



**Notice of Annual General and Special Meeting
and
Management Information Circular**

May 10, 2021

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Notice of the Annual General and Special Meeting of Shareholders

Africa Energy Corp. (“Africa Energy”, or the “Company”) is pleased to advise you that the Annual General and Special Meeting (the “Meeting”) of the shareholders of Africa Energy will be held **Thursday, June 10, 2021 at 9:00 am (Pacific time) at Suite 2000, 885 West Georgia Street, Vancouver, British Columbia, V6C 3E8** for the following purposes:

1. To receive the consolidated audited financial statements and accompanying management discussion and analysis of the Company for the year ended December 31, 2020, together with the report of the auditors;
2. To approve the appointment of PricewaterhouseCoopers LLP as auditors of the Company to hold office until the next Annual General Meeting, at a remuneration to be fixed by the directors of the Company;
3. To approve the Company’s incentive stock option plan, as more particularly described in the accompanying Management Information Circular; and
4. To elect directors to hold office for the ensuing year.

Accompanying this Notice of Meeting are: (i) a Management Information Circular (the “Circular”); (ii) an Instrument of Proxy and Notes thereto; and (iii) a reply card for use by shareholders who wish to receive the Company’s interim financial statements. Reference is made to the Circular for details of the matters to be considered at the Meeting.

If you are a registered shareholder of the Company, please complete, sign, date and return the enclosed form of Proxy according to the instructions provided on the Proxy before 9:00 a.m. (Pacific time) on June 8, 2021.

If you are a non-registered shareholder of the Company and receive these materials through your broker or through another intermediary, please complete and return the materials in accordance with the instructions provided to you by your broker or such other intermediary. If you are a non-registered shareholder and do not complete and return the materials in accordance with such instructions, you may lose the right to vote at the Meeting, either in person or by proxy.

The Company is required to hold the Meeting in person. However, due to the COVID-19 pandemic, to mitigate risk to the health and safety of our communities, shareholders and employees, the Company requests that shareholders not attend the Meeting in person. The Company encourages shareholders to instead vote their shares in advance of the Meeting. No management presentation will be made at the Meeting. If any shareholder does wish to attend the Meeting in person, please contact (604) 689-7842 or info@africaenergycorp.com in order for arrangements to be made that comply with all recommendations, regulations and orders related to the COVID-19 pandemic.

If you have any questions about the procedures required to qualify to vote at the Meeting or about obtaining and depositing the required form of proxy, you should contact Computershare Investor Services Inc. by telephone (toll free) at 1-800-564-6253, by fax at 1-866-249-7775 or by e-mail at service@computershare.com.

DATED at Vancouver, British Columbia the 10th day of May 2021.

Yours truly,

(Signed) “Garrett Soden”

Garrett Soden
President & Chief Executive Officer



MANAGEMENT INFORMATION CIRCULAR

Meeting Details

Africa Energy Corp. (“Africa Energy”, or the “Company”) will hold its Annual General and Special Meeting of Shareholders (the “Meeting”) on **Thursday, June 10, 2021 at 9:00 am (Pacific Time), at Suite 2000, 885 West Georgia Street, Vancouver, BC, V6C 3E8**. This Management Information Circular (“Circular”) provides the Company’s shareholders with important information about the Meeting, the business of the Meeting and how shareholders can participate and vote.

About Africa Energy

Africa Energy is a Canadian oil and gas company with exploration assets offshore South Africa and Namibia. The Company is focused on high-impact exploration in African countries with attractive commercial terms. Africa Energy is part of the Lundin Group of Companies.

Financial Information

Africa Energy’s functional and reporting currency is the United States dollar. Unless otherwise indicated, all currency amounts referred to in this Circular are stated in United States dollars.

Voting Procedures if Your Shares Trade on TSX Venture Exchange

The Company’s Management team is soliciting your proxy for the Meeting at the Company’s expense. While it is expected that the solicitation will be made primarily by mail, proxies may be solicited personally or by telephone by directors, officers and employees of the Company. Shareholders who held shares in the Company on **May 6, 2021** (“Record Date”) are entitled to attend the Meeting and vote their shares in person or vote their shares by proxy.

The individuals named in the accompanying form of proxy are directors or officers of the Company who will vote your shares for you, unless you exercise your entitlement to appoint someone else to be your proxyholder by striking out the names of the Management Proxyholders and by inserting the desired person’s or company’s name in the blank space provided in the proxy, or by executing a proxy in a form similar to the enclosed form and delivering the completed form of proxy to Computershare prior to the Meeting or any adjournment. A proxyholder need not be a shareholder. However, if you appoint another person or company, they must be present at the Meeting to vote your shares on your behalf.

If you return your proxy form and do not indicate how you want to vote your shares, your vote will be cast in favour of:

1. Appointing PricewaterhouseCoopers LLP as auditors of the Company to hold office until the next annual general meeting and authorizing the directors of the Company to fix their remuneration;
2. Approving the Company’s incentive stock option plan, as more particularly described in the accompanying Circular; and
3. Electing as a director each person nominated by Africa Energy.

Voting as a Registered Shareholder

The Company's registered shareholders have shares that are registered in their name and they have a share certificate. Registered shareholders can choose to vote their common shares in the following manner:

You are welcome to attend the Meeting, identify yourself to the representative from Computershare before entering the Meeting and register your attendance at the Meeting in order to vote.

In Person

Although we hope to see you at the Meeting, the situation regarding the wide-spread COVID-19 virus is continuing to evolve. The Company is monitoring the situation and will take actions necessary to put the health and safety of our personnel and shareholders first. In the event that we make a decision that influences your attendance at the Meeting, we will inform shareholders via a news release in advance of the Meeting.

By Mail

If you vote your common shares by proxy by mail, completed forms of proxies must be delivered to the Company's transfer agent, Computershare Investor Services Inc. ("Computershare"), at Proxy Department, 100 University Avenue, 8th Floor, Toronto, Ontario, Canada M5J 2Y1, in the envelope provided for that purpose.

By Telephone

For telephone voting, call 1-866-732-VOTE (8683) (toll free in Canada and the United States) from a touch-tone telephone and follow the voting instructions. International holders wishing to vote by telephone can dial 1-312-588-4290 to place their vote. If you vote by telephone, you cannot appoint anyone other than the appointees named on the proxy form as your proxyholder. You will need your 15-digit control number that is noted on your proxy form.

By Facsimile

Completed forms of proxies may be delivered to the Company's transfer agent, Computershare Investor Services Inc. ("Computershare") by facsimile to 1-866-249-7775 (toll-free in North America) or 416-263-9524 (outside North America)

On the Internet

For internet voting, go to www.investorvote.com and follow the instructions on the screen. You will need your 15-digit control number that is noted on your proxy form.

Duly completed forms of proxy or a vote using the telephone or over the Internet must be completed no later than 9:00 a.m. (Pacific time) on June 8, 2021, unless the chair of the Meeting elects to exercise their discretion to accept proxies subsequently received.

Voting as a Beneficial Shareholder

If you are a beneficial shareholder and receive these materials through your broker or through another intermediary, please complete and return the form of proxy in accordance with the instructions provided by your broker or other intermediary using the voting instruction form ("VIF").

If you have any questions concerning how to complete the voting instruction form or regarding the voting of your common shares, please contact Computershare at:

Mail: **Computershare Investor Services**
100 University Avenue, 8th Floor
Toronto, ON M5J 2Y1

Telephone: **1-800-564-6253**

Voting as a Non-Registered Shareholder

Shareholders who hold their securities through their brokers, intermediaries, trustees or other persons, or who otherwise do not hold their securities in their own name (referred to in this Circular as “**Beneficial Shareholders**”) should note that only proxies deposited by shareholders who appear on the records maintained by the Company's registrar and transfer agent as registered holders of voting securities will be recognized and acted upon at the Meeting. If voting securities are listed in an account statement provided to a Beneficial Shareholder by a broker, those voting securities will, in all likelihood, not be registered in the shareholder's name. Such voting securities more likely will be registered under the name of the shareholder's broker or an agent of that broker. **Each Beneficial Shareholder should ensure that voting instructions are communicated to the appropriate person well in advance of the Meeting.**

Existing regulatory policy requires brokers and other intermediaries to seek voting instructions from Beneficial Shareholders in advance of shareholders' meetings. The various brokers and other intermediaries have their own mailing procedures and provide their own return instructions to clients, which should be carefully followed by Beneficial Shareholders in order to ensure that their voting securities are voted at the Meeting. The form of proxy supplied to a Beneficial Shareholder by its broker (or the agent of the broker) is substantially similar to the instrument of proxy provided directly to registered shareholders by the Company and is commonly referred to as a “**voting instruction form**” or “VIF”. However, its purpose is limited to instructing the registered shareholder (i.e., the broker or agent of the broker) how to vote on behalf of the Beneficial Shareholder. The vast majority of brokers now delegate responsibility for obtaining instructions from clients to Broadridge Investor Communications Solutions, Canada (“Broadridge”). Broadridge typically prepares a machine-readable voting instruction form, mails such forms to Beneficial Shareholders and asks Beneficial Shareholders to return the forms to Broadridge or otherwise communicate voting instructions to Broadridge (by way of the Internet or telephone, for example). Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of shares to be represented at the Meeting. **A Beneficial Shareholder who receives a Broadridge voting instruction form cannot use that form to vote their securities directly at the Meeting. The VIF must be returned to Broadridge (or instructions respecting the voting of securities must otherwise be communicated to Broadridge) well in advance of the Meeting in order to have the securities voted. If you have any questions respecting the voting of securities held through a broker or other intermediary, please contact that broker or other intermediary promptly for assistance.** Although a Beneficial Shareholder may not be recognized directly at the Meeting for the purposes of voting securities registered in the name of his broker, a Beneficial Shareholder may attend the Meeting as proxyholder for the registered shareholder and vote the securities in that capacity. **Beneficial Shareholders who wish to attend the Meeting and indirectly vote their securities as proxyholder for the registered shareholder should enter their own names in the blank space on the form of proxy provided to them and return the same to their broker (or the broker's agent) in accordance with the instructions provided by such broker.**

How to Change Your Vote/Revocation of Proxies

A registered shareholder who has returned a proxy may revoke it at any time before it has been exercised. In addition to revocation in any other manner permitted by law, a proxy may be revoked by instrument in writing, including a proxy bearing a later date, executed by the registered shareholder or by their attorney authorized in writing or, if the registered shareholder is a company, under its corporate seal or by a duly authorized officer or attorney. The instrument revoking the proxy must be deposited at the registered office of the Company, at Suite 2500 Park Place, 666 Burrard Street, Vancouver, B.C., V6C 2X8 (Attention: Africa Energy Corp.) at any time up to and including the last business day preceding the date of the Meeting, or any adjournment, or with the Corporate Secretary of the Company or the chairman of the Meeting prior to the time of voting at the Meeting. Only registered shareholders have the right to revoke a proxy. **Beneficial Shareholders who wish to change their vote must arrange for their respective intermediaries to revoke the proxy on their behalf.**

Voting Procedures if Your Shares Trade on the Nasdaq First North Growth Market (Stockholm)

The information set forth in this section is of significance to shareholders who hold their securities (“Euroclear Registered Securities”) through Euroclear Sweden AB, which securities trade on Nasdaq First North Growth Market.

Shareholders who hold Euroclear Registered Securities are not registered holders of voting securities for the purposes of voting at the Meeting. Instead, Euroclear Registered Securities are registered under CDS & Co., the registration name of the Canadian Depository for Securities.

Holders of Euroclear Registered Securities will receive a VIF by mail directly from Computershare AB (“Computershare Sweden”). Additional copies of the VIF, together with the Company’s Management Information Circular, can also be obtained from Computershare Sweden and are available on the Company’s website (www.africaenergycorp.com). The VIF cannot be used to vote securities directly at the Meeting. Instead, the VIF must be completed and returned to Computershare Sweden, strictly in accordance with the instructions and deadlines that will be described in the instructions provided with the VIF.

If you have any questions concerning how to complete the VIF or regarding the voting of Euroclear Registered Securities, please contact Computershare Sweden at:

Mail: Computershare AB
“General Meeting of Africa Energy Corp.”
PO Box 610
SE – 182 16 Danderyd
Sweden

Telephone: +46 (0) 77 24 64 00

E-mail: info@computershare.se

Voting Securities and Principal Holders

The Company is authorized to issue an unlimited number of common shares of which 1,395,333,039 common shares are issued and outstanding as at the Record Date. Each common share is entitled to one vote.

To the knowledge of the Company’s directors and executive officers, the following entities beneficially own, or control or direct, directly or indirectly, 10% or more of the issued and outstanding common shares of the Company:

Impact Oil & Gas Limited	<ul style="list-style-type: none">•Common shares: 509,092,771•Percentage: 36.49%
Africa Oil Corp.	<ul style="list-style-type: none">•Common shares: 276,982,414•Percentage: 19.85%

BUSINESS OF THE ANNUAL GENERAL AND SPECIAL MEETING

1. Receive Financial Statements and Auditor's Report

The Company's consolidated financial statements for the year ended December 31, 2020 ("Financial Statements"), the accompanying management discussion and analysis for the year ended December 31, 2020 ("MD&A"), and the report of the auditors ("Auditor's Report") will be placed before the Meeting. Copies of the Financial Statements, the MD&A, and the Auditors' Report have been mailed to all registered shareholders and non-registered shareholders (or beneficial shareholders) who have opted to receive such materials. These documents can also be found on the Company's website at www.africaenergycorp.com and are also available on SEDAR at www.sedar.com. No vote by shareholders is required to be taken with respect to the Financial Statements, MD&A and Auditor's Report.

2. Appoint Auditors and Authorize Directors to Fix Remuneration

The Company's board of directors ("Board" or "Board of Directors") recommends the re-appointment of PricewaterhouseCoopers LLP Chartered Accountants ("PwC") as auditors of the Company to hold office until the termination of the next annual meeting of shareholders. PwC have been the Company's auditors since September 20, 2011. It is also proposed that the remuneration to be paid to PwC be as determined by the Board.

BE IT RESOLVED that PwC be appointed auditors of the Company to hold office until the close of the next annual meeting of shareholders, or until their successors are appointed, at a remuneration to be fixed by the directors.

Unless otherwise instructed, the named proxyholders will vote FOR the appointment of PwC as auditors of the Company until the next annual general meeting of shareholders, and to authorize the directors to fix the remuneration of the auditors.

3. Approve the Company's 10% Rolling Stock Option Plan

The Company's 10% Rolling Incentive Stock Option Plan ("Stock Option Plan") provides participants with an incentive to enhance shareholder value by providing a form of compensation that is tied to increases in the market value of the Company's shares. As of May 6, 2021, there were 42,780,000 options outstanding under the Stock Option Plan, which represents 3.07% of the shares outstanding as at such date; and 96,753,303 options available for grant under the Stock Option Plan, which represents 6.93% of shares outstanding as at such date.

Further details on the Stock Option Plan can be found under the section "Equity Compensation Plan" of this Circular.

The TSX Venture Exchange's policies require that 10% rolling stock option plans be approved by shareholders on an annual basis. At the Meeting, the shareholders will be asked to approve the following by ordinary resolution (the "Stock Option Plan Resolution"):

BE IT RESOLVED that:

1. *The Stock Option Plan, as set forth in Appendix B, is hereby approved;*
2. *The Company is authorized to grant stock options pursuant to and subject to the terms of the Stock Option Plan entitling all of the option holders in the aggregate to acquire up to 10% of the issued common shares of the Company at the date of grant, including any previously granted and outstanding options, at the minimum exercise price permitted by and in accordance with the Stock Option Plan and the rules and policies of the TSX Venture Exchange, such options to be issued to eligible optionees in accordance with the rules and policies of the TSX Venture Exchange; and*
3. *Any one director or officer of the Company be and is hereby authorized and directed to do all such acts and things and to execute and deliver, under the corporate seal of the Company or otherwise, all such deeds, documents, instruments and assurances as in his or her opinion may be necessary or desirable to give effect to the foregoing resolutions.*

Unless otherwise instructed, the named proxyholders will vote FOR the approval of the Stock Option Plan Resolution.

4. Elect Six (6) Directors

Mr. Adam Lundin will be stepping down from the Board of Directors at the Meeting in order to conform with industry corporate governance recommendations regarding the maximum number of non-executive director appointments per individual and will be replaced by Mr. William Lundin. In addition, Mr. John Bentley will step down from the Board and will be replaced by Mr. Siraj Ahmed. At the Meeting, you will be given the opportunity to vote for the following six (6) nominees recommended by the Company (“Proposed Directors”) to hold office until the termination of the next annual meeting of shareholders:

- | | |
|-------------------|-------------------|
| 1. William Lundin | 4. Johnny Copelyn |
| 2. Garrett Soden | 5. Ian Gibbs |
| 3. Keith Hill | 6. Siraj Ahmed |

BE IT RESOLVED that the six (6) persons nominated as Proposed Directors be elected as directors of the Company to hold office for the ensuing year or until their successors are elected or appointed.

Mr. Johnny Copelyn was appointed to the Board on October 22, 2020. Mr. William Lundin and Mr. Siraj Ahmed are being recommended by the Company to hold office on the Board of Directors at the Meeting. The remaining Proposed Directors are presently members of the Board and were elected to their present term at the Company’s AGM held on June 11, 2020. Management does not contemplate that any Proposed Director will be unable or unwilling to serve as a director.

Unless otherwise instructed, the named proxyholders will vote FOR the election of the Proposed Directors whose names are set forth above.

Advance Notice

The Company’s Articles include a section relating to the advance notice of nominations of directors of the Company. Among other things, the section fixes the deadline within which timely notice must be given, in proper written form, to the Company from a nominating shareholder in advance of any meeting of the Company’s shareholders at which directors are to be elected. The section also sets forth the information that nominating shareholders must include in the notice to the Company in order for the nomination to be valid. Pursuant to the Company’s advance notice provisions, any additional director nominations for

the Meeting must be received by the Company in compliance with the advance notice section of the Company's Articles no later than the close of business on May 8, 2021. The Company has not received notice of any director nominations in connection with the Meeting.

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Director Nominees

The following tables provide information on the Proposed Directors, including their length of service on the Company's Board, their security holdings in the Company and their principal occupation within the last five (5) years.



William Lundin
Geneva Switzerland

Director since: N/A

Chief Operating Officer of International Petroleum Corp. since 2020, prior to that he served in production engineering and operations departments at International Petroleum Corp. and BlackPearl Resources Inc. since 2016.

Additional Public Directorships:
ShaMaran Petroleum Corp.

Common Shares: 50,000



Garrett Soden
Madrid, Spain
President and CEO

Director since: 2017
Non-Independent Director

President and Chief Executive Officer of Africa Energy since 2017. Senior executive with the Lundin Group for over a decade. Mr. Soden is a Non-Executive Director of Gulf Keystone Petroleum Ltd. and Panoro Energy ASA. Previously, he was Chairman and CEO of RusForest AB, CFO of Etrion and PetroFalcon Corporation and a Non-Executive Director of PA Resources AB, Petropavlovsk plc and Phoenix Global Resources plc.

Africa Energy Committee
Reserves Committee

Additional Public Directorships:
Gulf Keystone Petroleum Ltd.
Panoro Energy ASA

2020 Board and Committee Meeting Attendance Record: 100%

Common Shares: 2,750,000 (Indirectly held)



Chief Executive Officer of Impact Oil & Gas Limited since 2018, and prior to that served as General Counsel at Impact Oil & Gas Limited since 2014. Mr. Ahmed started his career in the legal profession at international law firm, Linklaters LLP.

Additional Public Directorships: None

Common Shares: Nil

Siraj Ahmed
Cupar, United Kingdom

Director since: N/A



Chief Executive Officer of Hosken Consolidated Investments Limited, a South African black empowerment investment holding company listed on the JSE Securities Exchange, from 1997 to present.

Additional Public Directorships:

eMedia Holdings (JSE)
Deneb Investments Limited (JSE)
Hosken Consolidated Investments Limited (JSE)
Montauk Holdings Limited (JSE)
Platinum Group Metals Ltd. (TSX)
Tsogo Sun Gaming Ltd. (JSE)
Tsogo Sun Hotels Ltd. (JSE)

Johnny Copelyn
Cape Town, South Africa

Director since: 2020
Independent Director

2020 Board and Committee Meeting Attendance Record: 100%

Common Shares: Nil



Ian Gibbs
British Columbia, Canada

Director since: 2011
Independent Director

Chief Financial Officer of Josemaria Resources Inc., and a director of Lundin Gold Inc. and Africa Oil Corp. Mr. Gibbs is a former director of Petro Vista Energy Corp., the former Chief Financial Officer of Africa Oil Corp., Valkyries Petroleum Corp., Tanganyika Oil Company Ltd. and ShaMaran Petroleum Corp. (formerly Bayou Bend Petroleum Ltd.).

Africa Energy Committees:

Audit Committee (Chair)
Compensation Committee
Corporate Governance and Nominating Committee

Additional Public Directorships:

Lundin Gold Inc.
Africa Oil Corp.

2020 Board and Committee Meeting Attendance Record: 100%

Common Shares: Nil



Keith Hill
Florida, USA

Director since: 2011
Independent Director

President and Chief Executive Officer and a director of Africa Oil Corp., and director of ShaMaran Petroleum Corp., director of TAG Oil Ltd. and director of ECO (Atlantic) Oil & Gas Ltd.; formerly Chairman and director of Petro Vista Energy Corp., director of Tyner Resources Ltd., and President and Chief Executive Officer of Pearl Exploration and Production Ltd. (now BlackPearl Resources Ltd.), Valkyries Petroleum Corp. and Bayou Bend Petroleum Ltd. (now ShaMaran Petroleum Corp.).

Africa Energy Committees:

Compensation Committee
Corporate Governance and Nominating Committee
Reserves Committee (Chair)

Additional Public Directorships:

Africa Oil Corp.
Eco (Atlantic) Oil & Gas Ltd.
ShaMaran Petroleum Corp.
TAG Oil Ltd.

2020 Board and Committee Meeting Attendance Record: 100%

Common Shares: 700,000

Cease Trade Orders, Bankruptcies, Penalties, or Sanctions

Other than as disclosed below, no proposed director of the Company is, as at the date of the Circular, or has within ten (10) years before the date of this Circular, been a director, chief executive officer or chief financial officer of any company (including Africa Energy) that:

- a. was the subject of a cease trade or similar order, or an order that denied the relevant company access to any exemptions under securities legislation, that was in effect for a period of more than 30 consecutive days and that was issued (i) while the proposed director was acting in the capacity as a director, chief executive officer, or chief financial officer; or (ii) after that individual ceased to be a director or chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in that capacity; or
- b. became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver-manager or trustee appointed to hold its assets (i) while that proposed director was acting in that capacity or (ii) within a year of that person ceasing to act in that capacity.

Other than as disclosed below, no proposed director of the Company:

- a. has, within ten (10) years before the date of this Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceeding, arrangement or compromise with creditors or had a receiver, receiver-manager or trustee appointed to hold their assets; or
- b. is, or has been, subject to any penalties or sanctions (i) imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority, or (ii) imposed by a court or regulatory body that would likely be considered important to a reasonable security holder in deciding whether to vote for a proposed director.

The foregoing information, not being within the knowledge of the Company, has been furnished by the respective directors, officers and any control shareholder of the Company individually.

STATEMENT OF CORPORATE GOVERNANCE PRACTICES

Africa Energy believes that effective corporate governance is important in order to enhance the performance of the Company's Board and management, align its strategies with its goals, and remain accountable to its shareholders. The following describes the Company's current corporate governance practices in place to improve the Company's overall performance.

Corporate Governance Guidelines

National Policy 58-201 *Corporate Governance Guidelines* ("NP 58-201") sets out guidelines for effective corporate governance. These guidelines deal with matters such as the constitution and independence of corporate boards, their functions, the effectiveness and education of board members and other items dealing with sound corporate governance. National Instrument 58-101 *Disclosure of Corporate Governance Practices* ("NI 58-101") requires that if management of an issuer solicits proxies from its securityholders for the purpose of electing directors, specified disclosure of the corporate governance practices must be included in its management information circular.

The Board of Directors has considered the guidelines set out in NP 58-201 and believes that its approach to corporate governance is appropriate and works effectively for the Company and its shareholders and is consistent with the overall business of the Company and its stage of development.

How Africa Energy Selects its Board Members

The Corporate Governance and Nominating Committee consists of the following three directors, all of whom are independent within the meaning of NP 58-201: Mr. John Bentley (Chair), Mr. Adam Lundin and Mr. Ian Gibbs. The Corporate Governance and Nominating Committee identifies individuals qualified to become new Board members and recommends to the Board the director nominees at each annual meeting of shareholders. In identifying possible nominees to the Board, the Corporate Governance and Nominating Committee considers the competencies and skills necessary for the Board as a whole, the skills of existing directors and the competencies and skills each new nominee will bring to the Board, as well as whether or not each nominee will devote sufficient time and resources to the Board. The Corporate Governance and Nominating Committee also annually reviews and makes recommendations to the Board with respect to: (i) the size and composition of the Board; (ii) the appropriateness of the committees of the Board; and (iii) the effectiveness and contribution of the Board, its committees and individual directors, having reference to their respective mandates, charters and position descriptions. The Corporate Governance and Nominating Committee meets at least once annually.

Directors' Orientation and Continuing Education

The Corporate Governance and Nominating Committee, with the assistance of the Board, where necessary, develops an orientation and education program for new recruits to the Board. The measures that the Board of Directors takes in connection with orienting new Board members regarding the role of the Board, its directors, the committees of the Board and the nature and operation of the Company's business include providing each new member with information concerning the role and responsibilities of a public company director and discussing with new members the Company's operations.

The Company encourages continued education for its directors. The Board ensures that all directors are kept apprised of changes in the Company's operations and business and changes in the regulatory environment affecting the Company's day to day business.

Board Assessments

The Board believes that, due to the size of the Company, it is not appropriate to have a formal assessment process for its committees and individual directors. The Board as a whole assesses the effectiveness and contribution of individual directors on an informal basis from time to time.

Directors Independence and Role of the Board

The Board of Directors is currently comprised of the following members:

1. Adam Lundin
2. Garrett Soden
3. Keith Hill
4. Ian Gibbs
5. John Bentley
6. Johnny Copelyn

The majority of Africa Energy's current directors and its director nominees are independent for the purposes of Board membership and within the meaning of both NI 58-101 and NI 52-110. Mr. Garrett Soden is not considered independent as a result of his role as President and Chief Executive Officer of the Company. Mr. Adam Lundin and Mr. John Bentley will be stepping down from the Board of Directors at the Meeting.

See "*Business of the Annual General Meeting – Elect Six (6) Directors*" for a biography of each of the Proposed Directors.

The Board has the responsibility to (i) supervise and evaluate management (ii) oversee the conduct of the Company's business; (iii) adopt, supervise and provide guidance to management on the Company's strategic planning process; (iv) identify the principal risks of the Company's business and ensure management's implementation and assessment of appropriate risk management systems; (v) ensure that the Company has highly qualified management and adequate and

effective succession plans for senior management; (vi) oversee the Company's communications policy with its shareholders and with the public generally; (vii) place limits on managements authority; and (viii) assess directly and through its Audit Committee, the integrity of the Company's internal control and management information systems.

Interlocks

An "interlock" refers to two or more of the Company's directors who sit together on the board of directors of another reporting issuer. The Company's directors have the following interlock:

- Mr. Gibbs and Mr. Hill are each directors of Africa Oil Corp.

The Company's directors will have one additional interlock following the Meeting, as Mr. William Lundin and Mr. Hill are each directors of ShaMaran Petroleum Corp.

Standing Committees of the Board

Compensation Committee

The Compensation Committee consists of three directors, namely: Mr. Adam Lundin (Chair), Mr. Ian Gibbs and Mr. Keith Hill, all of whom are independent. The Compensation Committee evaluates the CEO's performance and establishes executive and senior officer compensation, determines the general compensation structure, policies and programs of the Company, including the extent and level of participation in incentive programs in conjunction with the Board, and delivers an annual statement on executive compensation. The Compensation Committee has also been mandated to review the adequacy and form of annual compensation for non-executive directors to ensure that such compensation realistically reflects the responsibilities and risks involved in being an effective director. The Compensation Committee meets at least once annually. The Compensation Committee did not retain a compensation consultant or advisor at any time since the beginning of the Company's most recently completed financial year to assist in determining compensation for any of its directors and officers.

Reserves Committee

The Reserves Committee consists of three directors, namely: Mr. Keith C. Hill (Chair), Mr. Adam Lundin and Mr. Garrett Soden, the majority of whom are independent. Mr. Soden is not considered independent as he is the President and CEO of the Company. The Reserves Committee is generally responsible for developing the Company's approach to the reporting of oil and gas resources and/or reserves and the valuation of those resources/reserves.

Corporate Governance and Nominating Committee

The Corporate Governance and Nominating Committee consists of three directors, namely: Mr. John Bentley (Chair), Mr. Ian Gibbs, and Mr. Keith Hill, all of whom are independent. The Corporate Governance and Nominating Committee is responsible for developing and monitoring the Company's approach to corporate governance issues, and overseeing the effective functioning of the Board, the relationship between the Board and management, and ensuring that the Board can function independently of management at such times as is desirable or necessary. See *'How Africa Energy Selects its Board Members'* for additional details on this committee.

Audit Committee

Composition of the Audit Committee

The Audit Committee consists of three directors, namely: Mr. Ian Gibbs (Chair), Mr. John Bentley and Mr. Adam Lundin, all of whom are independent. All members of the Audit Committee are considered to be "financially literate" within the meaning of applicable Canadian securities regulations in that they each have the ability to read and understand a set of financial statements that present a breadth and level of complexity of 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.

The Audit Committee's Role

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 is scheduled to meet a minimum of four times per year. The Mandate of the Audit Committee is attached as Appendix "A" to this Circular.

Relevant Education and Experience

Each current member of the Audit Committee has extensive experience in dealing with financial statements, accounting issues, internal control 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:

Ian Gibbs (Chair)	Mr. Gibbs is a Canadian Chartered Accountant and a graduate of the University of Calgary where he obtained a Bachelor of Commerce degree. He is currently the Chief Financial Officer of Josemaria Resources Inc. Mr. Gibbs was formerly the Chief Financial Officer of Africa Oil Corp., Tanganyika Oil Company Ltd. and Valkyries Petroleum Corp.
John Bentley	Mr. Bentley has extensive experience with management of public companies and has accounting and financial expertise as a result of his experience as the President and Chief Executive Officer of a publicly traded international oil and gas company. His education includes a degree in Metallurgy.
Adam Lundin	Mr. Lundin has accounting and financial expertise as a result of his experience as the President, and Director of Josemaria Resources Inc., Chief Executive Officer and director of Filo Mining Corp., his former roles as President of Filo Mining Corp. and the Co-Head of the London Office of an international investment bank.

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 6.1.1(4) (Circumstances Affecting the Business or Operations of the Venture Issuer), section 6.1.1(5) (Events Outside Control of Member), section 6.1.1(6) (Death, Incapacity or Resignation) or an exemption from National Instrument 52-110 *Audit Committees* ("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.

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 ended December 31, 2020:

Financial Year Ending	Audit Fees⁽¹⁾	Audit Related Fees⁽²⁾	Tax Fees⁽³⁾	All Other Fees
December 31, 2020	23,393	28,284	23,386	Nil
December 31, 2019	23,393	28,284	23,386	Nil

Notes:

⁽¹⁾ The aggregate billed for audit services.

⁽²⁾ Pertains to 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 the "Audit Fees" column.

⁽³⁾ Pertains to professional services for tax compliance, restructuring, acquisitions, advice and planning.

Key Mandates and Policies Established by the Board

The Company is committed to conducting its business in compliance with the law and the highest ethical standards. As such, the Board of Directors has implemented key policies as part of the Company's corporate governance framework. These key policies include: the Code of Business Conduct and Ethics (the "Code"), the Internal Employee Alert Policy, the Disclosure Policy, and the Anti-Corruption Policy.

Code of Business Conduct and Ethics

The Company has adopted a written Code applicable to all directors, officers and employees of the Company. Directors, officers or employees who have concerns or questions about violations of laws, rules or regulations, or of the Code, are required to report them to the Company's external legal counsel. Following the receipt of any complaints submitted hereunder, the Company's external legal counsel will investigate each matter so reported and report to the Board which will take corrective disciplinary actions, if appropriate, up to and including termination of employment. The Company encourages all directors, officers, and employees to report promptly any suspected violation of the Code to the Company's legal counsel. The Company does not tolerate any retaliation for reports or complaints regarding suspected violations of the Code that were made in good faith. There has been no departure from the Code during the Company's most recently completed financial year.

Internal Employee Alert Policy

The Internal Employee Alert Policy is a policy to encourage employees, officers and directors to raise concerns regarding accounting, internal controls or auditing matters, on a confidential basis free from discrimination, retaliation or harassment.

Disclosure Policy

The Company's corporate disclosure policy provides the internal control structures in place for the Company to maintain a consistent approach to its disclosure practices throughout the Company. The Disclosure Policy promotes best corporate governance practices in ensuring that the Company's communications to the investing public are timely, factual and accurate, broadly disseminated, transparent, and effective in increasing understanding of the Company's business. In addition, the Disclosure Policy provides the Company's employees and directors with the proper procedures relating to permitted trading and sets out the rules regarding restricted trading.

Anti-Corruption Policy

The Company has adopted an Anti-Corruption Policy that prohibits its employees, subsidiaries, affiliates, and anyone else involved in the Company's business from bribing government officials or commercial customers. This policy prohibits the falsification of corporate records or failing to keep accurate records related to the business, and the circumvention of the

Company’s accounting controls and policies. The Anti-Corruption Policy ensures that the Company’s business is conducted in a manner that does not violate the anti-corruption laws of Canada, and/or any other country in which the Company does business or has a presence. The Anti-Corruption Policy applies to all directors, officers, employees and agents of the Company and supplements the Code and all applicable laws.

All directors, officers and employees have an obligation to act in the best interest of the Company. Any situation that presents an actual or potential conflict between a director, officer or employee’s personal interests and the interests of the Company are to be reported to the Company’s external legal counsel.

The Company’s directors, officers and personnel are required to read the Anti- Corruption Policy when they join the Company, and they must acknowledge that they understand the Anti-Corruption Policy and attest to their compliance on an annual basis. In addition, the Company provides annual on-line training on anti-bribery and anti-corruption to its directors, officers, and personnel. The annual training modules review key anti-bribery and corruption laws and provides basics on how to comply by providing practical situations within the training modules for the Company’s directors, officers, and personnel.

The Code, the Disclosure Policy and the Internal Employee Alert Policy are available on the Company’s website at: www.africaenergycorp.com. The Code is also available under the Company’s profile on SEDAR at www.sedar.com.

STATEMENT OF EXECUTIVE COMPENSATION

Introduction

The following section details the Company’s 2020 compensation philosophy and program objectives for the Company’s named executive officers. During the financial year ended December 31, 2020, the Company had the following three Named Executive Officers (“NEOs”):

- 1) Mr. Garrett Soden, President and Chief Executive Officer;
- 2) Mr. Jeromie Kufflick, Chief Financial Officer; and
- 3) Mr. Jan Maier, Vice President Exploration.

Compensation Philosophy and Program Objectives

The Company’s philosophy on executive compensation, applied to NEOs, is designed to:

- Attract and retain qualified and experienced executives who will contribute to the success of the Company;
- Ensure that the compensation of the NEOs provides a competitive base compensation package, with additional compensation to reward success and create a strong link between corporate performance and compensation; and
- Motivate NEOs to enhance long-term shareholder value to foster alignment with the interests of the shareholders.

The Company’s executive compensation program contains the following three components:

<u>Base Salaries:</u>	Base salaries are used to provide executive officers with sufficient income that reflects their executive position and level of responsibility while also reflecting salary norms in the sector and the general marketplace. The Company views a competitive base salary as a necessary element for retaining qualified executive officers, as it creates a meaningful incentive for individuals to remain with the Company and not be unreasonably susceptible to recruiting efforts by the Company’s competitors.
<u>Short-Term Incentives (Cash Bonuses):</u>	Cash bonuses are used to reward executive officers and other employees for meeting qualitative and quantitative goals, including developing long-term growth prospects, delivering near-term financial and operating results based on annual budgets approved by the Board, improving the efficiency and

	effectiveness of business operations, building a culture of teamwork focused on creating long-term shareholder value and managing risk capital in countries of increasing geo-political and economic risk. Cash bonuses are awarded on a discretionary basis following an evaluation of corporate performance factors and individual performance factors.
<u>Long-Term Incentives (Stock Options):</u>	Options are used to provide a pay-at-risk component to compensation and to reward long-term performance by allowing executive officers to participate in the market appreciation of the Common Shares over an extended period. Options are also required for the Company to be competitive from a total remuneration standpoint and to encourage executive retention through time-based vesting of awards.

Base Salaries

The base salary is intended to remunerate a NEO for discharging job responsibilities and reflects the executive’s performance over time. Individual salary adjustments take into account performance contributions in connection with their specific duties. The base salary of each executive officer is reviewed by the Compensation Committee based on an assessment of the individual’s sustained performance and consideration of competitive compensation levels for the markets in which the Company operates. In making its recommendations to the Board, the Compensation Committee also considers the particular skills and experience of the individual. See *“Table of Compensation Excluding Securities”*.

Short-Term Incentive Compensation – Cash Bonuses

The Company may award annual discretionary cash bonuses to executive officers and employees of Company from time to time. The amount of the bonus that each individual may be eligible to receive is not set in relation to any formula or specific criteria but is the result of a subjective determination of the Company’s performance and overall industry conditions, as well as the individual’s performance and his or her contribution to overall corporate goals. The payment of bonuses is subject to the final approval of the Board, and the Board can amend or veto bonuses in its sole discretion. See *“Table of Compensation Excluding Securities”*.

Long-Term Incentive Compensation – Stock Options

The stock option component of a NEO’s compensation, which includes a vesting element to ensure retention, serves to both motivate the executive toward increasing share value and to enable the executive to share in the future success of the Company. Individual stock options are granted by the Board on the recommendation of senior management in the case of employees, and by the Compensation Committee in the case of executive officers, including the CEO. Options are normally awarded by the Board upon the commencement of an individual’s employment with the Company based on the level of responsibility within the Company. Additional option grants may be made periodically to ensure that the number of stock options granted to any individual is commensurate with the individual’s level of ongoing responsibility within the Company. In considering additional grants, a number of factors are considered, including the role the individual plays in the Company and the value of the options being proposed at the time of grant. See *“Equity Compensation Plan”*.

The Company does not believe that its compensation programs encourage excessive or inappropriate risk taking as: (i) the Company’s employees receive both fixed and variable compensation, and the fixed (salary) portion provides a steady income regardless of common share value that allows employees to focus on the Company’s business; and (ii) the Company’s Stock Option Plan encourages a long-term perspective due to the vesting provisions of the Company’s stock options.

Compensation Oversight, Governance and Risk Management

Compensation Committee

The Compensation Committee is comprised of three directors; namely, Mr. Adam Lundin (Chair), Mr. Ian Gibbs and Mr. Keith Hill. All members of the Compensation Committee have direct experience that is relevant to their responsibilities as Compensation Committee members. All members are or have held senior executive or director roles within public companies

and have a good financial understanding that allows them to assess the costs versus benefits of compensation plans. The members' combined experience in the resource sector provides them with the understanding of the Company's success factors and risks, which is very important when determining metrics for measuring success.

Determining Compensation

The Compensation Committee assists the Board in fulfilling its oversight responsibilities with respect to compensation matters. The Compensation Committee's mandate includes reviewing and making recommendations to the Board of Directors in respect of compensation matters relating to the NEOs. In addition, the Compensation Committee determines the general compensation structure, policies and programs of the Company, including the extent and level of participation in incentive programs in conjunction with the Board. The Company's executive compensation program is administered by the Compensation Committee, and the Compensation Committee also reviews the adequacy and form of the compensation of directors to ensure that such compensation realistically reflects the responsibilities and risk involved in being an effective director. The Compensation Committee meets during the year as necessary, such as when a component of the Company's overall compensation package, including the Stock Option Plan or the annual bonus program, is being amended, reviewed, or approved.

The Company's directors and executive officers are not permitted to purchase financial instruments, including for greater certainty, prepaid variable forward contracts, equity swaps, collars or units of exchange funds that are designed to hedge or offset a decrease in market value of equity securities granted as compensation or held, directly or indirectly, by the director or officer.

The accountability for decisions on executive remuneration is clearly within the mandate of the Compensation Committee, but management has a key role in helping support the committee in fulfilling its obligations. Specifically, the CEO and other senior executives make recommendations to the Compensation Committee regarding executive officer base salary adjustments, stock option grants and bonus awards. The Compensation Committee reviews the basis for these recommendations and can exercise its discretion in modifying any of the recommendations prior to making its recommendations to the Board. The CEO does not make a recommendation to the Compensation Committee with respect to his own remuneration package.

The Compensation Committee considers a variety of factors when determining both compensation policies and programs and individual compensation levels. These factors include the long-term interests of the Company and its shareholders, overall financial and operating performance of the Company, individual performance and contribution towards meeting corporate objectives, responsibilities, length of service and levels of compensation provided by industry competitors.

As the Company has not generated any revenue from operations during the recently-completed fiscal year, traditional corporate and NEO performance standards such as earnings per share are not considered relevant by the Compensation Committee in NEO performance evaluation. The Compensation Committee is satisfied that the Company's compensation structure appropriately considers the factors relevant to the industry, the Company's performance within that industry, and the individual contributions to the Company's performance made by its NEOs.

Table of Compensation Excluding Compensation Securities

The table set out below provides a summary of compensation paid to each director and NEO of the Company for each of the two most recently completed financial years. All currency values are in US dollars for reporting purposes.

Table of compensation excluding compensation securities							
Name and position	Year	Salary, consulting fee, retainer or commission (\$)	Bonus (\$) ⁽¹⁾	Committee or meeting fees (\$)	Value of perquisites (\$)	Value of all other compensation (\$)	Total compensation (\$)
Garrett Soden <i>President and Chief Executive Officer</i> ⁽²⁾	2020	340,909	340,909	-	-	-	681,818
	2019	335,827	167,914	-	-	-	503,741
Jeromie Kufflick <i>Chief Financial Officer</i> ⁽³⁾	2020	223,881	167,910	-	-	-	391,791
	2019	226,083	113,042	-	-	-	339,125
Jan Maier <i>Vice President - Exploration</i> ⁽⁴⁾	2020	223,003	160,819	-	-	-	383,822
	2019	244,739	122,370	-	-	-	367,109
Adam Lundin <i>Chairman</i> ^(5,6)	2020	-	-	21,665	-	-	21,665
	2019	-	-	20,000	-	-	20,000
Ashley Heppenstall <i>Former Chairman</i> ^(5,7)	2020	-	-	10,236	-	-	10,236
	2019	-	-	23,000	-	-	23,000
Keith Hill <i>Director</i> ⁽⁵⁾	2020	-	-	23,000	-	-	23,000
	2019	-	-	23,000	-	-	23,000
Ian Gibbs <i>Director</i> ⁽⁵⁾	2020	-	-	25,000	-	-	25,000
	2019	-	-	25,000	-	-	25,000
John Bentley <i>Director</i> ⁽⁵⁾	2020	-	-	23,000	-	-	23,000
	2019	-	-	23,000	-	-	23,000
Johnny Copelyn <i>Director</i> ^(5,8)	2020	-	-	3,859	-	-	3,859
	2019	-	-	-	-	-	-

Notes:

- (1) Bonuses for the NEOs were approved by the Board of Directors and paid in February 2020.
- (2) Mr. Soden's salary and bonus for 2020 was converted into USD at an exchange rate of 0.88 Euro per USD. Mr. Soden's salary for 2019 was converted into USD at an exchange rate of 0.89 Euro per USD. As a NEO director of the Company, Mr. Soden does not earn any directors' fees.
- (3) Mr. Kufflick's salary and bonus for 2020 was converted into USD at an exchange rate of 1.34 CAD for each USD. Mr. Kufflick's salary for 2019 was converted into USD at an exchange rate of 1.33 CAD for each USD.
- (4) Mr. Maier's salary and bonus for 2020 was converted into USD at an exchange rate of 16.49 ZAR for each USD. Mr. Maier's salary for 2019 was converted into USD at an exchange rate of 14.45 ZAR for each USD.
- (5) In 2020 and 2019, each non-executive director was paid \$20,000 per annum. The chairman of the Audit Committee received an additional \$5,000 per annum. The chairman of the Compensation Committee, the Reserves Committee and the Corporate Governance and Nominating Committee each received an additional \$3,000 per annum.
- (6) On June 11, 2020, Mr. Lundin was appointed chairman of the Compensation Committee.
- (7) On June 11, 2020, Mr. Heppenstall stepped down from the Board of Directors.
- (8) On October 22, 2020, Mr. Copelyn was appointed to the Board of Directors.

Table of Compensation Securities

The following table discloses all compensation securities granted or issued to each director and NEO by the Company during the year ended December 31, 2020:

Compensation Securities								
Name and position	Type of compensation security ⁽¹⁾	Number of compensation securities and number of underlying securities	Percentage of stock options outstanding	Percentage of common shares outstanding	Date of issue or grant	Exercise price and closing price of security on date of grant (CAD)	Closing price of security at year end (CAD)	Expiry date
Garrett Soden <i>President and Chief Executive Officer</i> ⁽²⁾	Stock option	4,500,000	10.5%	0.3%	March 25, 2020	0.17	0.40	March 25, 2025
Jeromie Kufflick <i>Chief Financial Officer</i> ⁽³⁾	Stock option	2,250,000	5.3%	0.2%	March 25, 2020	0.17	0.40	March 25, 2025
Jan Maier <i>Vice President - Exploration</i> ⁽⁴⁾	Stock option	2,250,000	5.3%	0.2%	March 25, 2020	0.17	0.40	March 25, 2025
Adam Lundin <i>Director</i> ⁽⁵⁾	Stock option	465,000	1.1%	0.0%	March 25, 2020	0.17	0.40	March 25, 2025
Ashley Heppenstall <i>Former Chairman</i> ⁽⁶⁾	Stock option	465,000	1.1%	0.0%	March 25, 2020	0.17	0.40	March 25, 2025
Keith Hill <i>Director</i> ⁽⁷⁾	Stock option	465,000	1.1%	0.0%	March 25, 2020	0.17	0.40	March 25, 2025
Ian Gibbs <i>Director</i> ⁽⁸⁾	Stock option	465,000	1.1%	0.0%	March 25, 2020	0.17	0.40	March 25, 2025
John Bentley <i>Director</i> ⁽⁹⁾	Stock option	465,000	1.1%	0.0%	March 25, 2020	0.17	0.40	March 25, 2025
Johnny Copelyn <i>Director</i> ⁽¹⁰⁾	Stock option	-	0.0%	0.0%	-	-	-	-

Notes:

- (1) Vest over a two-year period, with one-third vesting immediately, and expire five years after the grant date.
- (2) Mr. Soden held a total of 14,000,000 compensation securities on December 31, 2020.
- (3) Mr. Kufflick held a total of 6,550,000 compensation securities on December 31, 2020.
- (4) Mr. Maier held a total of 6,550,000 compensation securities on December 31, 2020.
- (5) Mr. Heppenstall held a total of 1,820,000 compensation securities on December 31, 2020.
- (6) Mr. Hill held a total of 1,820,000 compensation securities on December 31, 2020.
- (7) Mr. Gibbs held a total of 1,820,000 compensation securities on December 31, 2020.
- (8) Mr. Bentley held a total of 1,820,000 compensation securities on December 31, 2020.
- (9) Mr. Lundin held a total of 465,000 compensation securities on December 31, 2020.
- (10) Mr. Copelyn did not hold any compensation securities on December 31, 2020.

Table of Compensation Securities Exercised

The following table discloses all compensation securities exercised by each director and NEO by the Company during the year ended December 31, 2020:

Exercise of Compensation Securities by Directors and NEOs							
Name and position	Type of compensation security	Number of underlying securities exercised	Exercise price per security (CAD)	Date of exercise	Closing price per security on date of exercise (CAD)	Difference between exercise price and closing price on date of exercise (CAD)	Total value on exercise date (\$) ⁽¹⁾
Adam Lundin, <i>Chairman</i>	Stock option	413,334	0.165	January 16, 2020	0.35	0.185	57,065
John Bentley, <i>Director</i>	Stock option	350,000	0.17	May 15, 2020	0.19	0.02	5,224
Ashley Heppenstall, <i>former Chairman</i>	Stock option	350,000	0.17	May 20, 2020	0.245	0.075	19,590
Keith Hill, <i>Director</i>	Stock option	700,000	0.17	May 21, 2020	0.23	0.06	31,343
Jeromie Kufflick, <i>Chief Financial Officer</i>	Stock option	700,000	0.17	May 21, 2020	0.23	0.06	31,343
Jan Maier, <i>Vice President - Exploration</i>	Stock option	700,000	0.17	May 27, 2020	0.24	0.07	36,567
Adam Lundin, <i>Chairman</i>	Stock option	206,666	0.165	August 31, 2020	0.45	0.285	43,955
Adam Lundin, <i>Chairman</i>	Stock option	310,000	0.245	August 31, 2020	0.45	0.205	47,425
Adam Lundin, <i>Chairman</i>	Stock option	155,000	0.17	August 31, 2020	0.45	0.28	32,388

Notes:

(1) Amounts were converted into USD at an exchange rate of 1.34 CAD for each USD.

Employment Agreements

The Company's NEOs have all entered into employment agreements with the Company. Each agreement specifies the terms and conditions of employment, the duties and responsibilities of the executive during the term, the compensation and benefits to be provided by the Company in exchange for each executive's services, and the compensation and benefits to be provided by the Company in the event of a termination of employment. The Company and its subsidiaries have not entered into any compensatory plan or arrangement in respect of compensation received or that may be received by any of the NEOs in the event of the termination of employment (resignation, retirement, change of control) or in the event of a change in responsibilities following a change in control, except for those disclosed below.

Pursuant to the terms of an open-ended executive employment agreement made effective July 1, 2017 (the "Soden Employment Agreement"), Mr. Soden is entitled to a base annual salary of €300,000 plus benefits. The Company may terminate Mr. Soden's employment for cause without notice or payment in lieu of notice. Additionally, the Soden Employment Agreement may be terminated by the Company by notice to Mr. Soden should he become permanently disabled. Upon termination of Mr. Soden's employment for cause or if he voluntarily elects to terminate his agreement, Mr. Soden shall not be entitled to any severance payment other than compensation he earned before the date of termination. Mr. Soden may be terminated by the Company for any reason other than specified above upon one year's written notice of the termination of the Soden Employment Agreement. In the event of a change of control of the Company, Mr. Soden is entitled to resign within 180 days of such change of control and to receive the equivalent of two years' base salary in a lump sum (equivalent to €600,000) plus the continuation of all benefits for two years at the highest level provided to Mr. Soden at any time within the one-year period prior to the change of control. In addition, Mr. Soden's outstanding incentive stock option awards in the Company would fully vest and become immediately exercisable upon a change of control occurring.

Pursuant to the terms of an open-ended executive employment agreement made effective February 10, 2015, the Company engaged Mr. Maier as Vice President Exploration of the Company. In accordance with the terms of Mr. Maier's employment agreement, he was entitled to a base annual salary of ZAR 3,677,312 throughout 2020. Effective January 1, 2021, Mr. Maier's base compensation increased to ZAR 3,794,986. The Company may terminate employment with thirty (30) days written notice. The Company may terminate employment summarily, without notice or payment in lieu of notice, for cause, in the event of death, or at the point Mr. Maier is deemed to be permanently disabled. In addition, Mr. Maier's outstanding

incentive stock option awards in the Company would fully vest and become immediately exercisable upon a change of control occurring.

Pursuant to the terms of an open-ended executive employment agreement made effective March 1, 2016, the Company engaged Mr. Kufflick as Chief Financial Officer of the Company. In accordance with the terms of Mr. Kufflick's employment agreement, he is entitled to a base annual salary of CAD\$300,000 plus benefits. The Company may terminate Mr. Kufflick's employment without notice or payment in lieu of notice for cause. Additionally, the agreement may be terminated by the Company by notice to Mr. Kufflick if he becomes permanently disabled. Upon the termination of Mr. Kufflick's employment for cause or if he voluntarily elects to terminate his agreement, Mr. Kufflick shall not be entitled to any severance payment other than compensation he earned before the date of termination. Mr. Kufflick may be terminated by the Company for any reason other than specified above, upon one years' written notice of the termination of his employment agreement. If there is a change of control of the Company, Mr. Kufflick is entitled to resign within 180 days of such change of control and to receive the equivalent of one years' base salary in a lump sum (equivalent to CAD\$300,000) plus the continuation of all of benefits for one year at the highest level provided to Mr. Kufflick at any time within the one-year period prior to the change of control. In addition, Mr. Kufflick's outstanding incentive stock option awards in the Company would fully vest and become immediately exercisable upon a change of control occurring.

Directors' and Officers' Liability Insurance

The Company maintains insurance for the benefit of its directors and officers and the directors and officers of its subsidiaries, as a group, in respect of their performance of the duties of their offices. The total amount of insurance coverage available is up to CAD\$20,000,000, depending on the type of claim, with a deductible of up to CAD\$25,000, depending on the type of claim, for each claim for which the Company grants indemnification. The Company bears the entire cost of the premiums payable pursuant to this coverage.

Indebtedness of Directors and Executive Officers

None of the executive officers, directors, employees, and former executive officers, directors and employees of the Company have been indebted to the Company, at any time within the thirty days before the date of the Circular, entered into in connection with a purchase of securities or any other indebtedness.

None of the directors or executive officers of the Company, proposed nominee for election as a director of the Company, nor any associates or affiliates of said persons, have been indebted to the Company at any time since the beginning of the last completed financial year of the Company.

Equity Compensation Plan

The Company's Stock Option Plan is the only compensation plan under which equity securities of the Company are authorized for issuance. The information specified below is provided as at December 31, 2020.

Plan Category	Number of securities to be issued upon exercise of outstanding options (a)	Weighted-average exercise price of outstanding options (CAD\$) (b)	Number of securities remaining available for future issuance under the Plan (excluding securities reflected in column (a)) (c) ⁽¹⁾
Equity Compensation Plans approved by securityholders ⁽¹⁾	42,780,000	0.18	96,753,303
Equity Compensation Plans not approved by securityholders	N/A	N/A	N/A
Total	42,780,000		96,753,303

Note:

(1) Based on 10% of the issued and outstanding share capital of the Company as at December 31, 2020 of 1,395,333,039.

The Company's Stock Option Plan

The Company's current 10% rolling Stock Option Plan, governing the issuance of stock options, was initially adopted by shareholders at the annual and special meeting held on June 23, 2008 and most recently approved by shareholders on June 11, 2020. The material terms of the Stock Option Plan are summarized below.

Purpose

Management of the Company believes that incentive stock options serve an important function in furnishing directors, officers, employees and consultants of the Company with an opportunity to invest in the Company in a simple and effective manner and in aligning the interests of such persons with those of the Company and its shareholders. The purpose of the Stock Option Plan is to ensure that the Company is able to continue to provide an incentive-based benefits program to its directors, officers, employees and consultants that will provide flexibility in the structuring of incentive benefits so as to allow the Company to remain competitive in the recruitment and retention of key personnel.

Administration

The Stock Option Plan is administered by the secretary of the Company, or such director or senior officer or employee of the Company as may be designated as the administrator of the Stock Option Plan from time to time, on the instructions of the Board.

Eligible Participants

Pursuant to the Stock Option Plan, stock options may be granted to an employee, director, officer or management company employee of the Company, or other persons who perform management or consulting services or investor relations services for the Company or any of its subsidiaries on an ongoing basis.

Number of Shares

The aggregate number of shares issuable upon the exercise of all stock options granted under the Stock Option Plan is not to exceed 10% of the issued and outstanding share capital of the Company on a non-diluted basis at any time, and such aggregate number of shares issuable upon the exercise of all stock options granted under the Stock Option Plan shall automatically increase or decrease as the number of issued and outstanding shares changes. If any option granted under the Stock Option Plan expires or terminates for any reason in accordance with the terms of the Stock Option Plan without being exercised, the un-purchased shares will again be available for the purpose of the Stock Option Plan. The aggregate number of shares reserved for issuance pursuant to the Stock Option Plan or any other share compensation arrangement to any one participant within a one-year period is not to exceed 5% of the shares outstanding at the time of the grant. The aggregate number of shares reserved for issuance pursuant to the Stock Option Plan or any other share compensation arrangement to insiders is not to exceed 10% of the shares from time to time, unless disinterested shareholder approval is obtained.

Exercise Price

The exercise price per share is determined by the Board at the time the options are granted provided that the exercise price cannot be lower than the lowest exercise price permitted by the TSX Venture Exchange.

Vesting

Options granted pursuant to the Stock Option Plan will vest and become exercisable by an option holder at such time or times as may be determined by the Board at the date of the option grant and as indicated in the option grant and related option agreement. Subject to any vesting restrictions imposed by the TSX Venture Exchange, the Board may, in its sole discretion, determine the time during which options shall vest and the method of vesting, or that no vesting restrictions shall exist. Notwithstanding the foregoing, options granted to consultants providing investor relations services will vest in stages over a period of no less than 12 months with a maximum of one-quarter of such options vesting in any three-month period.

Exercise of Option

Vested options may be exercised, in whole or in part, by delivering to the administrator an exercise notice, the applicable option commitment and a certified cheque(s) or bank draft(s) payable to the Company in an amount equal to the exercise price of the shares to be purchased pursuant to the exercise of the option(s) and the applicable withholding taxes or other amounts required, by any laws or regulation of any government authority, to be deducted or withheld by the Company.

Transferability

Options may not be assigned or transferred other than by will or by the applicable laws of descent and, during the lifetime of the option holder, may only be exercised by the option holder.

Term

The term of any option granted is fixed by the Board and may not exceed five years from the date of grant.

Expiry of Option

In the event that an option holder should die while he or she is still a director or employee of the Company, the expiry date of the option is one year from the date of death of the option holder.

In the event that an option holder who has received stock options in his or her capacity as a director of the Company ceases to be a director of the Company other than by reason of death, the expiry date of the options will be the 30th day following the date the option holder ceases to be a director of the Company unless the option holder continues to be engaged by the Company as an employee, in which case the expiry date will remain unchanged, or where the option holder ceases to be a director of the Company as a result of ceasing to meet the qualifications under section 124 of the *Business Corporations Act* (British Columbia) (the "Act"), a special resolution being passed by the shareholders of the Company pursuant to subsection 128(3) of the Act, or by order of the British Columbia Securities Commission, the TSX Venture Exchange or any regulatory body having jurisdiction to do so, in which case the expiry date will be the date the option holder ceases to be a director of the Company.

In the event that an option holder who has received stock options in his or her capacity as an employee of the Company ceases to be an employee of the Company other than by reason of death, or if the employee is a party providing investor relations services or management or consulting services to the Company and ceases to continue providing such services to the Company, the expiry date of the option will be the 30th day following the date the option holder ceases to be an employee of the Company or ceases to continue providing such investor relations, management and consulting services to the Company, subject to the terms and conditions of the Stock Option Plan.

Change of Control

In the event that a change of control, as defined in the Stock Option Plan, occurs, each option will immediately become fully vested and may be exercised by the option holder, and the exercisable option(s) may be exercised on or before the earlier of the expiry of the option and that date which is 60 days after the date of notice to the holder of such change of control event. After such date the provisions of the option shall reapply with respect to the balance of the optioned shares in respect of which the option has not been exercised, subject to the terms of the Stock Option Plan.

Amendments to the Stock Option Plan

Any proposed amendment which would reduce the exercise price, extend the term, or remove or exceed the insider participation limits, of an option held by an insider of the Company (as that term is defined by the policies of the TSX Venture Exchange and relevant securities laws) shall first require approval from the disinterested shareholders of the Company. All amendments are subject to the prior approval of the TSX Venture Exchange.

Termination

The Board may terminate the Stock Option Plan at any time provided that such termination will not alter the terms or conditions of any option or impair any right of any option holder pursuant to any option awarded prior to the date of such termination and notwithstanding such termination the Company, such options, option holders, directors and employees and shares shall continue to be governed by the provisions of the Stock Option Plan.

At the Meeting, shareholders will be asked to approve an ordinary resolution to approve the Stock Option Plan. See *"Business of the Annual General and Special Meeting"* for details and Appendix B for a copy of the full Stock Option Plan.

Management Contracts

Management functions of the Company and its subsidiaries are performed by directors, executive officers or senior officers of the Company and not, to any substantial degree, by any other person with whom the Company has contracted.

Interest of Informed Persons in Material Transactions

No informed person of the Company, nor any proposed director of the Company, nor any associate or affiliate of any informed person or proposed director, has since the commencement of the Company's most recently completed financial year (January 1, 2020) had any material interest, direct or indirect, in any transaction, which has materially affected or will materially affect the Company or any of its subsidiaries, except as follows:

In February 2020, the Company closed a private placement and issued 104,652,174 of its shares at the price of SEK 2.30 (approximately CAD 0.32) per share to raise gross proceeds of approximately \$25.0 million. The Company's related party, Africa Oil participated in the private placement.

In September 2020, the Company closed a private placement and issued 81,667,000 of its shares at the price of SEK 3.00 (corresponding to approximately CAD 0.45) per share to raise gross proceeds of approximately \$28.0 million. The Company's related party, Africa Oil participated in the private placement and Africa Oil currently owns approximately 19.9% of the outstanding common shares of the Company.

Mr. Keith Hill is the President and Chief Executive Officer, and a director of Africa Oil, and Mr. Ian Gibbs is a director of Africa Oil.

In November 2020, the Company closed the equity issue of 509,092,771 common shares in the Company) to Impact Oil & Gas Limited ("Impact") pursuant to the terms of a subscription agreement between the Company and Impact dated August 24, 2020. Impact currently owns approximately 36.5% of the outstanding common shares of the Company.

Mr. Johnny Copelyn is a Director of Impact Oil & Gas Limited, and Mr. Siraj Ahmed is the Chief Executive Officer of Impact Oil & Gas Limited.

Additional Information

Additional information relating to the Company is available on SEDAR under the Company's profile at www.sedar.com.

Financial information regarding the Company is provided in the consolidated annual financial statements and related management's discussion and analysis ("MD&A") for its most recently completed financial year. Copies of the consolidated financial statements and related MD&A, as well as a copy of the Company's Annual Information Form ("AIF") for the fiscal year ended December 31, 2020, may be accessed on the Company's website at www.africaenergycorp.com or shareholders may contact the Company to request copies of the consolidated financial statements, MD&A and AIF, as follows:

- (i) e-mail: info@africaenergycorp.com
- (ii) telephone: 604-689-7842

(iii) mail: Africa Energy Corp. - Investor Relations
Suite 2000, 885 West Georgia Street
Vancouver, B.C., V6C 3E8

**AFRICA ENERGY CORP.
(the "Corporation")**

MANDATE OF THE AUDIT COMMITTEE

1. Purpose of the Audit Committee

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

2. Members of the Audit Committee

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 Corporation and a majority of whom must be independent.

2.2. At least one Member of the Audit Committee must be "financially literate" as defined under National Instrument 52-110, having sufficient accounting or related financial management expertise 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 Corporation's financial statements.

3. Meeting Requirements

3.1. The 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 Committee determines. Without a meeting the Committee may act by unanimous written consent of all members.

3.2. Two members of the Audit Committee shall constitute a quorum.

4. Duties and Responsibilities

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 Corporation; 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 Corporation or any other relationships that may adversely affect the independence of the Auditor and assess the independence of the Auditor.

4.2. *Non-Audit Services*

4.2.1. All auditing services and non-audit services provided to the Corporation or the Corporation'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 Corporation that are prohibited by applicable law or regulation.

4.3. *Review of Financial Statements etc.*

4.3.1. The Audit Committee shall review the Corporation's interim and annual financial statements and Management's Discussion and Analysis ("MD&A"), intended for circulation among shareholders; and shall report on them 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 Corporation and accounting and financial reporting proposals that are provided by the Auditor that may have a significant impact on the Corporation's financial reports, and report on them to the Board.

4.4. *Review of Public Disclosure of Financial Information*

4.4.1. The Audit Committee shall review the Corporation's annual and interim press releases relating to financial results before the Corporation publicly discloses this information.

4.4.2. The Audit Committee must be satisfied that adequate procedures are in place for the review of the Corporation's public disclosure of financial information extracted or derived from the Corporation's financial statements, other than the public disclosure referred to in subsection 5.4.1, and must periodically assess the adequacy of those procedures.

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 satisfy itself that there are no unresolved issues between management and the Auditor that could affect the audited financial statements.

4.5.3. 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.

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

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.

4.7. *Internal Controls*

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

4.8. *Complaints and Concerns*

4.8.1. The Audit Committee shall establish procedures for:

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

4.9. *Hiring Practices*

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

4.10. *Other Matters*

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

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

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

4.10.4. 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.

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

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

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

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 Corporation to pay the compensation for any advisors employed by the Audit Committee; and
- c) To communicate directly with the Auditor and, if applicable, the Corporation's internal auditor.

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 Corporation and its affiliates and to discuss those accounts and records and any matters relating to the financial position of the Corporation with the officers and Auditor of the Corporation and its affiliates, and any member of the Audit Committee may require the Auditor to attend any or every meeting of the Audit Committee.

6. Miscellaneous

Nothing contained in this Charter is intended to extend applicable standards of liability under statutory or regulatory requirements for the directors of the Corporation or members of the Audit Committee. The purposes, responsibilities, duties and authorities outlined in this Charter 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.

AFRICA ENERGY CORP.
STOCK OPTION PLANARTICLE 1
DEFINITIONS AND INTERPRETATION

1.1 DEFINITIONS

As used herein, unless anything in the subject matter or context is inconsistent therewith, the following terms shall have the meanings set forth below:

- (a) “Administrator” means, initially, the secretary of the Company and thereafter shall mean such director or other senior officer or employee of the Company as may be designated as Administrator by the Board from time to time;
- (b) “Affiliate” has the meaning prescribed in the policies of the TSX Venture Exchange as amended from time to time;
- (c) “Associate” has the meaning prescribed in the policies of the TSX Venture Exchange as amended from time to time;
- (d) “Award Date” means the date on which the Board grants and announces a particular Option;
- (e) “Board” means the board of directors of the Company;
- (f) “Director” means any individual holding the office of director or senior officer of the Company;
- (g) “Change of Control” means any of the following:
 - (i) the sale by the Company of all or a material portion of the assets of the Company;
 - (ii) the acquisition by any Person (whether from the Company or from any other Person) of Shares or other securities of the Company having rights of purchase, conversion or exchange into Shares of the Company which together with securities of the Company held by such Person, together with Persons acting jointly or in concert (as those terms are defined by the Securities Act) with such Person, exceeds 20% of the issued and outstanding Shares of the Company on a fully diluted basis (i.e. for either test, the purchase, conversion or exchange of such other securities, whether then purchasable, convertible or exchangeable or not, into the highest number of Shares of the Company, such Person or Persons would be entitled to);
 - (iii) the amalgamation or merger of the Company with or into any one or more other corporations (other than: (a) an amalgamation or merger of the Company with or into a Subsidiary of the Company; or (b) an amalgamation or merger of the Company unanimously recommended by the Board of Directors provided that the former holders of Shares receive, in the aggregate and in their capacities as such, shares of the amalgamated or merged corporation having attached thereto not less than 51% of the votes attached to all shares of such amalgamated or merged corporation);
 - (iv) the election at a meeting of the Company’s shareholders of that number of persons which would represent a majority of the Board as directors of the Company, who are not included in the slate

- for election as directors proposed to the Company's shareholders by management of the Company;
- (v) the completion of any transaction or the first of a series of transactions which would have the same or similar effect as any transaction or series of transactions referred to in subsections (i), (ii), (iii) or (iv) above; or
 - (vi) a reasonable determination by the Board of Directors that there has been a change, whether by way of a change in the holding of the Shares, in the ownership of the Company's assets or by any other means, as a result of which any person or group of persons acting jointly or in concert is in a position to exercise effective control of the Company;
- (h) "Company" means Africa Energy Corp. or any "affiliate" (as defined under the *Business Corporations Act* (British Columbia));
 - (i) "Employee" means any individual regularly employed on a full-time or part-time basis by the Company or other persons who perform management or consulting services or investor relations services for the Company on an ongoing basis;
 - (j) "Exchange" means the TSX Venture Exchange or any other stock exchange on which the shares are listed;
 - (k) "Exercise Notice" means the notice respecting the exercise of an Option in the form set out as Schedule "B" hereto, duly executed by the Option Holder;
 - (l) "Exercise Period" means the period during which a particular Option may be exercised and is the period from and including the Award Date through to and including the Expiry Date;
 - (m) "Exercise Price" means the price at which an Option may be exercised as determined in accordance with paragraph 3.5;
 - (n) "Expiry Date" means the date determined in accordance with paragraph 3.3 and after which a particular Option cannot be exercised;
 - (o) "Insider" means:
 - (i) a director or senior officer of the Company;
 - (ii) a director or senior officer of a company that is an Insider or subsidiary of the Company;
 - (iii) a person or entity that beneficially owns or controls, directly or indirectly, voting shares carrying more than 10% of the voting rights attached to all outstanding voting shares of the Company, or
 - (iv) the Company itself if it holds any of its own securities.
 - (p) "Option" means an option to acquire Shares, awarded to a Director or Employee pursuant to the Plan;
 - (q) "Option Commitment" means the Commitment, substantially in the form set out as Schedule "A" hereto, evidencing an Option;
 - (r) "Option Holder" means a Director or Employee or former Director or Employee, who holds an unexercised and unexpired Option or, where applicable, the Personal Representative of such person;
 - (s) "Plan" means this Africa Energy Corp. stock option plan;
 - (t) "Personal Representative" means:

- (i) in the case of a deceased Option Holder, the executor or administrator of the deceased duly appointed by a court or public authority having jurisdiction to do so; and
 - (ii) in the case of an Option Holder who for any reason is unable to manage his or her affairs, the person entitled by law to act on behalf of such Option Holder; and
- (u) "Securities Act" means *Securities Act (British Columbia)*;
- (v) "Share" or "Shares" means, as the case may be, one or more common shares without par value in the capital of the Company;
- (w) "Take-Over Proposal" means (i) any proposal or offer by a third person, whether or not subject to a due diligence condition and whether or not in writing, to acquire in any manner, directly or indirectly, beneficial ownership of or control or direction over more than 50% of the Company's outstanding voting shares whether by way of arrangement, amalgamation, merger, consolidation or other business combination, including without limitation any single or multi-step transaction or series of related transactions that is structured to permit such third person to acquire in any manner, directly or indirectly, more than 50% of its outstanding voting shares, or (ii) any proposal, offer or agreement for a merger, consolidation, amalgamation, arrangement, recapitalization, liquidation, dissolution, reorganization or similar transaction or other business combination involving the Company.

1.2 CHOICE OF LAW

The Plan is established under and the provisions of the Plan shall be interpreted and construed in accordance with the laws of the Province of British Columbia.

1.3 HEADINGS

The headings used herein are for convenience only and are not to affect the interpretation of the Plan.

ARTICLE 2
PURPOSE AND PARTICIPATION

2.1 PURPOSE

The purpose of the Plan is to provide the Company with a share-related mechanism to attract, retain and motivate qualified Directors and Employees, to reward such of those Directors and Employees as may be awarded Options under the Plan by the Board from time to time for their contributions toward the long-term goals of the Company and to enable and encourage such Directors and Employees to acquire Shares as long-term investments.

2.2 PARTICIPATION

The Board shall, from time to time, in its sole discretion determine those Directors and Employees, if any, to whom Options are to be awarded. If the Board elects to award an Option to a Director, the Board shall, in its sole discretion but subject to paragraph 3.2, determine the number of Shares to be acquired on the exercise of such Option. If the Board elects to award an Option to an Employee, the number of Shares to be acquired on the exercise of such Option, shall be determined by the Board in its sole discretion, and in so doing the Board may take into account the following criteria:

- (g) the annual salary of the Employee as at the Award Date in relation to the total annual salaries payable by the Company to all of its Employees as at the Award Date;
- (h) the length of time that the Employee has been employed by the Company; and
- (i) the quality of work performed by the Employee.

2.3 REPRESENTATION OF EMPLOYEE STATUS

In awarding an Option to an Employee, both the Board, on behalf of the Company, and the Employee shall represent that the Employee is a bona fide optionee of the Company, being:

- (a) an individual who is considered an employee under the *Income Tax Act* (i.e., for whom income tax, employment insurance and CPP deductions must be made at source);
- (b) an individual who works full-time for the Company providing services normally provided by an employee and who is subject to the same control and direction by the Company over the details and methods of work as an employee of the Company, but for whom income tax deductions are not made at source; or
- (c) an individual who works for the Company on continuing and regular basis providing services normally provided by an employee and who is subject to the same control and direction by the Company over the details and methods of work as an employee of the Company, but for whom income tax deductions are not made at source;
- (d) a bona fide management company employee, being an individual employed by a party providing management services to the Company, which are required for the ongoing successful operation of the business enterprise of the Company, but excluding a party engaged in investor relations activities; or
- (e) a bona fide consultant, being in relation to the Company, an individual (or a company of which the individual is an employee or shareholder or a partnership of which the individual is a partner) who:
 - (iii) provides ongoing consulting services to the Company or an Affiliate of the Company under a written contract;
 - (iv) possesses technical, business or management expertise of value to the Company or an Affiliate of the Company;

- (v) spends a significant amount of time and attention on the business and affairs of the Company or an Affiliate of the Company; and
- (iv) has a relationship with the Company or an Affiliate of the Company that enables the individual to be knowledgeable about the business and affairs of the Company.

2.4 NOTIFICATION OF AWARD

Following the approval by the Board of the awarding of an Option, the Administrator shall notify the Option Holder in writing of the award and shall enclose with such notice the Option Commitment representing the Option so awarded.

2.5 COPY OF PLAN

Each Option Holder, concurrently with the notice of the award of the Option, shall be provided with a copy of the Plan. A copy of any amendment to the Plan shall be promptly provided by the Administrator to each Option Holder.

2.6 LIMITATION

The Plan does not give any Option Holder that is a Director the right to serve or continue to serve as a Director of the Company nor does it give any Option Holder that is an Employee the right to be or to continue to be employed by the Company.

ARTICLE 3 TERMS AND CONDITIONS OF OPTIONS

3.1 BOARD TO ALLOT SHARES

The Shares to be issued to Option Holders upon the exercise of Options shall be allotted and authorized for issuance by the Board prior to the exercise thereof.

3.2 NUMBER OF SHARES

- (a) Subject to adjustment as provided in Section 3.7 hereof, the aggregate number of Shares issuable upon the exercise of all Options granted under the Plan shall not exceed 10% of the issued and outstanding share capital of the Company on a non-diluted basis at any time, and such aggregate number of Shares shall automatically increase or decrease as the number of issued and outstanding Shares changes.
- (b) If any Option granted hereunder shall expire or terminate for any reason in accordance with the terms of the Plan without being exercised, the un-purchased Shares subject thereto shall again be available for the purpose of this Plan.
- (c) The aggregate number of Shares reserved for issuance pursuant to this Plan or any other Share Compensation Arrangement (pre-existing or otherwise) to any one Participant within a one-year period shall not exceed 5% of the Shares outstanding at the time of the grant.
- (d) The aggregate number of Shares reserved for issuance pursuant to this Plan or any other Share Compensation Arrangement (pre-existing or otherwise) to any one Consultant within a one-year period shall not exceed 2% of the Shares outstanding at the time of the grant.

- (e) The aggregate number of Shares reserved for issuance pursuant to this Plan or any other Share Compensation Arrangement (pre-existing or otherwise) to all persons conducting Investor Relations Activities within a one-year period shall not exceed 2% of the Shares outstanding at the time of the grant.
- (f) Options issued to Consultants performing Investor Relations Activities must vest in stages over 12 months with no more than $\frac{1}{4}$ of the options vesting in any three month period.
- (g) The aggregate number of Shares reserved for issuance pursuant to this Plan or any other Share Compensation Arrangement (pre-existing or otherwise) to Insiders shall not exceed 10% of the Shares outstanding from time to time unless the Company has obtained Disinterested Shareholder Approval to do so.
- (h) The aggregate number of Options which may be granted pursuant to this Plan or any other Share Compensation Arrangement (pre-existing or otherwise) to Insiders within a one-year period shall not exceed 10% of the Shares outstanding from time to time unless the Company has obtained Disinterested Shareholder Approval to do so.

3.3 TERM OF OPTION

Subject to paragraph 3.4, the Expiry Date of an Option shall be the date so fixed by the Board at the time the particular Option is awarded, provided that such date shall not be later than the fifth anniversary of the Award Date of such Option.

3.4 TERMINATION OF OPTION

An Option Holder may exercise an Option in whole or in part at any time or from time to time during the Exercise Period provided that, with respect to the exercise of part of an Option, the Board may at any time and from time to time fix a minimum or maximum number of Shares in respect of which an Option Holder may exercise part of any Option held by such Option Holder. Any Option or part thereof not exercised within the Exercise Period shall terminate and become null, void and of no effect as of 5:00 p.m. local time in Vancouver, British Columbia, on the Expiry Date. The Expiry Date of an Option shall be the earlier of the date so fixed by the Board at the time the Option is awarded and the date established, if applicable, in sub-paragraphs (a) to (c) below:

(a) **Death**

In the event that the Option Holder should die while he or she is still a Director (if he or she holds his or her Option as Director) or Employee (if he or she holds his or her Option as Employee), the Expiry Date shall be one (1) year from the date of death of the Option Holder; or

(b) **Ceasing to hold Office**

In the event that the Option Holder holds his or her Option as Director of the Company and such Option Holder ceases to be a Director of the Company other than by reason of death, the Expiry Date of the Option shall be the 30th day following the date the Option Holder ceases to be a Director of the Company unless the Option Holder ceases to be a Director of the Company but continues to be engaged by the Company as an Employee, in which case the Expiry Date shall remain unchanged, or unless the Option Holder ceases to be a Director of the Company as a result of:

(i) ceasing to meet the qualifications set forth in section 124 of the *Business Corporations Act* (British Columbia) or such other qualifications required by the corporate laws in any other jurisdiction under which the Company is continued or amalgamated; or

(ii) a special resolution having been passed by the members of the Company pursuant to subsection 128(3) of the *Business Corporations Act* (British Columbia) or an equivalent enactment pursuant to

the corporate laws in any other jurisdiction under which the Company is continued or amalgamated;
or

- (iii) by order of the British Columbia Securities Commission, the TSX Venture Exchange or any regulatory body having jurisdiction to so order,

in which case the Expiry Date shall be the date the Option Holder ceases to be a Director of the Company.

(c) **Ceasing to be Employed**

In the event that the Option Holder holds his or her Option as an Employee of the Company and such Option Holder ceases to be an Employee of the Company other than by reason of death, or if the Employee is a party providing investor relations services or management or consulting services to the Company and ceases to continue providing such services to the Company, the Expiry Date of the Option shall be the 30th day following the date the Option Holder ceases to be an Employee of the Company or ceases to continue providing such investor relations, management and consulting services to the Company unless the Option Holder ceases to be an Employee of the Company or ceases to continue providing such services to the Company as a result of:

- (i) termination for cause; or
- (ii) by order of the British Columbia Securities Commission, the TSX Venture Exchange, or any regulatory body having jurisdiction to so order,

in which case the Expiry Date shall be the date the Option Holder ceases to be an Employee of the Company or ceases to continue providing such services.

3.5 EXERCISE PRICE

The Exercise Price shall be that price per share, as determined by the Board in its sole discretion and announced as of the Award Date, at which an Option Holder may purchase a Share upon the exercise of an Option, and shall not be less than the last daily closing price of the Company's shares on the TSX Venture Exchange prior to the Award Date less the discount permitted by the policies of the TSX Venture Exchange (or, if the Shares are no longer listed for trading on the TSX Venture Exchange, then such other exchange or quotation system on which the Shares are listed or quoted for trading).

3.6 REDUCTION IN EXERCISE PRICE FOR INSIDERS

Disinterested shareholder approval will be obtained for any reduction in the Exercise Price if the Option Holder is an Insider of the Company at the time of the proposed amendment.

3.7 ASSIGNMENT OF OPTIONS

Options may not be assigned or transferred, provided however that the Personal Representative of an Option Holder may, to the extent permitted by paragraph 4.1, exercise the Option within the Exercise Period.

3.8 ADJUSTMENTS

If prior to the complete exercise of any Option the Shares are consolidated, subdivided, converted, exchanged or reclassified or in any way substituted for (collectively the "Event"), an Option, to the extent that it has not been exercised, shall be adjusted by the Board in accordance with such Event in the manner the Board deems appropriate. No fractional Shares shall be issued upon the exercise of the Options and accordingly, if as a result of the Event, an Option Holder would become entitled to a fractional share, such Option Holder shall have the right to purchase only the next lowest whole number of shares and no payment or

other adjustment will be made with respect to the fractional interest so disregarded. Additionally, no lots of Shares in an amount less than 100 Shares shall be issued upon the exercise of the Option unless such amount of Shares represents the balance left to be exercised under the Option.

3.9 VESTING

- (a) Options granted pursuant to the Plan shall vest and become exercisable by an Option Holder at such time or times as may be determined by the Board at the date of the Option grant and as indicated in the Option Grant and Option Commitment related thereto. Subject to any vesting restrictions imposed by the Exchange, the Board may, in its sole discretion, determine the time during which Options shall vest and the method of vesting, or that no vesting restriction shall exist. Notwithstanding the foregoing, Options granted to Consultants providing Investor Relations Services shall vest in stages over a period of no less than 12 months with a maximum of one-quarter of such Options vesting in any three month period.
- (b) Subject to the provisions of the Plan, an Option may be exercised from time to time by delivery to the Company of a written notice of exercise specifying the number of Shares with respect to which the Option is being exercised and accompanied by payment in full of the exercise price of the Shares to be purchased by cash, certified cheque, wire transfer or bank draft. Certificates for such Shares shall be issued and delivered to the Option Holder within a reasonable time following the receipt of such notice and payment.
- (c) Subject to any vesting restrictions imposed by the Board, Options may be exercised in whole or in part at any time and from time to time during the term of the Option. To the extent required by the Exchange, no Option may be exercised under this Plan until this Plan has been approved by a resolution duly passed by the shareholders of the Company.
- (d) Except as set forth in paragraph 3.4, no Option may be exercised unless the Participant is at the time of such exercise a Director, Officer, Consultant, or Employee of the Company or any of its Subsidiaries, or a Management Company Employee of the Company or any of its Subsidiaries.
- (e) No Participant or his/her legal representatives, legatees or distributees will be, or will be deemed to be, a holder of any Shares of the Company unless and until the certificates for Shares issuable pursuant to Options under the Plan are issued to him/her or them under the terms of the Plan.
- (f) The Option Commitment representing any such Option will disclose any vesting conditions.

3.10 HOLD PERIOD

In certain circumstances, an Option and any Shares issued under such Option, may be subject to a four-month hold period, from the time the Option was granted during which period they cannot be sold and, in accordance with the Exchange's policies, the certificates representing such Shares shall be legended accordingly. Shares issued on the exercise of an Option may be subject to such other hold periods as may be imposed by the Exchange or under the Securities Act.

3.11 EXTENSION OF EXPIRY TIME DURING BLACKOUT PERIODS

Notwithstanding the provisions contained herein for the expiry of Options, in the event that the expiry date of an Option falls during or within two (2) business days following the end of a blackout period of the Company pursuant to its policies (a "Blackout Period"), the expiry date of such Option shall be extended for a period of ten (10) business days following the end of the Blackout Period.

3.12 TRANSFERABILITY

All benefits, rights and Options accruing to any Participant in accordance with the terms and conditions of the Plan shall not be assignable or transferable other than by will or by the applicable laws of descent. During the lifetime of an Option Holder, all Options may only be exercised by the Option Holder.

ARTICLE 4 CHANGE OF CONTROL

In the event that a Change of Control has occurred, each outstanding Option shall immediately become fully vested and may be exercised in whole or in part by the Option Holder. After such Change of Control the Option may be exercised, notwithstanding Article 3.8, as to all or any of the optioned Shares in respect of which the Option has not been exercised, on or before the earlier of the expiration of the term of the Option and 5:00 p.m. (Vancouver time) on that date which is 60 days after the date of notice to the Option Holder of such Change of Control event. After such date the provisions of the Option shall reapply with respect to the balance of the optioned Shares in respect of which the Option has not been exercised provided that, for the purposes of Article 6.2, any optioned Shares purchased pursuant to this subsection shall be deemed to have been the optioned Shares in respect of which the Option Holder could have exercised the Option earliest.

If approved by the Board, Options may provide that, whenever the Company's shareholders receive a Take-over Proposal, such Option may be exercised as to all or any of the Shares in respect of which such Option has not previously been exercised (including in respect of Shares not otherwise vested at such time) by the Participant (the "Take-over Acceleration Right"). The Take-over Acceleration Right shall commence at such time as is determined by the Board, provided that, if the Board approves the Take-over Acceleration Right but does not determine commencement and termination dates regarding same, the Take-over Acceleration Right shall commence on the date of the Take-over Proposal and end on the earlier of the expiry time of the Option and the tenth (10th) day following the expiry date of the Take-over Proposal. Notwithstanding the foregoing, the Take-over Acceleration Right may be extended for such longer period as the Board may resolve.

If the Participant elects to exercise its Option to purchase Shares following the merger or consolidation of the Company with any other corporation, whether by amalgamation, plan of arrangement or otherwise, the Option Holder shall be entitled to receive, and shall accept, in lieu of the number of Shares of the Company to which he was theretofore entitled upon such exercise, the kind and amount of shares and other securities, property or cash which such holder could have been entitled to receive as a result of such merger or consolidation if, on the effective date thereof, he/she had been the registered holder of the number of Shares of the Corporation to which he/she was theretofore entitled to purchase upon exercise of such Options.

ARTICLE 5 EXERCISE OF OPTION

5.1 EXERCISE OF OPTION

An Option may be exercised only by the Option Holder or the Personal Representative of any Option Holder. An Option Holder or the Personal Representative of any Option Holder may exercise an Option in whole or in part at any time or from time to time during the Exercise Period up to 5:00 p.m. local time in Vancouver, British Columbia on the Expiry Date by delivering to the Administrator an Exercise Notice, the applicable Option Commitment and a certified cheque(s) or bank draft(s) payable to the Company in an amount equal to the aggregate of the Exercise Price of the Shares to be purchased pursuant to the exercise of the Option and the amount of applicable statutory withholding taxes or other amounts which the Company or its Affiliate is required by any law or regulation of any governmental authority to deduct or withhold.

5.2 ISSUE OF SHARE CERTIFICATES

As soon as practicable following the receipt of the Exercise Notice, the Administrator shall cause to be delivered to the Option Holder a certificate for the Shares so purchased.

5.3 CONDITION OF ISSUE

The issue of Shares by the Company pursuant to the exercise of an Option is subject to this Plan and compliance with the laws, rules and regulations of all regulatory bodies applicable to the issuance and distribution of such Shares and to the listing requirements of any stock exchange or exchanges on which the Shares may be listed. The Option Holder agrees to comply with all such laws, rules and regulations and agrees to furnish to the Company any information, report and/or undertakings required to comply with and to fully cooperate with the Company in complying with such laws, rules and regulations.

ARTICLE 6 ADMINISTRATION

6.1 ADMINISTRATION

The Plan shall be administered by the Administrator on the instructions of the Board. The Board may make, amend and repeal at any time and from time to time such regulations not inconsistent with the Plan as it may deem necessary or advisable for the proper administration and operation of the Plan and such regulations shall form part of the Plan. The Board may delegate to the Administrator or any Director, officer or employee of the Company such administrative duties and powers as it may see fit.

6.2 INTERPRETATION

The interpretation by the Board of any of the provisions of the Plan and any determination by it pursuant thereto shall be final and conclusive and shall not be subject to any dispute by any Option Holder. No member of the Board or any person acting pursuant to authority delegated by it hereunder shall be liable for any action or determination in connection with the Plan made or taken in good faith and each member of the Board and each such person shall be entitled to indemnification with respect to any such action or determination in the manner provided for by the Company.

6.3 STATUTORY WITHHOLDINGS

As a condition of participation in the Plan, an Option Holder shall authorize the Company in written form to collect and withhold from the Option Holder or its agent, as the case may be, any amounts required by applicable legislation to be withheld for any taxes, or otherwise, as a consequence of such participation in the Plan.

ARTICLE 7 AMENDMENT AND TERMINATION

7.1 AMENDMENTS TO THE PLAN

The Board shall have the power to, without shareholder approval, at any time and from time to time, either prospectively or retrospectively amend, suspend, or terminate this Plan or any Option granted under this Plan:

- (a) for the purposes of making minor or technical modifications to any of the provisions of this Plan;
- (b) to correct any ambiguity, defective provisions, error or omission in the provisions of this Plan;
- (c) the Board shall obtain disinterested shareholder approval of the following:
 - i. any amendment that would reduce the exercise price of an outstanding Option granted to an insider (other than pursuant to Section 3.2);
 - ii. any amendment that would extend the term of any Option granted to an insider;

- iii. an amendment that would remove or exceed the insider participation limit set out in Section 3.6;
- iv. any amendments allowing for an Option to be transferable or assignable, other than for normal estate settlement purposes; and
- v. a change to this Section 7.1 of this Plan.

All amendments are subject to the prior approval of the Exchange.

7.2 TERMINATION

The Board may terminate the Plan at any time provided that such termination shall not alter the terms or conditions of any Option or impair any right of any Option Holder pursuant to any Option awarded prior to the date of such termination and notwithstanding such termination the Company, such Options, Option Holders, Directors and Employees and Shares shall continue to be governed by the provisions of the Plan.

7.3 AGREEMENT

The Company and every person to whom an Option is awarded hereunder shall be bound by and subject to the terms and conditions of the Plan.

7.4 No Representation or Warranty

The Company makes no representation or warranty as to the future market value of any Shares issued in accordance with the provisions of the Plan.

**AFRICA ENERGY CORP.
STOCK OPTION PLAN - OPTION COMMITMENT**

Notice is hereby given that, effective the ____ day of _____ (the "Award Date"), Africa Energy Corp. (the "Company") has granted to _____, (the "Optionee") an Option to acquire _____ Common Shares ("Shares") in the capital stock of the Company up to 5:00 p.m. Vancouver Time on the ___ day of _____ (the "Expiry Date") at an exercise price of Cdn\$_____ per share. The grant of the Option evidenced hereby is made subject to the terms and conditions of the Company's 10% Rolling Stock Option Plan, as amended from time to time (the "Plan"), the terms and conditions of which are hereby incorporated herein.

The Shares may be acquired as follows:

- [INSERT VESTING SCHEDULE, AS APPLICABLE]

In the event there is a Change of Control of the Company, as such term is defined in the Plan, the Options represented by this Option Commitment shall immediately vest.

To exercise your Option, deliver a completed Exercise Notice to the Company, together with certified cheques or bank drafts in full payment of the Exercise Price and statutory deductions, if any. Certificate(s) for such Shares shall be issued and delivered to the Optionee within a reasonable time following the receipt of the Exercise Notice and receipt of payment.

Please acknowledge acceptance of this Option on the terms and conditions prescribed herein by returning a signed (where indicated below) copy of the same to the Company (Attention: Corporate Secretary). By signing and delivering a copy of this Option Commitment to the Company, you are acknowledging receipt of a copy of the Plan and are agreeing to be bound by all of the terms contained therein.

AFRICA ENERGY CORP.

Per:

Authorized Signatory

Election to Accept Option

I, _____, have received and read this Option Commitment and Plan (together, the Option Documents") and hereby elect, acknowledge and agree to accept the Option represented by this Option Commitment and to be bound by the Option Documents.

Signature: _____

Address: _____

Witness: _____

Witness Name: _____
(Printed)

Note to "reporting insiders": Please remember to comply with your reporting insider filing requirements within the time prescribed by applicable securities legislation. Reporting insider reports may only be filed electronically on the web-based system known as SEDI (www.sedi.ca).

NOTICE OF EXERCISE OF OPTION

TO: The Administrator, Stock Option Plan
Africa Energy Corp. (the "Company")
Suite 2000, 885 West Georgia Street
Vancouver, B.C.
V6C 3E8

TAKE NOTICE that the undersigned Optionee hereby irrevocably exercises his/her Option to purchase _____ common shares of the Company at a purchase price of Cdn\$____ per share pursuant to the terms and conditions of the Company's 10% Rolling Stock Option Plan , as amended from time to time, and the Option Commitment dated _____, 20__.

The undersigned tenders herewith certified cheques or bank drafts (circle one) made payable to "AFRICA ENERGY CORP." in the amount of Cdn\$_____ in full payment of the Exercise Price of the aforesaid shares, being Cdn\$_____, and in full payment of prescribed statutory deductions (if applicable), being Cdn\$_____.

[OR]

_____ (Name of Broker) will forward certified cheques or bank drafts (circle one) made payable "AFRICA ENERGY CORP." in the amount of Cdn\$_____ in full payment of the Exercise Price of the aforesaid shares, being Cdn\$_____, and in full payment of prescribed statutory deductions (if applicable), being Cdn\$_____.

The undersigned further directs Africa Energy Corp. to issue the certificate(s) evidencing said shares in the name of the undersigned to be delivered to the undersigned at the following address:

Registration Instructions:

Name

Account reference, if applicable

Address

Delivery Instructions:

Name

Account reference, if applicable

Contact Name

Address

Telephone Number

DATED the ____ day of _____, 20__.

Signature of Option Holder

Social Insurance Number (for tax purposes only)