Africa Energy Corp.

Africa Energy Closes Books in USD 45 million Private Placement

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VANCOUVER, April 25, 2018 /CNW/ - **Africa Energy Corp. (TSX VENTURE: AFE)** ("Africa Energy" or the "Company"), an oil and gas exploration company with assets in South Africa and Namibia, announces that it has successfully completed the book-building for the equity issue, on a private placement basis, of common shares in the Company (the "Common Shares") announced on April 24, 2018 (the "Private Placement").

Africa Energy previously announced the intention to raise gross proceeds ofUSD 40 million. The Private Placement generated strong interest from international investors, and the Company has therefore decided to increase the size of the Private Placement to approximately USD 45 million.

The price of the shares in the Private Placement was determined in a book-building process to beCAD 0.16 per share, representing a two percent premium to the Company's 30-day volume weighted average share price. This will result in the issuance of 362,390,625 Common Shares. Following the closing of the Private Placement, the number of outstanding common shares in the Company will be 681,586,094. Closing of the Private Placement is expected to occur on or about May 4, 2018.

Payment for the Common Shares will be made in cash. The expected gross proceeds from the offering will be used to finance the Company's acquisition, drilling and other joint venture costs for its projects offshore South Africa and offshore Namibia, as well as for general corporate purposes, including listing and transaction costs.

As announced on April 24, 2018, the Company has applied for a secondary listing of the Company's common shares on Nasdaq First North Stockholm. If the listing application is approved by Nasdaq, the Company's common shares are expected to trade on Nasdaq First North Stockholm under ticker symbol "AEC" starting on or about May 4, 2018.

Garrett Soden, President and CEO of Africa Energy, commented:

"*The strong investor demand in the private placement demonstrates renewed market support for international oil exploration. This transaction funds our two high-impact exploration wells scheduled to spud this year offshore Namibia with Tullow and offshore South Africa with Total. We expect the secondary listing inStockholm to increase our trading liquidity and provide access to a wider retail and institutional investor base in Europe*."

The Common Shares were offered by way of prospectus exemptions under applicable Canadian and Swedish securities laws. Common Shares issued to Canadian residents will be subject to resale restrictions under Canadian securities laws for a period of four months and one day from the date of closing of the Private Placement. Subject to applicable securities laws, Common Shares issued to residents outside of Canada pursuant to the Private Placement may not be sold, transferred or otherwise disposed of on the TSX Venture Exchange or, except pursuant to an exemption from prospectus requirements under Canadian securities laws, to any person in Canada or otherwise into Canada for a period of four months plus one day from the date of closing of the Private Placement.

Pareto Securities AB acted as manager and bookrunner for the Private Placement.

Completion of the Private Placement will be subject to certain customary conditions including, but not limited to, execution of subscription agreements between Pareto, or the Company, and the subscribers and TSX Venture Exchange approval.

Note that payment obligations in respect of the previously announced transactions for Block11B/12B offshore South Africa are subject to close and conditional upon, among other standard conditions, TSX Venture Exchange and South African governmental approval, which is expected by July 2018. For the avoidance of doubt, the closing of the Private Placement is not conditional on closing the Block 11B/12B transactions. If closing of the transactions does not occur, the Company will use the funds for general corporate purposes, where the intention is to fund new assets and/or drilling activities.

Africa Oil Corp., a related party of the Company, participated in the Private Placement and acquired 144,956,250 Common Shares, increasing its holdings in the Company from 28.5% to 34.6% of the issued and outstanding shares. The issuance of Common Shares to Africa Oil Corp. constitutes a "related party transaction" as defined under Multilateral Instrument 61-101 ("MI 61-101"). The transaction will be exempt from the formal valuation and minority shareholder approval requirements of MI 61-101 pursuant to sections 5.5(b) and 5.7(e), respectively, of MI 61-101. In that regard, the Company's Board of Directors and, separately, its independent directors considered the Company's current cash on hand and its current financial obligations, including its funding obligations in respect of Block 11B/12B and have determined, unanimously in both cases, that failure to complete the Private Placement would cause significant financial hardship to the Company.

Per share amounts are based on Bloomberg Mid rate of1.2885 CAD/USD per April 25, 2018 at 15:00 CET.

About Africa Energy Corp.

Africa Energy Corp. is a Canadian oil and gas company listed on the TSX Venture Exchange under ticker symbol "AFE". The Company is part of the Lundin Group of Companies and is actively building an exploration and production portfolio across Africa.

Important information

The information in this press release does not contain or constitute an offer to sell or acquire, a solicitation of an offer to acquire, subscribe or otherwise trade in shares or other securities in Africa Energy.

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No shares will be registered under the United States Securities Act of 1933 ("Securities Act"), as amended, or any U.S. state securities laws or securities legislation in any other state or other jurisdiction in the United States and may not be offered, subscribed, sold or transferred, directly or indirectly within the United States or to the account or benefit of a U.S. person or a person in the U.S. other than pursuant to an exemption from the registration requirements of the Securities Act and in accordance with securities laws in relevant state or other jurisdiction in the United States.

Forward looking statements

Certain statements contained in this press release constitute forward-looking information. These statements relate to future events or the Company's future performance, business prospects or opportunities including, without limitation, statements with respect to the satisfaction of closing conditions and proposed closing date of the Private Placement, which are based on assumptions of management.

The use of any of the words "will", "expected" and similar expressions and statements relating to matters that are not historical facts are intended to identify forward-looking information and are based on the Company's current belief or assumptions as to the outcome and timing of such future events. 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, failure to satisfy the closing conditions of the Private Placement, availability of third party service providers, equipment and processes relative to specifications and expectations and unanticipated environmental impacts on operations. Actual future results may differ materially. Various assumptions or factors are typically applied in drawing conclusions or making the forecasts or projections set out in forward-looking information. Those assumptions and factors are based on information currently available to the Company. The forward-looking information contained in this release is made as of the date hereof and the Company is not obligated to update or revise any forward-looking information, whether as a result of new information, future events or otherwise, except as required by applicable securities laws. Because of the risks, uncertainties and assumptions contained herein, investors should not place undue reliance on forward-looking information. The foregoing statements expressly qualify any forward-looking information.

Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

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