Africa Oil Corp

Africa Oil Announces Second Significant Discovery on Block 11B/12B Offshore South Africa

VANCOUVER, BC, Oct. 28, 2020 /CNW/ - (TSX: AOI) (Nasdaq-Stockholm: AOI) – Africa Oil Corp. ("AOI", "Africa Oil" or "the Company") is pleased to announce a significant gas condensate discovery on the Luiperd prospect located on Block 11B/12B offshore South Africa. This discovery follows the adjacent play-opening Brulpadda discovery in 2019, which proved a significant new petroleum province in the region. The Company holds an indirect interest in the project as a result of its equity interests in Africa Energy (31.3%) and Impact Oil & Gas Limited (31.1%). View PDF Version

Garrett Soden, Africa Energy's President and CEO, commented, "We are thrilled to announce the second consecutive discovery on Block 11B/12B offshore South Africa. We congratulate Total as operator for drilling the Luiperd-1X deepwater well safely and efficiently during the coronavirus pandemic and austral winter season. The Luiperd discovery reconfirms this world-class exploration play with substantial follow-on potential. The net pay encountered in the Luiperd target objective is significantly larger than the main reservoir at last year's Brulpadda discovery. The Block 11B/12B partners are conducting a drill stem test to measure flow rates over the next few weeks. Due to the success at Luiperd, the joint venture has decided to proceed with development studies and engage with authorities on the commercialization of gas instead of drilling another exploration well in this program."

The Luiperd-1X exploration well was drilled in approximately 1,800 meters of water by the Odfjell Deepsea Stavanger semi-submersible rig to a total depth of about 3,400 meters. The well targeted the hydrocarbons potential in a mid-Cretaceous aged deep marine sequence where fan sandstone systems are developed within combined stratigraphic/structural closure.

The well encountered 73 meters of net gas condensate pay over a mid-Cretaceous high-quality reservoir interval and did not encounter the water contact. Following a comprehensive coring and logging program, the Block 11B/12B joint venture is now testing the well to assess dynamic reservoir characteristics and deliverability.

The Luiperd discovery is located on Block 11B/12B in the Outeniqua Basin 175 kilometers off the southern coast of South Africa. The block covers an area of 19,000 square kilometers with water depths ranging from 200 to 1,800 meters.

Africa Energy holds 49% of the shares in Main Street 1549 (Proprietary) Limited ("Main Street"), which has a 10% participating interest in Block 11B/12B. Africa Energy announced on August 24, 2020, that it has entered into definitive agreements ("Agreements") to increase its effective interest in Block 11B/12B offshore South Africa from 4.9% to 10%, subject to certain consents and approvals, by consolidating the 100% interest in Main Street.

Africa Oil has a direct 31.3% shareholding in Africa Energy and an indirect interest through its 31.1% shareholding in Impact Oil and Gas Limited, that is due to receive 509,092,771 Africa Energy shares in consideration for the transfer of its indirect financial interest in Main Street. Once the transactions contemplated under the Agreements have closed, including an issue of 64,455,916 shares to Arostyle Investments (RF) (Proprietary) Limited, which holds 51% of the shares in Main Street, it is expected that Africa Oil's shareholdings will represent an effective interest of 29.9% in Africa Energy.

Keith Hill, Africa Oil's President and CEO, commented, "We are very pleased to see the second significant Block 11B/12B discovery that reiterates the world-class potential of the Outeniqua Basin. This success is a strong endorsement of our equity investment strategy, that has provided our shareholders with material interests in very exciting oil and gas provinces, through a portfolio approach that limits financial exposure to the Company."

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".

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 October 28, 2020 at 8:15 a.m. Stockholm Time.

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.

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