



Suite 2500
666 Burrard Street,
Vancouver, B.C. Canada V6C 2X8
info@africaoilcorp.com
africaoilcorp.com

NEWS RELEASE

AFRICA OIL ANNOUNCES COMPLETION OF THE STRATEGIC FARM DOWN FOR ORANGE BASIN BLOCK 3B/4B

August 28, 2024 (AOI-TSX, AOI-Nasdaq-Stockholm) – Africa Oil Corp. (“Africa Oil”, or the “Company”) is pleased to announce the completion of Africa Oil SA Corp.’s (“AOSAC”) strategic farm down agreement (“Agreement”) with TotalEnergies EP South Africa S.A.S. (“TotalEnergies”) and QatarEnergy International E&P LLC. (“QatarEnergy”) for the Orange Basin Block 3B/4B, offshore South Africa, announced on March 6, 2024. AOSAC is a wholly-owned subsidiary of Africa Oil.

AOSAC has retained a direct 17.00% interest in Block 3B/4B and transferred the operatorship of the block to TotalEnergies.

Transaction Highlights:

- Maximum transaction value of up to \$46.8 million to Africa Oil.
- Africa Oil will receive, subject to achieving certain milestones defined in the Agreement, staged cash payments for a total cash payment of \$10.0 million of which \$3.3 million is now due, and the remaining balance in two successive payments conditional upon achievement of key operational and regulatory milestones.
- Africa Oil will also receive a full carry of its 17.00% retained share of all JV costs, up to a cap, repayable to TotalEnergies and QatarEnergy from production in case of exploration success and development, which is expected to be adequate to fund the Company’s share of drilling for up to two wells on the licence.

Under a separate agreement between Africa Oil, AOSAC, Eco (Atlantic) Oil & Gas Limited (“Eco”) and Eco’s subsidiary, Azinam Limited (“Azinam”), signed in July 2024, AOSAC will acquire an additional 1.00% in Block 3B/4B from Azinam (“Eco Agreement”) subject to the satisfaction of customary conditions precedent, including approvals from the government of South Africa.

Africa Oil Chief Executive Officer, Dr Roger Tucker, commented: “Africa Oil has an unrivalled position amongst its Independent E&P peer group in the world-class Orange Basin. This includes our interest in the Venus discovery and the follow-on appraisal and exploration upside on Block 2913B, offshore Namibia. This farm down with TotalEnergies and QatarEnergy, two companies with deep geological knowledge of the basin, will facilitate exploration activities on Block 3B/4B, and extends our near-term scope for testing significant upside potential in our portfolio.”

About Block 3B/4B

Block 3B/4B covers an area of 17,581 km² within the Orange Basin offshore South Africa in water depths ranging between 300m and 2,500m. This block lies to the southeast and on trend with number of oil discoveries including the Venus discovery. There is approximately 14,000 km² of 2D seismic and 10,800 km² of 3D seismic over Block 3B/4B and a large opportunity set of exploration prospects has been identified.

AOSAC has a 17.00% interest in Block 3B/4B (26.25% prior to completion of the Agreement) with TotalEnergies holding a 33.00% operated interest; QatarEnergy holding 24.00%; Ricocure (Proprietary) Ltd (“Ricocure”) holding 19.75%; and Azinam holding 6.25%.

On the completion of the Eco Agreement, which is subject to the satisfaction of customary conditions precedent, including approvals from the government of South Africa, the interests in Block 3B/4B will be comprised of: 18.00% held by AOSAC; 33.00% held by TotalEnergies; 24.00% held by QatarEnergy; 19.75% held by Ricocure; and 5.25% held by Azinam.

Eco Agreement

In July 2024, Africa Oil and AOSAC signed the Eco Agreement with Azinam, pursuant to which Azinam has agreed to sell and assign a 1.00% interest in Block 3B/4B to AOSAC in exchange for the cancellation of all common shares in Eco and warrants over Eco common shares held by Africa Oil. The Company holds 54,941,744 Eco shares and 4,864,865 in Eco warrants, combined constituting approximately 16% of the total securities in Eco and also constituting the entire security holding of Africa Oil in Eco. Through its current shareholding in Eco, Africa Oil has an indirect 0.93% interest in Block 3B/4B.

About Africa Oil

Africa Oil Corp. is a Canadian oil and gas company with producing and development assets in deepwater Nigeria and an exploration/appraisal portfolio in west and south of Africa. The Company is listed on the Toronto Stock Exchange and on Nasdaq Stockholm under the symbol "AOI".

For further information, please contact:

Shahin Amini
Head of IR and Communication
Shahin.amini@africaoilcorp.com
T: +44 (0)20 8017 1511

Additional Information

This press release contains inside information that Africa Oil Corp. is required to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact persons set out above, at 07:30 a.m. EDT on August 28, 2024.

All dollar amounts are in United States dollars unless otherwise indicated.

Forward Looking Information

Certain statements and information contained herein constitute "forward-looking information" (within the meaning of applicable Canadian securities legislation), including in respect of Block 3B/4B, completion of the Eco Agreement and potential drilling of the first exploration well in 2025, and the potential of the Venus discovery or the broader Orange Basin. Such statements and information (together, "forward looking statements") relate to future events or the Company's future performance, business prospects or opportunities.

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 statements pertaining to dividend distributions, share repurchase programs, the 2022 Management Guidance including production, cashflow from operation and capital investment estimates, performance of commodity hedges, the results, schedules and costs of exploratory drilling activity, uninsured risks, regulatory and fiscal changes, availability of materials and equipment, unanticipated environmental impacts on operations, duration of the drilling program, availability of third party service providers and defects in title. 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 macro-economic conditions and their impact on operations, changes in oil prices, reservoir and production facility performance, hedging counterparty contractual performance, results of exploration and development activities, cost overruns, uninsured risks, regulatory and fiscal changes, defects in title,

claims and legal proceedings, availability of materials and equipment, availability of skilled personnel, timeliness of government or other regulatory approvals, actual performance of facilities, joint venture partner underperformance, availability of financing on reasonable terms, availability of third party service providers, equipment and processes relative to specifications and expectations and unanticipated environmental, health and safety impacts on operations. Actual results may differ materially from those expressed or implied by such forward-looking statements.