



IN POLE POSITION FOR THE RECOVERY

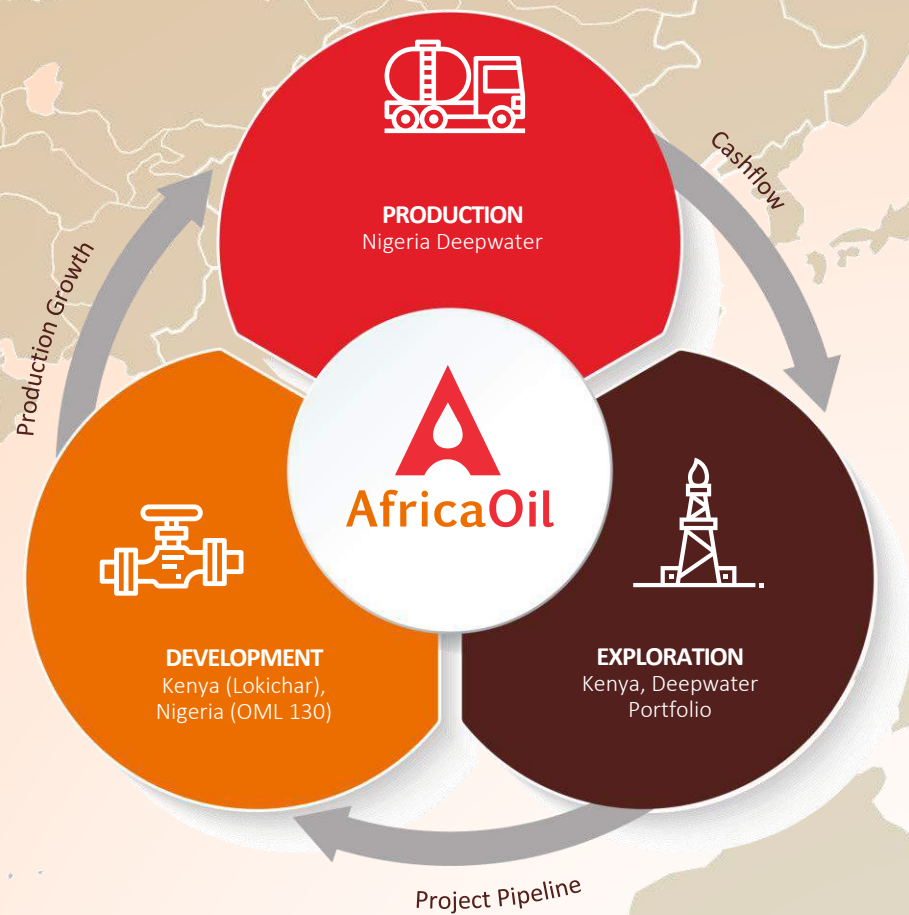
Corporate Presentation
September 2020

A Lundin Group Company



FULL CYCLE AFRICA FOCUSED

Africa Oil is a full-cycle E&P with producing and development assets in deep water Nigeria, development assets in Kenya and an E&A portfolio in Africa and Guyana.



85 mmbae
of 2P reserves
(YE'19)

39 kboepd
entitlement
production
(H1'20)

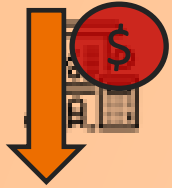
Dividends
Received
\$137.5m
in 8 months
vs. \$519.5m
investment

Deleveraging
29%
FY'20E
reduction in
debt facilities

\$60/bbl
hedged price
for 85% of
cargoes
through to
end H1'21

3-4
near term
high impact
exploration
catalysts

VALUE CREATION STRATEGY



Deleverage: use dividends from Prime in priority towards the repayment of the corporate loan



Work with JV partners to progress the South Lokichar project to FID while considering all strategic alternatives for this significant asset



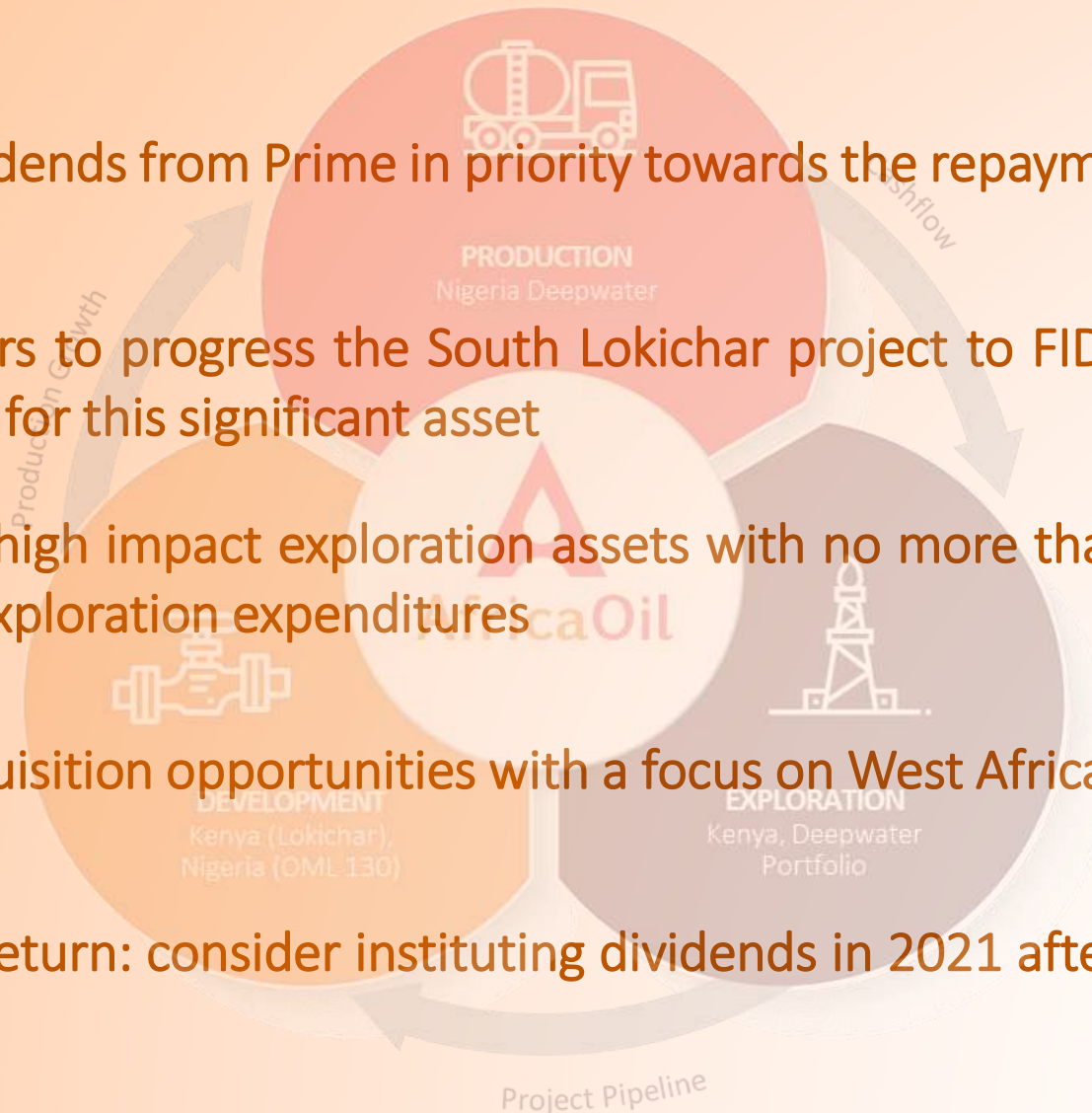
Retain a portfolio of high impact exploration assets with no more than ten percent of free cash flows used for exploration expenditures



Pursue accretive acquisition opportunities with a focus on West Africa producing assets



Shareholder capital return: consider instituting dividends in 2021 after further reduction of the corporate loan



DIRECTING STRONG CASHFLOW TOWARDS DELEVERAGING

Africa Oil: No Near-Term Loan Maturity

Net Debt (Q2'20)

USD 155.2m

H1'20 Net Income (adj.)

USD 97.0m

Debt Maturity

Jan. 2022

H2'19 Net Income (adj.)

USD (7.3)m



YTD

\$73.1m

corporate loan
repayment –
from initial
principal of
\$250m

Targeting a minimum further
repayment of \$50m
by YE'20

Prime: Robust Balance Sheet (AOC's net 50% in Prime Metrics)

Net Debt (Q2'20)

USD 662.6m

LTM EBITDA/Interest (2019)

11.3x

Net Debt/LTM EBITDA

0.9x

Debt Maturity

H2'24



\$112.5m

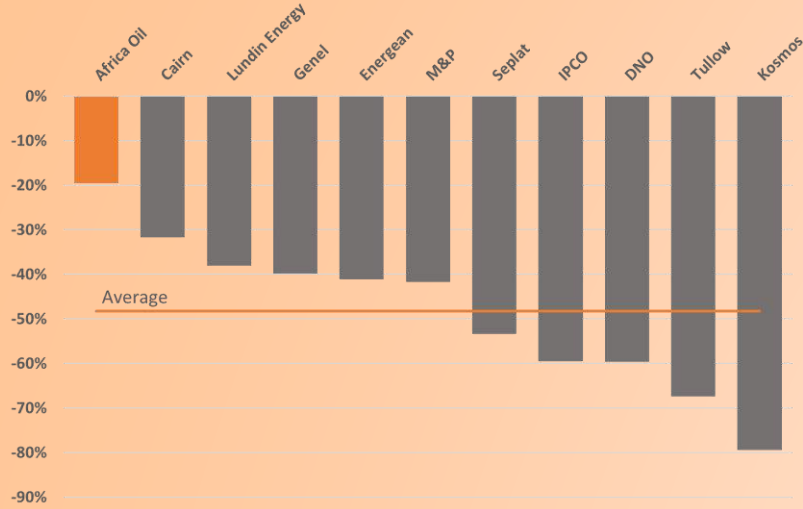
net RBL
repayment;
\$800m
outstanding as
of 31 July 2020

YTD distributed \$137.5m in
dividends net to Africa Oil

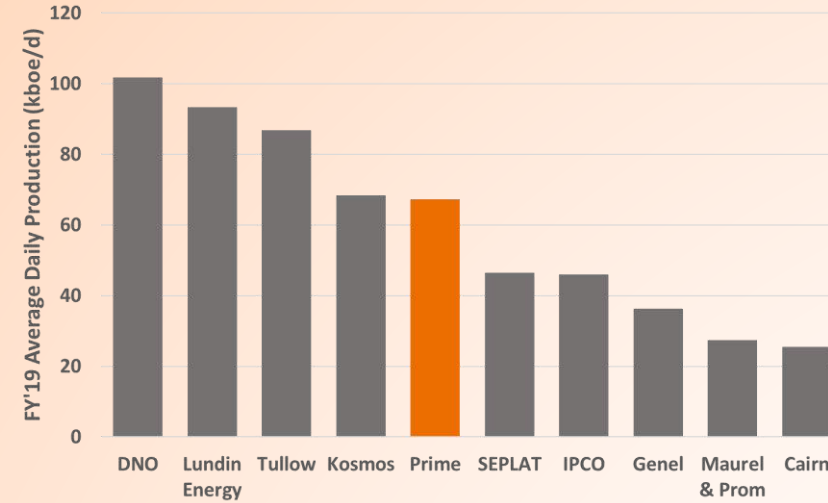
Prime is aiming to optimise
its capital structure to
reduce near term debt
repayment profile

PERFORMANCE PEER GROUP BENCHMARKING

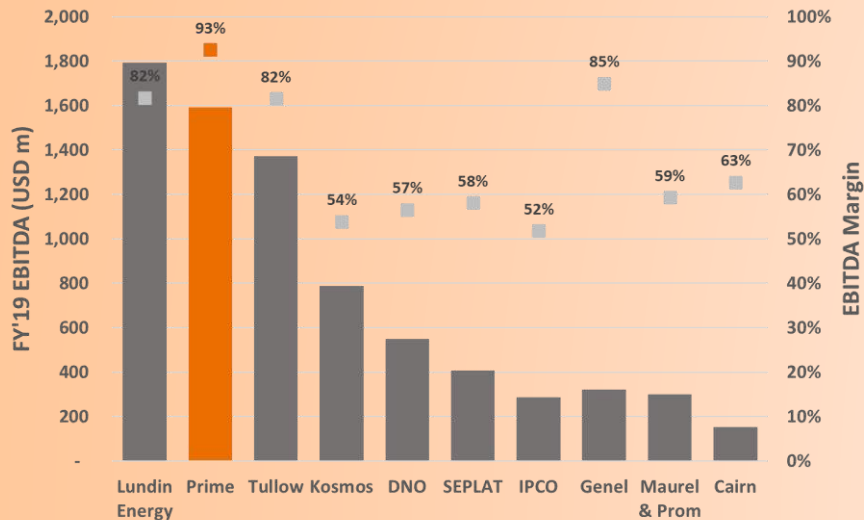
Africa Oil Share Price Performance (YTD)



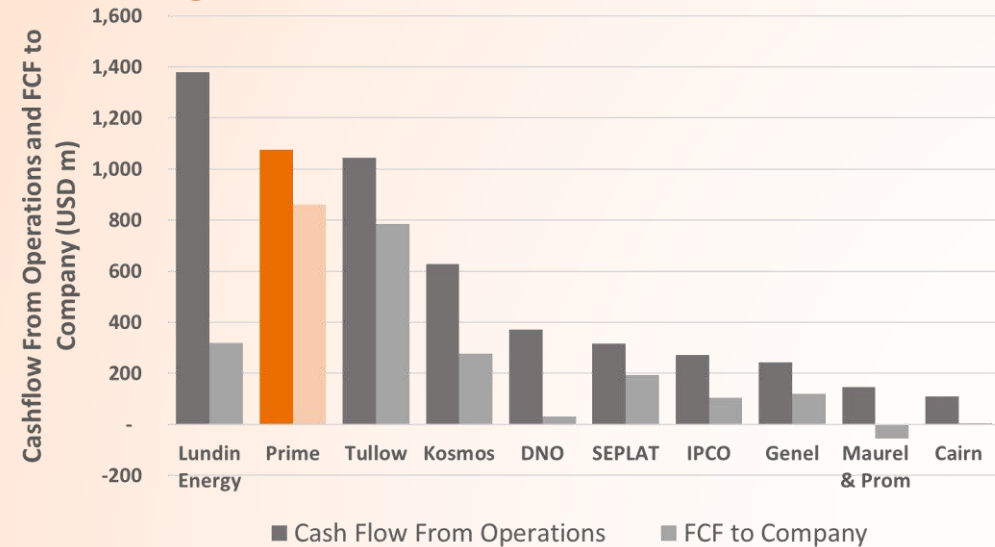
Prime (gross): FY'19 Production



Prime (gross): FY'19 EBITDA



Prime (gross): FY'19 Cash Flow



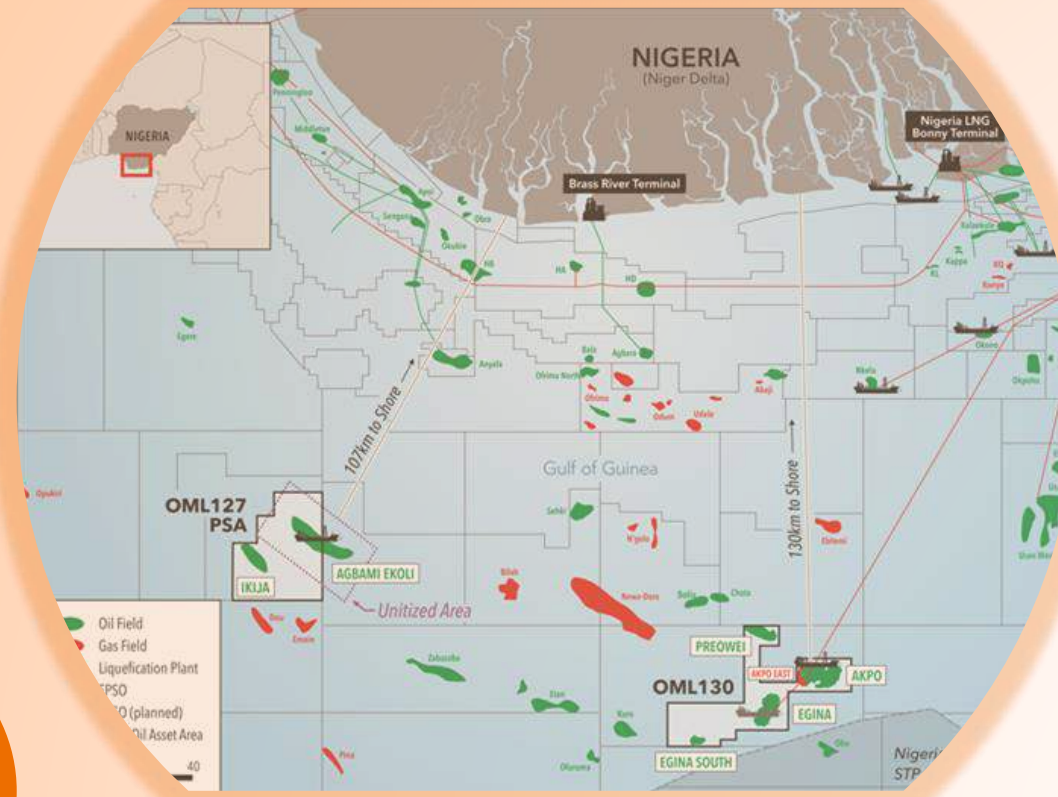
NIGERIA KEY CASH FLOW GENERATING ASSETS

3
of the top 5 oil
producing
fields in West
Africa

420
kbopd
aggregate
H1'20 gross
oil production

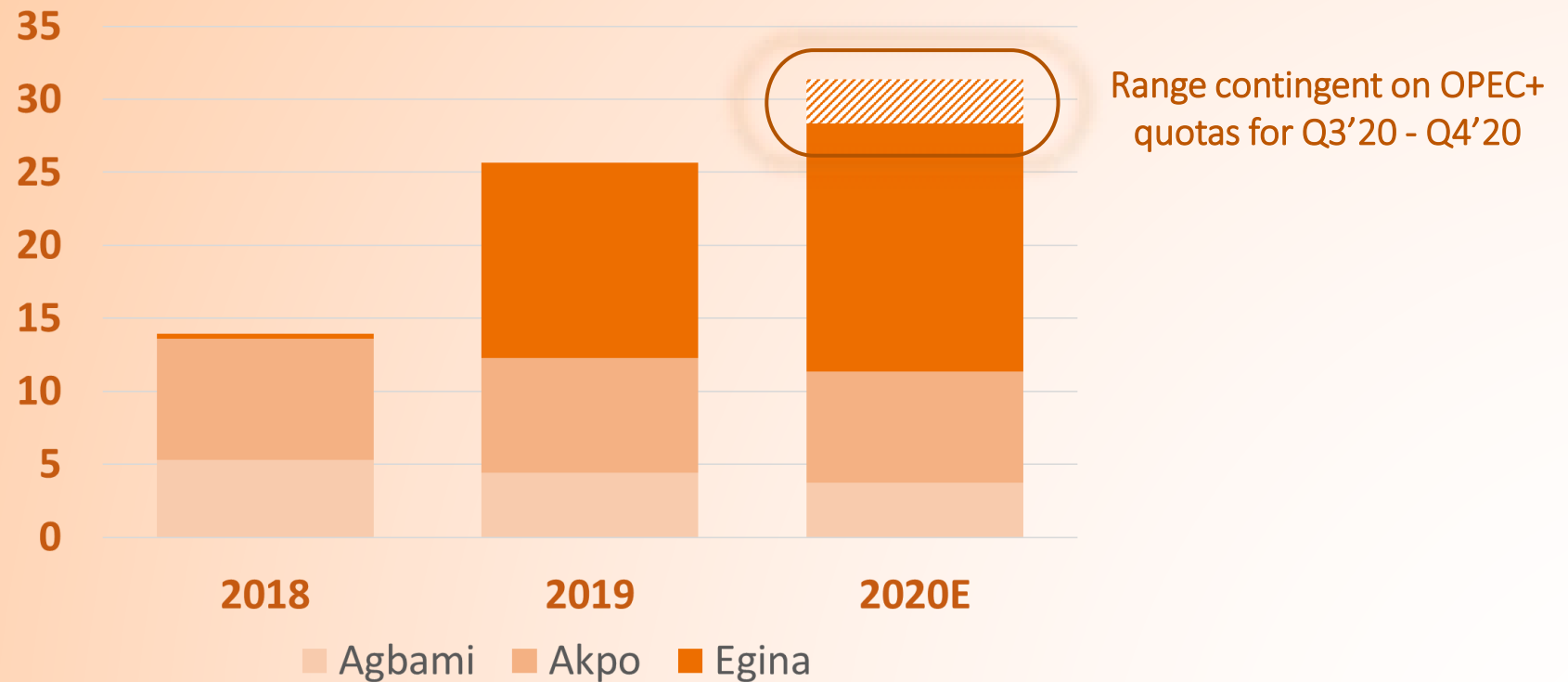
Low opex
\$5.1
per boe

50% shareholding in Prime Oil & Gas B.V.



NIGERIA ROBUST PRODUCTION

W.I. Production Net to Africa Oil's
50% Shareholding in Prime (kboepd)



NIGERIA INDUSTRY LEADING HEDGING POSITION



10 cargoes representing a sales volume of 9.50 mmbbl or 4.75 mmbbl net to Africa Oil sold in H1'20 at an average price of \$68.95



Prime has sold forward all 10 planned cargoes for H2'20 and has also sold forward or hedged 7 cargoes out of a planned 10 cargoes for H1'21 for a H2'20-H1'21 average hedging price of \$60.06 per barrel

KENYA GROWTH OPPORTUNITY



>500 mmbbl gross field recoverable resource potential

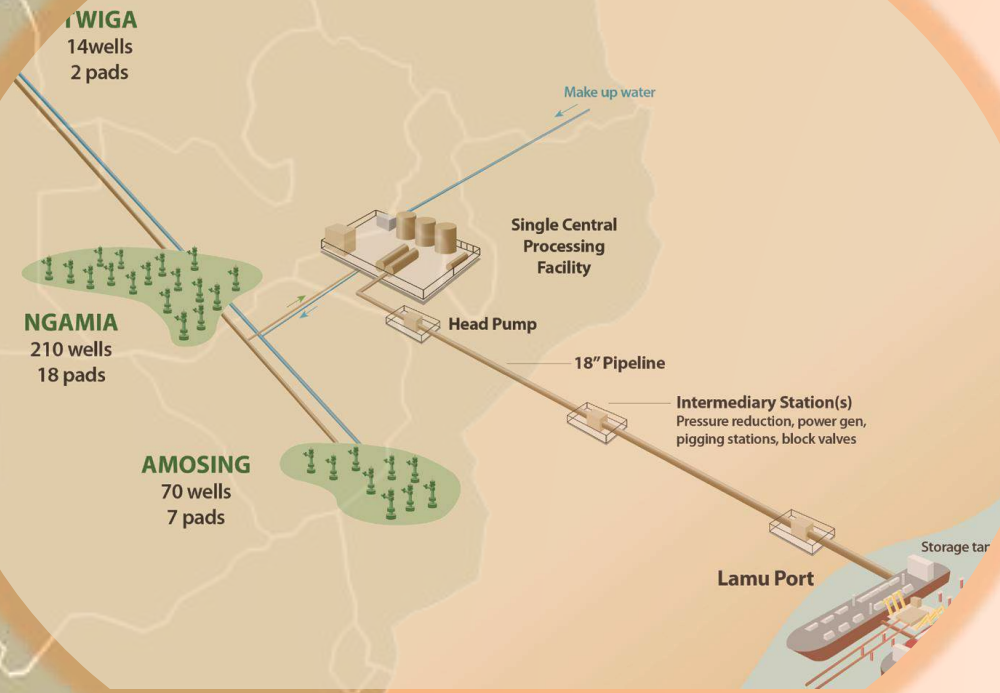
Successfully completed the Early Oil Production System and exported Kenya's 1st ever oil cargo



Block licenses extended, working with the GoK to update and submit FDP in 2021

Optimise production and cost profiles and finalise tax terms with the GoK

Formalise land/water access rights and secure pipeline project finance



COMMITTED TO EXPLORATION

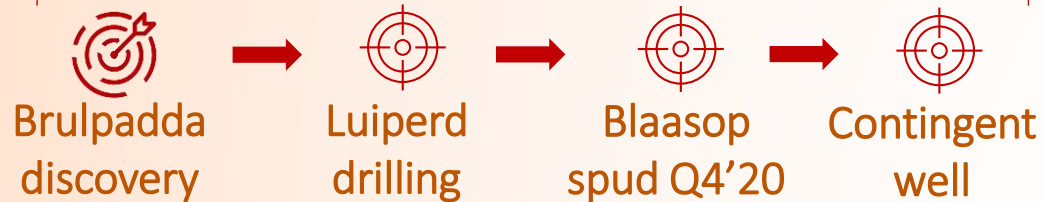
Africa Oil has direct exploration interests in Kenya and South Africa. Through its equity investments in Africa Energy, Eco (Atlantic) and Impact Oil and Gas, it also has indirect interests in South Africa, Namibia, Nigeria, AGC Profond and Guyana.

3-4
High impact
exploration wells
in the next six
months

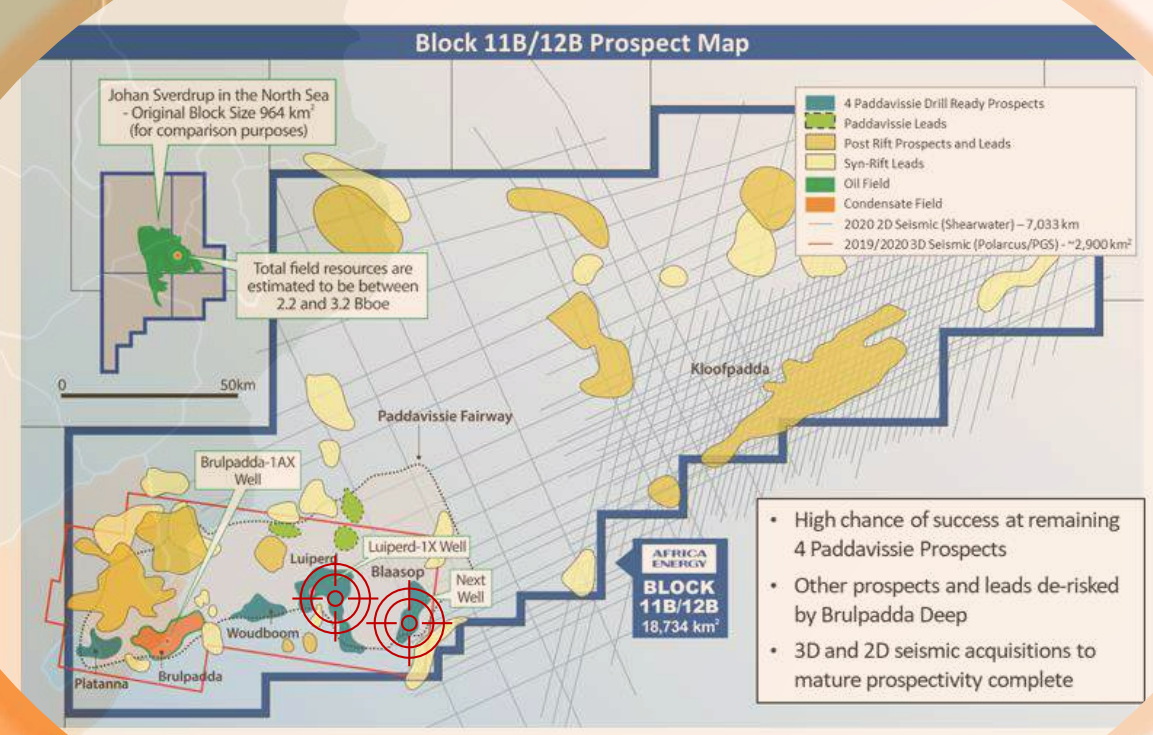
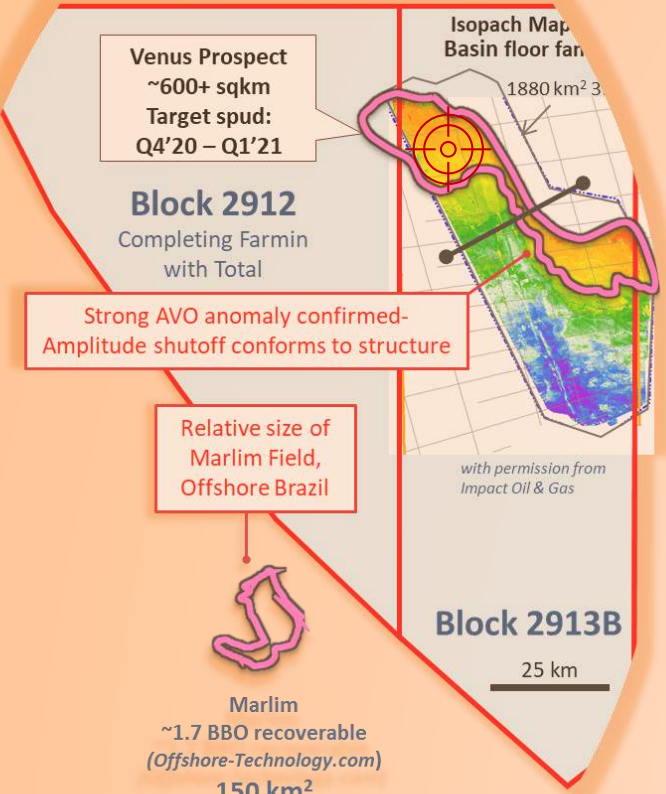
2019
Discoveries
3 wells drilled, 3
discoveries –
Brulpadda,
Jethro and Joe

Namibia – Block 2913B
Venus well, spud
Q4'20-Q1'21

South Africa: Block 11B/12B Campaign



NEAR TERM HIGH IMPACT EXPLORATION



ESG COMMITMENTS



Fully committed to the goal of reducing GHG emissions



Enhanced monitoring and reporting of operated and non-operated assets will be a key governance tool for the Board of Directors



ESG reporting will be included in the Annual Report



Goal of aligning reporting and disclosure with the Task Force on Climate-related Financial Disclosures (TCFD)

Africa Oil's commitment to global initiatives

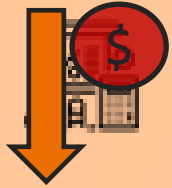
IFC
Environmental
& Social
Performance
Standards

Extractive
Industry
Transparency
Initiative

United Nations
Sustainable
Development
Goals

Voluntary
Principles on
Security &
Human Rights

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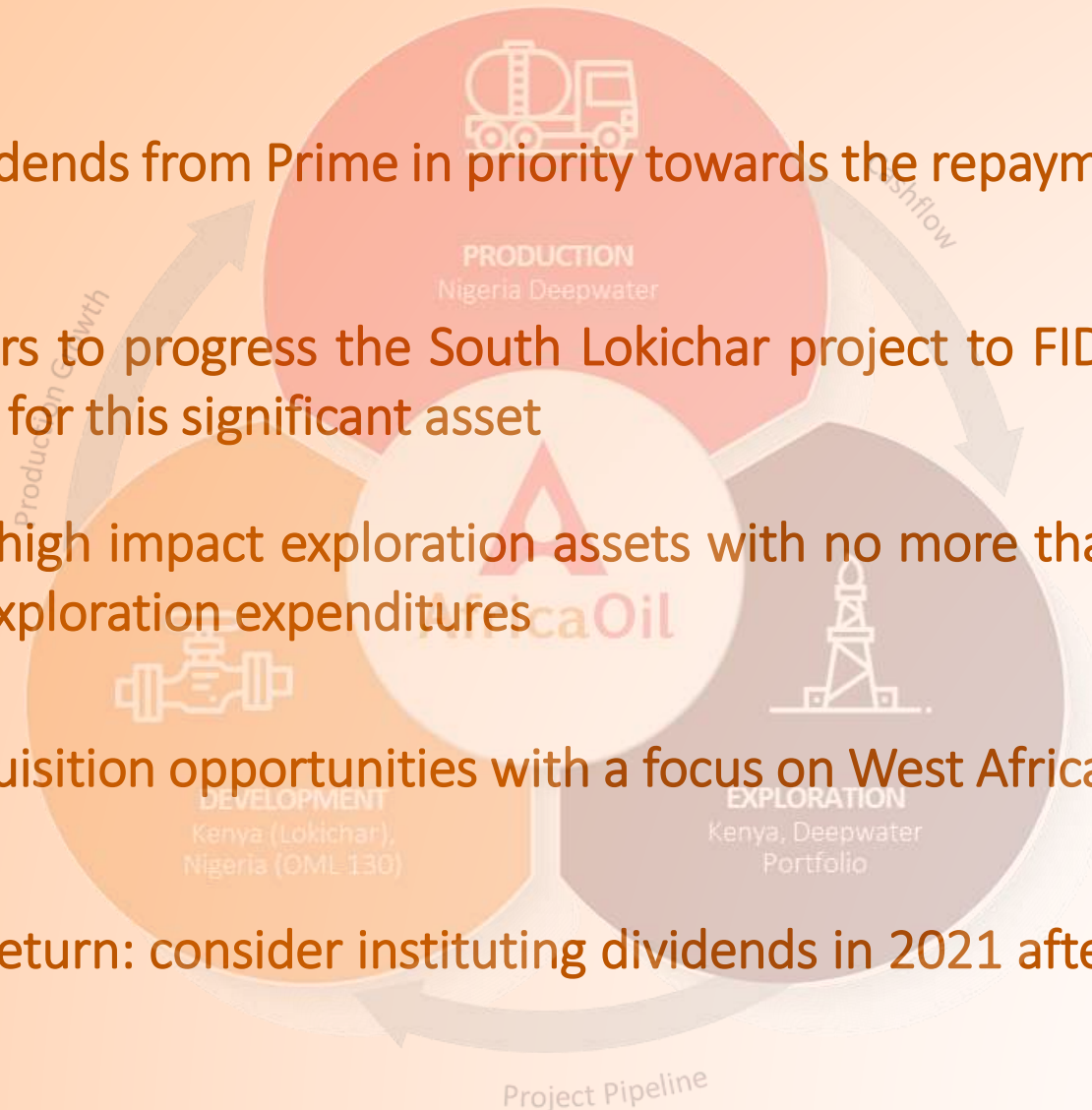
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Actual results may differ materially from those expressed or implied by such forward-looking statements. This update contains certain forward looking information that reflect the current views and/ or expectations of management of the Company with respect to its performance, business and future events including statements with respect to financings and the Company’s plans for growth and expansion. Such information is subject to a number of risks, uncertainties and assumptions, which may cause actual results to be materially different from those expressed or implied including the risk that the Company is unable to obtain required financing and risks and uncertainties inherent in oil exploration and development activities. Readers are cautioned that the assumptions used in the preparation of such information, such as market prices for oil and gas and chemical products, the Company’s ability to explore, develop, produce and transport crude oil and natural gas to markets and the results of exploration and development drilling and related activities, although considered reasonable at the time of preparation, may prove to be imprecise

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Management believes that non-IFRS measures are useful supplemental measures that may assist shareholders and investors in assessing the cash generated by and the financial performance and position of the Company. Management also uses non-IFRS measures internally in order to facilitate operating performance comparisons from period to period, prepare annual operating budgets and assess the Company’s ability to meet its future capital expenditure and working capital requirements. Management believes these non-IFRS measures are important supplemental measures of operating performance because they highlight trends in the core business that may not otherwise be apparent when relying solely on IFRS financial measures. Management believes such measures allow for assessment of the Company’s operating performance and financial condition on a basis that is more consistent and comparable between reporting periods. The Company also believes that securities analysts, investors and other interested parties frequently use non-IFRS measures in the evaluation of issuers. Forward-looking statements are provided for the purpose of presenting information about management’s current expectations and plans relating to the future and readers are cautioned that such statements may not be appropriate for other purposes.



| Thank You

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