

Africa Oil Announces Increase in its Interest in the Core Orange Basin Block 3B/4B

VANCOUVER, BC, Jan. 13, 2025 /CNW/ - **(AOI-TSX, AOI-Nasdaq-Stockholm)** – Africa Oil Corp. ("Africa Oil", or the "Company") announces an increase in the group's direct interest in Block 3B/4B, offshore South Africa, to 18.0%. This block lies to the southeast and on trend with a number of Orange Basin oil discoveries including Venus, and is operated by TotalEnergies.

The Company and its wholly-owned subsidiary, Africa Oil SA Corp. ("AOSAC"), have completed a transaction with Eco (Atlantic) Oil & Gas Limited ("Eco") and Azinam Limited ("Azinam"), a subsidiary of Eco, whereby Azinam has transferred a 1.0% (one percent) interest in Block 3B/4B to Africa Oil (the "Transaction"). In consideration, Africa Oil has exchanged the shares and warrants that it held in Eco for cancellation.

Africa Oil Chief Executive Officer, Dr Roger Tucker, commented: "This transaction is another step in delivering the strategy of increasing direct interest in Africa Oil's key assets, including our opportunity set in the Orange Basin, a region with high levels of industry interest and activity. We thank Eco Atlantic's management for their collaborative approach in working with us since 2017, and we look forward to further progress towards the drilling of the first exploration well on Block 3B/4B."

About Block 3B/4B

Block 3B/4B covers an area of 17,581 km² within the Orange Basin offshore South Africa in water depths ranging between 300m and 2,500m. This block lies to the southeast and on trend with a number of oil discoveries including Venus. There is approximately 14,000 km of 2D seismic and 10,800 km² of 3D seismic over Block 3B/4B, identifying a large opportunity set of exploration prospects, with the majority of the prospects lying in approximately 1,500m of water.

On August 28, 2024, the Company announced the closing of a farm down agreement for Block 3B/4B with TotalEnergies and QatarEnergy. AOSAC retained a direct 17.00% interest and transferred the operatorship of the block to TotalEnergies, for a maximum consideration of USD 46.8million, this includes the exploration carry for its retained interest, that is expected to be sufficient for two exploration wells. AOSAC will have the benefit of exploration carry for the additional 1.00% interest assigned to it by Azinam.

An Environmental Authorization for exploration activities (drilling of up to 5 exploration wells) was granted by the Department of Mineral Resources and Energy for the Republic of South Africa on September 16, 2024. The legislative notification and appeals process is ongoing with the relevant regulatory agencies.

The Africa Oil group now holds a direct 18.00% interest in Block 3B/4B. Other partners in the block are: TotalEnergies with a 33.00% operated interest; QatarEnergy with a 24.00% interest; Ricocure with a 19.75%; and Eco with a 5.25% interest.

Africa Oil's Eco Securities

Immediately prior to the Transaction, the Company held 54,941,744 Eco shares and 4,864,865 in Eco warrants that represented 14.84% of the outstanding common shares of Eco, 9.11% of the outstanding warrants of Eco and 15.95% of the outstanding common shares of Eco on a partially diluted basis (after giving effect to the warrants owned by Africa Oil) and represented the entire security holding of Africa Oil in Eco. The Company has exchanged these securities for cancellation by Eco and no longer owns any securities of Eco. Accordingly, Africa Oil is no longer subject to the early warning reporting requirements in respect of Eco, as Africa Oil has fallen below the 10% reporting threshold.

Africa Oil acquired the common shares and warrants of Eco for investment purposes. Africa Oil will review its holdings from time to time and may in the future acquire additional securities of Eco and/or dispose of such securities subject to a number of factors, including general market and economic conditions and other available business opportunities in the future.

Additional Information

This press release is being issued pursuant to National Instrument 62-103 – The Early Warning System and Related Take-Over Bid and Insider Reporting Issues, which also requires a report to be filed in accordance with applicable securities laws (the "Early Warning Report"). A copy of the Early Warning Report will be available under the Company's profile on SEDAR+ at www.sedarplus.ca, or by contacting Shahin Amini at shahin.amini@africaoilcorp.com or +44(0) 20 8017 1511. This press release contains

inside information that Africa Oil Corp. is required to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact persons set out above, at 02:00 a.m. EST on January 13, 2025.

Forward Looking Information

Certain statements and information contained herein constitute "forward-looking information" (within the meaning of applicable Canadian securities legislation), including in respect of Block 3B/4B, drilling on Block 3B/4B, and the potential of the Venus discovery or the broader Orange Basin. Such statements and information (together, "forward looking statements") relate to future events or the Company's future performance, business prospects or opportunities.

All statements other than statements of historical fact may be forward-looking statements. Statements concerning proven and probable reserves and resource estimates may also be deemed to constitute forward-looking statements and reflect conclusions that are based on certain assumptions that the reserves and resources can be economically exploited. Any statements that express or involve discussions with respect to predictions, expectations, beliefs, plans, projections, objectives, assumptions or future events or performance (often, but not always, using words or phrases such as "seek", "anticipate", "plan", "continue", "estimate", "expect", "may", "will", "project", "predict", "potential", "targeting", "intend", "could", "might", "should", "believe" and similar expressions) are not statements of historical fact and may be "forward-looking statements". Forward-looking statements involve known and unknown risks, ongoing uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking statements, including statements pertaining to dividend distributions, share repurchase programs, the 2022 Management Guidance including production, cashflow from operation and capital investment estimates, performance of commodity hedges, the results, schedules and costs of exploratory drilling activity, uninsured risks, regulatory and fiscal changes, availability of materials and equipment, unanticipated environmental impacts on operations, duration of the drilling program, availability of third party service providers and defects in title. No assurance can be given that these expectations will prove to be correct and such forward-looking statements should not be unduly relied upon. The Company does not intend, and does not assume any obligation, to update these forward-looking statements, except as required by applicable laws. These forward-looking statements involve risks and uncertainties relating to, among other things, changes in macro-economic conditions and their impact on operations, changes in oil prices, reservoir and production facility performance, hedging counterparty contractual performance, results of exploration and development activities, cost overruns, uninsured risks, regulatory and fiscal changes, defects in title, claims and legal proceedings, availability of materials and equipment, availability of skilled personnel, timeliness of government or other regulatory approvals, actual performance of facilities, joint venture partner underperformance, availability of financing on reasonable terms, availability of third party service providers, equipment and processes relative to specifications and expectations and unanticipated environmental, health and safety impacts on operations. Actual results may differ materially from those expressed or implied by such forward-looking statements.

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About Africa Oil

Africa Oil Corp. is a Canadian oil and gas company with producing and development assets in deepwater Nigeria, an interest in the Venus light oil and associated gas discovery, offshore Namibia, and an exploration/appraisal portfolio in west and south of Africa. The Company is listed on the Toronto Stock Exchange and on Nasdaq Stockholm under the symbol "AOI".