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NEWS RELEASE

AFRICA OIL ANNOUNCES RECORD FINANCIAL RESULTS, SHAREHOLDER DIVIDEND POLICY AND 2022 MANAGEMENT GUIDANCE

February 28, 2022 (AOI–TSX, AOI–Nasdaq-Stockholm) – Africa Oil Corp. (“Africa Oil”, “AOC” or the “Company”) is pleased to announce its operating and consolidated financial results for the three months and the year ended December 31, 2021, together with its 2022 Management Guidance. The Company is also pleased to announce the introduction of a regular shareholder dividend policy as part of its commitment to returning excess capital to its shareholders.

Highlights

- Record full-year net income of $190.7 million or $0.40 per share.
- Cash balance at December 31, 2021 of $58.9 million. Our corporate facility has been fully repaid and $100m of the facility remains available for general corporate purposes until December 2022.
- The Company will institute a shareholder dividend policy with an initial 2022 aggregate annual distribution of $0.05 per share (approximately $25 million) to be paid semi-annually, with the first payment payable on March 31, 2022, to shareholders of record at the close of business on March 17, 2022.
- Venus 1-X exploration well results in a major light oil discovery on Block 2913B (the Company has a 6.2% indirect interest through its shareholding in Impact Oil & Gas Limited), offshore Namibia, that together with the nearby Graff-1 discovery on the adjacent Block 2913A (the Company has no interest in this block), herald the opening of a major petroleum province with significant upside potential for the Company.
- Positive year-end 2021 statement of reserves with working interest (W.I.) proved plus probable reserves (“2P”) replacement ratio of 102% (year-end 2020: 114%).
- Selected Prime’s results net to Africa Oil’s 50% shareholding*:
  - full-year W.I. production of 27,300 boepd and economic entitlement production of 29,700 boepd (84% light and medium crude oil and 16% conventional natural gas) are at the top end of 2021 Management Guidance[2,3]; and
  - In Q4 2021, EBITDAX of $163.4 million (full-year period: $654.5 million)[4].
  - In Q4 2021, cash generated from operating activities of $60.6 million (full-year period: $526.7 million, includes $152.5 million of Agbami Security Deposit received).
  - Cash position of $258.9 million and debt balance of $508.4 million at December 31, 2021; Robust Net Debt to EBITDAX of 0.4x in 2021.
- 2022 Management Guidance (refer to page 3 for more details):
  - Average daily W.I. production range of 22,500-25,500 boepd and net entitlement production range of 23,000-27,000 boepd net to the Company’s 50% shareholding in Prime, with approximately 84% expected to be light and medium crude oil and 16% conventional natural gas; and
  - Prime’s cash flow from operating activities of $300-$400 million net to the Company’s 50% shareholding in Prime.

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* Important information: Africa Oil's interest in Prime is accounted for as an investment in joint venture. Refer to Note 1 on page 5 for further details. Please also refer to other notes on page 5 for important information on the material presented.

- Inaugural ESG Review published in March 2021, followed by a comprehensive Sustainability Report, including TCFD compliant scenario analysis, published today, 28th February 2022.
- In 2021, the Company set a target to achieve carbon neutrality by 2025. Towards this goal, the Company purchased an initial tranche of offsets covering >20% of Scope 1 and 2 emissions from a Gold Standard certified clean cookstove project in Kenya, and began feasibility studies for direct investment in a proprietary nature-based carbon removal project.

Africa Oil President and CEO Keith Hill commented: “We had a very strong financial year as demonstrated by our record earnings and the full repayment of our corporate debt, and I am pleased that we are now in the robust financial position to able to announce our inaugural dividend. This strong position will allow us to continue to pursue accretive production acquisition opportunities while returning excess cash to shareholders. We remain bullish about oil prices and opportunities in the current energy transition environment.”

2021 Fourth Quarter Financial Results

(Thousands United States Dollars, except Per Share and Share Amounts)

	December 31, 2021	December 31, 2020
Cash and cash equivalents	58,885	40,474
Total assets	991,618	910,499
Short-term debt	-	-
Long-term debt	-	141,000
Total liabilities	43,560	156,212
Total equity attributable to common shareholders	948,058	754,287

	Year ended December 31, 2021	Year ended December 31, 2020	Three months ended December 31, 2021	Three months ended December 31, 2020
Share of profit from investment in joint venture	224,384	208,981	56,053	59,193
Share of profit from investment in associates	2,495	31,381	5,790	32,041
Total operating income	226,879	240,362	61,843	91,234
Net operating income	208,854	10,633	56,821	86,151
Net income/(loss)	190,722	(17,614)	54,912	79,845
Net income/(loss) per share - basic and diluted	0.40	(0.04)	0.12	0.17
Weighted average number of share outstanding - basic ('000s)	473,332	471,792	474,192	471,954
Weighted average number of share outstanding - diluted ('000s)	477,361	471,792	479,611	475,144
Number of shares outstanding ('000s)	474,655	471,960	474,655	471,960
Cash flows used in operating activities	(10,209)	(5,348)	(2,440)	(1,916)
Cash flows generated by/(used in) investing activities	187,703	(394,272)	47,295	54,418
Cash flows (used in)/generated by financing activities	(159,119)	110,644	(24,889)	42,541
Total change in cash and cash equivalents	18,411	(288,990)	20,031	10,078
Total change in equity	193,771	(12,416)	55,758	73,531

The financial information in this table was selected from the Company’s audited consolidated financial statements for the year ended December 31, 2021. The Company's consolidated financial statements, notes to the financial statements, management's discussion and analysis for the year ended December 31, 2021 and 2020 have been filed on SEDAR (www.sedar.com) and are available on the Company’s website (www.africaoilcorp.com).

FINANCIAL POSITION AND EARNINGS

The Company recognized a total operating income of $61.8 million and net income of $54.9 million during the fourth quarter of 2021. The operating income primarily relates to the Company's share of profit from its investments in Prime amounting to $56.1 million. For the full year, the Company recognized a record net income of $190.7 million or $0.40 per share.

The Company ended 2021 fourth quarter with cash of $58.9 million and a zero debt balance in comparison to cash of $40.5 million and outstanding debt balance of $141.0 million at the end of 2020. During the 2021 fourth quarter, Prime paid one dividend for $100.0 million with net payment to Africa Oil of $50.0 million, related to its 50% shareholding interest. The Company received four dividends from Prime during 2021 for a total amount of $200.0 million and it fully repaid its outstanding debt balance from the proceeds. Since the acquisition of a 50% shareholding in Prime in January 2020 for $519.5 million, the Company has received 10 dividends from Prime for a total amount of $400.0 million, representing that 77% of the closing purchase price has been returned in less than two years.

On January 31, 2022, the Company announced that all lenders to its Corporate Facility had approved increasing the available amount to $100.0 million from the then unutilized amount of $62.0 million, and extending the availability period to December 31, 2022, from May 13, 2022. The Corporate Facility maturity date of May 13, 2024, and interest margins were unchanged.

PRIME'S FOURTH QUARTER 2021 PERFORMANCE

Prime's fourth quarter 2021 average daily W.I. production was 26,400 boepd and economic entitlement production was 28,500 boepd (83% light and medium crude oil and 17% conventional natural gas), net to Africa Oil's 50% shareholding in Prime. Its full-year average working Interest production was 27,300 boepd and economic entitlement production was 29,700 boepd (84% light and medium crude oil and 16% conventional natural gas), net to Africa Oil's 50% shareholding in Prime.

During the fourth quarter, Prime was allocated 4 oil liftings with total sales volume of approximately 4.0 million barrels or 2.0 million barrels net to Africa Oil's 50% shareholding. For the full year, Prime was allocated 17 oil liftings with total sales volume of approximately 17.0 million barrels or 8.5 million barrels net to Africa Oil's 50% shareholding. These volumes only represent Prime's share of cost and profit oil with its corresponding share of tax oil cargoes sold on its behalf by the operators for the settlement of its taxes to the Nigerian state.

Prime achieved an average realized oil price of $62.1/bbl in Q4 2021 and an average realized oil price of $59.3/bbl for 2021, in each case including hedging.

Prime achieved fourth quarter 2021 sales revenue of $153.9 million (full-year period: $610.2 million); EBITDAX of $163.4 million (full-year period: $654.5 million) and cash flow generated from operating activities of $60.6 million (full-year period: $526.7 million), in each case net to Africa Oil's 50% shareholding.

Prime's 2021 capital expenditure of $25.3 million (net to the Company's 50% shareholding) is 40% lower than the 2021 Management Guidance midpoint of $42.5 million. The reduction is mostly due to the deferral of infill drilling on the Egina field and deferral of Agbami gas project FEED. These activities are expected to progress during 2022.

2022 MANAGEMENT GUIDANCE

The Company's 2022 production will be contributed solely by its 50% shareholding in Prime. The 2022 Management Guidance includes WI production guidance range of 22,500-25,500 boepd and net entitlement production range of 23,000-27,000 boepd with approximately 84% expected to be light and medium crude oil and 16% conventional natural gas.

Net entitlement production estimate is based on a 2022 Brent price of $87.0/bbl being the average of the Brent forward curve as of February 15, 2022. Net entitlement production is calculated using the economic interest methodology and includes cost recovery oil, tax oil and profit oil and is different from WI. production that is calculated based on project volumes multiplied by Prime's effective WI.

Prime is continuing its hedging program with the target of covering 50%-70% of its planned cargoes over a rolling 12-month look-ahead period. For the period Q2 2022 to end Q1 2023, only 5 out of 11 cargoes that are scheduled to be lifted by Prime have been hedged, providing the Company with material exposure to oil prices.

It is expected that Prime will lift 11-13 cargoes (5.5-6.5 cargoes net to the Company) in 2022 for its share of cost and profit oil. The average cargo lifted is for one million barrels of oil. Prime has forward sold its first 10 cargos in 2022 at average Dated Brent price of $73.1/bbl. The actual price will include a quality and shipping cost adjustment which means the realized price will be different to the hedged prices. At the date of this press release, Prime has lifted 3 cargoes with an average realized price of

$66.0/bbl and is expected to lift another two cargoes by end of Q1 2022 at average Dated Brent price of $70.1/bbl. Remaining five cargoes that are sold forward are at average Dated Brent Price of $78.6/bbl.

Based on the above production and cargo lifting ranges and Prime's current 2022 hedging program, the Company's management estimate Prime to generate cash flow from operations of approximately $300-$400 million net to the Company's 50% shareholding.

Any dividends received by the Company from Prime's operating cash flows and cash on hand will be subject to Prime's capital investment and financing cashflows, including Prime's RBL interest payments and principal amortization. Net to the Company's 50% shareholding, Prime's 2022 capital investment is expected to be in the range of $40-$70 million and its net debt repayment in the range of $200-$230 million. Prime had a cash and cash equivalents balance of $258.9 million net to the Company's 50% shareholding at December 31, 2021.

The Company's 2022 corporate budget is estimated to be approximately $19-$21 million and includes pre-FID budget for Project Oil Kenya, G&A and exploration activities.

Prime, net to AOC's 50% shareholding:	2022 Guidance	2021 Actuals
WI production (boepd)	22,500-25,500	27,300
Economic entitlement production (boepd)	23,000-27,000	29,700
Cash flow from operations before working capital (million)	$300-$400	$536
Expenditure on oil and gas properties (million)	$40-$70	$25
Net Debt repayment (million)	$200-$230	$218
Africa Oil's corporate budget (million)	$23-$25	$18

2022 OUTLOOK

The Company's debt-free balance sheet, its share of Prime's cash flows and access to debt funding on competitive terms, supports a range of opportunities for the Company to achieve accretive growth and create shareholder value. The Company's valuation is underpinned by its 50% shareholding in Prime, which accounts for all of the Company's reserves and production interests.

The Company will work to maximize Prime's dividends by distributing its excess cash, whilst maintaining a prudent treasury management policy at Prime. The near-term priority is to extend Prime's debt tenor with the primary objective over the next year of refinancing Prime's RBL facility, possibly facilitated by the voluntary early conversion of Prime's licenses in Nigeria to the new PIA terms. The Company's management will also work with Prime to assess other financing options that could extend Prime's debt maturity profile on competitive costs, such as the PXF facility that was arranged by Prime in 2021. An extension of Prime's debt tenor is anticipated to allocate more of Prime's near-term cash flows towards the payment of dividends to its shareholders, including the Company.

Dividends received from Prime will support the Company's shareholder capital return programs and business development activities that are focused on the acquisition of producing assets.

The Company is committed to a sustainable dividend policy for its shareholders over the future years. The Company is pleased to announce that its Board of Directors has declared an initial aggregate annual dividend of $0.05 per share (approximately $25.0 million) to be paid semi-annually, with the first payment payable on March 31, 2022, to shareholders of record at the close of business on March 17, 2022. This dividend qualifies as an 'eligible dividend' for Canadian income tax purposes.

Dividends on shares traded on the Toronto Stock Exchange ("TSX") will be paid in Canadian dollars on March 31, 2022. Dividends on shares traded on Nasdaq Stockholm will be paid in Swedish kronor in accordance with Euroclear principles on April 1, 2022. To execute the payment of the dividend, a temporary administrative cross-border transfer closure will be applied by Euroclear from March 16, 2022, up to and including March 17, 2022 during which period shares of the Company cannot be transferred between the TSX and Nasdaq Stockholm The Company's Annual General Meeting is planned to be held on April 20, 2022.

This initial annual dividend has been determined by the Board to strike a prudent balance between allocating capital for potential acquisitions, shareholder capital returns and maintaining a robust balance sheet in a range of oil market conditions. The Board will regularly review this policy and depending on the Company's progress in maturing acquisition opportunities and the market outlook, the Board may approve additional distributions and/or share buybacks, subject to the customary approvals. As always, the declaration of dividends is at the discretion of the Board.

The Company has been actively working on the acquisition of strategic producing assets that are accretive on per share valuation and cashflow metrics. The Company has maintained a very disciplined approach towards this goal with detailed technical, commercial and legal due diligence applied for each opportunity and the primary goal of not diluting or risking the current strong investment case. The Company's focus remains on buying producing assets offshore West Africa and the management will consider both operated and non-operated opportunities as well as oil and natural gas assets. The Board may also consider corporate merger and acquisition opportunities if there is strong strategic rationale for such a transaction with strong prospects to increase shareholder value. There is no guarantee that the Company can complete such transactions and it will update the market during the year on its efforts.

Through its 30.9% shareholding in Impact Oil & Gas, the Company has an indirect interest of 6.2% in Block 2913B, offshore Namibia. The Company announced the Venus light oil and associated gas discovery on this block on February 24, 2021. Venus' initial results have exceeded pre-drill estimates and along with the recently announced Graff discovery on a neighboring block, has opened a new petroleum province in the Orange Basin with significant upside potential. Venus and Graff discoveries support the exploration case for Block 3B/4B, which is operated by the Company with a 20% working interest and Impact's Orange Basin Deep Block, both located on trend in the Orange Basin, South Africa.

Through its shareholdings in Africa Energy, the Company has exposure to the Gazania-1 exploration well that will be drilled in Block 2B offshore South Africa, with a target spud date by end of 2022. The Gazania-1 will test a prospect in the A-J rift basin that is near but updip of the A-J1 oil discovery (1988) that flowed 36° API oil to surface. A success at Gazania-1 would de-risk a large inventory of prospects in the block that have been identified from 3D seismic data. Africa Oil has an indirect 5.5% economic interest in Block 2B through its 19.9% shareholding of Africa Energy. Africa Energy holds a carried 27.5% working interest in Block 2B with partners Eco Atlantic (Operator, 50% WI), Panoro Energy (12.5% W.I.) and Crown Energy (10% W.I.).

During 2021, the Company and its JV Partners (Tullow Oil and TotalEnergies) have completed the redesign of Project Oil Kenya to ensure it is technically, commercially and environmentally robust. The Company and its partners initiated a farm-out process for Project Oil Kenya in 2021. Advanced discussions are on-going with the interested parties. A successful farm-out is viewed by the Company as a critical step towards the FID for Project Oil Kenya being achieved over the course of next year. There is no guarantee that the Company can successfully conclude a farm-out to new strategic partner(s) on favorable terms. The Company will update the market on this process in due course.

NOTES

1. The 50% shareholding in Prime is accounted for using the equity method and presented as an investment in joint venture in the Consolidated Balance Sheet. Africa Oil's 50% share of Prime's net profit or loss will be shown in the Consolidated Statements of Net Income/Loss and Comprehensive Income/Loss. Any dividends received by Africa Oil from Prime are recorded as Cash flow from Investing Activities. The guidance presented here is for information only.

2. Aggregate oil equivalent production data comprised of light and medium crude oil and conventional natural gas production net to Prime's W.I. in Agbami, Akpo and Egina fields. These production rates only include sold gas volumes and not those volumes used for fuel, reinjected or flared.

3. Net entitlement production is calculated using the economic interest methodology and includes cost recovery oil, tax oil and profit oil and is different from working interest production that is calculated based on project volumes multiplied by Prime's effective working interest in each license.

4. Earnings Before Interest, Tax, Impairment, Depreciation, Amortization and Exploration Expenses ("EBITDAX") is not a generally accepted accounting measure under International Financial Reporting Standards ("IFRS") and does not have any standardized meaning prescribed by IFRS and, therefore, may not be comparable with definitions of EBITDAX that may be used by other public companies. This is used by management as a performance measure to understand the financial performance from Prime's business operations without including the effects of the capital structure, tax rates, DD&A, impairment and exploration

expenses. Non-IFRS measures should not be considered in isolation or as a substitute for measures prepared in accordance with IFRS. A reconciliation from total profit (a GAAP measure) to EBITDAX (a non-GAAP measure) is shown below.

$'m	Three months ended December 31, 2021	Three months ended December 31, 2020	Year ended December 31, 2021	Year ended December 31, 2020
Per Prime's financial statements				
Total profit	119.5	118.4	441.6	443.6
Add back:				
Tax	114.8	8.0	460.0	(5.7)
Finance costs	16.8	23.4	100.4	76.1
Finance income	(0.3)	(0.1)	(0.4)	(12.4)
DD&A and Impairment	74.6	107.9	303.4	737.3
Exploration expenses	1.3	1.2	3.9	4.4
EBITDAX	326.7	258.8	1,308.9	1,243.3
Net to AOC's 50% shareholding:				
EBITDAX	**163.4**	**129.4**	**654.5**	**621.7**

5. Prime does not pay dividends to its shareholders, including Africa Oil, on a fixed pre-determined schedule. Previous number of dividends and their amounts should not be taken as a guide for future dividends to be received by Africa Oil. Any dividends received by Africa Oil from Prime's operating cash flows will be subject to Prime's capital investment and financing cashflows, including payments of Prime's Reserve Based Lending ("RBL") principal amortization, which are subject to semi-annual RBL redeterminations.

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

Africa Oil also reports the following share capital and voting rights update in accordance with the Swedish Financial Instruments Trading Act. As a result of the exercise of 47,900 stock options under the Company's stock option plan, the Company now has 474,831,355 common shares issued and outstanding with voting rights as at February 28, 2022.

Management Conference Call

Senior management will hold a conference call to discuss the results on Tuesday, March 1, 2022 at 10:00 (ET) / 16:00 (CET). The conference call may be accessed by dial in or via webcast:

Canada	+1 647 484 0473
North America toll free	800-289-0459
Sweden	+46 (0)8 5033 6573
Sweden toll free	0200 883 447
UK	0800 358 6374
Participant Passcode	419230
Webcast URL	https://event.webcasts.com/starthere.jsp?ei=1532170&tp_key=71e74182db

Please join the event conference 5-10 minutes prior to the start time. A recording of the webcast will be available on the Company's website after the event.

About Africa Oil

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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Additional Information

This information is information that Africa Oil is obliged to make public pursuant to the EU Market Abuse Regulation and the Swedish Financial Instruments Trading Act. The information was submitted for publication, through the agency of the contact persons set out above, at 5:30 p.m. ET on February 28, 2022.

Advisory Regarding Oil and Gas Information

The terms boe (barrel of oil equivalent) is used throughout this press release. Such terms may be misleading, particularly if used in isolation. Production data are based on a conversion ratio of six thousand cubic feet per barrel (6 Mcf: 1bbl). This conversion ratio is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead. Given that the value ratio based on the current price of crude oil as compared to natural gas is significantly different from the energy equivalency of 6:1, utilizing a conversion on a 6:1 basis may be misleading as an indication of value.

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. Statements concerning proven and probable reserves and resource estimates may also be deemed to constitute forward-looking statements and reflect conclusions that are based on certain assumptions that the reserves and resources can be economically exploited. 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, including statements pertaining to the 2021 Management Guidance including production, cashflow from operation and capital investment estimates, performance of commodity hedges, the results, schedules and costs of exploratory drilling activity, uninsured risks, regulatory and fiscal changes, availability of materials and equipment, unanticipated environmental impacts on operations, duration of the drilling program, availability of third party service providers and defects in title. 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. These forward-looking statements involve risks and uncertainties relating to, among other things, changes in macro-economic conditions and their impact on operations, changes in oil prices, reservoir and production facility performance, hedging counterparty contractual performance, results of exploration and development activities, cost overruns, uninsured risks, regulatory and fiscal changes, defects in title, claims and legal proceedings, availability of materials and equipment, availability of skilled personnel, timeliness of government or other regulatory approvals, actual performance of facilities, joint venture partner underperformance, availability of financing on reasonable terms, availability of third party service providers, equipment and processes relative to specifications and expectations and unanticipated environmental, health and safety impacts on operations. Actual results may differ materially from those expressed or implied by such forward-looking statements.