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Press release

Africa Energy Reports Second Quarter 2020 Results

August 13, 2020 – Africa Energy Corp. (TSX Venture: AFE) (Nasdaq First North: AEC) (“Africa Energy” or the “Company”), an oil and gas company with exploration assets offshore South Africa and Namibia, announces financial and operating results for the three and six months ended June 30, 2020.

Garrett Soden, the Company’s President and CEO, commented: “We are excited to begin the next phase of exploration drilling on Block 11B/12B offshore South Africa with spud of the Luiperd-1 well this month. Luiperd is the largest prospect in the Paddavissie Fairway and has been de-risked by the nearby Brulpadda discovery and subsequent 3D seismic work.”

OUTLOOK

Africa Energy expects to commence an extremely active and potentially transformational period with spud of the Luiperd-1 well on Block 11B/12B where the Company holds an effective 4.9% interest. The recent \$25.0 million financing and farmout of Block 2B will allow the Company to participate in several high-impact exploration wells offshore South Africa over the next 12 months. The planned wells are all targeting material prospects with relatively high chances of success.

The Block 11B/12B joint venture operated by Total has embarked on an ambitious exploration program offshore South Africa to follow-up on the large Brulpadda gas condensate and light oil discovery in February 2019. The fully-processed Polarcus 3D dataset confirms the resource potential of the Paddavissie Fairway. The expanded Shearwater 2D seismic survey is complete, and the onboard fast-track processing has identified prospectivity with encouraging seismic indicators across the new Kloofpadda Play Trend to the east. The PGS 3D seismic survey is also complete after being expanded to cover a newly identified potential northern extension to the Luiperd Prospect. The Luiperd-1 well is expected to spud in August 2020 and will target a large submarine fan prospect within the same sequence as Brulpadda.

Management looks forward to closing the Block 2B farmouts whereby the Company will be carried through the next exploration well, Gazania-1, expected to spud in the first quarter of 2021. Block 2B has significant contingent and prospective resources in shallow water close to shore and includes the A-J1 discovery from 1988 that flowed light sweet crude oil to surface. The Gazania-1 well will target two prospects in a relatively low-risk rift basin oil play up-dip from the discovery.

HIGHLIGHTS

- Africa Energy completed a private placement in February 2020 issuing an aggregate of 104,652,174 common shares at a price of SEK 2.30 (CAD 0.32) per share for gross proceeds of \$25.0 million.
- The Company executed two farmout agreements in February 2020 whereby Africa Energy will transfer operatorship and an aggregate 62.5% participating interest in Block 2B offshore South Africa in consideration for \$0.5 million in cash plus a carry through the next exploration well. Africa Energy will retain a 27.5% participating interest in Block 2B. Closing of the two farmout agreements is subject to standard conditions, including approval of the South African government.
- Management continues to focus on cost control. For the second quarter of 2020, net cash used in operations was \$0.3 million, 55% less than the same period in the prior year.
- At June 30, 2020, the Company had cash of \$26.4 million and no debt.

- The Odfjell Deepsea Stavanger semi-submersible rig mobilized from Norway to South Africa in July 2020. The rig is currently in Cape Town, South Africa and is expected to spud the Luiperd-1 well on Block 11B/12B by the end of August 2020.
- The Block 11B/12B joint venture recently received the fast-track 2D seismic dataset from Shearwater for the 7,033 linear kilometer 2D seismic program completed this year. Initial interpretative work has confirmed the Kloofpadda Play Trend, which consists of several large and encouraging leads.
- The Block 11B/12B joint venture also recently received the fast-track 3D seismic dataset from PGS for the 2,305 square kilometer 3D seismic program completed this year. Initial interpretive work has identified a number of additional leads, including a potential northern extension to the Luiperd Prospect.

FINANCIAL INFORMATION

(Unaudited; thousands of US dollars, except per share amounts)

	Three Months Ended June 30, 2020	Three Months Ended June 30, 2019	Six Months Ended June 30, 2020	Six Months Ended June 30, 2019
Operating expenses	559	1,109	2,415	3,377
Net loss	(469)	(1,064)	(2,460)	(3,303)
Net loss per share (basic and diluted)	(0.00)	(0.00)	(0.00)	(0.00)
Weighted average number of shares outstanding (basic and diluted)	790,639	683,788	769,827	683,611
Number of shares outstanding	793,535	683,889	793,535	683,889
Cash flows provided by (used in) operations	(319)	(706)	(1,665)	(2,148)
Cash flows provided by (used in) investing	(49)	(79)	1,349	1,958
Cash flows provided by (used in) financing	468	45	24,484	60
Total change in cash and cash equivalents	146	(712)	24,019	(102)
Change in share capital	862	78	24,931	104
Change in contributed surplus	(148)	300	382	1,056
Change in deficit	469	1,064	2,460	3,303
Total change in equity	245	(686)	22,853	(2,143)
		June 30, 2020	December 31, 2019	
Cash and cash equivalents		26,427	2,408	
Total assets		65,963	41,908	
Total liabilities		1,666	464	
Total equity attributable to common shareholders		64,297	41,444	
Net working capital		24,858	2,091	

The financial information in this table was selected from the Company's unaudited consolidated financial statements for the three and six months ended June 30, 2020 (the "Financial Statements"), which are available on SEDAR at www.sedar.com and the Company's website www.africaenergycorp.com.

EARNINGS TREND AND FINANCIAL POSITION

(Unaudited; US dollars)

Operating expenses decreased by \$0.6 million and \$1.0 million for the three and six months ended June 30, 2020, respectively, compared to the same period in 2019 due to efforts made by management to reduce overall corporate costs.

At June 30, 2020, the Company had cash of \$26.4 million and working capital of \$24.9 million compared to cash of \$2.4 million and working capital of \$2.1 million at December 31, 2019. The Company completed a

private placement in February 2020 issuing an aggregate of 104,652,174 common shares at a price of SEK 2.30 (CAD 0.32) per share for gross proceeds of \$25.0 million. In addition, Main Street 1549, an entity owned 49% by Africa Energy and not consolidated in the Company's financial results, held \$4.3 million (gross) cash with negative working capital of \$11.4 million (gross) at June 30, 2020. Working capital in Main Street 1549 included current liabilities of \$5.0 million (gross) to fund Total's and CNRI's portion of the 3D seismic costs and \$5.0 million (gross) of Total's and CNRI's portion of the drilling costs for the next exploration well.

NEXT EARNINGS REPORT RELEASE

The Company plans to report results for the three and nine months ended September 30, 2020 on November 10, 2020.

About Africa Energy Corp.

Africa Energy Corp. is a Canadian oil and gas company with exploration assets offshore South Africa and Namibia. The Company is listed in Toronto on TSX Venture Exchange (ticker "AFE") and in Stockholm on Nasdaq First North Growth Market (ticker "AEC"). Africa Energy is part of the Lundin Group of Companies.

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Important information

This is information that Africa Energy is obliged 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 on August 13, 2020 at 7:30 p.m. Toronto Time.

The Company's certified advisor on Nasdaq First North Growth Market is Pareto Securities AB, +46 8 402 5000, certifiedadviser.se@paretosec.com.

Forward looking statements

Certain statements contained in this press release constitute forward-looking information. These statements relate to future events or the Company's future performance, business prospects and opportunities, which are based on assumptions of management.

The use of any of the words "will", "expected", "planned" and similar expressions and statements relating to matters that are not historical facts are intended to identify forward-looking information and are based on the Company's current belief or assumptions as to the outcome and timing of certain future events. These forward-looking statements involve risks and uncertainties relating to, among other things, changes in oil prices, results of exploration and development activities, including results, timing and costs of seismic and

drilling activity in the Company's area of operations and, uninsured risks, regulatory changes, defects in title, availability of funds required to participate in the exploration activities, or of financing on reasonable terms, availability of materials and equipment, timeliness of government or other regulatory approvals, actual performance of facilities, availability of third party service providers, equipment and processes relative to specifications and expectations and unanticipated environmental impacts on operations. Actual future results may differ materially. Various assumptions or factors are typically applied in drawing conclusions or making the forecasts or projections set out in forward-looking information. Those assumptions and factors are based on information currently available to the Company. The forward-looking information contained in this release is made as of the date hereof and the Company is not obligated to update or revise any forward-looking information, whether as a result of new information, future events or otherwise, except as required by applicable securities laws. Because of the risks, uncertainties and assumptions contained herein, investors should not place undue reliance on forward-looking information. The foregoing statements expressly qualify any forward-looking information.

Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.