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NEWS RELEASE

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AFRICA OIL ANNOUNCES ADDITIONAL INVESTMENT IN IMPACT OIL AND GAS

December 20, 2018: Africa Oil Corp. (TSX: AOI) (OMX: AOI) (“Africa Oil”, “AOC” or the “Company”) is pleased to announce that it has made further investments of US\$20.5 million in Impact Oil and Gas Limited (“Impact”), a private UK company with exploration assets in South and West Africa.

Additional Investment in Impact Oil and Gas

The Company has entered into a subscription agreement (the “Subscription Agreement”) with Impact providing for the exercise by AOC of the 50,343,961 ordinary share purchase warrants in Impact held by AOC at an exercise price of £0.18 per warrant and the purchase by AOC of ordinary shares of Impact in an aggregate amount of US\$6.3 million. Additionally, AOC completed the previously announced acquisition of additional shares and warrants in Impact for an aggregate subscription price of US\$2.5 million in November 2018 which, combining with the current investment, will result in Africa Oil holding an approximately 30% interest in Impact.

The funds provided by AOC to Impact are to be used by Impact as a loan to Arostyle Investments (Proprietary) Limited to allow Main Street 1549 Proprietary Limited (“Main Street”) to acquire a 5.1% effective interest in Block 11B/12B offshore South Africa. Block 11B/12B is located in the Outeniqua Basin approximately 175 kilometers off the southern coast of South Africa. The block covers an area of 18,734 square kilometers with water depths ranging from 200 to 2,000 meters. The Brulpadda-1AX re-entry well is expected to commence drilling before the end of this year. The partners in the 11B/12B block are Total S.A. (45%), Canadian Natural Resources Limited (20%), Qatar Petroleum (25%) and Main Street (10%). Africa Energy Corp. holds a 49% interest in Main Street and Africa Oil holds an approximately 34.6% interest in Africa Energy Corp.

Africa Oil CEO Keith Hill commented, “We are very pleased to have significant investments in two companies that have invested in Main Street, which has a material interest in the upcoming Brulpadda well. We believe the Brulpadda well to be one of the top exploration wells to be drilled in the world in 2019. The well will be operated by TOTAL, which gives us confidence that not only can the well can be drilled safely and effectively, but that the necessary technical and financial resources will be in place to move forward on any resulting discovery.”

The transactions contemplated by the Subscription Agreement are subject to certain customary conditions to closing, including shareholder approval of Impact.

About Africa Oil Corp.

Africa Oil Corp. is a Canadian oil and gas company with assets in Kenya and Ethiopia and has recently signed an agreement to acquire an interest in a producing asset in deepwater Nigeria. The Company is listed on the Toronto Stock Exchange and on Nasdaq Stockholm under the symbol "AOI".

Additional Information

The information in this release is subject to the disclosure requirements of the Company under the EU Market Abuse Regulation. This information was publicly communicated on December 20, 2018 at 2:00 p.m. Eastern Time.

Cautionary Language

Certain statements made and information contained herein constitute "forward-looking information" (within the meaning of applicable Canadian securities legislation). All statements in this news release, other than statements of historical facts, including statements with respect to the timing of drilling of the Brulpadda-IAX re-entry well and the planned completion of the transactions contemplated by the Subscription Agreement are forward-looking statements. Such statements and information (together, "forward looking statements") relate to future events or the Company's future performance, business prospects or opportunities. Forward-looking statements include, but are not limited to, statements with respect to estimates of reserves and or resources, future production levels, future capital expenditures and their allocation to exploration and development activities, future drilling and other exploration and development activities, ultimate recovery of reserves or resources and dates by which certain areas will be explored, developed or reach expected operating capacity, that are based on forecasts of future results, estimates of amounts not yet determinable and assumptions of management.

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.

The Company provides no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements. The Company does not assume the obligation to revise or update these forward-looking statements after the date of this document or to revise them to reflect the occurrence of future unanticipated events, except as may be required under applicable securities laws.

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