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## Press Release

### **Africa Energy Announces First Closing of Impact Transaction**

**October 22, 2020 – Africa Energy Corp. (TSX Venture: AFE) (Nasdaq First North Growth Market: AEC)** (“Africa Energy” or the “Company”) is pleased to announce that it has closed its previously announced transaction pursuant to an investment agreement (the “Investment Agreement”) with Impact Oil & Gas Limited (“Impact”) and Impact Oil & Gas SA Blocks 11B-12B Limited (“Impact 11B/12B”). Closing of the Company’s investment in Impact 11B/12B in accordance with the Investment Agreement is the first stage in a series of transactions designed to increase the Company’s effective interest in Block 11B/12B offshore South Africa from 4.9% to 10% (the “Transactions”), subject to various consents and approvals.

The Transactions are described in the Company’s news release dated August 24, 2020, announcing the signing of definitive agreements, and the news release dated September 21, 2020, announcing the special meeting of its shareholders and providing an update on the status of the pending transactions.

Pursuant to the Investment Agreement, the Company has subscribed for new shares and has obtained control of Impact 11B/12B, which was a subsidiary of Impact immediately prior to closing, whose sole asset is a loan agreement that provides for an indirect financial interest in Main Street 1549 (Proprietary) Limited.

The Investment Agreement provides Impact with the right, for so long as it holds not less than 10% of the common shares of Africa Energy, to appoint one nominee to the board of directors of Africa Energy. The Company’s Board of Directors has appointed Impact’s nominee, John Anthony Copelyn, as a director of Africa Energy effective today. Mr. Copelyn is CEO of Hosken Consolidated Investments (“HCI”), a South African black empowerment company and Impact’s largest shareholder. Prior to joining HCI, he was a member of Parliament in South Africa and general secretary of the Southern African Clothing and Textile Workers Union.

Adam Lundin, Africa Energy’s Chairman, commented: “I would like to welcome Johnny Copelyn to the Board of Directors. His knowledge and experience in South Africa will be a great addition to the Board as we look to maximize the value of our oil and gas assets for all stakeholders.”

Impact has also entered into a subscription agreement with Africa Energy to subscribe for 509,092,771 common shares of Africa Energy (the “Subscription Shares”). Closing for the remaining stages of the Transactions and the issuance of the Subscription Shares is expected to take place within the next thirty (30) days subject to the completion of certain conditions including certain filings at the UK Companies House. The Company will provide further updates once closing of the Transactions has taken place or as may otherwise be required in accordance with the policies of the TSX Venture Exchange and applicable law.

#### **About Africa Energy Corp.**

Africa Energy Corp. is a Canadian oil and gas company with exploration assets offshore South Africa and Namibia. The Company is listed in Toronto on TSX Venture Exchange (ticker “AFE”) and in Stockholm on Nasdaq First North Growth Market (ticker “AEC”). Africa Energy is part of the Lundin Group of Companies.

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Important information

*This information is information that Africa Energy 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 on October 22, 2020 at 3:00 p.m. ET.*

*The Company's certified advisor on Nasdaq First North Stockholm is Pareto Securities AB, +46 8 402 5000, [certifiedadviser.se@paretosec.com](mailto:certifiedadviser.se@paretosec.com).*

Forward looking statements

*Certain statements contained in this press release constitute forward-looking information, including timing for completion of the Transactions and the completion of such Transactions. These statements relate to future events or the Company's future performance, business prospects and opportunities, which are based on assumptions of management.*

*The use of any of the words "will", "expected", "planned" and similar expressions and statements relating to matters that are not historical facts are intended to identify forward-looking information and are based on the Company's current belief or assumptions as to the outcome and timing of certain future events. These forward-looking statements involve risks and uncertainties relating to, among other things, timeliness of government or other regulatory approvals. Actual future results may differ materially. Various assumptions or factors are typically applied in drawing conclusions or making the forecasts or projections set out in forward-looking information. Those assumptions and factors are based on information currently available to the Company. The forward-looking information contained in this release is made as of the date hereof and the Company is not obligated to update or revise any forward-looking information, whether as a result of new information, future events or otherwise, except as required by applicable securities laws. Because of the risks, uncertainties and assumptions contained herein, investors should not place undue reliance on forward-looking information. The foregoing statements expressly qualify any forward-looking information.*

*Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.*