



Suite 2500  
666 Burrard Street,  
Vancouver, B.C. Canada V6C 2X8  
info@africaoilcorp.com  
africaoilcorp.com

## NEWS RELEASE

### AFRICA OIL ANNOUNCES STRATEGIC FARM DOWN AGREEMENT FOR ITS ORANGE BASIN BLOCK 3B/4B

**March 6, 2024 (AOI-TSX, AOI-Nasdaq-Stockholm) – Africa Oil Corp.** (“Africa Oil”, or the “Company”) is pleased to announce its wholly-owned subsidiary, Africa Oil SA Corp. (“AOSAC”) has signed a strategic farm down agreement (“Agreement”) with TotalEnergies EP South Africa B.V. (“TotalEnergies”) and QatarEnergy International E&P LLC (“QatarEnergy”) for the Orange Basin Block 3B/4B, offshore South Africa. Through AOSAC, the Company currently has an operated 26.25% interest in Block 3B/4B and has entered the Agreement jointly with its partners Eco (Atlantic) Oil & Gas Limited (“Eco”) and Ricocure (Proprietary) Ltd (“Ricocure”), through their respective subsidiaries.

On completion of the transaction, Africa Oil will retain a 17.00% interest and the operatorship of Block 3B/4B will transfer to TotalEnergies.

#### **Transaction Highlights:**

- Maximum transaction value of up to \$46.8 million to Africa Oil.
- Africa Oil will receive, subject to achieving certain milestones defined in the Agreement, staged payments for a total cash amount of \$10.0 million, of which \$3.3 million is payable at Completion, as defined below, and the remaining balance in two successive payments conditional upon achievement of key operational and regulatory milestones.
- Africa Oil will also receive a full carry of its 17.00% retained share of all JV costs, up to a cap, that is repayable to TotalEnergies and QatarEnergy from production, and which is expected to be adequate to fund the Company’s share of drilling for up to two wells on the licence.

Completion of the Agreement (“Completion”) is subject to the satisfaction of customary conditions precedent, including approvals from the government of South Africa.

**Africa Oil Chief Executive Officer, Dr Roger Tucker, commented:** “Attracting TotalEnergies and QatarEnergy as our new partners in Block 3B/4B is an endorsement of the exploration potential of the block. These opportunities are on trend with the discoveries in Namibia’s Orange Basin, including Venus in Block 2913B. Both companies have deep geological knowledge of the basin with successful nearby discoveries. TotalEnergies, as the new operator, also brings extensive deepwater drilling and development expertise.

Africa Oil has an unrivalled position amongst its Independent E&P peer group in this world-class basin. This includes our indirect interest in the Venus discovery and the on-going appraisal and exploration campaign on Block 2913B.”

#### **About Block 3B/4B**

Block 3B/4B covers an area of 17,581 km<sup>2</sup> within the Orange Basin offshore South Africa in water depths ranging between 300m and 2,500m. This block lies to the southeast and on trend with number of oil discoveries including Venus and Graff. AOC has approximately 14,000 km<sup>2</sup> of 2D seismic and 10,800 km<sup>2</sup> of 3D seismic over Block 3B/4B and has identified a large opportunity set of exploration prospects, with the majority of the prospects lying in approximately 1,500m of water.

Africa Oil currently has a 26.25% interest in Block 3B/4B with Eco holding a 20.00% interest and Ricocure with a 53.75% interest. On the completion of the farm down transaction, which is subject to the satisfaction of customary conditions precedent, including approvals from the government of South Africa, the interests in Block 3B/4B will be comprised of: 17.00% held by Africa Oil; 33.00% held by TotalEnergies; 24.00% held

by QatarEnergy; 19.75% held by Ricocure; and 6.25% held by Eco. Africa Oil will transfer its operatorship of Block 3B/4B to TotalEnergies on Completion.

### **About Africa Oil**

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

For further information, please contact:

Shahin Amini  
Head of Investor Relations  
[shahin.amini@africaoilcorp.com](mailto:shahin.amini@africaoilcorp.com)  
T: +44 (0)20 8017 1511

### **Additional Information**

This information is information that Africa Oil is obliged to make public pursuant to the Swedish Financial Instruments Trading Act. The information was submitted for publication, through the agency of the contact persons set out above, at 02:00 a.m. EST on March 6, 2024.

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

### **Forward Looking Information**

Certain statements and information contained herein constitute "forward-looking information" (within the meaning of applicable Canadian securities legislation), including in respect of Block 3B/4B, completion of the farm down transaction for Block 3B/4B, and the potential of the Venus discovery or the broader Orange Basin. 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. 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, ongoing uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking statements, including statements pertaining to dividend distributions, share repurchase programs, the 2022 Management Guidance including production, cashflow from operation and capital investment estimates, performance of commodity hedges, the results, schedules and costs of exploratory drilling activity, uninsured risks, regulatory and fiscal changes, availability of materials and equipment, unanticipated environmental impacts on operations, duration of the drilling program, availability of third party service providers and defects in title. 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 macro-economic conditions and their impact on operations, changes in oil prices, reservoir and production facility performance, hedging counterparty contractual performance, results of exploration and development activities, cost overruns, uninsured risks, regulatory and fiscal changes, defects in title, claims and legal proceedings, availability of materials and equipment, availability of skilled personnel, timeliness of government or other regulatory approvals, actual performance of facilities, joint venture partner underperformance, availability of financing on reasonable terms, availability of third party service providers, equipment and processes relative to specifications and expectations and unanticipated environmental, health and safety impacts on operations. Actual results may differ materially from those expressed or implied by such forward-looking statements.