

Africa Energy Corp.

## **Africa Energy Closes Three Deals to Acquire 90% Interest in Block 2B Offshore, Republic of South Africa**

VANCOUVER, BRITISH COLUMBIA--(Marketwired - Oct. 21, 2016) -

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Africa Energy Corp. (TSX VENTURE:AFE) ("Africa Energy" or the "Company") is pleased to report that it has closed three transactions resulting in the Company acquiring a 90% participating interest and operatorship in Block 2B offshore the Republic of South Africa.

The Company paid US\$1 million to Afren plc (in Administration) and certain of its subsidiaries to acquire a 25% participating interest in Block 2B.

The Company also paid US\$2 million and issued 14.8 million new common shares of the Company to acquire all of the shares of Thombo Petroleum Ltd., a privately held company operating and holding a 34.5% participating interest in Block 2B. The Company may be required to issue up to an additional 20 million common shares of Africa Energy and, at the option of the Company, to either pay and/or issue up to US\$1.5 million in additional contingent cash and/or shares of Africa Energy, if certain milestones associated with the commercialization of Block 2B are achieved.

The Company completed a farm-in agreement with a subsidiary of Crown Energy AB ("Crown") to acquire a 30.5% participating interest in Block 2B. The Company will reimburse Crown for up to US\$0.3 million of net back costs and will fund costs for Crown's remaining 10% participating interest associated with the drilling and testing of the next well in Block 2B.

James Phillips, President and Chief Executive Officer for Africa Energy commented, "I'm very happy to announce that we have closed these three deals and now have a 90% participating interest in Block 2B. A well drilled in this block by South African state company Soekor in 1988 discovered and tested light oil from a Cretaceous sandstone section confirming that this rift basin is hydrocarbon-bearing. Our proven Cape Town-based technical team has identified numerous prospects and potential drilling locations in Block 2B utilizing the previously acquired 3D seismic. The Company continues to identify, evaluate and negotiate potential transactions within Africa during this current oil sector downturn, and I am confident this will be the first of a number of transactions to grow Africa Energy."

About Africa Energy Corp.

Africa Energy Corp. is a Canadian oil and gas company, the shares of which are listed on the TSX Venture Exchange under the symbol "AFE".

Forward Looking Information

Certain statements contained in this press release constitute forward-looking information. These statements relate to future events or future performance including, without limitation, the Company's new corporate strategy. Forward-looking statements include, but are not limited to, statements with respect to the satisfaction of closing conditions and proposed closing date of the acquisitions and the private placement financing, 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, 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 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

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ON BEHALF OF THE BOARD

James Phillips, President and CEO

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