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## NEWS RELEASE

### **AFRICA OIL 2019 FIRST QUARTER FINANCIAL AND OPERATING RESULTS**

**May 9, 2019 (AOI-TSX, AOI-Nasdaq-Stockholm) ... Africa Oil Corp.** (“Africa Oil” or the “Company”) is pleased to announce its financial and operating results for the three months ended March 31, 2019.

#### HIGHLIGHTS:

- The Company ended the quarter with cash of \$355.2 million and working capital of \$321.9 million;
- During the first quarter of 2019, the Company completed the acquisition of an additional 19,890,560 shares of Impact Oil and Gas Limited (“Impact”) for an aggregate subscription price of \$6.3 million. Africa Oil currently owns approximately 30.1% of Impact;
- On February 6, 2019, a significant discovery was announced at the Brulpadda-1AX well on Block 11B/12B offshore South Africa. Africa Oil holds an indirect interest in the project as a result of its equity interests in Africa Energy Corp. (34.5% ownership interest) and Impact Oil and Gas Limited (30.1% ownership interest);
- Subsequent to the first quarter, the Company announced that it had acquired 4,752,850 common shares of Eco (Atlantic) Oil and Gas Ltd. (“Eco”) for total consideration of \$5.0 million. The common shares were acquired by Africa Oil on a non-brokered private placement basis and, together with the 29,200,000 common shares of Eco held by the Company prior to the acquisition, increased its ownership interest to approximately 18.8%. Eco plans to participate in a high impact exploration drilling program on its acreage in Guyana commencing later in 2019;
- The Joint Venture Partners (Blocks 10BB and 13T – Kenya) continue to negotiate key commercial agreements with the Government of Kenya, expected to establish the commercial structure associated with field development;
- Upstream and midstream Front End Engineering and Design (“FEED”) studies (Blocks 10BB and 13T – Kenya) are being finalized and the Environmental and Social Impact Assessments (“ESIA”) remain on track for submission to the National Environmental Agency at the end of the second quarter;
- The transfer of stored crude oil from the South Lokichar basin (Blocks 10BB and 13T – Kenya) to Mombasa by road continues, with trucks continuing to be dispatched, transporting approximately 600 bopd. To date, approximately 88,000 barrels of oil has been transported to Mombasa. The volume of oil transported by truck is expected to increase to 2,000 bopd once the Early Oil Production System is fully operational from the Amosing temporary production facility and Regulatory Authority approval is received. The first lifting of sweet Kenyan crude oil stored in Mombasa is expected in the second half of 2019;
- In October 2018, the Company announced it had entered into a share purchase agreement to acquire an effective 12.5% ownership interest in a company who holds interests in multiple producing and developing fields offshore Nigeria (please refer to press release dated 31<sup>st</sup> October 2018). Completion of the transaction is subject to customary conditions precedent, including Nigerian Government consent;

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

## 2019 First Quarter Financial Results

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

|  | March 31, 2019                       | December 31, 2018                    |
|--|--------------------------------------|--------------------------------------|
| Cash and cash equivalents  | 355,230                              | 370,337                              |
| Total assets   | 957,541                              | 953,911                              |
| Total liabilities  | 35,648                               | 31,831                               |
| Total equity attributable to common shareholders                             | 921,893                              | 922,080                              |
| Working capital  | 321,921                              | 340,745                              |
|  | Three months ended<br>March 31, 2019 | Three months ended<br>March 31, 2018 |
| Operating expenses   | 2,875                                | 2,575                                |
| Net loss   | 511                                  | 1,326                                |
| Net loss per share (basic and diluted)                                       | 0.00                                 | 0.00                                 |
| Weighted average number of shares outstanding<br>(basic and diluted) ('000s) | 470,654                              | 460,339                              |
| Number of shares outstanding ('000s)   | 471,214                              | 470,568                              |
| Cash flows provide by (used in) operations                                   | 827                                  | (358)                                |
| Cash flows provide by (used in) investing                                    | (15,232)                             | (12,457)                             |
| Cash flows provide by (used in) financing                                    | (695)                                | (568)                                |
| Total change in cash and cash equivalents                                    | (15,107)                             | (13,384)                             |
| Change in share capital  | 824                                  | 14,333                               |
| Change in contributed surplus  | (500)                                | 201                                  |
| Change in deficit  | (511)                                | (1,326)                              |
| Total change in equity   | (187)                                | 13,208                               |

The financial information in this table was selected from the Company's unaudited consolidated financial statements for the three months ended March 31, 2019. The Company's consolidated financial statements, notes to the financial statements, management's discussion and analysis for the three months ended March 31, 2019 and 2018, and the 2018 Annual Information Form have been filed on SEDAR ([www.sedar.com](http://www.sedar.com)) and are available on the Company's website ([www.africaoilcorp.com](http://www.africaoilcorp.com)).

### FINANCIAL POSITION AND EARNINGS

The Company ended the first quarter of 2019 with cash of \$355.2 million and working capital of \$321.9 million in comparison to cash of \$370.3 million and working capital of \$340.7 million at the end of 2018. Africa Oil is debt free. Investments in intangible exploration expenditures of \$13.1 million were incurred during the three months ended March 31, 2019 (three months ended March 31, 2018 - \$11.0 million). These expenditures relate primarily to the Company's share of appraisal stage projects (Blocks 10BB and 13T – Kenya) and include expenditures related to the following activities: geological and geophysical studies, development studies (including upstream and midstream FEEDs, land acquisition, ESIA's, water acquisition and subsurface reservoir studies) and general and administrative costs incurred in relation the Company's Production Sharing Agreements. An additional \$6.3 million investment was made in Impact during the three months ended March 31, 2019.

Operating expenses remained fairly consistent, increasing \$0.3 million during the first quarter of 2019 in comparison to the same period in 2018. The share of loss from equity investment increased \$0.5 million during the three months ended March 31, 2019. This increase was offset by a decrease in travel as well as office and general expenses amounting to \$0.2 million.

## **About Africa oil**

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

## **Additional Information**

This information is information that Africa Oil Corp. is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact person set out below on May 9, 2019 at 8:00 p.m. Toronto Time.

## **FORWARD LOOKING INFORMATION**

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

All statements other than statements of historical fact may be forward-looking statements. Statements concerning proven and probable reserves and resource estimates may also be deemed to constitute forward-looking statements and reflect conclusions that are based on certain assumptions that the reserves and resources can be economically exploited. Any statements that express or involve discussions with respect to predictions, expectations, beliefs, plans, projections, objectives, assumptions or future events or performance (often, but not always, using words or phrases such as "seek", "anticipate", "plan", "continue", "estimate", "expect", "may", "will", "project", "predict", "potential", "targeting", "intend", "could", "might", "should", "believe" and similar expressions) are not statements of historical fact and may be "forward-looking statements". Forward-looking statements involve known and unknown risks, ongoing uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking statements, including the results of future exploratory activity in the Brulpadda-1AX well, anticipated date, results and costs of the lifting of the sweet Kenyan crude oil stored in Mombasa, the completion of the Company's upstream and midstream Front End Engineering and Design studies, the completion of the Company's Environmental and Social Impact Assessments and submission of same to the National Environmental Agency, the Company's negotiations with its Joint Venture Partners and the Government of Kenya, and the completion of the Company's transaction(s) in Nigeria. The Company believes that the expectations reflected in those forward-looking statements are reasonable, but no assurance can be given that these expectations will prove to be correct and such forward-looking statements should not be unduly relied upon. The Company does not intend, and does not assume any obligation, to update these forward-looking statements, except as required by applicable laws. These forward-looking statements involve risks and uncertainties relating to, among other things, changes in oil prices, results of exploration and development activities, uninsured risks, regulatory changes, defects in title, availability of materials and equipment, timeliness of government or other regulatory approvals, actual performance of facilities, availability of financing on reasonable terms, availability of third party service providers, equipment and processes relative to specifications and expectations and unanticipated environmental impacts on operations. Actual results may differ materially from those expressed or implied by such forward-looking statements.

ON BEHALF OF THE BOARD

"Keith C. Hill"  
President and CEO

For further information, please contact: Sophia Shane, Corporate Development (604) 689-7842.