2000, 885 West Georgia Street
Vancouver, British Columbia
V6C 3E8

Tel: (604) 689-7842
Fax: (604) 689-4250

ANNUAL INFORMATION FORM

For the Year
Ended December 31, 2017

February 28, 2018

TABLE OF CONTENTS

GLOSSARY OF TERMS

"10BA Farmout Agreement" means the Farmout Agreement made September 27, 2010 between Centric Energy (Kenya) Limited and Tullow Kenya B.V., in respect of the PSC covering Block 10BA, Kenya.

"12A/13T Farmout Agreement" means the Farmout Agreement made January 26, 2011 between, among others, the Company and Tullow Kenya B.V., in respect of the PSCs covering Block 12A and Block 13T, Kenya.

"2D" means two dimensional.

"3D" means three dimensional.

"Africa Energy" means Africa Energy Corp.

"Africa Oil" "AOC" "Company" or the **"Corporation"** means Africa Oil Corp. and its subsidiaries.

"AIF" or **"Annual Information Form"** means this Annual Information Form prepared for the year ended December 31, 2017 and dated February 28, 2018.

"AOEBV" means Africa Oil Ethiopia B.V.

"API" means American Petroleum Institute.

"BCBCA" means the *Business Corporations Act* (British Columbia) S.B.C. 2002 c.57, as amended, including the regulations promulgated thereunder.

"Centric" means Centric Energy Corp.

"Centric Arrangement Agreement" means the Arrangement Agreement dated as of November 29, 2010, as amended by Amending Agreements dated December 23, 2010 and January 4, 2011, between the Company and Centric, including the disclosure letters of Centric and the Company.

"Centric Plan of Arrangement" means the arrangement completed pursuant to the provisions of Part 9, Division 5 of the BCBCA in accordance with the terms and conditions set forth in the Plan of Arrangement attached as Schedule A to the Centric Arrangement Agreement pursuant to which the Company acquired all of the issued and outstanding shares of Centric on the basis of 0.3077 common shares of the Company and $0.0001 in cash for each one share of Centric.

"**commercial discovery**" means a discovery that is potentially commercial when taking into account all technical, operational, commercial and financial data collected when carrying out appraisal work or similar operations, including recoverable reserves of petroleum, sustainable regular production levels and other material technical, operational, commercial and financial parameters, all in accordance with prudent international petroleum industry practices.

"**common shares**" means the common shares in the capital of the Company.

"**Contractor Group**" means the parties, including joint venture partners, that hold a working interest in a PSA or a PSC.

"**crude oil**" means a mixture that consists mainly of pentanes and heavier hydrocarbons, which may contain sulphur and other non-hydrocarbon compounds, that is recoverable at a well from an underground reservoir and that is liquid at the conditions under which its volume is measured or estimated. It does not include solution gas or natural gas liquids.

"Delonex" means Delonex Energy Limited.

"**development costs**" means costs incurred to obtain access to reserves and to provide facilities for extracting, treating, gathering and storing the oil and gas from the reserves. More specifically, development costs, including applicable operating costs or support, equipment and facilities costs and other costs of development activities, are costs incurred to:

(a) gain access to and prepare well locations for drilling, including surveying well locations for the purpose of determining specific development drilling sites, clearing ground, draining, road building, and relocating public roads, gas lines and power lines, to the extent necessary in developing the reserves;

(b) drill and equip development wells, development type stratigraphic test wells and service wells, including the costs of platforms and of well equipment such as casing, tubing, pumping equipment and the wellhead assembly;

(c) acquire, construct and install production facilities such as flow lines, separators, treaters, heaters, manifolds, measuring devices and production storage tanks, natural gas cycling and processing plants, and central utility and waste disposal systems; and

(d) provide improved recovery systems.

"**development well**" means a well drilled inside the established limits of an oil or gas reservoir, or in close proximity to the edge of the reservoir, to the depth of a stratigraphic horizon known to be productive.

"**ECO**" means Eco (Atlantic) Oil & Gas Ltd.

"**ECO SPA**" means the share purchase agreement made November 12 2017 between the Company and ECO.

"**ECO SAA**" means the strategic alliance agreement made November 12 2017 between the Company and ECO pursuant to which they will jointly pursue new exploration projects.

"EOPS" means Early Oil Pilot Scheme.

"Ethiopian Government" means the Government of the Federal Democratic Republic of Ethiopia.

"**FEED**" means front end engineering and design.

"**FID**" means a final investment decision in respect of the development plan for the Lokichar Development Project.

"**Farmout Agreement**" means a contractual agreement between parties whereby the holder of an interest in an oil and gas concession agrees to assign all or part of that interest to another entity in exchange for fulfilling contractually specified conditions.

"**gross**" means:

(a) in relation to wells, the total number of wells in which the Company has an interest; and

(b) in relation to properties, the total area of properties in which the Company has an interest.

"**Helios**" means Helios Natural Resources 2 Ltd.

"**Helios SPA**" means the share purchase agreement made February 7, 2018 between the Company and Helios pursuant to which the Company agreed to acquire the Impact Shares and the Impact Warrants in consideration of 13,946,545 common shares of AOC.

"**IFC**" means International Finance Corporation.

"**Impact**" means Impact Oil and Gas Limited.

"**Impact Investors Agreement**" means the investors' agreement made February 7, 2018 with *inter alia* Impact.

"**Impact Private Placement Shares**" means the ordinary shares of Impact which are issued in accordance with the Impact Subscription Agreement.

"**Impact Private Placement Warrants**" means the share purchase warrants of Impact issued in accordance with the Impact Subscription Agreement.

"**Impact Shares**" means the 70,118,381 ordinary shares of Impact currently held by Helios and that are to be acquired by the Company pursuant to the Helios SPA.

"**Impact Subscription Agreement**" means the subscription agreement made February 7, 2018 between the Company and Impact.

"**Impact Warrants**" means the 15,529,731 ordinary share purchase warrants of Impact currently held by Helios and that are to be acquired by the Company pursuant to the Helios SPA.

"**Joint Venture Partners**" means Tullow Oil plc, Maersk Olie og Gas A/S and Africa Oil Corp.

"**JDA**" means joint development agreement.

"Kenyan Government" means the Government of the Republic of Kenya.

"**Lokichar Development Project**" means the development of the oil resources contained in the South Lokichar Basin (Blocks 10BB and 13T (Kenya)), for export via a pipeline to the coast of Kenya.

"Maersk" means Maersk Olie og Gas A/S, a Danish oil and gas company owned by the Maersk Group.

"Marathon" means Marathon Oil Corporation.

"MD&A" means Management's Discussion and Analysis of results of operations and financial condition of the Company for the period ended December 31, 2017 dated February 28, 2018.

"**Nasdaq Stockholm**" means the Nasdaq Stockholm exchange.

"**natural gas**" means all gaseous petroleum and inerts.

"**net**" means:

(a) in relation to the Company's interest in wells, the number of wells obtained by aggregating the Company's working interest in its gross wells; and

(b) in relation to the Company's interest in a property, the total area in which the Company has an interest multiplied by the working interest owned by the Company.

"**operating costs**" mean costs incurred to operate and maintain wells and related equipment and facilities, including applicable operating costs of support equipment and facilities and other costs of operating and maintaining those wells and related equipment and facilities.

"**NI 51-101**" means the National Instrument 51-101 — *Standard of Disclosure for Oil and Gas Activities* of the Canadian Securities Administrators and the companion policies and forms thereto, as amended from time to time.

"NI 52-110" means the National Instrument 52-110 – *Audit Committees* of the Canadian Securities Administrators and the companion policies and forms thereto, as amended from time to time.

"**petroleum**" means: (i) any naturally occurring hydrocarbons in gaseous or liquid state; (ii) any mixture of naturally occurring hydrocarbons in gaseous or liquid state; or (iii) any petroleum (as defined in (i) or (ii) above) that has been returned to a reservoir.

"**petroleum operations**" means all exploration, gas marketing, development, production and decommissioning operations, as well as any other activities or operations directly or indirectly related to or connected with said operations (including health, safety and environmental operations and activities) and authorized or contemplated by, or performed in accordance with, PSC's.

"**production**" means recovering, gathering, treating, field or plant processing (for example, processing gas to extract natural gas liquids) and field storage of oil and gas.

"**PSC**", "**PSA**", "**Production Sharing Contract**" or "**Production Sharing Agreement**" means contracts or agreements entered into with a host government providing for petroleum operations in a defined area and the division of petroleum production from the petroleum operations.

"**Profit Oil**" means the amount of production, after deducting cost oil production allocated to costs and expenses, that would be divided between the participating parties and the host government under a Production Sharing Contract.

"**prospect**" means a project associated with a potential accumulation that is sufficiently well defined to represent a viable drilling target.

"**prospective resources**" are those quantities of petroleum estimated, as of a given date, to be potentially recoverable from undiscovered accumulations by application of future development projects. Prospective resources have both an associated chance of discovery and a chance of development.

"Rift Basin Area PSA" means the PSA made February 21, 2013 between AOEBV and the Ethiopian government.

"SEDAR" means the Canadian Securities Administrator's System for Electronic Document Analysis and Retrieval.

"TSX" means the Toronto Stock Exchange.

"Tullow" means Tullow Oil plc.

"Tullow Farmout Agreement" means the Farmout Agreement made September 1, 2010 between, among others, the Company, Tullow Kenya B.V. and Tullow Ethiopia B.V., in respect of the PSAs covering Blocks 10A and 10BB, Kenya and the South Omo Block, Ethiopia.

"**working interest**" means a percentage of the ownership in an oil and gas concession granting its owner the right to explore and develop oil and gas from a specific property which normally bears its proportionate share of the costs of exploration, development and operations as well as any royalties or other production burdens.

[THIS SPACE INTENTIONALLY LEFT BLANK.]

CURRENCY

The Company's functional and reporting currency is the United States dollar. All currency amounts in this AIF are expressed in United States dollars, unless otherwise indicated. The Bank of Canada exchange rates for the purchase of one United States dollar with Canadian dollars for the specified year ends are as follows:

	Year Ended December 31		
Bank of Canada Noon Exchange Rate:	**2015**	**2016**	**2017**
USD$/CAD$	1.384	1.3427	1.2545

ACCOUNTING POLICIES AND FINANCIAL INFORMATION

Financial information contained in this AIF is presented in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board.

ABBREVIATIONS

Oil and Natural Gas Liquids		Natural Gas	
Bbls	Barrels of crude oil	Mcf	Thousand cubic feet of natural gas
Bbls/d	Barrels of crude oil per day	MMcf	Million cubic feet of natural gas
Boe	Barrels of oil equivalent	Bcf	Billion cubic feet of natural gas
Bopd	Barrels of oil per day	Mcfd	Thousand cubic feet of natural gas per day
Boepd	Barrels of oil equivalent per day	Mcfe	Thousand cubic feet of gas equivalent
Mbbl	Thousands of barrels of crude oil	MMbtu	Million British Thermal Units
NGLs	Natural gas liquids		

Note: The calculations of barrels of oil equivalent (boe) and thousand cubic feet of gas equivalent (Mcfe) are based on the standard of 6Mcf: 1 bbl when converting natural gas to oil and 1 bbl: 6 Mcf when converting oil to natural gas. Boe and Mcfe may be misleading, particularly if used in isolation. A boe conversion ratio of 6 Mcf: 1 bbl or a Mcfe conversion ratio of 1 bbl: 6 Mcf is based on an energy equivalent conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead.

CONVERSION TABLE

The following table sets forth certain conversions between Standard Imperial Units and the International System of Units (or metric units).

To Convert From	To	Multiply By
Mcf	Cubic meters	28.174
Cubic meters	Cubic feet	35.315
Bbls	Cubic meters	0.159
Cubic meters	Bbls	6.289
Feet	Meters	0.305
Meters	Feet	3.281
Miles	Kilometers	1.609
Kilometers	Miles	0.621
Acres	Hectares	0.405
Hectares	Acres	2.471
Gigajoules	MMbtu	0.950
MMbtu	Gigajoules	1.0526

PRESENTATION OF OIL AND GAS INFORMATION

All oil and gas information contained in this AIF has been prepared and presented in accordance with NI 51-101. The actual oil and gas resources may be greater or less than any estimates provided herein.

FORWARD LOOKING STATEMENTS

Certain statements in this document constitute forward-looking information or forward-looking statements under applicable securities law (collectively "forward-looking statements"). Forward-looking statements are statements that relate to future events or the Company's future performance or business prospects. Any statements that express or involve discussions with respect to expectations, beliefs, projections, plans, future events or performance (often, but not always, identified by words such as "believes", "anticipates", "expects", "estimates", "pending", "intends", "plans", "will", "would have" or similar words suggesting future outcomes) are not statements of historical fact and may be forward-looking statements.

By their nature, forward-looking statements involve assumptions, inherent risks and uncertainties, many of which are difficult to predict, and are usually beyond the control of management, that could cause actual results to be materially different from those expressed by these forward-looking statements. Risks and uncertainties include, but are not limited to, risk with respect to general economic conditions, regulations and taxes, civil unrest, corporate restructuring and related costs, capital and operating expenses, pricing and availability of financing and currency exchange rate fluctuations. Readers are cautioned that the assumptions used in the preparation of such information, although considered reasonable at the time of preparation, may prove to be imprecise and, as such, undue reliance should not be placed on forward-looking statements.

The Company does not undertake to update or re-issue the forward-looking statements and information that may be contained herein, whether as a result of new information, future events or otherwise.

Forward-looking statements include, but are not limited to, statements concerning:

- expected closing dates for the completion of proposed transactions;
- planned exploration, appraisal and development activity including both expected drilling and geological and geophysical related activities;
- proposed development plans;
- timing to FID;
- future development costs and the funding thereof;
- anticipated future financing requirements;
- future crude oil, natural gas or chemical prices;
- future sources of funding for the Company's capital program;
- availability of potential farmout partners;
- government or other regulatory consent for exploration, development, farmout, or acquisition activities;
- future production levels;
- future capital expenditures and their allocation to exploration and development activities;
- future earnings;
- future asset acquisitions or dispositions;
- future debt levels;
- availability of committed credit facilities;
- possible commerciality;
- development plans or capacity expansions;
- future ability to execute dispositions of assets or businesses;
- future sources of liquidity, cash flows and their uses;
- future drilling of new wells;
- ultimate recoverability of current and long-term assets;
- ultimate recoverability of reserves or resources;
- expected finding and development costs;
- expected operating costs;
- estimates on a per share basis;
- future foreign currency exchange rates;
- future market interest rates;

- future expenditures and future allowances relating to environmental matters;
- dates by which certain areas will be explored or developed or will come on stream or reach expected operating capacity;
- the Company's ability to comply with future legislation or regulations;
- future staffing level requirements; and
- changes in any of the foregoing.

Statements relating to "reserves" or "resources" are forward-looking statements, as they involve the implied assessment, based on estimates and assumptions, that the reserves and resources described exist in the quantities predicted or estimated, and can be profitably produced in the future.

These forward-looking statements are subject to known and unknown risks and uncertainties and other factors which may cause actual results, levels of activity and achievements to differ materially from those expressed or implied by such statements. Such factors include, among others:

- market prices for oil and gas and chemical products;
- our ability to explore, develop, produce and transport crude oil and natural gas to markets;
- production and development costs and capital expenditures;
- the imprecision of reserve estimates and estimates of recoverable quantities of oil, natural gas and liquids;
- changes in oil prices;
- uninsured risks;
- regulatory changes;
- defects in title;
- availability of materials and equipment;
- timelines of government or other regulatory approvals;
- ultimate effectiveness of design or design modification to facilities;
- the results of exploration, appraisal and development drilling and related activities;
- short term well test results on exploration and appraisal wells do not necessarily indicated the long term performance or ultimate recovery that may be expected from a well;
- pipeline or delivery constraints;
- volatility in energy trading markets;
- incorrect assessments of value when making acquisitions;
- foreign-currency exchange rates;
- economic conditions in the countries and regions in which we carry on business;
- governmental actions including changes to taxes or royalties, changes in environmental and other laws and regulations;
- renegotiations of contracts;
- results of litigation, arbitration or regulatory proceedings;
- political uncertainty, including actions by terrorists, insurgent or other groups, or other armed conflict; and
- internal conflicts within states or regions.

The impact of any one risk, uncertainty or factor on a particular forward-looking statement is not determinable with certainty as these factors are interdependent, and management's future course of action would depend on its assessment of all information at that time. Although management believes that the expectations conveyed by the forward-looking statements are reasonable based on information available to it on the date such forward-looking statements were made, no assurances can be given that these expectations will prove to be correct, and such forward-looking statements included in, or incorporated by reference into, this AIF should not be unduly relied upon.

The forward looking statements are made as of the date hereof or as of the date specified in the documents incorporated by reference into this AIF, as the case may be, and except as required by law, the Company undertakes no obligation to

update publicly or revise any forward-looking statements, whether as a result of new information, future events or otherwise. The forward-looking statements contained herein are expressly qualified by this cautionary statement.

CAUTIONARY STATEMENTS REGARDING WELL TEST RESULTS

Drill stem tests are commonly based on flow periods of 1 to 5 days and build up periods of 1 to 3 days. Pressure transient analysis has not been carried out on all well tests and the results should therefore be considered as preliminary. Well test results are not necessarily indicative of long-term performance or of ultimate recovery.

[THIS SPACE INTENTIONALLY LEFT BLANK.]

ITEM 1 INTRODUCTION

INCORPORATION BY REFERENCE AND DATE OF INFORMATION

Specifically incorporated by reference and forming a part of this AIF are the Company's material change reports from January 1, 2017 to the date of this AIF, copies of which have been filed with the Canadian Securities Administrators in each of the Provinces of British Columbia, Alberta, and Ontario and can be found on the SEDAR website at www.sedar.com under the Company's profile.

All information contained in this AIF is as of December 31, 2017, unless otherwise indicated.

ITEM 2 CORPORATE STRUCTURE

INCORPORATION AND REGISTERED OFFICE

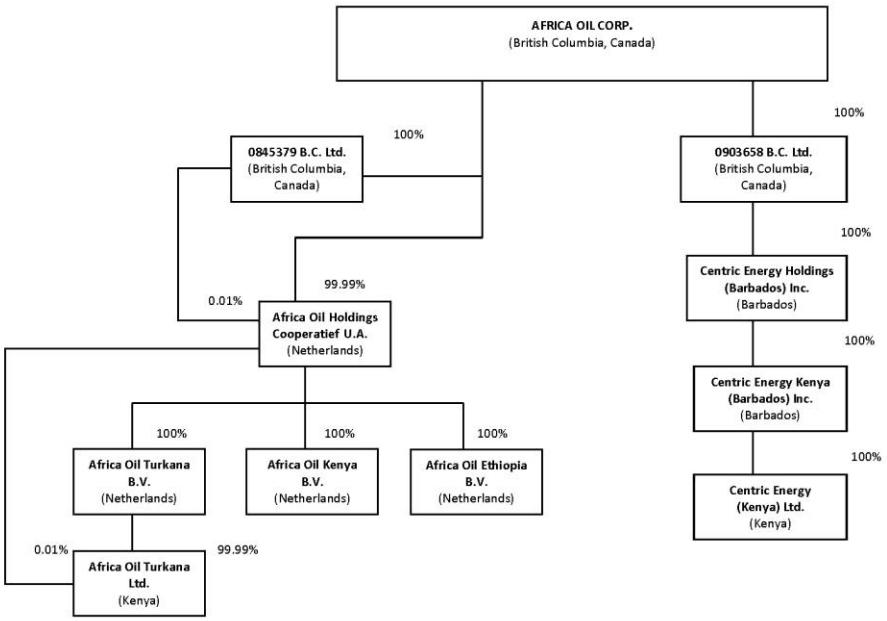
Africa Oil Corp. was incorporated under the BCBCA on March 29, 1993 under the name "Canmex Minerals Corporation" with an authorized capital of 100,000,000 common shares. On July 2, 1999 the issued and outstanding common shares of the Company were consolidated on a one-for-five basis and the authorized capital was increased, post-consolidation to 100,000,000 common shares. On August 20, 2007 the Company changed its name to "Africa Oil Corp." On June 19, 2009 the shareholders of AOC passed a special resolution increasing the Company's authorized share capital to an unlimited number of common shares. On June 3, 2013, the shareholders of AOC passed a special resolution authorizing an alteration of the Company's articles to include advance notice provisions for the nomination of directors.

Africa Oil's registered and records office is located at Suite 2600 Oceanic Plaza, 1066 West Hastings Street, Vancouver, British Columbia, V6E 3X1. The Company's corporate office is located at 2000 – 885 West Georgia Street, Vancouver, B.C. V6C 3E8. The Company also has an office located at 1750, 300 – 5th Avenue SW, Calgary, AB, Canada T2P 3C4.

[THIS SPACE INTENTIONALLY LEFT BLANK.]

INTER-CORPORATE RELATIONSHIPS

The material subsidiaries owned by Africa Oil are as set out in the following organizational chart:



The Company owns 28.5% of the issued and outstanding shares of Africa Energy Corp., a TSX Venture Exchange listed oil and gas exploration company with exploration assets in South Africa and Namibia.

The Company also owns 18.9% of the issued and outstanding shares of Eco (Atlantic) Oil & Gas Ltd., a TSX Venture Exchange and AIM listed oil and gas exploration company focused on the acquisition and development of unique upstream petroleum opportunities around the world.

[THIS SPACE INTENTIONALLY LEFT BLANK.]

ITEM 3 GENERAL DEVELOPMENT OF THE BUSINESS

Africa Oil is an independent international upstream oil and gas exploration and development company whose head office is in Canada with oil and gas interests in Kenya and Ethiopia. The Company holds interests in exploration properties throughout several African rift basins, focusing primarily on East Africa. A summary of the Company's current partnership interests is set out in the following table:

Country	Concession	Gross Acreage (km^2)	Working Interests	
Kenya	10BA	11,760	AOC Maersk Tullow (Operator)	25% 25% 50%
	10BB	8,835	AOC Maersk Tullow (Operator)	25% 25% 50%
	9	15,782	AOC (Operator)	100%
	13T	6,296	AOC Maersk Tullow (Operator)	25% 25% 50%
Ethiopia	Rift Basin Area	42,519	AOC (Operator)	100%

Net working interests are subject to back-in rights or carried working interests, if any, of the respective governments or national oil companies of the host governments.

[THIS SPACE INTENTIONALLY LEFT BLANK.]

THREE YEAR HISTORY

During the last three completed financial years, the Company has continued to focus primarily on exploration and appraisal activities in the South Lokichar Basin (Blocks 10BB and 13T (Kenya)). The Company and its joint venture partners in these blocks are focusing on an initial stage of developmentin the Ngamia and Amosing oil fields. FEED is expected to commence in 2018, with FID targeted for 2019 and first oil in 2021 or 2022. The initial stage of development includes plans for the construction of an oil export pipeline to Lamu, located on the east coast of Kenya, some 750 km from the Lokichar Basin.

The following describes the development of Africa Oil's business over the last three completed financial years, including significant transactions and operational results.

FISCAL YEAR ENDED DECEMBER 31, 2015

Significant transactions in the year

During February 2015, the Company completed a brokered private placement issuing an aggregate of 57,020,270 common shares at a price of SEK 18.50 (CAD 2.74 equivalent) per common share for gross proceeds of SEK 1,055 million or $125 million. A cash commission (4% of the gross proceeds) was paid in the amount of $4.5 million to Dundee Securities Europe LLP and Pareto Securities who acted as joint bookrunners to advise on and effect the private placement.

During May 2015, the Company completed a non-brokered private placement with Stampede Natural Resources S.a.r.l., an entity owned by a fund advised by Helios Investment Partners LLP, issuing an aggregate of 52,623,377 common shares at a price of CAD $2.31 for gross proceeds of $100 million.

During August 2015, the Company completed a $50 million non-brokered private placement. Pursuant to an Equity Subscription Agreement dated August 18, 2015, 31,169,048 common shares, issued at a price of CAD $2.10 per share for gross proceeds of CAD $65,455,000 (US $50 million), were issued to IFC, a member of the World Bank Group.

In November, 2015, the Company announced that it had entered into a definitive farmout agreement with Maersk whereby Maersk would acquire 50% of Africa Oil's interests in Blocks 10BB, 13T and 10BA in Kenya and the Rift Basin and South Omo Blocks in Ethiopia in consideration for reimbursement of a portion of Africa Oil's past costs and a future carry on certain exploration and development costs.

Under the terms of the farmout agreement, upon closing of the transaction Maersk paid Africa Oil $350 million as reimbursement of past costs incurred by Africa Oil prior to the agreed March 31, 2015 effective date. Maersk also reimbursed Africa Oil for its acquired working interest share of costs incurred between the effective date and the closing date. Commencing on the effective date, Maersk would also carry up to $75 million of the Company's share of development expenditures upon confirmation of resources and $15 million of the Company's share of exploration expenditures. In addition, upon Final Investment Decision, Maersk would also carry up to $405 million of Africa Oil's working interest share of development expenditures for the Lokichar Development Project. The total carry amount is contingent upon the Lokichar Development Project meeting certain thresholds of resource growth, and the timing of first oil. The transaction was subject to host government and applicable regulatory approvals. The Maersk farmout closed early in 2016.

During 2015, the composition of Africa Energy's board of directors changed and Africa Oil's ownership interest (currently 28.5%) was diluted due to equity financings completed by Africa Energy. Africa Energy Corp. is no longer considered a subsidiary of the Company and is accounted for as an equity investment.

Operational activity in the year

The 2015 work program primarily focused on appraisal of the discovered South Lokichar Basin with the following objectives; confirming reservoir quality and deliverability, resource size and definition, and advancement of the development plans, including the export pipeline. The Company entered the year with three drilling rigs active in Kenya. Two rigs were demobilized during the year. One drilling rig was active at the end of 2015 and was released in the first quarter of 2016. A

limited number of potential basin opening wells were drilled in Kenya during 2015 outside of the discovered South Lokichar Basin. In Ethiopia, efforts during the year were focused on a 2D seismic program in the Rift Basin Area Block.

Tertiary Rift - Kenya

In January 2015, the Company announced the completion of drilling the Ngamia-5 and Ngamia-6 appraisal wells. Ngamia-5 is located 500 metres northeast of the Ngamia-1 discovery well in a different fault compartment and encountered 160 to 200 metres net oil pay. Ngamia-6 is located approximately 800 metres north of Ngamia-1 and in the same fault compartment as Ngamia-5 and encountered up to 135 metres net oil pay.

During the first quarter of 2015, the Epir-1 exploration well was drilled to a total depth of 3,057 meters in the North Kerio Basin in Block 10BB, Kenya. The well encountered a 100 meter interval of wet hydrocarbon gas shows with florescence indicating the presence of an active petroleum system. The hydrocarbon shows were encountered primarily in rocks which were not of reservoir quality. The partnership was encouraged that the Epir-1 well had demonstrated a working hydrocarbon system in the Kerio Basin and technical work was focused on identifying a prospect in the basin where there would be a high chance of trapping hydrocarbons in reservoir quality rock.

The Engomo-1 well, which was the first test of the North Turkana Basin in Block 10BA, Kenya, was drilled in the first quarter of 2015. This prospect is to the west of Lake Turkana where numerous naturally occurring oil slicks and seeps have been observed. The Engomo-1 exploration well in Block 10BA was drilled to a total depth of 2,353 meters. The well encountered interbedded siltstones, sandstones and claystones, becoming more tuffaceous and tight until reaching a total depth in basement. No significant oil or gas shows were encountered and the well was plugged and abandoned. The prevalence of tight facies in the wellbore may be due to the well's close proximity to the basin bounding fault. Subsequent analysis focused on understanding how this result impacts the remaining prospectivity in the basin.

During the first quarter of 2015, in the Ngamia field, the Ngamia-7 and Ngamia-8 appraisal wells were drilled. The Ngamia-7 well was drilled 1.2 kilometers east of Ngamia-3 and encountered up to 130 meters of net oil pay identifying a large eastern extension of the field that had been identified from the new 3D seismic survey. The Ngamia-8 appraisal well was drilled and encountered up to 200 meters of net oil pay in line with pre-drill expectations. The well was positioned in the center of the Ngamia structure and static pressure data indicated the well was in pressure communication with the oil discovered in the neighbouring Ngamia-1A, Ngamia-3, Ngamia-5, Ngamia-6 and Ngamia-7 wells. During the second quarter of 2015, the drilling of the Ngamia-9 well was completed and encountered between 90 and 110m of pay in the Lokone and Auwerwer horizons.

During the first quarter of 2015 in the Amosing field, the Amosing-3 appraisal well, located one kilometer northwest of the Amosing-1 discovery, was drilled. The well encountered up to 140 meters of net oil pay and proved an extension of the field. Pressure data from the Amosing-3 well indicated connectivity in some reservoir horizons encountered in the Amosing-1, 2 & 2A wells. The Amosing-4 well, located approximately one kilometer southeast of the Amosing-1 well, was drilled to test the southern extent of the field and successfully encountered 27 meters of net oil pay in thick upper reservoir zones proving the significant down-dip extent of the field. Mapping of the Amosing field did not close the structure to the south where there was potential for the field to spill up-dip into the Ekosowan prospect area, where the Ekosowan-1 well was drilled in 2014, encountering a 900 meter column of near continuous oil shows in tight alluvial fan facies. The Amosing-4 well further de-risked drilling of the Ekosowan prospect.

Elsewhere in the Lokichar basin, during the first quarter of 2015, the Ekales-2 appraisal well reached a total depth of 4,059 meters and encountered an estimated 60-100 meters of net oil pay in the primary shallower objectives. This highly deviated well was also deepened to test the basin center stratigraphic play where it intersected sandstones with elevated pressures and 50 meters of oil bearing sands; however, operating conditions precluded logging and confirmation of any oil pay in this section. This was the first test of this exploration target and was considered very positive for the future upside potential of the South Lokichar Basin.

In the Twiga field the Twiga-3 exploratory appraisal well in Block 13T encountered sands within the Lokone Shale sequence that were interpreted as good quality oil bearing reservoir over a gross interval of 120 metres. This result was to be assessed in future exploration and appraisal activities, stepping out into the South Lokichar basin to further define this encouraging additional oil potential.

During the first half of 2015, in preparation for the extended well tests, the Amosing-1 and Amosing-2A wells were successfully completed in five separate zones. Initial rig-less flow testing during clean-up flowed at a cumulative maximum rate of 5,600 and 6,000 bopd respectively. These results exceeded expectations and demonstrated high quality reservoir sands which flowed 31 to 38 degree API dry oil under natural conditions. During the test the wells produced at a cumulative average constrained rate of 4,300 bopd under natural flow conditions. Pressure data from the two wells supported significant connected oil volumes and confirmed lateral reservoir continuity, which was positive for the future development. A cumulative volume of 30,000 barrels of oil was produced into storage.

The partnership completed the Ngamia extended well test production phase with approximately 38,000 barrels of oil produced. Five completed zones of the Ngamia-8 production well were tested individually at a cumulative rate of 2,400 bopd and all except the lowest zone produced without artificial lift. Communication between the producer well and an observation well, at a distance of approximately 500 metres, was also demonstrated. Water injection tests were being planned to further validate the viability of water flood reservoir management and the oil recovery assumptions.

In the third quarter of 2015, the Amosing-5A exploratory appraisal well was drilled as a test of an undrilled fault block. The well encountered an estimated 15 to 28 metres of net oil pay in a downflank position and successfully proved a northern extension to the Amosing field.

During the fourth quarter of 2015, the Emesek-1 exploration well was drilled, testing the undrilled North Lokichar basin in Block 13T. The well reached a total depth of 3,000 metres without encountering commercial hydrocarbons and was plugged and abandoned. The rig was subsequently moved to the South Lokichar basin to drill the Etom-2 well in an undrilled fault block adjacent to the Etom oil discovery in Block 13T. This well encountered 102 metres of net oil pay in two columns. The objective of the well was to explore the north flank of the Etom structure in an untested fault block identified by recent 3D seismic. Oil samples, sidewall cores and wire line logging all indicated the presence of high API oil.

Following Etom-2, the PR Marriott Rig-46 was moved to Block 12A where it drilled the Cheptuket-1 exploration well, the first well to be drilled in the Kerio Valley Basin.

The full fast track processed data set for the 951 square kilometer 3D seismic survey over the series of significant discoveries along the western basin bounding fault in the South Lokichar Basin was interpreted. The 3D seismic indicated significantly improved structural and stratigraphic definition and additional prospectivity not evident on the 2D seismic.

A draft field development plan for the discoveries in the South Lokichar Basin was submitted in December 2015.

In August 2015, a bilateral agreement was reached between the Presidents of Uganda and Kenya adopting the Northern Kenya route for the regional crude oil pipeline, subject to certain conditions. However, in April 2016, the Governments of Uganda and Kenya announced that separate export pipelines would be developed for the export of production from the development of oil resources in their respective countries.

Cretaceous Anza Rift – Kenya

The Government of Kenya granted an eighteen month extension to the second additional exploration period, to June 2017.

Tertiary Rift – Ethiopia

During the third quarter of 2015 in the Rift Basin Area Block, a 2D seismic program, which consisted of approximately 600 kilometers of land and lake seismic, was completed. Source rock outcrops and oil slicks on the lakes were identified in the block where there was previously no existing seismic or wells. The Government of Ethiopia granted a twelve month extension to the initial exploration period, to February 2017.

FISCAL YEAR ENDED DECEMBER 31, 2016

Significant transactions in the year

In January 2016, Delonex completed a farm-in of 25% of Tullow's 65% interest in Block 12A following the final approval by the Government of Kenya. The Company has subsequently withdrawn from Block 12A.

During the first quarter of 2016, the Company completed its previously announced (November 9, 2015) farmout transaction with Maersk, who acquired 50% of AOC's interests in Blocks 10BB, 13T and 10BA in Kenya and the Rift Basin and South Omo Blocks in Ethiopia in consideration for reimbursement of a portion of AOC's past costs and a future carry on certain exploration and development costs. At closing, $439.4 million of farmout related proceeds were received from Maersk: $350.0 million as reimbursement of past costs incurred by the Company prior to the agreed March 31, 2015 effective date and $89.4 million representing Maersk's share of costs incurred between the effective date and closing, including a carry reimbursement of $15.0 million related to exploration expenditures. Maersk will also carry up to $75 million of the Company's share of development expenditures upon confirmation of resources. Upon FID, Maersk will be obligated to carry AOC for an additional amount of up to $405.0 million depending on meeting certain thresholds of resource growth and timing of first oil. Also in February, Delonex completed the purchase of Marathon's 50% working interest in Block 9 and 15% working interest in Block 12A.

In March, Delonex completed the purchase of Marathon's 20% working interest in the South Omo Block and 50% working interest the Rift Basin Area. The Company has subsequently relinquished its interest in the South Omo Block.

Operational activity in the year

The 2016 work program was primarily focused on advancing development plans associated with the discovered South Lokichar Basin in Kenya. The Company's assessment of contingent resources in the South Lokichar Basin highlights the considerable resource potential within the Basin. The work program included; continuing studies to support reservoir modeling, additional core analysis, petrophysical analysis, and advancement of the development plans associated with both upstream and midstream activities. AOC, with its joint venture partners, recommenced exploration and appraisal drilling activities during the fourth quarter of 2016 in the South Lokichar Basin. The first well in the drilling program, Erut-1 (Block 13T) resulted in a discovery. In addition, the Company's joint venture partners in Kenya undertook an extensive water injection test program, which commenced in the fourth quarter of 2016, to collect data to optimize the field development plans.

Tertiary Rift – Kenya

During the first quarter of 2016, the Cheptuket-1 well (Block 12A) completed drilling to a depth of 3,083 meters. The well encountered oil shows, seen in cuttings and rotary sidewall cores, across a large interval of over 700 meters. Cheptuket-1 was the first well to test the Kerio Valley Basin. While shows were encouraging, upon further technical and commercial review, the Company elected to withdraw from the block during the first quarter of 2017.

In the first quarter of 2016, the Government of Kenya agreed to an 18 month extension to the first additional exploration period on Block 10BA, allowing the joint venture partners to fully integrate the learnings from activities on Blocks 13T and 10BB into decisions on activities to be undertaken on Block 10BA.

In April 2016, the Governments of Uganda and Kenya announced that separate export pipelines would be developed for the export of production from the development of oil resources in their respective countries. The Company and its joint venture partners in Kenya signed a Memorandum of Understanding with the Government of Kenya which confirms the intent of the parties to jointly progress the development of a Kenya crude oil pipeline which will run from South Lokichar to the port of Lamu.

On May 10, 2016, the Company announced details of an updated independent assessment of the Company's contingent resources in the South Lokichar Basin in Blocks 10BB and 13T (Kenya). The estimated gross 2C unrisked resources in the South Lokichar Basin, Kenya had increased by 150 million barrels (or 24%) since they were previously assessed during 2014, to 766 million barrels of oil (Development Pending: 754 million barrels and Development Unclarified: 12 million barrels).

The effective date of this assessment was December 31, 2015, and it was carried out in accordance with the standards established by NI 51-101. Please refer to the Company's press release dated May 10, 2016 for details of the contingent resources by field.

In July 2016, the Government of Kenya agreed to a three-year extension to the Second Additional Exploration Period in Blocks 10BB and 13T (now expiring 18 September 2020).

Cretaceous Anza Rift – Kenya

In Block 9, the Company continued to assess the results of its 2014 drilling program. The Government of Kenya granted a twelve month extension to the second additional exploration period, to June 2018.

Tertiary Rift – Ethiopia

During the third quarter of 2015 in the Rift Basin Area Block, a 2D seismic program was completed, which consisted of approximately 600 kilometers of land and lake seismic. Source rock outcrops and oil slicks on the lakes were identified in the block where there was previously no existing seismic or wells. The Government of Ethiopia granted a twelve month extension to the initial exploration period, to February 2017.

The Company elected to relinquish its interest in the South Omo Block at the expiry of the exploration period (January 2017).

FISCAL YEAR ENDED DECEMBER 31, 2017

Significant transactions in the year

During February 2017 the Company notified its Partners of its decision to withdraw from Block 12A (Kenya).

In May 2017 the Company and Maersk agreed to payment terms related to the $75 million advance development carry. Africa Oil will receive equal quarterly payments of $18.75 million at the end of each calendar quarter during 2018. Upon FID of the South Lokichar development project, Maersk may be obligated to carry AOC for an additional amount of up to $405 million dependent upon meeting certain thresholds of resource growth and the timing of first oil.

In November 2017 the Company entered into a share purchase agreement and a strategic alliance agreement with Eco (Atlantic) Oil and Gas Ltd. for exploration in West Africa and Guyana. Under the terms of the ECO SPA, AOC acquired a 19.77% shareholding in ECO through the purchase, by way of private placement, of 29.2 million common shares at CAD$0.48 per share for a total consideration of CAD$14.0 million (US$10.9 million). The ECO SPA also provides the Company with the right to participate in any future ECO equity issuances, on a pro rata basis, and to appoint one nominee to ECO's board of directors. As a result, Keith Hill, Africa Oil's President & Chief Executive Officer, joined the the ECO board of directors in December 2017.

As part of the ECO SPA, the parties have also entered into a strategic alliance agreement, whereby they will jointly pursue new exploration projects. Pursuant to the terms of the ECO SAA, AOC will be entitled to bid jointly on any new assets or ventures proposed to be acquired by ECO, on the same terms as ECO and for an interest at least equal to the Company's percentage holding of the common shares in ECO from time to time. Additionally, under the terms of the ECO SAA, AOC will also have a right of first offer on the farmout of exploration properties currently held by ECO.

ECO has assembled a portfolio of exploration blocks, including four blocks in Namibia and one block in Guyana. The Namibia blocks are located in an area of proven source rocks and large, seismically-defined stratigraphic traps where upcoming wells by neighboring operators will be drilled in the near future to derisk the play. In Guyana, ECO holds a block directly updip from the Exxon operated Stabroek block.

Subsequent to the year end, the Company entered into a subscription agreement with *inter alia* Impact Oil and Gas Limited providing for the purchase by AOC of 59,681,539 Impact Private Placement Shares and 29,840,769 Impact Private

Placement Warrants for an aggregate subscription price of approximately $15 million. The Impact Private Placement Warrants have an exercise price of £0.25 per Share and an expiry date of April 27, 2021, subject to early expiration in the event of a liquidity event in respect of Impact. The Impact Private Placement Warrants are subject to customary adjustment provisions in respect of anti-dilution matters. The Impact Subscription Agreement also provides that during the nine (9) month period after closing of the transactions contemplated by the agreement, AOC may acquire, at the election of either AOC or Impact, an additional 9,946,923 ordinary shares of Impact and 4,973,461 ordinary share purchase warrants of Impact for an aggregate subscription price of approximately $2,500,000.

The Company has also entered into a share purchase agreement with Helios Natural Resources 2 Ltd. to acquire the 70,118,381 Impact Shares and the 15,529,731 Impact Warrants currently held by Helios in consideration of 13,946,545 common shares of AOC. Upon completion of the transactions contemplated by the Helios SPA, the Helios Warrants will have an exercise price of £0.18 per Share for a 12 month period, and if not exercised during such period, £0.25 thereafter and the same expiry date as the Impact Private Placement Warrants. The Impact Warrants are also subject to customary adjustment provisions in respect of anti-dilution matters.

Finally, the Company has entered into an investors' agreement with Impact and certain other shareholders of Impact. The Impact Investors' Agreement provides AOC with the right to nominate up to two members of the board of directors of Impact (which may consist of a maximum of nine (9) members) based on certain share ownership thresholds and consent rights with respect to certain fundamental matters in respect of Impact, including the future issuance of securities of Impact. The rights pursuant to the Impact Investors' Agreement will cease upon AOC holding less than 10% of the Impact Shares.

The transactions contemplated by the Impact Subscription Agreement and Helios SPA are subject to certain customary conditions to closing, including approval of the TSX and shareholder approval of Impact. The Helios SPA is subject to concurrent closing of the transactions contemplated by the Impact Subscription Agreement, provided that the transactions contemplated by the Impact Subscription Agreement are not conditional on the transactions contemplated by the Helios SPA.

Impact is a privately held oil and gas exploration and development company focused on South and West Africa.

OPERATIONS UPDATE

Tertiary Rift – Kenya

Exploration and Appraisal (Blocks 10BB and 13T)

The 2017 exploration and appraisal drilling campaign was completed in the fourth quarter, following the drilling of the Amosing-7 appraisal well. The PR Marriott Rig-46 has been demobilized. Two discoveries were made during the campaign.

In January 2017, the Erut-1 well resulted in a discovery, proving that oil has migrated to the northern limit of the South Lokichar basin. The second discovery was made during May 2017, at Emekuya-1, encountering significant oil sands, demonstrating oil charge across an extensive part of the Greater Etom structure and further de-risking the northern area of the basin.

The Etiir-1 exploration well, which targeted a large, shallow, structural closure immediately to the west of the Greater Etom structure, spudded in late June and was unsuccessful with no material reservoir development or shows encountered. Although dry, drilling results will be utilized in defining the westerly extent of the Greater Etom Structure. The Etiir-1 well has been plugged and abandoned.

The Ekales-3 well was drilled to a total measured depth of 2,721 meters and finished drilling during the third quarter of 2017. The well targeted an undrilled fault block adjacent to the Ekales field. While reservoir and oil shows were encountered, and oil sampled, the well was deemed non-commercial.

Multiple appraisal wells have been drilled in the Ngamia, Amosing and Etom fields during 2017: Ngamia-10 (65 meters of net oil pay), Amosing-6 (35 meters of net oil and gas pay), Amosing-7 (25 meters of net oil and gas pay) and Etom-3 (25

meters of net oil and gas pay). An extensive wireline evaluation program, including sampling, has been undertaken on all appraisal wells. The Ngamia-10, Amosing-6 and 7 and Etom-3 wells have all improved the definition of the limits of their respective fields. However, the presence of rift edge facies has limited their net pay. These drilling results will be incorporated into the geological models that will be utilized for potential field development plans.

The Auwerwer and Lokone reservoirs in the Etom-2 well were tested utilising artificial lift and flowed at 752 bopd and 580 bopd respectively which was lower than anticipated. As a result, the Joint Venture Partners will undertake further technical work to assess how representative the tests may have been and identify potential options to increase flow rates from the Etom field.

Activity is now focused on collecting dynamic field data through extended production and water injection testing. The Ngamia-11 appraisal well (143 meters of net oil pay) has been completed and is being utilized in a waterflood pilot test planned to be run throughout the first half of 2018. The waterflood pilot will include the previously drilled Ngamia 3, 6 and 8 wells. This pilot is designed to deliver a long-term assessment of the enhanced oil recovery that may be expected as a result of water injection. The waterflood pilot follows up the successful water injection testing program which was completed during the first half of 2017 on the Ngamia and Amosing fields. Additionally, the partnership aims to initiate extended well testing on wells in the Amosing and Ngamia fields, commencing early in 2018, with produced oil from testing initially being stored in the field and later transported as part of the EOPS. The first production from EOPS is expected to commence in the first half of 2018, subject to receiving the necessary consents and approvals.

Africa Oil Corp. has a 25% working interest in Blocks 10BB and 13T with Tullow Oil plc (50% and Operator) and Maersk Olie og Gas A/S (25%) holding the remaining interests.

Field Development (Blocks 10BB and 13T)

In January 2018 the Joint Venture Partners proposed to the Government of Kenya that the Amosing and Ngamia fields be developed as the initial stage of the South Lokichar development. This phase of the development is planned to include a 60,000 to 80,000 barrels of oil per day (bopd) Central Processing Facility (CPF) and an export pipeline to Lamu, some 750 kilometers from the South Lokichar basin on the Kenyan coast. This approach is expected to bring significant benefits as it enables an early Final Investment Decision (FID) of the Amosing and Ngamia fields taking full advantage of the current low-cost environment for both the field and infrastructure development, as well as providing the best opportunity to deliver first oil in a timeline that meets the Government of Kenya expectations. The installed infrastructure can then be utilized for the optimization of the remaining and yet to be discovered South Lokichar oil fields, allowing the incremental development of these fields to be completed in an efficient and low cost manner post first oil.

The initial stage is planned to include 210 wells through 18 well pads at Ngamia and 70 wells through seven well pads at Amosing, with a planned plateau rate of 60,000 to 80,000 bopd. Additional stages of development are expected to increase plateau production to 100,000 bopd or greater. It is anticipated that FEED for the initial stage will commence in 2018, with FID targeted for 2019 and first oil in 2021/22.

A JDA, setting out a structure for the Government of Kenya and the Joint Venture Partners to progress the development of the export pipeline, was signed on 25 October 2017. The JDA allows important studies to commence such as FEED, Environmental and Social Impact Assessments, as well as studies on pipeline financing and ownership. These have been initiated and will be continue throughout 2018.

Exploration Blocks 10BA

During 2017, the Joint Venture Partners entered the Second Additional Exploration Period on Block 10BA, expiring October 2019.

Cretaceous Anza Rift – Kenya

In Block 9, the Company continues to assess the results of its 2014 drilling program. The Government of Kenya has granted a twelve-month extension to the second additional exploration period, which will now expire in June 2018. The Company

plans to re-process and reevaluate existing geological and geophysical data while completing gas development and commercialization studies.

Tertiary Rift – Ethiopia

During the third quarter of 2015 a 2D seismic program was completed in the Rift Basin Area Block, which consisted of approximately 600 kilometers of land and lake seismic. Source rock outcrops and oil slicks on the lakes have been identified in the block where there was previously no existing seismic or wells. The Government of Ethiopia has granted an additional twelve month extension to the initial exploration period, which expired in February 2018. A submission has been made to the Government of Ethiopia for a further extension.

ITEM 4 NARRATIVE DESCRIPTION OF THE BUSINESS

Summary

AOC's long range plan is to increase shareholder value through the acquisition, exploration and development of oil and gas assets, located in under-explored geographic areas, in the early phase of the upstream oil and gas life-cycle. The Company has actively explored multiple onshore exploration blocks in various geological settings in East Africa. The Company has made numerous oil discoveries in the South Lokichar Basin (Blocks 10BB and 13T) located in the Tertiary Rift trend in Kenya. No commercial discoveries have been made to date in Ethiopia. Appraisal activities, including injectivity testing, are being undertaken with the goal of sanctioning development of the oil fields in the South Lokichar Basin. Africa Oil will continue to consider acquisition and merger opportunities with a focus on Africa.

The board of directors of Africa Oil may, in its discretion, approve asset or corporate acquisitions or investments that do not conform to the guidelines discussed above based upon the board's consideration of the qualitative and quantitative aspects of the subject properties, including risk profile, anticipated return on investment, technical upside, resource potential, reserve life and asset quality.

Specialized Skill and Knowledge

The Company relies on specialized skills and knowledge to gather, interpret and process geological and geophysical data, design, drill and complete wells, and numerous additional activities required to explore for, and potentially produce, oil and natural gas. The Company has employed a strategy of contracting consultants and other service providers to supplement the skills and knowledge of its permanent staff in order to provide the specialized skills and knowledge to undertake its oil and natural gas operations efficiently and effectively.

Environmental Protection

Africa Oil has developed a health, safety, environmental and community relations (HSEC) management system that is aligned to good international industry practice (GIIP) as defined by the Performance Standards on Environmental and Social Sustainability of the International Finance Corporation. This system is used for the management of exploration and development activities under the control of Africa Oil. Where Africa Oil is a non-operating shareholder, it seeks to use its influence as far as reasonably practicable to ensure that non-operated activities are undertaken and managed in line with GIIP. This approach is designed to provide assurance to Africa Oil that both operated and non-operated activities are undertaken in line with GIIP, that current regulatory requirements are met and that potential future regulatory requirement are identified at an early stage and factored into business planning activities. At the current time, no materials current or potential future regulatory requirements have been identified which have not been factored into business planning.

Competitive Conditions

The petroleum industry is immensely competitive in all of its phases. Africa Oil competes with other participants in the search for, and the acquisition of, oil and natural gas interests. Africa Oil's competitors include other resource companies which may have greater financial resources, staff and facilities than those of the Company. Competitive factors which may come into play in the future include the distribution and marketing of oil and natural gas, pricing, and methods of improving reliability of delivery.

Economic Dependence
The Company is heavily dependent upon its counterparties, including host governments and joint venture partners, under agreements, including production sharing agreements, joint venture agreements and farmout agreements that it has entered into for the exploration, appraisal, development and production of hydrocarbons.

OVERVIEW OF FARMOUT AND JOINT VENTURE AGREEMENTS

The following narrative provides an overview of the Company's farmout and joint venture agreements related to its current operations:

Farmout Agreements with Tullow
On September 1, 2010, AOC and Tullow entered into the Tullow Farmout Agreement. Under the Tullow Farmout Agreement, AOC agreed to assign to Tullow a 50% interest in and operatorship of, each of Block 10A, Block 10BB and South Omo Block. Tullow was also granted an option to acquire a 50% interest in Blocks 12A and 13T, which it subsequently exercised.

In consideration of the assignment, Tullow paid AOC $9.5 million, representing 50% of AOC's audited past costs in the blocks. In addition, Tullow agreed to fund its 50% working interest and AOC's working interest share of joint venture expenditures on Blocks 10A, 10BB, and South Omo from July 1, 2010, the effective date, until the cap of $23.75 million (based on AOC's carried interest) was reached. Upon reaching the expenditure cap, AOC was responsible for its working interest share of future joint venture expenditures.

The South Omo portion of the farmout to Tullow was completed on December 9, 2010. The farmout of Blocks 10A and 10BB to Tullow was completed in January 2011. AOC has subsequently relinquished its interests in Block 10A and in the South Omo Block.

Tullow exercised its option in respect of the Blocks 12A and 13T PSCs on September 1, 2010 and entered into the 12A/13T Farmout Agreement with AOC in respect of those blocks, on January 26, 2011. Under the 12A/13T Farmout Agreement, AOC agreed to assign to Tullow a 50% interest in, and operatorship of, each of Blocks 12A and 13T in consideration of $1.55 million, being 50% of AOC's past costs in respect of the blocks plus 50% of gross petroleum costs incurred by AOC from September 9, 2010, to a maximum of $500,000. On February 22, 2011, the Company closed on the 12A/13T farmouts at which time Tullow paid the Company an aggregate of $1,686,432. Tullow and AOC are each responsible for their working interest share of joint venture expenditures in these blocks.

As a result of the completion of the Centric Plan of Arrangement, the Company acquired an interest in Block 10BA, Kenya in February 2011. Block 10BA is the subject of the 10BA Farmout Agreement. Pursuant to the terms of the 10BA Farmout Agreement, Tullow acquired a 50% interest in, and operatorship of, Block 10BA in consideration of the reimbursement of 50% of Centric's acquisition costs, being approximately $750,000, and the payment of 80% of the first $30 million of expenditures required under the Block 10BA PSC. Upon reaching the expenditure cap, each joint venture partner was responsible for its working interest share of future costs. On November 4, 2010, Kenyan Government approval to the 10BA Farmout Agreement was received and on January 26, 2011, the transaction closed at which time Tullow paid to Centric an amount of $1.0 million in respect of estimated historic costs related to the acquisition of the PSC and exploration of Block 10BA.

In July 2012, the Company completed a farmout transaction with Tullow in respect of Block 12A. Under the terms of the farmout agreement, Tullow paid the Company $1.1 million in consideration of past exploration expenditures to acquire an additional 15% interest in Block 12A in Kenya. Tullow agreed to fund 15% of the Company's working interest share of expenditures related to the acquisition of 520 Kilometers of 2D seismic to an expenditure cap of $10.3 million on a gross basis, following which the Company would be responsible for its working interest share of seismic acquisition costs. AOC has subsequently relinquished its interest in Block 12A.

Rift Basin Area, Ethiopia

In December 2010, the Company signed a definitive agreement (the "Joint Study Agreement") with the Ethiopian Government to jointly study the Rift Basin Area (formerly referred to as the "Rift Valley Block"). The Company committed to carry out an airborne geophysical survey over the block. The Joint Study Agreement had an 18 month term, following which the Company could enter into negotiations for a PSA for all or part of the Rift Basin Area.

In February 2013, the Company entered into a PSA on the Rift Basin Area in Ethiopia with the Ministry of Mines, Government of Ethiopia. Under the Rift Basin Area PSA, during the initial exploration period which has been extended to February 2018, the Company is obligated to complete geological and geophysical operations (including the acquisition of 8,000 square kilometers of full tensor gravity and 400 kilometers of 2D seismic) with a minimum gross expenditure of $5.0 million.

The Company has submitted a request for an additional one year extension on the initial exploration period.

Farmout Agreement with Maersk

On November 9, 2015, the Company announced that it had entered into a definitive farmout agreement with Maersk whereby Maersk would acquire 50% of the Company's interests in Blocks 10BB, 13T and 10BA in Kenya and the Rift Basin and South Omo Blocks in Ethiopia in consideration for reimbursement of a portion of the Company's past costs incurred and a future carry on certain exploration and development costs. A $52.5 million deposit was paid at that time.

On February 4, 2016, the Company announced the completion of the farmout with Maersk related to Kenyan Blocks 10BB, 13T and 10BA. At completion, Africa Oil received $427 million (inclusive of the deposit previously paid) from Maersk. This amount represented $344 million of reimbursed past costs incurred by Africa Oil prior to the agreed March 31, 2015 effective date of the farmout and $83 million representing Maersk's share of costs incurred between the effective date and December 31, 2015, including a carry reimbursement of $15MM of exploration expenditures.

On February 22, 2016, the Company announced the completion of the farmout with Maersk related to the South Omo and Rift Basin Blocks Ethiopia. At completion, Africa Oil received $12.8 million from Maersk. This amount represented $6.4 million of reimbursed past cost incurred by Africa Oil prior to the agreed March 31, 2015 effective date of the farmout and $6.4 million representing Maersk's share of costs incurred between the effective date and December 31, 2015.

In May 2017, the Company and Maersk agreed to payment terms related to the $75 million advance development carry. Africa Oil is due to receive equal quarterly payments of $18.75 million at the end of each calendar quarter during 2018. Upon FID, Maersk will be obligated to carry Africa Oil for an additional amount of up to $405 million depending on meeting certain thresholds of resource growth and timing of first oil.

PRODUCTION SHARING CONTRACTS OVERVIEW

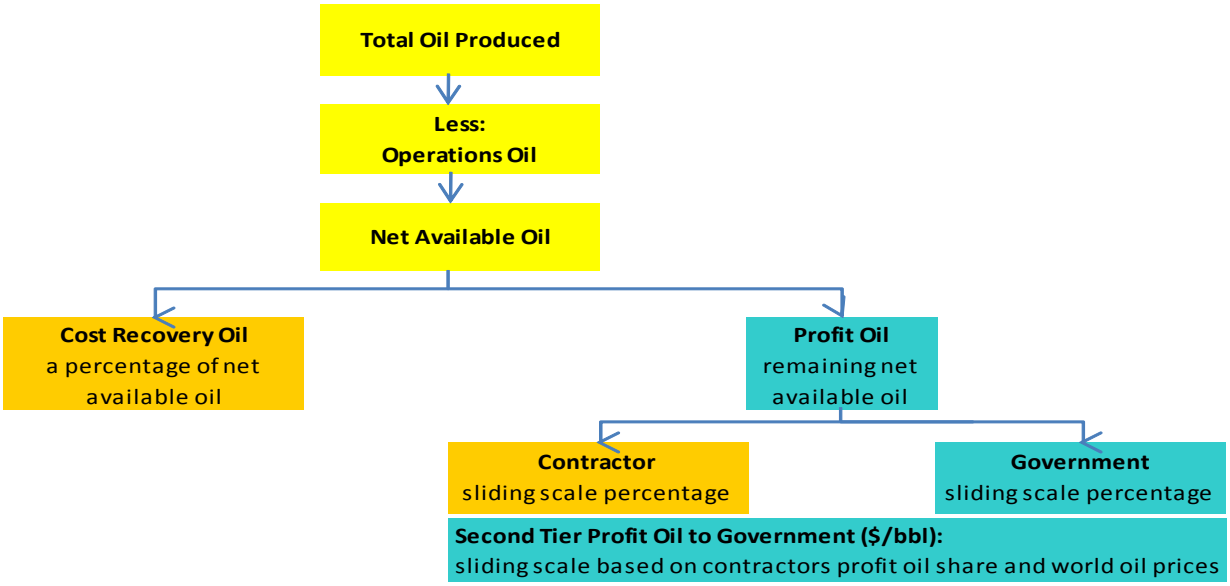
Block 10BB, Kenya (25% working interest)

The Block 10BB PSC contemplates an initial four year exploration period and, at the option of the Contractor Group, two additional exploration periods. The Contractor Group is currently in the second additional exploration period. During July 2016, the Company and its partners received approval from the Ministry of Energy and Petroleum for the Republic of Kenya for an extension to the second additional exploration period which now expires in September 2020. During the extension to the second additional exploration period, the Company and its partners are required to drill a minimum of four exploration wells between Blocks 10BB and 13T.

The Kenyan Government may elect to participate in any petroleum operations in any development area and acquire an interest of up to 20% of the total interest in that development area. The Kenyan Government may exercise its participation rights within six months from the date a development plan is adopted. Upon electing to participate in a development area, the Government would assume responsibility for its share of costs incurred with respect to the development area.

A 25 year development and production period commences once the Contractor Group has made a commercial discovery and a development plan is adopted.

The following diagram illustrates the allocation of production under the terms of the Block 10BB PSC:



Of the "Total Oil Produced", "Operations Oil" is available to the Contractor Group for operational needs for the work performed under the PSC. Up to a stated maximum percentage of the "Net Available Oil" is available for cost recovery with the remainder allocated to "Profit Oil". Costs subject to cost recovery include all costs and expenditures incurred by the Contractor Group for exploration, development, production and decommissioning operations, as well as any other applicable costs and expenditures incurred directly or indirectly with these activities. The portion of Profit Oil available to the Contractor Group is based on a sliding scale with the portion allocated to the Contractor Group declining as the volume of Profit Oil increases.

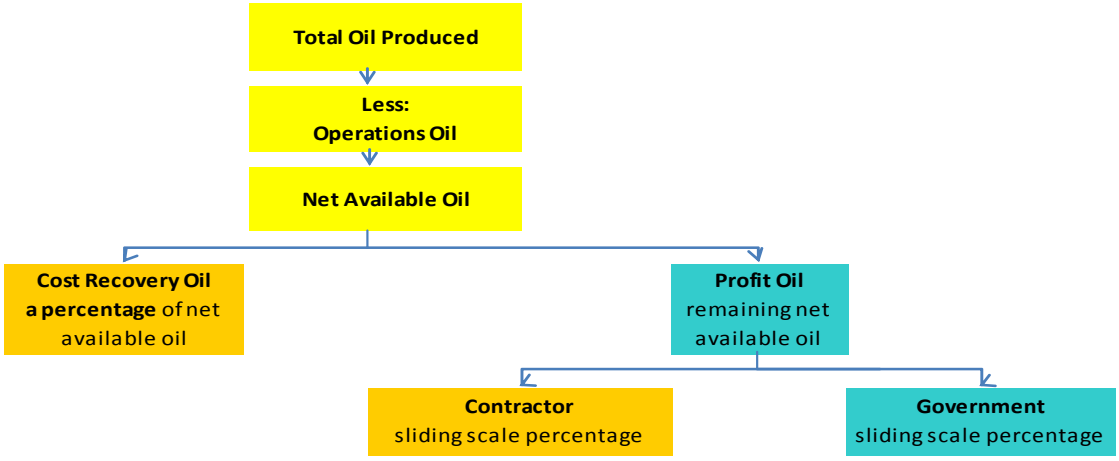
A second tier Profit Oil payment is due to the Government when oil prices exceed a stated world oil price. The amount payable per barrel is calculated by multiplying the Contractor Group's share of Profit Oil by a stated percentage and by the prevailing oil price in excess of the contractually agreed threshold world oil price.

Block 9, Kenya (100% working interest)
The Block 9 PSC contemplates an initial three year exploration period and, at the option of the Contractor Group, two additional exploration periods, the first being for a period of three years and the second being for period of two years. The Contractor Group is currently in the second additional exploration period which now expires in June 2018.

Under the terms of the extension under the PSC, during the second additional exploration period AOC is required to reprocess 300 line kilometers of 2D seismic data, conduct geological and geophysical studies and re-evaluation of the identified prospects in the block, and undertake engineering and well design for re-evaluation and testing of Bogal-1 well. In addition, the Company must undertake a gas development and commercialization study in the block.

The Kenyan Government may elect to participate in any petroleum operations in any development area and acquire an interest of up to 13% of the total interest in that development area. The Kenyan Government may exercise its participation rights within six months from the date a development plan is adopted. Upon electing to participate in a development area, the Government would assume responsibility for its share of costs incurred with respect to the development area.

A development and production period commences once the Company has made a commercial discovery and a development plan is adopted. The development and production period is 25 years with a possible 10 year extension.
The following diagram illustrates the allocation of production under the terms of the Block 9 PSC:



Of the "Total Oil Produced", "Operations Oil" is available to the Company for operational needs for the work performed under the PSC. Up to a stated maximum percentage of the "Net Available Oil" is available for cost recovery with the remainder allocated to "Profit Oil". Costs subject to cost recovery include all costs and expenditures incurred by the Company for exploration, development, production and decommissioning operations, as well as any other applicable costs and expenditures incurred directly or indirectly with these activities. The portion of Profit Oil available to the Company is based on a sliding scale with the portion allocated to the Company declining as the volume of Profit Oil increases.

Block 13T, Kenya (25% working interest)
The Block 13T PSC contemplates an initial three year exploration period and, at the option of the Contractor Group, two additional exploration periods. The Contractor Group is currently in the second additional exploration period which now expires in September 2020.

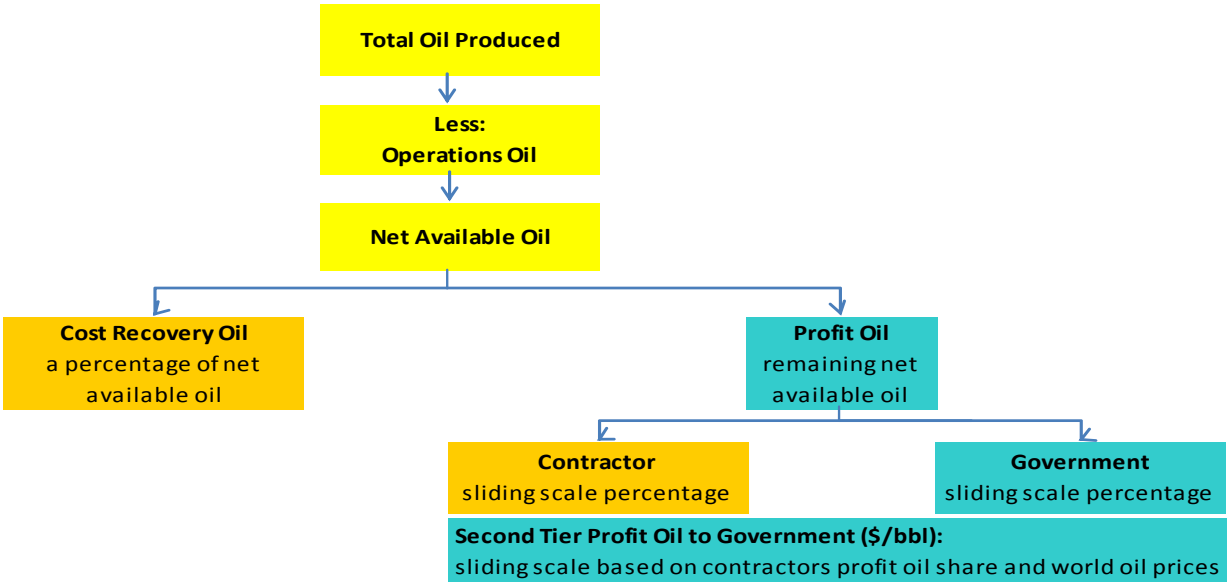
During July 2016, the Company and its partners received approval from the Ministry of Energy and Petroleum for the Republic of Kenya for an extension to the second additional exploration period which now expires in September 2020. During the extension to the second additional exploration period, the Company and its partners are required to drill a minimum of four exploration wells between Blocks 10BB and 13T.

The Kenyan Government may elect to participate in any petroleum operations in any development area in the Block and acquire an interest of up to 22.5% of the total interest in that development area, 15% of which will be held by the Kenyan Government and 7.5% which will be held by the National Oil Corporation of Kenya. The Kenyan Government and the

National Oil Corporation of Kenya may exercise its participation rights within six months from the date a development plan is adopted. Upon electing to participate in a development area, the Government and the National Oil Corporation of Kenya would assume responsibility for its share of costs incurred with respect to the development area.

A 25 year development and production period commences once the Contractor Group has made a commercial discovery and a development plan is adopted.

The following diagram illustrates the allocation of production under the terms of the Block 13T PSC:



Of the "Total Oil Produced", "Operations Oil" is available to the Contractor Group for operational needs for the work performed under the PSC. Up to a stated maximum percentage of the "Net Available Oil" is available for cost recovery with the remainder allocated to "Profit Oil". Costs subject to cost recovery include all costs and expenditures incurred by the Contractor Group for exploration, development, production and decommissioning operations, as well as any other applicable costs and expenditures incurred directly or indirectly with these activities. The portion of Profit Oil available to the Contractor Group is based on a sliding scale with the portion allocated to the Contractor Group declining as the volume

Block 10BA, Kenya (25% working interest)

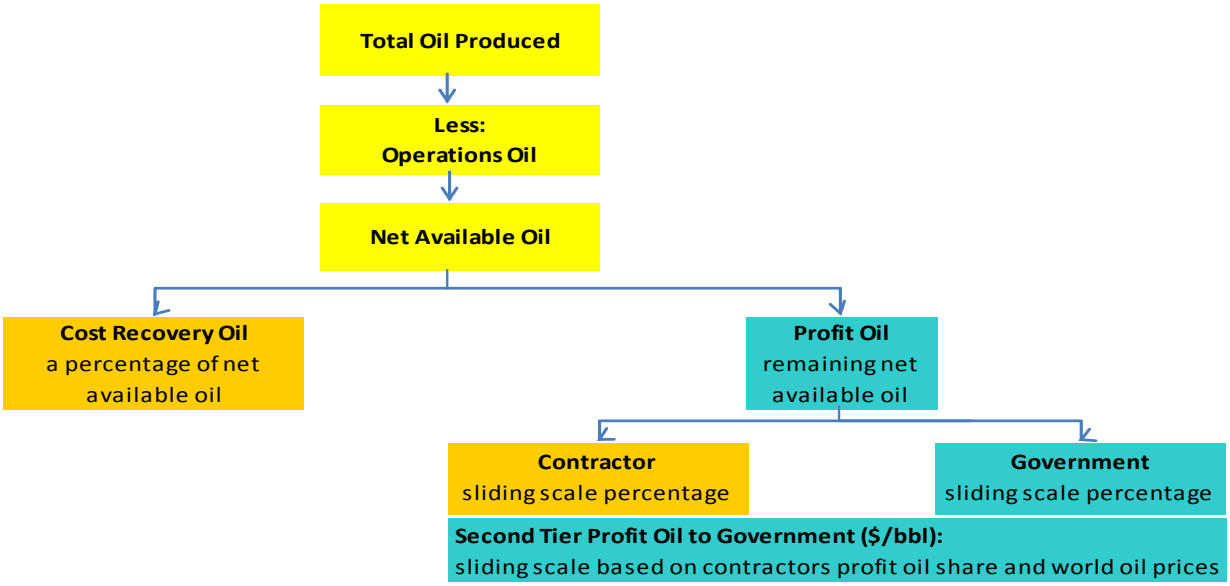
The Block 10BA PSC contemplates an initial three year exploration period and, at the option of the Contractor Group, two additional exploration periods of two years each. The Contractor Group is currently in the second additional exploration period which expires in October 2019.

During the second additional exploration period, the Contractor Group is required to carry out surveys of 500 kilometers of 2D seismic or carry out surveys of 25 km^2 of 3D seismic and drill one exploratory well at a minimum cost of $19.0 million.

The Kenyan Government may elect to participate in any petroleum operations in any development area and acquire an interest of up to 10% of the total interest in that development area. The Kenyan Government may exercise its participation rights within six months from the date a development plan is adopted. Upon electing to participate in a development area, the Government would assume responsibility for its share of costs incurred with respect to the development area.

A 25 year development and production period commences once the Contractor Group has made a commercial discovery and a development plan is adopted.

The following diagram illustrates the allocation of production under the terms of the Block 10BA PSC:



Of the "Total Oil Produced", "Operations Oil" is available to the Contractor Group for operational needs for the work performed under the PSC. Up to a stated maximum percentage of the "Net Available Oil" is available for cost recovery with the remainder allocated to "Profit Oil". Costs subject to cost recovery include all costs and expenditures incurred by the Contractor Group for exploration, development, production and decommissioning operations, as well as any other applicable costs and expenditures incurred directly or indirectly with these activities. The portion of Profit Oil available to the Contractor Group is based on a sliding scale with the portion allocated to the Contractor Group declining as the volume of Profit Oil increases.

A second tier Profit Oil payment is due to the Government when oil prices exceed a stated world oil price. The amount payable per barrel is calculated by multiplying the Contractor Group's share of Profit Oil by a stated percentage and by the prevailing oil price in excess of the contractually agreed threshold world oil price.

Rift Basin Area, Ethiopia (100% working interest)

The Rift Basin Area PSA contemplates an initial three year exploration period and, at the option of the Contractor Group, two additional exploration periods of two years each. The Contractor Group is currently in the initial exploration period which will expire in February 2018. The Company has made an application to the Government of Ethiopia for a further twelve month extension to the initial exploration period.

During the initial exploration period, the Contractor Group is required to complete geological and geophysical activities, including acquisition of 8,000 square kilometers of full tensor gravity and 400 kilometers of 2D seismic with a minimum gross expenditure of $5.0 million. At the end of the initial exploration period, the Contractor Group is required to relinquish 25% of the original contract area.

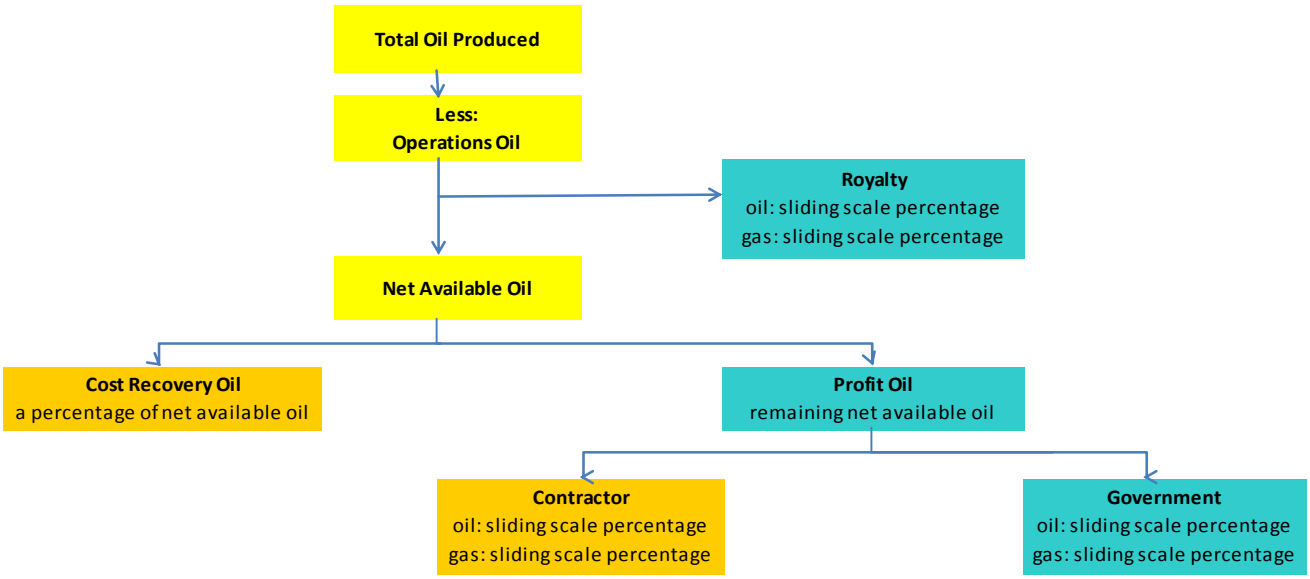
During the first additional exploration period, the Contractor Group will be required to drill one exploratory well. The minimum required expenditure for the well is $7.5 million. If required for drilling, the Contractor Group is obligated to acquire an additional 400 kilometers of infill 2D seismic. At the end of the first additional exploration period, the Contractor Group must relinquish 25% of the original contract area.

During the second additional exploration period, the Contractor Group will be required to drill one exploratory well. The minimum required expenditure for the well is $7.5 million. At the end of the second additional exploration period, the Contractor Group must relinquish the remainder of the original contract area that is not included within an appraisal area or development area.

The Ethiopian Government may elect to participate in any petroleum operations in any development area and acquire an interest of up to 18% of the total interest in that development area. The Ethiopian Government may exercise its participation rights within 120 days from the date a development plan is adopted. Upon electing to participate in a development area, the Government would assume responsibility for its share of costs incurred with respect to the development area.

A 25 year development and production period commences once the Contractor Group has made a commercial discovery and a development plan is adopted.

The following diagram illustrates the allocation of production under the terms of the Rift Basin Area PSC:



Of the "Total Oil Produced", "Operations Oil" is available to the Contractor Group for operational needs for the work performed under the PSC. The remaining oil is subject to a royalty, payable to the Ethiopian Minister of Mines and Energy, based on an increasing sliding scale as the rate of oil and/or gas increases

Up to a stated maximum percentage of the "Net Available Oil" is available for cost recovery with the remainder allocated to "Profit Oil". Costs subject to cost recovery include all costs and expenditures incurred by the Contractor Group for exploration, development, production and decommissioning operations, as well as any other applicable costs and expenditures incurred directly or indirectly with these activities. The portion of Profit Oil available to the Contractor Group is based on a sliding scale with the portion allocated to the Contractor Group declining as the volume of Profit Oil increases.

Disclosure of Reserves Data and Other Oil and Gas Information

For further information, please refer to Africa Oil's Statement of Reserves Data and Other Oil and Gas Information for fiscal year ended December 31, 2017 (Form NI 51-101F1) and the Report of Management and Directors on Oil and Gas Disclosure (Form NI 51-101F3), filed under the Company's profile on the SEDAR website at www.sedar.com, copies of which are attached hereto as Schedules A and B, respectively.

RISK FACTORS

The Company's operations are subject to various risks and uncertainties, including, but not limited to, those listed below.

International Operations

AOC participates in oil and gas projects located in emerging markets, which includes Africa. Oil and gas exploration, development and production activities in these emerging markets are subject to significant political and economic uncertainties that may adversely affect AOC's operations. Uncertainties include, but are not limited to, the risk of war, terrorism, expropriation, civil unrest, nationalization, renegotiation or nullification of existing or future concessions and contracts, the imposition of international sanctions, a change in crude oil or natural gas pricing policies, a change in taxation policies, and the imposition of currency controls. These uncertainties, all of which are beyond AOC's control, could have a material adverse effect on AOC's business, prospects and results of operations. In addition, if legal disputes arise related to oil and gas concessions acquired by AOC, AOC could be subject to the jurisdiction of courts other than those of Canada. AOC's recourse may be very limited in the event of a breach by a government or government authority of an agreement governing a concession in which AOC acquires an interest. AOC may require licenses or permits from various governmental authorities to carry out future exploration, development and production activities. There can be no assurance that AOC will be able to obtain all necessary licenses and permits when required.

Different Legal System and Litigation

AOC's oil production and exploration activities are located in countries with legal systems that in various degrees differ from that of Canada. Rules, regulations and legal principles may differ both relating to matters of substantive law and in respect of such matters as court procedure and enforcement. Almost all material production and exploration rights and related contracts of AOC are subject to the national or local laws and jurisdiction of the respective countries in which the operations are carried out. This means that AOC's ability to exercise or enforce its rights and obligations may differ between different countries and also from what would have been the case if such rights and obligations were subject to Canadian law and jurisdiction.

AOC's operations are, to a large extent, subject to various complex laws and regulations as well as detailed provisions in concessions, licenses and agreements that often involve several parties. If AOC were to become involved in legal disputes in order to defend or enforce any of its rights or obligations under such concessions, licenses, and agreements or otherwise, such disputes or related litigation may be costly, time consuming and the outcome may be highly uncertain. Even if AOC would ultimately prevail, such disputes and litigation may still have a substantially negative effect on AOC and its operations.

Financial Statements Prepared on a Going Concern Basis

AOC's financial statements have been prepared on a going concern basis under which an entity is considered to be able to realize its assets and satisfy its liabilities in the ordinary course of business. AOC's operations to date have been primarily financed by equity financing and the completion of working interest farmout agreements. AOC's future operations may be dependent upon the identification and successful completion of additional equity or debt financing, the achievement of profitable operations or other transactions. There can be no assurances that AOC will be successful in completing additional financings, achieving profitability or completing future transactions. The consolidated financial statements do not give effect to any adjustments relating to the carrying values and classification of assets and liabilities that would be necessary should AOC be unable to continue as a going concern.

Shared Ownership and Dependency on Partners

AOC's operations are, to a significant degree, conducted together with one or more partners through contractual arrangements. In such instances, AOC may be dependent on, or affected by, the due performance of its partners. If a partner fails to perform, AOC may, among other things, risk losing rights or revenues or incur additional obligations or costs in order to itself perform in place of its partners. AOC and its partners may also, from time to time, have different opinions on how to conduct certain operations or on what their respective rights and obligations are under a certain agreement. If a dispute were to arise with one or more partners relating to a project, such dispute may have significant negative effects on AOC's operations relating to such project.

Uncertainty of Title

Although the Company conducts title reviews prior to acquiring an interest in a concession, such reviews do not guarantee or certify that an unforeseen defect in the chain of title will not arise that may call into question the Company's interest in the concession. Any uncertainty with respect to one or more of the Company's concession interests could have a material adverse effect on the Company's business, prospects and results of operations.

Risks Relating to Concessions, Licenses and Contracts

AOC's operations are based on a relatively limited number of concession agreements, licenses and contracts. The rights and obligations under such concessions, licenses and contracts may be subject to interpretation and could also be affected by, among other things, matters outside the control of AOC. In case of a dispute, it cannot be certain that the view of AOC would prevail or that AOC otherwise could effectively enforce its rights which, in turn, could have significantly negative effects on AOC. Also, if AOC or any of its partners were deemed not to have complied with their duties or obligations under a concession, license or contract, AOC's rights under such concessions, licenses or contracts may be relinquished in whole or in part.

Competition

The petroleum industry is intensely competitive in all aspects including the acquisition of oil and gas interests, the marketing of oil and natural gas, and acquiring or gaining access to necessary drilling and other equipment and supplies. AOC competes with numerous other companies in the search for and acquisition of such prospects and in attracting skilled personnel. AOC's competitors include oil companies which have greater financial resources, staff and facilities than those of AOC and its partners. AOC's ability to discover reserves in the future will depend on its ability to successfully explore its present properties, to select and acquire suitable producing properties or prospects on which to conduct future exploration and to respond in a cost-effective manner to economic and competitive factors that affect the distribution and marketing of oil and natural gas. AOC's ability to successfully bid on and acquire additional property rights, to discover reserves, to participate in drilling opportunities and to identify and enter into commercial arrangements with customers will be dependent upon developing and maintaining close working relationships with its future industry partners and joint operators and its ability to select and evaluate suitable properties and to consummate transactions in a highly competitive environment.

Oil and natural gas producers are also facing increased competition from alternative forms of energy, fuel and related products that could have a material adverse effect on AOC's business, prospects and results of operations.

Risks Inherent in Oil and Gas Exploration and Development

Oil and gas operations involve many risks which even a combination of experience, knowledge and careful evaluation may not be able to overcome. The long-term commercial success of AOC depends on its ability to find, acquire, develop and commercially produce oil and natural gas reserves. No assurance can be given that AOC will be able to locate satisfactory properties for acquisition or participation. Moreover, if such acquisitions or participations are identified, AOC may determine that current markets, terms of acquisition and participation or pricing conditions make such acquisitions or participations uneconomic. There is no assurance that expenditures made on future exploration by AOC will result in discoveries of oil or natural gas in commercial quantities or that commercial quantities of oil and natural gas will be discovered or acquired by AOC. It is difficult to project the costs of implementing an exploratory drilling program due to the inherent uncertainties of drilling in unknown formations, the costs associated with encountering various drilling conditions such as over pressured zones and tools lost in the hole, and changes in drilling plans and locations as a result of prior exploratory wells or additional seismic data and interpretations thereof.

Future oil and gas exploration may involve unprofitable efforts, not only from dry wells, but from wells that are productive but do not produce sufficient net revenues to return a profit after drilling, operating and other costs. Completion of a well does not assure a profit on the investment or recovery of drilling, completion and operating costs. In addition, drilling hazards or environmental damage could greatly increase the cost of operations, and various field operating conditions may adversely affect the production from successful wells. These conditions include delays in obtaining governmental approvals or consents, shut-ins of connected wells resulting from extreme weather conditions, insufficient storage or transportation capacity or other geological and mechanical conditions. While close well supervision and effective maintenance operations can contribute to maximizing production rates over time, production delays and declines from normal field operating conditions cannot be eliminated and can be expected to adversely affect revenue and cash flow levels to varying degrees.

AOC's business is subject to all of the risks and hazards inherent in businesses involved in the exploration for, and the acquisition, development, production and marketing of, oil and natural gas, many of which cannot be overcome even with a combination of experience and knowledge and careful evaluation. The risks and hazards typically associated with oil and gas operations include fire, explosion, blowouts, sour gas releases, pipeline ruptures and oil spills, each of which could result in substantial damage to oil and natural gas wells, production facilities, other property, the environment or personal injury.

Well-flow Test Results

Drill stem tests are commonly based on flow periods of 1 to 5 days and build up periods of 1 to 3 days. Pressure transient analysis has not been carried out on all well tests and the results should therefore be considered as preliminary. Well test results are not necessarily indicative of long-term performance or of ultimate recovery.

Capital Requirements

To finance its future acquisition, exploration, development and operating costs, the Company may require financing from external sources, including from the issuance of new shares, issuance of debt or execution of working interest farm-out agreements. 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 the Company. If additional financing is raised through the issuance of equity or convertible debt securities, control of the Company may change and the interests of shareholders in the net assets of the Company may be diluted. If unable to secure financing on acceptable terms, the Company may have to cancel or postpone certain of its planned exploration and development activities which may ultimately lead to the Company's inability to fulfill the minimum work obligations under the terms of its various PSAs. Availability of capital will also directly impact the Company's ability to take advantage of acquisition opportunities.

Climate Change Legislation

The oil and natural gas industry is subject to environmental regulation pursuant to applicable legislation within each of the Company's countries of operation. A breach of such legislation may result in the imposition of fines against the Company or the issuance of clean up orders in respect of its oil and gas assets, some of which may be material. Furthermore, management of the Company believes the political climate appears to favour new programs for environmental laws and regulation, particularly in relation to the reduction of emissions or emissions intensity, and there is a risk that any such programs, laws or regulations, if proposed and enacted, will contain emission reduction targets which the Company cannot meet, and financial penalties or charges could be incurred as a result of the failure to meet such targets.

Climate change policy is evolving at regional, national and international levels, and political and economic events may significantly affect the scope and timing of climate change measures that are ultimately put in place. Implementation of strategies by any level of government within the countries in which the Company operates, and whether to meet international agreed limits, or as otherwise determined, for reducing greenhouse gases could have a material impact on the operations and financial condition of the Company. In addition, concerns about climate change have resulted in a number of environmental activists and members of the public opposing the continued exploitation and development of fossil fuels. Given the evolving nature of the debate related to climate change and the control of greenhouse gases and resulting requirements, it is not possible to predict the impact on the Company and its operations and financial condition.

Environmental Regulation

Drilling for and production, handling, transporting and disposing of oil and gas and petroleum by-products are subject to extensive regulation under national and local environmental laws, including those of the countries in which AOC currently operates. Environmental regulations may impose, among other things, restrictions, liabilities and obligations in connection with water and air pollution control, waste management, permitting requirements and restrictions on operations in environmentally sensitive areas. Environmental protection requirements have not, to date, had a significant effect on the capital expenditures, results of operations and competitive position of AOC. However, environmental regulations are expected to become more stringent in the future and costs associated with compliance are expected to increase. Any penalties or other sanctions imposed on AOC for non-compliance with environmental regulations could have a material adverse effect on AOC's business, prospects and results of operations.

Availability of Equipment and Staff
AOC's oil and natural gas exploration and development activities are dependent on the availability of drilling and related equipment and qualified staff in the particular areas where such activities are or will be conducted. AOC currently leases all the drilling rigs used for its exploration and development activities. Shortages of such equipment or staff may affect the availability of such equipment to AOC and may delay AOC's exploration and development activities and result in lower production.

Reliance on Operators or Key Employees
The loss of the services of key personnel could have a material adverse effect on AOC's business, prospects and results of operations. AOC has not obtained key person insurance in respect of the lives of any key personnel. In addition, competition for qualified personnel in the oil and gas industry is intense and there can be no assurance that AOC will be able to attract and retain the skilled personnel necessary for operation and development of its business. Success of AOC is largely dependent upon the performance of its management and key employees.

Prices, Markets and Marketing of Crude Oil and Natural Gas
Oil and natural gas are commodities whose prices are determined based on world demand, supply and other factors, all of which are beyond the control of AOC. World prices for oil and natural gas have fluctuated widely in recent years. Any material decline in prices could have an adverse affect on AOC's business and prospects.

Early Stage of Development
AOC has conducted oil and gas exploration and development activities for a relatively short period. There is limited financial, operational and other information available with which to evaluate the prospects of AOC. There can be no assurance that AOC's operations will be profitable in the future or will generate sufficient cash flow to satisfy its working capital requirements.

Risks Relating to Infrastructure
Africa Oil is dependent on available and functioning infrastructure relating to the properties on which it operates, such as roads, power and water supplies, pipelines and gathering systems. If any infrastructure or systems failures occur or do not meet the requirements of Africa Oil, Africa Oil's operations may be significantly hampered. Kenya has limited oil infrastructure and no export facilities currently in place. The discoveries in Blocks 10BB and 13T are remote and cannot be delivered to market without significant infrastructure investment. New build pipeline infrastructure and road upgrades will be required to permit field development and production export for these resources. Whilst there may be outline plans for this new infrastructure, there is currently no firm commitment or government approval.

Current Global Financial Conditions
Global financial conditions have always been subject to volatility. These factors may impact the ability of the Company to obtain equity or debt financing in the future, and, if obtained, on terms favorable to the Company. Increased levels of volatility and market turmoil can adversely impact the Company's operations and the value and the price of the common shares could be adversely affected.

Foreign Currency Exchange Rate Risk
The Company is exposed to changes in foreign exchange rates as expenses in international subsidiaries, oil and gas expenditures, or financial instruments may fluctuate due to changes in rates. The Company's exposure is partially offset by sourcing capital projects and expenditures in US dollars. The Company had no forward exchange contracts in place as at December 31, 2017.

Liquidity Risk
Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. Liquidity describes a company's ability to access cash. Companies operating in the upstream oil and gas industry during the exploration and appraisal phase require sufficient cash in order to fulfill their work commitments in accordance with contractual obligations and to be able to potentially acquire strategic oil and gas assets.

The Company will potentially issue debt or equity and enter into farmout agreements with joint venture partners to ensure the Company has sufficient available funds to meet current and foreseeable financial requirements. The Company actively

monitors its liquidity to ensure that its cash flows and working capital are adequate to support these financial obligations and the Company's capital programs. The Company will also adjust the pace of its activities to manage its liquidity position.

Credit Risk

Credit risk is the risk of loss if counterparties do not fulfill their contractual obligations. The majority of the Company's credit exposure relates to amounts due from its joint venture partners. The risk of the Company's joint venture partners defaulting on their obligations per their respective joint operating and farmout agreements is mitigated as there are contractual provisions allowing the Company to default joint venture partners who are non-performing and reacquire any previous farmed out working interests. The maximum exposure for the Company is equal to the sum of its cash, restricted cash, and accounts receivable. A portion of the Company's cash is held by banks in foreign jurisdictions where there could be increased exposure to credit risk.

Anti-Bribery and Anti-Corruption Laws

The Company is subject to anti-bribery and anti-corruption laws, including the Corruption of Foreign Public Officials Act (Canada). Failure to comply with these laws could subject the Company to, among other things, reputational damage, civil or criminal penalties, other remedial measures and legal expenses which could adversely affect the Company's business, results in operations, and financial condition. It may not be possible for the Company to ensure compliance with anti-bribery and anti-corruption laws in every jurisdiction in which its employees, agents, sub-contractors or joint venture partners are located or may be located in the future.

Information Systems

The Company has become increasingly dependent upon the availability, capacity, reliability and security of its information technology (IT) infrastructure and its ability to expand and continually update this infrastructure, to conduct daily operations. It depends on various IT systems to estimate resources and reserve quantities, process and record financial and operating data, analyze seismic and drilling information, and communicate with employees and third-party partners. The Company's IT systems are increasingly integrated in terms of geography, number of systems, and key resources supporting the delivery of IT systems. The performance of key suppliers is critical to ensure appropriate delivery of key services. Any failure to manage, expand and update the IT infrastructure, any failure in the extension or operation of this infrastructure, or any failure by key resources or service providers in the performance of their services could materially and adversely affect the Company's business.

The ability of the IT function to support the Company's business in the event of a disaster such as fire, flood or loss of any of the office locations and the ability to recover key systems from unexpected interruptions cannot be fully tested. There is a risk that, if such an event actually occurs, the Company's continuity plan may not be adequate to immediately address all repercussions of the disaster. In the event of a disaster affecting a data centre or key office location, key systems may be unavailable for a number of days, leading to inability to perform some business processes in a timely manner.

Unauthorized access to these systems by employees or third parties could lead to corruption or exposure of confidential, fiduciary or proprietary information, interruption to communications or operations or disruption to the Company's business activities or its competitive position. Further, disruption of critical IT services, or breaches of information security, could have a negative effect on the Company's operational performance and its reputation.

The Company applies technical and process controls in line with industry-accepted standards to protect information, assets and systems; however these controls may not adequately prevent cyber-security breaches. There is no assurance that the Company will not suffer losses associated with cyber-security breaches in the future, and may be required to expend significant additional resources to investigate, mitigate and remediate any potential vulnerabilities.

Conflict of Interests

Certain directors of AOC are also directors or officers of other companies, including oil and gas companies, the interests of which may, in certain circumstances, come into conflict with those of AOC. If and when a conflict arises with respect to a particular transaction, the affected directors must disclose the conflict and abstain from voting with respect to matters relating to the transaction. All conflicts of interest will be addressed in accordance with the provisions of the BCBCA and other applicable laws.

Limitation of Legal Remedies

Securities legislation in certain of the provinces and territories of Canada provides purchasers with various rights and remedies when a reporting issuer's continuous disclosure contains a misrepresentation and ongoing rights to bring actions for civil liability for secondary market disclosure. Under the legislation, the directors would be liable for a misrepresentation. It may be difficult for investors to collect from the directors who are resident outside Canada on judgments obtained in courts in Canada predicated on the purchaser's statutory rights and on other civil liability provisions of Canadian securities legislation.

Selling Off of Shares

To the extent that any issued and outstanding common shares of the Company are sold into the market, there may be an oversupply of common shares and an undersupply of purchasers. If this occurs the market price for the common shares of the Company may decline significantly and investors may be unable to sell their common shares at a profit, or at all.

Industry Regulatory

Existing regulations in the oil industry, and changes to such regulations, may present regulatory and economic barriers to the purchase and use of certain products, which may significantly reduce the Company's revenues.

Environmental and Social Policies

Africa Oil Corp. is committed to ensuring that its operational activities, and as far as it is able to influence them, those of its joint venture partners, comply with the IFC's Performance Standards and the World Bank's Environment, Health and Safety Guidelines (together, the "Standards") through the implementation of a range of health, safety, environmental and community systems, plans and procedures. Our commitment to meet these Standards is set out in documentation publicly available on the Company's website and is reviewed on a six monthly basis by an independent monitoring group, whose report is again published on the website.

The objective of Africa Oil's environmental, social and governance strategy is to address the challenge of sustainability – delivering value to its shareholders, providing economic and social benefits to communities while concurrently minimizing its environmental footprint. The Company views its commitment to corporate responsibility as a strategic advantage that enables it to access and effectively manage new business opportunities. Africa Oil is committed to providing a safe, healthy, and transparent environment for employment, production, and sharing of the economic benefits that flow from its regional presence.

Environmental Considerations

The Company's oil and gas operations are located in regions where there are numerous environmental regulations including restrictions on where and when oil and gas operations can occur, regulations on the release of substances into groundwater, atmosphere and surface land and the potential routing of pipelines or location of production facilities. All such regulatory requirements are complied with and the Company's activities are undertaken in accordance with the Standards. The Company could potentially be liable for contamination on properties acquired and it attempts to mitigate the risk of inheriting environmental liabilities when conducting due diligence on these acquisition opportunities. Breach of environmental regulations in any of the regions in which Africa Oil operates could result in restrictions or cessation of operations and the imposition of fines and penalties. Africa Oil also seeks to ensure that, where it is a non-operating shareholder, activities are undertaken in alignment with Africa Oil policies and standards.

Social Policies

Africa Oil is committed to building and maintaining a 'social license to operate' in the communities and countries in which it operates. The Company sees this as an essential foundation for its business activity. On all operated projects, Africa Oil will therefore enter into dialogue and engagement with key stakeholders, conducted in the spirit of transparency and good faith, at all stages of company activities. Africa Oil will ensure that its operations meet the IFC Performance Standards in terms of its social impacts, mitigation and compensation. Africa Oil also seeks to ensure that, where it is a non-operating shareholder, activities are undertaken in alignment with Africa Oil policies and standards. The Company also has contractual obligations to support community development initiatives under its PSAs. Through ongoing stakeholder engagement, initiatives reflecting local priorities are identified and supported across three key areas: community infrastructure,

sustainable livelihoods and economic development. Africa Oil contributes to, and works closely with, the Lundin Foundation on many of these.

The Lundin Foundation is a registered Canadian non-profit organization that provides grants and risk capital to organizations dedicated to alleviating poverty through economic growth in developing countries. The Company's engagement with the Lundin Foundation is a key component of the Company's wider environmental, social and governance strategy in East Africa.

ITEM 5 CAPITAL STRUCTURE AND DIVIDENDS

The Company's common shares entitle the holders thereof to receive notice of and to attend at all meetings of shareholders, with each share entitling the holder to one vote on any resolution to be passed at such shareholders' meeting. The holders of common shares are also entitled to dividends if, as and when declared by the Board of Directors of the Company. Upon the liquidation, dissolution or winding up of the Company, the holders of the common shares are entitled to receive the remaining assets of the Company available for distribution to the shareholders.

As of December 31, 2017 the Company had an aggregate of 456,417,074 common shares issued and outstanding. The Company has unlimited authorized capital of common shares without par value of which, as at February 28, 2018, 456,621,074 common shares were issued and outstanding as fully paid and non-assessable.

DIVIDENDS

There are no restrictions which prevent the Company from paying dividends. Africa Oil has not paid dividends to date on its common shares and has no plans to pay dividends in the near future. Any decision to pay dividends in the future will be based on the Company's earnings and financial requirements and other factors which its board of directors may consider appropriate in the circumstances.

[THIS SPACE INTENTIONALLY LEFT BLANK.]

ITEM 6 MARKET FOR SECURITIES

TRADING PRICE AND VOLUME

The common shares of the Company trade on the Toronto Stock Exchange and on Nasdaq Stockholm under the trading symbol "AOI".

The following table sets out the price range for and trading volume of the common shares on Nasdaq Stockholm, on a monthly basis, from January 1, 2017 to December 31, 2017:

Month	High (SEK)[1]	Low (SEK)[1]	Volume
January 2017	20.00	16.30	71,428,152
February 2017	18.10	16.77	29,892,024
March 2017	17.04	13.43	49,282,280
April 2017	15.66	13.66	24,365,348
May 2017	14.75	12.82	34,440,368
June 2017	13.45	12.32	27,453,272
July 2017	13.36	12.01	17,478,338
August 2017	12.74	10.67	18,150,692
September 2017	11.63	10.71	20,091,676
October 2017	11.12	9.525	20,627,756
November 2017	10.90	9.24	19,069,584
December 2017	9.745	8.755	20,116,636

(1) The Company's common share prices above are quoted in Swedish Krona ("SEK").

The following table sets out the price range for and trading volume of the common shares on the TSX on a monthly basis, for the year ended December 31, 2017:

Month	High (CAD$)	Low (CAD$)	Volume
January 2017	2.81	2.48	7,106,882
February 2017	2.68	2.34	2,742,686
March 2017	2.52	2.06	4,087,782
April 2017	2.29	2.00	4,138,881
May 2017	2.26	1.98	4,562,460
June 2017	2.12	1.86	6,957,592
July 2017	2.03	1.84	3,429,371
August 2017	1.98	1.69	2,290,438
September 2017	1.79	1.65	2,492,891
October 2017	1.68	1.48	6,098,357
November 2017	1.66	1.42	3,099,008
December 2017	1.47	1.33	4,155,873

ITEM 7 DIRECTORS AND OFFICERS

NAME AND OCCUPATION

The table below states the names, province or state and country of residence of each of the directors and executive officers of the Company, the principal occupations in which each has been engaged during the last five years, and the periods during which each has served as a director or executive officer.

Name, province or state and country of residence	Position(s) Held in the Company	Principal Occupation During the Past Five Years
John H. Craig Ontario, Canada	Director since June 19, 2009 Chairman since April 20, 2016	Mr. Craig is a practicing securities lawyer and senior counsel at the firm Cassels Brock & Blackwell LLP. He is also currently a director of Lundin Mining Corporation, BlackPearl Resources Ltd., Corsa Coal Corp. and Consolidated HCI Holdings Corporation. He is a former director of Denison Mines Corp., Sirocco Mining Inc. (formerly Atacama Minerals Corp.) and Etrion Corporation.
Keith C. Hill Florida, USA	Director since October 16, 2006 Chief Executive Officer since March 30, 2009 President since October 20, 2009 Chairman from March 30, 2009 to April 20, 2016	Currently Chairman of ShaMaran Petroleum Corp and Africa Energy Corp.; director of BlackPearl Resources Ltd.; director of TAG Oil Ltd.; and director of ECO Atlantic Oil & Gas Ltd.; former Chairman and director of Petro Vista Energy Corp., former director of Tyner Resources Ltd.; former President and Chief Executive Officer of Pearl Exploration and Production Ltd. (now BlackPearl Resources Ltd.), Valkyries Petroleum Corp. and Bayou Bend Petroleum (now ShaMaran Petroleum Corp.).
Gary S. Guidry Alberta, Canada	Director since June 23, 2008	President & CEO and director of Gran Tierra Energy Inc.; Director of ShaMaran Petroleum Corp.; former CEO of Onza Energy Inc.; former President and CEO of Glencore E&P (Canada) Inc. (formerly Caracal Energy Inc.); former director of TransGlobe Energy Corporation; former director of Zodiac Exploration Inc.; former President and CEO of Orion Oil & Gas Corporation and of Tanganyika Oil Company Ltd.
Bryan M. Benitz United Kingdom	Director since September 29, 2009	Mr. Benitz is the former Vice Chairman and a director of Longreach Oil and Gas Ltd., the former Chairman of Kirrin Resources, Scandinavian Minerals Ltd., and of MagIndustries Corp. Mr. Benitz was a founding director of Tanganyika Oil Company Limited.
Andrew Bartlett United Kingdom	Director since May 27, 2015	Mr. Bartlett has been an Oil and Gas Advisor with Helios investment Partners since 2011. He started his career as an offshore Petroleum Engineer with Royal Dutch Shell in the North Sea. For 18 years, he held various Petroleum Engineering and Development Management roles around the world with Shell in the upstream sector; and was a founding member and Vice President of Shell Capital running the private equity and mezzanine financing transactions in emerging markets upstream. Mr. Bartlett was formerly Global Head of the Oil & Gas M&A Advisory and CEO of Harrison Lovegrove, an FSA regulated boutique acquired by Standard Chartered in 2007. At Standard Chartered, he held positions as Global Head Oil & Gas Project Finance and Global Head Oil & Gas M&A. He has completed over 30 Oil & Gas deals in Africa including 15 in Nigeria. Mr. Bartlett is currently a board member of Impact Oil & Gas Plc, a director of Bartlett Energy Advisers, and a director Pegasus Investments Limited, and Energean O&G PLC, London.

Name, province or state and country of residence	Position(s) Held in the Company	Principal Occupation During the Past Five Years
Ian Gibbs British Columbia, Canada	Director in 2006; Director from June 2008 to September 2009 Chief Financial Officer from October 2006 to March 2008; Chief Financial Officer since September 15, 2009	Mr. Gibbs is currently a director of Lundin Gold Inc., and Africa Energy Corp. He is a former director of Petro Vista Energy Corp. and the former Chief Financial Officer of Valkyries Petroleum Corp., Tanganyika Oil Company Ltd. and ShaMaran Petroleum Corp. (formerly, Bayou Bend Petroleum Ltd.).
Tim Thomas Alberta, Canada	Chief Operating Officer since April 17, 2015	President and CEO of ArPetrol Ltd. from May 2010 to February 2014.
Dr. Paul Martinez Alberta, Canada	Vice President, Exploration since March 14, 2011	Vice President, Exploration since March 14, 2011.
Mark Dingley Nairobi, Kenya	Vice President, Operations since July 30, 2014	Currently also the President of Africa Oil Ethiopia B.V. and was Chief Operating Officer of Africa Energy Corp. from May 1, 2013 to January 31, 2016. Before joining the Company in 2013, Mr. Dingley was the Vice President, Middle East Operations for Talisman Energy Inc.

Each director of the Company holds office until the next annual general meeting or until his successor is duly elected or appointed, unless his office is earlier vacated in accordance with the articles of the Company or he becomes disqualified to act as a director.

There are currently five standing committees of the Board; namely, the Audit Committee, the Compensation Committee, the Corporate Governance and Nominating Committee, the Reserves Committee, and the Project Finance Committee. The following table identifies the members of each of these Committees:

Audit Committee	Compensation Committee	Corporate Governance and Nominating Committee	Reserves Committee	Project Finance Committee
Andrew Bartlett(Chair)	John H. Craig (Chair)	Gary S. Guidry (Chair)	Gary S. Guidry (Chair)	Andrew Bartlett(Chair)
Gary S. Guidry	Bryan M. Benitz	Andrew Bartlett	Keith C. Hill	Gary S. Guidry
Bryan M. Benitz	Andrew Bartlett	John H. Craig	Andrew Bartlett	Ian Gibbs

SECURITY HOLDINGS

As at December 31, 2017, the directors and executive officers of the Company, as a group, beneficially owned, directly or indirectly or exercise control or direction over 2,334,079 common shares, representing approximately 0.51% of the issued and outstanding common shares of the Company.

CEASE TRADE ORDERS

Other than as disclosed below, no director or officer or person holding a sufficient number of securities of the Company to affect materially the control of the Company, is, or within the past ten years before the date of this Annual Information Form has been, a director or officer of any other issuer that, while such person was acting in that capacity: (i) was the subject of a cease trade or similar order, or an order that denied the other issuer access to any exemptions under Canadian securities legislation, for a period of more than 30 consecutive days; (ii) was subject to an event that resulted in such an order after the person ceased to be a director or officer; (iii) became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or comprise with creditors or had a receiver, receiver-manager or trustee appointed to hold its assets; or (iv) was subject to such bankruptcy proceedings within a year of that person ceasing to act in that capacity.

Mr. John Craig was a director of Sirocco Mining Inc. ("Sirocco") until November 8, 2013. On October 13, 2014, RB Energy Inc. ("RB Energy") a successor company to Sirocco filed for protection under the Companies' Creditors Arrangement Act

("CCAA"). Although John Craig was never a director, officer or insider of RB Energy, he was a director of Sirocco within the 12 month period prior to RB Energy filing under the CCAA.

The foregoing information, not being within the knowledge of the Company, has been furnished by the respective directors, officers and any control shareholder of the Company individually.

PERSONAL BANKRUPTCIES

During the ten years preceding the date of this AIF, no director, officer or shareholder holding a sufficient number of common shares of the Company to affect materially the control of the Company, or a personal holding company of any such person, has become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or was subject to or instituted any proceeding, arrangement or compromise with creditors or had a receiver, receiver-manager or trustee appointed to hold his or her assets.

The foregoing information, not being within the knowledge of the Company, has been furnished by the respective directors, officers and any control shareholder of the Company individually.

PENALTIES OR SANCTIONS

Other than as disclosed below, no director or officer of the Company, or shareholder holding a sufficient number of common shares of the Company to materially affect control of the Company, has been the subject of any penalties or sanctions imposed by a court relating to Canadian securities legislation or by a Canadian securities regulatory authority or has entered into a settlement agreement with a Canadian securities regulatory authority, or been subject to any other penalties or sanctions imposed by a court or regulatory body that would be likely to be considered important to a reasonable investor in making an investment decision.

Prior to the appointment of the new management and the board of directors, which included Mr. Gary Guidry, Caracal Energy Inc. (formerly Griffiths Energy International Inc.) ("GEI"), entered into consulting agreements (the "Agreements") with two entities owned and controlled by a foreign public official and his spouse during the period between August 30, 2009 and February 9, 2011. In addition, the spouse of the foreign public official was allowed to purchase founders shares at the same time and price as the original founders of GEI.

The discovery of the Agreements and the purchase of shares were immediately reported to the board of directors of GEI by the new management, and a Special Committee of the board of directors was formed. The Special Committee retained outside counsel along with a forensic investigative accounting firm. GEI self-disclosed the initial findings to Canadian and U.S. authorities (the "Authorities") and agreed to conduct a thorough internal investigation as well as a commitment to keep the authorities informed as the investigation progressed. After an eight-month internal investigation costing GEI approximately CAD$5 million, all of the findings were disclosed to the authorities. GEI was the first Canadian resource company to self-disclose to the Authorities.

As a result of the findings of the internal investigation into the Agreements entered into by the former management and board of directors of GEI, and subsequent investigation conducted by the Royal Canadian Mounted Police, on January 22, 2013, GEI agreed to plead guilty to one count of bribing a foreign public official to induce the official to use his position to influence any acts or decisions of the foreign state for which the official performs duties or functions, contrary to Section 3(1)(b) of Canada's Corruption of Foreign Public Officials Act. At sentencing on January 25, 2013, GEI paid, pursuant to an agreed statement of facts and a plea agreement with the Crown, a fine of CAD$ 10.35 million. The U.S. Authorities agreed with the plea and fine, and declined any further action.

As acknowledged by Canadian law enforcement authorities, and the agreed statement of facts filed in the Court of Queen's Bench between her Majesty the Queen and GEI, on January 22, 2013, there is no evidence that any influence or advantage was actually obtained as a result of providing the benefits to the foreign official or his spouse.

CONFLICTS OF INTEREST

The Company's directors and officers may serve as directors or officers of other companies or have significant shareholdings in other resource companies and, to the extent that such other companies may participate in ventures in which the Company may participate, the directors of the Company may have a conflict of interest in negotiating and

concluding terms respecting the extent of such participation. In the event that such a conflict of interest arises at a meeting of the Company's directors, a director who has such a conflict will abstain from voting for or against the approval of such participation, or the terms of such participation. From time to time, several companies may participate in the acquisition, exploration and development of natural resource properties, thereby allowing for their participation in larger programs, the involvement in a greater number of programs or a reduction in financial exposure in respect of any one program. It may also occur that a particular company will assign all or a portion of its interest in a particular program to another of these companies due to the financial position of the company making the assignment. In accordance with the laws of Canada, the directors of the Company are required to act honestly, in good faith and in the best interests of the Company. In determining whether or not the Company will participate in a particular program and the interest therein to be acquired by it, the directors will primarily consider the degree of risk to which the Company may be exposed and the financial position at that time.

The directors and officers of the Company are aware of the existence of laws governing the accountability of directors and officers for corporate opportunity and requiring disclosure by the directors of conflicts of interest and the Company will rely upon such laws in respect of any directors' and officers' conflicts of interest or in respect of any breaches of duty by any of its directors and officers. All such conflicts will be disclosed by such directors or officers in accordance with the BCBCA and they will govern themselves in respect thereof to the best of their ability in accordance with the obligations imposed upon them by law. Other than as disclosed above, the directors and officers of the Company are not aware of any such conflicts of interest in any existing or contemplated contracts with or transactions involving the Company.

ITEM 8 AUDIT COMMITTEE

Overview

The Audit Committee oversees the accounting and financial reporting processes of the Company and its subsidiaries and all audits and external reviews of the financial statements of the Company on behalf of the Board, and has general responsibility for oversight of internal controls, accounting and auditing activities of the Company and its subsidiaries. All auditing services and non-audit services to be provided to the Company by the Company's auditors are pre-approved by the Audit Committee. The Committee is responsible for examining all financial information, including annual and quarterly financial statements, prepared for securities commissions and similar regulatory bodies prior to filing or delivery of the same. The Audit Committee also oversees the annual audit process, quarterly review engagements, the Company's internal accounting controls, the Code of Business Conduct and Ethics, any complaints and concerns regarding accounting, internal controls or auditing matters and the resolution of issues identified by the Company's external auditors. The Audit Committee recommends to the Board the firm of independent auditors to be nominated for appointment by the shareholders and the compensation of the auditors. The Audit Committee meets a minimum of four times per year. The Audit Committee's Charter is attached as Schedule "A" to this Circular.

Composition of the Audit Committee

Below are the details of each audit committee member, whether he/she is independent and financially literate as such terms are defined in NI 52-110 and his/her education and experience as it relates to the performance of his/her duties as an audit committee member.

Relevant Education and Experience

Each current member of the Audit Committee has extensive experience with financial statements, accounting issues, understanding internal controls and procedures for financial reporting and other related matters relating to public resource-based companies. The education and experience of each Audit Committee member that is relevant to the performance of his responsibilities as a member of the Audit Committee are as follows:

Member Name	Independent[1]	Financially Literate[2]	Education and Experience Relevant to Performance of Audit Committee Duties
Andrew Bartlett (Chair)	Yes	Yes	Mr. Bartlett has over 37 years of experience in the Oil and Gas Industry, 20 of those with Shell. An experienced ex -investment banker based in London, Andrew was both the Global Head of Oil and Gas Project Finance and Global Head of Oil and Gas Mergers and Acquisitions at Standard Chartered Bank until July 2011. He is currently a board member of Impact Oil & Gas Plc, a director of Bartlett Energy Advisers, and a director Pegasus Investments Limited.
Gary S. Guidry	Yes	Yes	Mr. Guidry is an Alberta registered P. Eng. and holds a B.Sc. in petroleum engineering from Texas A & M University. Mr. Guidry has attained financial experience and exposure to accounting and financial issues in his previous positions with a number of publicly-traded companies, including Gran Tierra Energy Inc., Glencore E&P (Canada) Inc. (formerly Caracal Energy Inc.), Griffiths Energy International Inc., Orion Oil & Gas Corporation, Tanganyika Oil Company Ltd., Calpine Natural Gas Trust and Alberta Energy Company.
Bryan M. Benitz	Yes	Yes	Mr. Benitz has been engaged in investment management and corporate development in Canada, the United States and Europe for over forty years in a variety of senior executive positions. Mr. Benitz has attained financial experience and exposure to accounting and financial issues while on boards and audit committees of various public companies. Mr. Benitz graduated from Fettes College in Edinburgh Scotland in 1951.

(1) A member of an audit committee is considered independent if the member has no director or indirect material relationship with the Company which could, in the view of the Board of Directors, reasonably interfere with the exercise of a member's independent judgment, or is otherwise deemed to have a material relationship under NI 52-110.

(2) An individual is financially literate if he/she has the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of issues that can reasonably be expected to be raised by the Company's financial statements.

Audit Committee Oversight

Since the commencement of the Company's most recently completed financial year, there has not been a recommendation of the Audit Committee to nominate or compensate an external auditor that was not adopted by the board of directors.

Reliance on Certain Exemptions

Since the commencement of the Company's recently completed financial year, the Company has not relied on the exemptions contained in section 2.4 (*De Minimis Non-audit Services*), section 3.2 (*Initial Public Offerings*), section 3.4 (*Events Outside Control of Member*), section 3.5 (*Death, Disability or Resignation of Audit Committee Member*) or an exemption from NI 52-110, in whole or in part, granted under Part 8 (*Exemptions*) of NI 52-110.

Pre-Approval Policies and Procedures

The Audit Committee has adopted specific policies and procedures for the engagement of non-audit services as described in the Audit Committee Charter.

External Auditor Service Fees (By Category)

The following table discloses the fees billed to the Company by its external auditor during the last two fiscal years ended December 31, 2016 and December 31, 2017:

Financial Year Ending	Audit Fees[1] (CAD$)	Audit Related Fees[2] (CAD$)	Tax Fees[3] (CAD$)	All Other Fees[4] (CAD$)
December 31, 2017	174,006	2,835	75,353	0
December 31, 2016	221,760	3,294	173,515	0

Notes:

[1] The aggregate billed for audit services.

[2] Pertains to assurance and related services that are reasonably related to the performance of the audit or review of the Company's financial statements and that are not disclosed in the "Audit Fees" column.

[3] Pertains to profession services for tax compliance, restructuring, acquisitions, advice and planning.

[4] No fees were billed for professional services other than those listed in the other three columns.

ITEM 9 LEGAL PROCEEDINGS AND REGULATORY ACTIONS

Legal Proceedings

Neither the Company nor its material subsidiaries and material properties are currently subject to any material legal proceedings or regulatory actions, except for those set out below.

The Company has, since 2010, been a party to two separate court proceedings in Kenya. Each of the court proceedings was initiated by Interstate Petroleum Ltd. ("IPL"), and certain parties related to IPL, as Applicants. Both proceedings, Judicial Review Number 30 of 2010 and Judicial Review Number 1 of 2012, involved a dispute concerning the administrative process that led to the issuance of exploration permits in respect of, amongst others, Blocks 10BA, 10BB, 12A and 13T. The primary Respondents in the proceedings included the Minister and the Ministry of Energy and Petroleum, Republic of Kenya. The Company and certain of its affiliates were named as Interested Parties.

To date, the Company has ultimately been successful in defending all of these proceedings, and in appealing unfavorable decisions. Most recently, in light of the Company's successful appeal of a High Court decision relating to Judicial Review Number 1 of 2012, the Kenyan High Court in Kitale approved the Company's application for the release of certain funds that had been posted as security for costs in respect of that appeal.

Because IPL and its related parties continue to make applications to the courts in Kenya in respect of matters that have already been decided, the Company will, going forward, be taking the position that the matters are *Res Judicata* and that the applications are an abuse of the court process. The Company is also exploring options for bringing these applications to an end. In the interim, it continues to pursue both the awards of costs made in favor of the Company by the Kenyan courts and the winding-up proceedings previously initiated against IPL by the Company.

Regulatory Actions

No penalties or sanctions were imposed by a court relating to securities legislation or by a securities regulatory authority during the Company's recently completed financial year, nor were there any other penalties or sanctions imposed by a court or regulatory body against the Company that would likely be considered important to a reasonable investor in making an investment decision, nor were any settlement agreements entered into before a court relating to securities legislation or with a securities regulatory authority during the Company's recently completed financial year.

ITEM 10 INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

No director or executive director of the Company, or person or company that beneficially owns, directly or indirectly, or exercises control or direction over, more than 10% of the Company's common shares, nor any associate or affiliate of any such person, has any material interest, director or indirect, in any transaction within the three most recently completed financial years of the Company, or during the current financial year, that has materially affected or will materially affect the Company.

ITEM 11 TRANSFER AGENT

The transfer agent and registrar for the common shares of the Company in Canada is Computershare Trust Company of Canada, 510 Burrard Street, Vancouver, British Columbia. The registrar for the common shares of the Company in Sweden is Euroclear Sweden AB, 103 97 Stockholm, Sweden.

ITEM 12 MATERIAL CONTRACTS

The Company has not, within the last financial year, entered into any material contracts, nor are there any material contracts entered into before the last financial year that are still in effect, except for contracts entered into in the ordinary course of business.

ITEM 13 NAMES AND INTERESTS OF EXPERTS

There is no person or company whose profession or business gives authority to a statement made by such person or company and who is named as having prepared or certified a statement, report or valuation described or included in a filing, or referred to in a filing made under NI 51-102 by the Company during the current financial year other than PricewaterhouseCoopers LLP, Africa Oil's auditors. PricewaterhouseCoopers LLP, the Company's auditors, are independent in accordance with the auditor's rules of professional conduct in Canada.

In addition, none of the aforementioned persons or companies, nor any director, officer or employee of any of the aforementioned persons or companies, is or is expected to be elected, appointed or employed as a director, officer or employee of Africa Oil or any associate or affiliate of Africa Oil.

ITEM 14 ADDITIONAL INFORMATION

Additional information, including directors' and officers' remuneration and indebtedness, principal holders of the Company's securities, options to purchase securities and interests of insiders in material transactions, where applicable, is contained in the Company's information circular for its most recent annual meeting of security holders that involved the election of directors.

Additional financial information is provided in the Company's audited consolidated financial statements as at and for the year ended December 31, 2017 and the MD&A.

SCHEDULE A

AFRICA OIL CORP.

(the "Reporting Issuer" or the "Company")

FORM NI 51-101F1
STATEMENT OF RESERVES DATA AND
OTHER OIL AND GAS INFORMATION
For fiscal year ended December 31, 2017

(This is the form referred to in item 1 of National Instrument 51-101 Standards of Disclosure for Oil and Gas Activities ("NI 51-101"). Terms for which a meaning is given in NI 51-101 have the same meaning in this Form 51-101F1.)

TABLE OF CONTENTS

PART 1 DATE OF STATEMENT

Item 1.1 Relevant Dates

1. The date of this report and statement is: February 28 2018.
2. The Effective Date of information provided in this statement is as of the Company's most recently completed fiscal year ended: December 31, 2017.

PART 6 OTHER OIL AND GAS INFORMATION

Item 6.1 Oil and Gas Properties and Wells

The Company's oil and gas properties are all located onshore in Kenya and Ethiopia.

In Kenya, as at December 31, 2017, the Company held working interests in three production sharing contacts ("PSC") with the Government of the Republic of Kenya in the Tertiary Rift play: Blocks 10BB, 13T, and 10BA. The exploration areas covered by these PSCs are on trend with the significant Tullow Oil plc ("Tullow") Albert Graben oil discovery in neighboring Uganda where Tullow is working with the Government of Uganda and its joint venture partners, CNOOC and Total to complete a Lake Albert basin wide development plan which would include the construction of an oil export pipeline to the coast of East Africa. Multiple discoveries have been made by the Company and its joint venture partners in Blocks 10BB and 13T.

Also in Kenya, the Company holds a working interest in the Block 9 PSC, located in the Anza Graben play, which is a Mesozoic basin related to similar Mesozoic basins located in southern Sudan (Muglad Basin) where the petroleum system is proven and productive. The Muglad Basin is a potential analogue and provides calibration for the analysis of the prospectivity of this Block.

In Ethiopia, as of December 31, 2017, the Company held an interest in one PSC with the Government of the Federal Democratic Republic of Ethiopia in the Tertiary Rift play: Rift Basin Area PSCs which are an extension of the Tertiary Rift trend to the north of the three Kenyan Tertiary Rift blocks.

Item 6.2 Properties with No Attributed Reserves

The Company's working interest at the preparation date of this report in the various concessions, in which it has a direct working interest, is outlined in the table below together with the gross and net acreage of each.

Region	Production Sharing Contracts	Operator	Current Working Interest (1)	Gross Acreage (km^2)	Net Acreage (2) (km^2)
Ethiopia	Rift Basin (3)	Africa Oil Corp.	100%	42,519	42,519
Kenya	Block 10BB	Tullow	25%	8,835	2,209
	Block 10BA	Tullow	25%	11,760	2,940
	Block 13T	Tullow	25%	6,296	1,574
	Block 9	Africa Oil Corp.	100%	15,782	15,782

(1) Net Working Interests are subject to back-in rights, if any, of respective governments.

(2) Net acreage is calculated by multiplying Gross Acreage by the Current Working Interest.

(3) The Company has submitted a request for a one year extension to the initial exploration period

(4) Africa Oil relinquished all interests in Block 12A in 2017

During November 2017, the Company acquired a 18.9% ownership interest in Eco (Atlantic) Oil and Gas Ltd. ("ECO"). ECO is publically listed on the Toronto Stock Exchange (TSX-V) and AIM, and holds working interests in four exploration blocks offshore Namibia and one exploration block offshore in Guyana. No reserves are attributable to these blocks.

The principal work commitments, timing of completion and minimum expenditures to be incurred during the current exploration period of each of the respective Production Sharing Contracts are listed in the following tables:

Region	Block	Exploration Period and Expiry	Work Commitments	Minimum Expenditures (Gross US$)	Relinquishments end of current Period
Kenya	10BA	Second Additional Period – Oct 27, 2019	1 well	19.0 million	Final Relinquishment
Kenya	10BB	Second Additional Period - Sept 18, 2020	Drill a minimum of four wells between Blocks 13T and 10BB	No financial commitment	Final Relinquishment
Kenya	13T	Second Additional Period- Sept. 18, 2020	Drill a minimum of four wells between Blocks 13T and 10BB	No financial commitment	Final Relinquishment
Kenya	9	Second Additional period -June 30, 2018	Drill two wells to minimum 1,500m	3.0 million	Final Relinquishment
Ethiopia	Rift Basin Area	Initial Exploration Phase – February, 2018 (submitted request for 1-yr Extension)	Geological and geophysical studies 2D seismic (400 km) Full tensor gravity (8,000 km2)	5.0 million	25% of original contract area

Item 6.2.1 Significant Factors or Uncertainties Relevant to Properties with No Attributed Reserves

As at the effective date of this report, reserves have yet to be attributed to any of the properties in which the Company directly holds an interest. Contingent resources have been attributed to the Lokichar Basin (Kenya) (Blocks 10BB and 13T).The key contingencies associated with the Lokichar Basin discoveries are as follows:

- Further data acquisition and analysis, including updated seismic mapping and depth conversion, to better characterize the reservoir extent and reduce sub-surface uncertainties in order to mature the sub-surface development plans;
- Definition of field development plans and infrastructure requirements; and
- Government approval and project sanction.

Seismic Mapping and Depth Conversion

The structural closure at each discovery is constrained by multi-vintage 2D seismic data and in some cases newly acquired 3D seismic data. These data are sufficient to define a structural closure at each discovery; however, there remains some uncertainty related to depth-conversion which may also impact the size of traps, particularly in fields that are constrained by only 1-2 wells. The area of closure and height of closure are dependent on the depth conversion methodology used. Most fields have confirmed the presence of multiple hydrocarbon pools. Within fields the oil-water contacts for some pools are well-constrained by pressure data and testing while others require additional drilling and testing to confirm the extent of pools. The resource estimates consider the uncertainty between the lowest known oil and structural spill-points. However, further appraisal drilling and well testing is required to reduce the uncertainty in the areal extent of reservoir pay zones.

Reservoir Characterisation

The Auwerwer and Lokhone Formations have been penetrated by the wells, drilled by AOC and its co-venturers. However log interpretation is challenging and there remains significant uncertainty with regard to the average and total thickness of the reservoir pay zones and reservoir quality (porosity, net-to-gross and hydrocarbon saturation).

Maturation of Subsurface Development Plans

Oil from the Lokichar Basin wells is a waxy crude (24 per cent to >35 per cent wax), with a wax appearance temperature in the region of 50°C to 70°C and a pour point of 40°C to 50°C. The use of artificial lift for production wells and hot water injection for secondary recovery is proposed. In order to validate this concept and optimize development, additional data gathering and evaluations are required including further production and inter-well interference testing, water injection trials, additional fluid and special core analyses, further G&G and modeling studies.

Field Development Plan and Infrastructure Requirements

The issues outlined above must be addressed to reduce the large uncertainty currently associated with the discoveries before field development plans can be finalized and submitted for approval.

Kenya has limited oil infrastructure and no export facilities currently in place. The discoveries in Blocks 10BB and 13T are remote and cannot be delivered to market without significant infrastructure investment.

The Lokichar Basin is in a remote part of Kenya, approximately 750 km from the most likely point of export at Lamu. New build pipeline infrastructure and road upgrades will be required to permit field development and production export for these resources. Whilst there may be outline plans for this new infrastructure, there is currently no firm commitment or government approval.

Government Approval and Project Sanction

All of the Kenyan discoveries are located within areas defined in various Exploration Contracts. The Government of Kenya has extended these Exploration Contracts to allow further exploration and appraisal. Conversion of these permits to production permits has yet to be agreed.

Regulatory support and approval will be required for the commercialization of the company's Kenyan Contingent Resources to proceed. In accordance with the Company's Production Sharing Contracts and joint venture agreements, field development plans must be agreed by the Company and its joint venture partners before submission for approval by the government.

Given the possible large scale of future development projects in Kenya to commercialize the Contingent Resources, significant capital requirements are anticipated which are potentially beyond the Company's current sources of capital. The Company may require financing from external sources, including issuance of new common shares, issuance of debt 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 the Company.

Prior to project sanction for the areas in which the Company has an interest in Contingent Resources, numerous agreements and studies will need to be completed in addition to field development plans, including major engineering/procurement/construction agreements, environmental and social impact assessments, land acquisition agreements and community development plans.

Item 6.3 Forward Contracts

The Company is not party to any agreements relating to the transportation or marketing of oil and gas.

Item 6.5 Tax Horizon

The Company was not required to pay income taxes during 2017. Given the Company is in the exploration stage and does not currently have reserves, no reasonable estimate may be made as to when the Company will be required to pay income taxes in the future.

Item 6.6 Costs Incurred

The net costs incurred by the Company in relation to the various geographic areas in which the Company operated during 2017 were as follows:

Geographic Region	Costs ($US million) Exploration
Ethiopia	1.4
Kenya	59.3

Item 6.7 Exploration, Appraisal and Development Activities

Gross Wells and Net Wells Completed During 2017

The Company's oil exploration and appraisal wells completed during 2017 are as follows:

Exploration Wells

Well/ Block		Africa Oil	Gross Wells	Net Wells	Results
Erut-1[(1)]	13T	0.25	1	0.25	Discovery
Emekuya-1	13T	0.25	1	0.25	Discovery
Etiir-1	13T	0.25	1	0.25	P&A
TOTAL				**0.75**	

(1) Spud in 2016, completed in 2017

Appraisal Wells

Block		NET - Africa Oil	Gross Wells	Net Wells	Results
Amosing-6	10BB	0.25	1	0.25	Discovery
Ngamia-10	10BB	0.25	1	0.25	Discovery
Etom-3	13T	0.25	1	0.25	Discovery
Ngamia-11	10BB	0.25	1	0.25	Discovery
Ekales-3	13T	0.25	1	0.25	Non commercial
Amosing-7	10BB	0.25	1	0.25	Discovery
TOTAL			**6**	**1.5**	

Most Important Current and Likely Exploration and Development Activities

As of December 31, 2017, the Company has been engaged in exploration and appraisal activities aimed at fulfilling or exceeding work commitments outlined in the table included in Item 6.2 above. The Company's assets are wholly located in East Africa. East Africa is a vastly under-explored. The majority of the Company's assets are located in the East African Tertiary Rift Play, which is one of the last large unexplored rift basins. The Company acquired its interests in East Africa as several multi-billion barrel oil-prone basins were being discovered in Sudan and neighboring Uganda. The Company and partners have acquired extensive seismic programs over these assets and have identified a large inventory of prospects and leads within a vast exploration acreage position.

The Company has made a number of oil discoveries to date in the South Lokichar Basin (Blocks 10BB/13T Kenya) and is focusing its planned activities on ongoing appraisal and pre-development activities in this Basin.

The Company continues to perform necessary work and analyses to upgrade its assets in the South Lokichar basin and submitted a Revised Draft Field Development Plan ("FDP") in 2017.

The Company worked closely with Tullow to focus the 2017 work program and budget on advancing the South Lokichar development in Blocks 10BB and 13T (Kenya) by undertaking activities aimed at increasing resource certainty. These activities included:

- Well Testing
- Reservoir and engineering studies (including extensive core analysis)
- Reprocessing of 3D seismic data
- Water Injection Testing
- Assay of crude oils and measurement of wax content
- Preparation of dynamic and static reservoir models

In addition, Africa Oil and its joint venture partners continue to work closely with the Government of Kenya in advancing the oil export pipeline.

Outside of the Kenyan blocks, the work program was focused on the Rift Basin Area Block in Ethiopia where 2D seismic land and lake survey was used to map prospective areas of interest for future hydrocarbon exploration.

2017 Activity Summary by Block

KENYA

The 2017 work program has been primarily focused on appraisal of the discoveries in the South Lokichar Basin with the following objectives; confirming reservoir quality and deliverability, resource size and definition, and advancement of the development plans, including the export pipeline. One drilling rig was active during the year drilling both exploration and appraisal wells and for testing and completion operations.

Block 10BB and 13T

The 2017 work program included development and exploration drilling, continuing studies to support reservoir modeling, additional core analysis, petrophysical analysis, well tests, water injection trials, the preparation of full field static and dynamic reservoir models, and advancement of the development plans associated with both upstream and midstream activities.

Exploration and Appraisal Drilling

In January 2017, the Erut-1 well resulted in a discovery, proving that oil has migrated to the northern limit of the South Lokichar basin.

The second discovery was made during May 2017, at Emekuya-1, encountering significant oil sands, demonstrating oil charge across an extensive part of the Greater Etom structure and further de-risking the northern area of the basin. The

Etiir-1 exploration well, which targeted a large, shallow, structural closure immediately to the west of the Greater Etom structure, spudded in late June and was unsuccessful with no material reservoir development or shows encountered. Although dry, drilling results will be utilized in defining the westerly extent of the Greater Etom Structure. The Etiir-1 well has been plugged and abandoned.

The Ekales-3 appraisal well was drilled to a total measured depth of 2,721 meters and finished drilling during the third quarter of 2017. The well targeted an undrilled fault block adjacent to the Ekales field. While reservoir and oil shows were encountered, and oil sampled, the well was deemed non-commercial.

Multiple appraisal wells have been drilled in the Ngamia, Amosing and Etom fields during 2017: Ngamia-10 (65 meters of net oil pay), Ngamia-11 (143 meters of net oil pay), Amosing-6 (35 meters of net oil and gas pay), Amosing-7 (25 meters of net oil and gas pay) and Etom-3 (25 meters of net oil and gas pay). An extensive wireline evaluation program, including sampling has been undertaken on all appraisal wells. The Ngamia-10, Amosing-6 and 7 and Etom-3 wells have all improved the definition of the limits of their respective fields. However, the presence of rift edge facies has limited their net pay. These drilling results will be incorporated into the geological models that will be utilized for potential field development plans.

Field Development (Blocks 10BB and 13T)

In January 2018 the Joint Venture Partners have proposed to the Government of Kenya that the Amosing and Ngamia fields be developed as the initial stage of the South Lokichar development. This phase of the development is planned to include a 60,000 to 80,000 barrels of oil per day (bopd) Central Processing Facility (CPF) and an export pipeline to Lamu, some 750 kilometers from the South Lokichar basin on the Kenyan coast. This approach is expected to bring significant benefits as it enables an early Final Investment Decision (FID) of the Amosing and Ngamia fields taking full advantage of the current low-cost environment for both the field and infrastructure development, as well as providing the best opportunity to deliver first oil in a timeline that meets the Government of Kenya expectations. The installed infrastructure can then be utilized for the optimization of the remaining and yet to be discovered South Lokichar oil fields, allowing the incremental development of these fields to be completed in an efficient and low cost manner post first oil.

The initial stage is planned to include 210 wells through 18 well pads at Ngamia and 70 wells through seven well pads at Amosing, with a planned plateau rate of 60,000 to 80,000 bopd. Additional stages of development are expected to increase

plateau production to 100,000 bopd or greater. It is anticipated that FEED for the initial stage will commence in 2018, with FID targeted for 2019 and first oil in 2021/22.

A JDA, setting out a structure for the Government of Kenya and the Joint Venture Partners to progress the development of the export pipeline, was signed on 25 October 2017. The JDA allows important studies to commence such as FEED, Environmental and Social Impact Assessments, as well as studies on pipeline financing and ownership. These have been initiated and will be continue throughout 2018.

Block 10BA

Prior to 2015 the Company and its operating partner on Block 10BA, Tullow, completed a 1,450 kilometer 2D seismic program, split evenly between onshore and offshore. After review of the newly-acquired seismic data partners selected the Engomo-1 Prospect to test a Tertiary rift basin in the northwestern corner of Block 10BA.

The Engomo-1 well was drilled in the first quarter of 2015 and was drilled to a total depth of 2,353 meters. The well encountered Tertiary-aged interbedded siltstones, sandstones and claystones, becoming more tuffaceous and tight until reaching a total depth in basement. No significant oil or gas shows were encountered and the well has been plugged and abandoned. The prevalence of tight facies in the wellbore may be due to the well's close proximity to the basin bounding fault. Future analysis will be focused on understanding how this result impacts the remaining prospectivity in the basin. The Company and partners met all work commitments for the current period and entered the second additional exploration period in 2017. The second additional period will expire in October 2019 and includes a commitment to drill one exploratory well.

Block 9

Block 9 is in the Cretaceous rift basin on trend with the South Sudan oil fields. In December 2013, the Company announced that it had drilled the Bahasi-1 well to a depth of 2,900 meters, encountering basement at 2,850 meters. The well encountered a thick section of Tertiary and Cretaceous inter-bedded sands and shales, but with only minor hydrocarbon shows. The Bahasi-1 well satisfied the remaining work commitment in the first additional exploration period under the Block 9 PSC, which expired in December 2013. The Company and its joint venture partner elected to enter the second additional exploration period under the PSC. In June 2014, the Company announced the Sala-1 well had resulted in a gas discovery. The Sala-1 drilled a large feature along the northern basin bounding fault in the Cretaceous Anza graben and encountered several sandstone intervals which had oil and gas shows. The well was drilled to a total depth of 3030 meters, and petrophysical analysis indicated three zones of interest, over a 1000 meter gross interval, which was subsequently drill stem tested. An upper gas bearing interval tested dry gas at a maximum rate of 6 mmcf/d from a 25 meter net pay interval. The interval had net reservoir sand of over 125 meters and encountered a gas water contact so there is potential to drill up-dip on the structure where this entire interval will be above the gas-water contact. A lower interval tested at low rates of dry gas from a 50 meters potential net pay interval which can also be accessed at the up-dip location. It should also be noted that there were oil shows while drilling and small amounts of oil were recovered during drilling and testing which indicates there may be potential for oil down-dip on the structure.

In October 2014, the Company announced the Sala-2 appraisal well failed to find significant hydrocarbons updip from the Sala-1 gas discovery. There appears to be a stratigraphic or structural separation between the two wells. The Company is reviewing additional potential appraisal targets as well as on trend prospects in the block which has proven oil and gas generation.

In 2015 the Company applied for and received approval for an 18 month extension to the second and final exploration phase. In 2016 and 2017 the Company continued to assess results of the previous drilling campaign and in mid 2017 received approval for a 1 year extension of the second exploration period that expires in June, 2018. In advance of the expiration the Company is reviewing remaining prospectivity and potential for further development of prospective gas resources in the block.

ETHIOPIA

Rift Basin Area

The Company completed the acquisition of a 36,500 line kilometer full tensor gradiometry survey in October 2013. In 2013 and 2014 the Company completed five geologic field campaigns and also completed an exhaustive environmental and social impact assessment over the block in preparation for a 2D seismic program that commenced in the first quarter of 2015. The Company completed recording 604 km of 2D seismic data that included both land and marine seismic acquisition. During the fourth quarter of 2015 the Company completed processing all newly acquired seismic data and began subsurface mapping. After completing all work commitments for the Initial Term, the Company requested and received a 1-year extension to the Initial Term to allow more time to integrate surface field data with seismic data and to prepare and rank a prospect inventory for prospective exploratory wells. In 2016 the Company continued to review the prospect inventory and also prepared scoping well designs and cost estimates. After a review of prospective exploratory well locations the Company has requested a one year extension of the Initial Exploration Period to complete technical and commercial evaluations prior to entering the next exploration period.

Item 6.8 Production Estimates

The Company is unable to estimate production of future net revenues from its oil and gas activities as of December 31, 2017.

Item 6.9 Production History

The Company had no oil and gas production history as of December 31, 2017.

SCHEDULE B

FORM 51-101F3

Report of Management and Directors on Oil and Gas Disclosure

(This is the form referred to in item 3 of section 2.1 of National Instrument 51-101 Standards of Disclosure for Oil and Gas Activities ("NI 51-101"). Terms to which a meaning is ascribed in NI 51-101 have the same meaning in this form.

Report of Management and Directors on Reserves Data and Other Information

The Reserves Committee of the board of directors of Africa Oil Corp. (the "Company") has reviewed the oil and gas activities of the Company and has determined that the Company had no reserves as of December 31, 2017.

An independent qualified reserves evaluator or qualified reserves auditor has not been retained to evaluate the Company's reserves data. No report of an independent qualified reserves evaluator or qualified reserves auditor will be filed with securities regulatory authorities with respect to the financial year ended on December 31, 2017**.**

The Reserves Committee of the board of directors has reviewed the Company's procedures for assembling and reporting other information associated with oil and gas activities and has reviewed that information with management. The board of directors has, on the recommendation of the Reserves Committee, approved:

(a) the content and filing with securities regulatory authorities of Form 51-101F1 containing information detailing the Company's oil and gas activities; and

(b) the content and filing of this report.

/s/Keith Hill
Keith C. Hill, Chief Executive Officer

/s/Ian Gibbs
Ian Gibbs, Chief Financial Officer

/s/Gary S. Guidry
Gary S. Guidry, Director

/s/Andrew Bartlett
Andrew Bartlett, Director

Date: February 28, 2018

SCHEDULE C

AFRICA OIL CORP.
(the "Company")

MANDATE OF THE AUDIT COMMITTEE

1. Purpose of the Audit Committee

The Audit Committee oversees the accounting and financial reporting processes of the Company and its subsidiaries and all audits and external reviews of the financial statements of the Company on behalf of the Board, and has general responsibility for oversight of internal controls, accounting and auditing activities of the Company and its subsidiaries.

2. Members of the Audit Committee

2.1. The Audit Committee shall be appointed annually by the Board and shall be composed of three members, each of whom must be a director of the Company and a majority of whom must be independent.

2.2. At least one Member of the Audit Committee must be "financially literate" as defined under National Instrument 52-110, having sufficient accounting or related financial management expertise to read and understand a set of financial statements, including the related notes, that present a breadth and level of complexity of the accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Company's financial statements.

3. Meeting Requirements

3.1. The Committee will, where possible, meet on a regular basis at least once every quarter, and will hold special meetings as it deems necessary or appropriate in its judgment. Meetings may be held in person or telephonically, and shall be at such times and places as the Committee determines. Without a meeting the Committee may act by unanimous written consent of all members.

3.2. Two members of the Audit Committee shall constitute a quorum.

4. Duties and Responsibilities

4.1. Appointment, Oversight and Compensation of Auditor

4.1.1. The Audit Committee shall recommend to the Board:

a) The auditor (the "Auditor") to be nominated for the purpose of preparing or issuing an auditor's report or performing other audit, review or attest services for the Company; and

b) The compensation of the Auditor.

In making such recommendations, the Audit Committee shall evaluate the Auditor's performance and review the Auditor's fees for the preceding year.

4.1.2. The Auditor shall report directly to the Audit Committee.

4.1.3. The Audit Committee shall be directly responsible for overseeing the work of the Auditor, including the resolution of disagreements between management and the Auditor regarding financial reporting.

4.1.4. The Audit Committee shall review information, including written statements from the Auditor, concerning any relationships between the Auditor and the Company or any other relationships that may adversely affect the independence of the Auditor and assess the independence of the Auditor.

4.2. Non-Audit Services

4.2.1. All auditing services and non-audit services provided to the Company or the Company's subsidiaries by the Auditor shall, to the extent and in the manner required by applicable law or regulation, be pre-approved by the Audit Committee. In no circumstances shall the Auditor provide any non-audit services to the Company that are prohibited by applicable law or regulation.

4.3. Review of Financial Statements etc.

4.3.1. The Audit Committee shall review the Company's interim and annual financial statements and Management's Discussion and Analysis ("MD&A"), intended for circulation among shareholders; and shall report on them to the Board.

4.3.2. The Audit Committee shall satisfy itself that the audited financial statements and interim financial statements present fairly the financial position and results of operations in accordance with generally accepted accounting principles and that the auditors have no reservations about such statements.

4.3.3. The Audit Committee shall review changes in the accounting policies of the Company and accounting and financial reporting proposals that are provided by the Auditor that may have a significant impact on the Company's financial reports, and report on them to the Board.

4.4. Review of Public Disclosure of Financial Information

4.4.1. The Audit Committee shall review the Company's annual and interim press releases relating to financial results before the Company publicly discloses this information.

4.4.2. The Audit Committee must be satisfied that adequate procedures are in place for the review of the Company's public disclosure of financial information extracted or derived from the Company's financial statements, other than the public disclosure referred to in subsection 5.4.1, and must periodically assess the adequacy of those procedures.

4.5. Review of Annual Audit

4.5.1. The Audit Committee shall review the nature and scope of the annual audit, and the results of the annual audit examination by the Auditor, including any reports of the Auditor prepared in connection with the annual audit.

4.5.2. The Audit Committee shall satisfy itself that there are no unresolved issues between management and the Auditor that could affect the audited financial statements.

4.5.3. The Audit Committee shall satisfy itself that, where there are unsettled issues that do not affect the audited financial statements (e.g. disagreements regarding correction of internal control weaknesses, or the application of accounting principles to proposed transactions), there is an agreed course of action leading to the resolution of these matters.

4.5.4. The Audit Committee shall satisfy itself that there is generally a good working relationship between management and the Auditor.

4.6. Review of Quarterly Review Engagements

4.6.1. The Audit Committee shall review the nature and scope of any review engagements for interim financial statements, and the results of such review engagements by the Auditor, including any reports of the Auditor prepared in connection with such review engagements.

4.6.2. The Audit Committee shall satisfy itself that there are no unresolved issues between management and the Auditor that could affect any interim financial statements.

4.6.3. The Audit Committee shall satisfy itself that, where there are unsettled issues that do not affect any interim financial statements (e.g. disagreements regarding correction of internal control weaknesses, or the application of accounting principles to proposed transactions), there is an agreed course of action leading to the resolution of these matters.

4.7. Internal Controls

4.7.1. The Audit Committee shall have responsibility for oversight of management reporting and internal control for the Company and its subsidiaries.

4.7.2. The Audit Committee shall satisfy itself that there are adequate procedures for review of interim statements and other financial information prior to distribution to shareholders.

4.8. Complaints and Concerns

4.8.1. The Audit Committee shall establish procedures for:

a) the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls, or auditing matters; and

b) the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters.

4.9. Hiring Practices

4.9.1. The Audit Committee shall review and approve the Company's hiring policies regarding partners, employees and former partners and employees of the present and former Auditors of the Company.

4.10. Other Matters

4.10.1. The Audit Committee shall be responsible for oversight of the effectiveness of management's interaction with and responsiveness to the Board;

4.10.2. The Audit Committee shall review and monitor all related party transactions which may be entered into by the Company.

4.10.3. The Audit Committee shall approve, or disapprove, material contracts where the Board determines it has a conflict.

4.10.4. The Audit Committee shall satisfy itself that management has put into place procedures that facilitate compliance with the provisions of applicable securities laws and regulations relating to insider trading, continuous disclosure and financial reporting.

4.10.5. The Audit Committee shall periodically review the adequacy of this Charter and recommend any changes to the Board.

4.10.6. The Board may refer to the Audit Committee such matters and questions relating to the financial position of the Company and its affiliates as the Board from time to time may see fit.

5. Rights and Authority of the Audit Committee and the Members Thereof

5.1. The Audit Committee has the authority:

a) To engage independent counsel and other advisors as it determines necessary to carry out its duties;

b) To set and require the Company to pay the compensation for any advisors employed by the Audit Committee; and

c) To communicate directly with the Auditor and, if applicable, the Company's internal auditor.

5.2. The members of the Audit Committee shall have the right, for the purpose of performing their duties, to inspect all the books and records of the Company and its affiliates and to discuss those accounts and records and any matters relating to the financial position of the Company with the officers and Auditor of the Company and its affiliates, and any member of the Audit Committee may require the Auditor to attend any or every meeting of the Audit Committee.

6. Miscellaneous

Nothing contained in this Charter is intended to extend applicable standards of liability under statutory or regulatory requirements for the directors of the Company or members of the Audit Committee. The purposes, responsibilities, duties and authorities outlined in this Charter are meant to serve as guidelines rather than as inflexible rules and the Committee is encouraged to adopt such additional procedures and standards as it deems necessary from time to time to fulfill its responsibilities.