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NEWS RELEASE

NGAMIA-1 WELL UPDATE

May 25, 2012 (AOI-TSXV, AOI-NASDAQ OMX) ... Africa Oil Corp. ("Africa Oil" or the "Company") is pleased to report an update on the Ngamia-1 well currently being drilled on Block 10BB in Kenya. The Operator of the well, Tullow Oil plc, announced this morning that they are now drilling in the primary target and initial results appear to indicate the well has intersected further oil bearing sands.

The Ngamia-1 well has encountered oil and gas shows over a gross interval of 140 metres from a depth of 1,800 metres to 1,940 metres. The reservoirs are similar to those previously encountered at a shallower depth. The well will continue to be drilled to a total depth of 2,700 metres and then logged and sampled. This is expected to take a further three weeks to complete.

Africa Oil Corp. is a Canadian oil and gas company with assets in Kenya, Ethiopia and Mali as well as Puntland (Somalia) through its 51% equity interest in Horn Petroleum Corporation. 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 Pareto Öhman AB.

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