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NEWS RELEASE

AFRICA OIL Q3 2011 FINANCIAL AND OPERATING RESULTS

November 22, 2011 (AOI – TSXV, AOI - NASDAQ OMX) … Africa Oil Corp. ("Africa Oil", "the Company" or "AOC") is pleased to announce its financial and operating results for the three and nine months ended September 30, 2011.

Highlights and accomplishments during the third quarter of 2011 included:

- The Company continued to actively explore in East Africa:
  - In Block 10BB, the Ngamia (Camel) prospect has been selected by the Tullow operated joint venture as the initial well in Block 10BB. The prospect will test the oil potential in Miocene age sandstones within a three way dip closure against the West Lokichar rift fault. Ngamia is directly analogous to successful oil accumulations drilled by Tullow and partners early in the exploration efforts in the Lake Albert graben of Uganda. The Ngamia well is expected to spud in December of 2011.
  - In Block 10A, the Paipai-1 prospect has been selected by the Tullow operated joint venture as the initial well in Block 10A. The prospect will test the oil potential in Cretaceous age sandstones within a four way dip closure downthrown to the Lag Bagal fault, the northern bounding fault on the Anza Trough. Preparations for drilling, including purchase of materials, execution of drilling related contracts, civil works, and environmental permits are either completed or underway. The Block 10A well is expected to spud in the second quarter of 2012 using the same Weatherford rig as will be used in Block 10BB.
  - In Puntland, Horn Petroleum Corp. ("Horn") is currently in final preparations to commence a two well drilling campaign in the Dharoor Valley Block, with the first well (Shabeel-1) planned to spud in December of 2011. Drilling locations have been selected over two robust prospects targeting gross best estimated prospective resources of over 300 million barrels each, based on internal estimates. A contract has been awarded to Sakson Drilling and Oil Services who will provide a 1500 horse-power, top drive equipped rig. All drilling related third party service contracts have been executed. The Company has completed sourcing drilling related materials and the majority of materials are on site or on route to the drilling site. Site preparation including the drill site, air strip and ingress route construction have been completed. Water wells are currently being drilled to provide source water for drilling operations.
  - The Company, in partnership with Tullow, has recently completed an extensive Full Tensor Gravity ("FTG") survey over all of the blocks in the Tertiary Rift basin. This technique has been proven highly successful in Tullow's Uganda Albert Graben project, delineating structured prospects and leads.
  - Based on the results of the FTG survey, the Company, in partnership with Tullow, has an extensive 2D seismic program planned on blocks in the Tertiary Rift basin over the next twelve months.

- The Company closed its previously announced transaction with Horn (formerly Denovo Capital Corp.) pursuant to which Horn acquired all of the issued and outstanding shares of Canmex Holdings (Bermuda) I Ltd. ("Canmex"), a wholly owned subsidiary of the Company. Canmex holds a 60% interest in the production sharing agreements for the Dharoor Valley Exploration Area and the Nugaal Valley Exploration Area in Puntland (Somalia).

    - AOC transferred to Horn all of the issued and outstanding shares of Canmex. AOC received, in consideration of the transfer, 27.8 million common shares of Horn.

    - Horn also completed a non-brokered private placement of an aggregate of 45.5 million subscription receipts at a price of CAD$0.90 per subscription receipt for gross proceeds of $41.3 million. The subscription receipts were converted into common shares and warrants of Horn on September 20, 2011. AOC subscribed to 11.1 million subscription receipts All securities issued pursuant to the Offering are subject to a statutory hold period expiring December 3, 2011.

    - AOC now holds 51.4% of the outstanding shares of Horn, as well, a management services arrangement has been agreed between Horn and AOC in which the management of AOC are responsible for the operating decisions of Horn. As such, AOC is deemed to control Horn.

    - Horn has successfully raised the anticipated funds required for its planned two well exploratory drilling program in Puntland (Somalia). Spudding of the first well is anticipated before the end of 2011.

    - Horn’s common shares trade on the TSX Venture Exchange under the symbol “HRN”.

- Africa Oil ended the quarter in a strong financial position with cash of $118.0 million and working capital of $110.6 million as compared to cash of $76.1 million and working capital of $70.6 million at December 31, 2010. Of the $110.6 million in cash at September 30, 2011, $43.7 million is cash held by Horn. The Company’s liquidity and capital resource position has remained strong throughout the year.

- Africa Oil has more than sufficient funds to meet its currently planned work program. During the nine months ended September 30, 2011, the Company incurred expenditures of $20.4 million of the 2011 Board of Directors approved $43 million in capital expenditures.

Keith Hill, President and CEO, commented, “Africa Oil and joint venture partners made significant operational progress with respect to exploration activities in the first nine months of 2011. The Company is in a very strong financial position and is extremely excited to commence drilling operations and plans to drill seven to ten high potential exploration wells in the next eighteen months.”

Third Quarter 2011 Financial and Operating Highlights

Consolidated Statement of Net Loss and Comprehensive Loss

(Unaudited; United States Dollars)

	Three months ended September 30, 2011	Three months ended September 30, 2010	Nine months ended September 30, 2011	Nine months ended September 30, 2010
Operating expenses				
Salaries and benefits	$ 309,476	$ 305,398	$ 1,067,364	$ 769,450
Stock-based compensation	908,550	158,227	2,790,484	790,243
Bank charges	23,103	45,423	133,242	76,158
Travel	470,806	219,591	853,767	517,998
Management fees	60,593	57,016	187,325	172,648
Office and general	455,579	447,771	1,011,900	965,029
Depreciation	8,480	13,796	41,739	62,877
Professional fees	462,066	114,119	859,190	362,915
Stock exchange and filing fees	158,807	26,371	432,089	71,235
	2,857,460	1,387,712	7,377,100	3,788,553
Impairment of intangible exploration assets	-	-	6,969,413	-
Gain on acquisition of Lion Energy	-	-	(4,143,051)	-
Dilution loss on sale of subsidiary	4,578,634	-	4,578,634	-
Finance income	(2,568,551)	(464,081)	(7,607,452)	(431,261)
Finance expense	7,187,485	17,938,066	5,079,824	12,433,877
Net loss and comprehensive loss	(12,055,028)	(18,861,697)	(12,254,468)	(15,791,169)
Net loss and comprehensive loss attributable to non-controlling interest	(915,207)	-	(915,207)	-
Net loss and comprehensive loss attributable to common shareholders	(11,139,821)	(18,861,697)	(11,339,261)	(15,791,169)
Net loss per share				
Basic	$ (0.05)	$ (0.21)	$ (0.06)	$ (0.20)
Diluted	$ (0.05)	$ (0.21)	$ (0.09)	$ (0.20)
Weighted average number of shares outstanding				
Basic	211,319,720	91,366,405	187,353,051	77,440,607
Diluted	212,018,784	91,651,243	189,283,659	77,557,817

Horn was formed as a new Puntland focused exploration company. The Horn Transaction has been accounted for as an acquisition of Horn's net assets by Canmex (reverse acquisition) as AOC, the sole owner of Canmex prior to the Transaction, controls Horn subsequent to the Horn Transaction. Effectively as a result of the Horn Transaction and Horn private placement, AOC through its wholly owned subsidiary acquired 51.4% of the newly formed entity. While the results of Canmex have historically been consolidated in the Company's financial statements, effective September 20, 2011, the 48.6% non-controlling interest in Horn will be accounted for in the consolidated results of the Company.

Operating expenses increased $1.5 million for the three months ended September 30, 2011 compared to the same period in the previous year due to stock-based compensation costs associated with stock option grants in Horn, as well as professional fees and listing fees associated with the Horn Transaction.

Operating expenses increased $3.8 million for the nine months ended September 30, 2011 compared to the same period last year due mainly to a $2.0 million increase in stock based compensation costs, increased listing fees and professional fees associated with our multiple acquisitions completed during the year and the Horn Transaction.

Expenditures relating to Blocks 2/6 have been written off resulting in the $6.7 million impairment of intangible exploration assets. AOC relinquished Blocks 2/6 and obtained Ministerial approval to waive remaining commitments. The Company paid $1.2 million to the Government of Ethiopia, in lieu of unfulfilled commitments with respect to the Blocks 2/6 PSA.

The gain relating to the acquisition of Lion was the result of the Company acquiring net working capital and intangible exploration assets valued in excess of the consideration issued. The consideration paid was valued at $21.7 million, net of AOC shares acquired. Working capital acquired was $20.1 million and the intangible exploration assets acquired were valued at $5.7 million.

The dilution loss on the sale of subsidiary was recognized on the consolidation of Horn and represents the excess of the fair value of the consideration paid by the Canmex, in the reverse acquisition, over the value of the net assets of Horn acquired.

Finance income for the three and nine months ended September 30, 2011 and 2010 is made up of the following items:

	Three months ended September 30, 2011	**Three months ended September 30, 2010**	**Nine months ended September 30, 2011**	**Nine months ended September 30, 2010**
Loss on marketable securities	(395,800)	-	(540,475)	-
Fair value adjustment - warrants	2,292,353	(8,469,179)	4,835,461	(5,863,448)
Fair value adjustment - convertible debt	-	(9,468,887)	2,031,704	(6,570,429)
Interest and other income	276,198	23,662	740,287	32,718
Foreign exchange gain/(loss)	(6,791,685)	440,419	(4,539,349)	398,543
Financial Income	2,568,551	464,081	7,607,452	431,261
Financial expense	(7,187,485)	(17,938,066)	(5,079,824)	(12,433,877)

The loss on revaluation of marketable securities is the result of a reduction in the value of 10 million shares held in Encanto Potash Corp which were acquired on the acquisition of Lion.

The Company recorded gains on the revaluation of warrants in the three and nine months ended September 30, 2011 due to a reduction in AOC's share price from the end of the previous periods.

The Company recorded gains on the revaluation of the convertible debt in the nine months ended September 30, 2011 due to a reduction in AOC's share price from the end of 2010. The convertible debt was converted to shares in the first and second quarter of 2011.

Interest income was higher in both the three and nine months ended September 30, 2011 due to a significant increase in the average cash balance versus the nine months of 2010.

The $6.8 million and $4.5 million foreign exchange losses in the three and nine months ended September 30, 2011 are the result of a decrease in the value of the Canadian dollar at a time when AOC was holding a significant amount of Canadian dollars.

Consolidated Balance Sheets

(Unaudited; United States Dollars)

	September 30, 2011	December 31, 2010	January 1, 2010
ASSETS			
Current assets			
Cash and cash equivalents	$ 118,003,034	$ 76,125,834	$ 11,145,486
Marketable securities	1,780,810	-	-
Accounts receivable	1,159,803	2,323,208	5,396,253
Prepaid expenses	515,857	595,729	508,344
	121,459,504	79,044,771	17,050,083
Long-term assets			
Restricted cash	2,919,000	3,181,500	1,800,000
Property and equipment	42,555	39,621	107,549
Intangible exploration assets	164,789,163	96,468,816	76,138,940
	167,750,718	99,689,937	78,046,489
Total assets	$ 289,210,222	$ 178,734,708	$ 95,096,572
LIABILITIES AND EQUITY			
Current liabilities			
Accounts payable and accrued liabilities	$ 9,717,363	$ 7,122,007	$ 3,244,871
Current portion of warrants	1,189,738	874,949	-
Current portion of convertible debenture	-	411,220	407,950
	10,907,101	8,408,176	3,652,821
Long-term liabilities			
Warrants	7,215,509	5,195,914	21,673,039
Convertible debenture	-	54,077,952	40,820,217
	7,215,509	59,273,866	62,493,256
Total liabilities	20,636,164	67,682,042	66,146,077
Equity attributable to common shareholders			
Share capital	306,509,909	163,231,076	62,712,759
Contributed surplus	6,867,348	4,391,940	3,313,753
Deficit	(75,979,058)	(56,570,350)	(37,076,017)
	237,398,199	111,052,666	28,950,495
Non-controlling interest	33,689,413	-	-
Total equity	271,087,612	111,052,666	28,950,495
Total liabilities and equity	$ 289,210,222	$ 178,734,708	$ 95,096,572

The increase in total assets from January 1, 2010 to December 31, 2010 is attributable to the equity financings, expansion of acreage in East Africa (Blocks 12A and 13T (Kenya) and South Omo (Ethiopia)), drilling of Bogal-1 in Block 9, and the seismic acquisition programs on Block 10BB in Kenya and the Ogaden blocks in Ethiopia.

The increase in total assets from December 31, 2010 to September 30, 2011 is primarily attributable to the funds raised on the Horn private placement and closing of the acquisitions of Centric and Lion which were funded primarily by the issuance of shares.

Consolidated Statement of Cash Flows

(Unaudited; United States Dollars)

	Three months ended September 30, 2011	Three months ended September 30, 2010	Nine months ended September 30, 2011	Nine months ended September 30, 2010
Cash flows provided by (used in):				
Operations:				
Net loss and comprehensive loss for the period	$ (12,055,028)	$ (18,861,697)	$ (12,254,468)	$ (15,791,169)
Item not affecting cash:				
Stock-based compensation	908,550	158,227	2,790,484	790,243
Depreciation	8,480	13,796	41,739	62,877
Loss on marketable securities	395,800	-	540,475	-
Gain on acquisition of Lion Energy	-	-	(4,143,051)	-
Impairment of intangible exploration assets	-	-	6,969,413	-
Dilution loss on sale of subsidiary	4,578,634	-	4,578,634	-
Fair value adjustment - warrants	(2,292,353)	8,469,179	(4,835,461)	5,863,448
Fair value adjustment - convertible debt	-	9,468,887	(2,031,704)	6,570,429
Unrealized foreign exchange (gain)/loss	5,208,612	(240,931)	2,895,612	(356,483)
Changes in non-cash operating working capital:				
Accounts receivable and prepaid expenses	(474,088)	14,306	(230,165)	16,333
Accounts payable and accrued liabilities	(150,589)	87,161	(162,556)	794,735
	(3,871,982)	(891,072)	(5,841,048)	(2,049,587)
Investing:				
Property and equipment expenditures	-	(3,244)	(35,850)	(7,203)
Intangible exploration expenditures	(9,391,726)	(8,538,194)	(20,402,721)	(12,871,703)
Farmout proceeds, net	-	-	14,900,160	-
Cash received on business acquisitions, net of cash issued	-	-	18,636,869	-
Proceeds on disposal of Canmex, net of investment in Horn	29,923,128	-	29,923,128	-
Changes in non-cash investing working capital:				
Accounts receivable and prepaid expenses	1,068,104	750,537	1,612,468	3,721,407
Accounts payable and accrued liabilities	(4,404,921)	3,891,654	2,361,416	2,753,177
	17,194,585	(3,899,247)	46,995,470	(6,404,322)
Financing:				
Common shares issued, net of issuance costs	259,129	23,176,474	3,019,716	23,196,477
Repayment of liability portion of convertible debt	-	(446,347)	(411,220)	(854,296)
Deposit of cash for bank guarantee	(723,750)	(1,087,500)	(2,175,000)	(1,087,500)
Release of bank guarantee	1,087,500	-	2,887,500	-
Changes in non-cash financing working capital:				
Accounts payable and accrued liabilities	-	-	168,569	-
	622,879	21,642,627	3,489,565	21,254,681
Effect of exchange rate changes on cash and cash equivalents denominated in foreign currency	(5,036,635)	240,931	(2,766,787)	356,483
Increase in cash and cash equivalents	8,908,847	17,093,239	41,877,200	13,157,255
Cash and cash equivalents, beginning of period	$ 109,094,187	$ 7,209,502	$ 76,125,834	$ 11,145,486
Cash and cash equivalents, end of period	$ 118,003,034	$ 24,302,741	$ 118,003,034	$ 24,302,741
Supplementary information:				
Interest paid	Nil	446,347	411,220	854,296
Taxes paid	Nil	Nil	Nil	Nil

The increase in cash in 2011 is mainly a result of the Horn private placement, cash acquired through the Lion acquisition, proceeds received on the close of the Tullow farmout, offset partially by intangible exploration expenditures and operating expenses.

Consolidated Statement of Equity Attributable to Commonshareholders

(Unaudited; United States Dollars)

		September 30, 2011		September 30, 2010
Share capital:				
Balance, beginning of period	$	163,231,076	$	62,712,759
Acquisition of Centric Energy		60,165,193		-
Acquisition of Lion Energy, net of AOC shares aquired		21,561,185		-
Issued on conversion of convertible debenture		52,214,817		-
Amended farmout agreement with Lion Energy		5,274,675		-
Private placement, net		-		23,176,474
Exercise of warrants		3,023,756		-
Assignment of Blocks 12A and 13T in Kenya		-		3,243,470
Farmout ageement finder's fees		166,858		422,588
Exercise of options		872,349		29,549
Balance, end of period		306,509,909		89,584,840
Contributed surplus:				
Balance, beginning of period	$	4,391,940	$	3,313,753
Expiration of warrants		3,676		-
Acquisition of Lion Energy		110,606		-
Stock based compensation		2,790,484		790,243
Issuance of shares in lieu of finder's fee		(166,858)		-
Exercise of options		(262,500)		(9,546)
Balance, end of period		6,867,348		4,094,450
Deficit:				
Balance, beginning of period	$	(56,570,350)	$	(37,076,017)
Dilution loss through equity		(8,069,447)		
Net loss and comprehensive loss attributable to common shareholders		(11,339,261)		(15,791,169)
Balance, end of period		(75,979,058)		(52,867,186)
Total equity attributable to common shareholders		237,398,199		40,812,104
Non-controlling interest:				
Balance, beginning of period	$	-	$	-
Non-controlling interest on disposal of Canmex		34,604,620		-
Net loss and comprehensive loss attributable to non-controlling interest		(915,207)		-
Balance, end of period		33,689,413		-
Total equity	$	271,087,612	$	40,812,104

The Company's consolidated financial statements, notes to the financial statements, management's discussion and analysis and Annual Information Form have been filed on SEDAR (www.sedar.com) and are available on the Company's website (www.africaoilcorp.com). The Annual Information Form includes the Company's reserves and resource data for the period ended December 31, 2010 and other oil and natural gas information prepared in accordance with National Instrument 51-101 Standards of Disclosure for Oil and Gas Activities.

Outlook

AOC and its partners have an aggressive exploration program planned for the next two years, which is anticipated to include seismic and drilling across a variety of play types and geographic areas of operation. The Company enters the third quarter 2011 in an extremely strong financial position with working capital in excess of $110 million. Additional financing is not required at this time to meet current operational plans.

New discoveries have been announced on trend with the Company's virtually unexplored land position including the major Tullow Oil plc Albert Graben oil discovery in neighboring Uganda. Similar to the Albert Graben play model, the Company's concessions have older wells, a legacy database, and host numerous oil seeps indicating a proven petroleum system. Good quality existing seismic show robust leads and prospects throughout the AOC's project areas.

Africa Oil Corp. is a Canadian oil and gas company with assets in Kenya, Ethiopia, Puntland (Somalia) and Mali. Africa Oil's East African holdings are in within a world-class exploration play fairway with a total gross land package in this prolific region in excess of 300,000 square kilometers. The East African Rift Basin system is one of the last of the great rift basins to be explored. New discoveries have been announced on all sides of Africa Oil's virtually unexplored land position including the major Albert Graben oil discovery in neighbouring Uganda. Similar to the Albert Graben play model, Africa Oil's concessions have older wells, a legacy database, and host numerous oil seeps indicating a proven petroleum system. Good quality existing seismic show robust leads and prospects throughout Africa Oil's project areas. The Company is listed on the TSX Venture Exchange and on First North at NASDAQ OMX-Stockholm under the symbol "AOI".

FORWARD-LOOKING STATEMENTS

Certain statements made 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. Forward-looking statements include, but are not limited to, statements with respect to estimates of reserves and or resources, future production levels, future capital expenditures and their allocation to exploration and development activities, future drilling and other exploration and development activities, ultimate recovery of reserves or resources and dates by which certain areas will be explored, developed or reach expected operating capacity, that are based on forecasts of future results, estimates of amounts not yet determinable and assumptions of management.

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, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking statements. The Company believes that the expectations reflected in those forward-looking statements are reasonable, but 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 oil prices, results of exploration and development activities, uninsured risks, regulatory changes, defects in title, availability of materials and equipment, timeliness of government or other regulatory approvals, actual performance of facilities, availability of financing on reasonable terms, availability of third party service providers, equipment and processes relative to specifications and expectations and unanticipated environmental impacts on operations. Actual results may differ materially from those expressed or implied by such forward-looking statements.

ON BEHALF OF THE BOARD

"Keith C. Hill"
President and CEO

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Africa Oil's Certified Advisor on NASDAQ OMX First North is E. Öhman J:or Fondkommission AB (Pareto Ohman), part of the Pareto Securities Group.