

Africa Focused Independent E&P



Second Quarter 2021 Results

17 August 2021

GOING FROM **STRENGTH** TO **STRENGTH**



Corporate Loan Refinancing

- Significantly reduced our cost of capital and improved liquidity
- Formed core and strategic banking relationships



Dividends From Prime

- Two dividends for total of \$75m received
- \$275m received since the acquisition = 53% of closing cash payment



Deleveraging & Cash Balance

- 61% of corporate debt and 39% of Prime debt repaid in less than 18 months
- Prime's cash balance of \$293m net to AOC and corporate cash balance of \$35.1m (Q2'21)



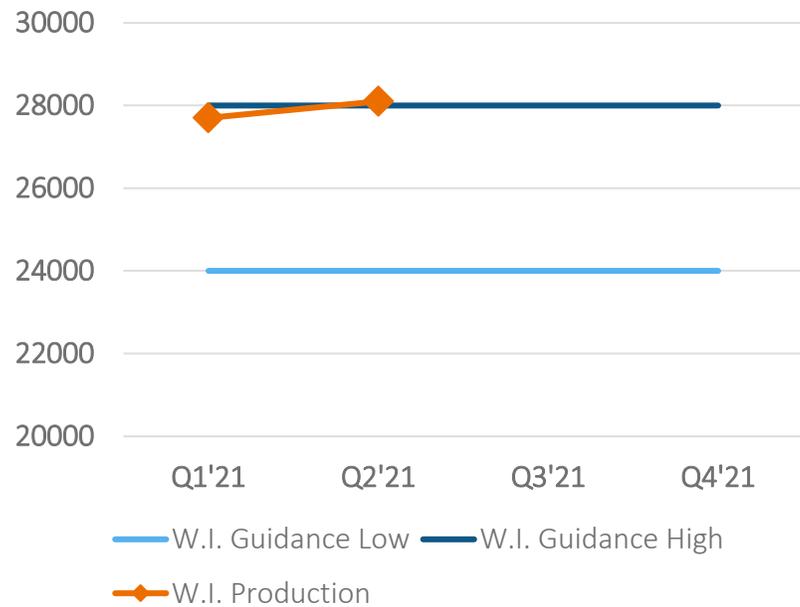
Nigeria PIB

- Signed into law by President Buhari
- Expected to improve investment case for offshore projects
- Working to finalise the detailed impact study

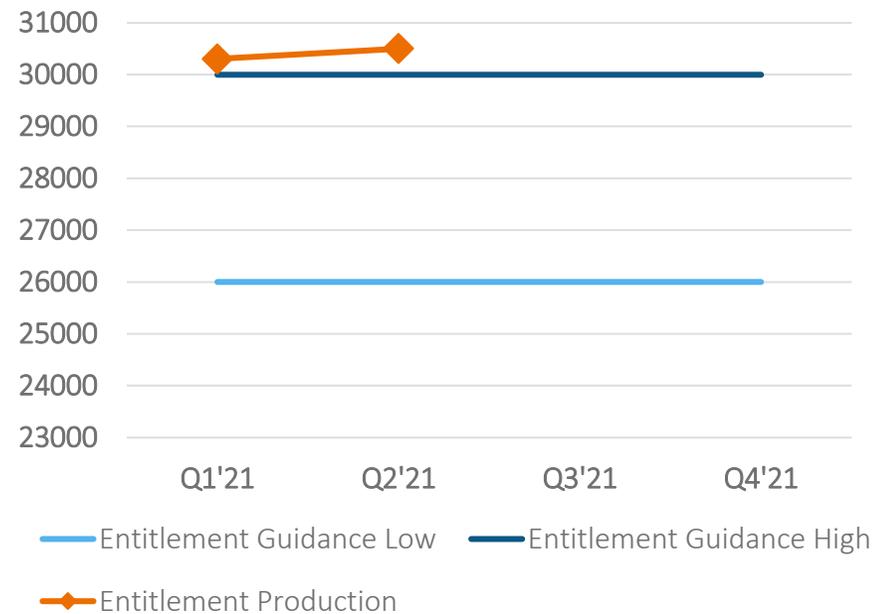
OPERATIONAL HIGHLIGHTS

Production at Higher End of 2021 Management Guidance Range

W.I. Production (KBOE/d)



Entitlement Production (KBOE/d)



Excellent Reservoir Performance



Easing OPEC+ Quota Restriction

OPERATIONAL HIGHLIGHTS



Off-takes and Sales

- Four Prime oil liftings with 2.0MMbbl net to AOC
- Average sales price of \$58/bbl



Production Cost

- \$6.0/BOE compares to Q1'21 unit cost of \$6.4/BOE



CAPEX

- \$3.1m net to AOC's interest in Prime



Hedging

- 100% of H2'21 cargoes hedged at \$58/bbl
- 21% of 2022 cargoes hedged at \$67/bbl

FINANCIAL HIGHLIGHTS

Africa Oil



Net income of \$38.4m with H1'21 net income of \$77.3m



Received \$37.5m dividend, cash balance of \$35.1m and debt of \$123m (Q2'21)



Received \$37.5m dividend in July 2021 and completed corporate loan refinancing



End Jul'21 cash of \$42m and debt of \$98m

Prime (net to Africa Oil's 50% shareholding)



EBITDA of \$155.1m
H1'21 EBITDA of \$298.2m



CFFO of \$252.3m¹
H1'21 CFFO of \$338.2m

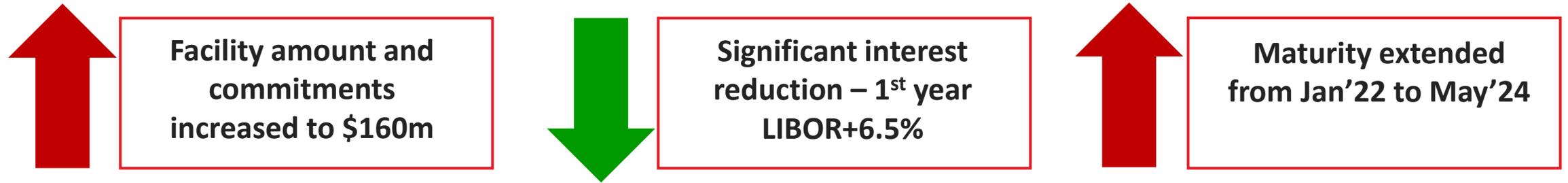


Cash balance of \$292.8m¹ and debt of \$557.0m

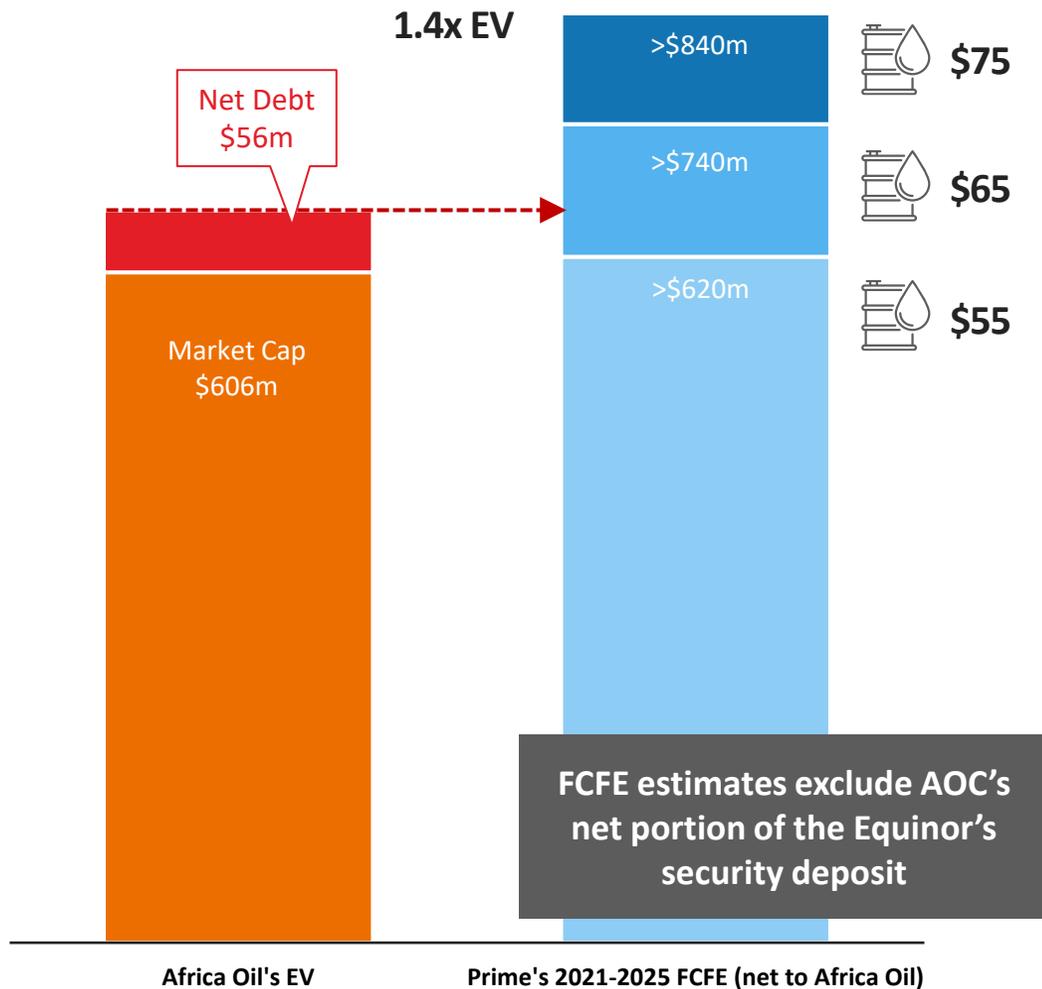
¹ Includes 50% share of Equinor Agbami security deposit.

FINANCIAL HIGHLIGHTS

Corporate Loan Refinancing – Completed on July 30, 2021



BUILDING ON STRONG CASH FLOWS



Prime's 2021-2025 FCFE^{1,2,3} (net to Africa Oil @ \$65/bbl)

- Average annual FCFE yield⁴ of 24%**
- Cumulative FCFE > AOC's EV in less than 4 years**
- Prime's cash balance of \$293m net to AOC (Q2'21)**

Uses for the Net Share of Prime's FCFE

- Corporate G&A & debt repayment**
- Strategic acquisition of producing assets**
- Shareholder capital returns**

¹ AOC's interest in Prime is accounted for as an investment in joint venture. See Reader Advisory.

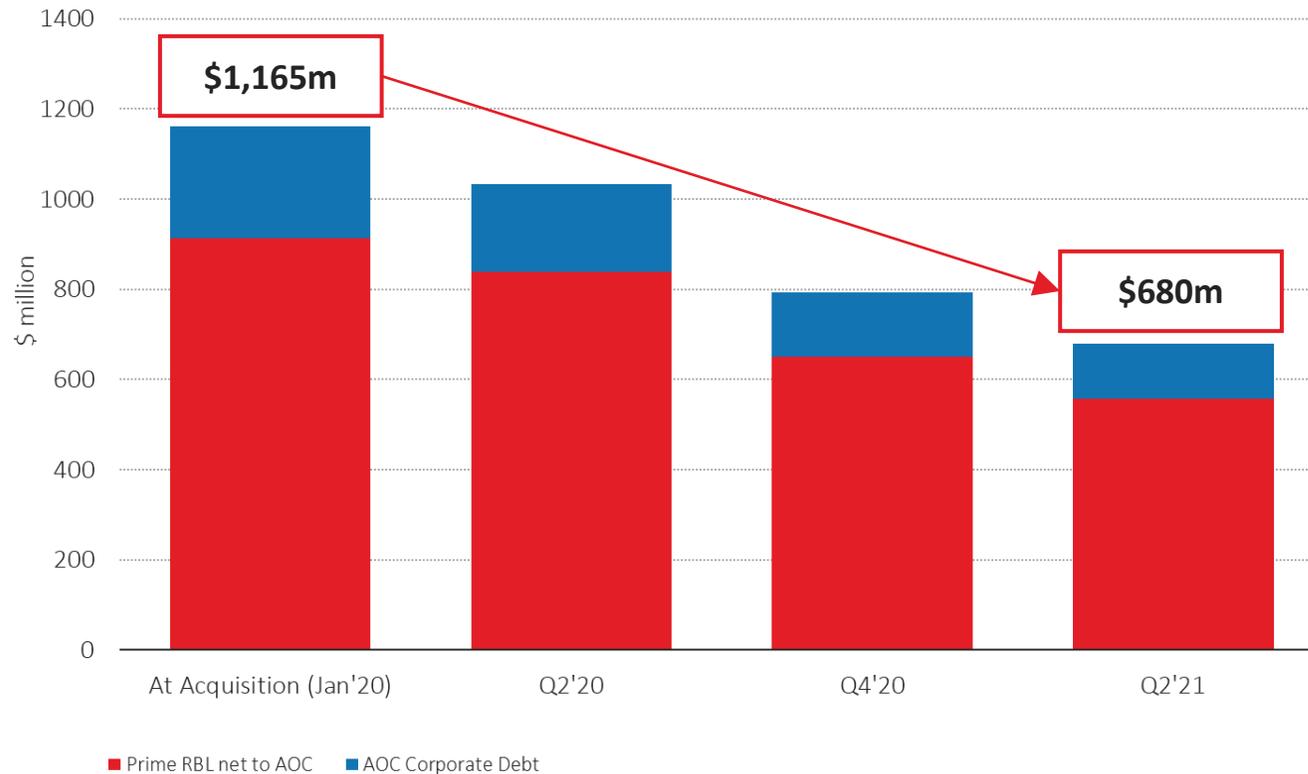
² Estimates based on RISC's 2P profiles. See Reader Advisory.

³ Free cashflow to equity ("FCFE") is a non-IFRS measure. See Reader Advisory.

⁴ FCFE yield is based on AOC market capitalisation at close August 16, 2021. See Reader Advisory.

NIGERIA ASSETS IN HARVEST MODE

Strong CFFO¹ and modest CAPEX have supported significant deleveraging since the Prime acquisition



¹ Prime's Cash flow from operations ("CFFO"). See Reader Advisory.

² EBITDA is a non-IFRS measure. See Reader Advisory.

³ AOC's 2021 Management Guidance. See Reader Advisory.



Prime's LTM Net Debt/EBITDA² of <1.0x



Paid down 61% of corporate debt and 39% of Prime debt in less than 18 months



\$275m of dividends in 18 months
= 53% of AOC's equity purchase of \$520m



FY'2021 CAPEX guidance³ of \$35-\$50m relative to CFFO¹ guidance of \$310-\$440m

NIGERIA PETROLEUM INDUSTRY BILL

Signed into law by President Buhari on Monday August 16, 2021, after more than 15 years of deliberation, consultation and debate

Petroleum Profit Tax (50% rate) eliminated and replaced by Corporate Income Tax (30% rate) – offsets the introduction of deepwater royalties

Waiting for confirmation on the reported royalty holidays for new fields, possibly up to five years (Egina and Preowei) and carry over of accrued Investment Tax Credits (Egina)

Favourable outcome that could support early conversion of OML 127 and OML 130 to PIB terms and in turn may facilitate early license renewals

Expected to improve the investment case for offshore projects

SHAREHOLDING IN PRIME WORLD-CLASS PRODUCING FIELDS



86 MMBOE¹

2P ENTITLEMENT RESERVES
(YE'20)



30 KBOE/d¹

ENTITLEMENT PRODUCTION
(Q2'21)



\$6.0/BOE

LIFTING COST
(Q2'21)



117%

2P RESERVES REPLACEMENT
RATIO (YE'20)



<\$35/BBL

FCFE² BREAKEVEN
(2022E)



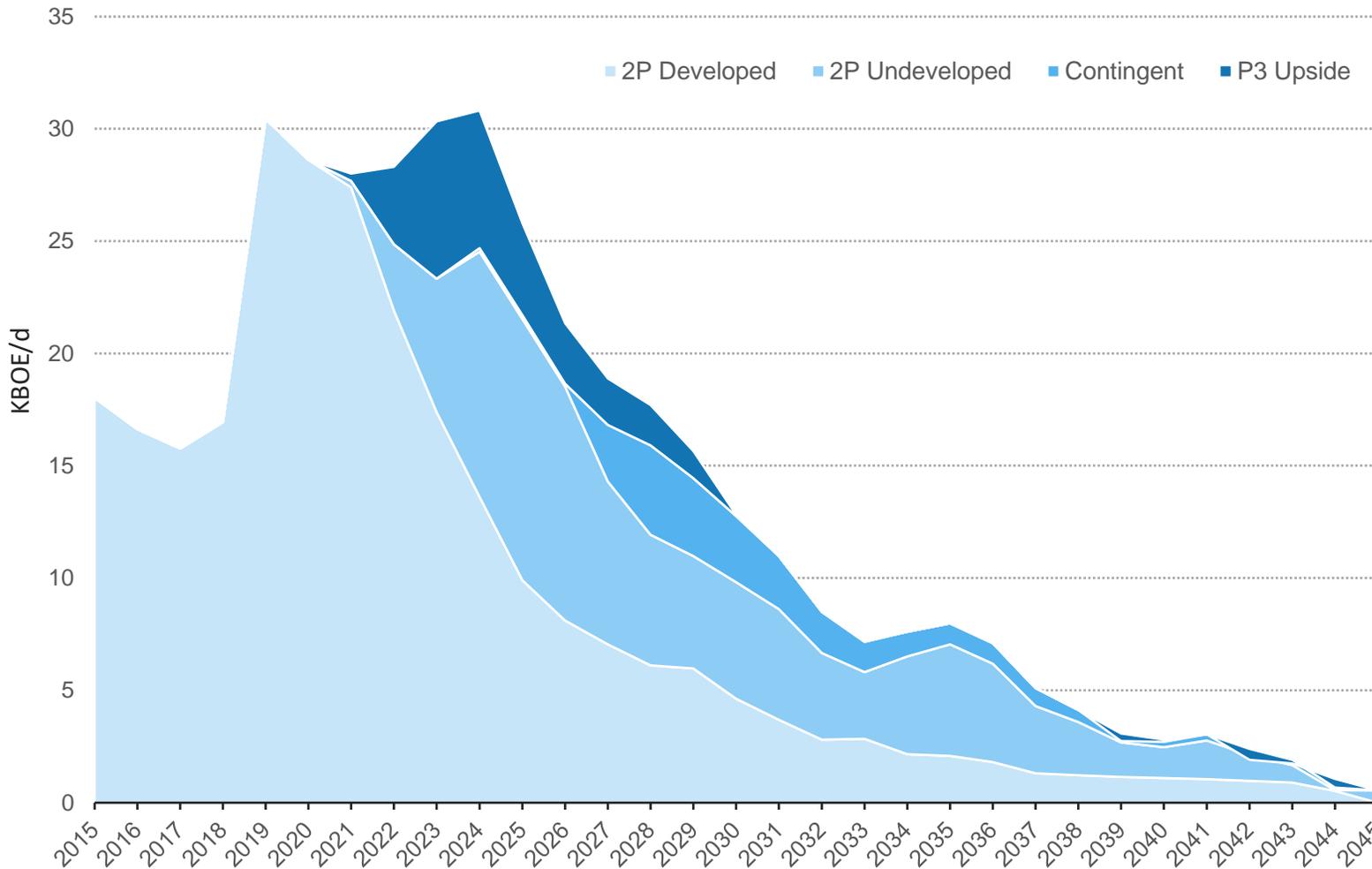
12.3

KgCO₂-E/BOE
(FY'20)

¹ Net to AOC's 50% interest in Prime and reserves are based on RISC's report, March 31, 2021. See Reader Advisory.

² FCFE is a non-IFRS measure. The metric shown is for Prime's operations only. See Reader Advisory.

HARVESTING WORLD-CLASS PRODUCING ASSETS WITH LOW-RISK DEVELOPMENT OPPORTUNITIES

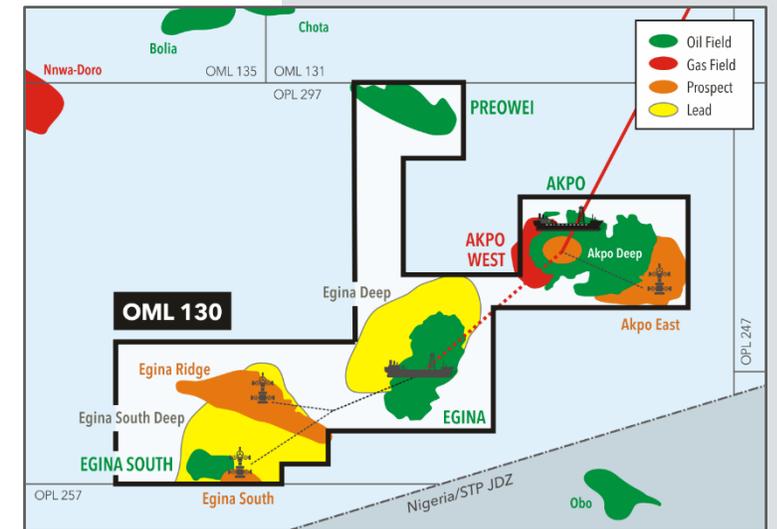


Low risk & high IRR development projects

Infill drilling and satellite tiebacks

66% of 2P reserves base is developed

World-class production facility hubs



¹ Production profiles shown are on a working interest basis, net to AOC's 50% interest in Prime and based on RISC's report, March 31, 2021. See Reader Advisory.

USE OF FREE CASH FLOWS



DELEVERAGING

AOC corporate debt
reduced by 61% since
January 2020



Prime RBL debt
reduced by 39% since
January 2020



NEW ACQUISITION OPPORTUNITIES

Disciplined search
for new accretive
acquisition opportunities



Focused on West
Africa producing assets



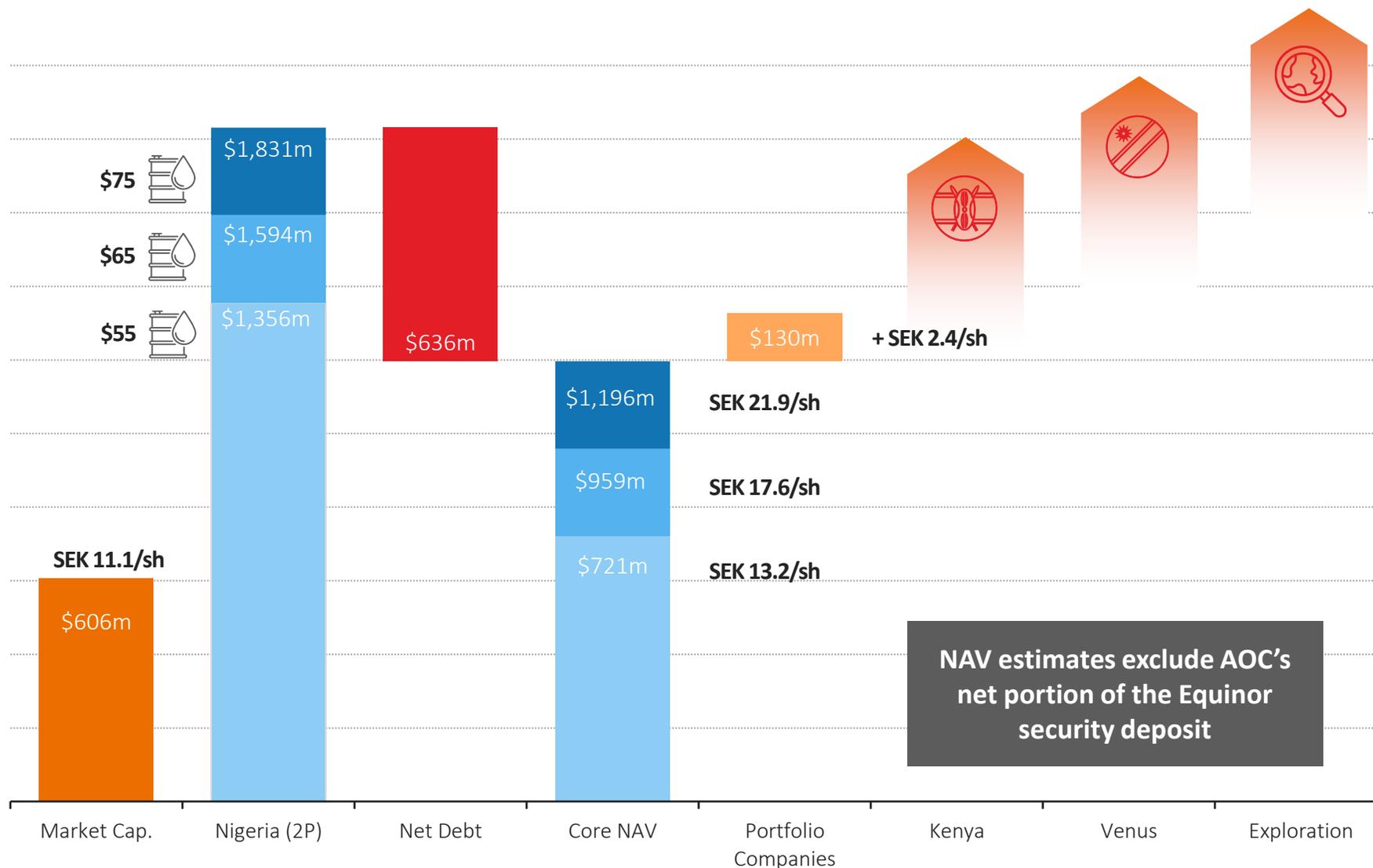
SHAREHOLDER RETURNS

Strong cashflows
support plans for return
of capital



Look to institute
dividend or share buybacks,
subject to the necessary approvals

SIGNIFICANT DISCOUNT TO CORE VALUE



Prime Underpins Core NAV

Substantial Discount to Core NAV

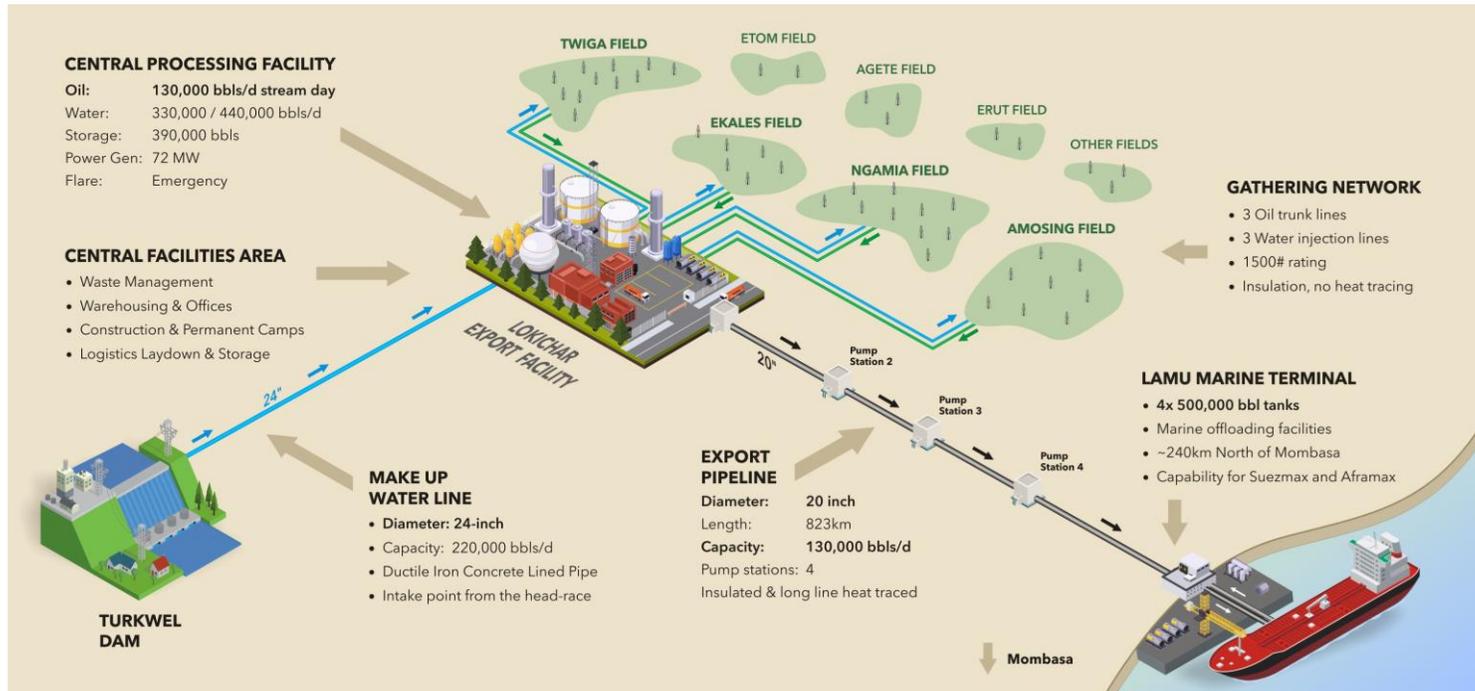
Zero cost options in the E&A portfolio

Zero cost option in the Kenya project

¹ Nigeria (2P) valuations and Net Debt are as of January 1, 2021. See Reader Advisory.

² Market capitalisation as of August 16, 2021. Core NAV per share based on share count of 473.4 million and USDSEK FX rate of 8.68. See Reader Advisory.

KENYA DEVELOPMENT REDESIGNED AND OPTIMIZED



JV and Government Aligned

- › JV Partners aligned on resources and jointly seeking new partner
- › Significant progress on fiscal terms, land, water, ESIA in strong partnership with the government



Improved Economics

- › Higher plateau returns investment capital faster
- › Lower well count, higher well rates and optimized facilities

CAPEX
lower through economies of scale

WELL COUNT
Optimisation to reduce unit cost

PRODUCTION
higher rates by targeting productive wells at crest

OPEX
analogue fields support a lower base

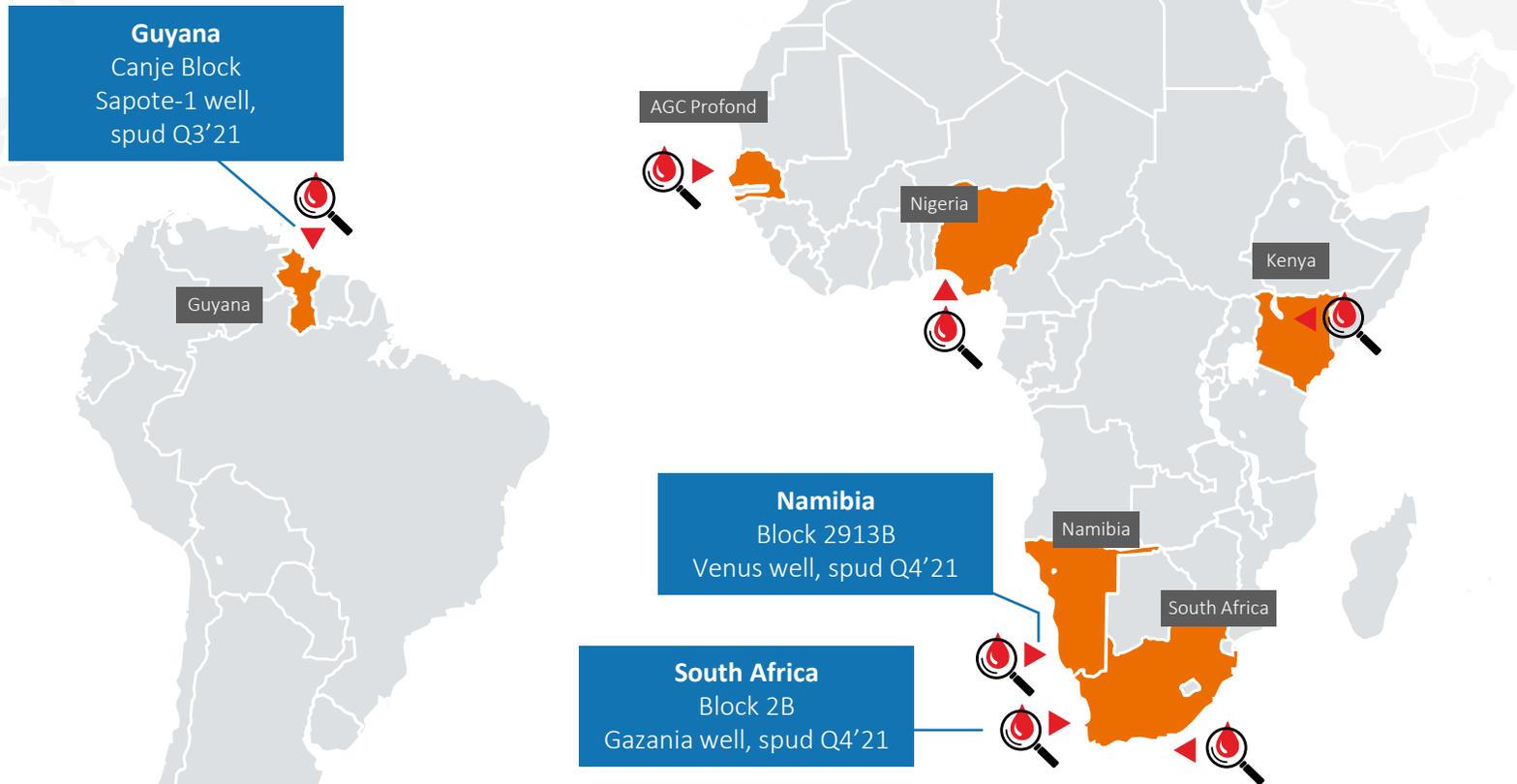
SWEEP
scope to significantly improve water sweep efficiency

PLATEAU
expedite and extend peak rate by earlier well phasing

FOCUSED EXPLORATION AND APPRAISAL

LOW COST AND HIGH IMPACT

Direct exploration interests in Kenya and South Africa and indirect interest through portfolio companies: Africa Energy, Eco (Atlantic) and Impact Oil and Gas.



All portfolio companies' exploration commitments are funded

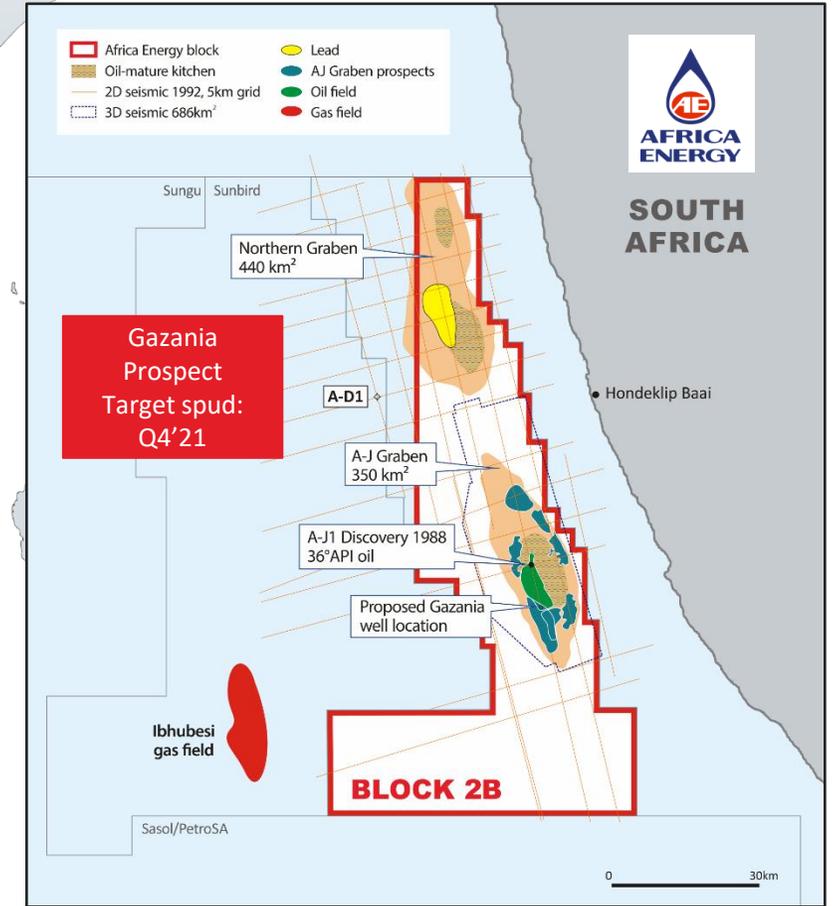
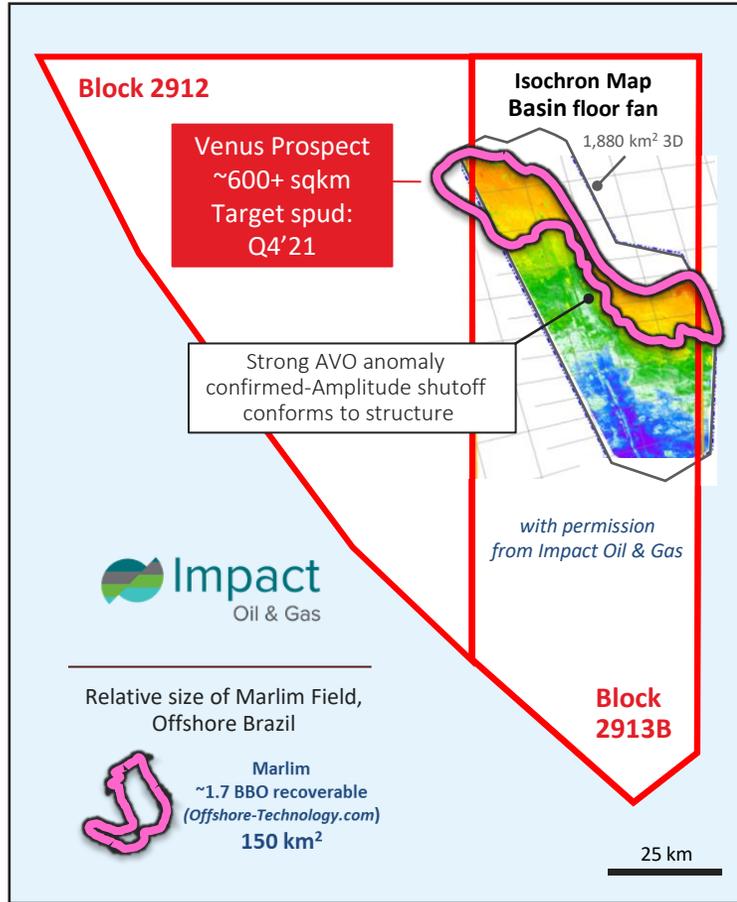
\$130 million¹
Portfolio companies' aggregate market valuation

3
High impact exploration wells in the next six months

Balanced portfolio - infrastructure synergies in Nigeria, Kenya and South Africa

¹ As of August 16, 2021.

NEAR TERM EXPLORATION NAMIBIA AND SOUTH AFRICA



ESG ACHIEVEMENTS AND OPPORTUNITIES



Kenya

- › Updated FEED has reduced GHG emissions by 40% by elimination of flaring and reinjection of excess gas, significantly enhancing project economics
- › Alignment with IFC Performance Standards & Equator Principles to underpin project financing
- › Development of an emissions offset programme for Africa Oil that will also support pastoralist livelihoods and support wildlife protection
- › Investment in cookstoves programme to reduce emissions, improve public health and empower women by freeing time from firewood collection
- › Lodwar Vocation Training Centre – skills development training for local workers

Nigeria

- › In 2020, block operators reduced flaring by approximately 40%. Ongoing work to minimize flaring
- › Emissions efficiency of 12.3 kgCO₂-E/BOE in 2020
- › Exemplary safety and environmental performance
- › In 2020, social investment on behalf of Africa Oil of \$867,010

South Africa

- › Block 11B/12B gas to power opportunity to displace coal from the energy mix and significantly reduce the country's GHG emission

ESG AND CLIMATE



Africa Oil ESG policies and procedures are aligned to IFC standards (and independently audited)

Climate policy statement is aligned to Paris agreement & Task Force on Climate-Related Disclosures (TCFD)

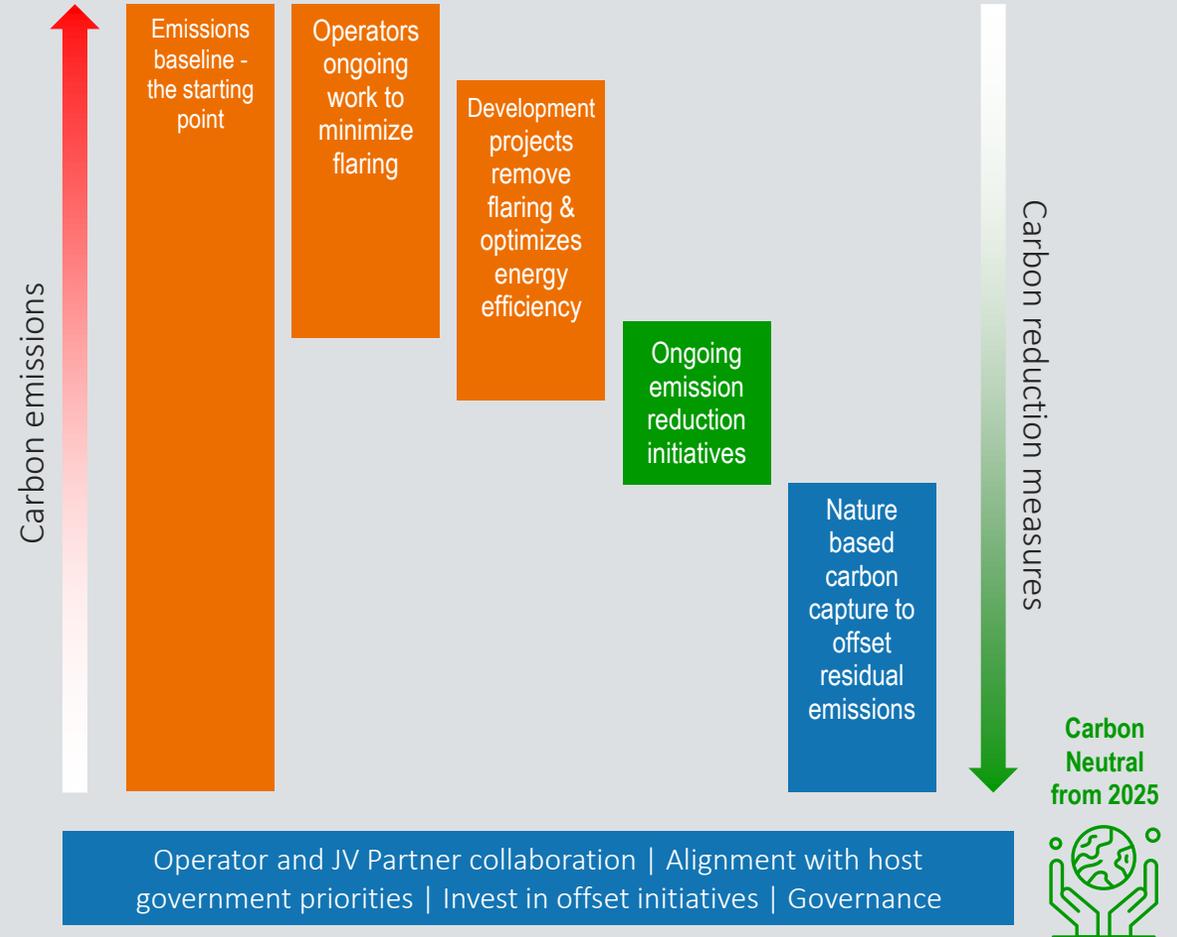
2020 attributable emissions were 129,231 tCO₂-E
Emissions efficiency of 12.3 kgCO₂-E/BOE

Two stage approach to emissions offsets

- Short-term purchase of existing emissions credits
- Long-term creation of offset program to ensure long-term access to emissions reduction credits at stable pricing

Ongoing work with operating partners for continuous improvements in emissions efficiency

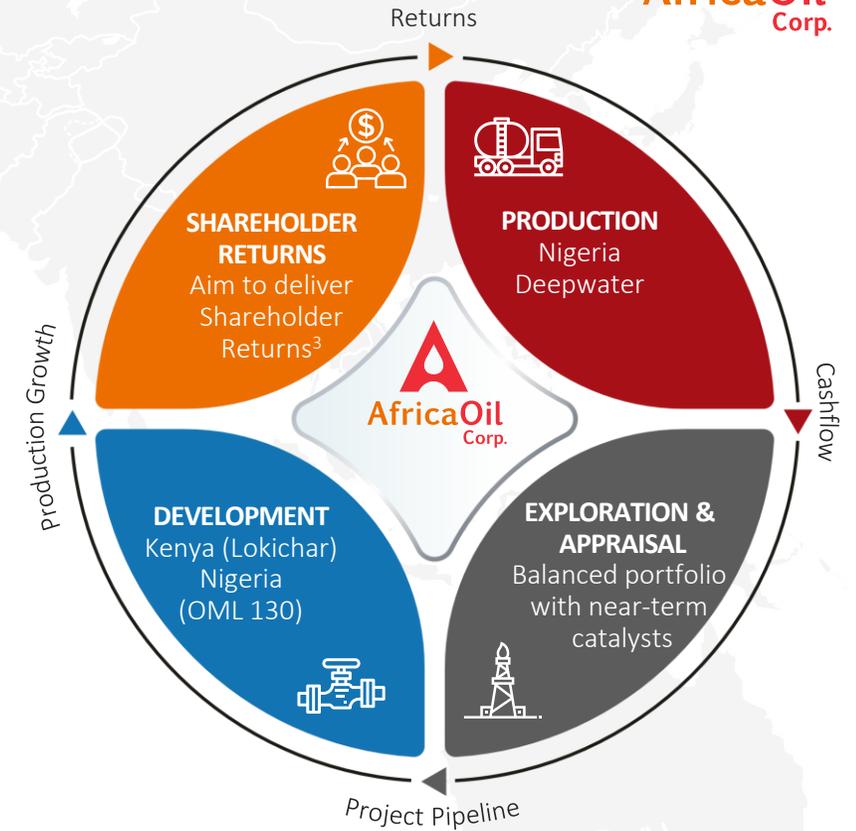
Pathway to Carbon Neutral by 2025



AFRICA FOCUSED FULL CYCLE E&P COMPANY



Building on strong cash flows to strengthen and grow our full-cycle business. Trading at a significant discount to the Core NAV.



RESERVES¹
~86MMBOE

PRODUCTION¹
~30KBOE/d

LOW OPEX
\$6.0/BOE

FCFE YIELD
24%

2021 E&A CATALYST
3 WELLS

CARBON NEUTRAL²
2025

¹ Net entitlement basis. See Reader Advisory. ² Scope 1 and Scope 2 emissions. ³ Subject to the necessary approvals.

READER ADVISORY



Accounting for Africa Oil's (Africa Oil, AOC or the Company) Interest in Prime

The 50% shareholding in Prime is accounted for using the equity method and presented as an investment in joint venture in the Consolidated Balance Sheet. Africa Oil's 50% share of Prime's net profit or loss will be shown in the Consolidated Statements of Net Income/Loss and Comprehensive Income/Loss. Any dividends received by Africa Oil from Prime are recorded as Cash flow from Investing Activities

Non-IFRS Measures

References are made to "Earnings Before Interest, Tax, Depreciation and Amortization" ("EBITDA"), free cash flow to firm ("FCFF") and free cash flow to equity ("FCFE"). These are not a generally accepted accounting measures under International Financial Reporting Standards (IFRS) and does not have any standardized meaning prescribed by IFRS and, therefore, may not be comparable with definitions of EBITDA, and FCFE that may be used by other public companies. Non-IFRS measures should not be considered in isolation or as a substitute for measures prepared in accordance with IFRS. Management believes that non-IFRS measures are useful supplemental measures that may assist shareholders and investors in assessing the cash generated by and the financial performance and position of the Company. Management also uses non-IFRS measures internally in order to facilitate operating performance comparisons from period to period, prepare annual operating budgets and assess the Company's ability to meet its future capital expenditure and working capital requirements. EBITDA and FCFE presented in this document represent Prime's metrics net to Africa Oil's 50% shareholding in Prime:

- FCFF - calculated as operating cash flow less capital expenditures less general, administration and depreciation expenses before depreciation. FCFF represents the amount of cash that is generated and is available for interest payments and repaying debt.
- FCFE – calculated as FCFF less interest costs and debt principal repayments and represents the amount of cash that is available for distribution to shareholders.
- "EBITDA" is calculated as net result before financial items, taxes, depletion of oil and gas properties, exploration costs, impairment costs and depreciation and adjusted for non-recurring profit/loss on sale of assets and other income.

Oil and Gas Information

The reserves estimates presented have been evaluated by RISC in accordance with NI 51-101 and the COGE Handbook, are effective December 31, 2020. The reserves presented herein have been categorized accordance with the reserves and resource definitions as set out in the COGE Handbook. The estimates of reserves in this press release may not reflect the same confidence level as estimates of reserves for all properties, due to the effects of aggregation. The production forecast are based on the RISC report prepared for the Company dated 31 March 2021, effective as of December 31, 2020.

Aggregate oil equivalent production data are comprised of light and medium crude oil and conventional natural gas. These production rates only include sold gas volumes and not those volumes used for fuel, reinjected or flared. Net entitlement production is calculated using the economic interest methodology and includes cost recovery oil, tax oil and profit oil and is different from working interest production that is calculated based on project volumes multiplied by Prime's effective working interest in each license.

The terms BOE (barrel of oil equivalent) is used throughout this press release. Such terms may be misleading, particularly if used in isolation. Production data are based on a conversion ratio of six thousand cubic feet per barrel (6 Mcf: 1bbl). This conversion ratio is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead. Given that the value ratio based on the current price of crude oil as compared to natural gas is significantly different from the energy equivalency of 6:1, utilizing a conversion on a 6:1 basis may be misleading as an indication of value.

Slide 5

1. Refer to "Accounting for AOC's Interest in Prime" note, above. Prime's FCFE represents the cash that is available for distribution to Prime's shareholders as dividends. AOC's share of these dividends are used for its expenditures including G&A, investments, interest payments, debt repayment and other purposes that may in the future include shareholder capital returns such as dividend payments or share buybacks, subject to the necessary approvals.
2. Refer to "Oil and Gas Information" note, above.
3. Refer to "Non-IFRS Measures" note, above.
4. Prime's FCFE net to AOC's 50%. Excludes AOC's corporate G&A and AOC's interest costs and debt repayment.

Slide 8

1. Refer to "Accounting for AOC's Interest in Prime" note, above..
2. Refer to "Non-IFRS Measures" note, above.
3. Refer to AOC's press release of February 26, 2021, for the details of AOC's 2021 Management Guidance.

Slide 10

1. Refer to "Oil and Gas Information" note, above. AOC has not reported reserves outside its Nigerian interests held through Prime.
2. Refer to "Non-IFRS Measures" note, above. FCFE reported is Prime's metric net to AOC's 50% shareholding.

Slide 11

1. Refer to "Oil and Gas Information" note, above.

Slide 13

1. Nigeria 2P valuations are based on RISC 's report of March 31, 2021. Refer to "Oil and Gas Information" note, above.
2. Core NAV estimates exclude AOC's corporate level G&A and costs.

Slide 19

1. Refer to "Oil and Gas Information" note, above.

FORWARD LOOKING STATEMENTS



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All statements other than statements of historical fact may be forward-looking statements. Statements concerning proven and probable reserves and resource estimates may also be deemed to constitute forward-looking statements and reflect conclusions that are based on certain assumptions that the reserves and resources can be economically exploited. Any statements that express or involve discussions with respect to predictions, expectations, beliefs, plans, projections, objectives, assumptions or future events or performance (often, but not always, using words or phrases such as “seek”, “anticipate”, “plan”, “continue”, “estimate”, “expect”, “may”, “will”, “project”, “predict”, “potential”, “targeting”, “intend”, “could”, “might”, “should”, “believe” and similar expressions) are not statements of historical fact and may be “forward-looking statements”. Forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking statements. The Company believes that the expectations reflected in those forward-looking statements are reasonable, but no assurance can be given that these expectations will prove to be correct and such forward-looking statements should not be unduly relied upon. The Company does not intend, and does not assume any obligation, to update these forward-looking statements, except as required by applicable laws. These forward-looking statements involve risks and uncertainties relating to, among other things, changes in oil prices, results of exploration and development activities, uninsured risks, regulatory changes, defects in title, availability of materials and equipment, timeliness of government or other regulatory approvals, actual performance of facilities, availability of financing on reasonable terms, availability of third party service providers, equipment and processes relative to specifications and expectations and unanticipated environmental impacts on operations.

Actual results may differ materially from those expressed or implied by such forward-looking statements. This update contains certain forward looking information that reflect the current views and/ or expectations of management of the Company with respect to its performance, business and future events including statements with respect to financings and the Company’s plans for growth and expansion. Such information is subject to a number of risks, uncertainties and assumptions, which may cause actual results to be materially different from those expressed or implied including the risk that the Company is unable to obtain required financing and risks and uncertainties inherent in oil exploration and development activities. Readers are cautioned that the assumptions used in the preparation of

such information, such as market prices for oil and gas and chemical products, the Company’s ability to explore, develop, produce and transport crude oil and natural gas to markets and the results of exploration and development drilling and related activities, although considered reasonable at the time of preparation, may prove to be imprecise and, as such, undue reliance should not be placed on forward-looking information. The Company assumes no future obligation to update these forward looking information except as required by applicable securities laws.

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