A FRONTIER EXPLORATION SUCCESS STORY

• Share Valuation Underpinned with Lokichar Discoveries
  – Petroleum System proven with 8 discoveries with over 600 MMBO discovered oil and upside potential of 1 to 3 billion barrels of oil.
  – Development threshold volumes now exceeded and field development / pipeline project proceeding with full government support.
  – Onshore blocks with good contract terms and low development / operating costs provide robust economics.

• Massive Exposure to Exploration Upside Value
  – Significant potential remaining in South Lokichar basin with a number of remaining identified prospects and an 80% success rate to date. Numerous secondary and unconventional targets demonstrated to exist that need to be further evaluated.
  – Ten new frontier basins to be evaluated by drilling or seismic in the next 18 months. Each basin has a similar or greater potential as the Lokichar Basin.
THE NEXT NORTH SEA?

Lokichar Basin Confirmed as major oil province—11 more basins and 100+ prospects to go

North Sea reserves:
60+ BBO

Exploration wells: 2,408

Tertiary/Cretaceous Rifts
Unrisked gross best estimate of prospective resources: 23 BBO

Exploration wells:
Tertiary: 21; Cretaceous: 13
South Lokichar Basin- 2014 Highlights

2014 Wells:

- Amosing-1, 2, 2A \(\checkmark\) Discoveries
- Ewoi-1 \(\checkmark\) Discovery
- Emong-1 \(\checkmark\) Sub-commercial
- Ekunyuk-1 \(\checkmark\) Sub-commercial
- Etuko-1, 2a Tests \(\checkmark\) Complete
- Twiga-2, 2A \(\checkmark\) Discoveries
- Ngamia-2, 3 \(\checkmark\) Discoveries
- Agete-2 \(\checkmark\) confirms limit of shallow pools, deeper targets remain prospective
- Etom-1 \(\checkmark\) Discovery
- Ekosowan- (Drilling)

Seismic:

- Ngamia-Twiga 3D extended to include Etom prospects (976 sqkm)
Main Reservoir Types- South Lokichar Basin

1. **Auwerwer Sandstones**: stacked good quality thick reservoirs along western side of basin. Rates in the 1000’s of barrels per day. Prospective along eastern side (oil shows present).

2. **Sandstones within Lokhone Shales**: thinner but good reservoirs with rates in the 1000’s of barrels per day (both sides of basin), potentially large drainage areas

3. **Lower Lokhone Sandstone**: massive but tighter sandstones, rates of 100’s of barrels per day, both sides of basin. Potential application for horizontal drilling?

4. **Rift margin facies**: low-porosity but very thick oil-saturated reservoirs, up to 800m thick in some wells, selected zones typically flow 50 bpd or less

5. **Loperot Sandstones**: thin but numerous oil-filled sandstones within source rocks, improving reservoir quality towards east.
Appraisal Progressing at Ngamia & Amosing
Field limits extended by recent wells

- Ngamia and Amosing appraisal wells extend field limits
- Wells confirm high net pays and stratigraphic continuity in multiple pools
- Increase in contingent resources
- Extended Well Tests (EWT’s) to start Q4, 2014
- Possible extension south to Ekosowan
Ekosowan-1 (Drilling)

- Well located with newly-acquired 3D
- Will test southerly extent of Lokichar Basin
- Also tests extension of Amosing pools that appear to have stratigraphic trapping component

3D Mapping

Ekosowan (Drilling)
Best estimate gross prospective resources: 153 MMBO

Depth Structure:
Top Lokhone Source Rock
1 km

Resource estimates are gross best estimates of prospective resources from Third Party Independent Resource Assessment except where noted as “Contingent”. Please refer to Prospective and Contingent Resources slide detailing specific contingencies relating to the classification of resources and cautionary statements.
South Lokichar Basin – Exploration & Appraisal Plans

Program to be completed by end 1Q 2015

- Aggressive Exploration & Appraisal Plans Simultaneous with Development Planning
- Development planning focussed on Auwerwer discoveries along western basin bounding fault
- Area of Interest (AOI) allows program delivery
- PSC Exploration Periods extended by 1 year – Block 10BB expires July 2017 & Block 13T Sept 2017

Delivered To Date:
- 10 exploration wells resulting in 8 significant discoveries – 80% success rate
- 7 appraisal wells
- 729 sq km 3D survey 90% complete
- 890m whole core

To be delivered over the next 6 months:
- Multiple appraisal wells at Ngamia, Amosing & Ekales
- EWT’s at Amosing & Ngamia
- 247 sq km 3D seismic expansion over Etom area
- Special core analysis

Aimed at supporting development plan submission to Government 2H 2015
South Lokichar Basin - World Class Discovered Resource Base
(Based on CPR reports dated Aug 2012, Sept 2013 & Sept 2014)

Gross Contingent Resources¹,²
(Excluding Prospective Resources Upside)
mmbo

Significant increase in all Contingent Resource categories over 2013 CPR
2C +67%, 3C +52%

Net Finding Costs to Date:
2C 1.93 $/bo
3C 0.92 $/bo

¹ This summary chart was prepared by Company management for the convenience of readers.
Kenya & Uganda Governments agree regional crude oil pipeline from Uganda through Kenya

Lapsset road from Lamu to Nadapal on Kenya-Sudan border in detailed design by Kenya National Highways Authority

Concluded pipeline cooperation agreement between Kenyan & Ugandan Joint Ventures

Concept work on pipeline and offshore loading complete

Pipeline Pre-FEED substantially progressed

Pipeline routing and environmental screening completed

Commercial structures being progressed

Government and partners aligned on targeted project sanction by end 2015 / early 2016
Fast track World Class development project

- Proven prolific light oil South Lokichar basin that exceeds threshold volumes for development
- Explore, appraise and develop simultaneously
- Modular CPF & standardized well pads and wells
- Extended well tests end 2014/early 2015
- Pre-FEED and ESIA underway
- 850 km heated pipeline Lokichar to Lamu
- Fast track to full-field development plan 2H 2015
New Basin Exploration, Next 18 months

- **Anza** - Sala-1 Discovery, Sala-2 Appraisal
- **Central Kerio** - Kodos-1 (Drilling)
- **North Kerio** - Epir Spud Q4, 2014
- **East Kerio** – Ranking prospects for 2015 spud
- **West Omo** - Engomo Spud end 2014
- **North Turkana** - North Samaki Spud Q1, 2015
- **North Lokichar** - Tausi spud 2H, 2015
- **12A Kerio Valley** - First well to spud late 2015
  - **Turkwell** - Acquiring infill seismic
  - **Abaya-Chamo** - Start 800km 2D in Q4, 2014
- **Currently planned wells**
Comparison of Central Kerio & South Lokichar Basins

- Closest connection with source rock seen on seismic
- Similar basin style: asymmetric half-graben
- Similar style of traps: structures downthrown to rift-bounding fault
Kodos Prospect, Central Kerio Basin

- Kodos-1 (Drilling)
- Possible basin-opener for South Kerio
- Ngamia-style traps
- Several follow-on prospects mapped
Epir Prospect (formerly Aze)
North Kerio Basin

• Epir (Aze) prospect to spud Q4, 2014
• Possible basin-opener (North Kerio)
• Large 4-way anticlinal closure
• Infill seismic completed
• Several follow-on prospects mapped

Resource estimates are gross best estimates of prospective resources from Third Party Independent Resource Assessment except where noted as “Contingent”. Please refer to Prospective and Contingent Resources slide detailing specific contingencies relating to the classification of resources and cautionary statements.
• Large prospects, different play types, drillable from land

• ‘Bright spots’ seen in new offshore seismic

• Engomo Spud: Q4, 2014, followed by N. Samaki
New Basin Resource Potential

New Basin De-Risking Schedule

Gross Best Estimate Unrisked Prospective Resources

<table>
<thead>
<tr>
<th>Basin</th>
<th>4Q 2014</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>South/Central Kerio</td>
<td>466</td>
<td></td>
</tr>
<tr>
<td>North Kerio</td>
<td>1,471</td>
<td></td>
</tr>
<tr>
<td>Turkana</td>
<td>6,340</td>
<td></td>
</tr>
<tr>
<td>North Lokichar</td>
<td>1,651</td>
<td></td>
</tr>
<tr>
<td>Kerio Valley</td>
<td>1,880</td>
<td></td>
</tr>
<tr>
<td>Baringo</td>
<td>1,900</td>
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</tr>
</tbody>
</table>

Not reflective of additional seismic acquired in 2013/14

New Basin De-Risking

Best Estimate Net Unrisked & Risked Prospective Resources

<table>
<thead>
<tr>
<th>Basin</th>
<th>Net Unrisked Best Estimate</th>
<th>Net Risked Best Estimate</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Prospective Resources</td>
<td>Prospective Resources</td>
</tr>
<tr>
<td>South/Central Kerio</td>
<td>6,340</td>
<td>6,340</td>
</tr>
<tr>
<td>North Kerio</td>
<td>1,471</td>
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<td>1,880</td>
<td>1,880</td>
</tr>
<tr>
<td>Kerio Valley</td>
<td>1,900</td>
<td>1,900</td>
</tr>
<tr>
<td>Baringo</td>
<td>8,012</td>
<td>8,012</td>
</tr>
</tbody>
</table>

Six New Basins Drilled by end 2015

Net Unrisked Best Estimate Prospective Resources

8,012

Net Risked Best Estimate Prospective Resources

690

Based on independent assessment of Company’s prospective and contingent resources effective July 31, 2013

1 This summary table was prepared by Company management for the convenience of readers.
2 Please refer to the Company’s press release dated September 3, 2013 for details of the prospective and contingent resources by prospect and lead, including the geologic chance of success.
3 Risked resources have been calculated and summed by the company after risking prospects and leads individually. Geological Chance of Success (GCOS) varies with each prospect or lead.
4 Net Prospective and Contingent Resources are stated herein in terms of the Company’s net working interest in the properties. Due to the very immature nature of these Resources, net estimates have not been computed as net entitlement volumes under the PSA/PSCs. In this regard the volumes stated herein will exceed the volumes which will arise to AOC under the terms of the PSA/PSCs.
5 There is no certainty that any portion of the Prospective Resources will be discovered. If discovered, there is not certainty that the discovery will be commercially viable to produce any portion of the resources.
## What you will see by end 1Q 2015

(Timing of well results)

<table>
<thead>
<tr>
<th></th>
<th>3Q 2014</th>
<th>4Q 2014</th>
<th>1Q 2015</th>
</tr>
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<tbody>
<tr>
<td>Basin Openers</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sala-2 (Anza)</td>
<td></td>
<td></td>
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<tr>
<td>Kodos (C. Kerio #1)</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Epir (N.Kerio #1)</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>N. Samaki (N. Turkana #2)</td>
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### Lokichar Drill Out

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<tr>
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</thead>
<tbody>
<tr>
<td>Etom</td>
<td>Ekosowan</td>
<td>Ngamia-3</td>
<td>Ngamia-6</td>
</tr>
<tr>
<td>Ngamia-4</td>
<td>Ngamia-5</td>
<td>Amosing-4</td>
<td>Ekeles-3</td>
</tr>
<tr>
<td>Amosing-2/2A</td>
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### Lokichar Appraisal

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<th></th>
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</thead>
<tbody>
<tr>
<td>Amosing EWT</td>
<td>Ngamia EWT</td>
<td></td>
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</tr>
</tbody>
</table>

### Lokichar Development

- **Gov’t Kenya Pipeline tender & Pre-FEED**
- **Development Plan Definition**
  - 4 Basin Openers
  - Drill Key Lokichar Prospects
  - Appraise Key Lokichar Discoveries
  - Define Development Way Forward
AOI Corporate Summary

Graduated to TSX May 2014 and NASDAQ OMX main board July 2014.

• Funding
  • Funding in place through mid-2015
  • $450MM equity issuance completed Oct-2013
  • Cash: $350.1MM (June 30, 2014)
  • $43.5MM Marathon farmout carry – dedicated to Block 9, Block 12 and Rift Basin Area fully utilized in 2014/early 2015

• Drilling focused 2014 exploration budget:
  • Drilling: 70%
  • Seismic: 6%
  • Development Studies: 15%

• Capital Structure
  • 311.15MM Shares
  • 17.5MM Options
  • Nil warrants
  • Nil debt

2014 Forecast O&G Expenditures (gross): $814MM

- Drilling: 101.4%
- Seismic: 79.7%
- Development Studies: 93.8%
- Other: 539.4%

2014 Forecast O&G Expenditures (net): $348MM

- Drilling: 35.1%
- Seismic: 50.7%
- Development Studies: 19.4%
- Other: 243.3%
Enhanced Community Engagement

Social License to Operate
Increased stakeholder engagement through formal and informal forum at local levels (Turkana Leaders Forum, town hall meetings, grievance procedures, outreach programs).

Expand engagement from those located directly in areas of operation to wider stakeholders such as conservancies, humanitarian NGOs and Civil Society Platform on O&G.

Better Communication
Opened 3 new offices in Turkana to more effectively communicate ongoing operations, address grievances and manage expectations.

Improve consultations key constituents on sensitive issues such as land and water use, environmental impact, cultural heritage/archeology and drought relief.

Local Employment and Contracts
Work with contractors to put in place a more transparent process for awarding local contracts and hiring local staff. Community involvement critical to provide necessary reassurance.

Capacity Building
New vocational training centre to be set up to directly benefit local communities. Supports County Government Development Plan.

Establish Enterprise Development Centres to assist SME's and entrepreneurs to create new or expand existing businesses that can benefit from oil development and wider infrastructure projects.

Explore community based companies based on 'conservancy model' that will be directly owned, managed and provide revenues to local communities.
Opportunity Summary

- Africa Oil has the best onshore acreage position in East Africa, and perhaps the largest upside exploration portfolio in the world.
- The Ngamia, Twiga, Etuko, Ekales, Agete, Amosing, Etom and Ewoi discoveries have significantly de-risked the South Lokichar Basin – expect very high future success rate.
- The Company has 5 active rigs in Kenya (4 currently in the Lokichar basin and 1 in the Anza Basin) with at least 20 wells planned in 2014.
- New basin opening wells have chance for high impact growth and step change in Company valuation.
- Research coverage from 27 analysts with average target price of $10.64.
## A History of Value Creation

<table>
<thead>
<tr>
<th>Company</th>
<th>2002</th>
<th>Recent</th>
<th>Notes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tanganyika</td>
<td>$0.55/share</td>
<td>$31.50/share</td>
<td>Sold to Sinopec 2008</td>
</tr>
<tr>
<td></td>
<td>$13.5 million MC</td>
<td>$1.9 billion MC</td>
<td></td>
</tr>
<tr>
<td>Valkyries</td>
<td>$0.45/share</td>
<td>$16.00/share</td>
<td>Sold to Lundin Petroleum 2006</td>
</tr>
<tr>
<td></td>
<td>$4 million MC</td>
<td>$750 million MC</td>
<td></td>
</tr>
<tr>
<td>Africa Oil</td>
<td>$0.27/share</td>
<td>$4.64/share</td>
<td>Active</td>
</tr>
<tr>
<td></td>
<td>$1 million MC</td>
<td>$1.5 billion MC</td>
<td></td>
</tr>
<tr>
<td>Lundin Petroleum</td>
<td>U $0.41/share</td>
<td>$18.6/share</td>
<td>Active</td>
</tr>
<tr>
<td></td>
<td>U $101 million MC</td>
<td>$5.8 billion MC</td>
<td></td>
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<tr>
<td></td>
<td></td>
<td>+ Enquest spin off</td>
<td></td>
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<tr>
<td></td>
<td></td>
<td>US $1.5 billion MC</td>
<td></td>
</tr>
<tr>
<td>BlackPearl</td>
<td>$0.25/share</td>
<td>$2.32/share</td>
<td>Active</td>
</tr>
<tr>
<td></td>
<td>$2.1 million MC</td>
<td>$779 million MC</td>
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<tr>
<td>ShaMaran</td>
<td>$0.175 (2003)</td>
<td>$0.32/share</td>
<td>Active</td>
</tr>
<tr>
<td></td>
<td>$6.7 million MC</td>
<td>$255 million MC</td>
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</tbody>
</table>

**12 Year value increase: $128MM => $12 Billion**

**Average share price increase: 38x**
**AOI has a Strong Management Team**

**Keith Hill, President and CEO**
Mr. Hill has over 27 years experience in the oil industry including international new venture management and senior exploration positions at Occidental Petroleum and Shell Oil Company. His education includes a Master of Science degree in Geology and Bachelor of Science degree in Geophysics from Michigan State University as well as an MBA from the University of St. Thomas in Houston. Prior to his involvement with Africa Oil, Mr. Hill was President and CEO of Valkyries where he led the company through rapid growth and ultimately a highly successful $700 million takeover by Lundin Petroleum. In addition, Mr. Hill was one of the founding directors of Tanganyika Oil which was recently the subject of a $2 billion takeover by Sinopec International Petroleum.

**Ian Gibbs, CFO**
Ian Gibbs is a Canadian Chartered Accountant and a graduate of the University of Calgary where he obtained a bachelor of commerce degree. He has been a member of Africa Oil’s Board of Directors or Executive Management Team since 2006. Since 2004, Mr. Gibbs has been the Chief Financial Officer of several TSX-Venture and TSX Listed international oil exploration and production companies including Valkyries Petroleum Corp. and Tanganyika Oil Company Ltd. and has been actively involved in the day to day operation of these companies with operations in Russia, Syria, Egypt, Kenya, Ethiopia and Puntland (Somalia). Prior to 2004, Mr. Gibbs spent several years working in Russia and Kazakhstan in the upstream oil and gas industry. As CFO of Tanganyika Oil, in 2008, he played a pivotal role in the $2 billion acquisition by Sinopec International Petroleum. Prior to Tanganyika Oil, Mr. Gibbs was CFO of Valkyries Petroleum which was the subject of an $750 million takeover.

**Nick Walker, COO**
Mr. Walker has 28 years of industry experience including 17 years with Talisman Energy Inc. where he served as Executive Vice-President of International Operations West as well as country manager positions in the UK and Malaysia/Vietnam. He has extensive international upstream oil and gas experience across Europe, Latin America, Asia and Africa and has led operating businesses in all those areas. He started his career as a petroleum engineer with BP plc. and also worked in senior management positions at Bow Valley Energy Inc. He previously served on the Board of Oil & Gas UK, the trade association representing the UK oil and gas business. His education includes a Bachelor of Science Degree in Mining Engineering from Imperial College in London, a Master of Science Degree in Computing Science from University College in London and an MBA from City University Business School, also in London.

**James Phillips, VP Business Development**
Before joining Africa Oil, Mr. Phillips was Vice President Exploration-Africa and Middle East for Lundin Petroleum AB where he played a pivotal role in securing the majority of Africa Oil’s current portfolio. Mr. Phillips is a graduate of the University of California, Berkeley and San Diego State University where he obtained BS and MS degrees, both in Geology. He has over 30 years of experience in the oil industry including senior positions with Shell Oil company and Occidental including heading up Oxy’s African exploration ventures.

**Paul Martinez, VP Exploration**
Dr. Martinez, most recently Director of International Business Development with Occidental Petroleum Corporation, has over 23 years of domestic US and international experience in oil and gas exploration and development, including projects in the Texas Gulf Coast, Permian Basin, Rockies, Latin America, Africa, Middle East, and Russia. He has held overseas management positions for Oxy in Libya, Oman and Peru. Dr. Martinez holds Master of Science and Doctorate degrees in applied earth sciences from Stanford University and a Bachelor of Science degree in petroleum geology from the University of Texas at Austin. Dr. Martinez is based in Africa Oil’s Calgary office and is responsible for all geological and geophysical activities of the Company.

**Alex Budden, VP External Relations**
Before joining Africa Oil Alex Budden served as a Diplomat for the British Foreign & Commonwealth Office for 21 years. His international experience has seen him serve in Africa, Asia, the Middle East, Russia, the Balkans and North America. Throughout his career he has focused on international security, conflict, governance, human rights, energy and environment issues and specializes in government and security relations, complex stakeholder management and strategic communications work.
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For additional details on the Company, please see the Company’s profile at www.sedar.com.
Prospective and Contingent Resources

There is no certainty that any discovered resources referred to in this presentation will be commercially viable to produce. There is no certainty that any portion of the undiscovered resources will be discovered. If discovered, there is no certainty that it will be commercially viable to produce any portion of the resources.

Risks associated with discovering oil:
The estimation of prospective resource volumes for high-risk and poorly calibrated basins can be subject to large variation from the introduction of new information. The estimates presented herein are based on all of the information available at the effective date of the resource estimate. New data or information is likely to have a material effect on the resource assessment values. Since the effective date of the resource estimates provided, the Company has continued to actively explore, with multiple seismic crews operational and several exploration wells drilled. There is no certainty that any additional resources will be discovered. Once discovered, there is no certainty that the discovery will be commercially viable to produce any portion of the resources.

Risk Associated with the Estimates:
In the event of a discovery, basic reservoir parameters, such as porosity, net hydrocarbon pay thickness, fluid composition and water saturation, may vary from those assumed by the Company's independent third party resource evaluator affecting the volume of hydrocarbon estimated to be present. Other factors such as the reservoir pressure, density and viscosity of the oil and solution gas/oil ratio will affect the volume of oil that can be recovered. Additional reservoir parameters such as permeability, the presence or absence of water drive and the specific mineralogy of the reservoir rock may affect the efficiency of the recovery process. Recovery of the resources may also be affected by well performance, reliability of production and process facilities, the availability and quality of source water for enhanced recovery processes and availability of fuel gas. There is no certainty that certain mineral interests are not affected by ownership considerations that have not yet come to light.

Substantial Capital Requirements:
Africa Oil expects to make substantial capital expenditures for exploration, development and production of oil and gas reserves in the future. The Company's ability to access the equity or debt markets may be affected by any prolonged market instability. The inability to access the equity or debt markets for sufficient capital, at acceptable terms and within required time frames, could have a material adverse effect on the Company's financial condition, results of operations and prospects.

Ability to Execute Exploration and Development Program:
It may not always be possible for Africa Oil to execute its exploration and development strategies in the manner in which the Company considers optimal. Execution of exploration and development strategies is dependent upon the political and security climate in the host countries where the Company operates and agreement amongst the Company joint venture partners. The Company's exploration and development programs in East Africa may involve the need to obtain approvals from relevant authorities who may require conditions to be satisfied or the exercise of discretion by the relevant authorities. It may not be possible for such conditions to be satisfied.

Absence of a Formal Development Plan including Required Funding:
There is no certainty the Company will prepare and have approved a development plan for any portion of the contingent resources or that the Company will be successful in funding any development should such a plan be prepared. General market conditions, the sufficiency of such a development plan and the outlook regarding oil and gas prices are some factors that will influence the availability of funding or the Company's ability to attract oil and gas industry partners to participate in the project.

Access to Infrastructure:
Currently there is limited local infrastructure for the production and distribution of oil and gas in the countries in which Africa Oil operates. Export infrastructure to enable other markets to be accessed has not yet been developed and is contingent on numerous factors including, but not limited to, sufficient reserves being discovered to reach a commercial threshold to justify the construction of export pipelines and agreement amongst various government agencies regulating the transportation and sale of oil and gas. Africa Oil is working with its joint venture partners and government authorities to evaluate the commercial potential and technical feasibility of discoveries made to date and potential future discoveries.

Additional Risks:
Additional risks associated with the estimate of the prospective and contingent resources include risks associated with the oil and gas industry generally (i.e. financing; operational risks in exploration, development and production; delays or changes in plans with respect to exploration or development projects or capital expenditures; the uncertainty of estimates and projections related to production; costs and expenses; health, safety, security and environmental risks; and the uncertainty of resource estimates), drilling equipment availability and efficiency, the ability to attract and retain key personnel, the risk of commodity price and foreign exchange rate fluctuations, the uncertainty associated with dealing with governments and obtaining regulatory approvals, and the risk associated with international activities.