Annual Information Form

For the Year Ended December 31 2020

Published March 29 2021
A Lundin Group Company
AOI – TSX and Nasdaq Stockholm

AFRICAOILCORP.COM

Contents

Defined Terms

"Africa Energy"	means Africa Energy Corp.
"Africa Oil", "AOI", or the "Company"	means Africa Oil Corp.
"AIF"	means this annual information form
"Azinam"	means Azinam Limited.
"BC BCA"	means Business Corporations Act (British Columbia) S.B.C. 2002 c.57, as amended
"bopd"	means barrels of oil per day
"BTG"	means BTG Pactual S.A.
"BTG Loan"	means a $250m facility dated January 11, 2020 provided by BTG Pactual S.A for the purpose of funding the acquisition of 50% of Petrobras Oil & Gas B.V. (now Prime Oil & Gas Coöperatief U.A.)
"Chevron"	means Chevron Corporation
"CNOOC"	means China National Offshore Oil Corporation
"Contractor Group"	means the parties, including joint venture partners, that hold a working interest in a PSA or a PSC.
"Delonex"	means Delonex Energy Ltd.
"E&A"	means exploration and appraisal
"ECO SAA"	means the strategic alliance agreement made November 12, 2017 between the Company and ECO pursuant to which they will jointly pursue new exploration projects.
"ECO SPA"	means the share purchase agreement made November 12, 2017 between the Company and ECO.
"Eco or "Eco (Atlantic) Oil & Gas Ltd."	means Eco (Atlantic) Oil & Gas Ltd.
"EOPS"	means Early Oil Pilot Scheme.
"Equinor"	means Equinor ASA
"Famfa Oil"	means Famfa Oil Ltd.
"FEED"	means front-end engineering and design.
"FID"	means final investment decision
"GIIP"	means good international industry practice
"Helios"	means Helios Natural Resources 2 Ltd.
"Impact Warrants"	means the share purchase warrants of Impact issued in accordance with the Impact subscription agreement.
"Impact" or "Impact Oil and Gas Ltd."	means Impact Oil and Gas Limited, a privately owned exploration company with a strategic focus on large scale, mid to deep water plays of sufficient materiality to be of interest to major companies. Impact has an asset base across the offshore margins of Southern and West Africa
"Kenya Joint Venture Partners"	means Tullow, Total S.A., and Africa Oil.
"Lokichar Development Project"	means the development of the oil resources contained in the South Lokichar Basin (Blocks 10BB and 13T (Kenya)), for export via a pipeline to the coast of Kenya
"Maersk"	means Maersk Olie og Gas A/S, a Danish oil and gas company owned by the Maersk Group and subsequently acquired by Total in August 2017.
"Nasdaq Stockholm"	means Nasdaq Stockholm exchange.
"NI 51-101"	means the National Instrument 51-101 — Standard of Disclosure for Oil and Gas Activities of the Canadian Securities Administrators and the companion policies and forms thereto, as amended from time to time.
"NI 52-110"	means the National Instrument 52-110 – Audit Committees of the Canadian Securities Administrators and the companion policies and forms thereto, as amended from time to time.
"NNPC"	means NNPC Staff Cooperative Multipurpose Society Limited
"OML"	means Oil Mining Lease.

Defined Terms

"petroleum operations"	means all exploration, gas marketing, development, production and decommissioning operations, as well as any other activities or operations directly or indirectly related to or connected with said operations (including health, safety and environmental operations and activities) and authorized or contemplated by, or performed in accordance with PSC.
"Petrovida"	means Petrovida Holding B.V.
"Prime" or "Prime Oil & Gas Coöperatief U.A."	Prime Oil & Gas Coöperatief U.A., previously known as Prime Oil & Gas B.V., a company that holds interests in deepwater Nigeria production and development assets.
"Profit Oil"	means the amount of production, after deducting cost oil production allocated to costs and expenses, that would be divided between the participating parties and the host government under a Production Sharing Contract.
"PSA"	Means Petroleum Sharing Agreement
"PSC" or "Production Sharing Contract"	means contracts or agreements entered into with a host government providing for petroleum operations in a defined area and the division of petroleum production from the petroleum operations.
"RBL"	Reserve Base Loan
"SAPETRO"	means South Atlantic Petroleum
"Standards"	means, together, the International Finance Corporation Performance Standards on Environmental and Social Sustainability and the World Bank Environment, Health and Safety Guidelines.
"Total"	means Total S.A.
"TSX"	means Toronto Stock Exchange.
"Tullow"	means Tullow Oil plc.
"TUPNI"	means Total Upstream Nigeria Limited
"Vitol"	means Vitol Investment Partnership II Ltd.

About this Annual Information Form

Financial Information

Financial information contained in this AIF is presented in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board.

Africa Oil's functional and reporting currency is the United States dollar. All currency amounts in this AIF are expressed in United States dollars, unless otherwise indicated.

Presentation of Oil and Gas Information

All oil and gas information contained in this AIF has been prepared and presented in accordance with NI 51-101. The actual oil and gas resources may be greater or less than any estimates provided herein.

Forward Looking Statements

Certain statements in this document constitute forward-looking information or forward-looking statements under applicable Canadian securities law (collectively "forward-looking statements"). Forward-looking statements are statements that relate to future events, including the Company's future performance, opportunities or business prospects. Any statements that express or involve discussions with respect to expectations, beliefs, projections, plans, future events or performance (often, but not always, identified by words such as "believes", "seeks", "anticipates", "expects", "estimates", "pending", "intends", "plans", "will", "would have" or similar words suggesting future outcomes) are not statements of historical fact and may be forward-looking statements.

By their nature, forward-looking statements involve assumptions, inherent risks and uncertainties, many of which are difficult to predict, and are usually beyond the control of management, that could cause actual results to be materially different from those expressed by these forward-looking statements. Risks and uncertainties include, but are not limited to, risk with respect to general economic conditions, regulations and taxes, civil unrest, corporate restructuring and related costs, capital and operating expenses, pricing and availability of financing and currency exchange rate fluctuations. Readers are cautioned that the assumptions used in the preparation of such information, although considered reasonable at the time of preparation, may prove to be imprecise and, as such, undue reliance should not be placed on forward-looking statements.

Forward-looking statements include, but are not limited to, statements concerning:

- Expected closing dates for the completion of proposed transactions;
- Planned exploration, appraisal and development activity including both expected drilling and geological and geophysical related activities;
- Proposed development plans;
- Future development costs and the funding thereof;
- Expected finding and development costs;
- Timing to FID;
- Anticipated future financing requirements;
- Future sources of funding for the Company's capital program;
- Future capital expenditures and their allocation to exploration and development activities;
- Expected operating costs;
- Future sources of liquidity, cash flows and their uses;
- Availability of potential farmout partners;
- Government or other regulatory consent for exploration, development, farmout, or acquisition activities;
- Future production levels;
- Future crude oil, natural gas or chemical prices;
- Future earnings;
- Future asset acquisitions or dispositions;
- Future debt levels;
- Availability of committed credit facilities;
- Possible commerciality;
- Development plans or capacity expansions;
- Future ability to execute dispositions of assets or businesses;
- Future drilling of new wells;
- Ultimate recoverability of current and long-term assets;
- Ultimate recoverability of reserves or resources;
- Estimates on a per share basis;
- Future foreign currency exchange rates;
- Future market interest rates;
- Future expenditures and future allowances relating to environmental matters;
- Dates by which certain areas will be explored or developed or will come on stream or reach expected operating capacity;
- The Company's ability to comply with future legislation or regulations;
- Future staffing level requirements; and
- Changes in any of the foregoing.

About this Annual Information Form

Statements relating to "reserves" or "resources" are forward-looking statements, as they involve the implied assessment, based on estimates and assumptions, that the reserves and resources described exist in the quantities predicted or estimated, and can be profitably produced in the future.

These forward-looking statements are subject to known and unknown risks and uncertainties and other factors, which may cause actual results, levels of activity and achievements to differ materially from those expressed or implied by such statements.

Such factors include, among others:

- Market prices for oil and gas and chemical products;
- The Company's ability to explore, develop, produce and transport crude oil and natural gas to markets;
- Production and development costs and capital expenditures;
- The imprecise nature of reserve estimates and estimates of recoverable quantities of oil, natural gas and liquids;
- Changes in oil prices;
- Availability of Financing;
- Uninsured risks;
- Regulatory changes and tax;
- Changes in the social climate in the regions in which the Company operates;
- Health, safety and environmental risks;
- Climate change legislation and regulation changes;
- Defects in title;
- Availability of materials and equipment;
- Timelines of government or other regulatory approvals;
- Ultimate effectiveness of design or design modification to facilities;
- The results of exploration, appraisal and development drilling and related activities;
- Short term well test results on exploration and appraisal wells do not necessarily indicate the long-term performance or ultimate recovery that may be expected from a well;
- Pipeline or delivery constraints;
- Volatility in energy trading markets;
- Incorrect assessments of value when making acquisitions;
- Foreign-currency exchange rates;
- Economic conditions in the countries and regions in which the Company carries on business;
- Governmental actions including changes to taxes or royalties, and changes in environmental and other laws and regulations;
- The Company's treatment under governmental regulatory regimes and tax laws;
- Renegotiations of contracts;
- Results of litigation, arbitration or regulatory proceedings;
- Political uncertainty, including actions by terrorists, insurgent or other groups, or other armed conflict; and
- Internal conflicts within states or regions.

The impact of any one risk, uncertainty or factor on a particular forward-looking statement is not determinable with certainty as these factors are interdependent, and management's future course of action would depend on its assessment of all available information at that time. Although management believes that the expectations conveyed by the forward-looking statements are reasonable based on the information available to it on the date such forward-looking statements were made, no assurances can be given that such expectations will prove to be correct, and such forward-looking statements included in, or incorporated by reference into, this AIF should not be unduly relied upon.

The forward-looking statements are made as of the date hereof or as of the date specified in the documents incorporated by reference into this AIF, as the case may be, and except as required by law, the Company undertakes no obligation to update publicly, re-issue, or revise any forward-looking statements, whether as a result of new information, future events or otherwise. This cautionary statement expressly qualifies the forward-looking statements contained herein.

About this Annual Information Form

Advisory Regarding Oil and Gas Information

The terms boe (barrel of oil equivalent) and MMboe (millions of barrels of oil equivalent) are used throughout this AIF. Such terms may be misleading, particularly if used in isolation. The conversion ratio of six thousand cubic feet per barrel (6 Mcf:1 Bbl) of conventional natural gas to barrels of oil equivalent and the conversion ratio of 1 barrel per six thousand cubic feet (1 Bbl:6 Mcf) of barrels of oil to conventional natural gas equivalent 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 conventional 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.

In this report references are made to historical and potential future oil production in Nigeria and Kenya. In all instances these references are to light and medium crude oil category in accordance with NI 51-101 and the COGE Handbook.. The reserves estimates presented in this AIF with respect to the Company's 50% ownership interest in Prime that have been evaluated by RISC (UK) Limited in accordance with NI 51-101 and the COGE Handbook, are effective December 31, 2020. The reserves presented herein have been categorized in accordance with the reserves and resource definitions as set out in the COGE Handbook. The estimates of reserves in this AIF may not reflect the same confidence level as estimates of reserves for all properties, due to the effects of aggregation.

Reserves are estimated remaining quantities of petroleum 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 classified 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 quantities of petroleum, which, by analysis of geoscience and engineering data, can be estimated with reasonable certainty to be economically producible from a given date forward, from known reservoirs and under existing economic conditions, operating methods and government regulations. Probable Reserves are those additional quantities of petroleum that are less certain to be recovered than Proved Reserves, but which, together with Proved Reserves, are as likely as not to be recovered. Possible Reserves are those additional reserves that are less certain to be recovered than probable reserves. It is unlikely that actual remaining quantities recovered will exceed the sum of the estimated proved plus probable plus possible reserves.

Cautionary Statements Regarding Well Test Results

Drill stem tests are commonly based on flow periods of 1 to 5 days and build up periods of 1 to 3 days. Pressure transient analysis has not been carried out on all well tests and the results should therefore be considered as preliminary. Well test results are not necessarily indicative of long-term performance or of ultimate recovery.

Incorporation by Reference and Date of Information

Specifically incorporated by reference and forming a part of this AIF are the Company's:

1) Material Change Report dated January 14, 2020;
2) Management's discussion and analysis for the year ended December 31, 2020; and
3) Audited consolidated financial statements for the year ended December 31, 2020.

Copies of the above documents are available on the SEDAR website at www.sedar.com under the Company's profile. All information contained in this AIF is as of December 31, 2020, unless otherwise indicated.

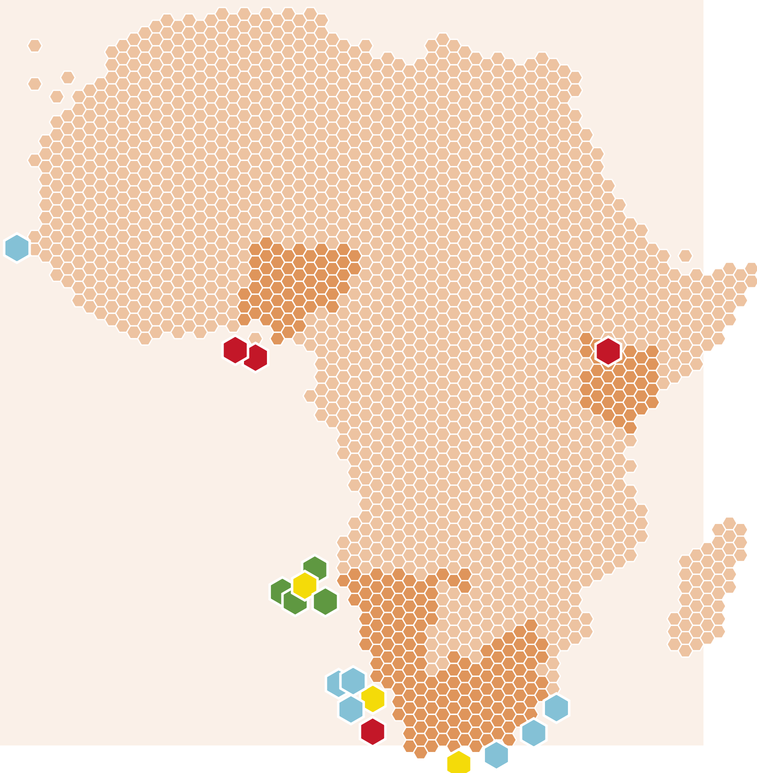
About Africa Oil Corp.

Full Cycle Africa Focused

Africa Oil Corp. is a full-cycle E&P with producing and development assets in deepwater Nigeria, development assets in Kenya and an E&A portfolio in Africa and Guyana.

Our Operating Locations

Africa Oil Corp. Africa Energy Impact Oil Eco Atlantic



About Africa Oil Corp.

Africa Oil is a Canadian oil and gas exploration company with producing and development assets in deep-water offshore Nigeria, and development assets in Kenya. The Company also has a portfolio of exploration assets in Guyana, Kenya, Namibia, Nigeria, South Africa and in the Senegal Guinea Bissau Joint Development Zone ("AGC"). The Company holds its interests through direct ownership interests in concessions and through its shareholdings in investee companies including Prime Oil & Gas Coöperatief U.A ("Prime"), Africa Energy Corp., Eco (Atlantic) Oil & Gas Ltd. and Impact Oil and Gas Ltd.

The Company's long-range plan is to increase shareholder value through the acquisition, exploration, development and production associated with oil and gas assets. Africa Oil has delivered on the stated objective of acquiring high quality and free cash flowing producing assets.

The Company has actively explored on multiple onshore blocks in various under-explored geological settings in East Africa, and has made numerous oil discoveries in the South Lokichar Basin (Blocks 10BB and 13T) located in the Tertiary Rift trend in Kenya. Appraisal activities are ongoing with the goal of sanctioning development of the oil fields in the South Lokichar Basin.

In addition, Africa Oil has invested into equity interests in junior exploration companies that have active drilling programs in various offshore assets in Africa and South America. Africa Oil will continue to consider acquisition and merger opportunities, focusing on Africa.

The board of directors of Africa Oil may, at its discretion, approve asset or corporate acquisitions or investments that do not conform to the guidelines discussed above based upon the board's consideration of the qualitative and quantitative aspects of the subject properties, including risk profile, anticipated return on investment, technical upside, resource potential, reserve life and asset quality.

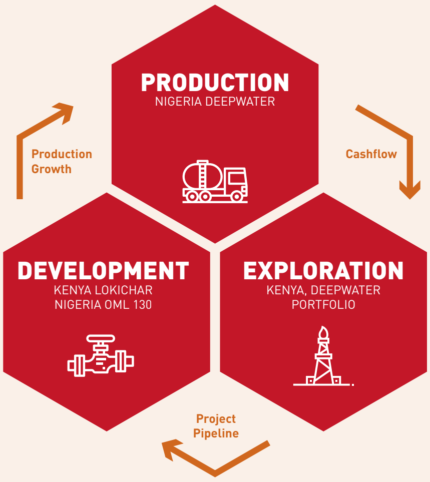
2020 HIGHLIGHTS

- **Full-year adjusted net income of $198 million**
- **Acquired a 50% interest in Prime for $520 million**
- **Repaid $109 million of the $250 million corporate loan**
- **Received $200 million in dividends from Prime**
- **Year-end 2P net entitlement reserves of 86mmboe***
- **Achieved 117% 2P reserves replacement ratio**
- **Net economic entitlement production of 33,900 boepd***
- **Low operating cost of $5.2 /boe**

Notes

* Net to Africa Oil's 50% shareholding in Prime

OUR BUSINESS MODEL



About Africa Oil Corp.

Introduction

Africa Oil is a Canadian oil and gas company with producing and development assets in deep-water Nigeria, and development assets in Kenya. The Company also has a portfolio of exploration assets in Guyana, Kenya, Namibia, Nigeria, South Africa and in the Senegal Guinea Bissau Joint Development Zone. The Company holds its interests through direct ownership interests in concessions and through its shareholdings in investee companies including Prime Oil & Gas Coöperatief U.A., Africa Energy Corp., Eco (Atlantic) Oil & Gas Ltd. and Impact Oil and Gas Ltd. See 'Equity Interests and Working Interests' on page 22 for more information on the Company's equity interests in Africa Energy, Eco (Atlantic) Oil & Gas Ltd. and Impact Oil and Gas Ltd. The Company's material interests, and material exploration partnership interests are summarized in the following table:

Africa Oil's Shareholding in Prime Oil & Gas B.V. (50%)

Country	Concession	Gross Acreage (km²)	Working Interests	
Nigeria	OML 127	–	Prime	8%
			Chevron Corporation	32%
			Famfa Oil	60% (carried)
	OML 130 – PSA[1]	–	Prime	16%
			Total	24%
			SAPETRO	10% (carried)

Africa Oil's Direct Working Interests[2]

Country	Concession	Gross Acreage (km²)	Working Interests	
Kenya	10BA	11,760	AOI	25%
			Total	25%
			Tullow (Operator)	50%
	10BB	8,835	AOI	25%
			Total	25%
			Tullow (Operator)	50%
	13T	6,296	AOI	25%
			Total	25%
			Tullow (Operator)	50%
South Africa	3B/4B	17,581	AOI (Operator)	20%
			Azinam	20%
			Ricocure (Pty) Ltd	60%

Notes:

1 50% of the production from OML 130 is covered by a PSA, in which Prime owns a 32% Working Interest. Prime's net Working Interest in OML 130 is therefore 16%.

2 Net working interests are subject to back-in rights or carried working interests, if any, of the respective governments or national oil companies of the host governments.

Corporate structure

Incorporation

Africa Oil Corp. was incorporated under the BC BCA on March 29, 1993 under the name 'Canmex Minerals Corporation' with an authorized capital of 100,000,000 common shares. On July 2, 1999 the issued and outstanding common shares of the Company were consolidated on a one-for-five basis and the authorized capital was increased, post-consolidation from 20,000,000 to 100,000,000 common shares. On August 20, 2007 the Company changed its name to 'Africa Oil Corp.' On June 19, 2009, the shareholders of the Company passed a special resolution increasing the Company's authorized share capital to an unlimited number of common shares. On June 3, 2013, the shareholders of Africa Oil passed a special resolution authorizing an alteration of the Company's articles to include advance notice provisions for the nomination of directors.

The Company's Offices and Transfer Agent

The common shares of the Company trade on the TSX and on the Nasdaq Stockholm under the trading symbol 'AOI'. The transfer agent and registrar of the Company's common shares in Canada is Computershare Investor Services Inc., 3rd Floor, 510 Burrard Street, Vancouver, British Columbia, V6C 3B9. The registrar for the common shares of the Company in Sweden is Euroclear Sweden AB, 103 97 Stockholm, Sweden.

Africa Oil's registered and records office is located at 2500 Park Place, 666 Burrard Street, Vancouver, B.C., V6C 2X8. The Company's corporate office is located at 2000 – 885 West Georgia Street, Vancouver, B.C. V6C 3E8. The Company also has an office located at 1st Floor Equatorial Fidelity Centre, Waridi Lane, Off Waiyaki Way, P.O. Box 1194-00606, Nairobi, Kenya, an office located at 4th Floor, UNIC Ethiopia Bole Building Next to Edna Mall Bldg., P.O. Box 18847, Bole Sub City, Kebele 03/05 Addis Ababa, Ethiopia, and a registered office at 16 Great Queen Street, Covent Garden, London, United Kingdom, WC2B 5AH.

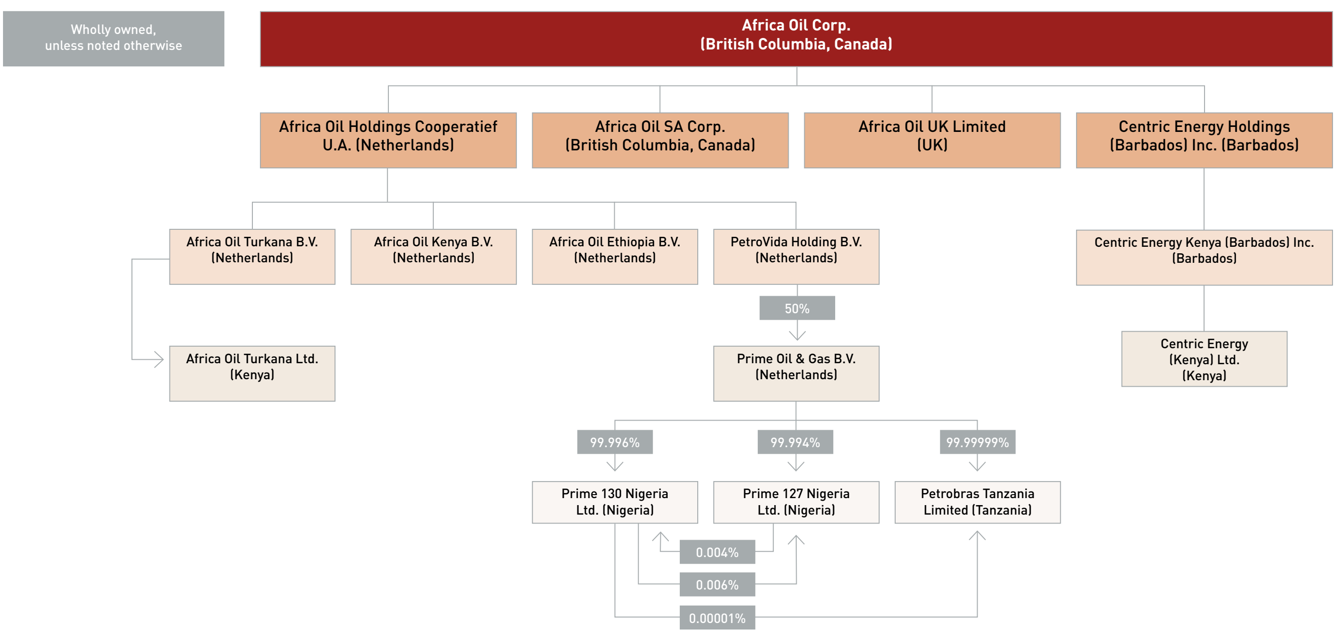
Employees

As of December 31, 2020, Africa Oil had 5 employees located in Canada, 5 employees located in Ethiopia, 11 employees located in Kenya, and 6 employees in the UK for a total of 27 employees.

Intercorporate Relationships

The material subsidiaries owned by Africa Oil, as at the date of this AIF, are as set out in the following organizational chart below.

Figure 01 Intercorporate relationships



Africa Oil's recent history

2018

In February 2018, the Company announced that the Kenya Joint Venture Partners had agreed on a plan to move forward with the South Lokichar Basin development and had proposed to the Government of Kenya that the Amosing and Ngamia fields be developed as the initial stage of the South Lokichar development. The plan, which allowed acceleration of a crude export pipeline through Northern Kenya, included a central processing facility and an export pipeline to Lamu, approximately 750 kilometers from the South Lokichar basin on the Kenyan coast. It also provided for 210 wells through 18 well pads at Ngamia and 70 wells through seven well pads at Amosing, with a planned plateau rate of 60,000 to 80,000 bopd. The Company additionally noted that this plan would set the stage for additional exploration, appraisal and development to increase plateau production to 100,000 bopd or greater.

Also In February, 2018, the Company announced that it had gained additional exposure to exploration plays in Africa as it entered into a subscription agreement with inter alia Impact, an independent UK oil exploration company holding assets and operating offshore southern and west Africa. The subscription agreement provided for the purchase by Africa Oil of 59,681,539 ordinary Impact shares and 29,840,769 ordinary Impact Warrants, subject to customary adjustment provisions in respect of anti-dilution matters, for an aggregate subscription price of approximately $15 million. The exercise price of the Impact Warrants was £0.25 per Share. The Impact Warrants would expire on April 27, 2021, subject to early expiration in the event of a liquidity event in respect of Impact. In addition, the subscription agreement provided that during the nine (9)-month period after closing of the transactions contemplated by the subscription agreement, at the election of either Africa Oil or Impact, Africa Oil could additionally acquire 9,946,923 shares in Impact and 4,973,461 Impact Warrants for an aggregate subscription price of approximately $2,500,000. The Impact Warrants were subject to customary adjustment provisions in respect of anti-dilution matters.

The Company concurrently entered into an investors' agreement with Impact and certain other shareholders of Impact providing Africa Oil with the right to nominate up to two members of the board of directors of Impact (which could consist of a maximum of nine (9) members) based on certain share ownership thresholds and consent rights with respect to certain fundamental matters in respect of Impact, including the future issuance of securities of Impact, provided that such rights would cease upon Africa Oil holding less than 10% of Impact's shares.

At the same time, the Company entered into a share purchase agreement with Helios and issued 13,946,545 shares to Helios for the acquisition by the Company of 70,118,381 Impact shares and 15,529,731 warrants held by Helios in the capital of Impact. Upon completion of the transactions contemplated by the Helios share purchase agreement, the warrants held by Helios in the capital of Impact, which were subject to customary adjustment provisions in respect of anti-dilution matters, would have an exercise price of £0.18 per share for a 12-month period, and if not exercised during such period, £0.25 thereafter and would have the same expiry date as the Impact Warrants. The above agreements included transactions that were subject to certain customary conditions to closing.

In March 2018, the Company announced that it had completed its initial investment in Impact, and confirmed the above issuance of 13,946,545 common shares in the capital of the Company to Helios as the Company invested $15 million and acquired 129.8 million shares in the capital of Impact and 45.4 million Impact Warrants providing the Company with an approximate 25.2% equity ownership interest in Impact.

In May 2018, the Company announced that it had participated in a private placement offering, in which the Company invested $17,999,969, and acquired 144,956,250 common shares of Africa Energy for CAD$0.16 per common share ($0.1242 per common share), increasing the Company's ownership interest in Africa Energy from 28.5% to 34.5%.

In June 2018, the Company reviewed options for further exploration and appraisal of prospects adjacent to the Sala-1 gas discovery. After a technical and commercial review, the Company elected to relinquish the Block prior to the June 30, 2018 expiration date.

In October 2018, the Company announced it had entered into a share purchase agreement, with a consortium comprising the Company with a 25% interest, Delonex with a 25% interest, and Vitol with a 50% interest to acquire a 50% ownership interest in Petrobras Oil and Gas B.V. for $1.407 billion with an effective date of January 1, 2018. The Company also entered into a subscription and shareholders' agreement in respect of the same transaction. BTG Pactual E&P B.V. would continue to own the remaining 50% of Prime. The transaction was subject to customary conditions precedent, including Nigerian government consent.

Africa Oil's recent history

In December, 2018, the Company announced that it had entered into an additional subscription agreement with Impact, which provided for the exercise by Africa Oil of the 50,343,961 ordinary share purchase warrants in Impact held by Africa Oil at an exercise price of £0.18 per warrant (total exercise cost: $11.6 million) and the purchase by Africa Oil of ordinary shares of Impact in an aggregate amount of $6.3 million. The funds provided by the Company to Impact were used by Impact as a loan to Arostyle Investments (Proprietary) Limited to allow Main Street 1549 Proprietary Limited to acquire a 5.1% effective interest in Block 11B/12B, located in the Outeniqua Basin approximately 175 kilometers off the southern coast of South Africa. In addition, Africa Oil completed the previously announced acquisition of additional shares and warrants in Impact for an aggregate subscription price of $2.5 million in November 2018.

2019

In February 2019, the Company announced a significant gas condensate discovery, by Africa Energy and its partners, on the Brulpadda prospects located on Block 11B/12B offshore South Africa. The Brulpadda well was drilled in approximately 1,400 meters of water by Total as operator of the Odfjell Deepsea Stavanger semi-submersible rig. The well targeted two objectives in a deep marine fan sandstone system within combined stratigraphic/structural closure. Following the success of the main objective, the well was deepened to a final depth of 3,633 meters and was successful in the Brulpadda-deep prospect. The well encountered a total of 57 meters of net gas condensate pay over two Lower Cretaceous high-quality reservoirs. Core samples were taken in the upper reservoir, and a comprehensive logging and sampling program was performed over both reservoirs. The discovery opened a new gas and oil play and was well positioned to test several follow-on prospects on the same block.

Also in February 2019, the Company completed the acquisition of an additional 19,890,560 shares of Impact for an aggregate subscription price of $6.3 million.

In April 2019, the Company announced that it had acquired 4,752,850 common shares of Eco for total consideration of $5.0 million. The common shares were acquired by Africa Oil on a non-brokered private placement basis and, together with the 29,200,000 common shares of Eco held by the Company prior to the acquisition, increased its ownership interest to approximately 18.8%.

In June 2019, the Company announced that Heads of Terms agreements between the Government of Kenya and the Kenya Joint Venture Partners were signed for the development of the oil fields in the South Lokichar Basin.

In July 2019, the Company announced that drilling operations commenced offshore Guyana with the spudding of the first exploration well on the Jethro-Lobe prospect on the Orinduik Block. Partners on the Orinduik Block comprise Tullow Guyana B.V. as the operator with a 60% working interest, Total EP Guyana BV with a 25% working interest and Eco with a 15% working interest. Africa Oil owns 18.8% of Eco.

Also in July 2019, the Company announced that its wholly-owned subsidiary, Africa Oil SA Corp., entered into a definitive farmout agreement with Azinam, the Seacrest Capital-backed South West African-focussed oil & gas exploration company, whereby the Company would acquire a 20% participating interest and operatorship in the Exploration Right for Block 3B/4B, offshore South Africa. Azinam would retain a 20% participating interest and Ricocure (Pty) Ltd would retain a 60% participating interest. Africa Oil SA Corp. subsequently received Section 11 Governmental approval for the transaction in December and the farmin was fully completed in February 2020.

In August 2019, the Company announced an oil discovery on the Orinduik Block, offshore Guyana. The Jethro-1 exploration well was drilled to a final depth of 14,331 feet (4,400 meters) in approximately 1,350 meters of water and encountered 180.5 feet (55 meters) of net oil pay in Lower Tertiary sandstone reservoirs. Subsequent assay of the oils recovered on testing indicated that the oils were heavy and high in sulfur. The well was cased and awaited further evaluation to determine the appropriate appraisal and development plan.

Also in August 2019, the Company announced that the second exploration well on the Orinduik Block, the Joe prospect commenced offshore Guyana. Joe-1 was spud on August 25, 2019 using the Stena Forth drillship which drilled the Jethro oil discovery. The Joe-1 was drilled in 780 m (2,559 ft) of water to a total depth of 2,175 metres and tested an Upper Tertiary play previously untested in the Guyana basin. Evaluation of measurement while drilling, wireline logging and sampling data confirmed 14 m (46 ft) of net oil pay in good-quality oil-bearing sandstone reservoirs. Crude oils encountered were heavy and high in sulfur similar to the Jethro discovery. Partners evaluated an appraisal and development plan for the two discoveries and evaluated a large inventory of deeper Cretaceous prospects that were expected to contain lighter, sweeter crude oils similar to those encountered by Exxon and partners in the adjacent Stabroek block.

Africa Oil's recent history

Also in August 2019, the first ever oil export from Kenya, a cargo of 240,000 barrels, sailed away from Mombasa. This shipment was a major milestone for the country and the Company's South Lokichar project. The project's EOPS was producing at 2,000 bopd with all the crude being trucked from Turkana to Mombasa. Africa Oil has a 25% working interest in the upstream assets (Block 10BB and 13T) where this crude oil was produced.

In November 2019, the Company announced that it had entered into an amendment to the share purchase agreement signed on October 31, 2018, between Petrobras International Braspetro B.V. and Petrovida a company formed by the consortium of Africa Oil, Delonex and Vitol to acquire an ownership interest in Prime, following Vitol and Delonex decisions to withdraw from the previously announced purchase of 50% of the share capital of Prime. Consequently, Africa Oil announced that it would be the sole acquirer of the 50% interest in Prime having increased its ownership in Petrovida to 100%, with the closing of the deal being subject to Government of Nigeria's approval. The primary assets of Prime are an indirect 8% interest in OML 127, which contains the producing Agbami Field, which has been in production since 2008 and operated by affiliates of Chevron Corporation, and an indirect 16% interest in OML 130, operated by affiliates of Total, which contains the producing Akpo and Egina fields. Agbami and Akpo, have been in production since 2009. The Total-operated Egina field started production in December 2018 and ramped up to plateau production of approximately 200,000 barrels of oil per day during the first half of 2019.

Also in November 2019, the Company announced that it had agreed the terms of the BTG Loan. The BTG Loan together with the available cash would provide the necessary funds for the Company to cover its Prime deal completion payments and 2020 budget.

2020

In January 2020, the Company announced the closing of the acquisition of a 50% ownership interest in Prime. BTG Pactual E&P B.V. would continue to own the remaining 50% of Prime. The total cash payment by the Company to close the acquisition, including the Nigerian Government's consent fee, amounted to $519.5 million. This included a deferred payment of $24.8 million which was subsequently made in June 2020. The Company has filed a Form 51-102F4 (Business Acquisition Report) in respect of the acquisition on the SEDAR website at www.sedar.com.

In February 2020, the Company announced that Prime had distributed a $125.0 million dividend with a net payment to Africa Oil of $62.5 million related to the Company's 50% interest. The Company applied $45.2m of the dividend to pay down the BTG Loan, reducing the outstanding balance to $204.8m.

Also in February 2020, the Company announced that the government of South Africa, approved the acquisition of a 20% participating interest in the Block 3B/4B Exploration Right from Azinam by the Company's wholly-owned subsidiary, Africa Oil SA Corp. Block 3B/4B is located in the Orange Basin offshore South Africa and covers an area of 17,581 square kilometres in water depths ranging from 300 to 2,500 meters. The Company has assumed operatorship for the joint venture. Azinam retained a 20% participating interest and Ricocure (Pty) Ltd retained a 60% participating interest.

Also in February 2020, the Company participated in a $25 million capital raising by Africa Energy whose proceeds were to finance the drilling of up to three exploration wells on Block 11B/12B offshore South Africa and for general corporate purposes. The Company subscribed for 20,930,000 common shares for a total of approximately $5.0 million.

Also in February 2020, the Company participated in a $40 million capital raising by Impact. The Company subscribed for approximately 45.0 million ordinary shares at an issue price of 20 pence per ordinary share, for an investment of approximately $12.0 million. Impact expects to use the proceeds to fund its interest in potentially high impact 2020 drilling campaigns. These include drilling the Venus-1 exploration well on Block 2913B offshore Namibia, and Luiperd-1 well on Block 11B/12B offshore South Africa.

In April 2020, 0845379 B.C. Ltd., the Company's former wholly-owned subsidiary was wound-up and formally dissolved.

In March 2020, the Company announced that Prime had distributed a $50 million dividend with a net payment to the Company of $25 million related to the Company's 50% interest in Prime.

In May 2020, the Company announced that Prime had distributed a $50 million dividend with a net payment to the Company of $25 million related to the Company's 50% interest in Prime. The Company applied $10.2 million of the dividend to pay down the BTG Loan, reducing the outstanding balance to $194.6 million.

Africa Oil's recent history

In May 2020, notices of force majeure were submitted by Tullow, the operating partner on Blocks 10BB and 13T in Kenya on behalf of the Kenya Joint Venture Partners, to the Kenyan Ministry of Petroleum and Mining. The declarations were the result of the impact of the COVID-19 pandemic on the operations, including the Kenyan government's restrictions on domestic and international travel, and tax changes that could adversely impact the project economics.

In August 2020, the Kenya Joint Venture Partners submitted a letter to the Kenyan Ministry of Petroleum and Mining to withdraw the notices of Force Majeure that were declared in May 2020.

Also, in August 2020, the Company announced that Prime had distributed a $50 million dividend with a net payment to the Company of $25 million related to the Company's 50% interest in Prime. The Company applied $17.7 million of the dividend to pay down the BTG Loan, reducing the outstanding balance to $176.9 million.

In September 2020, the Kenya Joint Venture Partners announced that an extension was granted by the Government of Kenya on Blocks 10BB and 13T. Under the terms of the extension, the Kenya Joint Venture Partners received the right to extend the second exploration period for the 10BB and 13T license blocks until December 31, 2020, with a further extension until December 31, 2021 contingent on an agreed work program and budgets.

Also in September 2020, the Company participated in a private placement offering, in which the Company invested $6,764,800 and acquired 20,000,000 common shares of Africa Energy for $0.338244 per common share. Africa Oil decreased its interest in Africa Energy from 31.3% to 19.85% of the outstanding shares of Africa Energy. The Company recognized a dilution gain of $21.1 million during the three months ended December 31, 2020 relating to Africa Energy Corp's subscription agreement with Impact.

In October 2020, the Company announced that the redetermination of the Prime RBL was approved by the banking syndicate with a total principal for 2020 of $522 million, which was $108 million less than management's initial guidance of $630 million as announced in February 2020. The Company also announced that Prime had distributed a $50 million dividend with a net payment to the Company of $25 million related to its 50% interest in Prime. The Company applied $12.1 million of the dividend to reduce the outstanding balance of the BTG Loan to $164.8 million.

In November 2020, the Company announced that Tim Thomas, the Company's Chief Operating Officer elected to retire. Mr. Thomas will cease to be an employee of the Company at the end of the first quarter of 2021, and he will assist the Company on a consultancy basis commencing early in the second quarter of 2021. Also in November 2020, 0903658 B.C. Ltd., the Company's former wholly-owned subsidiary was wound-up.

In December 2020, the Company announced drill stem test results for the Luiperd-1X well, the second major discovery on Block 11B/12B located in the Outeniqua Basin 175 kilometers off the southern coast of South Africa. The Company also announced that the Kenya Joint Venture Partners received extensions to their Blocks 10BB and 13T exploration licenses in Kenya to the end of 2021. This followed the approval of the work program and budget for 2021 by the Ministry of Mines and Petroleum.

Also, in December 2020, the Company announced that Prime had distributed a $75.0 million dividend with a net payment to the Company of $37.5 million related to the Company's 50% interest in Prime. The Company applied $23.8 million of this dividend to reduce the outstanding balance of the BTG Loan to $141.0 million. The Company has received a total dividend amount of $200 million since the closing of the Prime acquisition on January 14, 2020.

Also in December the Kenya Joint Venture partners received extensions to their 10BB/13T blocks exploration licenses in Kenya to the end of 2021. This follows the approval of the work program and budget for 2021 by the Ministry of Mines and Petroleum. The license extensions will allow the Joint Venture partners to re-assess Lokichar Development Project and design an economic project at low oil prices whilst preserving the phased development concept. The successful completion of this work will enable the submission of Field Development Plans to the Government of Kenya.

General

Africa Oil is a Canadian oil and gas exploration company with producing and development assets in deep-water offshore Nigeria, and development assets in Kenya. The Company has also made equity investments in a number of international oil and gas exploration companies.

The Company's long-range plan is to increase shareholder value through the acquisition, exploration, development and production associated with oil and gas assets. On January 14, 2020, the Company closed the acquisition of a 50% ownership interest in Prime. Through its shareholding in Prime, the Company has exposure to some of the best producing assets offshore West Africa. The Company has actively explored on multiple onshore exploration blocks in various under-explored geological settings in East Africa and has acquired a participating interest in a block in South Africa (refer to table on page 10). The Company has made numerous oil discoveries in the South Lokichar Basin (Blocks 10BB and 13T) located in the Tertiary Rift trend in Kenya. Africa Oil will continue to consider acquisition and merger opportunities, focusing on Africa. The board of directors of Africa Oil may, in its discretion, approve asset or corporate acquisitions or investments that do not conform to the guidelines discussed above based upon the board's consideration of the qualitative and quantitative aspects of the subject properties, including risk profile, anticipated return on investment, technical upside, resource potential, reserve life and asset quality.

Specialized Skill and Knowledge

Given the nature of operations in the oil and gas industry the Company requires experienced professionals with specialized skills and knowledge to gather, interpret and process geological and geophysical data, design, drill and complete wells, and numerous additional activities required to explore for, and produce, oil and natural gas. This includes experienced professionals with specialist data analytical skills, mathematical and computer skills, and a solid knowledge of geological information, such as seismic and electromagnetic methods, and rock properties to assist in determining which areas should be explored, and which drilling methods will be most effective. In addition, the Company is dependent on senior management and directors of the Company in respect of governance, environmental social governance and health and safety risks, and all matters pertaining to the Company. The Company has employed a strategy of attracting key members of management and directors, and contracting consultants and other service providers to supplement the skills and knowledge of its permanent staff in order to provide the specialized skills and knowledge to undertake its oil and natural gas operations efficiently and effectively. There is no assurance that the Company will continue to attract or retain all personnel necessary for the Company's business.

Competitive Conditions

The petroleum industry is intensely competitive in all aspects, including the acquisition of oil and gas interests, the marketing of oil and natural gas, and acquiring or gaining access to necessary drilling and other equipment and supplies. Africa Oil competes with numerous other companies in the search for and acquisition of such prospects and in attracting skilled personnel. Africa Oil's competitors include oil companies that have greater financial resources, staff and facilities than those of Africa Oil and its partners. Africa Oil's ability to discover reserves in the future will depend on its ability to successfully explore its present properties, to select and acquire suitable producing properties or prospects on which to conduct future exploration and to respond in a cost-effective manner to economic and competitive factors that affect the distribution and marketing of oil and natural gas. Africa Oil's ability to successfully bid on and acquire additional property rights, to discover reserves, to participate in drilling opportunities and to identify and enter into commercial arrangements with customers will be dependent upon the development and maintenance of close working relationships with its future industry partners and joint operators and its ability to select and evaluate suitable properties and to consummate transactions in a highly competitive environment. The Company strives to be competitive by maintaining a strong financial balance sheet.

Oil and natural gas producers are also facing increased competition from alternative forms of energy, fuel and related products that could have a material adverse effect on Africa Oil's business, prospects and results of operations

Cyclical Nature of Operations

Although the oil and gas industry is not cyclical, the Company's operational results and financial conditions are dependent on prices of oil and gas. Such prices may be volatile as they are determined by certain factors, including weather and the demand for oil and gas.

Environmental Protection

Environmental legislation imposes certain restrictions, obligations, and liabilities on companies in the oil and gas industry. Drilling for and production, handling, transporting and disposing of oil and gas and petroleum by-products are subject to extensive regulation under national and local environmental laws, including those of the countries in which Africa Oil currently operates. Environmental regulations may impose, among other things, restrictions, liabilities and obligations in connection with water and air pollution control and permitting requirements and restrictions on operations in environmentally sensitive areas. Environmental regulations may also impose restrictions on the handling of, storing, transporting, and disposing of waste, and restrictions on where and when oil and gas operations can occur, releases to the atmosphere and surface land and the potential routing of pipelines or location of production facilities. In addition, the Company could potentially be liable for contamination on properties acquired and it attempts to mitigate the risk of inheriting environmental liabilities by conducting due diligence on acquisition opportunities. Africa Oil also seeks to ensure that, where it is a non-operating shareholder, activities are undertaken in alignment with Africa Oil policies and standards as far as practicable.

Environmental protection requirements have not, to date, had a significant effect on the capital expenditures, results of operations and competitive position of Africa Oil. However, environmental regulations are expected to become more stringent in the future and costs associated with compliance are expected to increase. In addition, as the Company's exploration and operating activities expand, new and more rigorously enforced environmental regulations may come into play, which could impact those activities and the cost of compliance. Any penalties or other sanctions imposed on Africa Oil (or its joint venture partners) for non-compliance with environmental regulations could have a material adverse effect on Africa Oil's business, prospects and results of operations, or could result in restrictions or cessation of operations and the imposition of fines and penalties.

Sustainability

Africa Oil is committed to ensuring that its operational activities and, as far as it is able to influence them, those of its joint venture partners, comply with the applicable standards through the implementation of a range of health, safety, environmental and community engagement systems, plans and procedures. The Company's commitment to meet these standards is set out in documentation publicly available on the Company's website. Such documents have a focus on biodiversity, health and safety, and environmental and social action reviews and plans. See the Environmental, Social and Governance Review available on the Company's website. The objective of Africa Oil's environmental, social and governance strategy is to address the challenge of sustainability – delivering value to its shareholders, providing sustainable economic and social benefits to communities while concurrently minimizing its impact on the environmental and local communities. The Company views its commitment to corporate responsibility as a strategic advantage that enables it to access and effectively manage new business opportunities. Africa Oil is committed to providing a safe, healthy, and transparent environment for employment, production, and sharing of the economic benefits that flow from its activities in the regions in which it operates.

Africa Oil undertakes its activities in line with GIIP. This includes implementation of IFC Performance Standards on Environmental and Social Sustainability, compliance with which is monitored through twice-yearly independent monitoring reports which are disclosed on the Company's website. See the Environmental, Social and Governance Review available on the Company's website.

Africa Oil seeks to ensure that its operated and non-operated projects are managed in line with GIIP.

Social Policies

Africa Oil is committed to conducting its business responsibly, and to building and maintaining a 'social license to operate' in the communities and countries in which it operates. The Company sees this as an essential foundation for its business activity. On all operated projects, Africa Oil will therefore enter into dialogue and engagement with key stakeholders, conducted in the spirit of transparency and good faith, at all stages of company activities. Africa Oil will ensure that its operations meet the International Finance Corporation Performance Standards in terms of community engagement and the assessment and mitigation of social impacts. Africa Oil also seeks to ensure that as far as reasonably practicable, where it is a non-operating shareholder, activities are undertaken in alignment with Africa Oil policies and standards. The Company also has contractual obligations to support community development initiatives under its PSAs. Through ongoing stakeholder engagement, initiatives reflecting local priorities are identified and supported across three key areas: community infrastructure, sustainable livelihoods and economic development. Africa Oil works closely with the Lundin Foundation on many of these.

The Lundin Foundation is a registered Canadian non-profit organization that provides grants and risk capital to organizations dedicated to alleviating poverty through economic growth in developing countries. The Company's engagement with the Lundin Foundation is a key component of the Company's wider environmental, social and governance strategy in East Africa.

See the Environmental, Social and Governance Review available on the Company's website.

Economic Dependence

The Company is heavily dependent upon its counterparties, including host governments and joint venture partners, under agreements, including production sharing agreements, joint venture agreements and farmout agreements that it has entered into for the exploration, appraisal, development and production of hydrocarbons.

Agreements

Material Contracts

Africa Oil has contracts that are material to the Company and that were entered into between January 1, 2020 to the date of this AIF or that were entered into before that period but are still in effect, other than those entered into in the ordinary course of business, filed on the SEDAR website. The particulars of the Company's material agreements, as they relate to the Company's current operations, are provided below.

Agreement	Parties	Date of Agreement	Particulars
Term Loan Agreement	AOI, Petrovida Holding BV, Africa Oil Holdings B.V., and Banco BTG Pactual S.A. – Cayman Branch	January 11, 2020	See 'Africa Oil's Recent History' for more information on this agreement.
Deed of Amendment of the Sale and Purchase Agreement dated 31/10/2018, as amended on 31/10/2019	AOI, Petrobras International Braspetro B.V., Petrovida Holding BV, and Petróleo Brasileiro S.A. - Petrobras	January 11, 2020	See 'Africa Oil's Recent History' for more information on this agreement.
Deed of Amendment in Respect of the Petrobras Oil and Gas B.V. Shareholders' Agreement dated 31/10/2018	Petrovida Holding B.V., BTG Pactual E&P B.V., and Petrobras Oil and Gas B.V.	October 31, 2019	See 'Africa Oil's Recent History' for more information on this agreement.
Deed of Amendment of the Sale and Purchase Agreement dated 31/10/2018	AOI, Petrobras International Braspetro B.V., Petrovida Holding BV, Vitol Holding B.V., Delonex, Energy Limited, and Petróleo Brasileiro S.A. - Petrobras	October 31, 2019	See 'Africa Oil's Recent History' for more information on this agreement.
Shareholders' Agreement	Petrovida Holding B.V., BTG Pactual E&P B.V., and Petrobras Oil and Gas B.V.	October 31, 2018	See 'Africa Oil's Recent History' for more information on this agreement.
Sale and Purchase Agreement	AOI, Delonex, Vitol Investment Partnership II Ltd., Petrobras International Braspetro B.V., Petrovida Holding B.V., and Petroleo Brasileiro S.A. – Petrobras	October 31, 2018	See 'Africa Oil's Recent History' for more information on this agreement.
Subscription and Shareholders' Agreement	VIP II Holdings SARL, Africa Oil Holdings B.V., Delonex Nigeria (One) B.V.), Pertovida Holding B.V.	October 31, 2018	See 'Africa Oil's Recent History' for more information on this agreement.
Subscription Agreement	Impact Oil, Deepkloof Limited	February 7, 2018	See 'Africa Oil's Recent History' and below for more information on this agreement.
Farmout Agreement	Centric Energy (Kenya) Limited Africa Oil Turkana Limted Africa Oil Kenya BV Africa Oil Ethiopia B.V. Maersk Oil Exploration International K1 Ltd. Maersk Oil Exploration International K2 Limited Maersk Oil Exploration International K3 Limited Maersk Oil Ethiopia A/S	November 2015	See 'Africa Oil's Recent History' and below for more information on this agreement.
Equity Subscription Agreement	AOI, International Finance Corporation	August 18, 2015	Equity Subscription Agreement with International Finance Corporation ($50 million, 31.2 million shares).
Investment Agreement	AOI, Stampede Natural Resources S.A.R.L	May 1, 2015	Investment agreement with stampede, an entity owned by a fund advised by Helios Investment Partners LLP (private placement for gross proceeds of $100 million dollar, 56.2 million shares, nomination rights for one director and right to participate, pro rata, in future financings).

Agreements

Nigeria Production Sharing Agreements Overview

Through its 50% shareholding in Prime, the Company has indirect interests in deepwater Nigeria production and development assets. The Prime assets include OML 127, which contains the producing Agbami field, and an interest in OML 130, which contains the producing Akpo and Egina fields. Ownership structures for OML 127 and OML 130 are summarized below in Figures 2a and 2b.

Figure 02a Tract participation OML 127 and OML 128

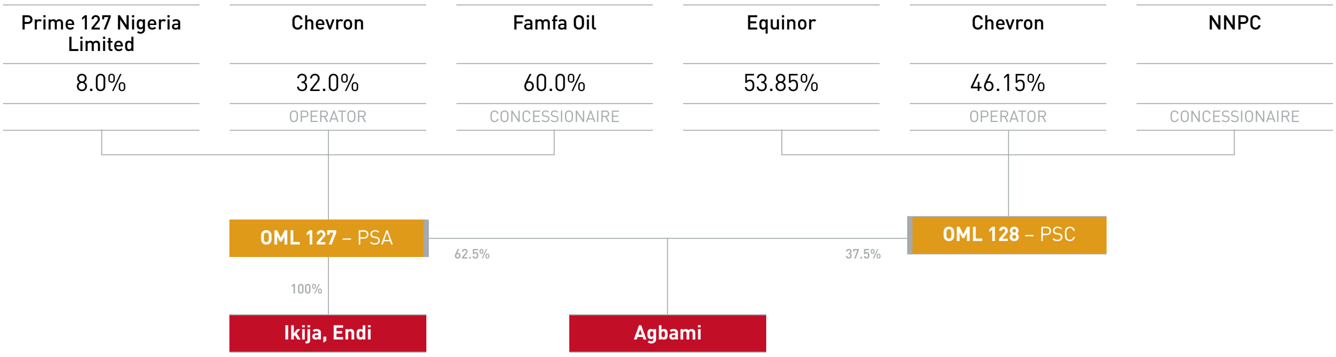
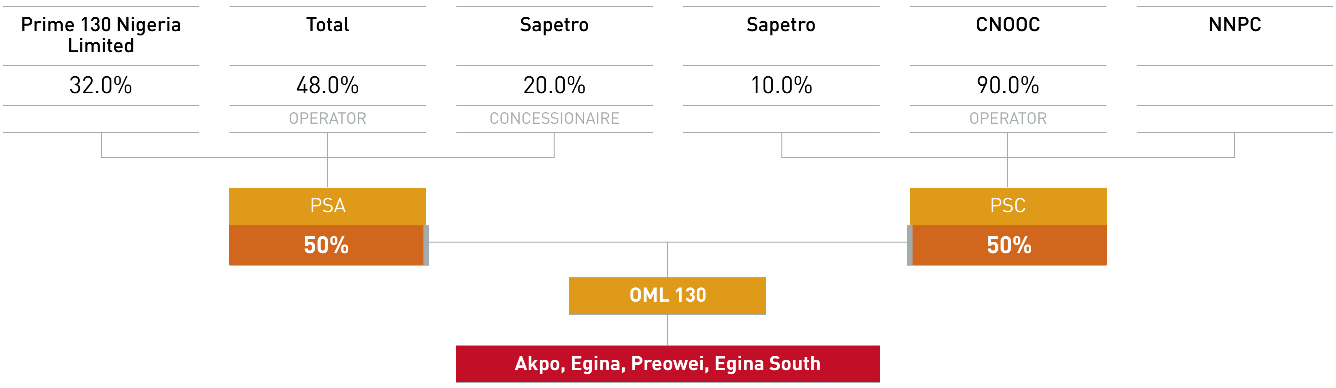


Figure 02b Tract participation OML 130



Agreements

The Agbami field straddles over OML 127 and OML 128. An Agbami Unit agreement dated 11th February 2005 governs the rights and obligations of each block that constitutes the Agbami Unit. The Unit Agreement makes provision for splitting of production from the Unit between the two blocks in accordance with the agreed tract participation. The current tract participation as at date of this document is 62.46%.

However, through its ownership in Prime, Africa Oil has an interest in a tract participation redetermination process for the Agbami field. The final technical procedure to adjust the tract participation that OML 127 and OML 128 leases have in the Agbami field was completed in October 2015 with the issuance of the expert decision. The process of implementing the new tract participation by the parties is ongoing and is subject to government approval.

OML 127 and OML 130 are due for renewal in December 2024 and February 2025, respectively, with 20-year license extensions under the provisions of Nigeria's Petroleum Act. According to Section 13(1) of the Petroleum Act: "(...) renewal shall be granted if the lessee has paid all rent and royalties due and has otherwise performed all his obligations under the lease.(...)".

The following fiscal terms are applicable for both OML 127 and OML 130:

	Oil	Gas
Royalty	Zero for both OML 127 and OML 130[1]	5%
Education Tax	2%	–
NDDC Levy	3%	–
PPT/CT	50%	30%
Capital Allowances	20% for 4 years 19% year 5	
ITC	50%	–
Ness Fee	0.12%	–

Kenyan Production Sharing Contracts Overview

Block 10BB, Kenya (25% working interest)

The Block 10BB PSC contemplates an initial four-year exploration period and, at the option of the Contractor Group, two additional exploration periods. The Contractor Group is currently in the third additional exploration period.

During July 2016, the Company and its partners received approval from the Ministry of Energy and Petroleum for the Republic of Kenya for an extension to the second additional exploration period, which was subject to an additional extension to December 31st, 2021. During the extension to the second additional exploration period, the Company and its partners are required to drill a minimum of four exploration wells between Blocks 10BB and 13T. These work commitments have been fulfilled. The latest extension requires that the Company and its partners submit a Field Development Plan.

The Kenyan Government may elect to participate in any petroleum operations in any development area and acquire an interest of up to 20% of the total interest in that development area. The Kenyan Government may exercise its participation rights within six months from the date a development plan is adopted. Upon electing to participate in a development area, the Government would assume responsibility for its share of costs incurred with respect to the development area.

A 25-year development and production period commences once the Contractor Group has made a commercial discovery and a development plan is adopted.

Notes

The Nigerian Government introduced an amendment to the Deepwater PSC Law in November 2019. This change applies a flat royalty rate of 10% for all deepwater PSCs and an oil price-based royalty: ←$20/bbl = 0%; →$20 to $60/bbl = 2.5%; →$60/bbl to $100/bbl = 4.0%; →$100/bbl to $150/bbl = 8.0%, →$150/bbl = 10%. There are indications that these revised royalties could apply to PSA's as well as PSC's. In addition, the Nigerian Government is in the process of finalizing the Petroleum Industry Bill which although not finalized could impact the terms that are applied to theses Licenses. See the Government Regulation and Tax Risk section of this AIF.

The OML 127 and OML 130 PSAs have farm-in agreements with FAMFA and SAPETRO, respectively, as the concessionaires. Prime's current equity interest in the non-unitised part of OML 127 PSA is 8%, while its funding interest is 20%. Although privately held Nigerian company FAMFA is the official operator of the block, the duties of the operator are delegated to a subsidiary of Chevron, which has an equity interest of 32% in OML 127 PSA and a funding interest of 80%. FAMFA holds the remaining equity interest of 60% in the license. However, cost oil and recovery oil remain 80% and 20% for Chevron and Prime, respectively, as FAMFA does not contribute to costs.

Prime's current equity interest in OML 130 PSA is 32%, while its funding interest is 40% wherein it carries 40% of 20% (i.e. 8%) share of cost of privately held Nigerian company SAPETRO, the original owner of the concession. Although SAPETRO is the official operator of the block, the duties of the operator are delegated to TUPNI. TUPNI has an equity interest of 48% in OML 130 PSA and a funding interest of 60%, wherein it carries 60% of 20% (i.e. 12%) share of costs of SAPETRO, which holds the remaining equity interest of 20% in OML 130 PSA.

Agreements

Block 13T, Kenya (25% working interest)

The Block 13T PSC contemplates an initial three-year exploration period and, at the option of the Contractor Group, two additional exploration periods. The Contractor Group is currently in the third additional exploration period.
During July 2016, the Company and its partners received approval from the Ministry of Energy and Petroleum for the Republic of Kenya for an extension to the second additional exploration period, which was subject to an additional extension to December 31st, 2021. During the extension to the second additional exploration period, the Company and its partners were required to drill a minimum of four exploration wells between Blocks 10BB and 13T. These work commitments have been fulfilled. The latest extension requires that the Company and its partners submit a Field Development Plan.

The Kenyan Government may elect to participate in any petroleum operations in any development area in the Block and acquire an interest of up to 22.5% of the total interest in that development area, 15% of which will be held by the Kenyan Government and 7.5% which will be held by the National Oil Corporation of Kenya. The Kenyan Government and the National Oil Corporation of Kenya may exercise its participation rights within six months from the date a development plan is adopted. Upon electing to participate in a development area, the Government and the National Oil Corporation of Kenya would assume responsibility for its share of costs incurred with respect to the development area.

A 25-year development and production period commences once the Contractor Group has made a commercial discovery and a development plan is adopted.

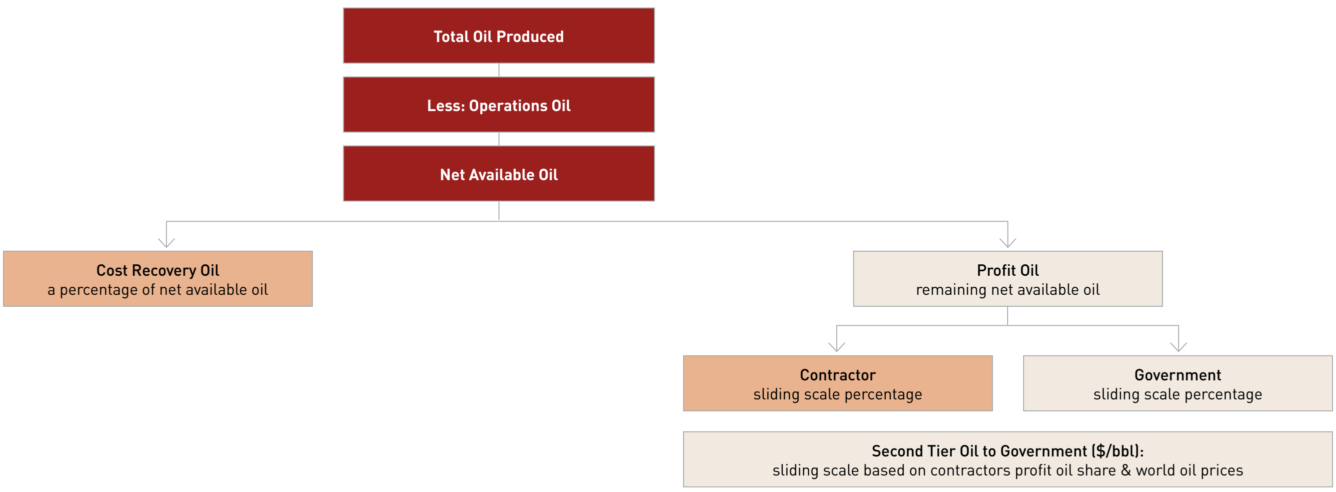
Block 10BA, Kenya (25% working interest)

The Block 10BA PSC contemplates an initial three-year exploration period and, at the option of the Contractor Group, two additional exploration periods of two years each. The Contractor Group is currently in the second additional exploration period, and has been granted an extension that expires in April 2021. During the second additional exploration period, the Contractor Group is required to carry out surveys of 500 kilometers of 2D seismic or carry out surveys of 25 km^2 of three dimensional seismic and drill one exploratory well at a minimum cost of $19.0 million. Seismic acquisition commitments have been completed; the well commitment is outstanding. Further discussions are expected to take place to extend the license. Due to market challenges and limited activities in the block, a $77.8 million impairment of previously capitalized intangible exploration assets was recorded in the first quarter related to the Company's operations in Block 10BA.

The Kenyan Government may elect to participate in any petroleum operations in any development area and acquire an interest of up to 10% of the total interest in that development area. The Kenyan Government may exercise its participation rights within six months from the date a development plan is adopted. Upon electing to participate in a development area, the Government would assume responsibility for its share of costs incurred with respect to the development area.
A 25-year development and production period commences once the Contractor Group has made a commercial discovery and a development plan is adopted.

The following diagram illustrates the general allocation of production under the terms of the Blocks 10BA, 10BB and 13T PSCs:

Figure 03



Agreements

Of the "Total Oil Produced", "Operations Oil" is available to the Contractor Group for operational needs for the work performed under the PSC. Up to a stated maximum percentage of the "Net Available Oil" is available for cost recovery with the remainder allocated to "Profit Oil". Costs subject to cost recovery include all costs and expenditures incurred by the Contractor Group for exploration, development, production and decommissioning operations, as well as any other applicable costs and expenditures incurred directly or indirectly with these activities. The portion of Profit Oil available to the Contractor Group is based on a sliding scale with the portion allocated to the Contractor Group declining as the volume of Profit Oil increases.

A second tier Profit Oil payment is due to the Government when oil prices exceed a stated world oil price. The amount payable per barrel is calculated by multiplying the Contractor Group's share of Profit Oil by a stated percentage and by the prevailing oil price in excess of the contractually agreed threshold world oil price.

Equity Interests and Working Interests

Block 3B/4B South Africa (20% Working Interest)
In July 2019, the Company through its wholly-owned subsidiary, Africa Oil SA Corp., entered into a definitive farmout agreement with Azinam Limited to acquire a 20% participating interest and operatorship in the Exploration Right for Block 3B/4B, offshore South Africa. The farmout was fully completed in February 2020 with Africa Oil SA Corp. becoming the Operator for the block. The Block was awarded on April 11, 2019 and is currently in the Initial Period having a term of three years. The work commitments during the initial period consist of regional subsurface evaluation and mapping, petrophysical analysis of nearby wells, basin modelling, prospect maturation and prospect ranking, leading to recommendations on future investments. Both 2D and 3D seismic data was acquired in the block. This data is being acquired and evaluated by the JV partners and will form the basis for the initial period work program along with other regional and technical studies.

Equity Interest in Africa Energy Corp. (AOI: 19.90% equity interest)

Africa Oil Corp continues to participate in equity funding of Africa Energy to support various appraisal and exploration programs in South Africa. Notable projects include the Africa Energy 2019 Brulpadda discovery in Blocks 11b-12B offshore South Africa, operated by Total SA. This significant gas-condensate-oil discovery was followed with an infill seismic program that has further defined appraisal and exploration opportunities in the block. In 2020 the joint venture drilled the Luiperd-1 discovery which confirmed a significant resource of gas, condensate and oil suitable for commercialization.

Equity Interest in Eco Atlantic Oil & Gas Ltd. (AOI: 18.38% equity interest)

In 2019 Eco Atlantic participated in two Tullow-operated offshore wells in Guyana. Africa Oil maintained its equity interest participation through equity raises in advance of the drilling. While the initial two wells encountered significant oil reserves in high quality reservoirs, the crude oils that were tested are heavy and high in sulfur content. JV partners are evaluating a 2021-2022 drilling plan that will further appraise these discoveries and also evaluate deeper Cretaceous reservoirs that are expected to contain light, sweet crude as discovered in adjacent blocks.

Equity Interest in Impact Oil & Gas Ltd. (AOI: 30.09% equity interest)

Impact Oil & Gas is a partner with Africa Energy, giving them a similar equity interest in Block 11B/12B in South Africa. Similarly, Africa Oil has continued to participate in equity raises to fund the recent drilling and seismic campaigns in Block 11B/12B, but is also participating in equity raises to fund additional appraisal of the Block 11B/12B discoveries which may include additional seismic acquisition and studies related to the development and commercialization. In the second half of 2021 Impact will also participate in a significant frontier deep water exploration well offshore Namibia that will be operated by Total SA.

Agreements

Equity Interest in Prime (AOI: 50% equity interest)

Through its 50% shareholding in Prime, the Company has indirect interests in Nigeria production and development assets. The Prime assets include OML 127, which contains the producing Agbami field, and an interest in OML 130, which contains the producing Akpo and Egina fields. Field production is in the deepwater area of the Niger Delta, the fields are produced through a subsea infrastructure of wells, manifolds and flowlines connected to three purpose built Floating Production Storage and Offloading vessels. Water injection is used in all fields to maintain reservoir pressure and improve reservoir recoveries, dedicated water injection wells are positioned to support the producing wells. The produced oil has attractive qualities and is sold to an international market directly from the offshore field location. The associated gas produced from the Egina and Akpo fields is sent via pipeline to shore and sold into the Nigerian LNG market. Gas from Agbami is currently reinjected into the reservoir to maintain reservoir pressure.

Disclosure of Reserves Data and Other Oil and Gas Information

For further information, please refer to Africa Oil's Statement of Reserves Data and Other Oil and Gas Information for fiscal year ended December 31, 2020 (Form NI 51-101F1) and the Report of Management and Directors on Oil and Gas Disclosure (Form NI 51-101F3), filed under the Company's profile on the SEDAR website at www.sedar.com, copies of which are attached hereto as Schedules A and B, respectively.

Risk Factors

The Company's operations are subject to various risks and uncertainties, including, but not limited to, those listed below.

Global Health Emergency

The COVID-19 health pandemic is significantly impacting the global economy and financial and commodity markets. The impact of the COVID-19 pandemic to date has included extreme volatility in financial markets, extreme volatility in commodity prices, extended shutdowns of numerous business activities and travel disruptions worldwide and has raised the prospect of an extended global recession. Disruptions caused by COVID-19 or any other outbreak or public health emergency may adversely affect the performance of the Company. The degree to which the COVID-19 pandemic impacts our results will depend on future developments, which are highly uncertain and cannot be predicted, including, but not limited to, the duration and spread of the outbreak, its severity, the actions to contain the virus and its variants or treat their impact, the efficiency of vaccination campaigns against the virus and all its variants, and how quickly and to what extent the worldwide economic activity can recover to pre-crisis levels.

Climate Change

Governments around the world have become increasingly focused on addressing the impacts of anthropogenic global climate change, particularly in the reduction of emissions with the potential to contribute to greenhouse gas levels in the atmosphere. The oil and natural gas industry is subject to increasingly stringent environmental regulations, particularly in relation to the reduction of emissions or emissions intensity, and there is a risk that any such programs, laws or regulations, if proposed and enacted, will contain emission reduction targets which the Company may not be able to meet, and financial penalties or charges could be incurred as a result of the failure to meet such targets. A breach of applicable legislation within any of the Company's countries of operation may result in the imposition of fines against the Company or the issuance of clean up orders in respect of its oil and gas assets, some of which may be material.

Climate change policy is emerging and quickly evolving at regional, national and international levels, and political and economic events may significantly affect the scope and timing of climate change measures that are ultimately put in place. Implementation of strategies by any level of government within the countries in which the Company operates, and whether to meet international agreed limits, or as otherwise determined, for reducing greenhouse gases could have a material impact on the operations and financial condition of the Company. In addition, concerns about climate change have resulted in a number of environmental activists and members of the public opposing the continued exploitation and development of fossil fuels. Given the evolving nature of the debate related to climate change and the control of greenhouse gases and resulting requirements, it is not possible to predict the impact on the Company and its operations and financial condition. It is also not possible at this time to predict the extent of proposed or future legislation relating to climate change and any such regulations could potentially result in operating restrictions or material compliance costs.

See 'The Company's Business' above, for a further discussion on the risks faced by the Company, which relate to the environment, and social risks. See also the Environmental, Social and Governance Review available on the Company's website.

Prime Dividends

The Company occasionally receives dividends from Prime related to the Company's 50% shareholding in Prime. To date, the Company has received a total dividend amount of $200 million since the closing of the Prime acquisition on January 14, 2020. However, a significant reduction, infrequent distributions, or no payment of Prime's dividends to the Company could have a material or adverse effect on the Company's business, and financial condition. Such results could occur due to, among other things, the following:

- global health emergencies
- an inability for Prime to hedge the production of future assets
- Prime's off-takers defaulting on forward sale agreements or banks defaulting on hedging agreements
- significant or extended declines in oil and natural gas prices
- decline in the demand for oil and natural gas
- changes to the applicable tax and other laws and regulations in Nigeria
- capital or liquidity constraints experienced by Prime, including restrictions imposed by lenders
- accounting delays or adjustments for prior periods
- shortages of, or delays in obtaining skilled personnel or equipment, including drilling rigs
- delays in the sale or delivery of products
- title defects

A significant reduction or no payment of Prime's dividends to the Company could significantly reduce the amount of the Company's anticipated cash flow, and could also expose the Company to financial risk.

Risk Factors

Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. Liquidity describes a company's ability to access cash. Companies operating in the upstream oil and gas industry require sufficient cash in order to fulfill their work commitments in accordance with contractual obligations, and to be able to potentially acquire strategic oil and gas assets and face potentially unexpected liabilities.

The Company will potentially issue debt or equity, extend its debt maturities and enter into farmout agreements to ensure the Company has sufficient available funds to meet current and foreseeable financial requirements. The Company actively monitors its liquidity to ensure that its cash flows and working capital are adequate to support these financial obligations and the Company's capital programs. The Company will also adjust the pace of its activities to manage its liquidity position.

Government Regulations and Tax Risk

The Company is subject to various laws and regulations issued by authorities that have appropriate jurisdiction over it ("Applicable Law"). The Company may be adversely affected by changes to Applicable Laws to which it is subject and its host Governments may implement new Applicable Laws, modify existing ones, or interpret them in a manner that is detrimental to the Company. Such changes to the Applicable Law to which the Company is subject could, amongst other things, result in an increase in existing tax rates or the imposition of new ones or the Company may be subject to tax assessments, all of which on their own or taken together could have a material adverse effect on the Company's business, financial condition, results of operations and prospects of the Company's oil and gas assets. In Nigeria, the fiscal regime to which Prime is subject will be adversely affected by the passing of the Petroleum Industry Bill as currently envisaged, which is expected to take place in the first half of 2021, and which may include the imposition of deep-water royalties on the Company's producing assets in Nigeria.

Investments in Associates

Africa Oil has invested in other frontier oil and gas exploration companies that are similar to Africa Oil, and that face similar risks and uncertainties faced by Africa Oil, which could have a material adverse effect on their businesses, prospects and results of operations. Such risks include, without limitation, equity risk, liquidity risk, commodity price risk, currency risk, foreign investment risk, and changes in environmental regulations, economic, political or market conditions, or the regulatory environment in the countries in which they operate. The associates are entities in which the Company has influence but has no control over their financial and operational policies. The Company's investments are not diversified over different types of investments and industries, rather, they are concentrated in one type of investment. If a company in which Africa Oil has invested fails, liquidates, or becomes bankrupt, Africa Oil could face the potential risk of loss of some, or all, of its investments, and the Company may be unable to recover its initial investment amount, or any amount, from its various investments in other frontier oil and gas exploration companies.

Risks Inherent in Oil and Gas Exploration, and Development, and Production

Oil and gas operations involve many risks, which even a combination of experience, knowledge, and careful evaluation may not be able to overcome. The long-term commercial success of Africa Oil depends on its ability to find, acquire, develop and commercially produce oil and natural gas reserves. No assurance can be given that the Company will be able to locate satisfactory properties for acquisition or participation. Moreover, if such acquisitions or participations are identified, the Company may determine that current markets, terms of acquisition and participation or pricing conditions make such acquisitions or participations uneconomic. There is no assurance that expenditures made on future exploration by Africa Oil will result in discoveries of oil or natural gas in commercial quantities or that commercial quantities of oil and natural gas will be discovered or acquired by the Company. It is difficult to project the costs of implementing an exploratory drilling program due to the inherent uncertainties of drilling in unknown formations, the costs associated with encountering various drilling conditions such as over pressured zones and tools lost in the hole, and changes in drilling plans and locations as a result of prior exploratory wells or additional seismic data and interpretations thereof. Without the continual addition of new reserves, any existing reserves associated with the Company's oil and gas assets at any particular time, and the production therefrom, could decline over time as such existing reserves are exploited. There is a risk that additional commercial quantities of oil and natural gas may not be discovered or acquired by the Company. Production delays and declines from normal field operating conditions cannot be eliminated and may adversely affect revenue and cash flow levels to varying degrees. There is no certainty that any discovered resources will be commercially viable to produce. There is no certainty that any portion of undiscovered resources will be discovered. If discovered, there is no certainty that it will be commercially viable to produce any portion of the resources.

Risk Factors

Future oil and gas exploration may involve unprofitable efforts, not only from dry wells, but from wells that are productive but do not produce sufficient net revenues to return a profit after drilling, operating and other costs. Completion of a well does not assure a profit on the investment or recovery of drilling, completion and operating costs. In addition, drilling hazards or environmental damage could greatly increase the cost of operations, and various field operating conditions may adversely affect the production from successful wells. These conditions include delays in obtaining governmental approvals or consents, shut-ins of connected wells resulting from extreme weather conditions, insufficient storage or transportation capacity or other geological and mechanical conditions. While close well supervision and effective maintenance operations can contribute to maximizing production rates over time, production delays and declines from normal field operating conditions cannot be eliminated and can be expected to adversely affect revenue and cash flow levels to varying degrees.

Africa Oil's business is subject to all of the risks and hazards inherent in businesses involved in the exploration for, and the acquisition, development, production and marketing of, oil and natural gas, many of which cannot be overcome even with a combination of experience and knowledge and careful evaluation. The risks and hazards typically associated with oil and gas operations include fire, explosion, blowouts, sour gas releases, pipeline ruptures and oil spills, each of which could result in substantial damage to oil and natural gas wells, production facilities, other property, the environment or personal injury, and such damages may not be fully insurable.

International Operations

Africa Oil participates in oil and gas projects located in emerging markets, primarily in Africa. Oil and gas exploration, development and production activities in these emerging markets are subject to significant political, economic, and other uncertainties that may adversely affect Africa Oil's operations. The Company could be adversely affected by changes in applicable laws and policies in the countries where Africa Oil has interests. Additional uncertainties include, but are not limited to, the risk of war, terrorism, expropriation, civil unrest, nationalization, renegotiation or nullification of existing or future concessions and contracts, the imposition of international sanctions, a change in crude oil or natural gas pricing policies, changes to taxation laws and policies, assessments and audits (including income tax) against the Company by regulatory authorities, difficulty or delays in obtaining necessary regulatory approvals, risks associated with potential future legal proceedings, and the imposition of currency controls.

These uncertainties, all of which are beyond Africa Oil's control, could have a material adverse effect on Africa Oil's business, prospects and results of operations. In addition, if legal disputes arise related to oil and gas concessions acquired by Africa Oil, the Company could be subject to the jurisdiction of courts other than those of Canada. The Company's recourse may be very limited in the event of a breach by a government or government authority of an agreement governing a concession in which Africa Oil acquires an interest. Africa Oil may require licenses or permits from various governmental authorities to carry out future exploration, development and production activities. There can be no assurance that the Company will be able to obtain all necessary licenses and permits when required.

Different Legal System and Litigation

Africa Oil's oil production and exploration activities are located in countries with legal systems that in various degrees differ from that of Canada. Rules, regulations and legal principles may differ in respect of matters of substantive law and of such matters as court procedure and enforcement. Almost all material production and exploration rights and related contracts of Africa Oil are subject to the national or local laws and jurisdiction of the respective countries in which the operations are carried out. This means that the Company's ability to exercise or enforce its rights and obligations may differ between different countries and also from what would have been the case if such rights and obligations were subject to Canadian law and jurisdiction.

Africa Oil's operations are, to a large extent, subject to various complex laws and regulations as well as detailed provisions in concessions, licenses and agreements that often involve several parties. If the Company was to become involved in legal disputes in order to defend or enforce any of its rights or obligations under such concessions, licenses, and agreements or otherwise, such disputes or related litigation could be costly, time consuming and the outcome would be highly uncertain. Even if the Company ultimately prevailed, such disputes and litigation may still have a substantially negative effect on Africa Oil's business, assets, financial conditions, and its operations.

Anti-Bribery and Anti-Corruption Laws

The Company is subject to anti-bribery and anti-corruption laws, including the Corruption of Foreign Public Officials Act (Canada), and the Bribery Act 2010 (United Kingdom). Failure to comply with such laws could subject the Company to, among other things, reputational damage, civil or criminal penalties, other remedial measures and legal expenses which could adversely affect the Company's business, results in operations, and financial condition. To mitigate this risk, the Company has implemented an anti-corruption compliance and onboarding program for anyone that does business with the Company, anti-corruption training initiatives for its personnel and consultants, and an anti-corruption policy for its personnel, and consultants. However, the Company cannot guarantee that its personnel, contractors, or business partners have not in the past or will not in the future engage in conduct undetected by the onboarding processes and procedures adopted by the Company, and it is possible that the Company, its personnel or contractors, could be subject to investigations or charges related to bribery or corruption as a result of actions of its personnel or contractors.

Credit Facilities

Africa Oil is party to a credit facility with BTG. The terms of the facility contain covenants and restrictions on the ability of the Company to, among other things, incur or lend additional debt, pay dividends and make restricted payments, and encumber its assets. The failure of the Company to comply with the covenants contained in the facility or to repay or refinance the facility by its maturity date could result in an event of default, which could, through acceleration of debt, enforcement of security or otherwise, materially and adversely affect the operating results and financial condition of the Company.

Financial Statements Prepared on a Going Concern Basis

Africa Oil's financial statements have been prepared on a going concern basis under which an entity is considered to be able to realize its assets and satisfy its liabilities in the ordinary course of business. Africa Oil's operations to date have been primarily financed by equity financing and the completion of working interest farmout agreements. Africa Oil's future operations may be dependent upon the identification and successful completion of additional equity or debt financing, the achievement of profitable operations or other transactions. There can be no assurances that the Company will be successful in completing additional financings, achieving profitability or completing future transactions. The consolidated financial statements do not give effect to any adjustments relating to the carrying values and classification of assets and liabilities that would be necessary should Africa Oil be unable to continue as a going concern.

Shared Ownership and Dependency on Partners

Africa Oil's operations are, to a significant degree, conducted together with one or more partners through contractual arrangements. In such instances, the Company may be dependent on, or affected by, the due performance and financial strength of its partners. If a partner fails to perform or becomes insolvent, the Company may, among other things, risk losing rights or revenues or incur additional obligations or costs, experience delays, or be required to perform such obligations in place of its partners. The Company and its partners may also, from time to time, have different opinions on how to conduct certain operations or on what their respective rights and obligations are under a certain agreement. If a dispute were to arise with one or more partners relating to a project, such dispute may have significant negative effects on Africa Oil's operations relating to such project.

Uncertainty of Title

Although the Company conducts title reviews prior to acquiring an interest in a concession, such reviews do not guarantee or certify that an unforeseen defect in the chain of title will not arise that may call into question the Company's interest in the concession. Any uncertainty with respect to one or more of the Company's concession interests could have a material adverse effect on the Company's business, prospects and results of operations.

Risks Relating to Concessions, Licenses and Contracts

Africa Oil's operations are based on a relatively limited number of concession agreements, licenses and contracts. The rights and obligations under such concessions, licenses and contracts may be subject to interpretation and could also be affected by, among other things, matters outside the control of Africa Oil. In case of a dispute, it cannot be certain that the view of the Company would prevail or that the Company otherwise could effectively enforce its rights which, in turn, could have significantly negative effects on Africa Oil. Also, if the Company or any of its partners were deemed not to have complied with their duties or obligations under a concession, license or contract, the Company's rights under such concessions, licenses or contracts may be relinquished in whole or in part.

Risk Factors

Reliance on Third-Party Infrastructure

The amount of oil and natural gas that the Company is able to produce, and sell is subject to the accessibility, availability, proximity and capacity of gathering, processing and pipeline systems. The lack of availability of capacity in any of the gathering, processing and pipeline systems, and in particular the processing facilities could result in the Company's inability to realize the full economic potential of its production or in a reduction of the price offered for the Company's production. Any significant change in market factors or other conditions affecting these infrastructure systems and facilities, as well as any delays in constructing new infrastructure systems and facilities could harm the Company's business financial condition, results of operations, cash flows and future prospects.

Risks Associated with Discovering Oil

While the Company has made discoveries, there is no certainty that any additional resources will be discovered. Once discovered, there is no certainty that the discovery will be commercially viable to produce any portion of the resources. The portion of the Company's portfolio which include leads require additional data to fully define their potential and significant changes to the resource estimates will occur with the incorporation of additional data and information.

Risks Associated with the Estimates

In the event of a discovery, basic reservoir parameters, such as porosity, net hydrocarbon pay thickness, fluid composition and water saturation, may vary from those assumed by the Company's independent third-party resource evaluator affecting the volume of hydrocarbon estimated to be present. Other factors such as the reservoir pressure, density and viscosity of the oil and solution gas/oil ratio will affect the volume of oil that can be recovered. Additional reservoir parameters such as permeability, the presence or absence of water drive and the specific mineralogy of the reservoir rock may affect the efficiency of the recovery process. Recovery of the resources may also be affected by well performance, reliability of production and process facilities, the availability and quality of source water for enhanced recovery processes and availability of fuel gas. There is no certainty that certain interests are not affected by ownership considerations that have not yet come to light.

Well-flow Test Results

Drill stem tests are commonly based on flow periods of 1 to 5 days and build up periods of 1 to 3 days. Pressure transient analysis has not been carried out on all well tests and the results should therefore be considered as preliminary. Well test results are not necessarily indicative of long-term performance or of ultimate recovery.

Substantial Capital Requirements

Africa Oil expects to make substantial capital expenditures for exploration, development and production of oil and gas reserves in the future. The Company's ability to access the equity or debt markets may be affected by any prolonged market instability. The inability to access the equity or debt markets for sufficient capital, at acceptable terms and within required time frames, could have a material adverse effect on the Company's financial condition, results of operations and prospects.

To finance its future acquisition, exploration, development and operating costs, the Company may require financing from external sources, including from the issuance of new shares, issuance of debt or execution of working interest farm-out agreements. There can be no assurance that such financing will be available to the Company or, if available, that it will be offered on terms acceptable to the Company. If additional financing is raised through the issuance of equity or convertible debt securities, control of the Company may change and the interests of shareholders in the net assets of the Company may be diluted. If unable to secure financing on acceptable terms, the Company may have to cancel or postpone certain of its planned exploration and development activities which may ultimately lead to the Company's inability to fulfill the minimum work obligations under the terms of its various PSAs. Availability of capital will also directly impact the Company's ability to take advantage of acquisition opportunities.

Risk Factors

Availability of Equipment and Staff

Africa Oil's oil and natural gas exploration and development activities are dependent on the availability of drilling and related equipment and qualified staff in the particular areas where such activities are or will be conducted. The Company currently leases all the drilling rigs used for its exploration and development activities. Shortages of such equipment or staff may affect the availability of such equipment to the Company and may delay Africa Oil's exploration and development activities and result in lower production.

Reliance on Key Personnel

The loss of the services of key personnel could have a material adverse effect on the Company's business, prospects and results of operations. Africa Oil has not obtained key person insurance in respect of the lives of any key personnel. In addition, competition for qualified personnel in the oil and gas industry is intense and there can be no assurance that the Company will be able to attract and retain the skilled personnel necessary for operation and development of its business. Success of the Company is largely dependent upon the performance of its management and key employees.
Prices, Markets and Marketing of Crude Oil and Natural Gas
Oil and natural gas are commodities whose prices are determined based on world demand, supply and other factors, all of which are beyond the control of Africa Oil. World prices for oil and natural gas have fluctuated widely in recent years. Any material decline in prices could have an adverse effect on Africa Oil's business and prospects.

Africa Oil's ability to market its oil and natural gas may depend upon its ability to acquire space on pipelines that deliver oil and natural gas to commercial markets. The Company could also be affected by deliverability uncertainties related to the proximity of its reserves to pipelines and processing and storage facilities and operational issues affecting such pipelines and facilities as well as government regulation relating to prices, taxes, royalties, land tenure, allowable production, the export of oil and natural gas and many other aspects of the oil and natural gas business.

Reserves and Resources Volumes

There are many uncertainties inherent in estimating quantities of oil and natural gas reserves and resources (contingent and prospective) and the future cash flows attributed to such reserves and resources. The actual production, revenues, taxes and development and operating expenditures with respect to the reserves and resources associated with the Company's assets will vary from estimates thereof and such variations could be material. Estimates of reserves that may be developed and produced in the future are often based upon volumetric calculations and upon analogy to similar types of reserves rather than actual production history. There is uncertainty that it will be commercially viable to produce any portion of the contingent resources. Actual future net cash flows will be affected by other factors, such as actual production levels, supply and demand for oil and natural gas, curtailments or increases in consumption by oil and natural gas purchasers, changes in governmental regulation or taxation and the impact of inflation on costs.

Risks Relating to Infrastructure

Africa Oil is dependent on available and functioning infrastructure relating to the properties on which it operates, such as roads, power and water supplies, pipelines and gathering systems. If any infrastructure or systems failures occur or do not meet the requirements of Africa Oil, Africa Oil's operations may be significantly hampered. Currently there is limited local infrastructure for the production and distribution of oil and gas in the countries in which Africa Oil operates. Export infrastructure to enable other markets to be accessed has not yet been developed and is contingent on numerous factors including, but not limited to, sufficient reserves being discovered to reach a commercial threshold to justify the construction of export pipelines and agreement amongst various government agencies regulating the transportation and sale of oil and gas. Africa Oil is working with its joint venture partners and government authorities to evaluate the commercial potential and technical feasibility of discoveries made to date and potential future discoveries.

Risk Factors

Current Global Financial Conditions

Global financial conditions have always been subject to volatility. These factors may impact the ability of the Company to obtain equity or debt financing in the future, and, if obtained, on terms favorable to the Company. Increased levels of volatility and market turmoil can adversely impact the Company's operations and the value, and the price of the common shares could be adversely affected.

Foreign Currency Exchange Rate Risk

The Company is exposed to changes in foreign exchange rates as expenses in international subsidiaries, oil and gas expenditures, or financial instruments may fluctuate due to changes in rates. The Company's exposure is partially offset by sourcing capital projects and expenditures in US dollars. The Company had no forward exchange contracts in place as at December 31, 2020.

Credit Risk

Credit risk is the risk of loss if counterparties do not fulfill their contractual obligations. The majority of the Company's credit exposure relates to amounts due from its joint venture partners. The risk of the Company's joint venture partners defaulting on their obligations per their respective joint operating and farmout agreements is mitigated as there are contractual provisions allowing the Company to default joint venture partners who are non-performing and reacquire any previous farmed out working interests. The maximum exposure for the Company is equal to the sum of its cash, restricted cash, and accounts receivable. A portion of the Company's cash is held by banks in foreign jurisdictions where there could be increased exposure to credit risk.

Information Systems

The Company has become increasingly dependent upon the availability, capacity, reliability and security of its information technology (IT) infrastructure, and its ability to expand and continually update this infrastructure, to conduct daily operations. It depends on various IT systems to estimate resources and reserve quantities, process and record financial and operating data, analyze seismic and drilling information, and communicate with employees and third-party partners. The Company's IT systems are increasingly integrated in terms of geography, number of systems, and key resources supporting the delivery of IT systems. The performance of key suppliers is critical to ensure appropriate delivery of key services. Any failure to manage, expand and update the IT infrastructure, any failure in the extension or operation of this infrastructure, or any failure by key resources or service providers in the performance of their services could materially and adversely affect the Company's business.

The ability of the IT function to support the Company's business in the event of a disaster such as fire, flood or loss of any of the office locations and the ability to recover key systems from unexpected interruptions cannot be fully tested. There is a risk that, if such an event actually occurs, the Company's continuity plan may not be adequate to immediately address all repercussions of the disaster. In the event of a disaster affecting a data centre or key office location, key systems may be unavailable for a number of days, leading to inability to perform some business processes in a timely manner.

Unauthorized access to these systems by employees or third parties could lead to corruption or exposure of confidential, fiduciary or proprietary information, interruption to communications or operations or disruption to the Company's business activities or its competitive position. Further, disruption of critical IT services, or breaches of information security, could have a negative effect on the Company's operational performance and its reputation.

The Company applies technical and process controls in line with industry-accepted standards to protect information, assets and systems; however, these controls may not adequately prevent cyber-security breaches. There is no assurance that the Company will not suffer losses associated with cyber-security breaches in the future and may be required to expend significant additional resources to investigate, mitigate and remediate any potential vulnerabilities.

Conflict of Interests

Certain directors of the Company are also directors or officers of other companies, including oil and gas companies, the interests of which may, in certain circumstances, come into conflict with those of the Company. If and when a conflict arises with respect to a particular transaction, the Company requires that its affected directors and officers must disclose the conflict, recuse themselves, and abstain from voting with respect to matters relating to the transaction. All conflicts of interest will be addressed in accordance with the provisions of the BC BCA and other applicable laws.

Limitation of Legal Remedies

Securities legislation in certain of the provinces and territories of Canada provides purchasers with various rights and remedies when a reporting issuer's continuous disclosure contains a misrepresentation and ongoing rights to bring actions for civil liability for secondary market disclosure. Under the legislation, the directors would be liable for a misrepresentation. It may be difficult for investors to collect from the directors who are resident outside Canada on judgments obtained in courts in Canada predicated on the purchaser's statutory rights and on other civil liability provisions of Canadian securities legislation.

Selling Off of Shares

The market price for the Company's common shares may be volatile, and subject to some fluctuations. To the extent that any issued and outstanding common shares of the Company are sold into the market, there may be an oversupply of common shares and an undersupply of purchasers. If this occurs the market price for the common shares of the Company may decline significantly and investors may be unable to sell their common shares at a profit, or at all.

Industry Regulatory Risk

Existing regulations in the oil industry, and changes to such regulations, may present regulatory and economic barriers to the purchase and use of certain products, which may significantly reduce the Company's revenues.

Africa Oil's Securities

The Company's Shares

Africa Oil is authorized to issue an unlimited number of the Company's common shares without par value. As of December 31, 2020, the Company had 471,960,472 common shares issued and outstanding. As of the date of this AIF, the Company had 473,252,117 common shares issued and outstanding as fully paid and non-assessable.

Each shareholder is entitled to receive notice of and to attend at all meetings of Africa Oil's shareholders. In addition, each share entitles the holder to one vote, either in person or by proxy, on any resolution to be passed at such shareholders' meeting. The holders of common shares are also entitled to dividends if, as and when declared by the Board of Directors of the Company. Upon the liquidation, dissolution or winding up of the Company, the holders of the common shares are entitled to receive the remaining assets of the Company available for distribution to the shareholders.

Price Range and Trading Volume

The Company's primary listing of its common shares is on the TSX and is traded under stock symbol "AOI". The following table sets out the price ranges and volume traded of Africa Oil's common shares on the TSX, for the year ended December 31, 2020:

Month	High (CAD$)	Low (CAD$)	Volume
January	1.66	1.17	4,180,500
February	1.43	1.18	3,889,200
March	1.24	0.71	6,763,100
April	1.08	0.84	1,893,400
May	1.17	1.00	1,169,700
June	1.25	1.06	2,222,800
July	1.16	1.03	864,000
August	1.21	1.08	1,234,500
September	1.09	0.94	1,165,100
October	1.03	0.87	1,633,400
November	1.19	0.87	2,984,200
December	1.21	1.09	2,139,000

The Company is also listed on Nasdaq Stockholm and is traded under stock symbol "AOI". The following table sets out the price ranges and volume traded of Africa Oil's common shares on Nasdaq Stockholm, for the year ended December 31, 2020:

Month	High (SEK)	Low (SEK)	Volume
January	12.62	8.44	97,473,107
February	10.39	8.4	57,997,667
March	9.00	5.35	73,023,131
April	7.64	6.01	63,297,124
May	8.44	7.06	27,453,270
June	8.47	7.24	33,848,893
July	7.63	7.02	15,324,218
August	7.85	7.15	18,171,621
September	7.27	6.22	37,686,164
October	6.9	5.85	23,665,563
November	7.74	5.86	24,781,177
December	7.99	7.05	18,097,710

Prior Sales

Stock Options

The table below summarizes the stock options that were issued by the Company in 2020:

Date of Issuance	Expiry Date	Number of Options	Exercise Price
December 11, 2020	December 11, 2025	2,061,000	$1.21

Directors and Officers

The Directors

The table below states the name, province or state and country of residence of each director of Africa Oil, their respective principal occupations during the five preceding years, and the period during which each director has served as a director of the Company.

Director Name, Province/State, Country	Principal Occupation Past Five Years	Director Since [1]
Andrew Bartlett[2][5][7][9][11] London, United Kingdom	Oil and Gas Advisor with Helios investment Partners since 2011	2015
John H. Craig[3][6] Ontario, Canada	Chairman of the Board of Directors of the Company since 2016; Counsel to Cassels Brock & Blackwell LLP since 2017; Lawyer, partner of Cassels Brock & Blackwell LLP until 2016	2009
Ian Gibbs British Columbia, Canada	Chief Financial Officer of Josemaria Resources Inc. since 2019; Chief Financial Officer of the Company until 2019	2019
Gary S. Guidry[3][4][10] Alberta, Canada	President, CEO, and director of Gran Tierra Energy Inc.	2008
Keith C. Hill[11] London, United Kingdom	President and Chief Executive Officer of the Company since 2009; Chairman of the Company from 2009 to 2016	2006
Erin Johnston[7][8] British Columbia, Canada	Managing Director of Lundin Foundation since 2016. Director of Training Investment of Industry Training Authority until 2016	2019
Kimberley Wood [5][7][9] London, United Kingdom	Energy Lawyer: Senior Consultant to Norton Rose Fulbright LLP since 2018; Partner at Norton Rose Fulbright LLP from 2015-2018	2018

Notes:

1. The term of office of each of the directors will expire at the 2021 annual general meeting of the Company's shareholders.
2. Audit Committee Chair
3. Audit Committee Member
4. Compensation Committee Chair
5. Compensation Committee Member
6. Corporate Governance and Nominating Committee Chair
7. Corporate Governance and Nominating Committee Member
8. Environmental Social Governance and Health and Safety Committee Chair
9. Environmental Social Governance and Health and Safety Committee Member
10. Reserves Committee Chair
11. Reserves Committee Member

The Executive Officers

The table below states the name, province or state and country of residence of each of the executive officers of the Africa Oil, their respective positions and offices held with the Company, and their principal occupations during the five preceding years.

Mr. Keith Hill, the Company's President and Chief Executive Officer, is discussed above under 'The Directors'.

Executive Officer's Name, Province/State, Country	Position with Africa Oil and Principal Occupations Past Five Years
Pascal Nicodeme London, United Kingdom	Chief Financial Officer since 2019; Chief Financial Officer and Interim CEO of New Age (African Global Energy) Ltd. from 2015 until 2019
Dr. Paul Martinez London, United Kingdom	Vice President, Exploration since 2011
Tim Thomas Alberta, Canada	Chief Operating Officer since 2015
Mark Dingley Nairobi, Kenya	Vice President, Operations since 2014

Directors and Officers

Security Holdings

As of the date of this AIF, the directors and executive officers of the Company, as a group, beneficially own, or control or direct, directly or indirectly 4,753,313 common shares, representing approximately 1% of the issued and outstanding common shares of the Company. This security holding information was obtained from publicly disclosed information and has not been independently verified by the Company.

Cease Trade Orders, Bankruptcies, Penalties or Sanctions

Other than as disclosed below:

Corporate

a. No director or executive officer of the Company is, as at the date of the AIF, or has within the ten (10) years before the date of the AIF, been a director, chief executive officer, or chief financial officer of any company (including Africa Oil) that:
   i. Was the subject of a cease trade or an order similar to a cease trade order, or an order that denied the relevant company access to any exemption under securities legislation that was in effect for a period of more than thirty (30) consecutive days that was issued (A) while that individual was acting in such capacity; or (B) after that individual ceased to act in that capacity and which resulted from an event that occurred while that person was acting in such capacity; or
   ii. Became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or comprise with creditors or had a receiver, receiver-manager or trustee appointed to hold its assets (A) while that person was acting in such capacity, or (B) within a year of that person ceasing to act in that capacity; or

Personal

a. No director or executive officer of the Company has, within the ten (10) years before the date of the AIF, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold that person's assets; or
b. No director, executive officer, or shareholder holding a sufficient number of securities of the Company to affect materially the control of the Company is, or has been the subject of any penalties or sanctions (A) imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a Canadian securities regulatory authority, or (B) imposed by a court or regulatory body that would be likely to be considered important to a reasonable investor in making an investment decision.

Mr. John Craig was a director of Sirocco Mining Inc. until November 2013. Sirocco Mining Inc. was financially solvent at the time of Mr. Craig's resignation. In October 2014, RB Energy Inc., a successor company to Sirocco Mining Inc. commenced proceedings under the Companies' Creditors Arrangement Act and an order for creditor protection was issued by the Quebec Superior Court on October 14, 2014. The TSX de-listed RB Energy Inc.'s common shares in November 24, 2014 for failure to meet the continued listing requirements of the TSX. Mr. Craig was never a director, officer or insider of RB Energy Inc. He was, however, a director of Sirocco Mining Inc. within the 12-month period prior to RB Energy Inc. filing under the CCAA.

Conflicts of Interest

The Company's, or its subsidiaries', directors and officers may serve as directors or officers of other companies or have significant shareholdings in other resource companies and, to the extent that such other companies may participate in ventures in which the Company may participate, the directors of the Company may have a conflict of interest in negotiating and concluding terms respecting the extent of such participation. In the event that such a conflict of interest arises at a meeting of the Company's directors, a director who has such a conflict shall abstain from voting for or against the approval of such participation, or the terms of such participation. From time to time, several companies may participate in the acquisition, exploration and development of natural resource properties, thereby allowing for their participation in larger programs, the involvement in a greater number of programs or a reduction in financial exposure in respect of any one program. It may also occur that a particular company shall assign all or a portion of its interest in a particular program to another of these companies due to the financial position of the company making the assignment. In accordance with the laws of Canada, the directors of the Company are required to act honestly, in good faith and in the best interests of the Company. In determining whether or not the Company shall participate in a particular program and the interest therein to be acquired by it, the directors shall primarily consider the degree of risk to which the Company may be exposed and the financial position at that time. Other than as disclosed above, the directors and officers of the Company are not aware of any such conflicts of interest in any existing or contemplated contracts with or transactions involving the Company.

Audit Committee

Overview

The Audit Committee oversees the accounting and financial reporting processes of the Company and its subsidiaries and all audits and external reviews of the financial statements of the Company on behalf of the Board, and has general responsibility for oversight of internal controls, accounting and auditing activities of the Company and its subsidiaries. All auditing services and non-audit services to be provided to the Company by the Company's auditors are pre-approved by the Audit Committee. The Committee is responsible for examining all financial information, including annual and quarterly financial statements, prepared for securities commissions and similar regulatory bodies prior to filing or delivery of the same. The Audit Committee also oversees the annual audit process, quarterly review engagements, the Company's internal accounting controls, the Code of Business Conduct and Ethics, any complaints and concerns regarding accounting, internal controls or auditing matters and the resolution of issues identified by the Company's external auditors. The Audit Committee recommends to the Board the firm of independent auditors to be nominated for appointment by the shareholders and the compensation of the auditors. The Audit Committee meets a minimum of four times per year. The Audit Committee's Charter is attached as Schedule "D" to this AIF.

Audit Committee Members

The Audit Committee is comprised of Mr. Andrew Bartlett (Chair), Mr. Gary Guidry, and Mr. John Craig. All present members are considered 'independent' within the meaning of NI 52-110 because they do not have any direct or indirect 'material relationship' with the Company. A material relationship is a relationship, which could, in the view of the Company's Board, reasonably interfere with the exercise of a member's independent judgment.

Each current member is also considered 'financially literate' within the meaning of NI 52-110. They have extensive experience with financial statements, accounting issues, understanding internal controls and procedures for financial reporting and other related matters relating to public resource-based companies. The education and experience of each Audit Committee member that is relevant to the performance of his responsibilities as a member of the Audit Committee are as follows:

Andrew Bartlett (Chair)

Mr. Bartlett has over 38 years of experience in the Oil and Gas Industry, 21 of those with Shell. An experienced former investment banker based in London, Andrew was both the Global Head of Oil and Gas Project Finance and Global Head of Oil and Gas Mergers and Acquisitions at Standard Chartered Bank until July 2011 when he started advising Helios, an African Private Equity Partnership. He is currently a board member and heads the Audit Committees at Energean Oil & Gas plc and Impact Oil & Gas Ltd. He is also a director of Bartlett Energy Advisers. Mr. Bartlett has CEO experience overseeing such functions as senior executive officers.

Gary S. Guidry

Mr. Guidry is an Alberta registered P. Eng. and holds a B.Sc. in petroleum engineering from Texas A & M University. Mr. Guidry has attained financial experience and exposure to accounting and financial issues in his previous experience as CEO and director with a number of publicly-traded companies, including Gran Tierra Energy Inc., Glencore E&P (Canada) Inc. (formerly Caracal Energy Inc.), Griffiths Energy International Inc., Orion Oil & Gas Corporation, Tanganyika Oil Company Ltd., Calpine Natural Gas Trust and Alberta Energy Company. Mr. Guidry has CEO experience overseeing such functions as senior executive officers.

John Craig

Mr. Craig is the Chairman of the Board and has been since 2016. He is also Counsel to Cassels Brock & Blackwell LLP. He was a practicing lawyer and partner of Cassels Brock & Blackwell LLP until 2016 in the area of securities law with a focus on capital raising and mergers and acquisitions in the resource sector. Mr. Craig has also been involved in the negotiation of mining and oil and gas agreements in a variety of countries. Mr. Craig holds a Bachelor of Arts (Economics) and Bachelor of Laws from the University of Western Ontario, Canada and has served on the boards of several companies with assets located throughout Africa.

Audit Committee

Audit Committee Oversight

Since the commencement of the Company's most recently completed financial year, there has not been a recommendation of the Audit Committee to nominate or compensate an external auditor that was not adopted by the board of directors.

Reliance on Certain Exemptions

Since the commencement of the Company's recently completed financial year, the Company has not relied on the exemptions contained in section 2.4 (De Minimis Non-audit Services), section 3.2 (Initial Public Offerings), section 3.4 (Events Outside Control of Member), section 3.5 (Death, Disability or Resignation of Audit Committee Member) or an exemption from NI 52-110, in whole or in part, granted under Part 8 (Exemptions) of NI 52-110.

Pre-Approval Policies and Procedures

The Audit Committee has adopted specific policies and procedures for the engagement of non-audit services as described in the Audit Committee Charter attached as Schedule "F" to this AIF.

External Auditor Service Fees (By Category)

The following table discloses the fees billed to the Company by its external auditor during the last two fiscal years:

Financial Year Ending	Audit Fees (CAD$) (1)	Audit Related Fees (CAD$) (2)	Tax Fees (CAD$) (3)	All Other Fees (CAD$) (4)
December 31, 2020	104,600	146,299	58,230	8,077
December 31, 2019	126,000	47,250	62,779	0

Notes:

1. Aggregate billed for audit services.
2. Aggregate billed for assurance and related services that are reasonably related to the performance of the audit or review of the Company's financial statements and that are not disclosed in (1). Includes the review of the Company's interim consolidated financial statements and specified audit procedures not included as part of the audit of the consolidated financial statements.
3. Aggregate billed for tax compliance, tax advice, and tax planning, including the preparation of the Company's tax return preparation.
4. Aggregate billed other than the services reported under (1)(2), and (3) above.

Legal Proceedings and Regulatory Actions

Legal Proceedings

Neither the Company nor its material subsidiaries and material properties are currently subject to any material legal proceedings or regulatory actions, except for those set out below.

The Company has, since 2010, been a party to five separate court proceedings in Kenya. Each of the court proceedings were initiated by Interstate Petroleum Ltd., and certain parties related to Interstate Petroleum Ltd., as applicants. Both proceedings, Judicial Review Number 30 of 2010 and Judicial Review Number 1 of 2012 involved a dispute concerning the administrative process that led to the issuance of exploration permits in respect of, amongst others, Blocks 10BA, 10BB, 12A and 13T. The primary respondents in the proceedings included the Minister and the Ministry of Energy and Petroleum, Republic of Kenya. The Company and certain of its affiliates were named as Interested Parties.

To date, the Company has ultimately been successful in defending all these proceedings, and in appealing unfavorable decisions. Recently, considering the Company's successful appeal of a High Court decision relating to Judicial Review Number 1 of 2012, the Kenyan High Court in Kitale approved the Company's application for the release of certain funds that had been posted as security for costs in respect of that appeal.

In May 2019, the two most recent pending applications made against the Company by Interstate Petroleum Ltd., and its related parties were dismissed by the High Court of Kenya in Kitale. At the May 2019 hearings in respect of these applications, the Court also directed Interstate Petroleum Ltd., to not make any further applications in respect of the winding-up proceedings initiated against Interstate Petroleum Ltd., by the Company without leave of the Court. Interstate Petroleum Ltd. subsequently filed a Notice of Appeal dated November 2019 challenging the dismissal. The Company continues to pursue both the awards of costs made in favour of the Company by the Kenyan courts and the winding-up proceedings previously initiated against Interstate Petroleum Ltd by the Company.

In addition, the Kenyan Branch of Africa Oil Kenya B.V., the Company's wholly owned subsidiary, has been assessed corporate income tax and value added tax by the Kenya Revenue Authority relating to farmout transactions completed during the period 2012 to 2017.

The Kenyan Tax Appeals Tribunal has ruled in favour of the Company with regards to the corporate income tax assessments, which amounts to $21.6 million, plus interest and penalties. However, the Kenyan Tax Appeals Tribunal ruled in favour of the Kenya Revenue Authority with regards to the value added tax assessments which amounts to $25.3 million plus interest. The Company maintains its position that the value added tax assessment is without merit and has duly filed an appeal with Kenya's High Court to challenge the position. The KRA appealed the corporate income tax assessment. The Court has been asked to provide dates for the appeals to be heard. The Judge will give their judgment at a subsequent date, where the Company expects it is more likely than not that it will be successful in upholding the corporate income tax and defending the value added tax assessments.

Regulatory Actions

No penalties or sanctions were imposed by a court relating to securities legislation or by a securities regulatory authority during the Company's recently completed financial year, nor were there any other penalties or sanctions imposed by a court or regulatory body against the Company that would likely be considered important to a reasonable investor in making an investment decision, nor were any settlement agreements entered into before a court relating to securities legislation or with a securities regulatory authority during the Company's recently completed financial year.

Interest of Management and Others in Material Transactions

No director or executive director of the Company, or person or company that beneficially owns, directly or indirectly, or exercises control or direction over, more than 10% of the Company's common shares, nor any associate or affiliate of any such person, has any material interest, direct or indirect, in any transaction within the three most recently completed financial years of the Company, or during the current financial year, that has materially affected or will materially affect the Company.

Names and Interests of Experts

This AIF contains references to estimates of reserves, contingent resources, prospective resources and estimates of future net revenue attributed to the Company's oil and gas assets.

Estimates of reserves, contingent resources, and estimates of future net revenue in respect of the Company's oil and gas interests in Nigeria are effective as of December 31, 2020, and are included in the report prepared by RISC (UK) Limited, an independent qualified reserves evaluator, in accordance with National Instrument 51-101 – Standards of Disclosure for Oil and Gas Activities (NI 51-101) and the Canadian Oil and Gas Evaluation Handbook (the COGE Handbook) and using RISC (UK) Limited internal Brent crude January 1, 2021 price forecasts.

RISC (UK) Limited, nor any directors, officers, employees or consultants of RISC (UK) Limited, beneficially owns, directly or indirectly, any of the outstanding common shares of the Company. RISC (UK) Limited does not have any economic or beneficial interest in the Company or in any of its assets, nor is RISC (UK) Limited remunerated by way of a fee that is linked to the value of the Company.

In addition, none of the aforementioned persons or companies, nor any director, officer or employee of any of the aforementioned persons or companies, is or is expected to be elected, appointed or employed as a director, officer or employee of Africa Oil or any associate or affiliate of Africa Oil.

PricewaterhouseCoopers LLP, the Company's auditors, are independent in accordance with the auditor's rules of professional conduct in Canada.

Additional Information

Additional information, including directors' and officers' remuneration and indebtedness, principal holders of the Company's securities, and options to purchase securities, where applicable, is contained in the Company's information circular for its most recent annual meeting of security holders that involved the election of directors.

Additional financial information is provided in the Company's audited consolidated financial statements and the MD&A as at and for the year ended December 31, 2020.

Schedule A: Form NI-51-101F1

Africa Oil Corp.

(the "Reporting Issuer" or the "Company")

Statement of Reserves Data and Other Oil and Gas Information

For fiscal year ended December 31, 2020

This is the form referred to in item 1 of National Instrument 51-101 Standards of Disclosure for Oil and Gas Activities ("NI 51-101"). Terms for which a meaning is given in NI 51-101 have the same meaning in this Form 51-101F1.

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Part 1 Date of Statement

Item 1.1 Relevant Dates

This Statement of Reserves Data and Other Oil and Gas Information (the "Statement") of Africa Oil Corporation ("AOC" or the "Corporation") is dated 29 March 2021. The preparation date of this document is 27 March 2021 and the effective date of the information provided in this Statement is 31 December 2020.

Part 2 Disclosure Of Reserves Data

RISC (UK) Limited ("RISC") prepared a report dated March 8, 2021 (the "RISC report"), in which it evaluated at year-end 2020, the oil and natural gas Reserves attributable to Prime Oil & Gas Coöperatief U.A. ("Prime"). Africa Oil Corp ("Company") holds a 50% shareholding interest in Prime. For the purposes of this Statement, the disclosed Reserves and other information pertain to 50% of Prime's interests in Oil Mining Lease ("OML") 127 and OML 130, offshore Nigeria.

Prime holds an 8% Working Interest in OML 127 and a 16% Working Interest in OML 130. Reserves and Resources other than Reserves disclosed for OML 127 and OML 130 pertain to 50% of Prime's interest in OML 127.

OML 127 contains the producing Agbami field. OML 130 contains the producing Akpo and Egina fields and the planned Preowei development.

The contents of the RISC report and RISC's estimates of Reserves are based on data provided to RISC by Company or released to RISC by Prime. RISC has accepted, without independent verification, the accuracy and completeness of these data. All information provided to RISC was as at year-end 2020 and, accordingly, some of this information may not be representative of current conditions.

Standard geological and engineering techniques accepted by the petroleum industry were used in estimating Resources. These techniques rely on engineering and geo-scientific interpretation and judgement; hence the Resources included in this Statement are estimates only and should not be construed to be exact quantities. It should be recognised that such estimates of Reserves may increase or decrease in future if there are changes to the technical interpretation, economic criteria or regulatory requirements. In assessing Undeveloped Reserves, RISC makes judgements related to the success of future operations and delivery of projects in accordance with the operator's current plans and RISC's opinion of likely plans. The classification of Undeveloped Reserves further relies upon RISC's opinion of the firm intent of the joint venture partnership to proceed with projects. It is possible that plans may change in future.

RISC estimated the Net Present Value (NPV) of future revenue of Prime's properties before and after taxes, at various discount rates. Assumptions and qualifications relating to costs, prices for future production and other matters are summarized in the notes to the tables. It should not be assumed that the estimated future net revenue represents the fair market value of the Reserves. There is no assurance that the escalating price and cost assumptions will be realised. The reserves and revenue estimates set forth in this report are estimates only and the actual reserves and revenue may be greater or less than those calculated.

All currency amounts in this Statement are United States dollars ("USD", "$") unless otherwise indicated.

The operators are also evaluating options to drill additional infill wells on these fields, blow down a gas reservoir, develop additional horizons and develop undeveloped discoveries. These are classified as Contingent Resources and are included in the Appendix to this statement.

Item 2.1 Reserves Data (Forecast Prices and Costs)

The following table discloses, in the aggregate, Company's gross and net proved, probable and possible reserves, estimated using forecast prices and costs, by product type, assessed at 31 December 2020. "Forecast prices and costs" means future prices and costs used by RISC in the RISC Report. The fields are produced under Production Sharing Agreements (PSAs) and Production Sharing Contracts (PSCs). The Gross Reserves are calculated as the total project sales volumes multiplied by the working interests in the PSAs and PSCs. The Net Oil Reserves are calculated using the economic interest booking methodology and include cost recovery oil, tax oil and profit oil as set out in the terms of the production sharing agreement. The disclosed volumes relate to 50% of Prime's interests, as Company holds a 50% shareholder interest in Prime.

Summary of Oil and Gas Reserves Forecast Prices and Costs

	Light and Medium Oil		Natural Gas		Natural Gas Liquids	
Reserve Category	Gross (MMstb)	Net (MMstb)	Gross (BCF)	Net (BCF	Gross (MMstb)	Net (MMstb)
Proved						
Developed Producing	27.4	35.7	18.6	18.6	-	-
Developed Non- Producing	-	-	-	-	-	-
Undeveloped	13.5	14.1	9.0	9.0	-	-
Total Proved	**40.9**	**49.9**	**27.6**	**27.6**	**-**	**-**
Probable	23.1	27.3	24.5	24.5	-	-
Total Proved plus Probable	**63.9**	**77.1**	**52.2**	**52.2**	**-**	**-**
Possible	17.8	19.8	20.8	20.8	-	-
Total Proved plus Probable plus Possible	**81.7**	**96.9**	**73.0**	**73.0**	**-**	**-**

Notes:

1. Figures in table may not add precisely due to rounding errors.
2. Units are MMstb (million stock tank barrels) and Bcf (billion cubic feet).
3. Gross Company reserves are the total project sales volumes multiplied by Company's working interest.
4. Net oil reserves are Company's net entitlement calculated using economic limit testing.
5. Gross and net reserves for sales gas are equal as the gas terms are set out in the Gas Sales and Purchase Agreement rather than the PSA, and the net reserves are based on Company's working interest.

The following table discloses, in aggregate, the Net Present Value of the future net revenue attributable to the Reserves categories in the preceding table, estimated using forecast prices and costs, before and after deducting future income tax expenses, and calculated without discount and using discount rates of 0 percent, 5 percent, 10 percent, 15 percent and 20 percent.

Summary of Net Present Values of Future Net Revenue Forecast Prices and Costs ($ million)

Reserve Category	Before Income Taxes Discounted at (%/Year)					After Income Taxes Discounted at (%/Year)					Before Tax Net Value
	0	5	10	15	20	0	5	10	15	20	10%/yr ($/Boe)
Proved											
Developed Producing	1,255	1,105	995	910	842	943	841	766	708	660	25.6
Developed Non- Producing	-	-	-	-	-	-	-	-	-	-	-
Undeveloped	604	462	360	285	229	408	309	238	187	149	23.0
Total Proved	**1,859**	**1,567**	**1,355**	**1,195**	**1,070**	**1,352**	**1,149**	**1,004**	**895**	**809**	**24.9**
Probable	1,259	905	691	551	453	650	461	352	283	236	22.1
Total Proved plus Probable	**3,118**	**2,472**	**2,046**	**1,746**	**1,524**	**2,002**	**1,610**	**1,356**	**1,178**	**1,045**	**23.8**
Possible	1,161	817	611	478	386	584	411	307	240	194	26.2
Total Proved plus Probable plus Possible	**4,279**	**3,289**	**2,657**	**2,224**	**1,910**	**2,586**	**2,021**	**1,663**	**1,418**	**1,239**	**24.4**

Notes

1 Figures in table may not add precisely due to rounding.

2. Units are US$.

3. Unit Values are based on net reserve volumes Barrel of Oil Equivalent (boe): 6 Mcf = 1 boe. boes may be misleading particularly if used in isolation. A boe conversion ratio of 6 Mcf:1 boe is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead.

The following table discloses, in the aggregate, certain elements of the future net revenue attributable to the total Proved Reserves, the total Proved plus Possible Reserves, and the Proved plus Probable plus Possible Reserves, estimated using forecast prices and costs, and calculated without discount.

Total Future Net Revenue (Undiscounted) Forecast Prices and Costs (US$ millions)

Reserves Category	Revenue	Royalties	Operating Costs	Development Costs	Abandonment/ Reclamation Costs	Future Net Revenue Before Income Taxes	Income Taxes	Future Net Revenue After Income Taxes
Proved	3,174	1	744	333	237	1,859	508	1,352
Proved plus Probable	5,074	2	1,333	384	237	3,118	1,116	2,002
Proved plus Probable plus Possible	6,376	2	1,454	393	249	4,279	1,692	2,586

Notes

1. Units are US$ million.

The following table discloses, by production group, the net present value of the future net revenue attributable to the Proved Reserves, its Proved plus Probable Reserves, and Proved plus Probable plus Possible Reserves before deducting future income tax expenses, estimated using forecast prices and costs, and calculated using a 10 percent discount rate.

Net Present Value of Future Net Revenue by Production Group Forecast Prices and Costs

Reserves Category	Production Group	Future Net Revenue Before Income Taxes (Discounted at 10%/Year) ($ million)	Unit Value Before Income Taxes (Discounted at 10%/Year) ($/Boe)
Proved	Light and Medium Crude Oil (including solution gas and associated by- products)	1,355	24.9
Proved plus Probable	Light and Medium Crude Oil (including solution gas and associated by- products)	2,046	23.8
Proved plus Probable plus Possible	Light and Medium Crude Oil (including solution gas and associated by- products)	2,657	24.4

Notes

1. Units are US$.
2. Unit Values are based on net reserve volumes Barrel of Oil Equivalent (boe): 6 Mcf = 1 boe. boes may be misleading particularly if used in isolation. A boe conversion ratio of 6 Mcf:1 boe is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead.

A Summary of Contingent Resources as at December 31, 2020 has been included in the Appendix at the end of this document.

Part 3 Pricing Assumptions

Item 3.1 Constant Prices Used in Supplementary Estimates

Not relevant.

Item 3.2 Forecast Prices Used in Estimates

The forecast prices used in preparing the Reserves data are provided in the table below. This forecast was provided by RISC and signifies RISC's forecast at the effective date of this statement (31 December 2020). Prices are based on Brent futures at the end of December 2020 to the start of January 2021.

Summary of Pricing and Inflation Rate Assumptions Forecast Prices & Costs

Year	Brent Oil Price US$/bbl	Gas Price US$/MMBTU	Inflation Rate (%/year)
2020 achieved sales price	65.4	0.7	-
2021	55.0	0.5	-
2022	56.1	0.5	2.0%
2023	57.2	0.6	2.0%
2024	58.4	0.6	2.0%
2025	59.5	0.6	2.0%
2026 and beyond	Escalation Rate of 2.0%	Escalation Rate of 2.0%	Escalation Rate of 2.0%

Notes

1. Average oil prices received in 2020 include hedging.
2. Forecast prices include no hedging.
3. This summary table identifies benchmark reference pricing schedules used.
4. Inflation rates are used for forecasting prices and costs.
5. Gas price units are in US$ per million BTU (British Thermal Units).

Part 4 Reconciliation of Changes in Reserves

Item 4.1 Reserves Reconciliation

The following table provides a reconciliation between gross reserves disclosed on the 25 March 2020 (effective date end 2019) and this disclosure (effective date end 2020).

	Light and Medium Oil (MMstb)			Conventional Natural Gas (Bscf)		
Gross	Proved	Probable	Proved + Probable	Proved	Probable	Proved + Probable
Effective date 31 December 2019	38.8	25.1	63.9	23.5	18.3	41.7
Extensions and Improved Recovery	0.0	0.0	0.0	0.0	0.0	0.0
Resource Transfers	1.5	0.7	2.2	1.7	8.7	10.4
Technical Revisions	9.2	-2.7	6.5	13.0	-2.4	10.6
Discoveries	0.0	0.0	0.0	0.0	0.0	0.0
Acquisitions	0.0	0.0	0.0	0.0	0.0	0.0
Dispositions	0.0	0.0	0.0	0.0	0.0	0.0
Economic Factors	0.0	0.0	0.0	0.0	0.0	0.0
Production (2020)	-8.7	0.0	-8.7	-10.6	0.0	-10.6
Effective date 31 December 2020	40.9	23.1	63.9	27.6	24.5	52.2

Notes

1. Gross Company reserves are the total project sales volumes multiplied by Company's working interest.

Part 5 Additional Information Relating To Reserves Data

Item 5.1 Undeveloped Reserves

Reserves were first attributed to Company in March 2020, after the acquisition of 50% of Prime was completed.

The Proved and the Probable Undeveloped Reserves are associated with the continuation of long-term drilling programs committed to under the approved field development plans. The fields are large offshore developments where drilling/production have been ongoing for several years and the attribution of Undeveloped Reserves is based on a continuation of, and the completion of, the approved Field Development Plans. For the Undeveloped Reserves: three further wells are planned for the Agbami field in 2023; 2 additional wells are planned on the Akpo field in 2021/2022; 3 wells will be drilled in the Akpo West field in 2022/2023; and 10 further wells are planned on the Egina field between 2021 and 2023. In attributing Proved and Probable Undeveloped Reserves to each field, the remaining wells on each field are considered as a project, not as individual wells.

The undeveloped reserves also include the Preowei development. The FDP for this field has been approved by the Nigerian authorities and first oil is planned for early 2024. This timeline for reserves extends beyond two years as Preowei is a complex deepwater field that requires significant capital, with a long development period. Long lead item procurement is planned to commence in Q1 2022, with drilling to commence in Q2 2022.

In general, the operating partnerships have a good track record of delivering on their development plans. Factors that might contribute to delays or cancellations of the planned development include:

- Industry-wide delays in procurement, approvals, etc due to the COVID-19 pandemic;
- Changing technical conditions such as production anomalies;
- Optimising facilities throughput and utilisation; and
- Changing economic conditions (due to pricing, operating or capital expenditure fluctuations and restricted debt or capital markets).

Summary of Company Undeveloped Reserves (Forecast Prices & Costs)

Year First Attributed	Light/Medium Oil (MMstb)	Heavy Oil (MMstb)	Conventional Natural Gas (Bcf)
2019	10.2	-	4.8
2020	3.9		4.2
Proved Undeveloped	**14.1**	**-**	**9.0**
2019	6.0	-	3.0
2020	2.6		7.1
Probable Undeveloped	**8.6**	**-**	**10.1**

Notes

1. Undeveloped Reserves were first attributed in March 2020 when the assets were acquired by Company.
2. Net oil reserves are Company's net entitlement calculated using the economic limit testing.
3. Gross and net reserves for sales gas are equal as the gas terms are set out in the Gas Sales and Purchase Agreement rather than the PSA, and the net reserves are based on Company's working interest.

Item 5.2 Significant Factors or Uncertainties Affecting Reserves Data

The current license term for OML 127 expires on 13 December 2024 and the term for OML 130 expires on 28 February 2025. The Reserves and Resources declared in this report are premised on both licenses being extended for twenty years, under the same terms, as is allowed under the provisions of the Nigerian Petroleum Act (the "PA"). Paragraph 13(1) of the First Schedule to the PA provides "The lessee of an oil mining lease shall be entitled to apply in writing to the Minister not less than twelve months before the expiration of the lease, for a renewal of the lease either in respect of the whole of the leased area or any particular part thereof; and the renewal shall be granted if the lessee has paid all rent and royalties due and has otherwise performed all his obligations under the lease". Independent legal advice provided to Prime indicated that a lessee shall be entitled to a renewal of an OML so long as the lessee has paid all due rents and royalties and performed all its obligations under the OML. There are recent precedents of OML extensions being granted by the Nigerian government.

OPEC quotas that limit oil production rates have been estimated and included in forecasts. RISC has taken advice from Prime on existing current production quotas that currently only affect production at Egina. However, the future quotas may require further adjustments to production or may affect more fields in future.

The Agbami field straddles OML 127 and OML 128. The Equity Determination in 2010 apportioned resources between block OML 127 and OML 128 approximately 62.5% and 37.5% respectively. The 2012 Final Redetermination was referred to an Expert who determined an OML 127 equity of 72.064%. This final equity revision is still pending implementation, so RISC has retained the 2010 determination. If and when this is implemented the Agbami equity share (and net reserves) of Company will increase.

The fields have been developed using floating production vessels. Abandonment and reclamation costs will therefore entail well abandonment and removal of sub-sea infrastructure. These costs have been fully accounted for in the economic analysis of the reserves cases and are estimated by RISC (Gross 100%) at:

- Agbami US$651 million;
- Akpo US$836 million;
- Egina US$754 million;
- Preowei US$150 million.

There are no specific technical uncertainties identified for these assets, although it is noted that these fields are geologically complex and even with modern seismic techniques, uncertainty remains regarding accurately mapping reservoir extent and connectivity.

It is noted that since the effective date the coronavirus pandemic has impacted industries, financial markets and commodity prices worldwide. Prices used in this report are those applicable as of December 31, 2020.

The reader is also directed to the 'Risks' section of the Company financial statements for year-end 2020.

Item 5.3 Future Development Costs

The following table provides information regarding the development costs deducted in the estimation of future net revenue attributable to the Reserves.

Future Development Costs (Forecast Prices & Costs) (US$ million)

Year	Proved Reserves	Proved plus Probable Reserves
2021	32	32
2022	64	64
2023	119	119
2024	70	70
2025	18	18
Subtotal	303	303
Remainder (to end of Field Life)	29	81
Total (Undiscounted)	333	384
Total (Discounted at 10%/year)	249	260

Notes

1. The Future Development Costs shown are associated with booked reserves in the RISC report and do not necessarily represent the full exploration and development plans.
2. Gross costs are based on the total project costs multiplied by Company's paying interest.

The sources of funding for future costs of new wells and new developments include a combination of cashflow and existing RBL facilities.

Part 6 Other Oil and Gas Information

Item 6.1 Oil and Gas Properties and Wells

The Company's oil and gas properties are located onshore in Kenya and South Africa.

In Kenya, as at December 31, 2020, the Company held working interests in three production sharing contacts ("PSC") with the Government of the Republic of Kenya in the Tertiary Rift play: Blocks 10BB, 13T, and 10BA. The exploration areas covered by these PSCs are on trend with the significant TOTAL Albert Graben oil discovery in neighboring Uganda where TOTAL is working with the Government of Uganda and its joint venture partners, CNOOC to complete a Lake Albert basin wide development plan which would include the construction of an oil export pipeline to the coast of East Africa. Multiple discoveries have been made by the Company and the Kenya Joint Venture Partners in Blocks 10BB and 13T.

In Ethiopia, as of August 21, 2019, the Company relinquished its interest in the Rift Basin Area PSC after satisfying all work commitments.

In Nigeria the Company holds a 50% equity interest in Prime which has properties that are located offshore Nigeria comprising an interest in OML 127 (which contains the producing Agbami field) and an interest in OML 130 (which contains the producing Akpo and the Egina fields and the planned Preowei development).

OML 127 - Location and Partner Equities

The Agbami oil field is located in OML 127, offshore Nigeria, in water depths between 1,280 and 1,650 m. It is 110 km south-southwest from the nearest Nigerian shoreline and approximately 350 km southeast of Lagos.

The Agbami field straddles licenses OML 127 and OML 128. The Equity Determination in 2010 apportioned resources between block OML 127 and OML 128 with 62.4619% and 37.5381% respectively. Star Deep Water Petroleum Nigeria, a wholly owned subsidiary of Chevron Corporation, operates the Agbami field under a production sharing agreement (the "Agbami PSA"). Ownerships within OML 127 at the effective date were Prime (8%), Star Deep Water Petroleum Limited (32%) and Famfa Oil Limited (60%). In 2020 Company acquired a 50% shareholder interest in Prime. The resulting interest of Company in the Agbami field is 2.498%.

OML 127 - Agbami Field

The field was discovered by well Agbami-1 in 1998 and the extension into the adjacent license was proved by the Ekoli-1 well in 2000. The oil is light with a gravity of 45° to 47° API. The field is developed via sub-sea wells tied back to a dedicated Floating Production Storage and Offtake (FPSO) vessel through steel catenary risers. Production commenced in June 2008 and peak production of 250,000 bopd (gross) was attained in 2009. At December 2020, 30 producers, 5 gas injectors and 10 water injectors have been drilled. At December 2020 the field was producing 140,000 stb/d at 32% water-cut. Cumulative oil production to 31st December 2020 was 972 MMstb for the field. There is no gas export so all gas is re-injected, flared or used as fuel.

Reserves include 3 wells planned to be drilled in 2023. Contingent resources include the potential development of the 13 MY reservoir and the Ikija discovery.

OML 130 - Location and Partner Equities

The title interests of OML 130 are held under two distinct but inter-linked, contractual structures. A 50% interest is held by the Nigerian National Petroleum Corporation under a production sharing agreement (the "130 PSA") with South Atlantic Petroleum Limited ("SAPETRO") as the Contractor. SAPETRO subsequently assigned a 90% share of its interest as Contractor under the 130 PSA to CNOOC Exploration and Production Limited ("CNOOC"). The other 50% interest is held under an agreement, which was amended and re-named the production sharing agreement entered into by Total Upstream Nigeria Limited ("TUPNI") 24%; Prime 16% and SAPETRO 10%. The resulting interests were therefore TUPNI (24%), CNOOC (45%), Prime (16%) and SAPETRO (15%). In 2020 the Company acquired a 50% shareholder interest in Prime. The resulting interest of the Company in the fields in OML 130 is 8%.

The OML 130 license agreement required a 50% relinquishment in February 2015. The area was approved by the Nigerian Department of Petroleum Resources (DPR) and resulted in the relinquishment of some untested exploration and basinal areas. The fields and discoveries have been retained together with deep additional potential identified in the areas of Egina and Egina South.

OML 130 – Akpo Field

The Akpo field is located offshore Nigeria in OML 130, approximately 200 km from Port Harcourt, in water depths between 1,100 and 1,300 m. The field is operated by Total. Akpo was discovered by well Akpo-1 in 2000 and was appraised from 2000 to 2002. Akpo contains a critical fluid that has also been described as condensate or light oil with an original GOR of approximately 3,500 scf/bbl. There is a significant variation of fluid properties with depth, without sharp gas-oil contacts. Commerciality was declared in 2005 and the field has been developed via sub-sea wells with four production flowline loops tied back to a FPSO through steel catenary risers. Production commenced in March 2009 and plateau oil production of approximately 180,000 bopd (gross) was attained in 2010. Pressure maintenance at or near initial pressures is required and is provided by both water injection and gas injection. Part of the produced gas is re-injected for pressure maintenance and the remaining part is transported via an export line to the Nigeria LNG plant (NLNG) via the Amenam field. At December 2020 there were 48 wells connected with 27 producers, 19 water injectors and 2 gas injectors. Additional infill production wells, AU4-P4 and DP-5 are planned to be drilled in 2021 and 2022, respectively. Two oil production wells and one gas injection well will be drilled in the Akpo West field in 2022 and 2023. Further infill targets are being evaluated but have not been included as reserves or Contingent Resources. At the end of 2020 the field was producing 100,000 stb/d at 35% water-cut. The cumulative oil production to 31st December 2020 was 579 MMstb.

OML 130 – Egina Field

The Egina oil field is located offshore Nigeria in OML 130, approximately 200 km from Port Harcourt and 20 km southwest of the Akpo field, in water depths between 1,150 and 1,750 m. The field was discovered by well Egina-1 in 2003 which tested the southern compartment of Egina Main. The field was subsequently appraised during 2004 to 2006. The oil is 25° to 41° API gravity. The field is currently under development via sub-sea well loops tied back to a FPSO. The project was sanctioned in May 2013 and first oil was achieved on 29th December 2018. In 2019 the field ramped up to its plateau production rate of 200,000 bopd, with gas exports of 130 MMscf/d. The initial development drilling campaign on Egina started in December 2014 and was completed in 2019. At December 2020 there were 16 production wells and 14 water injector wells, with a further 10 wells expected to be drilled by 2023. At end December 2020, Egina was producing approximately 140,000 stb/d and 80 MMscf with 14% water-cut. To 31st December 2020 Egina has achieved a cumulative production of 119 MMstb and 81 Bscf.

OML 130 – Preowei Field

Preowei is an undeveloped oil and gas discovery in OML 130, in water depths ranging from 1,100-1,300 m. The field is 20 km northwest of Akpo and 29 km north of Egina. Preowei was discovered in 2003 by the Preowei-1B well. An appraisal well, Preowei-2, was drilled in 2005 and a further appraisal well, Preowei-3, was drilled in 2017. The field is operated by Total. The FDP was approved by the Nigerian Authorities in Q2 2019. The FDP includes 9 producing wells and 9 water injectors. A further 8 contingent wells (4 producers and 4 water injectors) are planned for drilling in 2025/26. The subsea wells will be tied back to the Egina FPSO for oil and gas export. Following tie-back, surplus gas will be exported via the Egina-Akpo gas line to the Bonny LNG plant, with commercial terms agreed under the Gas Sale and Purchase Agreement as for Egina. Plateau production of 65,000 bopd is expected and start-up is scheduled for late 2023.

The following table sets forth the number and status of wells as at the effective date. All the completed production wells are included under producing.

Oil and Gas Wells

	Producing		Non-Producing	
Wells	**Gross**	**Net**	**Gross**	**Net**
Nigeria OML 127 and OML 130				
Oil	73	4.2	0	0
Gas	0	0	0	0
Total	73	4.2	0	0

Notes

1. Gross is the total number of oil and gas production wells on the properties.
2. Net is the sum of Company's working interest in the gross wells.
3. NonÐproducing wells do not include other types of wells such as service wells.

Item 6.2 Properties with No Attributed Reserves

The Company's working interest at the preparation date of this report in the various concessions, in which it has a direct working interest, is outlined in the table below together with the gross and net acreage of each.

Region	Production Sharing Contracts	Operator	Current Working Interest(1)	Gross Acreage (KM²)	Net Acreage(2) (KM²)
Kenya	Block 10BB	Tullow	25%	8,835	2,209
Kenya	Block 10BA	Tullow	25%	11,760	2,940
Kenya	Block 13T	Tullow	25%	6,296	1,574
South Africa	Block 3B/4B	Africa Oil	20%	17,581	3,516

Notes

1. Net Working Interests are subject to back-in rights, if any, of respective governments.
2. Net acreage is calculated by multiplying Gross Acreage by the Current Working Interest.

During November 2017, the Company acquired a 19.77% ownership interest in Eco (Atlantic) Oil and Gas Ltd. ("ECO"). ECO is publicly listed on the Toronto Stock Exchange (TSX-V) and AIM and holds working interests in four exploration blocks offshore Namibia and one exploration block offshore Guyana. No reserves are attributable to these blocks. The Company's ownership interest in ECO at December 31, 2020 was 18.38%.

In February 2019 the Company acquired a 25.2% ownership in Impact Oil and Gas Ltd. Through subsequent investments the Company's ownership has increased to approximately 30%. Impact is privately held and holds working interest in multiple blocks offshore Namibia, the Senegal-Guinea Bissau Joint Development Zone, and South Africa. The Company's ownership interest in Impact at December 31, 2020 was 30.90%.

In 2019 the Company increased its ownership in Africa Energy Corp. to approximately 34.5%. Africa Energy Corp. is publicly listed on the Toronto TSX and Nasdaq First North Exchange in Stockholm (TSXV:AFE or Nasdaq First North: AEC) and holds a working interest in Block 2B, offshore South Africa and an effective net interest of approximately 4.9% in Block 11B/12B, offshore South Africa. Through subsequent transactions in 2020 the Company's effective interest at December 31, 2020 was 19.9%.

In July 2019, the Company announced that its wholly-owned subsidiary, Africa Oil SA Corp., entered into a definitive farmout agreement with Azinam, the Seacrest Capital-backed South West African-focused oil and gas exploration company, whereby the Company would acquire a 20% participating interest and operatorship in the Exploration Right for Block 3B/4B, offshore South Africa. Azinam would retain a 20% participating interest and Ricocure (Pty) Ltd would retain a 60% participating interest.

Africa Oil SA Corp. subsequently received Section 11 governmental approval for the transaction in December and the farmin was fully completed in February 2020.

The principal work commitments, timing of completion and minimum expenditures to be incurred during the current exploration period of each of the respective Production Sharing Contracts are listed in the following tables:

Regiom	Block	Exploration Period and Expiry	Work Commitments	Minimum Expenditures (Gross USD, unless otherwise noted)	Relinquishments end of Current Period
Kenya	10BA	Second Additional Period to extended to April 26, 2021	1 well	19.0 million	Final Relinquishment
Kenya	10BB	See "Kenyan Production Sharing Contracts Overview" in the Company's Annual Information Form	Dill a minimum of four wells between Blocks 13T and 10BB	No financial commitment	Final Relinquishment
Kenya	13T	See "Kenyan Production Sharing Contracts Overview" in the Company's Annual Information Form	Dill a minimum of four wells between Blocks 13T and 10BB	No financial commitment	Final Relinquishment
South Africa	3B/4B	One three-year Exploration Period	n/a	Rand 11,350,000	n/a

Item 6.2.1 Significant Factors or Uncertainties Relevant to Properties with No Attributed Reserves

As at December 31, 2020 proven 2P reserves have yet to be attributed to any of the properties in which the Company directly holds an interest. Discoveries by Eco in the Orinduik Block of Guyana and Africa Energy and Impact in Block 11B/12B in South Africa are contingent resources pending further appraisal. Resources discovered in the Orinduik block include heavy oil with high sulfur content and contingencies are associated with development and commercialization. In Block 11B/12B, contingencies are associated with development and approval of a Field Development Plan (FDP) for commercialization of gas, condensate, and oil resources in a deepwater offshore environment that will also depend on investments of gas infrastructure and negotiation of gas terms and gas sales agreements.

Contingent resources have been assigned to the South Lokichar Basin (Kenya) (Blocks 10BB and 13T). The key contingencies associated with the South Lokichar Basin discoveries are as follows:

- Submission and approval of FFDP.
- Submission and approval of the South Lokichar Basin Phase 2 Exploration and Appraisal Plan
- Completion and approval of upstream and midstream environmental and social impact assessments.
- Completion of upstream and midstream EPC tender processes.
- Government approval and Kenya Joint Venture Partner project sanction.

Block 10BB/13T Government Approval and Project Sanction

All of the Kenyan discoveries are located within areas defined in various Exploration Contracts. The Government of Kenya has extended these Exploration Contracts to allow further exploration and appraisal. Conversion of these permits to production permits has yet to be agreed.

Blocks 10BB and 13T are located in a remote part of Kenya, approximately 750 km from the point of export at Lamu. New build pipeline infrastructure and road upgrades will be required to permit field development and production export for these resources.

Regulatory support and approval will be required for the commercialization of the company's Kenyan Contingent Resources to proceed. In accordance with the Company's Production Sharing Contracts and joint venture agreements, field development plans must be agreed by the Company and its Kenya Joint Venture Partners before submission for approval by the government. The most recent draft FDP was submitted for review to the Government of Kenya in March 2020. Front end engineering and design (FEED) for the upstream and midstream projects has been completed.

The Kenya Joint Venture Partners continue to advance the development of South Lokichar Basin with the Ngamia, Amosing and Twiga fields produced as the initial stage of the South Lokichar development. The final South Lokichar Basin FDP is scheduled for submission during 2021 and will describe a foundation development of the Ngamia, Amosing and Twiga fields to support the construction of the Central Processing Facility (CPF) and the export pipeline to the coastal port of Lamu. This phase of the development is planned to include an 80,000 barrels of oil per day (bopd) CPF and an export pipeline to Lamu, some 750 kilometers from the South Lokichar basin on the Kenyan coast. The FDP will be supported by a supplementary document describing the additional exploration and appraisal plan for Blocks 10BB and 13T to allow maturation of additional resources within the discovered fields of the basin and permit further exploration within the approved development area. The CPF and export pipeline will be built to accommodate the tie-in and production from additional fields and reservoirs, allowing the incremental development of these fields to be completed in an efficient and low-cost manner post first oil. Additional stages of development are expected to increase plateau production to 100,000 bopd or greater. The FEED for the initial stage was completed in 2019, with FID targeted for 2022 and first oil in 2025.

Given the possible large scale of future development projects in Kenya to commercialize the Contingent Resources, significant capital requirements are anticipated which are potentially beyond the Company's current sources of capital. The Company may require financing from external sources, including issuance of new common shares, issuance of debt or disposition arrangements. There can be no assurance that such financing will be available to the Company or, if available, that it will be offered on terms acceptable to the Company.

Prior to project sanction for the areas in which the Company has an interest in Contingent Resources, numerous agreements will need to be completed in addition to described FDP, including major engineering/procurement/construction agreements, environmental and social impact assessments, land acquisition agreements and community development plans.

No contingent resources have been assessed for these projects at this stage.

Item 6.3 Forward Contracts

The Company is not party to any agreements relating to the transportation or marketing of oil and gas.
Prime has a gas sales and purchase agreement in place for the OML 130 fields that share the same gas export system. The gas buyer consortium Nigerian National Petroleum Corporation ("NNPC")/Total E&P Nigeria Limited ("TEPNL") was responsible for construction and operation of the gas export system to the onshore Bonny LNG plant in return for receiving 1 Tscf of sales gas at zero cost. This hurdle was achieved in July 2018. The parties agreed to a new gas sale and purchase agreement (the "GSPA") in July 2018, which has been signed by all OML 130 PSA parties and is currently with NNPC pending its signature. Gas is now being sold under the new GSPA to the NNPC/TEPNL JV which continues to sell the gas to Nigeria LNG. The OML 130 Partners (SAEPETRO, TUPNI and Prime) have been invoicing the gas buyer. The maximum design capacity of the gas export facilities is 400 MMscf/d.

Item 6.4 Tax Horizon

The Corporation is not required to pay income taxes for its most recently completed financial year. For a discussion of the Company's tax status, please see the financial statements, meeting materials and corporate filings for the year ended December 31, 2020.

Item 6.5 Costs Incurred

The net costs incurred by the Company in relation to the various geographic areas in which the Company operated during 2020 were as follows:

Regiom	Costs ($US Million) Exploration/ Development
Ethiopia	0
Kenya	16.7
South Africa	4.1

Nigeria

The costs included in the following represent the Company's share of the total Prime costs incurred for the assets.

Costs incurred in the year ended 31 Dec 2020 (US$ million)

Region	Acquisition Costs	Exploration Costs	Development Costs	Other Costs
Nigeria	0	6	13	72

Notes

1. Gross costs are based on the total project costs multiplied by Company's paying interest.
2. Exploration costs relate to seismic and studies. No exploration wells were drilled

Item 6.6 Exploration, Appraisal and Development Activities

Gross Wells and Net Wells Completed During 2020

The company participated in one exploration well in 2020 through its equity ownership in Africa Energy Corpand Impact Oil & Gas Ltd. .In October 2020, the Company announced a significant gas condensate discovery, by Africa Energy and its partners, on the Luiperd prospect located on Block 11B/12B offshore South Africa. 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 was tested to assess dynamic reservoir characteristics and deliverability. The Luiperd-1X well was opened to flow on November 1, 2020. After several tests at different choke settings, the well reached a maximum constrained flowrate through a 58/64" choke of 33 million cubic feet per day of natural gas ("MMcfpd") and 4,320 barrels of condensate per day ("bcpd"), an aggregate of approximately 9,820 barrels of oil equivalent per day ("boepd"). The choke configuration could not be increased due to surface equipment limitations. The absolute open flow ("AOF") potential of the well is expected to be significantly higher than the restricted test rates. The Company holds an indirect interest in the project as a result of its equity interests in Africa Energy Corp. (19.9%) and Impact Oil & Gas Limited (30%).

Most Important Current and Likely Exploration and Development Activities

As of December 31, 2020, the Company has been engaged in exploration and appraisal activities aimed at fulfilling or exceeding work commitments outlined in the table included in Item 6.2 above. The Company's working interest assets are wholly located in Kenya and South Africa. The Company is also engaged with Companies where it maintains an equity interest. Areas of activity for these companies include exploration assets in Africa and South America, and producing assets in Nigeria. In 2021 the Company will focus on the submission of a FDP for the Block 10BB and 13T licenses in Kenya and reprocessing of 3D seismic data in Block 3B/4B, offshore South Africa.

Blocks 10BB and 13T

The Company has made several oil discoveries to date in the South Lokichar Basin (Blocks 10BB/13T Kenya) and is focusing its planned activities on development and further appraisal activities in this basin.

The Company worked closely with Tullow to focus the 2020 work program and budget on advancing the upstream South Lokichar development in Blocks 10BB and 13T (Kenya) by undertaking activities aimed at increasing resource certainty. These activities included:

- South Lokichar Basin Subsurface Studies
- Ngamia and Amosing static and dynamic reservoir modelling
- Well Engineering Studies
- Well and pad location optimisation
- Upstream facilities studies and completion of FEED
- Continuing Environmental and Social Impact Assessments

In addition, Africa Oil and its Kenya Joint Venture Partners continue to work closely with the Government of Kenya in advancing the oil export pipeline by undertaking Midstream studies and FEED and Environmental and Social Impact Assessments.

Block 10BA

Prior to 2015 the Company and its operating partner on Block 10BA, Tullow, completed a 1,450 kilometer 2D seismic program, split evenly between onshore and offshore. After review of the newly-acquired seismic data partners selected the Engomo-1 Prospect to test a Tertiary rift basin in the northwestern corner of Block 10BA.

The Engomo-1 well was drilled in the first quarter of 2015 and was drilled to a total depth of 2,353 meters. The well encountered Tertiary-aged interbedded siltstones, sandstones and claystones, becoming more tuffaceous and tight until reaching a total depth in basement. No significant oil or gas shows were encountered and the well has been plugged and abandoned. The prevalence of tight facies in the wellbore may be due to the well's close proximity to the basin bounding fault. Future analysis will be focused on understanding how this result impacts the remaining prospectivity in the basin. The Company and partners met all work commitments for the first exploration period and entered the second additional exploration period in 2017. In 2019 the Company and its partners worked to prepare for the drilling of an exploratory well in the block and is seeking to align the timing of the well commitment to align with the restart of other drilling activities in Blocks 10BB and 13T. To accommodate that, the partners have received government approval for an extension to the second additional period to April 26, 2021. Further discussions are expected to take place to extend the license.

Ethiopia

Rift Basin Area

The Rift Basin Area Block was relinquished August 21, 2019 after completing all work commitments. The Company is awaiting final audit of the Operator to fully close out activities in the block.

Item 6.7 Production Estimates

The Company is unable to estimate production of future net revenues from its oil and gas activities as of December 31, 2020.

Item 6.8 Production History

The Company had produced 88,000 net barrels of oil from the Ngamia and Amosing fields during the Early Oil Production Scheme and preceding Extended Well Test in those fields. Approximately 50,000 net barrels of oil has been sold and the remainder is in storage in the field at Ngamia or Mombasa port. No production was recorded for the Kenyan assets in 2020.

Nigeria

No exploration, development or service wells were drilled during 2020 in OML 127 or OML 128.

The Company's most important current and likely development activities in Nigeria will be the completion of the planned drilling activities on the producing fields and the Preowei development as described above under Undeveloped Reserves. The operators are also evaluating options to drill additional infill wells on these fields, blow down a gas reservoir, develop additional horizons and develop undeveloped discoveries. These are classified as Contingent Resources and are included in the Appendix to this statement.

Item 6.9 Production Estimates

The following table sets out the estimated volumes of production for 2021 from OML 127 and OML 130 which reflect the estimates of gross proved reserves and gross probable reserves disclosed under Item 2.1 of this Statement.

Summary of Production Estimates by Production Group and Reserve Category (Forecast Prices & Costs)

Reserve Category	Light and Medium Oil Gross(MMstb)	Natural Gas Gross (Bcf)	Natural Gas Liquids Gross (MMstb)
Proved			
Agbami	1.1	-	-
Akpo	2.2	5.5	-
Egina	4.1	2.4	-
Total Proved	**7.5**	**7.9**	**-**
Total Proved plus Probable			
Agbami	1.2	-	-
Akpo	2.5	6.1	-
Egina	4.9	2.9	-
Total Proved plus Probable plus Possible	**8.5**	**9.0**	**-**

Notes

1. Gross Company reserves are the total sales volumes multiplied by Company's working interest.

Item 6.10 Production History

In 2020 the production volumes, average realised price, royalties and costs for each quarter of the financial year are provided in the table below.

Production History for 2020

	Before Income Taxes Discounted at (%/Year)						
	Oil (MMstb)	Sales Gas (Bcf)	Total (MMboe)	Average Price Received ($/boe)	Royalties Paid ($/boe)	Production Costs ($/boe)	Netback ($/boe)
2020 Q1	2.5	2.8	3.0	47.1	0.1	7.4	39.6
2020 Q2	2.1	2.6	2.6	44.0	0.0	6.0	37.9
2020 Q3	2.0	2.6	2.5	43.2	3.2	5.9	34.1
2020 Q4	2.0	2.6	2.4	34.3	0.1	8.2	26.0

Notes

1. Average prices received in 2020 include hedging.
2. Royalties paid in Q3 2020 are higher due to a lump sum payment of oil royalties for OML 127. This payment is currently being contested by the PSA contractors.
3. Netback is calculated by subtracting the royalties paid and production costs from the revenue received.
4. Gross Company reserves are the total sales volumes multiplied by Company's working interest.
5. Gross costs are based on the total costs multiplied by Company's paying interest.
6. Unit Values are based on net reserve volumes Barrel of Oil Equivalent (BOE): 6 Mcf = 1 BOE. BOEs may be misleading particularly if used in isolation. A BOE conversion ratio of 6 Mcf:1 bbl is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead

In OML 127 there was a one-off royalty payment in August 2020 accounting for the cumulative royalties calculated by Chevron from November 2019 to June 2020. Subsequent to this, no further payments were made as the applicability of royalty payments to PSAs (not PSCs) has been challenged.

The total production volumes for 2020 for each major field are provided in the table below.

Production History for 2020

Company Production Volumes	Oil (MMstb)	Sales Gas (Bcf)
Agbami	1.3	-
Akpo	2.9	8.0
Egina	4.5	2.6
Total	**8.7**	**10.6**

Notes

1. Gross Company production isthe sales volumes multiplied by Company's working interest.

Part 7 Disclosure of contingent resources data and prospective resources data

Item 7.1 Contingent Resources Data

RISC has independently prepared for Company an assessment of the crude oil and conventional natural gas contingent resources as of December 31, 2020. These contingent resources are all in the offshore Nigerian licenses (OML 127 and OML 130) associated with the reserves in section 2.1 of main F1 form.

The contingent resources are the following:

Agbami field - Development of the 13MY reservoir

This is the development of a shallower, undeveloped reservoir in the Agbami field with a producer-injector pair. The operator's plans are conceptual and we are not aware of any progression for several years. The two wells are estimated to cost $171 million in total, comprised of $151 million in drilling and completion costs and $20 million in subsea equipment and works. RISC classified the project as Development Unclarified.

Akpo field - Blowdown of gas in the D reservoir

This project relates to ceasing gas reinjection into the Akpo D reservoir, while commencing gas production. No additional CAPEX is required. The main contingency is the optimum timing which depends on PSA expiry, existing facility capacity and interference with current production. Currently the operator is considering this project to commence in 2024. The blowdown adds incremental gas sales volumes but will result in condensate losses from the Akpo field. RISC classified the project as Development Pending.

Preowei field - 8 additional wells

These wells are in addition to the Preowei development (classified as reserves). The wells are currently planned to be drilled in 2025 and 2026. Capital costs are forecast to be approximately $370 million, with $290 million for the wells and $80 million for subsea facilities. There remains significant subsurface uncertainty, so the additional wells are contingent on the outcomes of the initial development stage. RISC classified the project as Development On Hold.

Ikija - Development of discovered resources

Ikija is an undeveloped discovery in OML 127. It is planned as a tie-back to the Agbami FPSO, with first oil expected in 2027. Capital costs are forecast to be $925 million and include: $80 million for an appraisal well; $340 million for 4 development wells in 2026-2027; and $505 million for facilities. There is significant subsurface uncertainty which will need further technical maturity and further appraisal. There is no firm plan for the development concept, with both depletion and water injection being considered. Additionally, commercial and fiscal terms are not ready to enable tie-back to the Agbami unit. RISC classified the project as Development Unclarified.

Egina South - Development of discovered resources

The Egina South Discovery lies 20 km southwest of the Egina Field. First oil expected in 2027. RISC has adopted capital costs of approximately $1 billion for a 10 well subsea tieback which includes $320 million for 10 wells and $652 million for facilities. The operator is revising the subsurface model but the impact on STOIIP and recoverable volumes are not available. A further appraisal well may also be required. RISC classified the project as Development Unclarified.

Chance of Development

Quantifying the chance of development requires consideration of both economic contingencies and other contingencies such as legal, regulatory, market access, political, social license, internal and external approvals and commitment to project finance and development timing. As many of these factors are extremely difficult to quantify, the Chance of Development is uncertain and must be used with caution.

Schedule A: Form NI-51-101F1

Contingent resources

RISC estimated the numerical value of the Chance of Development for each of the Contingent Resources:

- Agbami field (development of the 13MY reservoir with a producer-injector pair) – 6%
- Akpo field (blowdown of gas in the D reservoir) – 90%
- Preowei field (8 additional wells) – 56%
- Ikija (development of discovered resources) – 19%
- Egina South (development of discovered resources) – 51%

The primary risks related to these resources are (a) lack of technical and commercial maturity, (b) economic factors, (c) commitment of the Partnership to develop, and (d) development timing.
There is uncertainty that it will be commercially viable to produce any portion of these resources.

The total Contingent Resources related to the 1C, 2C, 3C and Risked Best Estimates are in the table below.

Contingent Resources (Forecast Prices and Costs)

	Light & Medium Oil (MMstb)		Conventional Natural Gas (Bscf)	
Nigeria (OML 127 and OML 130)	Gross	Net	Gross	Net
Low Estimate (1C)	5.1	6.5	16.2	16.2
Best Estimate (2C)	8.5	9.8	29.7	29.7
High Estimate (3C)	11.1	12.3	38.9	38.9
Risked Best Estimate	3.1	3.4	24.1	24.1

Notes

1. Gross Company volumes are the total project sales volumes multiplied by AOC's working interest.
2. Net oil volumes are Company's net entitlement.
3. Gross and net sales gas volumes are based on Company's working interest.
4. The "Risked Best Estimate" contingent resources account for the Chance of Development, which is defined as the probability of a project being commercially viable.

The following table discloses, in aggregate, the net present value of the future net revenue attributable to the Contingent Resource categories in the preceding table that are in the Development Pending project maturity sub-class. At year-end 2020, the single project in this sub-class relates to the blowdown of gas in the Akpo field's D reservoir. These NPVs are estimated using forecast prices and costs, before deducting future income tax expenses, and calculated without discount and using discount rates of 0 percent, 5 percent, 10 percent, 15 percent and 20 percent.

Summary of Net Present Values of Future Net Revenue Forecast Prices and Costs (US$ million)

	Light & Medium Oil (MMstb)				
Reserves Category	0	5	10	15	20
1C	10.0	7.6	5.9	4.7	3.8
2C	3.7	3.5	3.4	3.2	2.9
3C	-18.3	-8.1	-2.9	-0.1	1.2

Notes

1. Table includes the Contingent Resources in the Development Pending project maturity sub-class. The single project is the blowdown of gas in the Akpo field.
2. The negative 3C project NPV estimates are due to the loss of oil production due to the Akpo gas blowdown project. The 3C case has a longer economic life and the negative impact on the Akpo oil volumes is amplified. This results in less favourable project economics.
3. Figures in table may not add precisely due to rounding.
4. Units are US$ million.

An estimate of risked net present value of future net revenue of contingent resources is preliminary in nature and is provided to assist the reader in reaching an opinion on the merit and likelihood of the company proceeding with the required investment. It includes contingent resources that are considered too uncertain with respect to the chance of development to be classified as reserves. There is uncertainty that the risked net present value of future net revenue will be realized.

Item 7.2 Prospective Resources Data

No disclosure is being made with regards to prospective resources.

Item 7.3 Forecast Prices Used in Estimates

The pricing assumptions used for estimating Contingent Resources are the same as the pricing assumptions disclosed in Part 3 of this Form.

Schedule B: Form NI-51-101F2

Africa Oil Corp.

(the "Company")

Report on Reserves Data by Independent Qualified Reserves Evaluator or Auditor

Terms to which a meaning is ascribed in National Instrument 51-101 – Standards of Disclosure for Oil and Gas Activities have the same meaning in this form.

Africa Oil Corporation has certain oil and gas exploration licenses in Kenya. The Company has no proven or probable oil or gas reserves during the reporting period in Exploration Blocks 10BA, 10BB or 13T.

As such, the Company did not retain (nor was required to retain, under National Instrument 51-101 Standards of Disclosure for Oil and Gas Activities) the services of an independent reserves' evaluator, to compile this form NI-51-101F2 with nil values.

Report on Reserves Data and Contingent Resources Data For the Nigerian Assets Only by Independent Qualified Reserves Evaluator or Auditor

To the board of directors of Africa Oil Corp. (the "Company"):

1. Due to different levels of technical maturity of assets in the portfolio, some assets were audited, others were evaluated. We have audited and evaluated the Company's reserves data and contingent resources data for the Nigeria assets only as at 31 December 2020. The reserves data are estimates of proved reserves and probable reserves and related future net revenue as at 31 December 2020, estimated using forecast prices and costs. The contingent resources data are risked estimates of volume of contingent resources and related risked net present value of future net revenue as at 31 December 2020 (for Development Pending projects), estimated using forecast prices and costs.
2. The reserves data and contingent resources data are the responsibility of the Company's management. Our responsibility is to express an opinion on the reserves data and contingent resources data based on our audit and evaluation.
3. We carried out our audit and evaluation in accordance with standards set out in the Canadian Oil and Gas Evaluation Handbook as amended from time to time (the "COGE Handbook") maintained by the Society of Petroleum Evaluation Engineers (Calgary Chapter).
4. Those standards require that we plan and perform an audit and evaluation to obtain reasonable assurance as to whether the reserves data and contingent resources data are free of material misstatement. An audit and evaluation also includes assessing whether the reserves data and contingent resources data are in accordance with principles and definitions presented in the COGE Handbook.
5. The following table shows the net present value of future net revenue (before deduction of income taxes) attributed to proved plus probable reserves, estimated using forecast prices and costs and calculated using a discount rate of 10 percent, included in the reserves data of the Company audited and evaluated for the year ended 31 December 2020, and identifies the respective portions thereof that we have audited and evaluated and reported on to the Company's management:

Independent Qualified Reserves Evaluator or Auditor	Effective Date of Audit/ Evaluation Report	Location of Reserves	Proved + Probable Net Present Value of Future Net Revenue (before income taxes, 10% discount rate) US$mm			
			Audited	Evaluated	Reviewed	Total
RISC	31 December 2020	Nigeria	2,046	2,046	-	2,046

6. The following tables set forth the risked volume and risked net present value of future net revenue of contingent resources (before deduction of income taxes) attributed to contingent resources, estimated using forecast prices and costs and calculated using a discount rate of 10%, included in the Company's statement prepared in accordance with Form 51-101F1 and identifies the respective portions of the contingent resources data that we have audited and evaluated and reported on to the Company's management:

Classification	Independent Qualified Reserves Evaluator/ Auditor	Effective Date of [Audit/ Evaluation] Report	Location of Resources Other than Reserves	Risked Oil Volume (MMstb)	Risked Gas Volume (Bcf)	Risked Net Present Value of Future Net Revenue (before income taxes, 10% discount rate) US$mm		
						Audited	Evaluated	Total
Development Pending Contingent Resources (2C)	RISC	31 December 2020	Nigeria	-0.5	20.6	3.4	3.4	3.4

Notes

1. The negative contingent oil volume is due to the incremental loss of oil production as a result of the Akpo gas blowdown project.
2. The risked NPV includes only the Contingent Resources in the Development Pending sub-class.

Classification	Independent Qualified Reserves Auditor	Effective Date of Audit Report	Location of Resources Other than Reserves	Risked Oil Volume (MMstb)	Risked Gas Volume (Bcf)
Contingent Resources* (2C)	RISC	31 December 2020	Nigeria	3.9	3.5

Notes

1. The volumes are for all other project maturity subclasses (ie excluding Development Pending)

7. In our opinion, the reserves data and contingent resources data respectively audited and evaluated by us have, in all material respects, been determined and are in accordance with the COGE Handbook, consistently applied. We express no opinion on the reserves data and contingent resources data that we reviewed but did not audit or evaluate.
8. We have no responsibility to update our reports referred to in paragraphs 5 and 6 for events and circumstances occurring after the effective date of our reports.
9. Because the reserves data and contingent resources data are based on judgements regarding future events, actual results will vary and the variations may be material.

Executed as to our report referred to above:

27 March 2021
RISC (UK) Limited, 4th Floor, 10 Regent Street, London, SW1Y 4PE, United Kingdom

Gavin Ward.

Gavin Ward
Director, For and on behalf of RISC (UK) Limited

Schedule C: Form NI-51-101F3

Africa Oil Corp.

(the "Company")

Report of Management and Directors on Reserves Data and Other Information

Terms to which a meaning is ascribed in NI 51-101 have the same meaning in this form.

Schedule C: Form NI-51-101F3

The Reserves Committee of the board of directors of Africa Oil Corp.
(the "Company") has reviewed the oil and gas activities of the Company and has determined that the Company had no reserves as of December 31, 2020.

An independent qualified reserves evaluator or qualified reserves auditor has not been retained to evaluate the Company's reserves data. No report of an independent qualified reserves evaluator or qualified reserves auditor will be filed with securities regulatory authorities with respect to the financial year ended on December 31, 2020.

The Reserves Committee of the board of directors has reviewed the Company's procedures for assembling and reporting other information associated with oil and gas activities and has reviewed that information with management. The board of directors has, on the recommendation of the Reserves Committee, approved:

a. the content and filing with securities regulatory authorities of Form 51-101F1 containing information detailing the Company's oil and gas activities; and
b. the content and filing of this report.

Keith Hill

Keith C. Hill, Chief Executive Officer

Pascal Nicodeme

Pascal Nicodeme, Chief Financial Officer

Gary Guidry

Gary S. Guidry, Director

Andrew Bartlett

Andrew Bartlett, Director

March 26, 2021

Africa Oil Corp.

(the "Company")

Mandate of the audit committee

(as adopted by the Board on February 24, 2020)

Schedule D:
Mandate of the audit committee

Part 1 Purpose of the Audit Committee

The purpose of the Audit Committee is to ensure that the Company's management has designed and implemented an effective system of internal financial controls, to review and report on the integrity of the Company's financial statements and to review the Company's compliance with regulatory and statutory requirements as they relate to financial statements, taxation matters and disclosure of material risks and facts. The Audit Committee also has the responsibility to identify and understand the principal risks to the Company and its business and to report such risks to the Board to ensure there are systems in place to effectively monitor and manage those risks with a view to the long-term viability of the Company and in order to achieve its long-term strategic objectives.

The Audit Committee oversees the accounting and financial reporting processes of the Company and its subsidiaries and all audits and external reviews of the financial statements of the Company on behalf of the Board, and has general responsibility for oversight of internal controls, accounting and auditing activities of the Company and its subsidiaries.

Part 2 Members of the Audit Committee

Item 2.1. The Audit Committee shall be appointed annually by the Board and shall be composed of three members, each of whom must be a director of the Company and all of whom must be independent.

Item 2.2. All members of the Audit Committee must be "financially literate" as defined under National Instrument 52-110, having the ability to read and understand a set of financial statements, including the related notes, that present a breadth and level of complexity of the accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Company's financial statements, and at least one member shall have "accounting or related financial expertise".

PART 3. Meeting Requirements

The Audit Committee will, where possible, meet on a regular basis at least once every quarter, and will hold special meetings as it deems necessary or appropriate in its judgment. Meetings may be held in person or telephonically, and shall be at such times and places as the Audit Committee determines. Without a meeting the Audit Committee may act by unanimous written consent of all members.

Item 3.1. Two members of the Audit Committee shall constitute a quorum.

Part 4 Duties and Responsibilities

Item 4.1. Appointment, Oversight and Compensation of Auditor

4.1.1. The Audit Committee shall recommend to the Board:

a. the auditor (the "Auditor") to be nominated for the purpose of preparing or issuing an auditor's report or performing other audit, review or attest services for the Company; and
b. the compensation of the Auditor.

In making such recommendations, the Audit Committee shall evaluate the Auditor's performance and review the Auditor's fees for the preceding year.

4.1.2. The Auditor shall report directly to the Audit Committee.

4.1.3. The Audit Committee shall be directly responsible for overseeing the work of the Auditor, including the resolution of disagreements between management and the Auditor regarding financial reporting.

4.1.4. The Audit Committee shall review information, including written statements from the Auditor, concerning any relationships between the Auditor and the Company or any other relationships that may adversely affect the independence of the Auditor and assess the independence of the Auditor. The Audit Committee shall request, on a periodic basis, a formal written statement from the Auditor delineating all relationships that may reasonably be expected to affect the independence of the Auditor with respect to the Company and shall recommend that the Board take appropriate action, where necessary, in response to the Auditor's report to satisfy itself of the Auditor's independence.

Item 4.2. Non-Audit Services

4.2.1. All auditing services and non-audit services provided to the Company or the Company's subsidiaries by the Auditor shall, to the extent and in the manner required by applicable law or regulation, be pre-approved by the Audit Committee. In no circumstances shall the Auditor provide any non-audit services to the Company that are prohibited by applicable law or regulation.

Item 4.3. Review of Financial Statements etc.

4.3.1. The Audit Committee shall review the Company's interim and annual financial statements and Management's Discussion and Analysis ("MD&A"), intended for circulation among shareholders and shall report any recommended changes to the Board.

4.3.2. The Audit Committee shall satisfy itself that the audited financial statements and interim financial statements present fairly the financial position and results of operations in accordance with generally accepted accounting principles and that the auditors have no reservations about such statements.

4.3.3. The Audit Committee shall review changes in the accounting policies of the Company, any new or pending developments in accounting and reporting standards, and accounting and financial reporting proposals that are provided by the Auditor that may have a significant impact on the Company's financial reports, and report on them to the Board.

Item 4.4. Review of Public Disclosure of Financial Information

4.4.1. The Audit Committee shall review the Company's annual and interim press releases relating to financial results before the Company publicly discloses this information and shall review any prospectus/private placement memorandums that contain financial information.

4.4.2. The Audit Committee must be satisfied that adequate procedures are in place for the review of the Company's public disclosure of financial information extracted or derived from the Company's financial statements, other than the public disclosure referred to in subsection 4.4.1, and must periodically assess the adequacy of those procedures.

Item 4.5. Review of Annual Audit

4.5.1. The Audit Committee shall review the nature and scope of the annual audit, and the results of the annual audit examination by the Auditor, including any reports of the Auditor prepared in connection with the annual audit.

4.5.2. The Audit Committee shall meet with the Auditor to discuss the Company's quarterly and annual financial statements and the Auditor's report including the appropriateness of accounting policies and underlying estimates.

4.5.3. The Audit Committee shall satisfy itself that there are no unresolved issues between management and the Auditor that could affect the audited financial statements.

4.5.4. The Audit Committee shall satisfy itself that, where there are unsettled issues that do not affect the audited financial statements (e.g. disagreements regarding correction of internal control weaknesses, or the application of accounting principles to proposed transactions), there is an agreed course of action leading to the resolution of these matters.

4.5.5. The Audit Committee shall satisfy itself that there is generally a good working relationship between management and the Auditor.

Item 4.6. Review of Quarterly Review Engagements

4.6.1. The Audit Committee shall review the nature and scope of any review engagements for interim financial statements, and the results of such review engagements by the Auditor, including any reports of the Auditor prepared in connection with such review engagements.

4.6.2. The Audit Committee shall satisfy itself that there are no unresolved issues between management and the Auditor that could affect any interim financial statements.

4.6.3. The Audit Committee shall satisfy itself that, where there are unsettled issues that do not affect any interim financial statements (e.g. disagreements regarding correction of internal control weaknesses, or the application of accounting principles to proposed transactions), there is an agreed course of action leading to the resolution of these matters.

Item 4.7. Internal Controls

4.7.1. The Audit Committee shall have responsibility for oversight of management reporting and internal control for the Company and its subsidiaries.

4.7.2. The Audit Committee shall satisfy itself that there are adequate procedures for review of interim statements and other financial information prior to distribution to shareholders.

4.7.3. Review the effectiveness of the Company's policies and business practices which have an impact on the financial integrity of the Company, including those relating to internal auditing, insurance, accounting, information services and systems and financial controls, management reporting and risk management.

4.7.4. Review compliance under the Company's Code of Business Conduct and Ethics, and the Anti-Corruption Policy.

Item 4.8. Compliance

The Audit Committee shall:

a. Ensure that the Auditor's fees are disclosed by category in the Annual Information Form in compliance with regulatory requirements;
b. Disclose any specific policies or procedures the Company has adopted for pre-approving non-audit services by the Auditor including affirmation that they meet regulatory requirements;
c. Assist the Corporate Governance and Nomination Committee with preparing the Company's governance disclosure by ensuring it has current and accurate information on:
   i. the independence of each Committee member relative to regulatory requirements for audit committees;
   ii. the state of financial literacy of each Committee member, including the name of any member(s) currently in the process of acquiring financial literacy and when they are expected to attain this status; and
   iii. the education and experience of each Committee member relevant to his or her responsibilities as Committee member;
d. disclose if the Corporation has relied upon any exemptions to the requirements for audit committees under regulatory requirements

Item 4.9. Complaints and Concerns

The Audit Committee shall establish procedures for:

a. the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls, or auditing matters; and
b. the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters.

Item 4.10. Hiring Practices

The Audit Committee shall review and approve the Company's hiring policies regarding partners, employees and former partners and employees of the present and former Auditors of the Company.

Item 4.11. Other Matters

4.11.1. The Audit Committee shall be responsible for oversight of the effectiveness of management's interaction with and responsiveness to the Board;

4.11.2. The Audit Committee shall review and monitor all related party transactions which may be entered into by the Company.

4.11.3. The Audit Committee shall review with management, the Auditors and, if necessary, any litigation, claim or contingency, including tax assessments, that could have a material effect upon the financial position of the Company, and the manner in which these matters may be, or have been, disclosed in the financial statements.

4.11.4. The Audit Committee shall approve, or disapprove, material contracts where the Board determines it has a conflict.

4.11.5. The Audit Committee shall review insurance coverage of significant business risks and uncertainties. The Audit Committee shall review policies and procedures for the review and approval of officers' expenses and perquisites.

4.11.6. The Audit Committee shall satisfy itself that management has put into place procedures that facilitate compliance with the provisions of applicable securities laws and regulations relating to insider trading, continuous disclosure and financial reporting.

4.11.7. The Audit Committee shall periodically review the adequacy of this Charter and recommend any changes to the Board.

4.11.8. The Board may refer to the Audit Committee such matters and questions relating to the financial position of the Company and its affiliates as the Board from time to time may see fit.

Part 5 Rights and Authority of the Audit Committee and the Members Thereof

Item 5.1. The Audit Committee has the authority:

a. To engage independent counsel and other advisors as it determines necessary to carry out its duties;
b. To set and require the Company to pay the compensation for any advisors employed by the Audit Committee; and
c. To communicate directly with the Auditor and, if applicable, the Company's internal auditor.

Item 5.2. The members of the Audit Committee shall have the right, for the purpose of performing their duties, to inspect all the books and records of the Company and its affiliates and to discuss those accounts and records and any matters relating to the financial position of the Company with the officers and Auditor of the Company and its affiliates, and any member of the Audit Committee may require the Auditor to attend any or every meeting of the Audit Committee.

Miscellaneous

Nothing contained in this Mandate is intended to extend applicable standards of liability under statutory or regulatory requirements for the directors of the Company or members of the Audit Committee. The purposes, responsibilities, duties and authorities outlined in this Mandate are meant to serve as guidelines rather than as inflexible rules and the Committee is encouraged to adopt such additional procedures and standards as it deems necessary from time to time to fulfill its responsibilities.

The Committee Chair has the responsibility to make periodic reports to the Board, as requested, on financial matters relative to the Company.

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