AfricaOil Corp.

AFRICA OIL CORP.

SUSTAINABILITY REPORT

FOR THE YEAR ENDED DECEMBER 31, 2022

AFRICAOILCORP.COM

TABLE OF CONTENTS

AOC SUSTAINABILITY **REPORT 2022**

Basis of preparation.

This Sustainability Report outlines the approach Africa Oil Corp. (“Africa Oil” or “the Company”) takes to ESG management and provides an overview of the related ESG performance for 1st January to 31st December 2022.

ESG STANDARDS AND FRAMEWORKS

This report has been developed in line with several globally recognised ESG frameworks. We have reported all available key performance metrics and information identified as material to our business by the Sustainability Accounting Standards Board (SASB) standard for Oil & Gas: Exploration & Production and the Global Reporting Initiative (GRI) Oil and Gas Sector Standard 2021 (GRI 11).

Building on the foundations laid in 2020 and 2021, we have continued to progress disclosure in line with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD), specifically in relation to quantification of physical climate risks. With consideration for the forthcoming recommendations of the Taskforce on Nature-related Financial Disclosures (TNFD), we have additionally chosen to conduct a nature-based assessment of one part of our portfolio in accordance with TNFD draft guidance.

Africa Oil is a supporting company to the Extractive Industries Transparency Initiative (EITI). The EITI is the global standard for the good governance of oil, gas and mineral resources.

We endorse the EITI Principles, including the view natural resource wealth should be an important engine for sustainable economic growth and that transparency around revenues and expenditures is essential to enhancing public financial management and accountability and informing debate on options for sustainable development.

As such, we support the objective of the EITI Association to make the EITI Principles and the EITI Standard the internationally accepted standard for transparency in the oil, gas and mining sectors. Information pertaining to Africa Oil’s alignment with the expectations of the EITI can be found throughout this Sustainability Report, in our Annual Information Form and associated Financial Statements and in our Annual Reports under the Canadian Extractive Sector Transparency Measures Act (ESTMA), all of which can be found on our website.

In 2021 Africa Oil became a signatory to the UN Global Compact (UNGC), a multi-sector compact to support businesses of all sizes and sectors to align their strategies and operations with sustainable principles across human rights, labour, environment and anti-corruption, and to take action to advance the UN Sustainable Development Goals (SDGs). This Sustainability Report describes our efforts to integrate the Ten Principles of the UNGC into our strategy, culture and governance mechanisms, as well as our alignment with the SDGs.

Africa Oil is a Nasdaq ESG Transparency Partner and is proud to have achieved a Platinum rating in 2021 by Ecovadis, putting us in the top 1% of the 85,000+ companies that Ecovadis rates.

INTRODUCTION

LETTER FROM CEO

Keith Hill
Chief Executive Officer

Dear Stakeholder,

I AM PLEASED TO PRESENT AFRICA OIL'S THIRD ANNUAL SUSTAINABILITY REPORT.

For several years now, energy transition has dominated discussions regarding sustainability as it pertains to the oil and gas industry. Russia's invasion of Ukraine in February 2022 and the spike in global oil and gas prices that followed has refocused the global community's attention on the energy trilemma, the need to balance energy transition with energy reliability and affordability. As an African-focused E&P company, energy security and affordability have always been front of mind for Africa Oil in how we think about sustainability as it pertains to our operations. While we support the transition to a low carbon economy, we believe it must be a just and orderly transition, balancing the world's ongoing demand for energy and economic development with environmental prerogatives.

Strong ESG performance and accountability is increasingly required as a condition for access to capital and, as such, critical to the continued success of our business. In recognition of this, we have actioned key structural changes over the past two years to enhance our oversight of ESG processes, including establishing a Board-level Environmental, Social, Governance and Health and Safety (ESGHS) Committee and hiring a Vice President of ESG, whose strategic and operational control of ESG is now enshrined in our Company policies. In addition, we have integrated ESG and climate-related risks into our risk management processes.

By increasing ESG capabilities and integration, we have matured both our understanding of the ESG landscape and the way we apply ESG considerations to developing and growing our business. ESG considerations have become central to the business development due diligence process. In particular, we screen all business development opportunities based on emissions intensity and emissions reduction potential, as well as evaluate how carbon pricing would impact the economics. By embedding ESG considerations into the assessment of any new investment or acquisition, we seek to ensure that we uphold the standards of practice we have established and continue our trajectory to becoming a more sustainable business.

In 2021, the company committed to achieve carbon neutrality by 2025. To meet this goal, we have actively advocated through our interest in Prime for enhanced data on emissions performance and emissions reduction opportunities at our assets in Nigeria, with a particular focus on flaring and asset optimisation. These efforts resulted in a 27% year-over-year decrease in flaring in 2022 and contributed to an 8% reduction in overall emissions. Flaring is now half the rate it was in 2019, before we acquired the assets, and we continue to see improvements, with average flaring levels year-to-date in 2023 roughly a third of those in 2022.

Simultaneously, we have identified and started work to progress two proprietary carbon offset projects in Kenya, leveraging longstanding relationships in the country. Reflecting our desire to invest in high quality nature-based removals, we have identified projects that will not only generate significant carbon credits, but also preserve and enhance biodiversity and benefit local communities through improved land management and environmental conservation.

Given the early-stage nature of these projects, there is risk they may not progress or deliver the volume of credits required. For that reason, the Company continues to screen the market for further opportunities, as well as secure existing credits over-the-counter. As a demonstration of our commitment toward carbon neutrality, Africa Oil purchased and retired 26,400 credits in 2022 from a REDD+ project in Guinea-Bissau at a cost of $500,000, on top of the 30,088 clean cookstove credits purchased and retired in 2021.

Our view of ESG as a fundamental building block goes beyond GHG emissions, as we continue to strengthen our approach to social and governance matters internally. This year we introduced a new Diversity, Equity and Inclusion (DEI) Policy, which enshrines our commitment to promoting diversity across the organisation, including aspirational targets at the Board and Management level. In support of these objectives, we delivered in-person, facilitated DEI training to the Management team. These activities reflect our belief that diversity of thought and experience maximises the effectiveness of the Board and company leadership, fosters decision-making in the best interests of the company and improves performance by creating a culture where everyone feels valued and respected.

In 2022, Africa Oil renewed its membership in the Extractive Industries Transparency Initiative (EITI) and the United Nations Global Compact. As such, I am pleased to reaffirm our support for the EITI Principles and the Ten Principles of the UNGC in the areas of Human Rights, Labour, Environment and Anti-Corruption.

These are a few of the highlights you will find in this Sustainability Report, which describes our management of ESG matters material to the business and performance during 2022.

Signed for and on behalf of the Board of Africa Oil.

Keith Hill
Chief Executive Officer

2022
PERFORMANCE HIGHLIGHTS

Net equity emissions of
117 ktCO_2e
representing an 8% decrease vs. 2021.

Gas flaring at Nigerian assets reduced
27%
year-over-year.

>20% of emissions offset via purchase of
VERRA CERTIFIED CARBON CREDITS
on road to achieving carbon neutrality in 2025.

ZERO
Fatalities and Lost Time Injuries in Nigeria.

Adopted new
DIVERSITY, EQUITY AND INCLUSION POLICY
including aspirational diversity targets at the Board and Management level.

Continue to expand ESG disclosures, with TNFD pilot and in reference to GRI in addition to SASB.

ABOUT AFRICA OIL CORP.

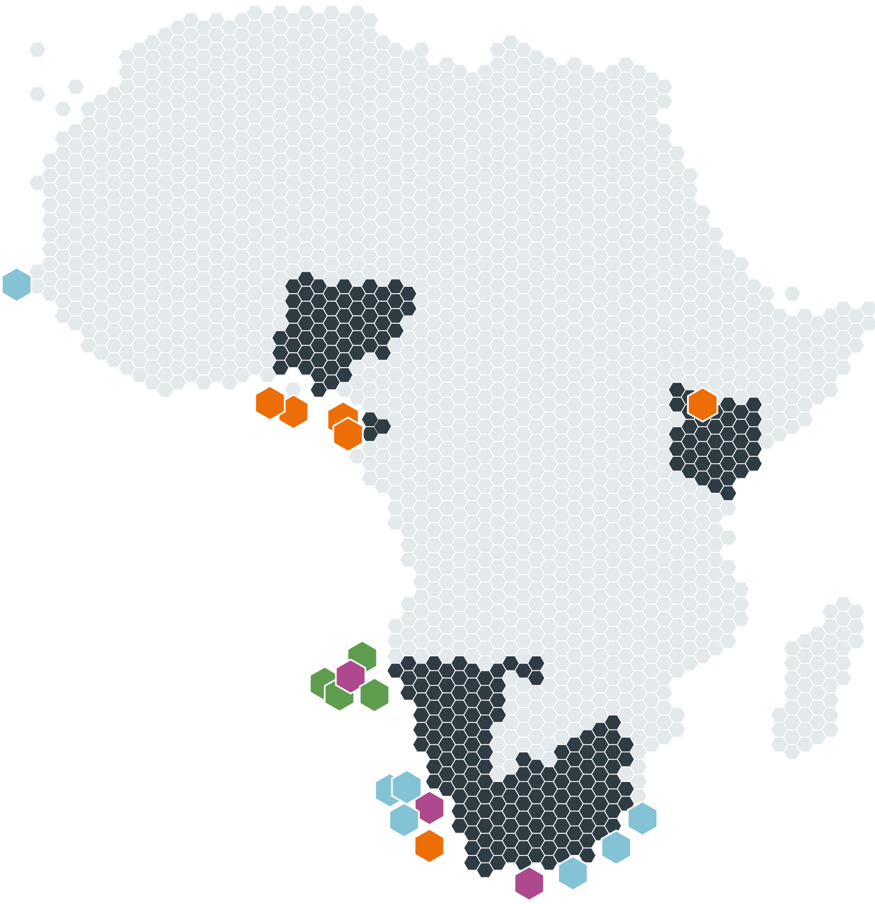
Poised for transformational value upside

Africa Oil (AOC) is a Canadian-listed oil and gas company with producing and development assets in deep-water Nigeria, and development assets in Kenya. The Company also has a portfolio of exploration and appraisal assets in Namibia, South Africa, Equatorial Guinea, Guyana and the Senegal-Guinea Bissau JEZ. The Company holds its interests both through direct equity stakes in concessions and through its shareholdings in investee companies, including Prime, Africa Energy, Eco Atlantic and Impact Oil & Gas. AOC's long-term plan is to deliver sustainable shareholder value through the development and production of its existing resource base, accretive acquisitions, exploration, and monetizing value from its shareholdings in investee companies.

AOC's 50% shareholding in Prime accounts for all of its current reserves and production. Prime is a Nigeria-focused company with interests in deepwater Oil Mining Leases (OML) 127 and 130.

The Company's 25% direct interest in the Project Oil Kenya JV provides potential upside through the monetisation of existing oil discoveries on Blocks 13T and 10BB. Finally, the exploration and appraisal focused investee companies (Africa Energy, Eco and Impact) provide AOC shareholders with potentially high-impact near-term catalysts including the recent Venus discovery on Block 2913B offshore Namibia, and the Luiperd and Brulpadda gas condensate discoveries, on Block 11B/12B offshore South Africa.

In addition to organic growth opportunities, the Company is pursuing an accretive acquisition-led strategy to purchase producing assets, primarily in West Africa, while ensuring the target has competitive performance metrics to complement the Company's existing low cost, high return portfolio. The Company may also pursue infrastructure-led exploration activities, where high quality prospects are near existing infrastructure that can support fast-track developments in case of successful discoveries.



Our Operating Locations

- Africa Oil Corp.
- Africa Energy
- Impact Oil
- Eco Atlantic

ABOUT AFRICA OIL CORP. - CONTINUED

OUR VISION

To be a full-cycle oil exploration and production growth vehicle that integrates sustainability considerations throughout decision-making and operational management. We will work with our partners to support the transition to a less carbon-intensive business.

OUR VALUES

- We strive for operational excellence safeguarding the health and safety of people and protecting the environment
- We adopt the highest standards of professional integrity and comply with national and international laws and regulation
- We act in a fair, honest and non-discriminatory way in all our business activities
- We promote a culture of open and honest dialogue with stakeholders

KEY DRIVERS FOR ESG PERFORMANCE

We are focused on the efficient and responsible exploration, development and production of oil and gas resources in compliance with host country laws and good international practice (as defined by IFC Performance Standards)

We support the transition to a less carbon-intensive global economy, recognising the ongoing role for oil and gas in the energy balance until cleaner forms of energy are available at the scale needed

We recognise the challenge, which is especially acute in Africa, in how to meet the world's increasing demand for energy and economic development whilst minimising environmental and social impacts

SUSTAINABILITY GOALS

As a non-operating investor in exploration and production assets, Africa Oil is focused on the effective identification and management of risk. Our operating partners are selected in part on their ability and commitment to manage ESG risks effectively. We monitor operator performance and work with operators where possible and necessary to improve performance. Our role as the custodians of our shareholders' capital is to ensure robust governance systems are in place to deliver our sustainability goals.

- We aim to provide a safe and healthy working environment for our employees and contractors, with the objective of zero harm in the workplace
- We aim to minimize the impact of our activities on the natural environment
- We aim to integrate the monitoring, management and reporting of greenhouse gas emissions into our activities, strategy and decision-making
- We aim to assist the social and economic development of communities associated with our activities
- We aim to ensure that activities for which we are responsible respect and protect human rights
- We aim to operate to the highest standards of ethical conduct and corporate governance

ABOUT AFRICA OIL CORP. - CONTINUED

STAKEHOLDER ENGAGEMENT

At Africa Oil we recognise the value that our global network of stakeholders brings, from our employees who are central the success of the business, to the local communities that support our license to operate. We therefore are committed to maintaining productive relationships with all stakeholders through consistent and transparent communication.

Our stakeholders	Why we engage	How we engage
EMPLOYEES AND CONTRACTORS	To deliver upon our corporate aims, it is essential that our employees and full-time contractors are engaged and aligned with our corporate objectives. We also want to attract and retain high calibre talent to drive our business forward. It is therefore key that we engage with our workforce regularly, ensure that they are receiving the support required, and offer opportunities to develop their skillsets and enhance their experience.	As a small organisation, we engage with our employees via one-on-one, as well as group, meetings, trainings and updates. All employees and contractors are expected to comply with our Code of Business Conduct and corporate policies, specifically the Anti-Corruption Policy; Corporate Disclosure Policy; Diversity, Equity and Inclusion Policy and Whistleblowing Policy. To promote diversity, equity and inclusion across the business, we provided facilitated unconscious bias training for our Management team this year. In Kenya, we instituted weekly management meetings and held a two-day, off-site team building trip.
PARTNERS	Productive working relationships with our partners are critical to the seamless running of our business. Furthermore, we must maintain open channels of communication to ensure continued compliance with our standards of operation.	We engage with our operating partners in Operating and Technical Committee Meetings (OCMs/TCMs) and through joint technical work, audits, monitoring and reporting.
INVESTORS	We rely upon the support and direction of our investors. We therefore have a responsibility to ensure that they are well-informed on the performance and management of the business, as well as to provide opportunity for feedback.	To maintain transparency with our investors we engage through meetings, conferences, our website and shareholder reporting. To satisfy International Financial Corporation (IFC) shareholding requirements, we submit to semi-annual reviews by an Independent Monitoring Group (IMG), which are made publicly available on our website: https://africaoilcorp.com/sustainability/independent-audit-reports/ Similarly, AOC's largest shareholder Helios Investment Partners, expanded its ESG audit process in 2022, as part of which we provide quarterly ESG performance data and participate in an annual independent audit of our performance.
ASSOCIATE COMPANIES	Our Nigerian joint venture and equity investments in listed companies drive value for the business through their own activities. Strong governance practices are critical for ensuring those activities adhere to our standards of operation.	We engage with our JV company and listed associates through meetings (Board Meetings/ OCMs/TCMs), joint technical work audits, monitoring and reporting. Additionally, we have weekly operational and bi-weekly ESG performance checks with Prime.
GOVERNMENTS AND REGULATORS	Developing and sustaining positive and transparent relationships with governments and regulators is crucial to our license to operate, helping to maintain confidence in our management capacity and performance, and ensuring we are in compliance with the law and regulations of the jurisdictions in which we operate.	Communications with governments and regulators are maintained through meetings and regulatory and legal filings.
LOCAL COMMUNITY / INTEREST GROUPS	We depend on the support of local communities for operational continuity and aim to conduct our activities sustainably and to the benefit of the locality.	We seek to maintain positive relationships with communities via project-specific engagement teams that organise community meetings, distribute relevant informational materials, provide grievance mechanisms and develop social programmes based on community needs and requirements.

MATERIAL ISSUES

To determine the most material issues to our business, in 2021 we conducted a materiality assessment engaging with internal and external stakeholders. The process was informed by the Global Reporting Initiative's (GRI) G4 guidelines, Sustainability Accounting Standards Board (SASB), and other industry specific guidance.

As a result of the process, we were able to affirm our understanding of the most material issues and review the governance processes in place to manage those issues. Furthermore, the results informed our ESG reporting, ensuring that our disclosures cover all relevant topics so that stakeholders have access to the information they require.

ABOUT AFRICA OIL CORP. - CONTINUED

MATERIAL ISSUES - CONTINUED

In 2022, we conducted a review of the process to update it in line with industry developments. The table below represents the results of the materiality assessment, adjusted to reflect changes during the year. The most significant adjustments concerned occupational health & safety and human rights, both of which increased in materiality, whilst public health risks decreased in materiality as global disruption due to COVID-19 recedes.

BUSINESS RESILIENCE	1. Business continuity 2. **LONG-TERM VALUE CREATION** 3. **SOLVENCY AND FINANCIAL MANAGEMENT** 4. **CLIMATE CHANGE RISKS & MANAGEMENT**
COMMUNITY ENGAGEMENT & SUPPORT	5. Community engagement & support 6. Human rights
EMPLOYEE ENGAGEMENT & WELLBEING	7. Labor rights 8. Employee wellbeing 9. **OCCUPATIONAL HEALTH & SAFETY** 10. Corporate culture 11. Employee engagement & satisfaction 12. Employee acquisition, talent management & retention 13. Employee development
SUPPLY CHAIN & MATERIALS MANAGEMENT	14. Energy use, conservation & reductions 15. Transition to renewable energy 16. Supply chain management 17. Materials management
ETHICS & COMPLIANCE	18. **BUSINESS ETHICS** 19. **COMPLIANCE MANAGEMENT** 20. Responsible tax practices
DIVERSITY & INCLUSION	21. Fair & inclusive workplace 22. Social inclusion
GOVERNANCE	23. Board effectiveness 24. **ESG GOVERNANCE** 25. Grievance mechanisms & remediation 26. Investor relations
INNOVATION & DIGITALISATION	27. Advanced technologies & innovations 28. Cybersecurity & information security 29. Data privacy management
ENVIRONMENTAL MANAGEMENT	30. **PROJECT-BASED ESIA** 31. GHG emissions & reductions 32. Managing land use & reducing deforestation 33. **WATER MANAGEMENT** 34. Biodiversity management 35. **AIR EMISSIONS MANAGEMENT** 36. Spill management 37. Waste management
MACRO RISKS	38. Public health risks 39. Physical disasters & failures 40. Political & societal risk
TRANSPARENCY	41. Executive compensation 42. Public policy practices

ABOUT AFRICA OIL CORP. - CONTINUED

ESG STRATEGIC FRAMEWORK

Being a **Trusted Partner,** acting as a **Responsible Steward** of the environment, and supporting **Strong Communities**; these three pillars form the bedrock of the Company's approach to ESG management. Developed as a result of our materiality assessment, they comprise three key areas of focus for the business

GOVERNACE	ENVIRONMENT	SOCIAL
TRUSTED PARTNER	**RESPONSIBLE STEWARD**	**STRONG COMMUNITIES**

PILLAR 1: **TRUSTED PARTNER**

Commitment

Being a **"Trusted Partner"** to all those we engage with, including governments, operating partners, communities, employees, and investors, by maintaining open communications, productive relationships, and honest reporting.

Relevant SDG targets

16. Peace, Justice and Strong Institutions:

Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels

Targets

16.3: Promote the rule of law at the national and international levels and ensure equal access to justice for all

16.5: Substantially reduce corruption and bribery in all their forms

17. Partnership for the goals:

Strengthen the means of implementation and revitalize the global partnership for sustainable development

Targets

17.1: Strengthen domestic resource mobilization, including through international support to developing countries, to improve domestic capacity for tax and other revenue collection

17.11: Significantly increase the exports of developing countries, in particular with a view to doubling the least developed countries' share of global exports by 2020

17.16: Enhance the global partnership for sustainable development, complemented by multi-stakeholder partnerships that mobilize and share knowledge, expertise, technology and financial resources, to support the achievement of the sustainable development goals in all countries, in particular developing countries

17.17: Encourage and promote effective public, public-private and civil society partnerships, building on the experience and resourcing strategies of partnerships

ABOUT AFRICA OIL CORP. - CONTINUED

PILLAR 2: **RESPONSIBLE STEWARD**

Commitment

Acting as a **"Responsible Steward"** by developing a robust Energy Transition Strategy and supporting our operating partners to invest to reduce their environmental impact.

Relevant SDG targets

12. Responsible Consumption and Production:
Ensure sustainable consumption and production patterns.

Targets

12.6: Encourage companies, especially large and trans- national companies, to adopt sustainable practices and to integrate sustainability information into their reporting cycle

15.Life on Land:
Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss

Targets

15.a: Mobilize and significantly increase financial resources from all sources to conserve and sustainably use biodiversity and ecosystems

PILLAR 3: **STRONG COMMUNITIES**

Commitment

Enabling **"Strong Communities"** by investing in the development of our people and supporting the communities in which we operate.

Relevant SDG targets

8. Decent Work and Economic Growth:
Foster sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all

Targets

8.7: Take immediate and effective measures to eradicate forced labour, end modern slavery and human trafficking and secure the prohibition and elimination of the worst forms of child labour, including recruitment and use of child soldiers, and by 2025 end child labour in all its forms

8.8: Protect labour rights and promote safe and secure working environments of all workers, including migrant workers, particularly women migrants, and those in precarious employment

TRUSTED **PARTNER**

Being a **Trusted Partner** to governments, communities and the operators and other companies we work with is critical to our business. As a non-operator we must uphold robust governance policies and processes and clearly communicate with our partners to ensure they are meeting our expectations. As such, this section highlights our approach to governance and risk management, our policies that define ethical behaviour, Board committees' responsibilities, and investment practices.

Business Resilience
LONG-TERM VALUE CREATION

Ethics & Compliance
BUSINESS ETHICS

Governance
ESG GOVERNANCE

GOVERNANCE AND RISK MANAGEMENT

As established in our ESG management system, our ESG Policies and Standards of Operation are enforced by the Board and Management who maintain joint oversight. The system guides the way that we work and operationalise our ESG strategy, with the objective to ensure that our work, and any work carried out on our behalf, is aligned with high standards and internationally recognised best practice.

CORPORATE GOVERNANCE & OVERSIGHT

THE BOARD
The Board must supervise and evaluate management, oversee the conduct of the Company's business, set policies appropriate for the business of the Company and approve corporate strategies and goals.

ENVIRONMENTAL SOCIAL GOVERNANCE AND HEALTH AND SAFETY COMMITTEE
The Committee is responsible for assisting the Board of Directors to review the Company's performance with respect to Environmental Social Governance, and Health and Safety matters.

AUDIT COMMITTEE
The Audit Committee ensures that the Company's management has designed and implemented an effective system of internal financial controls and reviews the integrity of the Company's financial statements and compliance with regulatory and statutory requirements.

CORPORATE GOVERNANCE & NOMINATING COMMITTEE (the "CGNC")
The CGNC is responsible for developing and monitoring the Company's approach to corporate governance issues, as well as Board and Executive succession management.

RESERVES COMMITTEE
The Reserves Committee is responsible for developing the Company's approach to the reporting of oil and gas resources and/or reserves and the valuation of those resources/reserves.

COMPENSATION COMMITTEE
The Compensation Committee is responsible for reviewing and making recommendations to the Board in respect of compensation matters relating to Company's Executives.

MANAGEMENT, POLICY AND OPERATIONAL CONTROL

CHIEF EXECUTIVE OFFICER
The CEO holds overall responsibility for delivering on strategy and operating performance.

CHIEF FINANCIAL OFFICER
The CFO is responsible for managing all financial, internal audit, and risk and control activities

CHIEF OPERATING OFFICER
The COO coordinates sustainability initiatives and activities to ensure transparency and long-term value for the Company's stakeholders.

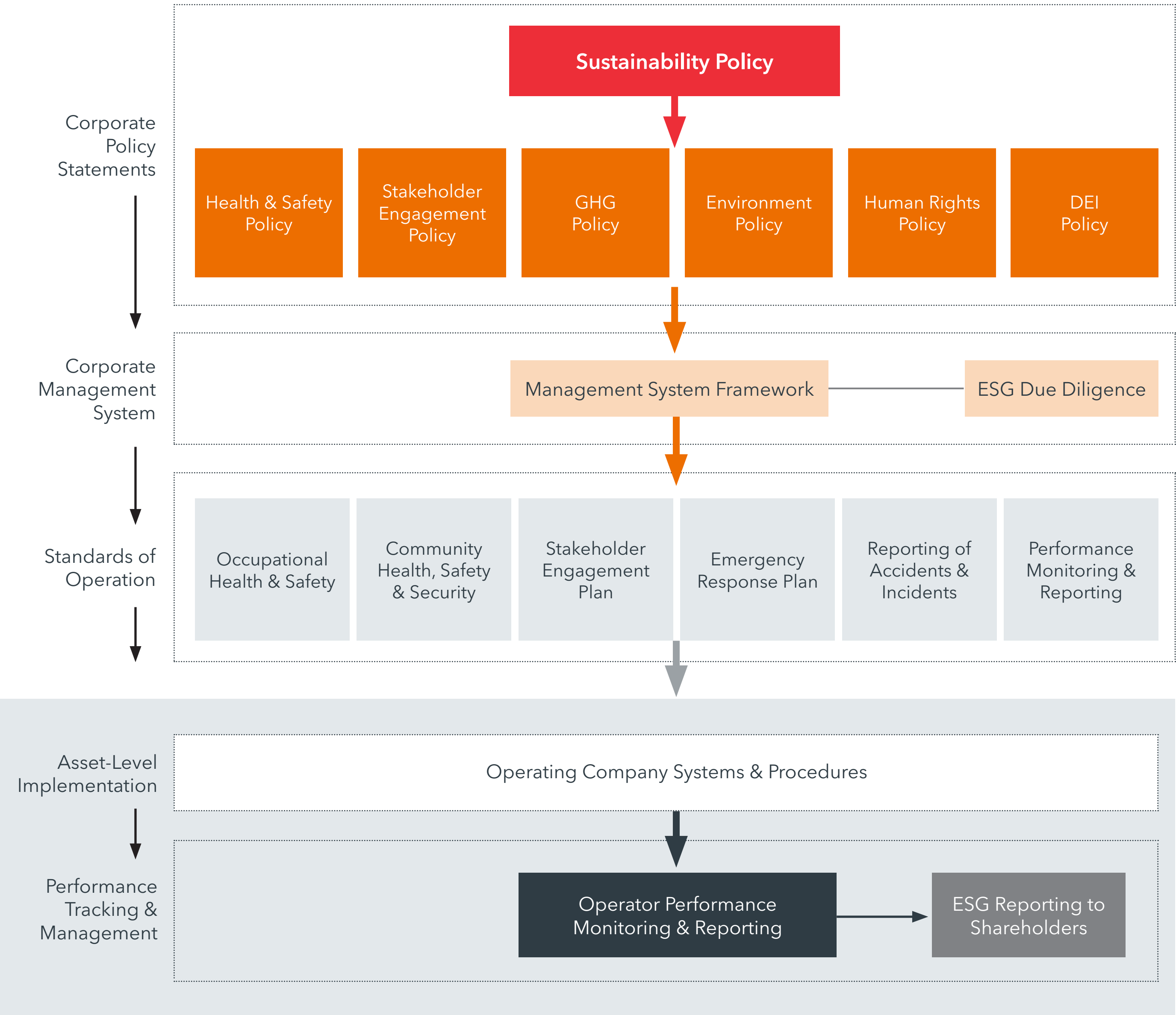
VP of ESG
The VP of ESG is responsible for defining and managing ESG strategy, overseeing all corporate ESG initiatives and coordinating with our operating partners on all ESG related matters.

ESG MANAGEMENT SYSTEM
This comprises our corporate policies, corporate management system, standards of operation, asset level implementation, and performance tracking and management.

OPERATIONS
Our operations are managed by independent Operators, Prime (Chevron and Total) and Tullow. Please see their websites for further information.

TRUSTED PARTNER - CONTINUED

Execution of company policies are overseen by Africa Oil's Management System Framework, while the Standards of Operation outline performance expectations for operated and non-operated assets. The Company's policies cover our employees, as well as the consultants and suppliers we engage. We also encourage our equity associates and asset operators to adhere to our Standards of Operation.



ESG Risk Management

Africa Oil's Senior Management and Board of Directors oversee corporate environmental and social governance, as well as health and safety risks. The creation of the Board-level Environmental, Social, Governance and Health and Safety ("ESGHS") Committee in 2020 was key to establishing Board-level oversight of ESG risks facing the Company.

Following her appointment in 2021, our VP of ESG has added further rigour to our ESG oversight. We have strengthened our awareness of ESG both within industry and more broadly and been able to mature our ESG strategy accordingly. In 2022, we advanced development of a comprehensive and science-based energy transition strategy.

TRUSTED PARTNER - CONTINUED

ESGHS Committee

The Board maintains visibility of ESGHS matters via the ESGHS Committee, which receives regular updates on the strategic initiatives and day-to-day ESGHS performance from Management and provides feedback and direction on the same.

Three independent, non-management Board members sit on the ESGHS Committee, which meets at least once every quarter. Their responsibilities include reviewing and advising the Board on ESG and H&S performance, risk compliance, reporting, disclosures, and strategy. Erin Johnston, Head of the Lundin Foundation, chairs the committee.

Committee activities in 2022

During 2022, the Committee was involved in several initiatives. Foremost, the Committee approved publication of the Company's first comprehensive, TCFD-compliant Sustainability Report and an updated set of ESG policies, including a new Diversity, Equity and Inclusion policy. The Board, at the Committee's recommendation, also approved in principle an updated energy transition strategy, including science-based short-, medium- and long-term targets towards net zero across Scope 1 and 2 emissions. The Company expects to be able to communicate the new strategy in 2023 subject to further detailed assessment. In response to a fatal accident in Kenya, the ESGHS Committee continues to oversee implementation of the action items identified to address the incident's root causes.

BUSINESS ETHICS

Africa Oil is committed to conducting our business in an ethical and transparent manner. Managed appropriately, we believe that natural resource development can positively contribute to host economies through the provision of tax revenues, employment and support for local businesses. Towards these ends, we build trusted relationships with national and local governments through honest and open lines of communication and encourage high standards of transparency and accountability from our government and commercial counterparts.

All employees and contractors at Africa Oil are expected to comply with the highest standards in ethical behaviour. Our expectations for employee behaviour are enshrined in our Code of Business Conduct and corporate policies, specifically the Anti-Corruption Policy; Corporate Disclosure Policy; Diversity, Equity and Inclusion Policy and Whistleblowing Policy. These policies are reviewed annually.

Code of Business Conduct and Ethics:

The guiding principles for the conduct and ethics expected of all personnel is rooted in the Company's Code of Business Conduct and Ethics ("Code"). The Code outlines the guiding principles of conduct and ethics expected of Africa Oil's employees, directors and officers, as well as our affiliates. The Code covers a range of business practices and procedures including regulatory compliance, insider trading, conflicts of interest, corporate opportunities, and respect for all employees. It promotes principles of honesty, transparency, accuracy, and accountability, whilst also attempting to deter wrongdoing.

The maintenance of this Code and monitoring of compliance is designated to the Audit Committee. In addition to understanding and behaving within the Code, employees are expected to re-read and sign the Code annually as acknowledgement of the expectations for behaviour and repercussions if the Code is violated.

Key Performance Indicator	Performance	
	2021	2022
Percentage of employees that business ethics training	100%	100%
Number of reported breaches of company policies	ZERO	ZERO

TRUSTED PARTNER - CONTINUED

Africa Oil's Anti-Corruption Policy imposes compliance requirements for employees, consultants, contractors, and suppliers

Anti-Corruption Policy:

The Company maintains strict adherence to globally recognised anti-bribery and corruption standards. Africa Oil's Anti-Corruption Policy imposes compliance requirements for employees, consultants, contractors, and suppliers. The policy details responsible business behaviours across numerous areas, including gift giving and hospitality; payments to government officials including exceptions for duress or emergencies; expenses; political contributions; charitable contributions; record keeping and accounting obligations; selection of and engagement with business partners; mergers, acquisitions and joint ventures; cooperation with audits and investigations; and conferences, travel and training for government officials. The Audit Committee, on behalf of the Board of Directors and Chief Financial Officer, is responsible for the creation and maintenance of this policy.

To ensure personnel are familiar with Company policy, an annual anti-corruption training module is provided. All employees, consultants and directors must complete an online training course, which ends with a test on the materials, after which the scores are reviewed by our Legal Counsel. This was completed by all employees in 2022, and there have been no recorded incidents of non-compliance.

In addition, the onboarding programme for any third party engaged by Africa Oil addresses anti-corruption compliance.

Corporate Disclosure Policy:

The Corporate Disclosure Policy is applicable to all personnel and covers all methods of communication by the Company with the public, both written and oral. The Company is committed to ensuring timely, informative, and accurate disclosure of the Company's material information to the public and to providing equal access to such information through broadly disseminated disclosure in accordance with all applicable laws and regulations.

The policy is circulated to all employees on an annual basis or whenever material changes are made. The consequence for violation of this policy may include disciplinary action, immediate termination, or, if securities laws have been violated, referral to the appropriate regulatory authorities.

Whistleblowing Policy

The objectives of the Company's Whistleblowing Policy are threefold: (1) to encourage Company representatives to report actual or suspected wrongdoing as soon as possible; (2) to provide Company representatives with guidance on how to report actual or suspected wrongdoing, as well as how such reports will be reviewed and/or investigated; and (3) to reassure Company representatives that they will not suffer retaliation for reporting wrongdoing in good faith pursuant to this policy.

Individuals can make a report orally or in writing either through our third-party service, Whistleblower Security System, or via communication to the Company's Chief Executive Officer, Chief Financial Officer, and/or Whistleblowing Officer. The policy also explains how an investigation will be conducted and concluded, and guarantees protection and support for whistleblowers. The scope of the policy was expanded this year to ensure ESG and H&S concerns could be voiced through the whistleblowing channels. The Whistleblowing Policy applies to all personnel. The Audit Committee has overall responsibility for the policy and for reviewing the effectiveness of actions taken in response to concerns.

Commitment to Transparency

Africa Oil is a supporting company to the Extractive Industry Transparency Initiative (EITI). In line with the EITI Principles, we support public disclosure of oil and gas contracts and make details regarding our material contracts available in our Annual Information Form (AIF). Likewise, we report on our financial performance and payments to governments through quarterly and annual regulatory filings, including annually audited Financial Statements and disclosures under the Canadian Extractive Sector Transparency Measures Act. We similarly support transparency regarding beneficial ownership. As a publicly listed company, information regarding Africa Oil's shareholders is available via multiple public sources, and we disclose our beneficial ownership in subsidiaries and affiliate companies in our AIF.

TRUSTED PARTNER - CONTINUED

FINANCIAL RESILIENCE

Compensation Committee:

The Compensation Committee implements and oversees the Board-approved compensation practices and policies, assists the Board in fulfilling its obligations relating to human resource and compensation matters, and is responsible for establishing a development and continuity plan for senior management.

Responsibilities of the Compensation Committee span reviewing and approving corporate goals and objectives relevant to Chief Executive Officer compensation and evaluating performance in light of this; reviewing and recommending the compensation philosophy, guidelines and plans for the Company's employees and executives; and ensuring that the Company has in place programs to attract and develop Management.

To fulfil its responsibilities, the Committee meets on an ad hoc basis as required and provides a report to the Board at least once a year if not more frequently. The Committee comprises three independent members who are appointed by the Board from its members.

Audit Committee:

The Audit Committee's primary objectives are to ensure the effective implementation of a system of internal financial controls, review and report on the integrity of the Company's financial statements and review the Company's compliance with regulatory and statutory requirements for financial statements and taxation matters. Towards these ends, the Committee monitors the accounting and financial reporting procedures of the Company and its associate companies, as well as the audits and external reviews of the Company's financial statements. Another key area of focus for the Committee pertains to the identification, assessment and disclosure of the principal risks facing the Company. Management maintains a comprehensive risk matrix. The most material risks are reported to the Audit Committee on a quarterly basis to ensure sufficient oversight.

Appointment of Committee members takes place annually following the deliberation of the Board. The three chosen members are required to be independent Directors of the Company.

Meetings take place on a quarterly basis. Further information on each committee's remit and activities during the year is disclosed in the Company's Annual Information Form.

TRUSTED PARTNER - CONTINUED

INVESTMENT GOVERNANCE

Investment Engagement

Our commitment to ESG extends beyond the due diligence phase. Following investment, we exercise good governance to ensure that our standards for responsible and sustainable business practice are upheld.

As a joint venture partner in Prime, we exercise influence through our Board positions, which enable direct engagement, voting rights, and active participation in relevant operational and technical oversight meetings and budget review. Prime keeps the Company informed of key performance metrics via weekly and quarterly reporting. Additionally, we have weekly operational and bi-weekly ESG performance checks with the General Manager, which provide an opportunity to ask questions and provide feedback and guidance.

For operations in Kenya, we work with our operating partner Tullow Oil to drive performance. Foremost, this involves reviewing and approving budgets, development plans and other management activities. All relevant ESG matters are considered on an ongoing basis in line with Kenyan law, IFC Performance Standards and industry good practice.

In cases where we are a shareholder rather than a joint venture partner, we hold one or more seats on the Boards of the investee companies and rely on experienced and world-class operators to undertake activities in an appropriate and responsible manner. For these assets, ESG issues are reported to Africa Oil on a case-by-case basis should they arise.

Investment Due Diligence

The importance of good ESHS governance extends beyond our existing portfolio to potential new investments to ensure they would not expose the Company to undue risks. Our ESG Due Diligence Procedure, developed in 2020, aims to confirm that any new investments adhere to our strategic priorities and ESG policies and criteria. It outlines the scope of ESG due diligence required for different types of transactions, and defines roles and responsibilities. All potential acquisitions require fiduciary due diligence and ESG red flag screening, including consideration of aboveground risks and GHG emissions in the case of development or producing assets. More material acquisitions including production or operatorship require more thorough ESG due diligence, including potential site visits and preparation of Environmental and Social Action Plans to address any gaps identified relative to International Finance Corporation (IFC) Performance Standards and Equator Principles. To meet IFC compliance requirements, the due diligence reports and ESAP are shared with the Independent Monitoring Group (IMG).

In 2022, we spent a significant amount of time on M&A due diligence. All business development activities during the year have included ESG as part of the due diligence conducted, which broadly covers three areas: aboveground risk, emissions and alignment with IFC Performance Standards and Equator Principles.

Aboveground risk evaluation begins with a high-level, internal screening, using a standardised methodology that allows for quantitative rating and comparison of above ground risk across countries. Should the opportunity advance to submission of a binding offer, this internal screening is supplemented with an in-depth, independent assessment from a credible above ground risk consultancy, which covers scenarios for the political and security outlook for the country, background on key government stakeholders and relationships and to what extent the potential target company, associated principals or key counter parties might have been implicated in corruption or allegations of human rights abuses.

Similarly, acquisition targets are initially screened based on emissions intensity. If the emissions intensity is above the global average, we need to have confidence in the ability to reduce the intensity in order to consider a bid. More detailed phases of due diligence include a thorough assessment of emissions, including the forward profile, emissions drivers and mitigation options. Project economics are also run under a $40/tonne and $100/tonne CO2 price to assess sensitivity to carbon pricing.

In addition to emissions, material acquisitions are subjected to detailed due diligence to assess alignment with IFC Performance Standards and Equator Principles, including risk management practices, labour rights, community relations, human rights, biodiversity and waste management. Independent experts are contracted to perform this analysis. Should the acquisition proceed, a detailed Environmental and Social Action Plan would be prepared to address any performance gaps identified.

Adequately integrating ESG considerations into the due diligence process improves decision-making, provides internal assurance, and ensures alignment with internal ESG policies. We review the process on a biannual basis, with leadership and guidance provided by the VP of ESG to ensure we can effectively evaluate the ESG implications of potential investments.

Supplier Due Diligence

Whilst not an operator, we do engage contractors and suppliers, from security services to accounting firms, in Canada, Kenya and the UK. As part of our procurement process, we conduct a rigorous due diligence assessment to ensure that any third party that we engage meets our high standards of governance and business ethics.

As a preliminary step, all potential suppliers and contractors are asked to complete a detailed questionnaire which enables identification of any immediate red flags. The questionnaire requires disclosure of individuals who own more than 25% of the company, any individual within the company that is a government official or connected with a government official, and declaration of ownership, control and/or operations in sanctioned nations. Supporting documents must be provided such as financial statements, incorporation documents and compliance policies and procedures. Should the third party have insufficient compliance documentation, we will refer them to our own policies. Additional scrutiny is given to contractors that would act as an agent on behalf of Africa Oil. Any identified risks at this stage are escalated to the Chief Financial Officer.

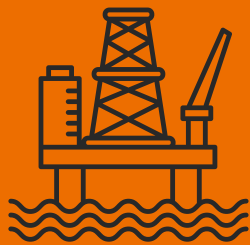
The next step requires an internal representative to fill in another questionnaire providing additional information regarding Africa Oil's knowledge of and relationship with the third party, including commercial terms. This aids our Corporate Counsel and Secretary to gauge the level of risk and potentially escalate any concerns to the Chief Financial Officer. External counsel may also be consulted should any concerns arise. The multi-stage process concludes when Africa Oil certifies an agreement to enter into business with the third party. The relevant bribery and corruption acts of the jurisdictions in which we operate inform this compliance process: the UK Bribery Act, the Corruption of Foreign Public Officials Act in Canada, and the Foreign Corrupt Practices Act in the US.

In 2022, we invested in an online portal to automate aspects of this process and improve its efficiency. All suppliers and contractors are asked to upload the compliance documentation required onto our new portal. In addition to streamlining the process, the software creates a centralised database containing all the relevant information on the third parties with whom we work, allowing monitoring of ongoing performance.

ISSUE IN **FOCUS**

PRIME OIL & GAS

Africa Oil has a 50% equity interest in Prime Oil & Gas Coöperatief U.A. ("Prime") which has producing assets in Nigeria's deepwater Niger Delta Basin, operated by Chevron and TotalEnergies.



27%

REDUCTION IN EMISSIONS FROM FLARING AND

8%

REDUCTION IN OVERALL EMISSIONS

Commensurate with our commitment to operating responsibly and being an effective partner to the companies with whom we work, we collaborated with Prime to enhance its internal ESG processes in 2021. Increasingly, companies, including Africa Oil, are being required to report ESG performance data, driven foremost by concerns over climate risk and the energy transition. Prime likewise was required to perform an independent Environmental, Social, Health, and Safety Assessment in support of its Reserves Based Lending facility. The assessment identified 45 action items to improve alignment with IFC Performance Standards and Equator Principles, but no "red flags" affecting financing and only seven major action items. Overall, the assessment found ESG management at Prime to be highly effective, and all major non-conformities have since been addressed or are in progress.

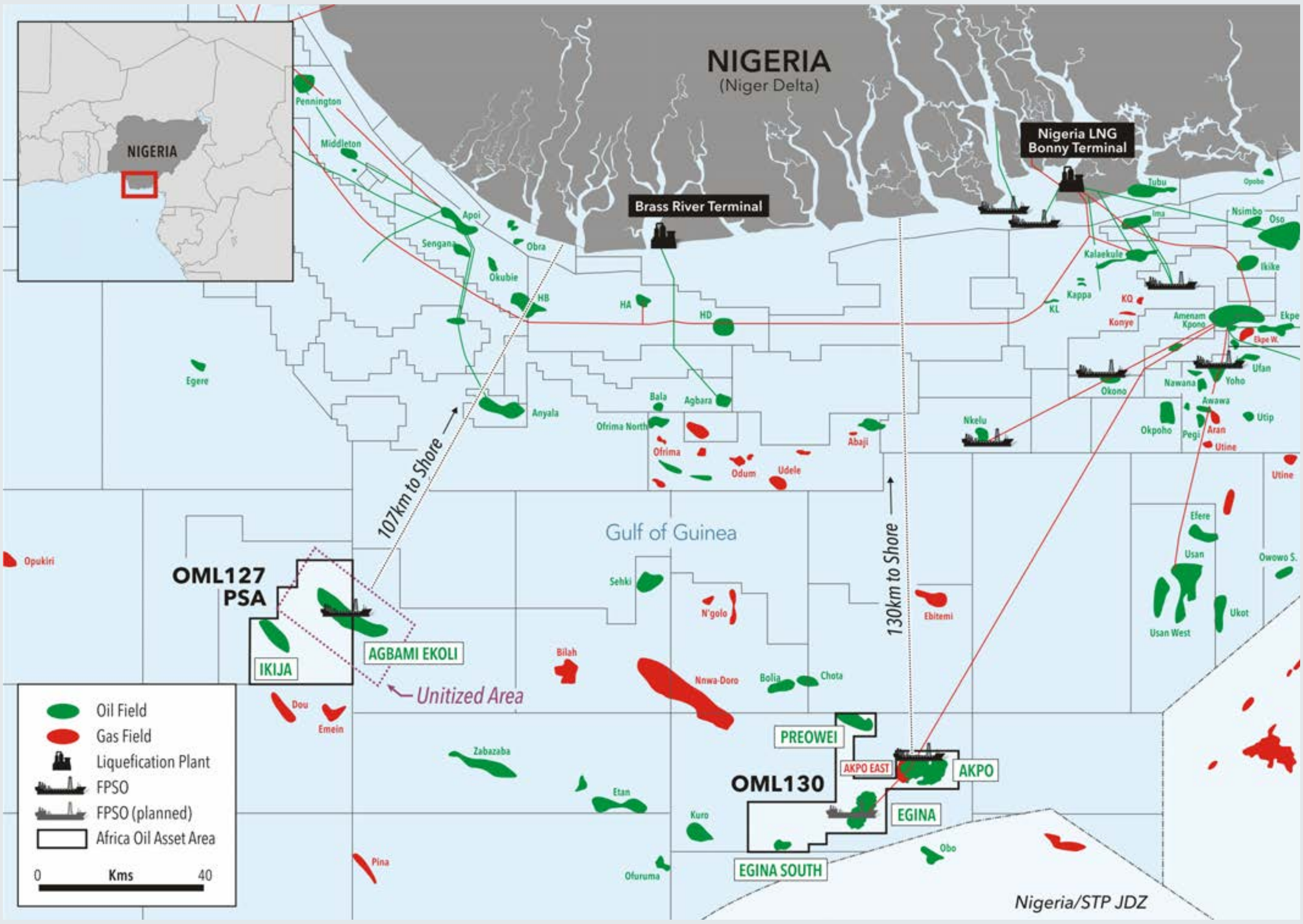
As a result, Prime has improved internal oversight, established clear responsibilities on managing ESG priorities, and created an ESG strategy. To facilitate its continued success, Prime recognises the imperative to create full transparency with its key financial and operational stakeholders on its ESG commitments, goals and performance, and is committed to proactive, responsible and sustainable ESG oversight.

Prime is particularly focused on GHG emissions reduction, social responsibility in the host countries, and ethical conduct with all stakeholders. The company's ESG strategy includes achieving net zero emissions by 2050, with interim reduction targets of -20% in 2025 and -30% in 2030 vs. the 2020 baseline. In 2022, Prime made good progress in encouraging its operating partners to improve emissions performance, particularly in relation to flaring. The volume of gas flared declined 27% year-over-year, helping drive an 8% reduction in emissions. Though emissions decreased in absolute terms, emissions intensity increased slightly to 13.2 kgCO2e/boe from 12.4 kgCO2e/boe due to a 13% decline in production. There are plans in place to further reduce flaring, and Prime already complies with zero routine flaring.

Table 1: Prime Health, Safety and Environment Performance

METRIC	2021	2022
Fatalities	0	0
Lost Time Injuries	0	0
Recordable Injuries	3	6
Lost Time Injury Rate	0.00	0.00
Total Recordable Injury Rate	0.18	0.30
Spills	4	2
GHG Emissions (net to AOC, tCO2e)	126,920	117,048
Emissions intensity (kgCO2e/boe)	12.4	13.2
Production (net to AOC w.i., kboe/d)	27.3	23.5
Social Investment (net to AOC w.i. US$)	915,491	624,373

Prime performed well in 2022 with regards to other HSE metrics, as well, recording zero fatalities, lost time injuries and spills. Despite an uptick in recordable injuries, the total recordable injury rate was below the 2021 average of 0.39 for companies operating in Africa as reported by the International Association of Oil & Gas Producers (IOGP)



RESPONSIBLE **STEWARD**

Business Resilience
CLIMATE CHANGE RISKS & MANAGEMENT

Environmental Management
AIR EMISSIONS MANAGEMENT

As a **Responsible Steward** of the environment, it is essential that we support good environmental practices and embed further considerations regarding the risks posed by climate change in our strategic decisions. The following section details our environmental management practices, with a particular focus on our approach to climate risk assessment in alignment with the TCFD. As attention to nature-related risks comes into sharper focus in the wake of the 15th Conference of the Parties (COP15) to the UN Biodiversity Conference, which took place in Montreal, Canada, in December 2022, we have also provided an initial assessment and disclosure of nature dependencies, impacts, risks and opportunities under the current beta version (v0.3) of the Task Force on Nature-related Disclosures (TNFD) framework.

CLIMATE RESILIENCE

Access to affordable and cleaner sources of energy is essential for tackling poverty and inequality, safeguarding the natural environment and promoting human prosperity. At the same time, the past year has highlighted the importance of energy security, including security of oil and gas supplies, as we transition to a low carbon future

Africa Oil recognises that oil and gas activities directly and indirectly impact the environment, including contributing to global climate change through release of greenhouse gas emissions. We support the transition to a low carbon economy, balancing the world's ongoing demand for energy and economic development with environmental prerogatives. Understanding how AOC's activity contributes to the global carbon budget is vital to managing the Company's approach to the energy transition. Whilst we are limited as a non-operator in our ability to directly impact carbon emissions at our assets, we work with our partners to influence and encourage emissions mitigation measures.

In line with our commitment to achieve carbon neutrality by 2025, we are also progressing a carbon offset programme, consisting of both over-the-counter purchases of carbon credits and proprietary, nature-based offset projects. The projects we are pursuing would not only generate significant emissions reductions, but bring biodiversity and social benefits, as well.

This report represents our third set of disclosures aligned with the recommendations of the Task Force on Climate-Related Financial Disclosures (TCFD). Last year, we built upon the inaugural disclosures by conducting detailed scenario analysis to quantify transition risks. This year, we have similarly endeavoured to enhance the analysis by incorporating a quantitative assessment of physical climate risks under two Paris-aligned scenarios. Deepening our understanding of the climate risks facing the business enables us to strengthen our governance and management of these risks.

RESPONSIBLE STEWARD - CONTINUED

TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES (TCFD)

Governance

> The purpose of the Governance Pillar is to disclose the organization's governance around climate-related risks and opportunities.

TCFD TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES

The Board of Africa Oil recognises climate change presents a range of risks and opportunities that are critical for the business to address. The Company's annual materiality assessment reinforced the importance of climate change management to both internal and external stakeholders. Our commitment to managing and mitigating climate risk is codified within our GHG Emissions Management Policy, which is available on our website for review.

The Board has oversight of all climate-related issues through the ESGHS Committee, which reports to the Board on a quarterly basis. Climate-related metrics are presented to the Board on a quarterly basis as part of an ESG performance scorecard. The Board also reviews the risk register, which now incorporates ESG risks, including climate-related risks.

At executive-level, our CEO is ultimately responsible and accountable for the Company's approach to environmental and climate change management, supported by our VP of ESG. Whilst the CEO maintains strategic oversight of the business as a whole, responsibility for ESG strategy – which is embedded into the corporate strategy – sits with the VP of ESG. Our VP of ESG is responsible for identifying and assessing climate change-related business risks and opportunities, defining the Company's energy transition strategy and developing and approving action plans suitable to control and mitigate any identified risks. The VP of ESG also prepares a monthly ESG briefing to keep Management and the Board informed of important ESG trends impacting the business, many of which relate to climate change and the energy transition.

In addition to the ESG Briefing, Management stay informed of climate-related matters through their participation in Board meetings, attendance at weekly Management Meetings, and interim informal exchanges of information.

All business development activity the Company has undertaken this year has included rigorous ESG due diligence (for more information on this process please see page 19, including an assessment of emissions at the acquisition target, mitigation options and the implications for Africa Oil's climate commitments.

RESPONSIBLE STEWARD - CONTINUED

Strategy

The purpose of the Strategy Pillar is to disclose the actual and potential impacts of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning where such information is material.

Climate change presents both direct and indirect risks to our business via changing weather patterns, local and global policy responses, changing consumer preferences and social action. At the same time, technology evolution, innovation and market developments can offer opportunities for differentiation and growth.

To understand the risks to our portfolio from the transition to a low carbon future, Africa Oil contracted an independent consultancy to conduct scenario analysis in 2021 using three possible future climate scenarios and the associated oil price forecasts, demand curves, and carbon price assumptions. In the last year nothing has occurred that would significantly change the results of this analysis. The methodology and key findings of this quantitative and qualitative analysis are set out below on pages 25-26.

This year, to continue developing our understanding of climate-related risks, we engaged a global climate risk analytics company to provide a detailed, science-based assessment of the Company's exposure to physical climate risks.

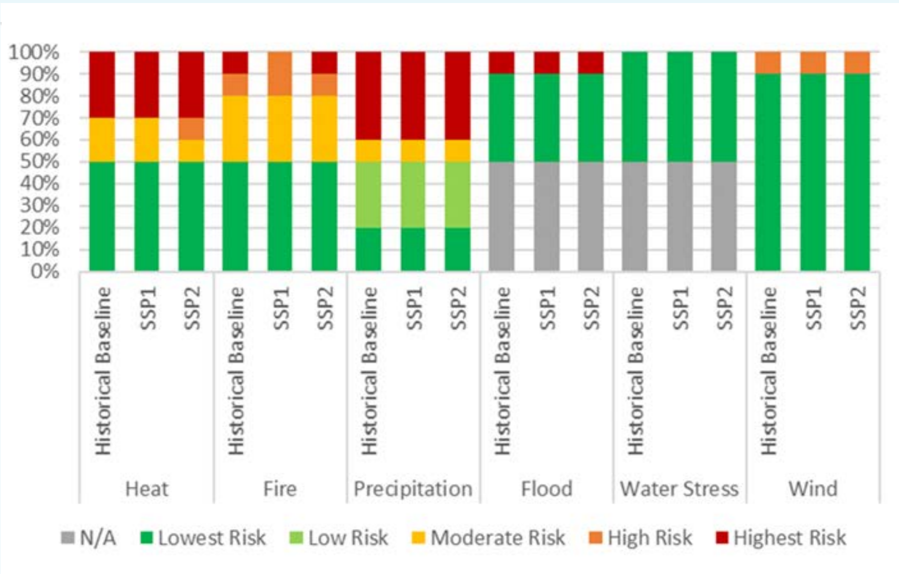
Seven climate hazards were assessed under two IPCC climate scenarios: SSP1-2.6, consistent with <2˚C global warming and the IEA Sustainable Development Scenario used to assess transition risks, and SSP2-4.5, consistent with 2˚C-3˚C global warming and the IEA Stated Policies Scenario.

The analysis considered our three producing and development assets on OMLs 127 and 130 in Nigeria; the upstream assets in Kenya, as well as three locations along the pipeline and the port at Lamu; and the Block 11B/12B discoveries offshore South Africa. Each location was assessed for exposure to projected changes in heat, cold, fire, precipitation, flood, drought, wind, and hail. The results are shown in the chart below.

Two of these hazards—cold and hail—were deemed irrelevant across all assets based on their geographic location. Additionally, flood and water stress are not relevant to the offshore assets. Exposure to the other hazards is projected to remain relatively consistent across both the <2˚C scenario and 2-3˚C scenario. Though maximum precipitation levels are projected to increase somewhat across all locations to 2050 under both climate scenarios compared to the historical baseline, the projected increase is only significant in Kenya, particularly at the site of the Upstream assets and to a lesser degree in Garissa along the pipeline route.

Moreover, higher levels of precipitation are not expected to result in greater risk of flooding. Somewhat counterintuitively, Garissa is also at increased risk of drought under both scenarios compared to the historical baseline. Though the number of days of extreme heat at some locations in Kenya increases by as much as 40% across both future climate scenarios, these locations are already exposed to extreme levels of heat, such that the change does not represent a significantly higher level of risk. As such, we would expect our assets to remain resilient to future changes in physical climate patterns.

Chart 1. Physical Climate Risk Scenarios



RESPONSIBLE STEWARD - CONTINUED

Describing the resilience of our strategy based on scenario analysis outcomes

Our scenario analysis work was carried out in October 2021, in advance of the UN climate conference COP26. At the conference, member states explicitly acknowledged the importance of limiting global warming to less than 1.5°C, rather than the previous Paris Agreement target of 'well below 2°C'. COP26 also saw more countries announcing net-zero targets, and a global agreement to 'phasedown' unabated coal power and phase-out inefficient fossil fuel subsidies. COP27, which took place in Egypt in November 2022, reinforced the global community's commitment to these targets, as well as the need for accelerated action to meet them.

These commitments increase the macroeconomic uncertainty for companies in the oil and gas sector, emphasising the importance of placing climate change risk at the heart of our strategic decision-making, and of minimising our climate impact.

At the same time, global energy demand is projected to continue growing rapidly, and emerging economies in Africa and other geographies are increasingly looking to their fossil resources to underpin economic growth, meet underserved domestic demand, finance their own energy transition, and help to pay for urgently needed climate adaptation measures.

Our strategy therefore aims to balance environmental, energy security and economic objectives by investing in efficient producing assets and working with our partners to support the transition to a low-carbon business.

To test the resilience of our strategy, we used three of the four scenarios examining future energy trends published by the International Energy Agency (IEA) in the 2021 World Energy Outlook: Net Zero Emissions by 2050 (NZE), Sustainable Development (SDS), and Stated Policies (STEPS). We chose not to use the Announced Pledges Scenario (APS) on the basis that many of the assumptions could become rapidly outdated as more countries announced net-zero commitments at COP26 and thereafter.

Synopsis of some of the key features of the scenarios used in our analysis

Net Zero Emissions:

NZE requires global greenhouse gas (GHG) emissions to drop by around 50% by 2030. Achieving these reductions implies a rapid drop in oil and gas consumption, a massive push into renewable energy, big gains in energy efficiency, and rapid development and scaling of new technologies, including carbon capture. Another major focus is reducing methane emissions from fossil fuel operations. Oil demand in NZE falls to 72 mmb/d in 2030 and 24 mmb/d by 2050. The decline is led by road transport, where 60% of all passenger cars sold globally are electric by 2030, and no new combustion engine cars are sold anywhere after 2035. Petrochemicals are the only area where demand increases and by 2050 accounts for 55% of all oil consumed. Prices fall along with demand, to $36/bbl in 2030 and $24/bbl in 2050.

Sustainable Development Strategy:

SDS sees oil demand remaining essentially at current levels over the rest of this decade before declining significantly to 47 mmb/d in 2050. Prices are projected to reach$56/bbl in 2030 and then stabilise around $50/bbl to 2050 as supply from new production declines more or less in line with falling demand.

Stated Policies:

STEPS has demand continuing to rise gradually, levelling off at 104 mmb/d in the mid-2030s; then declining very slightly to 103 mmb/d by 2050. A fall in demand from power generation is offset by increased consumption for road transport (around 6 mmb/d through to 2030) and strong demand from aviation, shipping and petrochemicals. Oil prices remain robust, averaging $77/bbl in 2030 and $88/bbl in 2050.

Carbon pricing:

The IEA anticipates carbon prices being introduced at different levels and at different speeds based on geography and stage of economic development. In the NZE, carbon prices are needed in all regions, rising by 2050 to an average of $250/ tonne of CO_2 (tCO_2) in advanced economies, $200/$tCO_2$ in other major economies, including South Africa, and to lower levels elsewhere. The carbon price for emerging economies with net zero targets is $110/ tCO_2 in 2040 under the SDS and $35/ tCO_2 for other emerging economies in both NZE and SDS. In the STEPS, on the other hand, only existing and planned carbon pricing schemes are included, such as the EU's and China's emission trading systems. At the same time, as the IEA notes, "The level of CO_2prices included in the scenarios should be interpreted with caution" given the relatively immaturity of carbon pricing mechanisms globally, particularly within emerging economies.

RESPONSIBLE STEWARD - CONTINUED

Key findings

Our analysis suggests that our portfolio remains resilient under each of the scenarios we considered, including the most demanding NZE scenario. Though declining oil prices under the SDS and NZE would negatively impact asset NPVs, those NPVs remain positive under all scenarios. Moreover, our assets remain competitively positioned relative to competing sources of supply in terms of both the field economics and emissions profiles, such that we would expect minimal risk of stranded reserves. This is especially true for our Nigerian assets, which are already producing and benefit from low operating costs, such that their breakeven costs are well below the commodity prices forecast under these scenarios. As a result, we would expect these assets to continue producing to meet residual oil demand. Though the breakeven price associated with our Kenyan development project is higher, given that the majority of capital has yet to be spent, it is still aligned with the long-term commodity price forecast under the NZE. Moreover, the asset is consistent with Kenya's NDC and serves an important role in meeting the country's economic development goals. The following table illustrates the impact of the projected future oil prices and carbon prices used in each scenario on the Net Present Value (NPV) of our portfolio and reserves.

	NZE	SDS	STEPS
Impact on NPV from oil price changes	36-55%	6-20%	≤5%
Impact on NPV adjusted for carbon prices	36-55%	21-35%	≤5%
Impact on reserves from oil price changes	6-20%	≤5%	≤5%

The majority of impact results from changes in oil demand and associated oil price movements. Carbon prices have a relatively minor impact on NPV, though the impact becomes more significant at prices over $100/t$CO_2$, which are envisioned in a low-carbon future. Though our assets remain NPV positive under all scenarios, there is a significant decrease in NPV in the SDS and especially the NZE. Understanding this risk places increased emphasis on working to reduce both emissions and costs across our portfolio to ensure our assets remain resilient as the world transitions to a lower carbon future.

The tables below identify the climate-related risks and opportunities facing the business, together with the time period in which they are likely to affect the business and the actions we are taking to mitigate them. We define the short-, medium-, and long-term time horizons as 2025, 2030, and 2050 respectively. Though the long-term time horizon as defined may exceed some of the current assets' anticipated lifetimes, it accounts for business development activities such as potential asset acquisitions and other investment decisions that may extend the Company's activities beyond the timelines currently associated with the existing portfolio.

Table 2: Risks

Transition: Transitioning to a lower-carbon economy may entail extensive policy, legal, technology, and market changes to address mitigation and adaptation requirements related to climate change

TYPE	RISK DESCRIPTIONS	POTENTIAL OUTCOMES	MITIGATING ACTIVITIES	TIMEFRAME*
Market	Changing consumer preferences for low carbon sources of energy, transport and products and services.	Demand for oil and gas may erode as clean alternatives come to market and gain scale. Reduced demand for oil and gas may result in stranded reserves or resources and negatively impact the Company's valuation and share price	The Company will work with and through our partners to reduce operational costs as much as possible without sacrificing health and safety or longer-term efficiency and environmental goals to ensure they remain resilient in a low demand, low oil price environment. Scenario analysis suggests our current assets remain competitive in a low demand environment. We will update the analysis on a regular basis and ahead of new project sanction to minimise the risk of stranded assets.	M-L
	Commodity price volatility	Unbalanced investment in traditional vs. new energy technologies and sources, combined with uncertain demand dynamics, may lead to commodity price volatility. Volatile commodity prices, particularly sharp declines in oil or gas prices, may negatively impact the Company's earnings, cash flow, valuation and share price, as well as our ability to pay down debt. In a worst-case scenario, the company could become insolvent and have its assets repossessed.	The Company via Prime maintains an active hedging strategy to manage oil price volatility and regularly reassesses the appropriateness of the strategy relative to market conditions. Additionally, the Company maintains a prudent budget and financial strategy to ensure the business remains resilient in a low oil price environment. All investment opportunities are evaluated against a range of commodity price cases and timed with consideration for commodity price cycles.	S-M

RESPONSIBLE STEWARD - CONTINUED

Table 2: Risks (continued)

TYPE	RISK DESCRIPTIONS	POTENTIAL OUTCOMES	MITIGATING ACTIVITIES	TIMEFRAME*
Market	Increased cost of goods and services	Supply chains may become constrained, as suppliers adjust their strategies and product mix in response to the energy transition, resulting in increasing costs for some goods and services.	As a non-operating partner, Africa Oil does not directly control procurement decisions associated with our assets. The Company will work with our partners to ensure adequate contingency for cost inflation is incorporated into capital and operating budgets and that costs are controlled within budget.	L
	Decreased access to capital	Increasing investor and lender concerns regarding climate resilience could limit access to capital, increase the cost of that capital via higher interest rates or result in direct costs associated with new measures to meet investor expectations	In addition to publishing public climate disclosures, Africa Oil regularly engages with investors and lenders to understand their climate policies and requirements and to inform them about the steps the Company is taking to manage climate risks. This includes development of a comprehensive energy transition strategy to minimise operational emissions.	M-L
Legal	Litigation related to the Company's contribution to climate change based on our involvement in oil and gas extraction	Climate-related litigation could result in liabilities or loss of license related to current or historical activities' contribution to global emissions. Even if the Company is not directly targeted by litigation, operations may be indirectly impacted by outcomes in related cases involving other oil and gas companies in jurisdictions where we operate.	We do not consider Africa Oil at immediate risk of climate litigation but are monitoring developments closely and will seek legal counsel as required to remain abreast of potential legal action against the Company or industry more broadly and its implications for our business	S-M
Technology	Advancement of clean energy technologies	Evolution and proliferation of clean energy technologies, including renewables, electric vehicles, hydrogen and other clean fuels, and energy management technologies such as the Internet of Things, may reduce oil and gas's share of the energy market in the medium and long term, making our business model unsustainable.	The Company will work with and through our partners to reduce operational costs as much as possible without sacrificing health and safety or longer-term efficiency and environmental goals to ensure they remain resilient in a low demand, low oil price environment. Additionally, we may explore diversifying into alternative, lower carbon business lines as part of a comprehensive energy transition strategy.	M-L
Reputation	Environmental activism	Increased scrutiny, pressure and action by environmental activists, non-governmental organisations and other stakeholders may result in disruption to operations or loss of license to operate. Such disruption may negatively impact cash flows, returns or the value of our portfolio. Similarly, companies within the sector and our supply chain may make emissions performance and climate risk management explicit in partner or contract decisions, restricting our ability to operate or increasing costs.	Africa Oil proactively engages with the communities and other stakeholders where we operate to keep them informed about the impact of our operations on the environment and their livelihoods. The Company also ensures proper security is in place to minimise the impact of any potential disruptions and prevent harm to staff, bystanders and assets.	S-L

RESPONSIBLE STEWARD - CONTINUED

Table 2: Risks (continued)

TYPE	RISK DESCRIPTIONS	POTENTIAL OUTCOMES	MITIGATING ACTIVITIES	TIMEFRAME*
Policy	Increased regulation related to climate change	Since the Paris Agreement was signed in 2015, countries have steadily enacted policies to enable the transition to a low carbon future and meet their Nationally Determined Contributions (NDCs). This includes the governments of countries where Africa Oil conducts business. These policies may directly or indirectly increase the cost of doing business in these countries, including through the introduction of carbon taxation or other pricing schemes and fines for flaring or excess emissions, or potentially restrict our ability to operate.	Africa Oil regularly monitors the evolving regulatory landscape, both globally and in our countries of operation, to anticipate the impact of new climate-related measures and ensure we remain compliant. Additionally, the Company is developing a comprehensive energy transition strategy, including measures to minimise operational emissions in conjunction with our operating partners, which should help to remain aligned with evolving regulatory requirements and minimise negative impacts. Finally, the Company tests the economics of all new business development opportunities under $40/tonne and $100/tonne carbon pricing scenarios.	S-M

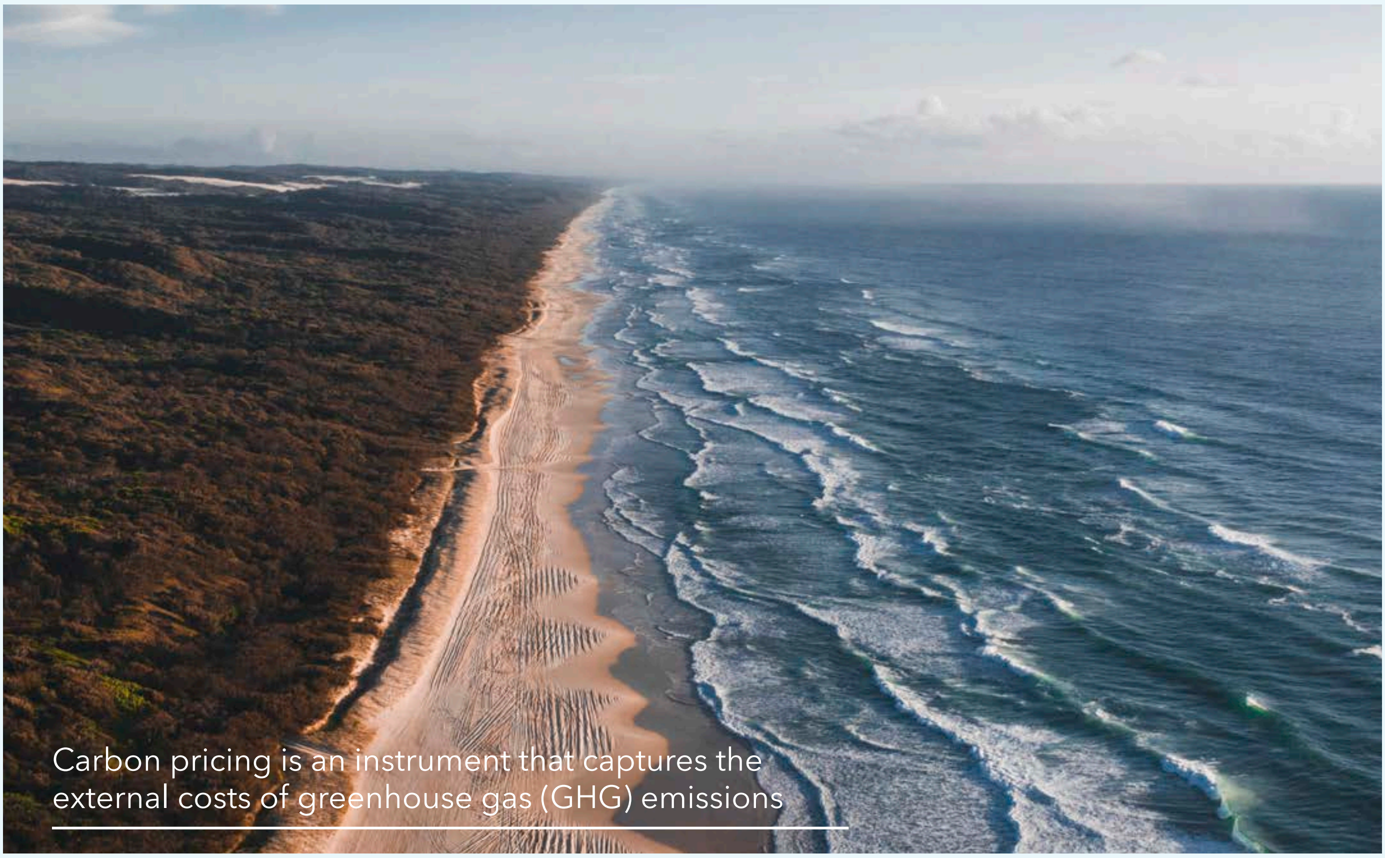
Physical: Physical risks to existing operations resulting from climate change can be event driven (acute) or longer-term shifts (chronic) in climate patterns.

TYPE	RISK DESCRIPTIONS	TIMEFRAME*
Physical risk to offshore facilities due to extreme weather events like storms	We recognise that all countries in which we operate have already experienced and may be vulnerable to future direct physical impacts from increasing temperatures and changing weather patterns. Scenario analysis suggests exposure to future changes in physical climate hazards is relatively minimal compared to the historical baseline and limited to increasing precipitation and risk of drought in Kenya. We will continue to monitor our assets' exposure to physical climate risks as our portfolio and the global scientific community's understanding of changing climate patterns evolves.	L

Table 3: Opportunities

TYPE	OPPORTUNITY DESCRIPTION	POTENTIAL OUTCOMES	TIMEFRAME*
Market	Changing consumer preferences for low carbon sources of energy, transport and products and services.	The energy transition may present new opportunities for Africa Oil to expand or diversify our lines of business, helping to grow or at least offset potential losses of revenue associated with our traditional business activities as demand for oil and gas declines. For instance, we are exploring the development of offset projects in Kenya of sufficient scale to help mitigate both our own emissions as well as potentially third-party emissions.	S-L
Technology	Evolution of clean energy technologies	These technologies present opportunities for integration with our operations to lower our own emissions footprint. Specifically, the Field Development Plan for our Kenyan assets includes use of solar power to support administrative loads, and we have explored broader use of renewables to power operations at the facility.	

1. Climate Action Tracker: https://climateactiontracker.org/countries/south-africa/policies-action/. Retrieved 10th January 2022.



Risk Management

> The purpose of the Risk Management Pillar is to disclose how the organization identifies, assesses, and manages climate-related risks.

Our risk management framework ensures we effectively and appropriately identify, monitor and address climate risks to our business and investments, in addition to identifying and capitalising on potential opportunities.

The Company maintains a risk register by which it monitors financial, operational and ESG&HS risks to the company, including climate-related risks. All risks on the register are allocated a Risk Level (denoting the level of risk that would be present if no action was taken to reduce the likelihood or severity) and a Residual Risk Level (after preventative and mitigating actions). Risks are reviewed quarterly by the responsible member of the Management team, as well as the Audit Committee, and the full Management team conducts a comprehensive review of all risks and their relative ratings annually.

Climate-related risks account for a significant proportion of the ESG risks included in the register and have been assessed in the same way as all other risks, including considering the preventative and mitigating actions necessary to contain the risks. For climate-related risks, mitigation actions include frequent review of the international regulatory landscape, alignment with TCFD recommendations and identification and implementation of emissions reduction measures.

When conducting investment due diligence, we put particular focus on understanding the potential climate risks associated with the investment and how Africa Oil would manage those risks All potential investments are initially screened based on their emissions intensity. Advanced stages of due diligence include a detailed assessment of emissions mitigation opportunities at the assets and analysis of how the target would align with our energy transition strategy. Additionally, the economics of all potential acquisitions are evaluated for sensitivity to carbon pricing, under both a $40/tonne and $100/tonne carbon price assumption.

RESPONSIBLE STEWARD - CONTINUED

Metrics and Targets

> The purpose of the Metrics and Targets Pillar is to disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material.

In 2021, we announced a 2025 carbon neutrality target for net equity Scope 1 and 2 emissions. Given the short-term nature of the target, we will rely largely on offsets to meet the carbon neutrality objective, whilst concurrently developing science-based, Paris-aligned emissions reduction targets for the short-, medium- and long-term, together with a detailed strategy to meet those.

The key metrics used to measure climate-related risks and opportunities identified are Scope 1, 2 and 3 emissions, Scope 1 emissions intensity and volume of emissions offset.

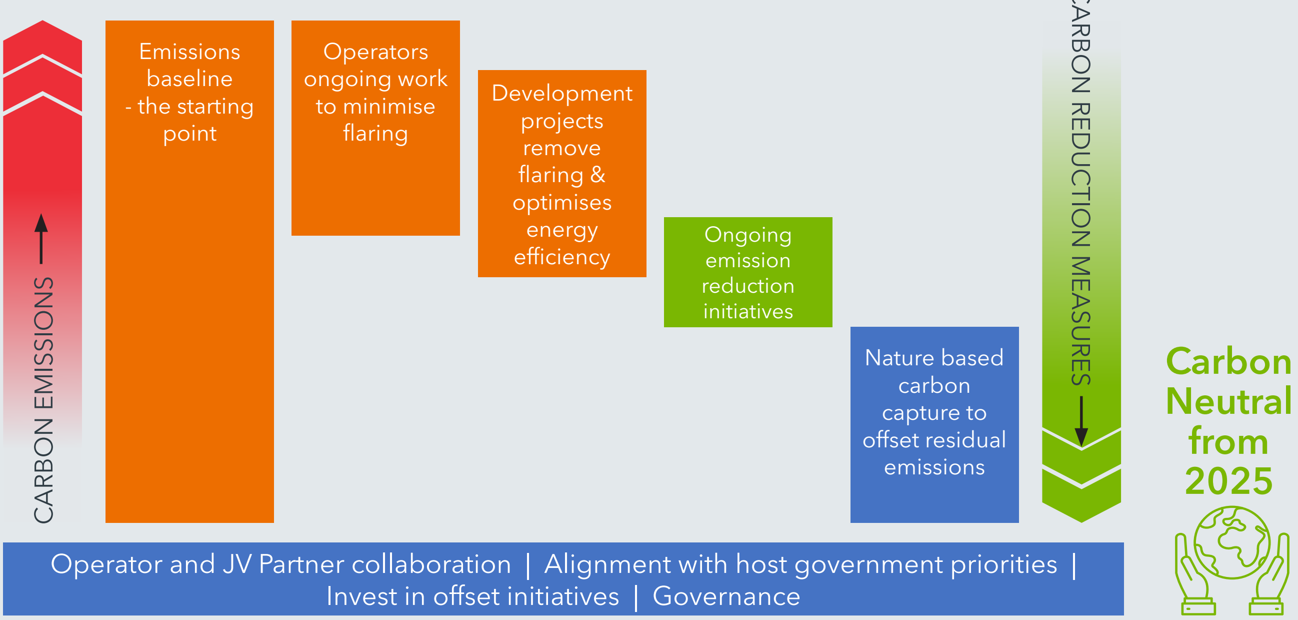
Currently, 7.5% of executive compensation is linked to emissions performance, specifically continued progress on development of the Company's climate change strategy and minimization of flaring related emissions. The level of linked compensation and relevant metrics will be reassessed as we further develop our energy transition strategy.

Scope 1 emissions:
127.0 ktCO_2e (Corporate-wide) vs. 129.2 ktCO_2e (Prime only) in 2020

Scope 2 emissions:
0.02 ktCO_2e (no comparison for 2020)

Scope 3 emissions:
4,973 ktCO_2e, with 0.06 related to emissions from business travel and the remainder related to emissions from end use of products sold

Pathway to Carbon Neutral by 2025



RESPONSIBLE STEWARD - CONTINUED

ENVIRONMENTAL MANAGEMENT

As responsible stewards of our investments, we are committed to minimising the environmental impact of our oil and gas activities. We act in compliance with applicable environmental laws and regulations of the countries in which we operate, and we manage our activities according to international industry best practice.

The ESGHS Committee reviewed the Company's Environmental Policy in 2022 to ensure that it was fit for purpose, meets investor expectations and is compatible with Africa Oil's own standards. Adjustments were made to enhance and clarify management of biodiversity, waste and water, and to change responsibility for ESG-related matters to the VP of ESG. The updated policy was approved by the Board and applies to all personnel including contractors and sub-contractors.

Environmental Management
PROJECT-BASED ESIA

Environmental Management
WATER MANAGEMENT

Our approach

The performance expectations that we set are embedded in our Standards of Operation and apply to all our assets irrespective of operatorship. In cases where operational control sits with our partners, we liaise with them to align performance expectations.

Our approach to environmental management includes identifying all potential environmental risks and impacts of our operations, engaging with relevant stakeholders on perceived or actual impacts, obtaining all necessary permits and licenses for our activities, rigorously investigating of all environmental incidents and maintaining emergency response procedures to limit the risk to the operating environment.

Africa Oil's Environmental Policy contains specific considerations for water, waste and biodiversity management. Our water management plan emphasises minimising consumption, mitigating our impact upon associated water bodies, and monitoring and safely disposing our waste streams. Likewise, we rely on the mitigation hierarchy to manage biodiversity and ecosystem impacts.

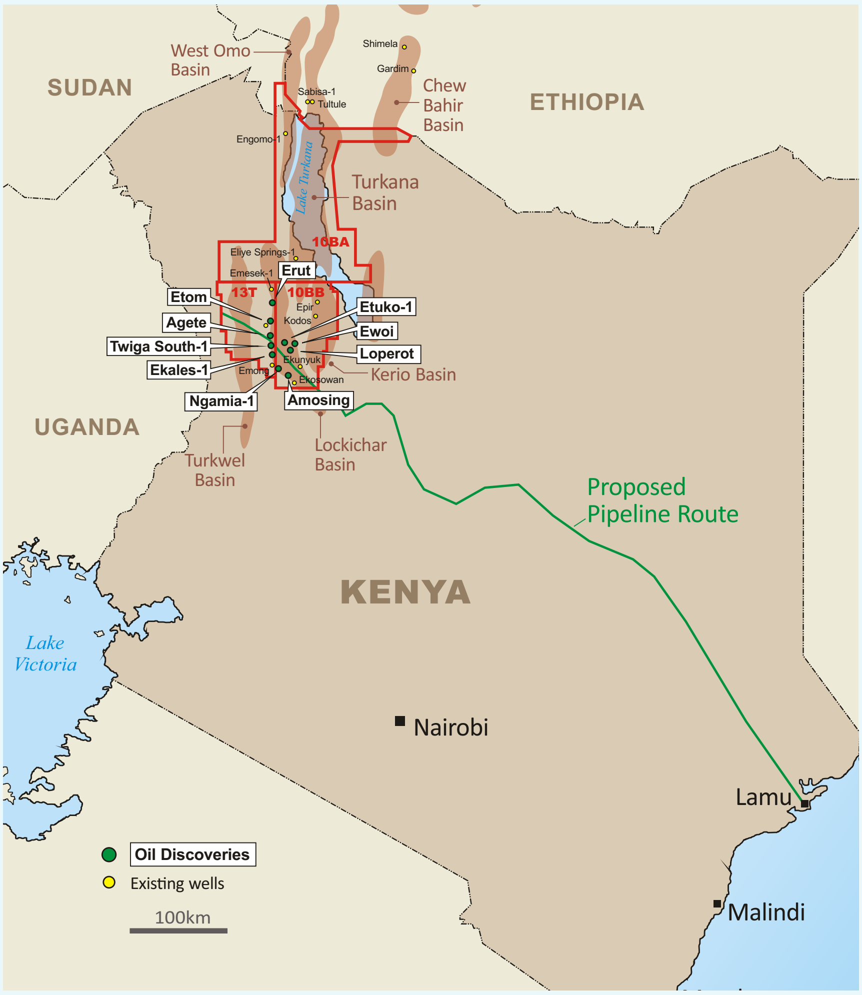
Our footprint

Owing to the size of our employee base, the company office is a small, modern, and appropriately sized workspace. Our underlying direct carbon emissions are therefore minimal. The office utilises efficient lighting and energy heating systems and has a bicycle storage facility. Being located in Central London also allows our employees to make convenient use of the excellent public transport links. Our Kenyan office, which is equally small, has enhanced sustainable consumption by dropping the use of drinking water plastic cups thus reducing our impact on environment.

ISSUE IN
FOCUS

PROJECT OIL KENYA

The Taskforce on Nature-related Financial Disclosures (TNFD) was established in 2021 in recognition of the growing need to factor nature-related considerations into business and investment decisions. The Taskforce consists of 40 individual members representing financial institutions, corporates, and market service providers with over US$20 tn in assets.



INTRODUCTION

Given the close links between climate and biodiversity, the TNFD builds upon the foundations set by the TCFD, but with a focus on nature-related risks and opportunities.

The TNFD has adopted the same four core pillars of reporting: Governance, Strategy, Risk Management and Metrics & Targets. Additionally, it has introduced a structured process for corporates to use in assessing their nature-related dependency, impact, risk and opportunity management. Known as the "LEAP" approach, the process asks companies to Locate their interface with nature, Evaluate priority, dependencies and impacts; Assess material risks and opportunities; and Prepare to respond and report.

The TNFD beta framework is currently in its third round of consultation and pilot testing by capital market participants. The final version is scheduled for release in September 2023.

OUR APPROACH

The TNFD provides only voluntary guidance and is still in development, with revisions being made to the beta framework based on ongoing feedback from market participants and other stakeholders. Despite the early stage of development, we decided to conduct our own pilot assessment utilising the guidelines in the Version 0.3 Beta Release of this framework in acknowledgement of the importance of addressing nature loss globally, and to prepare ahead of release of the final guidelines in 2023.

In line with the guidance provided at present regarding the scope of pilot assessments, we chose to focus the pilot on Project Oil Kenya (POK), given its onshore location and our direct equity stake in the asset, which bestows a greater degree of influence. Additionally, the work conducted in recent years to enable the Company and our JV partners to arrive at a final investment decision provided a variety of source documentation, including environmental and social impact assessments (ESIA), for assessment under the LEAP framework.

Our approach to Governance and Risk Management follows that outlined within the TCFD section of this report with respect to corporate-level environmental governance and risk management.

We have therefore focussed the Governance and Risk Management sections below on project-specific mechanisms relevant to nature-related risks at POK.

Governance

> The purpose of the Governance Pillar is to disclose the organization's governance around nature-related dependencies, impacts, risks and opportunities.

Africa Oil recognises that natural resources play a fundamental role within its business model and the successful execution of its strategy. Whilst early in its development and understanding of the issues, the Board recognises there are an array of nature-related dependencies, impacts, risks and opportunities present and essential for the business to address as the POK JV seeks to progress development of the asset.

Ahead of any development, ESIAs are conducted to identify the ecosystems intersected by the project, the proximity of protected areas and culturally significant sites, the species of flora and fauna present and their vulnerability to extinction, and potential impacts on the environment, nature and local communities.

Africa Oil has been integral to the development and enhancement of the POK ESIA to ensure the project meets both IFC Performance Standards and Equator Principals. Separate ESIAs were conducted for the Upstream development, Midstream development and water supply pipeline from Turkwel dam. These were submitted to Kenyan authorities in September 2021, October 2019, and February 2022, respectively. The National Environment Management Authority (NEMA) approved the Midstream ESIA in November 2021.

Strategy

The purpose of the Strategy Pillar is to disclose the actual and potential impacts of nature-related risks and opportunities on the organization's businesses, strategy, and financial planning where such information is material.

Based on the LEAP framework, we identified the following nature-related dependencies, impacts, risks and opportunities at POK.

Table 4: Dependencies & Impacts

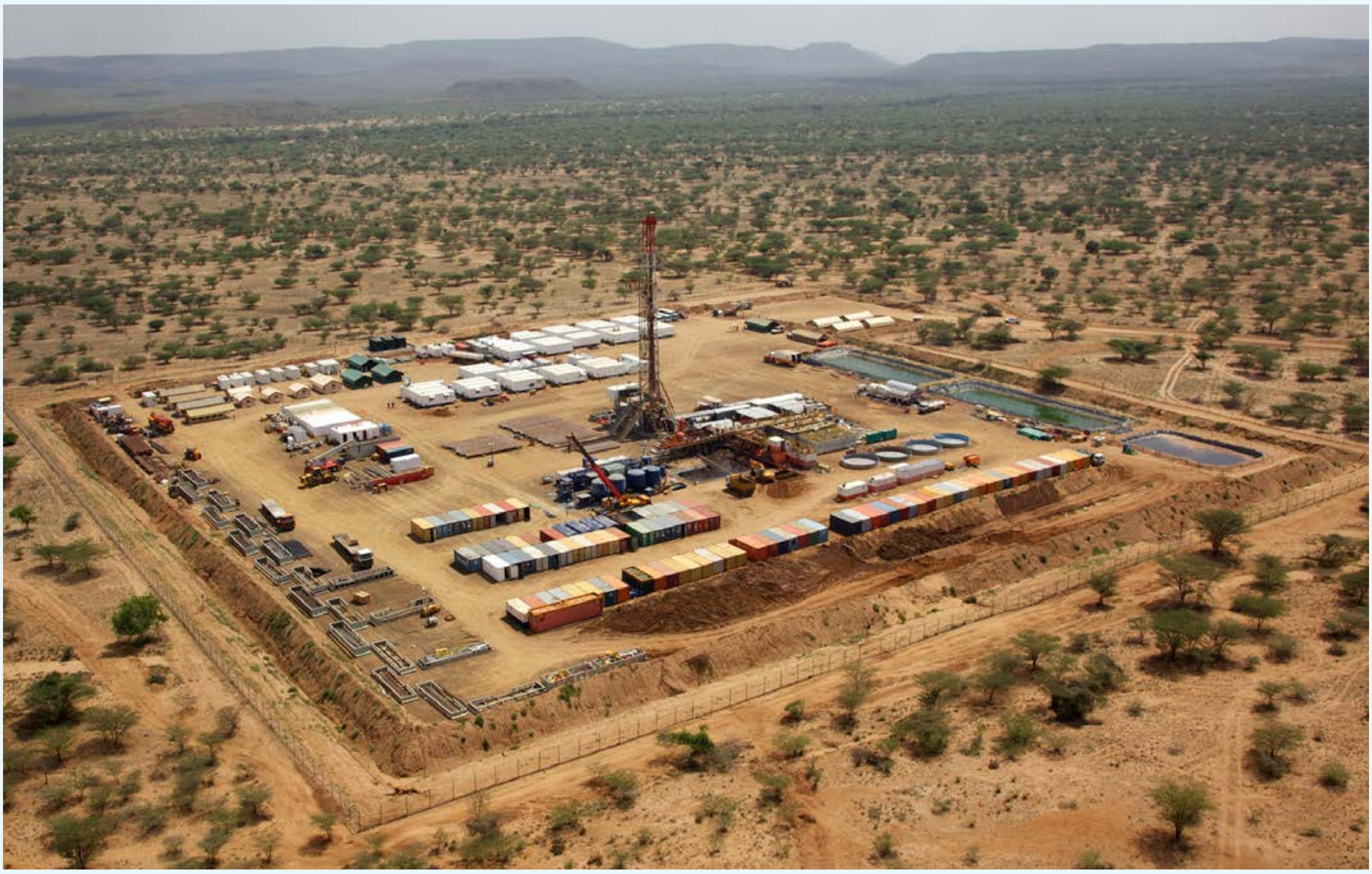
Environmental assets - the naturally occurring living and non-living components of the Earth	
Dependency	The future value of POK to the Company relates to the recoverable and marketable volumes of crude deposits on Blocks 10BB and 13T. Ground and surface water resources will be used during the project construction and production phases. Solar energy will be captured and used to power midstream administrative requirements
Impact	Environmental asset dependency is recognised in the ESIA and has informed efforts to minimise environmental impacts in the Field Development Plan, including decommissioning and land rehabilitation. Nevertheless, there remains the potential to negatively impact environmental assets to some degree. In particular, water resources may be impacted by loss, contamination or restriction of access to other users of this resource. Terrestrial ecosystems may be impacted by loss, conversion and the disturbance of vegetation/flora and wildlife. The atmosphere would be impacted by the release of atmospheric emissions, including greenhouse gases, as well as other pollutants such as NOx, SOx, PM10 and dust from construction and operating activities.

Ecosystem services - the natural goods and services that are ultimately used by people and society	
Dependency	The supply and use of water to maintain reservoir pressure and for consumption and use by onsite personnel. The use of natural gas to power upstream operations, as well as the conversion of sunlight to meet midstream administrative power loads.
Impact	Provisioning services: Water use could reduce groundwater and surface water levels and potentially result in partial loss of water resources. Additionally, surface waters could become contaminated through unintentional releases of waste to the environment, though every measure will be taken to prevent such releases. On the other hand, access to water for communities will increase through provision of water from a pipeline. Other potential and actual terrestrial impacts include the loss of access to land used for pastoral grazing and vegetation for shelter; the loss of access to trees that are used as sources of food, medicine, building materials and firewood; and the deterioration of grazing and agricultural land through contamination from unintentional leaks or spills either at the Upstream site or along the pipeline. Cultural services: The potential loss or alteration to ecosystems, landscapes and/or areas linked to tangible and intangible cultural heritage, especially restricted access to or loss of trees regarded as sacred. Regulating and maintenance services: The potential loss or alteration to soil processes that support vegetation growth and absorption of atmospheric CO_2; ecosystem disturbance or contamination affecting the systems' capacity to support populations of wildlife, including bees for honey production in the Turkwel area; water regulation by drawing on water from Turkwel Dam; and global climate regulation through direct and indirect greenhouse gas emissions. Positive impacts include the restoration of areas along the pipeline right of way, which will have a positive impact on biodiversity/

Table 5: Risks and Opportunities

For climate connected nature-related risk and opportunities, please refer to the TCFD disclosures on page 26-28 for further information.

Nature-Related Risks	
Physical	A lack of water or restricted water could limit or stop our operations. Limited water resources have already restricted hydropower operations at Turkwel Dam, and use of the reservoir for make-up water will add to stress. It is unclear how climate change might alter rainfall and water availability. Data from our physical climate risk assessment suggests precipitation should increase across all future scenarios, mitigating the risk of a water shortage. However, the number of months with below average precipitation is also expected to increase across all scenarios and especially in a scenario characterised by >2°C temperature change. Moreover, the region is currently experiencing a severe, three-year drought, which is attributed to climate change.
Policy	More stringent environmental legislation or policies regarding water use or hydroelectric power generation could restrict our access to water or the land required for our operations, or impose increased costs associated with minimising our environmental impact.
Reputation	Banks may not be willing to extend financing to POK due to concerns about the project's impact on biodiversity. Access to project sites may be restricted by social unrest exacerbated by POK impacts on grazing areas, sites of cultural significance or trees and plants required for sustenance, medicine and construction materials. This may constrain operations, increase operating costs to enhance security or potentially result in loss of license to operate.
Nature-Related Opportunities	
Market	Increasing need for carbon or biodiversity offsets could create a new market for nature-based solutions.
Technology	Improved water recycling could help to minimise freshwater use and reduce water requirements per barrel of oil. Integration of dedicated renewable power sources could alleviate dependency on natural gas resources for power generation, as well as reduce emissions, atmospheric pollution and contribution to climate change.



ASSESSING THE RESILIENCE OF OUR STRATEGY

Using data prepared by GLOBIO and Jupiter Intelligence, Africa Oil assessed how key ecosystem assets may change under three of the Shared Socioeconomic Pathways (SSPs) used by the IPCC in its Sixth Assessment Report: SSP1 (Sustainability, consistent with <2˚C warming), SSP3 (Regional Rivalry, largely consistent with IEA Announced Policies Scenario) and SSP5 (Fossil-Fuelled Development, business-as-usual scenario).

Based on GLOBIO analysis and Jupiter Intelligence data, the risk of drought or flooding is not expected to significantly increase under any scenario to 2050.

All scenarios see a reduction in mean species abundance, primarily related to land use change, climate change and human encroachment. Particularly in a scenario characterised by high population growth and resource scarcity (SSP3), competition for firewood and building materials results in increased loss of forests and expansion of grasslands by 2050 across the areas of influence for both the upstream and midstream developments. Under this scenario, in particular, further competition created by POK for grazing lands and woody plants used by local communities for construction, cooking fuel and other uses, is likely to inflame tensions with these stakeholders and potentially result in increased risk of work stoppages due to social unrest.

Risks related to land use change and loss of biodiversity do not change significantly in the long term under either a <2˚C scenario (SSP1) or a scenario with continued high hydrocarbon use (SSP5), despite increased risk of climate change in the latter. This suggests the project should remain relatively resilient under most scenarios, though increased attention should be paid to minimising the operational footprint and overlapping claims to ecosystem services required by the local population.

Risk and Impact Management

> The purpose of the Risk & Impact Management Pillar is to disclose how the organization identifies, assesses, and manages nature-related dependencies, impacts, risks and opportunities.

Consideration for how the Company’s Environmental Policy and risk management processes need to be amended, together with a comprehensive process to manage nature-related dependencies and opportunities, will be developed based on the results of this exercise. This will likely result in more extensive incorporation of nature-related risks into our corporate risk register.

Currently, prior to FID, procurement processes for POK primarily relate to services rather than materials. Hence, this exercise has focussed on direct dependencies, impacts, risks, and opportunities, and we have not yet extended the analysis to our supply chain. If and when the project moves forward into development, more materials will be required, and we will work with our operating partner, who will maintain responsibility for procurement, to assess the additional nature-related dependencies, impacts, risks and opportunities related to the project’s supply chain.

Stakeholders have been consulted throughout the development cycle as part of ESIA development and FDP preparation, and will continue to be consulted if and when the project progresses to active development and production.

Africa Oil Kenya has a biodiversity panel comprising seven experts from the Kenyan government and universities. In 2022, the panel advised POK on the water pipeline placement, including a visit to the proposed water pipeline route, recommended adjustments to the route to avoid critical habitat and identified the species and habitats that would be impacted.

Metrics and targets

> The purpose of the Metrics and Targets Pillar is to disclose the metrics and targets used to assess and manage relevant nature-related dependencies, impacts, risks and opportunities where such information is material.

Due to the resource intensive nature of our industry, there are a large number of pre-existing environmental impact and dependency metrics, many of which are captured by our operating partners and communicated directly to us, as well as through their sustainability communications or .

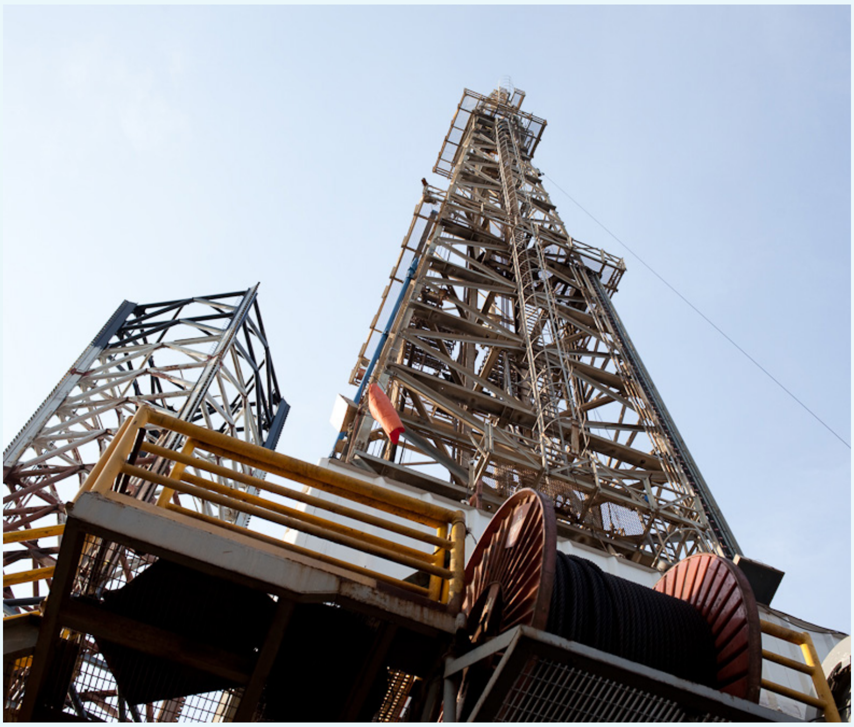
We utilise the following metrics to assess and manage dependencies and impacts on nature:

- greenhouse gas and other air emissions;
- percentage of water withdrawn and consumed in regions with High or Extremely High baseline water stress;
- volume of produced water and flowback generated and methods of disposal;
- hydrocarbon content in discharged water;
- number and aggregate volume of hydrocarbon spills;
- total freshwater withdrawn and consumed; and
- percentage of proved and probable reserves in or near sites with protected conservation status or endangered species habitat.

(See pages 38-45)

Management monitors these metrics to better understand the Company's impact and dependency on these environmental assets and services, and engage with our operating partners and other stakeholders on how to minimise those impacts and dependencies, including providing adequate budget to reduce impacts and dependencies.

The Company has not yet set any nature-related targets but will consider what targets might be appropriate based on the results of this exercise and future assessment of corporate-wide nature-related dependencies, impacts, risks and opportunities. To reach the Company's climate neutrality target, the Company is investing in projects that will generate nature-based carbon credits and additionally deliver biodiversity benefits.



STRONG **COMMUNITIES**

We are committed to supporting **Strong Communities** by looking after our people and the people of local communities in which we operate. Within this section, we demonstrate the policies and practices in place to promote their interests.

Employee Engagement & Wellbeing
OCCUPATIONAL HEALTH & SAFETY

Environmental Management
PROJECT-BASED ESIA

HEALTH AND SAFETY

Africa Oil aims to provide a safe and healthy working environment for our employees and contractors, with the objective of zero harm in the workplace. The Company's Occupational Health & Safety Policy is informed by the World Bank Group's Environmental, Health and Safety guidelines, industry best practice and national regulatory requirements. Where national law and good industry practice differ, we follow the most stringent requirement. The VP of ESG has responsibility for implementation and enforcement of the policy, which is reviewed and approved by the Board annually.

Company personnel employed in Kenya, who regularly travel to the operational sites and interface directly with the communities surrounding our assets, are provided health and safety training every year. When on operator-controlled sites, Africa Oil staff are subject to the expectations, requirements, and procedures of the operator. In line with our commitment to the highest health and safety standards, we record any reportable incidents at our offices, and expect our partners and associate companies to do the same. Outside of our offices and where we have operational control, the Company works with our operating partners to ensure that their health and safety (H&S) processes are aligned with our Occupational Health & Safety Policy.

Despite these efforts, a serious incident occurred on May 30, 2022, at the site of the Company's Upstream assets and associated facilities in Kenya. During an operation to dispose of expired explosives, an uncontrolled explosion occurred, resulting in injury to two persons involved in the exercise. One of those people later died from his wounds. The other injured party was evacuated to Nairobi for medical treatment and has since recovered fully. Africa Oil and our partners in Project Oil Kenya have since paid appropriate compensation to the injured party and the family of the deceased.

Africa Oil believes that work-related incidents are preventable, and we view even one fatality as unacceptable.

Africa Oil cooperated fully with both the operator and police investigations into the incident, which was also reviewed as part of the Q3 2022 IFC IMG Review. Following the incident, all non-routine activities at the project site were put on hold while the partners took corrective actions to address the contributing factors. Specifically, the JV issued a new Control of Work procedure and Incident Response Plan, and delivered Incidence Response training to the field staff, including a mock drill. The JV also engaged full-time on-site medical support and arranged medical evacuation for all POK staff so that, should an incident occur, emergency airlift can be dispatched more quickly.

STRONG COMMUNITIES - CONTINUED

HUMAN RIGHTS

Our commitment to operating in a socially responsible and transparent manner, in accordance with international human rights standards, dictates our engagement with all stakeholders, including employees, contractors, partners, civil society organisations and the local communities where we do business, amongst others. Our philosophy and approach are enshrined in our Human Rights Policy, which is reviewed and approved by the Board annually. Responsibility for implementation and enforcement lies with the VP of ESG.

In order to identify and address any actual or potential human rights impacts from our operations, whether direct or indirect, the Company conducts a thorough human rights assessment ahead of any new investment as part of an environmental and social impact assessment or the detailed ESG due diligence process. In the case of greenfield developments, the Company places high value on preventing resettlements of individuals and/or communities where possible. The Company does not tolerate discrimination, harassment, or physical assault in the workplace, and encourages reporting of any perceived violations via our Whistleblower Policy.

DIVERSITY AND INCLUSION ("D&I")

In order to foster an environment that is safe and supportive for all employees, we are committed to promoting diversity, equity and inclusivity in the workplace. .

The Board believes that a diversity of perspectives maximises the effectiveness of the Board and Executive Officers, enables decision-making in the best interests of the Company, and improves Company performance. As such, Africa Oil aspires to achieve 30% female representation on the Board and within Management and 15% representation from other designated groups by 2025. These commitments have been enshrined in the new Diversity, Equity and Inclusion (DEI) Policy introduced in 2022.

Alongside the launch of the new Policy, unconscious bias training was conducted for Management. Expanded DEI training will be provided for all employees in 2023. The purpose of the training was to challenge and reduce bias about individual abilities and character which may exist due to preconceived notions linked to such factors as race or gender.

In our Kenya office, diversity extends beyond gender and other protected traits to tribal identity. There are a large number of tribes in the country, and our objective is to reflect that diversity in our office. We therefore map out the existing representation of tribes in the team and seek candidates from other tribes as part of the recruitment process.

Diversity, Equity and Inclusion Policy

The purpose of this Policy is to set out the framework to promote diversity, equity and inclusion amongst the Company's Board, directors and employees. This reflects the Company's values in embracing the differences in characteristics that make our employees unique. The Policy formalises this commitment through the establishment of two aspirational targets; to achieve 30% female representation and 15% representation from other Designated Groups on the Board and within Management by 2025 (recognising that a person may belong to one or more Designated Group).

Additionally, the Policy lays out the commitments to fair and non-discriminatory practices, equitable compensation, protection of human rights, creating a culture of inclusivity, and regularly monitoring and reviewing the composition and compensation of the Board, Executive Officers and employees with regards to Designated Groups to determine what additional measures, including targets, may be required to promote diversity, equity and inclusion.

TRAINING AND DEVELOPMENT

As s small Company of fewer than 30 employees, Africa Oil does not have a formal training programme or policy. Still, we recognise the importance of supporting employee development both to upskill the workforce and improve performance, as well as strengthen employee satisfaction. We therefore empower each and every one of our employees to undertake professional development opportunities and progress their careers.

Rather than narrowly defining each job description, we ensure that people have exposure to parts of the business that are beyond their traditional remit. This enables individuals to build new experience, facilitates a more comprehensive understanding of and appreciation for the business, and promotes exchange of expertise and ideas.

Colleagues are encouraged to seek out training opportunities and attend conferences to enhance their skills and competencies. We have a formal process through which individuals can apply for funding for formal training programmes and university degrees, on the stipulation that they demonstrate how the course is aligned to their roles and will be of benefit for Africa Oil. Currently four of our colleagues in Kenya are working towards additional qualifications; two are undertaking courses in security management, one is in administration, and another is studying for a Master's in finance and accounting. In the Kenya office we also offer some structured trainings for different departments including ESG, accounting and administration.

EMPLOYEE ENGAGEMENT

It is our view that giving employees the freedom to express their opinions facilitates improved communication and more productive decision-making. As an organisation with a small workforce, we tend to engage with employees on a one-to-one basis or through wider group meetings, rather than through a formal employee engagement process. However, employees are encouraged to share their views in these contexts and provide feedback to their line managers.

In 2022 we integrated a new HR software platform to strengthen management and measurement of employee-related data and performance metrics.

In Kenya we introduced weekly management meetings—mirroring those at the Corporate level—at which each department is represented and actions for the week discussed, including any challenges or support required. In September 2022, the office had a two-day offsite which included a variety of team building exercises, with the objective of developing and strengthening relationships across the teams.

COMMUNITY ENGAGEMENT

Though we do not operate our assets, Africa Oil has a responsibility to ensure operations do not negatively impact surrounding communities. Further, we recognise the value of nurturing strong ties with local communities and using our resources to build mutually beneficial relationships that support the license to operate.

In 2022, as part of the Project Oil Kenya JV, we gave a monetary donation to support food provision during the severe drought currently engulfing the North of country where we have our operations. This support builds on the programme the JV commenced in 2012 to provide water to the local communities surrounding the Upstream assets.

IIn order to provide further social and economic benefits, whilst also supporting our ambitions to offset our carbon footprint, we are currently exploring two nature-based carbon offset opportunities in the country in partnership with national conversation organisations. We are working closely with technical and carbon market experts to ensure both projects meet strong standards for additionality, permanence, validation and verification, using robust methods of baseline measurement and quantification of the carbon, as well as social benefits. We look forward to providing further updates on these projects in 2023.

SASB STANDARD

Table 1. Sustainability Disclosure Topics & Accounting Metrics

Topic	Accounting Metric	Unit Of Measure	Code	GRI Disclosure	GRI Sector Standard Ref	2022 Performance
GREENHOUSE GAS EMISSIONS	Gross global Scope 1 emissions	Metric tons (t) CO_2e	EM-EP-110a.1	305-1	11.1.5	117,165
	Percentage methane	Percentage (%)	EM-EP-110a.1	305-1	11.1.5	3.1%
	Percentage covered under emissions-limiting regulations	Percentage (%)	EM-EP-110a.1			31.3%
	Amount of gross global Scope 1 emissions from:	Metric tons (t) CO_2e	EM-EP-110a.2	305-1	11.1.5	
	(1) flared hydrocarbons					36,714
	(2) other combustion					80,404
	(3) process emissions					0
	(4) other vented emissions					41
	(5) fugitive emissions					14
	Discussion of long-term and short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets, and an analysis of performance against those targets	N/A	EM-EP-110a.3	305-5	11.2.3	See Metrics & Targets in TCFD Section, Page 28
AIR QUALITY	Air emissions of the following pollutants:	Metric tons (t)	EM-EP-120a.1	305-7	11.3.2	
	(1) NOx (excluding N2O)					289
	(2) SOx					6
	(3) volatile organic compounds (VOCs)					99
	(4) particulate matter (PM10)					Data unavailable

Note: the disclosures reflect the best available data as of 31st March 2023

SASB STANDARD - CONTINUED

Topic	Accounting Metric	Unit Of Measure	Code	GRI Disclosure	GRI Sector Standard Ref	2022 Performance
WATER MANAGEMENT	(1) Total fresh water withdrawn,	Thousand cubic meters (m^3)	EM-EP-140a.1	303-3	11.6.4	Data unavailable
	(2) Total freshwater consumed	Thousand cubic meters (m^3)	EM-EP-140a.1	303-5	11.6.6	Data unavailable
	Percentage of each in regions with High or Extremely High Baseline water stress	Percentage (%)	EM-EP-140a.1		11.6.5	None of the operations in which we have an interest are located in high or extremely high Baseline Water Stress according to the WRI Water Risk Atlas
	Volume of produced water and flowback generated	Thousand cubic meters (m^3)	EM-EP-140a.2			772
	Percentage	Percentage (%)	EM-EP-140a.2	303-4		
	(1) discharged					100%
	(2) injected					0%
	(3) recycled					0%
	Hydrocarbon content in discharged water	Metric tons (t)	EM-EP-140a.2			15
	Percentage of hydraulically fractured wells for which there is public disclosure of all fracturing fluid chemicals used	Percentage (%)	EM-EP-140a.3			This metric is not applicable to the Company as we neither own nor operate hydraulically fracked wells
	Percentage of hydraulic fracturing sites where ground or surface water quality deteriorated compared to a baseline[2]	Percentage (%)	EM-EP-140a.4			This metric is not applicable to the Company as we neither own nor operate hydraulically fracked wells

Note: the disclosures reflect the best available data as of 31st March 2023

SASB STANDARD - CONTINUED

Topic	Accounting Metric	Unit of Measure	Code	GRI Dislosure	GRI Sector Standard Ref	2022 Performance
BIODIVERSITY IMPACTS	Description of environmental management policies and practices for active sites	N/A	EM-EP-160a.1	3-3	11.4.1	See Environmental Management, Page 29
	Number and aggregate volume of hydrocarbon spills	Number, barrels (bbls)	EM-EP-160a.2	306-3	11.8.2	Number: 2 Volume: 0.22 t (volume provided where available)
	Volume in Arctic	Barrels (bbls)	EM-EP-160a.2			This metric is not applicable to the Company as we neither own nor operate assets in the Arctic
	Volume impacting shorelines with ESI rankings 8-10	Barrels (bbls)	EM-EP-160a.2			This metric is not applicable to the Company as we neither own nor operate assets located in proximity to shorelines with ESI rankings 8-10
	Volume recovered	Barrels (bbls)	EM-EP-160a.2	306-3	11.8.2	Data unavailable
	Percentage of (1) proved and (2) probable reserves in or near sites with protected conservation status or endangered species habitat	Percentage (%)	EM-EP-160a.3	304-1	11.4.2	0%
SECURITY, HUMAN RIGHTS AND RIGHTS OF INDIGENOUS PEOPLES	Percentage of (1) proved and (2) probable reserves in or near areas of conflict	Percentage (%)	EM-EP-210a.1			0%
	Percentage of (1) proved and (2) probable reserves in or near indigenous land	Percentage (%)	EM-EP-210a.2			0%
	Discussion of engagement processes and due diligence practices with respect to human rights, indigenous rights, and operation in areas of conflict	N/A	EM-EP-210a.3			This is not applicable to the Company as we neither own nor operate any assets in areas of conflict
COMMUNITY RELATIONS	Discussion of process to manage risks and opportunities associated with community rights and interests	N/A	EM-EP-220a.1	3-3	11.15.1	See Community Engagement, Page 37
	Number and duration of non-technical delays	Number, Days	EM-EP-220a.2			0. There were no non-technical delays
WORKFORCE HEALTH & SAFETY	(1) Total recordable incident rate (TRIR)	Rate	EM-EP-320a.1	403-9	11.9.10	0.35
	(2) fatality rate,	Rate	EM-EP-320a.1	403-9		0.05
	(3) near miss frequency rate (NMFR)	Rate	EM-EP-320a.1			Data unavailable
	(4) average hours of health, safety, and emergency response training for (a) full-time employees, (b) contract employees, and (c) short-service employees	Hours	EM-EP-320a.1	403-5	11.9.6	Data unavailable
	Discussion of management systems used to integrate a culture of safety throughout the exploration and production lifecycle	N/A	EM-EP-320a.2	403-1	11.9.2	See Health & Safety Page 36

Note: the disclosures reflect the best available data as of 31st March 2023

SASB STANDARD - CONTINUED

Topic	Accounting Metric	Unit of Measure	Code	GRI Dislosure	GRI Sector Standard Ref	2022 Performance
RESERVES VALUATION & CAPITAL EXPENDITURES	Sensitivity of hydrocarbon reserve levels to future price projection scenarios that account for a price on carbon emissions	Million barrels (MMbbls), Million standard cubic feet (MMscf)	EM-EP-420a.1	201-2	11.2.2	STEPS: no impact SDS: -2 mmbbl NZE: -9 mmbbl
	Estimated carbon dioxide emissions embedded in proved hydrocarbon reserves	Metric tons (t) CO_2e	EM-EP-420a.2	201-2	11.2.2	15,875,414
	Amount invested in renewable energy, revenue generated by renewable energy sales	USD	EM-EP-420a.3	201-2	11.2.2	0.0
	Discussion of how price and demand for hydrocarbons and/or climate regulation influence the capital expenditure strategy for exploration, acquisition, and development of assets	N/A	EM-EP-420a.4	201-2	11.2.2	See TCFD Strategy section, Pages 22-24
BUSINESS ETHICS & TRANSPARENCY	Percentage of (1) proved and (2) probable reserves in countries that have the 20 lowest rankings in Transparency International's Corruption Perception Index	Percentage (%)	EM-EP-510a.1			(1) 0% (2) 0%
	Description of the management system for prevention of corruption and bribery throughout the value chain	N/A	EM-EP-510a.2	3-3	11.20.1	See Business Ethics, Page 14-15
MANAGEMENT OF THE LEGAL & REGULATORY ENVIRONMENT	Discussion of corporate positions related to government regulations and/or policy proposals that address environmental and social factors affecting the industry	N/A	EM-EP-530a.1	304-3	11.2.4	See TCFD Risks & Opportunities, Pages 24-26
CRITICAL INCIDENT RISK MANAGEMENT	Process Safety Event (PSE) rates for Loss of Primary Containment (LOPC) of greater consequence (Tier 1)	Rate	EM-EP-540a.1	Additional sector disclosure	11.8.3	Data unavailable
	Description of management systems used to identify and mitigate catastrophic and tail end risks	N/A	EM-EP-540a.2	3-3	11.8.1	The Company relies on our operating partners' risk management systems. For further information, please visit our operating partners' website: https://www.chevron.com/ https://totalenergies.com/ https://www.tullowoil.com/

Note: the disclosures reflect the best available data as of 31st March 2023

SASB STANDARD - CONTINUED

Table 2. Activity Metrics

Topic	Accounting Metric	Category	Unit Of Measure	Code	2022 Performance
PRODUCTION	(1) oil	Quantitative	Thousand barrels per day (Mbbl/d)	EM-EP-000-A	20.4
	(2) natural gas	Quantitative	Million standard cubic feet per day (MMscf/d)	EM-EP-000-A	27.1
	(3) synthetic oil, and	Quantitative	Thousand barrels per day (Mbbl/d)	EM-EP-000-A	0.0
	(4) synthetic gas	Quantitative	Million standard cubic feet per day (MMscf/d)	EM-EP-000-A	0.0
	Number of offshore sites	Quantitative	Number	EM-EP-000-B	3.0
	Number of onshore sites	Quantitative	Number	EM-EP-000-C	6.0

Note: All figures presented on a net equity basis reflecting our working interest share in our Nigerian and Kenyan operations, and 100% of corporate-level metrics

Note: the disclosures reflect the best available data as of 31st March 2023

GRI
OIL & GAS SECTOR 2022

Topic	Accounting Metric	Category	Unit Of Measure	Code	2022 Performance
GREENHOUSE GAS EMISSIONS	GRI 302: Energy	302-1 Energy consumption within the organisation	kWh	11.1.2	488,065 (related to Kenya and Corporate operations only; data for Nigeria unavailable)
		302-2 Energy consumption outside the organisation	kWh	11.1.3	Data unavailable
		302-3 Energy intensity	kWh	11.1.4	Data unavailable
	GRI 305: Emissions	305-2 Energy indirect (Scope 2) GHG emissions	Metric tons (t) CO_2e	11.1.6	28.9
		305-3 Other indirect (Scope 3) GHG emissions	Metric tons (t) CO_2e	11.1.7	Category 6 - Business Travel: 561517 Category 11 - Use of Sold Products: 3,568,217
		305-4 GHG emissions intensity	kgCO2e/boe	11.1.8	13.2 (Scope 1 and 2)
REPORTING ON CLIMATE ADAPTATION, RESILIENCE AND TRANSITION	GRI 201 Economic Performance	201-2 Financial implications and other risks and opportunities due to climate change	Metric tons (t) CO_2e	11.2.2	
		Net mass of CO_2 in metric tonnes captured and removed from the atmosphere	Metric tons (t) CO_2e		0
		Describe the organisation's approach to public policy development and lobbying on climate change	Metric tons (t) CO_2e	11.2.4	The Company does not actively seek to influence public policy development either directly or indirectly through lobbying
		305-5 Reduction of GHG emissions	Metric tons (t) CO_2e	11.2.3	26,400 related to Verra certified nature-based offsets
BIODIVERSITY	GRI 304 Biodiversity	304-2 Significant impacts of activities, products and services on biodiversity		11.4.3	See TNFD Disclosures, Pages 32-33 for a discussion of impacts in relation to POK
		304-3 Habitats protected or restored		11.4.4	The Company principally operates in offshore environments. As such, no habitats have to date been protected or restored.
	GRI 303 Water	303-2 Management of water-related impacts		11.6.3	See Environmental Management, Page 29

Note: the disclosures reflect the best available data as of 31st March 2023

GRI - OIL & GAS SECTOR 2022 - CONTINUED

Topic	Accounting Metric	Category	Unit Of Measure	Code	2022 Performance
EMPLOYMENT PRACTICES	GRI 401 Employment	401-1 New employee hires and employee turnover		11.10.2	
		a. Total number of new employee hires during the reporting period	Rate (per average number of employees x 100)		2
		b. Total rate of employee turnover during the reporting period			3
		401-3 Parental leave	Number (#)	11.10.4	
		a. Total number of employees that were entitled to parental leave by gender	Number (#)		M: 22 F: 12
		b. Total number of employees that took parental leave, by gender	Number (#)		M: 0 F: 0
		c. Total number of employees that returned to work in the reporting period after parental leave ended, by gender	Number (#)		M: 0 F: 0
		d. Total number of employees that returned to work after parental leave and were still employed 12 months after their return to work, by gender	hours		M: 0 F: 0
	GRI 404 Training and Education	404-1 Average hours of training per year per employee		11.10.6	26
		404-2 Programs for upgrading employee skills and transition assistance programmes		11.10.7	See Training and Development, Page 37
	GRI 405 Diversity and Equal Opportunity	405-1 Diversity of governance bodies and employees		11.11.5	
		a. Board members by gender	Number (#)		M: 5 F: 2 O: 0
		b. Employees by gender	Number (#)		M: 24 F: 12 O: 0
		Unadjusted gender pay gap (adapted from 405-2)	Percentage (%)	11.11.6	53%
	GRI 406 Non-Discrimination	406-1 Incidents of discrimination and corrective actions taken	Number (#)	11.11.7	0. No incidents of discrimination were reported.
LOCAL COMMUNITIES	GRI 413 Local Communities	413-1 Operations with local community engagement, impact assessments and development programmes	Percentage (%)	11.15.2	100%

Note: the disclosures reflect the best available data as of 31st March 2023

GRI - OIL & GAS SECTOR 2022 - CONTINUED

Topic	Accounting Metric	Category	Unit Of Measure	Code	2022 Performance
ANTI-CORRUPTION	GRI 205 Anti-Corruption	205-1 Operations assessed for risks related to corruption		11.20.2	
		a. Total number and percentage of operations assessed for risks related to corruption	Number (#)		0
		b. Significant risks related to corruption identified through the risk assessment			N/A
		205-2 Communication and training about anti-corruption policies and procedures		11.20.3	N/A
		a. Total number and percentage of governance body members that the organisation's anti-corruption policies and procedures have been communicated to	Percentage (%)		100%
		b. Total number and percentage of employees that the organisation's anti-corruption policies and procedures have been communicated to	Percentage (%)		100%
		c. Total number and percentage of business partners that the organisation's anti-corruption policies and procedures have been communicated to	Percentage (%)		0%
		d. Total number and percentage of governance body members receiving training on anti-corruption	Percentage (%)		100%
		e. Total number and percentage of employees receiving training on anti-corruption	Percentage (%)		100%
		205-3 Confirmed incidents of corruption and actions taken	Number (#)	11.20.4	0. No incidents of corruption were confirmed during the year.

Note: the disclosures reflect the best available data as of 31st March 2023

FORWARD-LOOKING **STATEMENTS**

Certain statements and information contained herein constitute "forward-looking information" (within the meaning of applicable Canadian securities legislation). Such statements and information (together, "forward looking statements") relate to future events or the Company's future performance, business prospects or opportunities. All statements other than statements of historical fact may be forward-looking statements. Statements concerning proven and probable reserves and resource estimates may also be deemed to constitute forward-looking statements and reflect conclusions that are based on certain assumptions that the reserves and resources can be economically exploited. Any statements that express or involve discussions with respect to predictions, expectations, beliefs, plans, projections, objectives, assumptions or future events or performance (often, but not always, using words or phrases such as "seek", "anticipate", "plan", "continue", "estimate", "expect, "may", "will", "project", "predict", "potential", "targeting", "intend", "could", "might", "should", "believe" and similar expressions) are not statements of historical fact and may be "forward-looking statements". Forward-looking statements involve known and unknown risks, ongoing uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking statements.

Although the Company believes that the expectations reflected by the forward-looking statements presented in this document are reasonable, the Company's forwardlooking statements have been based on assumptions and factors concerning future events that may prove to be inaccurate. Those assumptions and factors are based on information currently available to the Company about itself and the businesses in which it operates. Information used in developing forward-looking statements has been acquired from various sources, including third party consultants, suppliers and regulators, among others. Because actual results or outcomes could differ materially from those expressed in any forward-looking statements, investors should not place undue reliance on any such forwardlooking statements. By their nature, forward-looking statements involve numerous assumptions, inherent risks and uncertainties, both general and specific, which contribute to the possibility that the predicted outcomes will not occur. Some of these risks, uncertainties and other factors are similar to those faced by other oil and gas companies and some are unique to the Company.

No assurance can be given that these expectations will prove to be correct and such forward-looking statements should not be unduly relied upon. The Company does not intend, and does not assume any obligation, to update these forward-looking statements, except as required by applicable laws. These forward-looking statements involve risks and uncertainties relating to, among other things, changes in macro-economic conditions and their impact on operations, changes in oil prices, reservoir and production facility performance, hedging counterparty contractual performance, OPEC+ quota impact on production, results of exploration and development activities, cost overruns, uninsured risks, regulatory and fiscal changes, defects in title, claims and legal proceedings, access to financing on favourable terms, availability of materials and equipment, availability of skilled personnel, timeliness of government or other regulatory approvals, actual performance of facilities, joint venture partner underperformance, availability of financing on reasonable terms, availability of third party service providers, equipment and processes relative to specifications and expectations and unanticipated environmental, health and safety impacts on operations. Actual results may differ materially from those expressed or implied by such forwardlooking statements.

The Company's Annual Information Form for the year ended December 31, 2020 and other documents filed with securities regulatory authorities (accessible through the SEDAR website www.sedar.com) describe risks, material assumptions and other factors that could influence actual results and are incorporated herein by reference.

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