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Press release

Africa Energy Reports Third Quarter 2021 Results

November 9, 2021 – Africa Energy Corp. (TSX Venture: AFE) (Nasdaq First North: AEC) (“Africa Energy” or the “Company”), an oil and gas company with exploration assets offshore South Africa and Namibia, announces financial and operating results for the three and nine months ended September 30, 2021.

Garrett Soden, the Company’s President and CEO, commented: “We are very enthusiastic about the potential value of Block 11B/12B, both from the proposed development of the Paddavissie Fairway and from the large exploration upside remaining across the block. We look forward to TotalEnergies concluding gas price negotiations with the government and applying for a production license by next September. On Block 2B, we expect Azinam to fund the escrow account and contract a rig by the end of the year, according to the terms of our farmout agreement, in order to drill the Gazania well before the license expires next November.”

OUTLOOK

On Block 11B/12B, the Company and its joint venture partners are contemplating an early production system (“EPS”) for a phased development of the Paddavissie Fairway. The joint venture is currently performing development studies and preparing a field development plan and an environmental application with the intention of agreeing gas terms and submitting an application for a Production Right before the Exploration Right expires in September 2022. The EPS would provide first gas and condensate production from the Luiperd discovery and would accelerate the Block 11B/12B development timeline by utilizing existing nearby infrastructure on the adjacent block in order to supply gas to existing customers in Mossel Bay. The EPS is expected to significantly decrease the required capital expenditures to reach first production on Block 11B/12B. The Company expects that a full development of the Paddavissie Fairway would follow the EPS as the gas market expands in South Africa. We are encouraged by the ongoing analysis of the seismic data that has identified additional prospectivity in the Paddavissie Fairway and to the east, confirming the large exploration upside remaining across the block. The development of Block 11B/12B will have positive implications for the South African economy and will be critical in facilitating the country’s energy transition beyond coal with a domestic natural gas supply.

On Block 2B, the Company and its joint venture partners tendered for a semi-submersible rig and completed a seabed survey in preparation for drilling the Gazania-1 well. The operator, Azinam Limited (“Azinam”), finalized the well plan and is currently conducting negotiations with various rig contractors to optimize the well budget and drill the Gazania-1 well before the Exploration Right expires in November 2022.

HIGHLIGHTS

- At September 30, 2021, the Company had \$11.8 million in cash and no debt.
- The Block 11B/12B¹ joint venture is conducting a full prospect analysis from the fully-processed 2D seismic dataset acquired by Shearwater over the eastern part of the block (7,033 linear kilometers) that was received in September 2020. The initial technical analysis has identified multiple prospects and leads with potential direct hydrocarbon indicators within the Kloofpadda Play Trend that are currently being matured for potential future exploration drilling.

¹ Africa Energy owns 49% of the common shares and 100% of the Class B shares of Main Street 1549 Proprietary Limited, which has a 10% participating interest in the Exploration Right for Block 11B/12B offshore South Africa.

- The Block 11B/12B joint venture received the final fully-processed merged 3D data that integrates the PGS and Polarcus surveys over the Paddavissie Fairway in the first quarter of 2021 (2,305 square kilometers from PGS and 570 square kilometers from Polarcus). The improved quality of the fully-processed 3D volume, resulting in higher resolution, is expected to further reduce exploration risk. The final 3D volume has been integrated with the drilling and testing results to facilitate development studies. The initial technical analysis has identified multiple additional prospects within the greater Paddavissie Fairway with amplitudes conforming to structure that improve the potential development.

FINANCIAL INFORMATION

(Unaudited; thousands of US dollars, except per share amounts)

	Three Months Ended Sept. 30, 2021	Three Months Ended Sept. 30, 2020	Nine Months Ended Sept. 30, 2021	Nine Months Ended Sept. 30, 2020
Operating expenses	555	1,138	3,634	3,553
Net loss	(582)	(1,098)	(3,623)	(3,558)
Net loss per share (basic and diluted)	(0.00)	(0.00)	(0.00)	(0.00)
Weighted average number of shares outstanding (basic and diluted)	1,395,923	798,067	1,395,597	779,309
Number of shares outstanding	1,395,923	883,940	1,395,923	883,940
Cash flows provided by (used in) operations	(708)	(698)	(3,504)	(2,363)
Cash flows provided by (used in) investing	(1,232)	(14,455)	(4,372)	(13,106)
Cash flows provided by (used in) financing	(8)	27,811	27	52,295
Total change in cash and cash equivalents	(1,980)	12,679	(7,860)	36,698
Change in share capital	-	28,536	90	53,467
Change in contributed surplus	42	(526)	202	(144)
Change in deficit	582	1,098	3,623	3,558
Total change in equity	(540)	26,912	(3,331)	49,765
	September 30, 2021	December 31, 2020		
Cash and cash equivalents	11,783	19,643		
Total assets	240,501	244,034		
Total liabilities	1,594	1,796		
Total equity attributable to common shareholders	238,907	242,238		
Net working capital	10,551	18,193		

The financial information in this table was selected from the Company's unaudited consolidated financial statements for the three and nine months ended September 30, 2021 (the "Financial Statements"), which are available on SEDAR at www.sedar.com and the Company's website at www.africaenergycorp.com.

EARNINGS TREND AND FINANCIAL POSITION

(Unaudited; US dollars)

Operating expenses decreased by \$0.6 million for the three months ended September 30, 2021, compared to the same period in 2020 due mainly to a reduction in professional fees, stock exchange and filing fees related to the transactions to increase the Company's effective interest in Block 11B/12B in the third quarter of 2020.

Operating expenses increased by \$0.1 million for the nine months ended September 30, 2021, compared to the same period in 2020 due mainly to bonuses paid to employees in the first quarter of 2021, almost fully offset by a reduction of stock-based compensation and a reduction in professional fees. The reduction in stock-based compensation was the result of no options being granted to date in 2021. Professional fees

were higher than usual in 2020 as a result of the transactions to increase the Company's effective interest in Block 11B/12B in the third quarter of 2020.

At September 30, 2021, the Company had cash of \$11.8 million and working capital of \$10.6 million compared to cash of \$19.6 million and working capital of \$18.2 million at December 31, 2020. The decrease in cash and working capital can be attributed to cash-based operating expenditures and investments in Main Street 1549 required to fund Block 11B/12B expenditures.

NEXT EARNINGS REPORT RELEASE

The Company plans to report results for the year ended December 31, 2021, on March 24, 2022.

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 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 November 9, 2021, at 5:30 p.m. ET.

The Company's certified advisor on Nasdaq First North Growth Market is Pareto Securities AB, +46 8 402 5000, certifiedadviser.se@paretosec.com.

Forward looking statements

Certain statements contained in this press release constitute forward-looking information. 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, changes in oil

prices, results of exploration and development activities, including results, timing and costs of seismic and drilling activity in the Company's area of operations and, uninsured risks, regulatory changes, defects in title, availability of funds required to participate in the exploration activities, or of financing on reasonable terms, availability of materials and equipment on satisfactory terms, outcome of commercial negotiations with government and other regulatory authorities, timeliness of government or other regulatory approvals, actual performance of facilities, availability of third party service providers, equipment and processes relative to specifications and expectations and unanticipated environmental impacts on operations. 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.