



# Africa Oil Corp.

## THE NEXT PHASE OF VALUE CREATION

### STRATEGIC FARMOUT OF IMPACT'S NAMIBIAN INTERESTS

10<sup>th</sup> January 2024

# SPEAKERS



**Dr Roger Tucker**  
President & CEO



**Pascal Nicodeme**  
CFO



**Shahin Amini**  
Investor Relations

# AGENDA

- Strategic Benefits of the Transaction
- The Opportunity Set and the Retained Upside
- Principal Terms of the Transaction
- AOC 2024 Priorities
- Q&A

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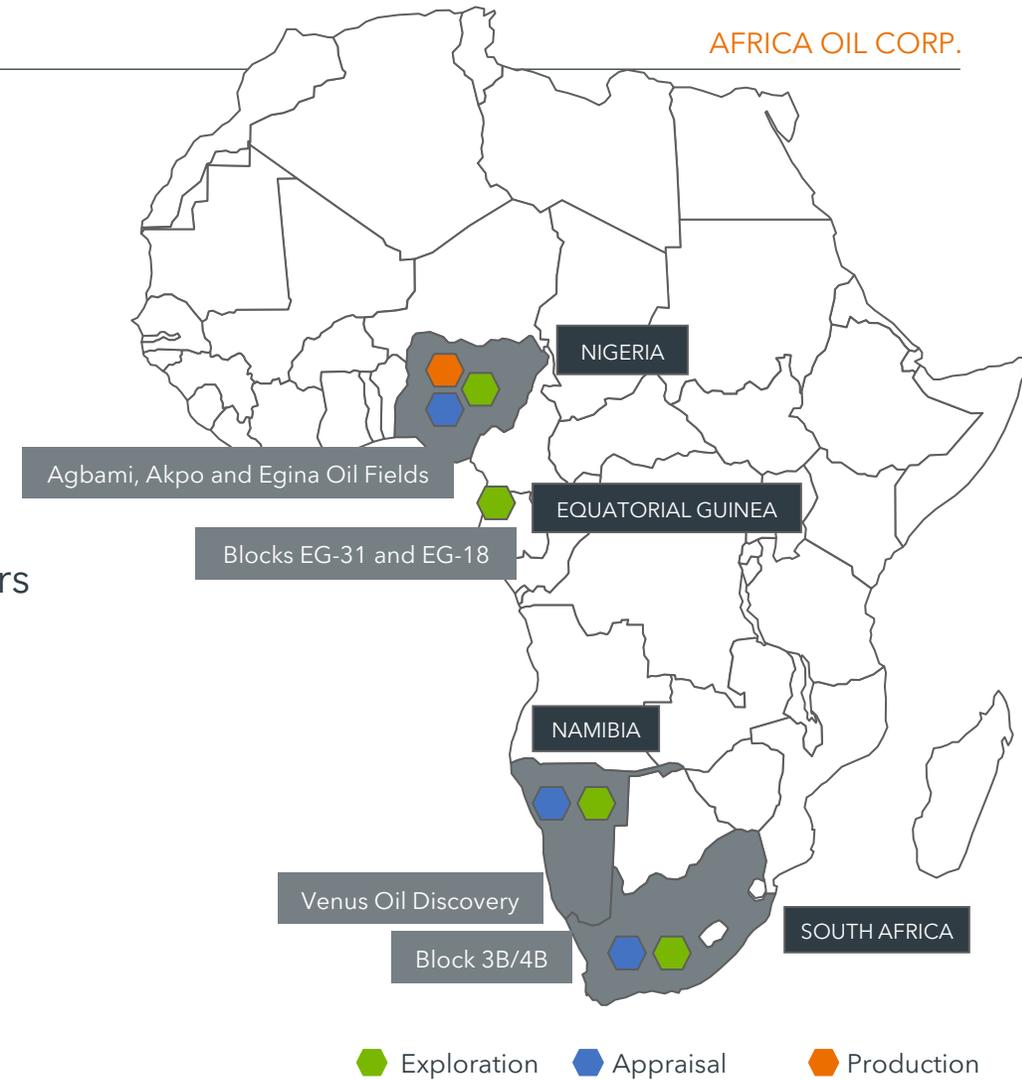
# DELIVERING ON OUR VALUE CREATION STRATEGY

- **Continuing our diligent work on the core assets**

- Disciplined focus on Nigeria, Orange Basin and EG
- World class production and exploration assets that attract the Majors
- Strengthening our relationship with industry leaders

- **Enhance value and maximise optionality**

- **Maintain a strong balance sheet and liquidity**



We have solved the most challenging gap for an Independent E&P in bridging the gap between exploration, appraisal and development on a large-scale project

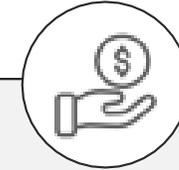
# A MAJOR ACHIEVEMENT IN LINE WITH OUR STRATEGY



**Significant value enhancing farmout transaction with TotalEnergies for Blocks 2912 and 2913B with Impact retaining a 9.5% interest in each Block**



**Impact's remaining interest in both blocks is fully carried, with no cap, for all JV costs including E&A expenditure through to first oil production**



**Impact will be reimbursed in cash upfront for its share of the past costs incurred, estimated to be approximately USD 99 million**

**Delivers a substantial financial de-risking of Impact's world-class Namibia asset**

# A HIGHLY VALUE AND GROWTH ACCRETIVE DEAL



**Namibia position fully funded until first oil**



**Retained exposure to significant E&A and development upside in Blocks 2912 and 2913B**



**Full recovery in cash of historic expenditure to date**

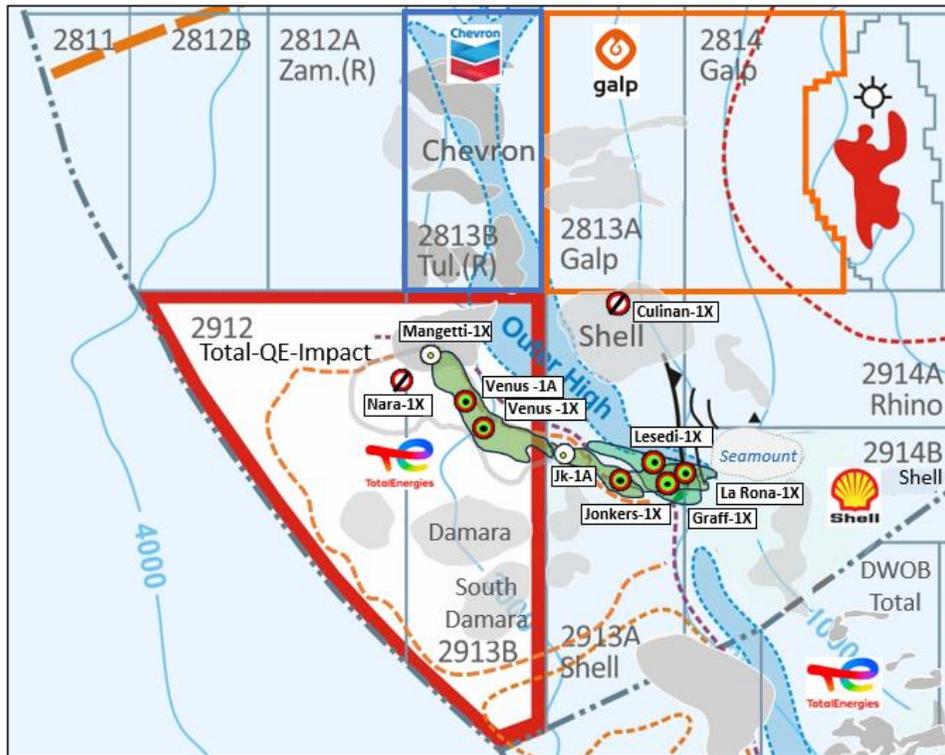


**Significantly enhances AOC capital and balance sheet flexibility to accelerate strategy delivery**



**Reinforces TotalEnergies' confidence in the value growth potential of the asset**

# NAMIBIA WORLD-CLASS OPPORTUNITY SET WITH SIGNIFICANT UPSIDE POTENTIAL



- **Venus: major discovery, operator confirmed future development**
- **Upcoming value catalysts**
  - Mangetti - currently drilling
  - Venus-2A appraisal well - currently drilling
  - Further ongoing exploration and appraisal through 2024

**“At least 1-2 bn barrels<sup>1</sup>”**  
 TotalEnergies’ CEO on the scale of Venus

**“We will continue to explore<sup>2</sup>”**  
 TotalEnergies’ CEO on Block 2193B

**Multi-billion barrels<sup>3</sup>**  
 Additional upside potential beyond Venus on Block 2913B

Notes:

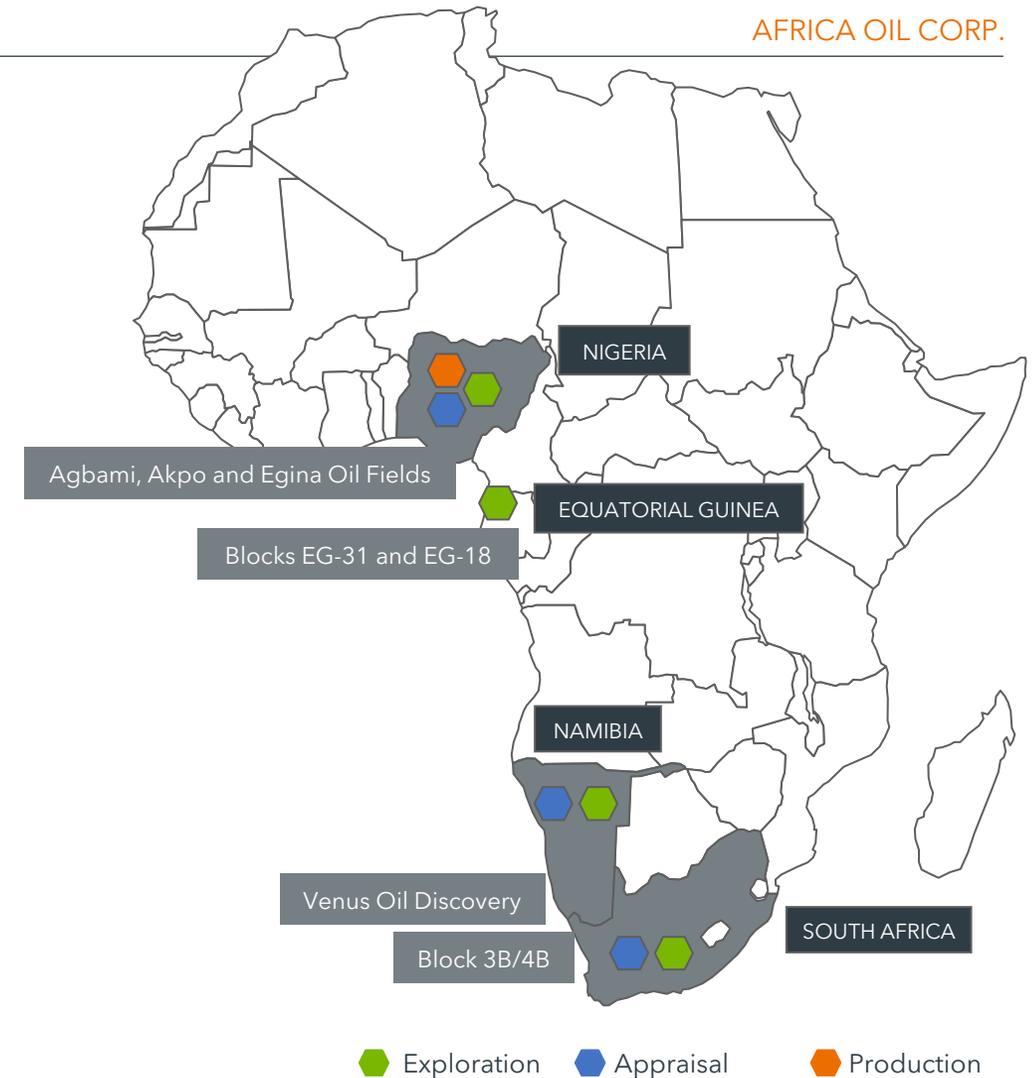
1. and 2. Quotes taken from TotalEnergies’ Capital Markets Day, 27<sup>th</sup> September 2023
2. AOC Management’s view based on regional geology studies

# PRINCIPAL TERMS OF THE TRANSACTION

<b>Interests</b>	<p>At completion Impact will retain a participating interest of <b>9.5% in both licenses</b> with a transfer of:</p> <ul style="list-style-type: none"> <li>• a 9.39% participating interest in Block 2912; and</li> <li>• a 10.5% participating interest in Block 2913B</li> </ul>
<b>Effective Date</b>	<b>1 January 2024</b>
<b>Conditions to Closing</b>	Completion subject to <b>customary third-party approvals from the Namibian authorities and joint venture parties</b>
<b>Carry</b>	<b>Uncapped carry loan</b> from <b>Effective Date through to the date on which Impact receives the first oil sales proceeds</b> . Covers all of Impact's remaining JV costs including <b>development, appraisal and exploration</b>
<b>Repayment of Carry and Offtake</b>	<p>The carry is repayable in kind to TotalEnergies from an equivalent portion of <b>Impact's after-tax cash flow and net of all joint venture costs, including capital expenditures</b>, from production on the Blocks <b>post receipt of first oil sales payments</b></p> <p>During the repayment of the carry, <b>Impact will pool its entitlement barrels with TotalEnergies</b> for <b>more regular off-takes</b> and a <b>more stable cash flow</b> profile, and will also <b>benefit</b> from <b>TotalEnergies' marketing and sales capabilities</b></p>
<b>Reimbursement of Past Costs</b>	Impact will also be <b>cash reimbursed on closing</b> for its share of the past costs incurred on the Blocks net to the farmout interests, which is estimated to be <b>approximately USD 99 million</b>

# 2024 STRATEGIC PRIORITIES

- **Consolidate, streamline and financially de-risk portfolio**
  - Consolidation of core assets and streamlining the business
  - Farmout processes ongoing for Block 3B/4B, EG-31 and EG-18
- **Shareholder capital returns**
  - Trading at significant discount to the underlying value
  - NCIB plan in place and ready to be deployed
- **Increased financial flexibility to accelerate growth**
  - Opportunity rich organic portfolio
  - Disciplined and financially accretive M&A
- **Maintain balance sheet strength**



Farm-out to TotalEnergies financially de-risks AOC's growth profile, strengthens partner alignment in world class Namibia asset and enhances the total shareholder return proposition of AOC

AFRICA OIL CORP.

# THANK YOU

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