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Press release

Africa Energy Reports Third Quarter 2018 Results

November 8, 2018 – Africa Energy Corp. (TSX Venture: AFE) (Nasdaq First North: AEC) (“Africa Energy” or the “Company”), an oil and gas company with exploration assets offshore Namibia and South Africa, announces financial and operating results for the three and nine months ended September 30, 2018.

HIGHLIGHTS

The Company achieved the following key milestones year-to-date in 2018:

- Private Placement – Africa Energy completed a private placement on May 4, 2018 for gross proceeds of approximately US\$45.0 million to fund the Company’s near-term high-impact exploration drilling program;
- Secondary Listing – Africa Energy’s common shares commenced trading on Nasdaq First North Stockholm on May 4, 2018. The secondary listing has increased the Company’s trading liquidity and provided access to a broader investor base in Europe;
- PEL 37 Drilling – In September 2018, the Cormorant-1 well was drilled on Petroleum Exploration License 37 (“PEL 37”) offshore Namibia to a total depth of 3,855 meters before being plugged and abandoned. The well penetrated a 50-meter fan system of interbedded sandstones that proved to be water bearing. Wet gas signatures, indicative of oil, were encountered in the overlying shale section. The geological data from this well will help determine the future prospectivity of PEL 37;
- Block 11B/12B Exploration Renewal and Rig Mobilization – In May 2018, the joint venture partnership on Block 11B/12B offshore South Africa received approval from the Petroleum Agency of South Africa for entry into the next two-year exploration period. The Odfjell Deepsea Stavanger semi-submersible rig is currently being mobilized from the North Sea and is expected to arrive in South Africa in December 2018;
- Block 2B Exploration Renewal – In February 2018, the joint venture partnership on Block 2B offshore South Africa received approval from the Petroleum Agency of South Africa for entry into the next two-year exploration period.

OUTLOOK

The Brulpadda-1AX re-entry well on Block 11B/12B is expected to spud by the end of December 2018. The Brulpadda prospect was defined on 2D seismic and is one of five submarine fan prospects with large prospective resources. The Company intends to close the farm-in agreements to acquire its 4.9% effective interest in Block 11B/12B before spud of the well. Closing is subject to standard conditions for a transaction of this type.

FINANCIAL INFORMATION

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

	Three months ended Sept. 30, 2018	Three months ended Sept. 30, 2017	Nine months ended Sept. 30, 2018	Nine months ended Sept. 30, 2017
Operating expenses	1,147	1,138	4,109	3,479
Net loss	(850)	(950)	(3,786)	(3,096)
Net loss per share (basic and diluted)	(0.00)	(0.00)	(0.01)	(0.01)
Weighted average number of shares outstanding (basic and diluted)	681,965	319,177	518,437	319,177
Number of shares outstanding	683,356	319,177	683,356	319,177
Cash flows provided by (used in) operations	(734)	(1,190)	(3,503)	(3,196)
Cash flows provided by (used in) investing	(5,661)	(2,233)	(5,780)	(2,695)
Cash flows provided by (used in) financing	195	(16)	44,092	(57)
Total change in cash and cash equivalents	(6,169)	(3,267)	34,768	(5,612)
Change in share capital	336	-	44,235	-
Change in contributed surplus	88	40	740	156
Change in deficit	850	950	3,786	3,096
Total change in equity	(426)	(910)	41,189	(2,940)
	September 30, 2018	December 31, 2017		
Cash and cash equivalents	37,900	3,132		
Total assets	53,480	17,457		
Total liabilities	169	5,335		
Total equity attributable to common shareholders	53,311	12,122		
Net working capital	38,136	(1,872)		

The financial information in this table was selected from, and should be read in conjunction with, the Company's unaudited condensed interim consolidated financial statements for the three and nine months ended September 30, 2018 (the "Financial Statements") and the Annual Information Form, which are available on SEDAR at www.sedar.com and the Company's website www.africaenergycorp.com.

EARNINGS TREND AND FINANCIAL POSITION

(Unaudited; US dollars)

The Company's operating expenses were consistent for the three months ended September 30, 2018 compared to the same period in 2017. The Company's net loss decreased \$0.1 million for the three months ended September 30, 2018 compared to the same period in 2017 due to an increase in interest income as a result of increased cash from the private placement executed in May 2018.

The Company's operating expenses and net loss increased for the nine months ended September 30, 2018 compared to the same period in 2017. Stock-based compensation increased \$0.7 million due to the issuance of 18.2 million stock options during the first nine months of 2018 compared to 2.5 million options granted during the nine months ended September 30, 2017. Stock exchange and filing fees increased by \$0.2 million due to the secondary listing on Nasdaq First North Stockholm. These increases were partially offset by a \$0.3 million decrease in new venture costs in 2018 as the Company acquired geological and geophysical data during the first nine months of 2017.

As at September 30, 2018, the Company had cash of \$37.9 million and net working capital of \$38.1 million compared to cash of \$3.1 million and negative working capital of \$1.9 million at December 31, 2017. The Company's cash and net working capital improved significantly compared to the end of 2017 due to the completion of a private placement in the second quarter of 2018 for gross proceeds of approximately \$45.0 million.

NEXT EARNINGS REPORT RELEASE

The Company plans to report results for the year ended December 31, 2018 on February 26, 2019.

About Africa Energy Corp.

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

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Important information

Africa Energy is obliged to make this information public pursuant to the EU Market Abuse Regulation. The information was submitted for publication through the agency of the contact persons set out above on November 8, 2018 at 2:30 p.m. Pacific Standard Time.

Forward looking statements

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

The use of any of the words "will", "expected" and similar expressions and statements relating to matters that are not historical facts are intended to identify forward-looking information and are based on the Company's current belief or assumptions as to the outcome and timing of such future events. These forward-looking statements involve risks and uncertainties relating to, among other things, changes in oil prices, results of exploration and development activities, uninsured risks, regulatory changes, defects in title, availability of materials and equipment, timeliness of government or other regulatory approvals, execution of partners and shared owners, actual performance of facilities, availability of third party service providers, equipment and processes relative to specifications and expectations and unanticipated environmental impacts on operations. Actual future results may differ materially. Various assumptions or factors are typically applied in drawing conclusions or making the

forecasts or projections set out in forward-looking information. Those assumptions and factors are based on information currently available to the Company. The forward-looking information contained in this release is made as of the date hereof and the Company is not obligated to update or revise any forward-looking information, whether as a result of new information, future events or otherwise, except as required by applicable securities laws. Because of the risks, uncertainties and assumptions contained herein, investors should not place undue reliance on forward-looking information. The foregoing statements expressly qualify any forward-looking information.

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