

Africa Energy Corp.

## **Horn Petroleum Provides an Update on Puntland Drilling**

### **HORN PETROLEUM PROVIDES AN UPDATE ON PUNTLAND DRILLING**

VANCOUVER, BRITISH COLUMBIA--(Marketwire - Aug. 27, 2012) - Horn Petroleum Corporation ("Horn" or the "Company") (TSX VENTURE:HRN) is pleased to provide an update on the drilling program ongoing in Puntland (Somalia).

The Shabeel North-1 well has reached a total depth of 3945 meters and has encountered metamorphic basement at a depth of 3919 meters. The well penetrated 149 meters of interbedded sands and shales of the Triassic Adigrat Formation with no oil or gas shows and only minor porosity exhibited on electric logs. Accordingly, the well is being plugged. As noted in a previous Puntland drilling update, the Upper Cretaceous Jesomma sands did exhibit porosity and hydrocarbon shows but produced only fresh water on a drill stem test. These sands are similar to the Jesomma sands encountered in the previously drilled Shabeel well in respect of log response and oil and gas shows. It has therefore been determined that additional testing of these zones in the previously drilled Shabeel well is also not warranted.

Based on the encouragement provided by the Shabeel wells, the Company and its partners, Range Resources and Red Emperor, plan to enter the next exploration period in both the Nugaal and Dharoor Valley Production Sharing Contracts ("PSC's) which carry a commitment to drill one well in each block within an additional 3 year term. The current operational plan would be to contract a seismic crew to acquire additional data in the Dharoor Valley block and to hold discussions with the Puntland Government to gain access regarding drill ready prospects in the Nugaal Valley block. The focus of the Dharoor seismic program will to delineate new structural prospects for the upcoming drilling campaign.

Keith Hill, Chairman of Horn, commented, "While we were disappointed that we were not able to flow oil from the first two exploration wells in our Puntland (Somalia) drilling campaign, we remain highly encouraged that all of the critical elements exist for oil accumulations, namely a working petroleum system, good quality reservoirs and thick seal rocks. We look forward to working with the Puntland government to move our exploration project to the next phase which will likely require us to focus on prospects in different areas of the basins. One should keep in perspective that it often takes a number of wells to find commercial hydrocarbons and we plan to continue our aggressive program to unlock the potential of this highly prospective region."

Horn holds a 60% working interest in the Dharoor and Nugaal Valley blocks and is the operator. The other partners in the blocks are Range Resources (20%) and Red Emperor (20%). Africa Oil Corporation holds an approximate 45% equity interest in Horn.

*Horn Petroleum Corporation is a Canadian oil and gas company with assets in Puntland, Somalia. The Corporation holds a 60% interest and operatorship in the Dharoor and Nugaal blocks encompassing a Jurassic Rift Basin on trend and analogous to the large oil fields in Yemen. The Corporation's shares are listed on the TSX Venture Exchange under the symbol "HRN".*

*ON BEHALF OF THE BOARD*

*David Grellman, President and CEO*

#### **FORWARD-LOOKING INFORMATION**

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