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NEWS RELEASE

AFRICA OIL 2015 SECOND QUARTER FINANCIAL AND OPERATING RESULTS

August 13, 2015 (AOI-TSX, AOI-OMX) ... Africa Oil Corp. ("Africa Oil" or the "Company") is pleased to announce its financial and operating results for the three and six months ended June 30, 2015.

During the second quarter of 2015, the Company focused its efforts on appraisal in the South Lokichar Basin, Extended Well Tests (EWTs) in the Amosing and Ngamia fields, and reservoir and engineering studies. This focus for 2015 has the following objectives; confirming reservoir quality and deliverability, resource size and definition, and advancement of the development plans, including the export pipeline. One drilling rig is currently active in the South Lokichar Basin.

The current ambition of the joint venture partnership is to position the South Lokichar Basin development, and an export pipeline, for possible sanction by the end of 2016, subject to receipt of all necessary permits and approvals. Good progress continues to be made towards development of these oil resources and as part of the ongoing collaboration between the Governments of Kenya and Uganda on the oil export pipeline for the Lake Albert and South Lokichar resources, a joint technical adviser was appointed in late 2014. Subsequent to the end of the second quarter of 2015, on 10 August 2015, the Governments of Kenya and Uganda issued a joint communiqué which stated that "the two Heads of State agreed on the use of the Northern Route i.e. Hoima-Lokichar-Lamu for the development of the crude oil pipeline."

At June 30, 2015, the Company had cash of \$157.5 million and working capital of \$81.7 million. During February 2015, the Company completed a brokered private placement issuing an aggregate of 57,020,270 shares at a price of SEK 18.50 per share for gross proceeds of SEK 1,055 million or \$125.0 million. During May 2015, the Company completed a non-brokered private placement issuing an aggregate of 52,623,377 shares at a price of CAD \$2.31 for gross proceeds of \$100.0 million.

The Company has completed the following significant operational activities in, and subsequent to, the second quarter of 2015:

- A number of Extended Well Tests (EWTs) have been completed at the Amosing field (Block 10BB – Kenya). The Amosing-1 and Amosing-2 wells were completed in five separate zones and initial rig-less flow testing during clean-up flowed at a cumulative maximum rate of 5,600 and 6,000 bopd respectively. These results exceeded expectations, and demonstrated high quality reservoir sands which flowed 31 to 38 degree API dry oil under natural conditions. During the test the wells produced at a cumulative average constrained rate of 4,300 bopd under natural flow conditions. Pressure data from the two wells supports significant connected oil volumes and confirms lateral reservoir continuity, which is positive for the future development. A cumulative volume of 30,000 barrels of oil has been produced into storage. Water injection tests are under way to further validate the viability of water flood reservoir management and the oil recovery assumptions.
- Drilling results from the Amosing-4 well, located approximately one kilometer southeast of the Amosing-1 well, which was drilled to test the southern extent of the field and successfully encountered 27 meters of net oil pay in thick upper reservoir zones proving the significant down-dip extent of the field.

- Drilling results from the Amosing-3 appraisal well, located one kilometer northwest of the Amosing-1 discovery well, were released earlier in the year. The well encountered up to 140 meters of net oil pay and proved an extension of the field. Pressure data from the Amosing-3 well indicated connectivity in some reservoir horizons encountered in the Amosing-1, 2 & 2A wells.
- Drilling results from the Ngamia-8 and Ngamia-9 appraisal wells (Block 10BB - Kenya) were released. The Ngamia-8 well encountered up to 200 meters of net oil pay in line with pre-drill expectations. The well was positioned in the center of the Ngamia structure and static pressure data indicates the well is in pressure communication with the oil discovered in the neighboring Ngamia-1A, Ngamia-3, Ngamia-5, Ngamia-6 and Ngamia-7 wells. The Ngamia-9 appraisal well encountered between 90 meters and 110 meters of net oil pay in the Lokone and Auwerwer horizons.
- The Ngamia 5, 6 and 7 appraisal well results were released earlier in 2015. The Ngamia-5 well is located 500 meters northeast of the Ngamia-1 discovery well in a different fault compartment and encountered 160 to 200 meters net oil pay, which is amongst the highest of all the wells drilled in the basin to date. The Ngamia-6 well is located approximately 800 meters north of the Ngamia-1 well and in the same fault compartment as the Ngamia-5 well and encountered up to 135 meters net oil pay. The Ngamia-7 well was drilled 1.2 kilometers east of the Ngamia-3 well and encountered up to 130 meters of net oil pay identifying a large eastern extension of the field that had been identified from the new 3D seismic survey. Pressure data from the Ngamia-3, 5 and 6 wells demonstrates connectivity between the wells at multiple reservoir horizons, which will be further tested by the EWT.
- The Ngamia field EWTs are due to commence in August. Multi zone completions have been installed in the Ngamia-8, Ngamia-3 and Ngamia-6 wells.
- A one rig operation will continue with the drilling of the Twiga-3 well, which is currently underway. The large Amosing North prospect located on the northern flank of Amosing and updip of the Ngamia field will be drilled next. The Cheptuket exploration well in Block 12A is scheduled to commence in October 2015 and will test a basin bounding structural closure in the Kerio Valley Basin in a similar structural setting to the successful Ngamia and Amosing discoveries. Other wells under consideration include Etom North (an appraisal well to follow up on our success at Etom-1) and Emesek (formerly named Tausi) (a basin opening well).
- The full fast track processed data set for the 951 square kilometer 3D seismic survey over the series of significant discoveries along the western basin bounding fault in the South Lokichar Basin, is now available and is being interpreted. The 3D seismic indicates significantly improved structural and stratigraphic definition and additional prospectivity not evident on the 2D seismic.
- The partnership has acquired over 1,100 meters of whole core from the wells drilled in the South Lokichar Basin, and an extensive program of detailed core analysis is ongoing that will provide results throughout the year. A key focus of the core program is to better assess oil saturation and to refine the recovery factors of the main reservoir sands. Early core analysis results support the reservoir assumptions used in the contingent resource estimate and are reducing the uncertainty around oil saturations in the reservoir.
- In the Rift Basin Area Block, a 2D seismic crew will complete the acquisition of approximately 600 kilometers of land and lake seismic in the third quarter of 2015. Source rock outcrops and oil slicks on the lakes have been identified in the block where there was previously no existing seismic or wells.
- Pre-FEED (Front End Engineering and Design) studies are being progressed for entry in to FEED.

2015 Second Quarter Financial Results

Results of Operations

(Thousands United States Dollars)
(unaudited)

	Three months ended June 30, 2015	Three months ended June 30, 2014	Six months ended June 30, 2015	Six months ended June 30, 2014
(thousands)				
Salaries and benefits	\$ 325	\$ 464	\$ 803	\$ 922
Stock-based compensation	1,148	2,955	5,123	12,507
Travel	282	288	531	597
Office and general	201	232	320	416
Donation	785	750	785	1,500
Depreciation	3	17	14	34
Professional fees	165	157	319	352
Stock exchange and filing fees	217	882	464	1,071
Share of loss from equity investment	207	-	299	-
Gain on loss of control	-	-	(4,155)	-
Impairment of intangible exploration assets	-	30,833	-	30,833
Operating expenses	\$ 3,333	\$ 36,578	\$ 4,503	\$ 48,232

Operating expenses decreased \$33.2 million for the three months ended June 30, 2015 compared to the same period in the prior year. The majority of the decrease can be attributed to the write-off of \$30.8 million of previously capitalized Block 7/8 exploration expenditures in Ethiopia which was recorded during the second quarter of 2014. The remaining decrease is due to a reduction in stock-based compensation and stock exchange filing fees. The decrease in stock-based compensation expense can be mainly attributed to a significant reduction in the fair value of each option granted in the first quarter of 2015 compared to the first quarter of 2014. Stock exchange and filing fees decreased \$0.6 million during the three months ended June 30, 2015 compared to the same period in 2014 due to costs associated with the graduation to the TSX in Canada and the NASDAQ OMX Stockholm main board which occurred in the second quarter of 2014.

Operating expenses decreased \$43.7 million for the six months ended June 30, 2015 compared to the same period in the prior year. The majority of the decrease can be attributed to the write-off of \$30.8 million of previously capitalized Block 7/8 exploration expenditures in Ethiopia during the second quarter of 2014. The remaining decrease is due to a reduction in stock-based compensation, donations, stock exchange filing fees, and a gain on loss of control of Africa Energy. The decrease in stock-based compensation expense can be mainly attributed to a significant reduction in the fair value of each option granted in the first quarter of 2015 compared to the first quarter of 2014. The Company made a donation of \$0.8 million to the Lundin Foundation during the first half of 2015 compared to a donation of \$1.5 million to the Lundin Foundation during the first half of 2014. Stock exchange and filing fees decreased \$0.6 million during the first half of 2015 compared to the same period in 2014 due to costs associated with the graduation to the TSX in Canada and the NASDAQ OMX Stockholm main board which occurred in the second quarter of 2014. The Company's investment in Africa Energy changed from a position of control to a position of significant influence during the first quarter of 2015, which required the Company's investment in Africa Energy to be recorded as an equity investment. The accounting for the equity investment resulted in the recognition of a gain for accounting purposes of \$4.2 million.

Financial income and expense is made up of the following items:

(Thousands of United States Dollars)
(unaudited)

	Three months ended		Three months ended		Six months ended		Six months ended	
	June 30, 2015		June 30, 2014		June 30, 2015		June 30, 2014	
Fair value adjustment - warrants	\$	-	\$	5	\$	-	\$	1
Interest and other income		80		387		210		823
Bank charges		(5)		(5)		(10)		(11)
Foreign exchange gain (loss)		(117)		41		(132)		(75)
Finance income	\$	80	\$	433	\$	210	\$	824
Finance expense	\$	(122)	\$	(5)	\$	(142)	\$	(86)

At June 30, 2015, nil warrants were outstanding in the Company. Interest income decreased due to a reduction in cash held as the Company continued its active exploration activities. Foreign exchange gains and losses are primarily related to changes in the value of the Canadian dollar in comparison to the US dollar.

Consolidated Balance Sheets
(Thousands United States Dollars)
(unaudited)

	June 30, 2015	December 31, 2014
ASSETS		
Current assets		
Cash and cash equivalents	\$ 157,498	\$ 161,162
Accounts receivable	3,060	1,633
Due from related party	23	-
Prepaid expenses	1,226	1,276
	161,807	164,071
Long-term assets		
Restricted cash	2,525	1,250
Equity investment	5,975	-
Property and equipment	36	50
Intangible exploration assets	931,749	785,177
	940,285	786,477
Total assets	\$ 1,102,092	\$ 950,548
LIABILITIES AND EQUITY		
Current liabilities		
Accounts payable and accrued liabilities	\$ 80,073	\$ 153,502
	80,073	153,502
Total liabilities	80,073	153,502
Equity attributable to common shareholders		
Share capital	1,240,509	1,014,772
Contributed surplus	43,369	39,947
Deficit	(261,859)	(257,673)
Total equity attributable to common shareholders	1,022,019	797,046
Total liabilities and equity attributable to common shareholders	\$ 1,102,092	\$ 950,548

Intangible exploration assets increased during the first half of the year by \$146.6 million as a result of the Company continuing to invest in its oil and gas properties in East Africa. The Company continues to finance its activities primarily through equity, and completed a private placement during the first quarter of 2015 in which 57,020,270 shares were issued and a private placement during the second quarter of 2015 in which 52,623,377 shares were issued. The Company is debt free.

Consolidated Statement of Cash Flows
(Thousands United States Dollars)
(unaudited)

	Three months ended June 30, 2015	Three months ended June 30, 2014	Six months ended June 30, 2015	Six months ended June 30, 2014
Cash flows provided by (used in):				
Operations:				
Net loss and comprehensive loss for the period	\$ (3,375)	\$ (36,150)	\$ (4,435)	\$ (47,494)
Items not affecting cash:				
Stock-based compensation	1,148	2,955	5,123	12,507
Depreciation	3	17	14	34
Gain on loss of control	-	-	(4,155)	-
Impairment of intangible exploration assets	-	30,833	-	30,833
Share of loss from equity investment	207	-	299	-
Fair value adjustment - w warrants	-	(5)	-	(1)
Unrealized foreign exchange (gain) loss	102	(42)	117	75
Changes in non-cash operating working capital	1,043	51	66	(680)
	(872)	(2,341)	(2,971)	(4,726)
Investing:				
Property and equipment expenditures	-	(1)	-	(9)
Intangible exploration expenditures	(69,272)	(114,007)	(146,572)	(206,433)
Farmout proceeds	-	-	-	13,207
Due from related party	86	-	86	-
Equity investment	-	-	(1,000)	-
Reduction of cash from change of control	-	-	(254)	-
Changes in non-cash investing working capital	(59,595)	30,511	(75,597)	52,064
	(128,781)	(83,497)	(223,337)	(141,171)
Financing:				
Common shares issued	99,862	1,515	224,036	3,265
Deposit of cash for bank guarantee	-	-	(1,275)	(450)
	99,862	1,515	222,761	2,815
Effect of exchange rate changes on cash and cash equivalents denominated in foreign currency	(102)	42	(117)	(75)
Decrease in cash and cash equivalents	(29,893)	(84,281)	(3,664)	(143,157)
Cash and cash equivalents, beginning of period	\$ 187,391	\$ 434,333	\$ 161,162	\$ 493,209
Cash and cash equivalents, end of period	\$ 157,498	\$ 350,052	\$ 157,498	\$ 350,052
Supplementary information:				
Interest paid	Nil	Nil	Nil	Nil
Income taxes paid	Nil	Nil	Nil	Nil

Investing activities related to the Company's oil and gas activities in East Africa accounted for majority of the cash consumption of the Company. Cash inflows during the six months ended June 30, 2015 are related to the proceeds from the completion of two private placements during the first half of the year. The Company completed a private placement during March 2015 in which 57,020,270 shares were issued for gross proceeds of \$125 million and completed a private placement during May 2015 in which 52,623,377 shares were issued for gross proceeds of \$100.0 million.

The following table breaks down the material components of intangible exploration expenditures for the six months ended June 30, 2015 and 2014:

For the six months ended (thousands)	June 30, 2015				June 30, 2014			
	Kenya	Ethiopia	Puntland	Total	Kenya	Ethiopia	Puntland	Total
Drilling and completion	\$ 108,513	\$ -	\$ -	\$108,513	\$125,860	\$31,125	\$ 79	\$157,064
Development studies	\$ 19,622	\$ -		\$ 19,622	\$ 8,687	\$ -	\$ -	\$ 8,687
Exploration surveys and studies	6,344	313	-	6,657	20,721	1,090	21	21,832
PSA and G&A related	11,732	48	-	11,780	14,280	3,792	778	18,850
Total	\$ 146,211	\$ 361	\$ -	\$146,572	\$169,548	\$36,007	\$ 878	\$206,433

The Company incurred \$146.2 million of intangible exploration expenditures in Kenya for the six months ended June 30, 2015. Drilling and completion expenditures relate to the Epir exploration well (Block 10BB), the Engomo exploration well (Block 10BA), the Ekales exploration well (Block 13T), multiple South Lokichar Basin (Blocks 10BB and 13T) appraisal wells and completions relating to EWTs. The majority of development study spend relates to studies aimed at progressing towards project sanction for the South Lokichar Basin. The Company incurred \$0.3 million of intangible exploration expenditures in Ethiopia for the six months ended June 30, 2015, which consists of 2D seismic work being performed in the Rift Basin Area. PSA and G&A related costs include personnel and office running costs, local community development expenditures, land surface fees, annual rental fees and other PSA fees.

Consolidated Statement of Equity

(Thousands United States Dollars)

(unaudited)

For the six months ended	June 30, 2015	June 30, 2014
Share capital:		
Balance, beginning of period	\$ 1,014,772	\$ 1,007,414
Private placement, net	220,191	-
Exercise of options	5,546	4,841
Balance, end of period	1,240,509	1,012,255
Contributed surplus:		
Balance, beginning of period	\$ 39,947	\$ 24,396
Stock based compensation	5,123	12,507
Exercise of options	(1,701)	(1,576)
Balance, end of period	43,369	35,327
Deficit:		
Balance, beginning of period	\$ (257,673)	\$ (150,736)
Net loss and comprehensive loss attributable to common shareholders	(4,186)	(46,994)
Balance, end of period	(261,859)	(197,730)
Total equity attributable to common shareholders	1,022,019	849,852
Non-controlling interest:		
Balance, beginning of period	\$ -	\$ 48,773
Net loss and comprehensive loss attributable to non-controlling interest	(249)	(500)
Derecognition of non-controlling interest on loss of control	249	-
Balance, end of period	-	48,273
Total equity	\$ 1,022,019	\$ 898,125

The Company's unaudited consolidated financial statements, notes to the financial statements, management's discussion and analysis for the three and six months ended June 30, 2015 and 2014, and the 2014 Annual Information Form have been filed on SEDAR (www.sedar.com) and are available on the Company's website (www.africaoilcorp.com).

Outlook

In light of the current and forecast short term oil price environment, the Company has worked closely with Tullow to focus the 2015 work program and budget on advancing the discovered basin development in Blocks 10BB and 13T (Kenya) by undertaking activities aimed at increasing resource certainty and progressing development studies with the intent of submitting a FDP around the end of 2015. The 2015 work program includes multiple appraisal and exploration wells in the discovered basin, EWT's in the Amosing and Ngamia fields and reservoir and engineering studies (including extensive core analysis). The Company is pleased that the Governments of Kenya and Uganda have selected the pipeline route, enabling the joint venture partnerships to move on to the next phases of development with a Government ambition to reach project sanction by the end of 2016.

Outside of the South Lokichar Basin, the Africa Oil – Tullow joint venture new basin opening exploration program potentially includes the Cheptuket well in Block 12A (Kenya), a PSC commitment well that needs to be drilled before September 2016. Outside of the Africa Oil – Tullow joint venture blocks, the 2015 work program is focused on the Rift Basin Area Block in Ethiopia where a 2D seismic program of approximately 600 kilometer land and lake survey has commenced acquisition.

Africa Oil Corp. is a Canadian oil and gas company with assets in Kenya and Ethiopia as well as Puntland (Somalia) through its 41% equity investment in Africa Energy Corp. The Company is listed on the Toronto Stock Exchange and on Nasdaq Stockholm under the symbol "AOI".

FORWARD LOOKING INFORMATION

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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Africa Oil's Certified Advisor on Nasdaq Stockholm is Pareto Öhman AB.