AFRICA HYDROCARBONS INC.
Form 51-102F3
MATERIAL CHANGE REPORT

1 **Name and Address of Reporting Issuer:**

Africa Hydrocarbons Inc. (**AHI**)
300 Royal Centre, P.O. Box 11130
1055 West Georgia Street
Vancouver, British Columbia
V6E 3R3

2 **Date of Material Change:**

June 15, 2012

3 **News Release:**

A news release disclosing the material change was released by AHI and disseminated through Marketwire on June 15, 2012.

4 **Summary of Material Change:**

AHI closed its previously announced public offering of units (**Units**) for aggregate gross proceeds of approximately $10,000,000 (the **Offering**). AHI, with Canaccord Genuity Corp., acting as agent, issued 55,555,556 Units at a price of $0.18 per Unit. Each Unit is compromised of one common share of AHI (**Common Share**) and one-half of one Common Share purchase warrant (each whole Common Share purchase warrant, a **Warrant**). Each whole Warrant entitles the holder thereof to acquire one Common Share at a price of $0.30 per Common Share at any time prior to 4:30 p.m. (Mountain Standard Time) on or before June 15, 2013.

AHI will use the net proceeds of the Offering to fund the drilling of the first well (the **BHN-1 Well**) into the 3D seismically defined Bouhajla North Prospect in Tunisia, completion of AHI's interest in a minimum 20 km^2 3D seismic survey and for general and administrative expenses. In addition, US$5,250,000 of the net proceeds was used to satisfy the second instalment payment (the **Second Instalment**) due to DualEx Energy International Inc. (**DualEx**) by close of business on June 15, 2012 pursuant to the farm-in agreement between AHI and DualEx dated November 2, 2011, as subsequently amended (the **Farm-In Agreement**).

5 **Full Description of Material Change:**

On June 15, 2012 AHI closed the previously announced Offering. Pursuant to the Offering, AHI, with Canaccord Genuity Corp., acting as agent, issued 55,555,556 Units at a price of $0.18 per Unit for gross proceeds of approximately $10,000,000. Each Unit is compromised of one Common Share and one-half of one Warrant. Each whole Warrant entitles the holder thereof to acquire one Common Share at a price of $0.30 per Common Share at any time prior to 4:30 p.m. (Mountain Standard Time) on or before June 15, 2013.

The net proceeds of the Offering will be used to fund the drilling of the BHN-1 Well into the 3D seismically defined Bouhajla North Prospect in Tunisia, completion of AHI's interest in a minimum 20 km^2 3D seismic survey and for general and administrative expenses. AHI anticipates spudding the BHN-1 Well in September 2012 and planning for the 3D seismic survey is currently underway.

In addition, pursuant to the Farm-In Agreement, US$5,250,000 of the net proceeds were used to satisfy the Second Instalment due to DualEx by AHI by close of business on June 15, 2012. By virtue of the delivery of the Second Instalment to DualEx, AHI has completed all commitments pursuant to the Farm-In Agreement and has earned a 47.5% net working interest in the Bouhajla Block. The Second Instalment will be used to fund the drilling of the BHN-1 Well. Drilling, completion, or testing costs above US$5,250,000 will be split according to working interests between AHI and DualEx.

6 **Reliance on Subsection 7.1(2) or (3) of National Instrument 51-102:**

Not applicable.

7 **Omitted Information:**

Not applicable.

8 **Executive Officer:**

John Nelson, Chief Executive Officer, is knowledgeable about the material change described herein and may be reached at (403) 774-7225.

9 **Date of Report:**

June 22, 2012.