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## Press release

# Africa Energy Announces Third Quarter 2025 Results and Corporate Update

**November 12, 2025 – Africa Energy Corp. (TSX Venture: AFE) (Nasdaq First North: AEC)** (“Africa Energy” or the “Company”), an oil and gas exploration company, announces corporate update and financial and operating results for the three and nine months ended September 30, 2025.

Following the recent decision of the Western Cape High Court in the Republic of South Africa to set aside an environmental authorization for the offshore exploration operations in Block 5/6/7 (held by unrelated parties), we have taken the prudent step of pausing our Environmental and Social Impact Assessment (“ESIA”) report for Block 11B/12B<sup>1</sup>, offshore South Africa. This allows us to fully assess the implications of the new legal and regulatory landscape and ensure our ESIA application and development plans are optimally aligned. Concurrently, our technical team continues to advance technical work on various development scenarios. This parallel path ensures we will be ready to proceed with the requisite amendments to the ESIA report once our legal and regulatory review is finalized. As a consequence of the above, an extension to our ESIA report has been granted by the Petroleum Agency of South Africa to May 2026.

## HIGHLIGHTS

- At September 30, 2025, the Company had US\$3.8 million in cash, US\$3.7 million of working capital and no debt compared to US\$2.3 million in cash, US\$8.2 million of working capital deficiency and US\$10.4 million promissory note debt obligations at the end of 2024. In addition, Main Street 1549 Proprietary Limited (“Main Street 1549”) had US\$2.2 million of cash at September 30, 2025.

## OUTLOOK

The Company is focused on obtaining environmental authorization for development of discovered resources in Block 11B/12B so that it can obtain the Production Right approval. Early engagements with relevant stakeholders on gas supply has commenced in an effort to secure offtake customers for future development.

Subject to all relevant regulatory approvals by South African authorities with respect to the withdrawal of the joint venture partners in Block 11B/12B and completion of the restructuring of Main Street 1549, the Company expects to hold 75% direct interest in Block 11B/12B. Despite the challenges and delays encountered so far, the Company remains confident that the Block 11B/12B resources can be commercially developed. The Brulpadda and Luiperd discoveries are the largest discoveries of natural gas resources in South Africa and if developed could supply a significant portion of the country’s energy needs required to achieve both sustainable economic growth and the transition to lower carbon energy sources.

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<sup>1</sup> Main Street 1549 currently holds a 10% participating interest in Block 11B/12B, offshore South Africa. The Company currently owns 49% of the common shares and 100% of the Class B shares of Main Street 1549.

## FINANCIAL INFORMATION

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

|                                                                   | Three<br>Months<br>Ended<br>Sept. 30,<br>2025 | Three<br>Months<br>Ended<br>Sept. 30,<br>2024 | Nine<br>Months<br>Ended<br>Sept. 30,<br>2025 | Nine<br>Months<br>Ended<br>Sept. 30,<br>2024 |
|-------------------------------------------------------------------|-----------------------------------------------|-----------------------------------------------|----------------------------------------------|----------------------------------------------|
| Operating expenses                                                | 327                                           | 27,549                                        | 1,479                                        | 98,971                                       |
| Net loss                                                          | (381)                                         | (27,836)                                      | (1,706)                                      | (99,770)                                     |
| Net loss per share (basic and diluted)                            | (0.00)                                        | (0.10)                                        | (0.00)                                       | (0.35)                                       |
| Weighted average number of shares outstanding (basic and diluted) | 479,162                                       | 281,562                                       | 414,743                                      | 281,562                                      |
| Number of shares outstanding                                      | 479,162                                       | 281,562                                       | 479,162                                      | 281,562                                      |
| Cash flows provided by (used in) operations                       | (379)                                         | (456)                                         | (1,193)                                      | (745)                                        |
| Cash flows provided by (used in) investing                        | 219                                           | (75)                                          | (228)                                        | (333)                                        |
| Cash flows provided by (used in) financing                        | -                                             | 783                                           | 2,858                                        | 1,672                                        |
| Total change in cash and cash equivalents                         | (257)                                         | 265                                           | 1,494                                        | 610                                          |
| Change in share capital                                           | -                                             | -                                             | 17,671                                       | -                                            |
| Change in contributed surplus                                     | 47                                            | 97                                            | (3,863)                                      | 583                                          |
| Change in deficit                                                 | 381                                           | 27,836                                        | 1,706                                        | 99,770                                       |
| Total change in equity                                            | (334)                                         | (27,739)                                      | 12,102                                       | (99,187)                                     |
|                                                                   | <b>Sept. 30,<br/>2025</b>                     | <b>December 31,<br/>2024</b>                  |                                              |                                              |
| Cash and cash equivalents                                         | 3,799                                         | 2,305                                         |                                              |                                              |
| Total assets                                                      | 44,261                                        | 42,577                                        |                                              |                                              |
| Total liabilities                                                 | 237                                           | 10,655                                        |                                              |                                              |
| Total equity                                                      | 44,024                                        | 31,922                                        |                                              |                                              |
| Net working capital                                               | 3,706                                         | (8,229)                                       |                                              |                                              |

The financial information in this table was selected from the Company's unaudited condensed interim consolidated financial statements for the three and nine months ended September 30, 2025 (the "Financial Statements"), which are available on SEDAR at [www.sedar.com](http://www.sedar.com) and the Company's website at [www.africaenergycorp.com](http://www.africaenergycorp.com).

## EARNINGS TREND AND FINANCIAL POSITION

(Unaudited; US dollars)

Operating expenses decreased by \$27.2 million for the three months ended September 30, 2025, compared to the same period in 2024. During the three months ended September 30, 2024, the Company incurred \$27.2 million non-cash loss on revaluation of the financial asset. The non-cash loss on revaluation of the financial asset for the three months ended September 30, 2024 related to the Company's investment in Block 11B/12B and was due mainly to changes in base assumptions for discount rate.

Operating expenses decreased by \$97.5 million for the nine months ended September 30, 2025, compared to the same period in 2024. During the nine months ended September 30, 2024, the Company incurred \$97.4 million non-cash loss on revaluation of the financial asset. The non-cash loss on revaluation of the financial asset for the nine months ended September 30, 2024 related to the Company's investment in Block 11B/12B and was due mainly to changes in base assumptions for discount rate.

At September 30, 2025, the Company had cash of \$3.8 million and working capital of \$3.7 million compared to cash of \$2.3 million and working capital deficiency of \$8.2 million at December 31, 2024. The increase in cash

and working capital since December 31, 2024, can be mainly attributed to the completion of the non-brokered private placement of common shares and a shares-for-debt transaction on March 31, 2025.

## **CORPORATE UPDATE**

The Board of Directors has approved the grant of 120,000 incentive stock options. The options will be granted on November 13, 2025, at an exercise price per share that will be equal to the closing trading price of the Company's shares on the TSX Venture Exchange on that day. The options will be exercisable, subject to vesting provisions, over a period of four and a half years.

## **NEXT EARNINGS REPORT RELEASE**

The Company plans to report its results for the year ended December 31, 2025 on March 25, 2026.

## **About Africa Energy Corp.**

Africa Energy Corp. is a Canadian oil and gas exploration company focused on South Africa. The Company is listed in Toronto on TSX Venture Exchange (ticker "AFE") and in Stockholm on Nasdaq First North Growth Market (ticker "AEC").

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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 12, 2025, at 5:30 p.m. ET.*

*The Company's certified advisor on Nasdaq First North Growth Market is Bergs Securities AB, +46 739 49 62 50, [rutger.ahlerup@bergssecurities.se](mailto:rutger.ahlerup@bergssecurities.se).*

## **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, drilling and development related 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.*