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NEWS RELEASE

AFRICA OIL ANNOUNCES STRONG THIRD QUARTER 2021 FINANCIAL RESULTS

November 15, 2021 (AOI–TSX, AOI–Nasdaq-Stockholm) – Africa Oil Corp. ("Africa Oil", "AOC" or the "Company") is pleased to announce its financial and operating results for the three months ended September 30, 2021, and to provide selected results for Prime Oil and Gas Cooperatief UA ("Prime"), a company in which Africa Oil has a 50% equity interest.

Highlights

- Net income of $58.5 million (first nine-month 2021 total of $135.8 million) and end of quarter cash balance of $38.9 million.
- Received two dividends for a total amount of $112.5 million from Prime during the quarter (received three dividends in the first nine-month 2021 for total of $150.0 million).
- Reduced the corporate debt facility to $23.0 million with an end of quarter positive net cash position of $15.9 million.
- Selected Prime's third quarter 2021 results net to Africa Oil's 50% shareholding*:
  - end of quarter cash position of $244.9 million and debt balance of $514.7 million;
  - average daily working interest ("W.I") production of 27,500 barrels of oil equivalent per day ("boepd) and economic entitlement production of 30,100 boepd (84% light and medium crude oil and 16% conventional natural gas)[2,3]; and
  - EBITDA[4] of $191.5 million (first nine-month 2021 total of $489.8 million) and cash flow from operations of $128.4 million (first nine-month 2021 total of $466.6 million).
- All assets produced without OPEC+ quota restrictions during the third quarter of 2021. Overall production performance during the period fell within the top quartile of the 2021 management guidance and reservoir performance remains broadly in line with expectation.
- Post third quarter 2021, Prime signed and closed a pre-export finance facility ("PXF Facility") for an initial amount of $150 million and a 7-year tenor. The use of proceeds of the PXF Facility is to partly repay Prime's RBL facility and other general corporate purposes. The PXF Facility can be increased to an amount up to $300 million, subject to the PXF Lenders' approval.
- Venus-1 exploration well on Block 2913B, offshore Namibia, is expected to spud by the end of this year. Venus-1 will target a large basin floor fan system with significant undiscovered petroleum initially in place that has been identified using 3D seismic data.

Africa Oil President and CEO Keith Hill commented: "Third quarter 2021 was a very strong period for us with the receipt of two significant Prime dividends. These have resulted in substantial deleveraging and I am delighted that Africa Oil is now in a positive net cash position. We have access to significant liquidity, including $62 million of undrawn credit facility, cash on hand, our 50% share of Prime's cash balance and operating cash flows from Prime. Therefore, I am confident that we can deliver on two strategic goals; the acquisition of accretive producing assets and implementing shareholder capital return programs. The Africa Oil team is working hard on both fronts and in relation to shareholder returns, we are finalizing the management plans that will be considered by the board of directors in December. I expect to update the markets once we have the board approved plan by end of this year. "

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* Important information: Africa Oil's interest in Prime is accounted for as an investment in joint venture. Refer to Note 1 on page 4 for further details. Please also refer to other notes on pages 4 and 5 for important information on the material presented.

2021 Third Quarter Financial Results

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

	30 September 2021	31 December, 2020
Cash and cash equivalents	38,854	40,474
Total assets	959,606	910,499
Short-term debt	-	-
Long-term debt	23,000	141,000
Total liabilities	67,306	156,212
Total equity attributable to common shareholders	892,300	754,287

	Nine months ended 30 September, 2021	Nine months ended 30 September, 2020	Three months ended 30 September, 2021	Three months ended 30 September, 2020
Share of profit from investment in joint venture	168,331	149,788	70,953	32,472
Share of (loss)/profit from investment in associates	(3,295)	(660)	(1,205)	(717)
Total operating income	165,036	149,128	69,748	31,755
Net operating income/(loss)	152,033	(75,518)	63,694	28,465
Net income/(loss)	135,810	(97,459)	58,506	21,189
Net income/(loss) per share - basic	0.29	(0.21)	0.12	0.04
Net income/(loss) per share - diluted	0.28	(0.21)	0.12	0.04
Weighted average number of share outstanding - basic ('000s)	472,973	471,738	473,505	471,950
Weighted average number of share outstanding - diluted ('000s)	477,268	471,738	477,799	475,150
Number of shares outstanding ('000s)	473,929	471,950	473,929	471,950
Cash flows (used in)/ provided by operations	(7,769)	(3,433)	(3,858)	(2,679)
Cash flows used in investing	140,408	(448,690)	112,286	18,944
Cash flows (used in)/provided by financing	(134,230)	153,185	(104,648)	(25,244)
Total change in cash and cash equivalents	(1,620)	(299,067)	3,764	(9,032)
Total change in equity	138,013	(85,171)	65,586	26,839

The financial information in this table was selected from the Company's unaudited consolidated financial statements for the three months ended September 30, 2021. The Company's consolidated financial statements, notes to the financial statements, management's discussion and analysis for the three months ended September 30, 2021 and 2020, and the 2020 Report to Shareholders and Annual Information Form have been filed on SEDAR (www.sedar.com) and are available on the Company's website (www.africaoilcorp.com).

FINANCIAL POSITION AND EARNINGS

The Company recognized net operating income amounting to $63.7 million during the three months ended September 30, 2021, compared with a net operating income of $28.5 million during the same period in 2020. Included in the Company's share of profit from equity investments is profit from its 50% investment in Prime of $71.0 million in the third quarter of 2021 compared with $32.5 million during the third quarter of 2020. As at September 30, 2021, the Company had cash of $38.9 million, compared with cash of $40.5 million at December 31, 2020.

Prime distributed two dividends to its shareholders in the third quarter of 2021 with $112.5 million received by Africa Oil. Since completing the acquisition of a 50% shareholding in Prime in January 2020 for $520 million, Africa Oil has received 9 dividends from Prime for a total amount of $350.0 million.

On July 16, 2021, the Company closed a new corporate loan facility ("Corporate Facility") with $160 million committed by the lenders. On July 30, 2021, $98.0 million was drawn down under the Corporate Facility in order to repay the Company's previous term loan in full. Africa Oil made a repayment of the Corporate Facility from the proceeds of the second Prime dividend received during third quarter 2021, reducing the outstanding balance to $23.0 million. The undrawn Corporate Facility amount of $62.0 million is available to Africa Oil until May 12, 2022, subject to the satisfaction of customary covenants.

PRIME'S THIRD QUARTER 2021 PERFORMANCE

OPEC+ quotas impacting Egina field were relaxed in June 2021, enabling all assets to produce without restrictions during the third quarter of 2021. Overall production performance for the third quarter of 2021 fell within the top quartile of the 2021 management guidance and reservoir performance remains broadly in line with expectation. Prime's third quarter 2021 average daily W.I. production was 27,500 boepd and economic entitlement production was 30,100 boepd (84% light and medium crude oil and 16% conventional natural gas), net to Africa Oil's 50% shareholding in Prime.

During the third quarter of 2021, Prime was allocated four oil liftings with total sales volume of approximately 4.0 million barrels or 2.0 million barrels net to Africa Oil's 50% shareholding.

Prime has sold forward and hedged 100% of its 2021 cargoes at an average price of $62/bbl and six cargoes in the first half of 2022 at an average price of $69/bbl. These contracts are with counterparties including oil supermajors and commodity trading houses. The counterparties are part of groups with investment grade credit ratings. Prime has not hedged any of its planned cargoes for the second half 2022, giving the Company exposure to improving oil prices associated with the economic recovery.

Third quarter 2021 average operating cost of $5.2 per boe compares to second quarter 2021 average operating cost of $5.6[5] per boe and third quarter 2020 average operating cost of $4.4 per boe.

Prime achieved third quarter 2021 sales revenue of $164.1 million (first nine-month 2021 total of $445.0 million); EBITDA[4] of $191.5 million (first nine-month 2021 total of $489.8 million) and cash flow generated from operating activities of $128.4 million (first nine-month 2021 total of $466.6 million), in each case net to Africa Oil's 50% shareholding. Capital expenditure during the quarter, net to the Company's shareholding was $9.6 million (first nine-month 2021 total of $15.3 million), which compares to the previous quarter expenditure of $3.1 million. The increase is due to the increased investment activity on Prime' assets including the drilling of one infill well on the Akpo field.

As of September 30, 2021, Prime had a cash balance of $489.7 million or $244.9 million net to Africa Oil's 50% interest. Prime's gross cash balance includes the security deposit payment of $305.0 million ($152.5 million net to AOC's 50% interest) received from Equinor in respect of the tract participation in the Agbami field. Prime also had an outstanding debt balance of $1,029.5 million or $514.7 million net to Africa Oil's 50% interest.

Post third quarter 2021, Prime signed and closed a pre-export finance facility ("PXF Facility") for an initial amount of $150 million. The PXF Facility is arranged by Shell Western Supply and Trading Limited and Africa Finance Corporation ("PXF Lenders") and has a 7-year tenor, extending the duration of Prime's debt profile on very competitive cost terms that are comparable to its RBL facility. The use of proceeds of the PXF Facility is to partly repay the RBL and other general corporate purposes. The PXF Facility can be increased to an amount up to $300 million, subject to the PXF Lenders' approval.

2021 OPERATIONAL OUTLOOK

On August 16, 2021, the Nigerian President signed the Petroleum Industry Bill into law as the Petroleum Industry Act, 2021 ("PIA"). The PIA will change the terms that are applied to Prime's licenses on renewal, or on voluntary early conversion and renewal. A number of amendments to fiscal terms have been made and the Company's analysis of their impact is ongoing, although these are expected to be positive overall.

In July 2021, the OML 130 Gas Sales and Purchase Agreement was signed by Prime and all other parties, settling historical gas sales from July 2018. Payment is now anticipated in the fourth quarter 2021. This will result in an additional $87.0 million of sales revenue to Prime ($43.5 million net to Africa Oil's 50% shareholding) for the three-year period from July 2018. This agreement has de-risked Prime's future cash flow generation as it facilitates regular payments to Prime for future gas sales from OML 130 assets. There is no change to 2021 Management Guidance announced on February 26, 2021, which is copied below:

Guidance for Prime, net to AOC's 50% shareholding:	
W.I. production (boepd)	24,000-28,000
Economic entitlement production (boepd)	26,000-30,000
Cash flow from operations (million)	$310-$440[6]
Capital investment (million)	$35-$50
Net Debt Repayment (million)	$210-$280
Africa Oil's corporate budget (million)	$18-$20

In Kenya, Africa Oil and its JV Partners (Tullow Oil and Total Energies) have completed the redesign of the Project Oil Kenya to ensure it is technically, commercially and environmentally robust. Africa Oil and its JV Partners have presented a draft Field Development Plan (“FDP”) to the government of Kenya (“GoK”) ahead of the plan to submit a finalised FDP by the end of 2021, in line with license extension requirements provided by the GoK in December 2020. At the same time Africa Oil and its JV Partners are actively seeking strategic partners for the project. Based on the revised plan, Africa Oil believes that this project is an attractive commercial prospect for investors looking to access the East Africa oil and gas sector in both the upstream and midstream. It is intended that a strategic partner will be secured ahead of a Final Investment Decision (“FID”).

Through its 30.9% shareholding in Impact Oil & Gas (“Impact”), the Company has exposure to the Venus-1 exploration well in Block 2913B, offshore Namibia which is expected to spud by year-end 2021. Venus-1 will target a large basin floor fan system with significant undiscovered petroleum initially in place that has been identified using 3D seismic data.

Africa Oil, through its direct and indirect (through Impact) shareholdings, has an effective combined interest of 31.2% in Africa Energy Corp. (“Africa Energy”). These investments provide the Company with exposure to Block 11B/12B and Block 2B, offshore South Africa.

On Block 11B/12B, Africa Energy and its joint venture partners are contemplating an early production system (“EPS”) for a phased development of Block 11B/12B. The joint venture is currently performing development studies and preparing a field development plan and an environmental application with the intention of agreeing gas terms and submitting an application for a Production Right before the Exploration Right expires in September 2022. The EPS would provide first gas and condensate production from the Luiperd discovery and would accelerate the Block 11B/12B development timeline by utilizing existing nearby infrastructure in the adjacent block in order to supply gas to existing customers in Mossel Bay. The development of Block 11B/12B will have positive implications for the South African economy and will be critical in facilitating the country’s energy transition away from coal with a domestic natural gas supply.

On Block 2B, the operator of the license is re-tendering for a rig to enable the joint venture to drill the Gazania-1 well before the Exploration Right expires in November 2022.

Management Conference Call
Senior management will hold a conference call to discuss the results on Tuesday, November 16, 2021 at 09:00 (ET) / 15:00 (CET). The conference call may be accessed by dial in or via webcast:

Canada	+1 647 794 1826
North America toll free	800-289-0462
Sweden	+46 (0)8 5033 6573
Sweden toll free	0200 883 447
UK	0800 358 6374
Participant Passcode	202742
Webcast URL	https://event.webcasts.com/starthere.jsp?ei=1512166&tp_key=4a1d4a9163

Please join the event conference 5-10 minutes prior to the start time. A recording of the webcast will be available on the Company’s website after the event.

NOTES

1. The 50% shareholding in Prime is accounted for using the equity method and presented as an investment in joint venture in the Consolidated Balance Sheet. Africa Oil’s 50% share of Prime’s net profit or loss will be shown in the Consolidated Statements of Net Income/Loss and Comprehensive Income/Loss. Any dividends received by Africa Oil from Prime are recorded as Cash flow from Investing Activities. The guidance presented here is for information only.

2. Aggregate oil equivalent production data comprised of light and medium crude oil and conventional natural gas production net to Prime’s W.I. in Agbami, Akpo and Egina fields. These production rates only include sold gas volumes and not those volumes used for fuel, reinjected or flared.

3. Net entitlement production is calculated using the economic interest methodology and includes cost recovery oil, tax oil and profit oil and is different from working interest production that is calculated based on project volumes multiplied by Prime's effective working interest in each license.
4. Earnings Before Interest, Tax, Impairment, Depreciation and Amortization ("EBITDA") is not a generally accepted accounting measure under International Financial Reporting Standards ("IFRS") and does not have any standardized meaning prescribed by IFRS and, therefore, may not be comparable with definitions of EBITDA that may be used by other public companies. Non-IFRS measures should not be considered in isolation or as a substitute for measures prepared in accordance with IFRS.
5. Second quarter 2021 average operating cost was revised from $6.4 per boe to $5.6 per boe following post period reconciliations.
6. Prime's cash flow from operations net to Africa Oil's 50% shareholding in the first nine-month 2021 amounted to $466.6 million. This includes the $152.5 million (net to Africa Oil) Agbami Security Deposit received from Equinor in second quarter 2021. Excluding this item, Prime's cash flow from operations for the first nine-month 2021 is $314.1 million.
7. All dollar amounts are in United States dollars unless otherwise indicated.

About Africa Oil

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

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Additional Information

This information is information that Africa Oil is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact persons set out above, at 5:30 ET on November 15, 2021.

Advisory Regarding Oil and Gas Information

The terms boe (barrel of oil equivalent) is used throughout this press release. Such terms may be misleading, particularly if used in isolation. Production data are based on a conversion ratio of six thousand cubic feet per barrel (6 Mcf: 1bbl). This conversion ratio is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead. Given that the value ratio based on the current price of crude oil as compared to natural gas is significantly different from the energy equivalency of 6:1, utilizing a conversion on a 6:1 basis may be misleading as an indication of value.

Forward Looking Information

Certain statements and information contained herein constitute "forward-looking information" (within the meaning of applicable Canadian securities legislation). Such statements and information (together, "forward looking statements") relate to future events or the Company's future performance, business prospects or opportunities.

All statements other than statements of historical fact may be forward-looking statements. Statements concerning proven and probable reserves and resource estimates may also be deemed to constitute forward-looking statements and reflect conclusions that are based on certain assumptions that the reserves and resources can be economically exploited. Any statements that express or involve discussions with respect to predictions, expectations, beliefs, plans, projections, objectives, assumptions or future events or performance (often, but not always, using words or phrases such as "seek", "anticipate", "plan", "continue", "estimate", "expect, "may", "will", "project", "predict", "potential", "targeting", "intend", "could", "might", "should", "believe" and similar expressions) are not statements of historical fact and may be "forward-looking statements". Forward-looking statements involve known and unknown risks, ongoing uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking statements, including statements pertaining to instituting a dividend policy or implementing a share buyback program, utilization and drawdown under the new Corporate

Loan facility, performance of commodity hedges, the results, schedules and costs of exploratory drilling activity, uninsured risks, regulatory and fiscal changes, availability of materials and equipment, unanticipated environmental impacts on operations, duration of the drilling program, availability of third party service providers and defects in title. No assurance can be given that these expectations will prove to be correct and such forward-looking statements should not be unduly relied upon. The Company does not intend, and does not assume any obligation, to update these forward-looking statements, except as required by applicable laws. These forward-looking statements involve risks and uncertainties relating to, among other things, changes in macro-economic conditions and their impact on operations, changes in oil prices, reservoir and production facility performance, hedging counterparty contractual performance, OPEC+ quota impact on production, results of exploration and development activities, cost overruns, uninsured risks, regulatory and fiscal changes, defects in title, claims and legal proceedings, availability of materials and equipment, availability of skilled personnel, timeliness of government or other regulatory approvals, actual performance of facilities, joint venture partner underperformance, availability of financing on reasonable terms, availability of third party service providers, equipment and processes relative to specifications and expectations and unanticipated environmental, health and safety impacts on operations. Actual results may differ materially from those expressed or implied by such forward-looking statements.