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NEWS RELEASE

AFRICA OIL ANNOUNCES FAVORABLE PRIME RBL REDETERMINATION

October 1, 2020 (AOI-TSX, AOI-Nasdaq-Stockholm) – Africa Oil Corp. (“AOI”, “Africa Oil” or “the Company”) is pleased to provide an update on Prime Oil & Gas B.V. (“Prime”) Reserve Base Lending facility (“RBL”). Africa Oil has a 50% shareholding in Prime, a company with deepwater producing assets offshore Nigeria.

The September redetermination of the Prime RBL has been approved by the banking syndicate with a total principal amortisation for 2020 of US\$522 million. This is US\$108 million less than management’s initial guidance of US\$630 million as announced on February 25th, 2020.

As a result of this outcome and Prime’s large cash surplus, Prime with the support of its shareholders has elected to repay and cancel US\$297 million of the RBL principal on September 30th, 2020, which will satisfy the scheduled repayments for the third and fourth quarters of 2020. The early settlement of the fourth quarter repayment will result in US\$2 million of savings in interests and fees during the next three months. Prime is not expected to make any further principal repayment until the results of the next RBL redetermination scheduled to be finished on 31st March 2021. The outstanding RBL principal amount now stands at US\$1,303 million.

Africa Oil is also pleased to confirm that Prime has sold all three planned oil cargoes in September 2020 for a combined sales volume of approximately 2.8 million barrels (“mmbbl”) (1.4 mmbbl net to Africa Oil’s 50% shareholding in Prime) at an average price of US\$60 per barrel. A further three cargoes scheduled for the fourth quarter 2020 (approximately 3.0 mmbbl or 1.5 mmbbl net to Africa Oil’s 50% interest) have been sold forward at an average price of US\$61 per barrel, and 7 of 10 cargoes planned for the first half of 2021 (approximately 7.0 mmbbl or 3.5 mmbbl net to Africa Oil’s 50% interest) have been sold forward or hedged at an average price of \$60 per barrel.

Africa Oil CEO Keith Hill commented, “We are very pleased with the endorsement by the lending banks of our Nigeria deepwater assets. The ability for Prime to repay 29% of its outstanding debt in these difficult market conditions is a testament to the quality of Prime’s low-cost producing assets that are further strengthened by Prime’s industry leading hedging position. Prime’s cash flows provide us with a strong platform to deliver growth and value creation from our portfolio of exploration and development opportunities. Most immediately we are looking forward to the results of the Luiperd well that is currently drilling on Block 11B/12B offshore South Africa and to which we have significant exposure through our equity investments in Africa Energy and Impact Oil and Gas.”

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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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 October 1, 2020 at 2:00 a.m. ET.

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. 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. 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. Actual results may differ materially from those expressed or implied by such forward-looking statements.