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Press release

Africa Energy Reports First Quarter 2022 Results

May 16, 2022 – Africa Energy Corp. (TSX Venture: AFE) (Nasdaq First North: AEC) (“Africa Energy” or the “Company”), an oil and gas company with exploration assets offshore South Africa and Namibia, announces financial and operating results for the three months ended March 31, 2022.

Garrett Soden, the Company’s President and CEO, commented: “We are excited to drill the Gazania oil exploration well offshore South Africa this year. The Island Innovator drilling rig is now expected to mobilize from the North Sea in July and spud the well in September. Gazania is seven kilometers up-dip from an existing oil discovery and therefore has a high chance of success with material upside for our shareholders. In parallel, the Block 11B/12B joint venture is advancing the Luiperd early production system with the goal of agreeing gas terms and applying for the production license by September.”

OUTLOOK

The Block 2B joint venture has contracted a semi-submersible rig to drill the Gazania-1 well, which is expected to spud in September 2022. Block 2B is located offshore South Africa in the Orange Basin where Total and Shell recently announced the large Venus and Graff oil and gas discoveries across the border offshore Namibia. The block has significant contingent and prospective resources in shallow water close to shore and includes the A-J1 discovery from 1988 that flowed light sweet crude oil to surface. Gazania-1 will target two large prospects seven kilometers up-dip from A-J1.

The Block 11B/12B joint venture is currently performing development studies and preparing a field development plan and an environmental application in order to submit an application for the Production Right by September 2022. The joint venture is contemplating an early production system (“EPS”) for a phased development of the Paddavissie Fairway. The EPS would provide first gas and condensate production from the Luiperd discovery and would accelerate the Block 11B/12B development timeline by utilizing nearby infrastructure on the adjacent block in order to supply natural gas to customers in Mossel Bay. The EPS would significantly decrease the capital expenditures required to reach first production on Block 11B/12B. The Company expects that a full development of the Paddavissie Fairway would follow the EPS as the gas market expands in South Africa. We are encouraged by the 2D and 3D seismic data that has identified additional prospectivity in the Paddavissie Fairway and to the east, confirming the large exploration upside remaining across the block. The development of Block 11B/12B will have positive implications for the South African economy and will be critical in facilitating the country’s energy transition beyond coal with a domestic natural gas supply.

HIGHLIGHTS

- At March 31, 2022, the Company had US\$9.5 million in cash and no debt.
- On April 14, 2022, Eco (Atlantic) Oil & Gas Ltd. deposited approximately US\$20 million in escrow to support its capital expenditure requirements for the Gazania-1 well on Block 2B offshore South Africa.
- On March 3, 2022, the Block 2B joint venture partners contracted the Island Innovator semi-submersible rig to drill the Gazania-1 oil exploration well.

FINANCIAL INFORMATION

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

	Three Months Ended March 31, 2022	Three Months Ended March 31, 2021
Operating expenses	2,517	2,374
Net loss	(2,395)	(2,366)
Net loss per share (basic and diluted)	(0.00)	(0.00)
Weighted average number of shares outstanding (basic and diluted)	1,398,603	1,395,333
Number of shares outstanding	1,398,603	1,395,333
Cash flows provided by (used in) operations	(1,239)	(1,861)
Cash flows provided by (used in) investing	(275)	(3,907)
Cash flows provided by (used in) financing	-	(10)
Total change in cash and cash equivalents	(1,398)	(5,779)
Change in share capital	-	24,069
Change in contributed surplus	1,133	530
Change in deficit	2,395	1,991
Total change in equity	(1,262)	22,608
	March 31, 2022	December 31, 2021
Cash and cash equivalents	9,454	10,852
Total assets	266,113	267,240
Total liabilities	1,812	1,677
Total equity attributable to common shareholders	264,301	265,563
Net working capital	7,977	9,473

The financial information in this table was selected from the Company's unaudited consolidated financial statements for the three months ended March 31, 2022 (the "Financial Statements"), which are available on SEDAR at www.sedar.com and the Company's website at www.africaenergycorp.com.

EARNINGS TREND AND FINANCIAL POSITION

(Unaudited; US dollars)

The Company recorded \$2.5 million of operating expenses for the three months ended March 31, 2022, compared to \$2.4 million of operating expense for the same period in 2021. While salary and benefit costs decreased by \$0.8 million due to a reduction in annual bonuses paid to employees compared to the same period in 2021, stock-based compensation increased by \$1.0 million compared to the same period in 2021 as stock options were granted to directors, officers, employees and consultants of the Company during the quarter, of which one-third vest immediately, versus nil in the first quarter of the prior year.

At March 31, 2022, the Company had cash of \$9.5 million and working capital of \$8.0 million compared to cash of \$10.9 million and working capital of \$9.5 million at December 31, 2021. The decrease in cash and working capital can be attributed to cash-based operating expenditures and investments in Main Street 1549 required to fund Block 11B/12B expenditures.

NEXT EARNINGS REPORT RELEASE

The Company plans to report results for the six months ended June 30, 2022, on August 11, 2022.

About Africa Energy Corp.

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

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Important information

This is information that Africa Energy is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication through the agency of the contact persons set out above on May 16, 2022, at 5:30 p.m. ET.

The Company's certified advisor on Nasdaq First North Growth Market is Aktieinvest FK AB, +46 739 49 62 50, rutger.ahlerup@aktieinvest.se.

Forward looking statements

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

The use of any of the words "will", "expected", "planned" and similar expressions and statements relating to matters that are not historical facts are intended to identify forward-looking information and are based on the Company's current belief or assumptions as to the outcome and timing of certain future events. These forward-looking statements involve risks and uncertainties relating to, among other things, changes in oil prices, results of exploration and development activities, including results, timing and costs of seismic and drilling activity in the Company's area of operations and, uninsured risks, regulatory changes, defects in title, availability of funds required to participate in the exploration activities, or of financing on reasonable terms, availability of materials and equipment on satisfactory terms, outcome of commercial negotiations with government and other regulatory authorities, timeliness of government or other regulatory approvals, actual performance of facilities, availability of third party service providers, equipment and processes relative to specifications and expectations and unanticipated environmental impacts on operations. Actual future results may differ materially. Various assumptions or factors are typically applied in drawing conclusions or making the forecasts or projections set out in forward-looking information. Those assumptions and factors are based on information currently available to the Company. The forward-looking information contained in this release is made as of the date hereof and the Company is not obligated to update or revise any forward-looking information, whether as a result of new information, future events or

otherwise, except as required by applicable securities laws. Because of the risks, uncertainties and assumptions contained herein, investors should not place undue reliance on forward-looking information. The foregoing statements expressly qualify any forward-looking information.

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