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NEWS RELEASE

AFRICA OIL ANNOUNCES NEW GAS DISCOVERY AT SALA PROSPECT IN BLOCK 9 IN KENYA

June 24, 2014 (AOI-TSX, AOI-NASDAQ OMX First North) ... Africa Oil Corp. (“Africa Oil” or the “Company”) is pleased to announce it has made a gas discovery in Block 9 onshore Kenya. The Sala-1 drilled a large 80 square kilometer anticlinal feature along the northern basin bounding fault in the Cretaceous Anza graben and encountered several sandstone intervals which had oil and gas shows. The well was drilled to a total depth of 3030 meters and petrophysical analysis indicated three zones of interest over a 1000 meter gross interval which were subsequently drill stem tested. An upper gas bearing interval tested dry gas at a maximum rate of 6 mmcf/d from a 25 meter net pay interval. The interval had net reservoir sand of over 125 meters and encountered a gas water contact so there is potential to drill up-dip on the structure where this entire interval will be above the gas-water contact. A lower interval tested at low rates of dry gas from a 50m potential net pay interval which can also be accessed at the up-dip location. It should also be noted that there were oil shows while drilling and small amounts of oil were recovered during drilling and testing which indicates there may be potential for oil down-dip on the structure. Africa Oil is the Operator of Block 9 with a 50% working interest. Marathon Oil Kenya Limited B.V. has the remaining 50% interest.

An appraisal plan to follow up this discovery is currently being evaluated by the partnership in consultation with the Kenyan government. Plans being discussed include an up-dip location to confirm the areal extent of the gas zones tested where the full net sand interval can be intersected above the gas-water contact. The partnership is also considering a down-dip appraisal location to test an on-lapping stratigraphic wedge on the flanks of the structure which is of the same age as the zones in the nearby Ndovu-1 well which had oil and gas shows.

In addition, the Company is considering drilling an appraisal well on the crest of the large Bogal structure to confirm this large potential gas discovery which has closure over an area of up to 200 square kilometers. The gross best estimate of prospective resources for Bogal are 1.8 trillion cubic feet of gas based on a third-party independent resource assessment. The Company currently has two optional slots on the Great Wall drilling rig used to drill the Sala-1 well that are available for this appraisal program.

The Company believes there is a very strong market for gas development in Kenya and have already engaged in discussions with power companies and the government to potentially fast track a gas to power project that could add significant value and create benefits for the people of Kenya. In 2013 the Government of Kenya launched its “+5000 MW by 2016 - Power to transform Kenya” initiative with ambitious plans to increase Kenya’s power generating capacity by 5,000 Mega Watts in 40 months. This plan includes significant generating capacity fuelled by imported LNG and coal which are currently being bid. The discovery of indigenous gas in significant quantities in Block 9 has the potential to offer a far more cost effective fuel source for these power projects that will also provide positive environmental and local development benefits. Significant interest exists with development agencies and commercial independent power producers to partner on power developments in Kenya.

Africa Oil CEO Keith Hill stated, “We are very excited about the opening a new basin and the possibilities of bringing significant value to the Company by our Block 9 discovery. Not only is there a great need for power in Kenya, there is also the potential for downdip oil and for additional prospects on trend. We have a number of leads along this basin bounding fault and additional seismic data is being considered. We continue to have a very active exploration and appraisal program in both Kenya and Ethiopia and have

made significant progress in moving the South Turkana pipeline and development program forward in cooperation with the Kenyan government.”

The Company is also pleased to update additional exploration and appraisal activities in Kenya and Ethiopia.

In Kenya, the Company has 4 additional rigs active in the South Turkana Basin where oil discoveries have previously been announced at Ngamia, Twiga, Agete, Amosing, Ekales, Etuko and Ewoi.

The PR Marriott 46 rig has recently completed the Ngamia-2 well which was drilled 1.7 km from the Ngamia-1 discovery well to test the northwest flank of the prospect. The well encountered up to 39 meters of net oil pay and 11 meters of net gas pay and appears to have identified a new fault block trap north of the main Ngamia accumulation. The reservoirs were high quality with more than 200 meters of net reservoir sands with good permeability inferred from MDT sampling. The well has been suspended for testing and the rig will continue to drill up to 4 additional appraisal wells in the Ngamia field area for an extended well test program. A 3D seismic program is currently being concluded over the field area which should allow for detailed mapping of the fault trends.

The SMP-5 rig has completed testing operations on the Agete-1 well where it confirmed the Auwerwer pay previously released, the well flow rate was tested at 500 barrels of oil per day. This rig is now currently on location at the Ewoi-1 discovery and is preparing to test, after which it will continue to be used to test discovery and appraisal wells in this basin.

The Weatherford 804 rig is currently drilling the Agete-2 downdip appraisal well and will then move to drill the Etom prospect located 7 kilometers north of the Agete discovery along the basin bounding ‘string of pearls’ trend.

The Sakson PR-5 rig is drilling ahead on the Amosing-2 downdip appraisal well, with a planned sidetrack, and will then move to drill the Kodos and Epir (formerly Aze) prospects, which will be the first exploratory wells to test the Kerio Basin, located immediately adjacent to the prolific S. Lokichar basin.

Finally, the Exalo 205 rig is drilling ahead on the Gardim prospect, located in the Chew Bahir basin in the South Omo block in Ethiopia. The partnership is in discussions on the next prospect to be considered for drilling in this block.

About Africa Oil Corp.

Africa Oil Corp. is a Canadian oil and gas company with assets in Kenya and Ethiopia as well as Puntland (Somalia) through its 45% equity interest in Horn Petroleum Corporation. Africa Oil's East African holdings are within a world-class exploration play fairway with a total gross land package in this prolific region in excess of 215,000 square kilometres. The East African Rift Basin system is one of the last of the great rift basins to be explored. Seven new significant discoveries have been announced in the Northern Kenyan basin in which the Company holds a 50% interest along with operator Tullow Oil plc. The Company is listed on the Toronto Stock 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.

Cautionary Statements regarding Well Test Results

Drill stem tests are commonly based on flow periods of 1 to 5 days and build up periods of 1 to 3 days. Pressure transient analysis has not been carried out on all well tests and the results should therefore be considered as preliminary. Well test results are not necessarily indicative of long-term performance or of ultimate recovery.

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 Securities AB.