



In accordance with the Equity Subscription Agreement entered into between Africa Oil Corp. and the International Finance Corporation (“IFC”) in August, 2015, the Company has agreed to report material payments made to Governments in relation to our operated and non-operated assets.

The following table discloses material payments made to Governments in 2016 for our operated and non-operated assets in Kenya and Ethiopia. The Company has utilized the published ESTMA guidelines in preparing this report.

**Material payments made to the Government during the year ended December 31, 2016 (\$USD)
Unaudited**

Payments by Payee										
Country	Payee Name	Taxes	Royalties	Fees	Production Entitlements	Bonuses	Dividends	Infrastructure Improvement Payments	Total Amount paid to Payee	Notes
Ethiopia	Federal Government of Ethiopia	\$0	\$0	\$310,000	\$0	\$0	\$0	\$0	\$310,000	
Kenya	Federal Government of Kenya	\$0	\$0	\$440,000	\$0	\$0	\$0	\$0	\$440,000	
TOTAL		\$0	\$0	\$750,000	\$0	\$0	\$0	\$0	\$750,000	

Notes:

- 1) All payments are rounded to the nearest \$10,000
- 2) All transactions are in US Dollars, which is the reporting currency of the Company
- 3) The Company did not make any in-kind payments during 2016.
- 4) Included in the above payments are the gross amount of payments made by Africa Oil Corp. and its subsidiaries on behalf of all joint venture partners where the Company acts in the capacity of joint venture operator. Also included are the net amount of payments made by Tullow Oil plc. and its subsidiaries on behalf of the Company where Tullow act in the capacity of joint venture operator and the Company holds a working interest in the joint venture (additional details regarding payments made by Tullow Oil plc. can be found in their 2016 Annual report).