

## Africa Oil Kenya Operations Update

**VANCOUVER, BRITISH COLUMBIA--(Marketwired - July 26, 2017) - Africa Oil Corp.** ("Africa Oil", "AOC" or the "Company") (**TSX:AOI**)(**OMX:AOI**) is pleased to provide the following update on its operations in Kenya.

### Kenya

#### Exploration and Appraisal

The exploration and appraisal campaign in Kenya has progressed to schedule in 2017 with two discoveries made. The first discovery was made in January 2017 at Erut-1, which proved that oil has migrated to the northern limit of the South Lokichar basin. The second was made in May 2017 at Emekuya-1 which encountered significant oil sands, demonstrated oil charge across a significant part of the Greater Etom structure and further de-risked the northern area of the basin.

The Etiir-1 exploration well, which targeted a large, shallow, structural closure immediately to the west of the Greater Etom structure, spudded in late June and was unsuccessful with no material reservoir development or shows encountered. Although dry, this well has helped define the westerly extent of the Greater Etom Structure.

The JV Partners also drilled the Amosing-6, Ngamia-10, and Etom-3 appraisal wells, the results of which are being incorporated into ongoing field development planning activities.

A further three wells are planned this year with drilling underway to test an undrilled fault block adjacent to the Ekales field. The Ngamia-11 appraisal well will be drilled and completed for use in an extended water flood pilot test in conjunction with the Early Oil Pilot Scheme (EOPS) and the Etete exploration well is planned to test a prospect adjacent to the Greater Etom structure. Further locations are currently under evaluation to be added to the programme.

Water injection testing on the Amosing and Ngamia fields has been successfully demonstrated and underpins the feasibility of water injection for the development of these fields.

Africa Oil Corp. has a 25% working interest in Blocks 10BB and 13T with Tullow Oil plc (50% and Operator) and Maersk Olie og Gas A/S (25%) holding the remaining interests.

#### *Field development*

In addition to the drilling and operational activities to support the Final Investment Decision ("FID") for the Kenya Full Field Development, engineering studies and contracting activities are under way in preparation for the start of the Front End Engineering Design ("FEED"), which is expected to commence in late 2017. In parallel to the upstream development work, the JV Partners and the Government of Kenya continue to progress commercial and finance studies for the proposed export pipeline, and preparations are under way for the Environmental and Social Impact Assessment (ESIA).

The Early Oil Pilot Scheme ("EOPS") Agreement between the JV Partners and the Government of Kenya was signed on 14 March 2017 allowing all EOPS upstream contracts to be awarded. The first phase of the EOPS will be the evacuation of the stored crude oil, which was produced during extended well testing in 2015, to Mombasa by road. This initial phase of the project has been deferred by the Government of Kenya until after elections have taken place in early August. The EOPS production of 2,000 bopd is expected to commence around the end of the year and will now include an extended water-flood pilot test in Ngamia. Results from the Ngamia water-flood pilot will assess sustainable production levels to inform the overall resource and Full Field Development Plan.

### **About Africa Oil Corp.**

Africa Oil Corp. is a Canadian oil and gas company with assets in Kenya and Ethiopia. The Company is listed on the Toronto Stock Exchange and on Nasdaq Stockholm under the symbol "AOI".

### **Additional Information**

The information in this release is subject to the disclosure requirements of the Company under the EU Market Abuse Regulation and the Swedish Securities Market Act. This information was publicly communicated on July 26, 2017 at 2:00 a.m. Eastern Time.

### **Forward-Looking Statements**

Certain statements made 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. Forward-looking statements include, but are not limited to, statements with respect to estimates of reserves and or resources, future production levels, future capital expenditures and their allocation to exploration and development activities, future drilling and other exploration and development activities, ultimate recovery of reserves or resources and dates by which certain areas will be explored, developed or reach expected operating capacity, that are based on forecasts of future results, estimates of amounts not yet determinable and assumptions of management.

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, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking statements. The Company believes that the expectations reflected in those forward-looking statements are reasonable, but 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 oil prices, results of exploration and development activities, uninsured risks, regulatory changes, defects in title, availability of materials and equipment, timeliness of government or other regulatory approvals, actual performance of facilities, availability of financing on reasonable terms, availability of third party service providers, equipment and processes relative to specifications and expectations and unanticipated environmental impacts on operations. Actual results may differ materially from those expressed or implied by such forward-looking statements.

ON BEHALF OF THE BOARD

Keith C. Hill, President and CEO

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