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NEWS RELEASE

AFRICA OIL ANNOUNCES THE RECEIPT OF PRIME DIVIDEND, THE UPSIZING AND COMPLETION OF ITS CORPORATE LOAN REFINANCE

August 2, 2021 (AOI-TSX, AOI-Nasdaq-Stockholm) – Africa Oil Corp. (“AOI”, “Africa Oil” or “the Company”) is pleased to announce that it has received a dividend from Prime Oil and Gas Cooperatief UA (“Prime”) and that it has completed the refinancing of its corporate loan facility.

Prime has distributed a \$75 million dividend with a net payment to Africa Oil of \$37.5 million related to its 50% shareholding. The Company applied \$25 million from this dividend to reduce the outstanding balance of the BTG term loan (“Term Loan”) to \$98 million, and has subsequently repaid the full amount of the Term Loan from the proceeds of the new corporate loan facility (“Corporate Facility”). The Term Loan was due to mature in January 2022. Africa Oil now has an approximate cash balance of \$42 million and net debt balance of \$56 million.

The Corporate Facility agreement was signed on May 13, 2021, for an amount of up to \$150 million with \$130 million committed at that time. The facility and commitments have now been increased to \$160 million, providing Africa Oil with undrawn availability of \$62 million after the repayment of the Term Loan. This undrawn amount is available until May 2022 and can be utilised for general corporate purposes, subject to customary covenants.

The Corporate Facility has a three-year term and it will be repaid from the dividends received from Prime, while ensuring the Company preserves sufficient minimum cash balance to conduct operations. This loan has an interest rate of LIBOR plus a margin of 6.5% in the first year, 7.0% in the second year and 7.5% in the third year. These terms represent a significant reduction in the Company’s borrowing costs and an extended amortisation profile.

The Corporate Facility banking syndicate includes: Rand Merchant Bank, ABSA, Mauritius Commercial Bank, Natixis, and Standard Bank.

Keith Hill, Africa Oil’s President and CEO, commented: “I am very pleased to report another sizeable dividend from Prime. We have received eight dividends for a total amount of \$275 million, in just over one and half years since the acquisition of our Prime shareholding. This strong cash flow is a testament to the high quality of Prime’s assets, which is also recognised and supported by our new lenders. We are also pleased that our Nigerian oil fields continue to exhibit strong operational and production performance.”

Pascal Nicodeme, Africa Oil's CFO, commented: "I am delighted that we have achieved one of our primary objectives for 2021 with the successful refinancing of our corporate loan. We have substantially reduced our cost of capital and improved liquidity. We have also strengthened our banking relationships, which is a strategic advantage as we seek new opportunities to increase shareholder value. On behalf of Africa Oil, I thank our new lenders for their support."

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".

All dollar amounts are in United States dollars unless otherwise indicated.

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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 August 2, 2021 at 1:00 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.