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# NEWS RELEASE

## AFRICA OIL ANNOUNCES AGREEMENT TO CONSOLIDATE THE REMAINING 50% INTEREST IN PRIME

### *Transaction consolidates ownership in core cash generating assets and brings in a new strategically aligned cornerstone investor, enabling enhanced shareholder returns and a materially stronger growth proposition*

**June 24, 2024 (AOI–TSX, AOI–Nasdaq-Stockholm) – Africa Oil Corp.** ("Africa Oil", or the "Company") is pleased to announce it has reached an agreement with BTG Pactual Oil & Gas S.a.r.l. ("BTG Oil & Gas") to consolidate their respective shareholdings in Prime Oil & Gas Coöperatief U.A. ("Prime"). This will provide Africa Oil shareholders with significant free cash flows, and enable Africa Oil to commit to an enhanced total shareholder returns model within a robust and clearly defined financial framework, supported by world-class producing assets in Nigeria. Africa Oil shareholders will continue to benefit from funded, high value growth opportunities, including the world-class Venus oil project in the Orange Basin, offshore Namibia.

The enlarged Africa Oil, with its greater scale and financial resources, will be better positioned to deliver further growth beyond its existing portfolio, supported by a new cornerstone shareholder with a proven track record of creating value in the global oil and gas industry. With clear strategic alignment between Africa Oil and BTG Oil & Gas, the enlarged Africa Oil will have the mandate to pursue growth opportunities in Africa and other select regions, while adhering to strict strategic, financial and operational criteria. Rebranding of the enlarged Africa Oil to reflect the broader geographic strategy of the business is planned after completion.

**Amalgamation Agreement**

Africa Oil has entered into a definitive agreement (the "Amalgamation Agreement") with BTG Oil & Gas and BTG Pactual Holding S.a.r.l. ("BTG Holding"), the entity which holds BTG Oil & Gas' interest in Prime, in relation to their joint 50:50 ownership of Prime, Africa Oil's investee company with deep-water assets located offshore Nigeria. Prime today accounts for 100 per cent. of Africa Oil's reserves and production[1].

Under the Amalgamation Agreement, BTG Holding will be amalgamated under Canadian corporate law with a newly created subsidiary of Africa Oil, with BTG Oil & Gas receiving newly issued common shares in Africa Oil as part of the amalgamation (the "Proposed Reorganization"). On completion of the Proposed Reorganization, BTG Oil & Gas is expected to hold approximately 35 per cent. of the outstanding share capital of the enlarged Africa Oil (on a partially diluted basis, excluding certain performance share units with a long vesting horizon), based on the current number of Africa Oil shares.

**Strategic Rationale for the Proposed Reorganization**

In the view of the board of directors of Africa Oil (the "Board"), the Proposed Reorganization is in the best interest of the Company and will create a differentiated upstream oil and gas company. The enlarged Africa Oil will have significant scale with robust long-term free cash flows and a low leverage balance sheet, driven by large-scale and high netback assets in deepwater Nigeria. These are complemented by funded development and exploration projects in the prolific Orange Basin.

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[1] Please refer to Africa Oil's annual information form for the year ended December 31, 2023, for the details of the assets held through Prime. (https://africaoilcorp.com/investor-summary/financial-reports-meetings-filings/)

These pillars provide a strong platform for the enlarged Africa Oil to implement a steady and predictable total shareholder returns model underpinned by an enhanced base dividend policy, whilst delivering organic growth from its core assets and pursuing inorganic growth opportunities supported by a long-term and committed strategic shareholder. The enlarged Africa Oil's objective is to deliver a superior investment case relative to its peer group through a combination of financial discipline, sustainable total shareholder returns, and funded growth.

The Proposed Reorganization would provide the enlarged Africa Oil with strategic and financial benefits:

- 100 per cent. increase in working interest Proved plus Probable ("2P") reserves and production[2] on a pro-forma basis for BTG receiving approximately 35 per cent. of the shares in the enlarged Africa Oil.
- Accretion in free cash flow per share for Africa Oil shareholders in the 2025 – 2029 period is expected to be more than 100 per cent., significantly enhancing Africa Oil's capacity to support:
    - sustainable through-cycle returns to shareholders, underpinning an annual base dividend of US$100 million ("Base Dividend")[3] that is deemed by the Board to be sustainable in a range of through-cycle oil price scenarios;
    - an annual commitment to distribute at least 50 per cent. of excess free cash flow after Base Dividend distribution in the form of supplemental dividends and/or share repurchases; and
    - ongoing investment in Africa Oil's low-cost, high-margin core producing assets in deepwater Nigeria to extend the production life of these assets, while exploiting in-field and near-field development opportunities.
- Increased scale and balance sheet strength, with combined net debt[4] / EBITDA[5] of 0.4x on a pro-forma basis at year end 2023, along with the potential to benefit from lower borrowing costs.
- The introduction of a long-term cornerstone shareholder that is strategically aligned with Africa Oil and committed to growing a sustainable upstream oil and gas business, would deliver superior value creation and shareholder capital returns. BTG Oil & Gas' support could increase the enlarged Africa Oil's access to business opportunities and potentially unlock new sources of growth capital, while complementing Africa Oil's disciplined capital allocation and financial decision making through BTG Oil & Gas' participation on the Board.
- Enabling direct control of Prime's cash flows and balance sheet through the consolidation of Africa Oil and BTG Oil & Gas' respective interests in Prime versus the equity accounting method that is followed by Africa Oil today for its investment in Prime. This in turn will facilitate greater transparency and visibility of Prime's financial performance for Africa Oil's shareholders.
- Significant scope to streamline the business processes and decision making to achieve cost savings.

Both the Board and the board of directors of BTG Oil & Gas have unanimously approved the Proposed Reorganization.

Completion of the Proposed Reorganization is targeted to occur during or before the third quarter of 2025 and is subject to, among other conditions, Africa Oil shareholder approval, customary consents and approvals from the Nigerian authorities, the Toronto Stock Exchange ("TSX") and Nasdaq Stockholm, completion of the previously announced farm-down of Africa Oil's Namibian interests that are held via

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[2] Using Africa Oil's year-end 2023 reserves statement (NI 51-101), Africa Oil's working interest 2P reserves would increase from 52.2 million barrels of oil equivalent ("MMboe") to pro-forma 2P reserves of 104.4 MMboe. Based on full-year 2023 figures, Africa Oil's working interest production would increase from 19,800 barrels of oil equivalent per day ("boepd") to pro-forma production of 39,600 boepd.

[3] This indicated annual dividend amount is only to be distributed following the completion of the Proposed Consolidation and will be distributed over enlarged Africa Oil's pro-forma outstanding share count.

[4] Net Debt is a Non-IFRS metric. See Non-IFRS Measures below.

[5] EBITDA is a Non-IFRS metric. See Non-IFRS Measures below.

Impact Oil & Gas Limited (“Impact”), and a reorganization of the holding structure of BTG Holding to implement the Amalgamation Agreement.

**Africa Oil President and CEO, Roger Tucker commented:** “Africa Oil’s vision is to be a leading independent pure play exploration and production company that consistently delivers peer-leading returns. We have a well-positioned platform with three pillars of a strong balance sheet, high netback production and funded development projects to pursue significant inorganic growth and to take advantage of opportunities in the upstream oil and gas sector as the industry evolves through the energy transition. The consolidation of Prime, together with the farm-downs in Namibia and South Africa, and the stake increase in Impact, are all significant steps in our 2024 business plan. The Proposed Reorganization will enhance our operations, deliver identifiable savings, and increase our capital returns to shareholders on a sustainable basis. We look forward to welcoming our partner BTG Oil & Gas as a shareholder in Africa Oil and its nominees to our board of directors as we work to deliver further value growth.”

**Huw Jenkins, Vice Chairman of the board of directors at Banco BTG Pactual and Chairman of the board of Prime commented:** “We have high regard for Africa Oil’s management team, which has demonstrated its ability to deliver innovative and highly accretive industry transactions, and are pleased to become direct shareholders in Africa Oil. We believe that the Proposed Reorganization will create a unique listed vehicle in the exploration and production sector that is capable of industry-leading total shareholder returns. We are committed to working with Africa Oil management, and as part of Africa Oil’s board of directors, to support the next phase of the enlarged Africa Oil’s growth strategy, in line with our objective of investing in the best businesses and assets in the global upstream oil and gas industry.”

## Reorganization Structure and Exchange Ratio

The Proposed Reorganization envisages the consolidation of BTG Oil & Gas’ and Africa Oil’s respective 50 per cent. shareholdings in Prime on completion. The Proposed Reorganization is to be implemented by way of a three-cornered amalgamation structure under Canadian corporate law pursuant to the Amalgamation Agreement.

In connection with the Proposed Reorganization, BTG Oil & Gas will receive newly issued common shares in Africa Oil, that will, based on the current outstanding share capital of Africa Oil, result in BTG Oil & Gas owning approximately 35 per cent. of the outstanding share capital of Africa Oil (on a partially diluted basis) at completion of the Proposed Reorganization. The remaining approximately 65 per cent. of the enlarged Africa Oil (on a partially diluted basis) will continue to be held by existing Africa Oil securityholders.

The relative ownership of existing Africa Oil securityholders and BTG Oil & Gas in the enlarged Africa Oil has been set with reference to a January 1, 2024 effective date (the “Reference Date”), with a compensation mechanism agreed between Africa Oil and BTG Oil & Gas to account for any cash movements to either Africa Oil shareholders from Africa Oil or to BTG Oil & Gas from Prime in the period between the Reference Date and completion of the Proposed Reorganization and will be settled by way of a pre-completion dividend by Prime, or a pre-completion capital contribution into Prime by Africa Oil and/or BTG Oil & Gas.

The Proposed Reorganization requires the approval of at least 50 per cent. of the votes cast by the holders of Africa Oil shares present in person or represented by proxy at a special meeting of the holders of Africa Oil shares to be called to consider the Proposed Reorganization that is expected to be held during October 2024.

Each of the directors and officers of Africa Oil have agreed to vote their Africa Oil shares in favor of the Proposed Reorganization at the Africa Oil shareholder meeting pursuant to voting support agreements, subject to customary exceptions.

## Board Composition

On completion of the Proposed Reorganization, the Board will be comprised of nine directors, three of whom will be nominated by BTG Oil & Gas. The enlarged Africa Oil will continue to be led by Dr. Roger Tucker as the Chief Executive Officer and a member of the Board. It is expected that Huw Jenkins will be one of BTG Oil & Gas’ nominated directors and will also take on the role of non-executive Chair. Following completion, the Africa Oil Board will be comprised of:

- the Chief Executive Officer of Africa Oil;
- three independent non-executive directors nominated by Africa Oil;
- three non-executive directors nominated by BTG Oil & Gas (including Huw Jenkins as non-executive Chair); and
- two additional independent non-executive directors mutually agreed between Africa Oil and BTG Oil & Gas.

Further details on the non-executive directors and executive management team will be provided in due course.

**Listing and Headquarters**

Africa Oil's shares will continue to be listed on the TSX and NASDAQ Stockholm, post completion.

The existing London office of Africa Oil will serve as the headquarters of the combined business. Africa Oil expects to retain the Rotterdam office of Prime post completion.

**The Enlarged Africa Oil Capital Allocation Framework**

The Proposed Reorganization will enable the enlarged Africa Oil to put in place a more robust capital allocation framework (the "Enhanced Capital Framework") that the Board believes will be more sustainable across oil and gas price cycles and which will provide shareholders of the enlarged Africa Oil with greater visibility and certainty over the use of capital.

The Enhanced Capital Framework, to be implemented post completion, envisages the following capital priorities:

- Maintenance of a US$150 million liquidity position.
- Maintenance of a twelve-month trailing ratio of Net Debt[6] / EBITDAX[7] of no more than 1.0x.
- Base Dividend that is deemed sustainable by the Board in a range of conservative oil price scenarios.
- Distribution to shareholders of at least 50 per cent. of excess annual free cash flow after the Base Dividend has been paid in the form of supplemental dividends and/or share repurchases ("Supplemental Shareholder Returns") (with the Base Dividend and Supplemental Shareholder Returns collectively being the "Shareholder Distributions Policy").
- Capex to be prioritized in the following order: (i) first, to increase short-cycle production growth, (ii) second, for development of future production and (iii) third, for exploration, limited to a small percentage of total annual capex.

**BTG Oil & Gas Governance Provisions under Investor Rights Agreement**

As part of the Proposed Reorganization, Africa Oil and BTG Oil & Gas have entered into an investor rights agreement (the "Investor Rights Agreement") that provides BTG Oil & Gas with certain Board appointment rights based on specific thresholds of BTG Oil & Gas' continued shareholding in the enlarged Africa Oil. Under this agreement, BTG Oil & Gas will have the right to appoint three non-executive directors to the Board, one of whom will be the non-executive Chair, if BTG Oil & Gas' shareholding is 30 per cent. or greater, reducing to two non-executive directors if BTG Oil & Gas' shareholding is 20 per cent. or greater but less than 30 per cent., and further reducing to one non-executive director if BTG Oil & Gas' shareholding is less than 20 per cent. but at least 10 per cent. BTG Oil & Gas will not have any Board appointment rights under the Investor Rights Agreement if its shareholding reduces to less than 10 per cent.

[6] Net Debt is a Non-IFRS metric. See Non-IFRS Measures below.

[7] EBITDA is a Non-IFRS metric. See Non-IFRS Measures below.

It is the Company's intention that the Board of Africa Oil will comprise at all times a majority of independent non-executive directors and that each Board committee will have a majority of independent non-executive directors. Subject to applicable law, BTG Oil & Gas will have the right to have one of its Board nominees as a member of each Board committee.

The Investor Rights Agreement (including the additional provisions below) will be automatically terminated if (i) the Amalgamation Agreement is terminated in accordance with its terms or (ii) following completion of the Proposed Reorganization, BTG Oil & Gas' shareholding in the enlarged Africa Oil falls below 10 per cent.

**Additional Provisions of the Investor Rights Agreement**

**BTG Oil & Gas Lockup and Standstill**

BTG Oil & Gas has agreed to certain lockup and standstill provisions as part of the Investor Rights Agreement. These stipulate that for a period of two years from the date of completion BTG Oil & Gas will not, without prior approval from the non-BTG Oil & Gas nominated directors, be entitled to:

- sell the Africa Oil common shares received in connection with the Proposed Reorganization (and any additional Africa Oil common shares it may acquire as a result of certain participation rights provided to BTG Oil & Gas in the Investor Rights Agreement), subject to certain exceptions, or be entitled to increase its stake in the enlarged Africa Oil to more than 50 per cent.; or
- enter into a voting arrangement or similar agreement with a third party regarding its Africa Oil shares if, when any holdings by such third party and its joint actors are aggregated with BTG Oil & Gas' ownership would exceed a 50 per cent. shareholding in the enlarged Africa Oil; or
- make, assist, encourage or facilitate a tender offer that would result in the offeror owning 50 per cent. or more of the enlarged Africa Oil; or
- initiate any proxy contest, put forth any shareholder proposal, or vote against Africa Oil Board nominees for election as directors, save that BTG Oil & Gas and its affiliates shall otherwise be free to exercise the votes attaching to their shares in the enlarged Africa Oil at their discretion.

**Africa Oil to be BTG Oil & Gas' Preferred Investment Vehicle for Upstream Investments in Africa**

Provided that BTG Oil & Gas' shareholding does not fall below 20 per cent. (in which case the first look right shall cease) and subject to other customary limitations, BTG Oil & Gas has agreed to give the enlarged Africa Oil a first look at potential equity investments in upstream oil and gas assets and companies BTG Oil & Gas or its affiliates considers in Africa, whether generated by BTG Oil & Gas or its affiliates internally or referred to BTG Oil & Gas or its affiliates by third parties. If the enlarged Africa Oil turns down said opportunity, BTG Oil & Gas can move forward with it by itself or through another entity.

**BTG Oil & Gas Consents Relating to Shareholder Distributions, Share Issuances and Significant Merger and Acquisition Transactions**

Provided that BTG Oil & Gas' shareholding does not fall below 20 per cent. for a period of more than 150 days (in which case the following consent rights shall terminate), the enlarged Africa Oil will require the consent of BTG Oil & Gas for the following significant decisions:

- Changes to the Company's Shareholder Distributions Policy (as outlined above) or declaring or paying dividends or other distributions other than in accordance with the Shareholder Distributions Policy.
- Issuance of new shares at more than a 10 per cent. discount to the prevailing 30 day volume weighted average share price.
- Issuance of new shares representing 20 per cent. or more of the outstanding issued share capital.
- A merger or an acquisition (or similar transaction) with transaction consideration (including any assumed debt) greater than 25 per cent. of the market capitalization of the enlarged Africa Oil (to

be calculated with reference to the prevailing 30 trading day volume weighted average share price). For the avoidance of doubt, this shall not apply to or restrict an acquisition of issued and outstanding securities of the enlarged Africa Oil by a third party in exchange for consideration paid by such third party.

**BTG Oil & Gas Information and Registration Rights**

The Investor Rights Agreement contains customary information, inspection, participation and registration rights for BTG Oil & Gas.

**Further Information**

Further information regarding the Proposed Reorganization, the Amalgamation Agreement and the shareholders' meeting, will be included in a management information circular that will be mailed to shareholders of record in advance of the shareholder meeting. Copies of the Amalgamation Agreement, the forms of voting support agreements, the Investor Rights Agreement and proxy materials in respect of the shareholders' meeting will be available on SEDAR+ at www.sedarplus.com.

**Conditions to Completion**

As noted above, the Proposed Reorganization is expected to close during or before the third quarter of 2025. Completion is subject to customary closing conditions, including:

- approval by the shareholders of Africa Oil;
- completion of the farm-out of Africa Oil's Namibian interests (held via Impact) to TotalEnergies;
- approval by the TSX, including approval for listing of the Africa Oil shares to be issued in connection with the Proposed Reorganization and the appointment of the BTG Oil & Gas-nominated directors to the Board;
- receipt of certain regulatory consents and approvals in Nigeria; and
- completion of a pre-agreed pre-completion reorganization of the holding structure of BTG Holding to implement the Amalgamation Agreement.

**Advisors**

Evercore is acting as exclusive financial advisor to Africa Oil in relation to the Proposed Reorganization. Bracewell (UK) LLP, Torys LLP, Gernandt & Danielsson Advokatbyrå, Loyens & Loeff N.V. and Banwo & Ighodalo are serving as legal counsel to Africa Oil. Stifel is Africa Oil's corporate broker.

BTG Oil & Gas is being advised by Herbert Smith Freehills LLP, Blake, Cassels & Graydon LLP, Templars and Baker & McKenzie LLP.

**Management Presentation**

Senior management of Africa Oil will host a presentation on the Proposed Reorganization today, June 24, 2024 at 09:00 (EDT) / 14:00 (BST) / 15:00 (CEST).

Participants should use the following link to register for the live webcast:

https://edge.media-server.com/mmc/p/hm2yfdkr

Participants can join via telephone with the instructions available on the following link:

https://register.vevent.com/register/BI9576c9eaed244844982cb0dfb955e2e8

1. Click on the call link and complete the online registration form.

2. Upon registering you will receive the dial-in info and a unique PIN to join the call as well as an email confirmation with the details.
3. Select a method for joining the call;
   i. Dial-In: A dial in number and unique PIN are displayed to connect directly from your phone.
   ii. Call Me: Enter your phone number and click “Call Me” for an immediate callback from the system. The call will come from a US number.

**About Africa Oil**

Africa Oil is a Canadian oil and gas company with producing and development assets in deepwater Nigeria, an interest in the Venus light oil and associated gas discovery, offshore Namibia, and an exploration/appraisal portfolio in west and south of Africa, as well as Guyana. Africa Oil is listed on the Toronto Stock Exchange and on Nasdaq Stockholm under the symbol "AOI".

**About Banco BTG Pactual**

Banco BTG Pactual is the largest investment bank in Latin America based in Sao-Paolo, Brazil and operates in the investment banking, corporate and SME lending, sales and trading, asset management and wealth management and consumer banking markets. Banco BTG Pactual currently employs approximately 6,300 people in offices across Brazil, Chile, Colombia, Mexico, Argentina, Peru, USA, United Kingdom, Portugal, Spain and Luxembourg. BTG Oil & Gas acquired its stake in Prime in 2013.

**About Prime**

Prime is a joint venture company between Africa Oil and BTG Oil & Gas with activity focused on exploration and production of oil and gas in Nigeria. With headquarters in Rotterdam and subsidiaries in Nigeria, Prime owns interests in two world-class producing deep-water assets located offshore Nigeria:

- 8 per cent. Participating Interest (“PI”) in Chevron operated petroleum mining lease (“PML”) 52 (Agbami field), and petroleum prospecting license (“PPL”) 2003; and
- 16 per cent. PI in TotalEnergies operated PML 2 (Akpo field), PML 3 (Egina field) and PML 4 (Preowei field), and PPL 261.

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**Additional Information**
This information is information that Africa Oil is obliged to make public pursuant to the Swedish Financial Instruments Trading Act. The information was submitted for publication, through the agency of the contact persons set out above, at 02:00 a.m. EDT on June 24, 2024.

**Advisory Regarding Oil and Gas Information**
The terms boepd (barrel of oil equivalent per day) and MMboe (millions of barrels of oil equivalent) are 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 (6Mcf: 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.

Estimates of reserves in this press release were prepared using guidelines outlined in the Canadian Oil and Gas Evaluation Handbook and in accordance with National Instrument 51-101 – *Standards of Disclosure for Oil and Gas Activitie*s. The reserves estimates disclosed in this press release are estimates only and there is no guarantee that the estimated reserves will be recovered.

Reserves

Reserves are estimated remaining quantities of commercially recoverable oil, natural gas, and related substances anticipated to be recoverable from known accumulations, as of a given date, based on the analysis of drilling, geological, geophysical, and engineering data, the use of established technology, and specified economic conditions, which are generally accepted as being reasonable. Reserves are further categorized according to the level of certainty associated with the estimates and may be sub-classified based on development and production status.

Proved reserves are those reserves that can be estimated with a high degree of certainty to be recoverable. It is likely that the actual remaining quantities recovered will exceed the estimated proved reserves.

Probable reserves are those additional reserves that are less certain to be recovered than proved reserves. It is equally likely that the actual remaining quantities recovered will be greater or less than the sum of the estimated proved plus probable reserves.

Oil and gas reserves and production referred to in this release are for conventional light and medium gravity oil and conventional natural gas.

**Non-IFRS Measures**

This press release contains measures that are not generally accepted accounting principles ("GAAP") measures under International Financial Reporting Standards ("IFRS") and non-IFRS ratios. EBITDAX, EBITDA and Net Debt are a non-IFRS measures. Net Debt/EBIDTAX and Net Debt/EBIDTA are non-IFRS ratios. These non-IFRS measures do not have any standardized meaning prescribed by IFRS and, therefore, may not be comparable with the calculation of similar measures by other companies. The Company believes that the presentation of these non-IFRS figures provide useful information to investors and shareholders as the measures provide increased transparency to better analyze performance against prior periods on a comparable basis.

EBITDAX (non-GAAP measure): earnings before interest, taxes, depreciation & impairment, amortization and exploration expenses is used by management as a performance measure to understand the financial performance from Prime business operations without including the effects of the capital structure, tax rates, depreciation, depletion and amortization, impairment and exploration expenses.

EBITDA (non-GAAP measure): earnings before interest, taxes, depreciation & impairment, and amortization.

Net Debt (non-GAAP measure): net debt is calculated as loans and borrowings less cash and cash equivalents.

Net Debt/EBIDAX (non-GAAP ratio): net debt divided by EBITDAX and is a measure of the leverage.

Net Debt/EBIDA (non-GAAP ratio): net debt divided by EBITDA and is a measure of the leverage.

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 can be found on page 16 of the annual management's discussion and analysis for the year ended December 31, 2023.

**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 “anticipate”, “plan”, “continue”, “expect, “may”, “will”, “potential”, “could”, “believe”, “envisages”, 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 shareholder returns; the enlarged Africa Oil ability to deliver further growth; the continuing benefits from funded, high value growth opportunities, including the Venus oil project in the Orange Basin; the completion and timing of the Proposed Reorganization; the Proposed Reorganization creating a differentiated upstream oil & gas company with stable production and free cash flow; the anticipated strategic and financial benefits of the Proposed Reorganization; expectations regarding free-cash flow; statements regarding access to business opportunities in Africa Oil’s regions of focus and unlocking new sources of growth capital; the structure of the Proposed Reorganization; the future composition of the Board and its committees; the sustainability of Africa Oil across oil and gas price cycles; the enhanced visibility and certainty over the use of capital; and statements regarding capital priorities. Forward-looking statements are based on a number of assumptions, including but not limited to, the ability of Africa Oil to delivery further growth; the satisfaction or waiver of all conditions to the completion of the Proposed Reorganization and the completion of the Proposed Reorganization; the approval of the Proposed Reorganization by Africa Oil shareholders, the TSX and other regulatory authorities; the ability to complete the farm-out of Africa Oil’s Namibian interests; the anticipated benefits of the Proposed Reorganization; the ability to have a Board comprised at all times of a majority of independent non-executive directors; high value growth opportunities will continue to be funded; and the ability to access business opportunities in Africa Oil’s regions of focus.

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; contractual performance; the need to obtain required approvals from regulatory authorities; timeliness of government or other regulatory approvals; stock market volatility; the availability of capital on acceptable terms; liabilities inherent in oil and gas operations; satisfaction of the conditions to consummate the Proposed Reorganization; failure to complete the Proposed Reorganization; the amount of costs, fees, expenses and charges related to the Proposed Reorganization; and the failure to realize the anticipated benefits of the Proposed Reorganization. Actual results may differ materially from those expressed or implied by such forward-looking statements.