mombasa from Turkana as part of the EOPS; the timing to the FID for Phase 1 of the South Lokichar development project; and the timing and scope of exploration and appraisal drilling operations offshore South Africa and Guyana. The Company believes that the expectations reflected in those forward-looking statements are reasonable, but no assurance can be given that these expectations will prove to be correct and such forward-looking statements should not be unduly relied upon. The Company does not intend, and does not assume any obligation, to update these forward- looking statements, except as required by applicable laws. These forward-looking statements involve risks and uncertainties relating to, among other things, changes in oil prices, results of exploration and development activities, uninsured risks, regulatory changes, defects in title, availability of materials and equipment, timeliness of government or other regulatory approvals, actual performance of facilities, availability of financing on reasonable terms, availability of third party service providers, equipment and processes relative to specifications and expectations and unanticipated environmental impacts on operations. Actual results may differ materially from those expressed or implied by such forward-looking statements.

ON BEHALF OF THE BOARD  
"Keith C. Hill"  
President and CEO

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