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## **NEWS RELEASE**

### **AFRICA OIL ANNOUNCES THE RECEIPT OF PRIME DIVIDEND AND PROVIDES POSITIVE EGINA OPERATIONAL UPDATE**

**June 29, 2021 (AOI-TSX, AOI-Nasdaq-Stockholm)** – Africa Oil Corp. (“AOI”, “Africa Oil” or “the Company”) is pleased to announce that it has received its seventh dividend from Prime Oil and Gas Cooperatief UA (“Prime”). The Company is also pleased to update the markets on a significant increase in the Egina oil field production.

Prime has distributed a \$75.0 million dividend with a net payment to Africa Oil of \$37.5 million related to its 50% shareholding. The Company intends to apply \$18 million from the latest dividend to reduce the outstanding balance of the BTG term loan (“Term Loan”) to \$123 million.

Africa Oil management expect to refinance the Term Loan at the end of July 2021, from the proceeds of the new corporate loan (“Corporate Facility”) as announced on May 13, 2021. The utilisation of Corporate Facility is subject to the satisfaction of customary conditions precedents and the Company is on track to complete these prior to the end of July.

Prime is also expected to repay \$136 million of its outstanding reserves based lending (“RBL”) facility amount by end of this month, reducing the outstanding balance to about \$1,114 million. This takes Prime’s total RBL repayment in the last 18 months to \$711 million, representing a 39% debt reduction. Prime is expected to end the second quarter of 2021 with a cash balance of at least \$240 million after the dividend distribution and RBL repayment.

Egina’s production continues to increase due to the relaxation of its OPEC+ quota restriction. For the month of June, the field’s quota increased to 173 thousand barrels of oil per day (“kbopd”). This compares to Egina’s First Quarter 2021 average daily production of 152 kbopd. The field’s July and August quotas have been approved at 181 kbopd and 177 kbopd, respectively.

Keith Hill, Africa Oil’s President and CEO, commented: “Prime’s assets have performed better than expected during the first half of this year and strong cash flows from operations, have significantly bolstered Prime’s cash reserves. Prime is in a strong position to distribute dividends, whilst maintaining sufficient liquidity to deliver its business plan. Africa Oil’s outlook for the second half of this year is very promising as we look forward to higher production rates from Egina, the corporate loan refinance that

significantly reduces our cost of capital and high impact exploration catalysts offshore Namibia, South Africa and Guyana.”

*Africa Oil Corp. is a Canadian oil and gas company with producing and development assets in deepwater Nigeria; development assets in Kenya; and an exploration/appraisal portfolio in Africa and Guyana. The Company is listed on the Toronto Stock Exchange and on Nasdaq Stockholm under the symbol "AOI".*

**All dollar amounts are in United States dollars unless otherwise indicated.**

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This information is information that Africa Oil Corp. is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact person set out below on June 29, 2021 at 1:00 a.m. ET.

### **Advisory Regarding Oil and Gas Information**

This press release refers to the Egina oil field. The production data presented is on a gross field basis and in the conventional light and medium gravity oil category.

### **Forward Looking Information**

Certain statements and information contained herein constitute "forward-looking information" (within the meaning of applicable Canadian securities legislation). Such statements and information (together, "forward looking statements") relate to future events or the Company's future performance, business prospects or opportunities.

All statements other than statements of historical fact may be forward-looking statements. 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, ongoing uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking statements. 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. Actual results may differ materially from those expressed or implied by such forward-looking statements.