



**Notice of Special Meeting  
and  
Information Circular**

September 18, 2020

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### Notice of the Special Meeting of Shareholders

Africa Energy Corp. (“**Africa Energy**” or the “**Company**”) welcomes you to attend the Special Meeting (the “**Meeting**”) of the shareholders of Africa Energy, which will be held on Thursday, October 15, 2020 at 9:00 am (Pacific time) at **Suite 2000, 885 West Georgia Street, Vancouver, British Columbia, V6X 3E8** for the following purposes:

1. to consider and, if deemed advisable, approve the ordinary resolution, as more particularly set forth in the accompanying management information circular (the “**Circular**”) relating to the approval of the creation of Impact Oil and Gas Limited as a “**Control Person**” (as defined in the policies of the TSX Venture Exchange) of the Company and approving the terms of the Main Street Transactions (as defined in the Circular); and
2. to transact such further or other business as may properly come before the Meeting or any adjournment thereof.

Accompanying this Notice of Meeting are: (i) the Circular and (ii) an Instrument of Proxy and Notes thereto.

**Due to the unprecedented public health impact of the coronavirus outbreak (COVID-19) and in consideration of the health and safety of our shareholders, team members and the broader community, as well as the restrictions on mass gatherings implemented by the Government of British Columbia, the Company will be strictly restricting physical access to the Meeting to registered shareholders and formally appointed proxyholders and will not be permitting any others (including beneficial shareholders that hold their common shares through a broker or other intermediary) to attend.**

**Shareholders are strongly encouraged not to attend the meeting in person.** In accordance with any restrictions on gatherings implemented by the Government of British Columbia and the City of Vancouver in effect as of the date of the Meeting, if more people than are permitted to gather choose to attend the Meeting in person, the Meeting, by necessity, will be rescheduled to a later date. In addition, the Company will follow all other public health recommendations of the Government of British Columbia and the City of Vancouver, including potential screening of attendees at the Meeting.

If you are a registered shareholder of the Company and are unable to attend the Meeting in person, please complete, sign, date and return the enclosed form of Proxy according to the instructions provided on the Proxy before 9:00 a.m. (Pacific time) on Thursday, October 8, 2020.

If you are a non-registered shareholder of the Company and receive these materials through your broker or through another intermediary, please complete and return the materials in accordance with the instructions provided to you by your broker or such other intermediary. If you are a non-registered shareholder and do not complete and return the materials in accordance with such instructions, you may lose the right to vote at the Meeting, either in person or by proxy.

If you have any questions about the procedures required to qualify to vote at the Meeting or about obtaining and depositing the required form of proxy, you should contact the Company’s transfer agent, Computershare Investor Services Inc. by telephone (toll free) at 1-800-564-6253, by fax at 1-866-249-7775 or by e-mail at [service@computershare.com](mailto:service@computershare.com).

**DATED** at Vancouver, British Columbia the 18th day of September 2020.

Yours truly,

(Signed) “Garrett Soden”

Garrett Soden  
President & Chief Executive Officer



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## MANAGEMENT INFORMATION CIRCULAR

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### Meeting Details

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Africa Energy Corp. (“**Africa Energy**”, or the “**Company**”) will hold a special meeting of its shareholders on Thursday, October 15, 2020, at Suite 2000, 885 West Georgia Street, Vancouver, BC, V6C 3E8. This Management Information Circular (the “**Circular**”) provides the Company’s shareholders with important information about the Meeting, the business of the Meeting and how shareholders can participate and vote.

### About Africa Energy

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Africa Energy is a Canadian oil and gas company with exploration assets offshore South Africa and Namibia. The Company is focused on high-impact exploration in Africa. Africa Energy is part of the Lundin Group of Companies.

### Financial Information

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Africa Energy’s functional and reporting currency is the United States dollar. Unless otherwise indicated, all currency amounts referred to in this Circular are stated in United States dollars.

### Voting Procedures if Your Shares Trade on TSX Venture Exchange (“TSXV”)

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The Company’s management team is soliciting your proxy for the Meeting at the Company’s expense. While it is expected that the solicitation will be made primarily by mail, proxies may be solicited personally or by telephone by directors, officers and employees of the Company. Shareholders who held common shares (“**Common Shares**”) in the Company on September 9, 2020 (“**Record Date**”) are entitled to attend the Meeting and vote their Common Shares in person or vote their shares by proxy.

**The individuals named in the accompanying form of proxy are directors or officers of the Company who will vote your Common Shares for you, unless you exercise your entitlement to appoint someone else to be your proxyholder by striking out the names of the Management Proxyholders and by inserting the desired person’s or company’s name in the blank space provided in the proxy, or by executing a proxy in a form similar to the enclosed form and delivering the completed form of proxy to Computershare prior to the Meeting or any adjournment. A proxyholder need not be a shareholder. However, if you appoint another person or company, they must be present at the Meeting to vote your Common Shares on your behalf.**

If you return your proxy form and do not indicate how you want to vote your Common Shares, your vote will be cast in favour of the matters set forth herein.

### Voting as a Registered Shareholder

The Company’s registered shareholders have Common Shares that are registered in their name and they have a share certificate. Registered shareholders can choose to vote their Common Shares in the following manner:

You are welcome to attend the Meeting, identify yourself to the representative from Computershare before entering the Meeting and register your attendance at the Meeting in order to vote.

**In Person**

The situation regarding the wide-spread COVID-19 virus is continuing to evolve. The Company is monitoring the situation and will take actions necessary to put the health and safety of our personnel and shareholders first. In the event that we make a decision that influences your attendance at the Meeting, we will inform shareholders via a news release in advance of the Meeting.<sup>1</sup>

**By Mail**

If you vote your Common Shares by proxy by mail, completed forms of proxies must be delivered to the Company's transfer agent, Computershare Investor Services Inc. ("**Computershare**"), at Proxy Department, 100 University Avenue, 8th Floor, Toronto, Ontario, Canada M5J 2Y1, in the envelope provided for that purpose.

**By Telephone**

For telephone voting, call 1-866-732-VOTE (8683) (toll free in Canada and the United States) from a touch-tone telephone and follow the voting instructions. International holders wishing to vote by telephone can dial 1-312-588-4290 to place their vote. If you vote by telephone, you cannot appoint anyone other than the appointees named on the proxy form as your proxyholder. You will need your 15-digit control number that is noted on your proxy form.

**On the Internet**

For internet voting, go to [www.investorvote.com](http://www.investorvote.com) and follow the instructions on the screen. You will need your 15-digit control number that is noted on your proxy form.

Duly completed forms of proxy or a vote using the telephone or over the Internet must be completed no later than 9:00 a.m. (Pacific time) on October 8, 2020, unless the chair of the Meeting elects to exercise their discretion to accept proxies subsequently received.

**Voting as a Beneficial Shareholder**

If you are a Beneficial Shareholder (defined below) and receive these materials through your broker or through another intermediary, please complete and return the form of proxy in accordance with the instructions provided by your broker or other intermediary using the voting instruction form ("**VIF**").

**If you have any questions concerning how to complete the voting instruction form or regarding the voting of your Common Shares, please contact Computershare at:**

**Mail:** **Computershare Investor Services**  
100 University Avenue, 8<sup>th</sup> Floor  
Toronto, ON M5J 2Y1

**Telephone:** **1-800-564-6253**

**Voting as a Non-Registered Shareholder**

Shareholders who hold their securities through their brokers, intermediaries, trustees or other persons, or who otherwise do not hold their securities in their own name (referred to in this Circular as "**Beneficial Shareholders**") should note that only proxies deposited by shareholders who appear on the records maintained by the Company's registrar and transfer agent as registered holders of voting securities will be recognized and acted upon at the Meeting. If voting securities are listed in an account statement provided to a Beneficial Shareholder by a broker, those voting securities will, in all likelihood, not be

registered in the shareholder's name. Such voting securities more likely will be registered under the name of the shareholder's broker or an agent of that broker. **Each Beneficial Shareholder should ensure that voting instructions are communicated to the appropriate person well in advance of the Meeting.**

Existing regulatory policy requires brokers and other intermediaries to seek voting instructions from Beneficial Shareholders in advance of shareholders' meetings. The various brokers and other intermediaries have their own mailing procedures and provide their own return instructions to clients, which should be carefully followed by Beneficial Shareholders in order to ensure that their voting securities are voted at the Meeting. The form of proxy supplied to a Beneficial Shareholder by its broker (or the agent of the broker) is substantially similar to the instrument of proxy provided directly to registered shareholders by the Company and is commonly referred to as a “**voting instruction form**” or “**VIF**”. However, its purpose is limited to instructing the registered shareholder (i.e., the broker or agent of the broker) how to vote on behalf of the Beneficial Shareholder. The vast majority of brokers now delegate responsibility for obtaining instructions from clients to Broadridge Investor Communications Solutions, Canada (“**Broadridge**”). Broadridge typically prepares a machine-readable voting instruction form, mails such forms to Beneficial Shareholders and asks Beneficial Shareholders to return the forms to Broadridge or otherwise communicate voting instructions to Broadridge (by way of the Internet or telephone, for example). Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of Common Shares to be represented at the Meeting. **A Beneficial Shareholder who receives a Broadridge voting instruction form cannot use that form to vote their securities directly at the Meeting. The VIF must be returned to Broadridge (or instructions respecting the voting of securities must otherwise be communicated to Broadridge) well in advance of the Meeting in order to have the securities voted. If you have any questions respecting the voting of securities held through a broker or other intermediary, please contact that broker or other intermediary promptly for assistance.** Although a Beneficial Shareholder may not be recognized directly at the Meeting for the purposes of voting securities registered in the name of his broker, a Beneficial Shareholder may attend the Meeting as proxyholder for the registered shareholder and vote the securities in that capacity. **Beneficial Shareholders who wish to attend the Meeting and indirectly vote their securities as proxyholder for the registered shareholder should enter their own names in the blank space on the form of proxy provided to them and return the same to their broker (or the broker's agent) in accordance with the instructions provided by such broker.**

#### **How to Change Your Vote/Revocation of Proxies**

A registered shareholder who has returned a proxy may revoke it at any time before it has been exercised. In addition to revocation in any other manner permitted by law, a proxy may be revoked by instrument in writing, including a proxy bearing a later date, executed by the registered shareholder or by their attorney authorized in writing or, if the registered shareholder is a company, under its corporate seal or by a duly authorized officer or attorney. The instrument revoking the proxy must be deposited at the registered office of the Company, at Suite 2000 Park Place, 885 West Georgia Street, Vancouver, B.C., V6C 3E8 (Attention: Africa Energy Corp.) at any time up to and including the last business day preceding the date of the Meeting, or any adjournment, or with the Corporate Secretary of the Company or the chairman of the Meeting prior to the time of voting at the Meeting. Only registered shareholders have the right to revoke a proxy. **Beneficial Shareholders who wish to change their vote must arrange for their respective intermediaries to revoke the proxy on their behalf.**

## Voting Procedures if Your Common Shares Trade on the Nasdaq First North Growth Market Exchange

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The information set forth in this section is of significance to shareholders who hold their securities (“Euroclear Registered Securities”) through Euroclear Sweden AB, which securities trade on Nasdaq First North Growth Market.

Shareholders who hold Euroclear Registered Securities are not registered holders of voting securities for the purposes of voting at the Meeting. Instead, Euroclear Registered Securities are registered under CDS & Co., the registration name of the Canadian Depositary for Securities.

Holders of Euroclear Registered Securities will receive a VIF by mail directly from Computershare AB (“**Computershare Sweden**”). Additional copies of the VIF, together with the Circular, can also be obtained from Computershare Sweden and are available on the Company’s website ([www.africaenergycorp.com](http://www.africaenergycorp.com)). The VIF cannot be used to vote securities directly at the Meeting. Instead, the VIF must be completed and returned to Computershare Sweden, strictly in accordance with the instructions and deadlines that will be described in the instructions provided with the VIF.

**If you have any questions concerning how to complete the VIF or regarding the voting of Euroclear Registered Securities, please contact Computershare Sweden at:**

**Mail:** **Computershare AB**  
“General Meeting of Africa Energy Corp.”  
PO Box 610  
SE – 182 16 Danderyd  
Sweden

**Telephone:** **+46 (0) 77 24 64 00**

**E-mail:** **info@computershare.se**

## Voting Securities and Principal Holders

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The Company is authorized to issue an unlimited number of Common Shares of which 802,273,268 Common Shares are issued and outstanding as at the Record Date. Each Common Share is entitled to one vote.

To the knowledge of the Company’s directors and executive officers, the following entities beneficially own, or control or direct, directly or indirectly, 10% or more of the issued and outstanding Common Shares of the Company:

Africa Oil Corp.	•Common Shares: <b>256,982,414</b> •Percentage: <b>32.03%</b>
Lorito Holdings (Guernsey) Limited (“ <b>Lorito</b> ”) and Zebra Holdings and Investments (Guernsey) Limited (“ <b>Zebra</b> ”) <sup>(1)</sup>	•Common Shares: <b>84,914,544</b> •Percentage: <b>10.58%</b>

<sup>(1)</sup> Lorito and Zebra are private companies ultimately controlled by a trust whose settlor was the late Adolf H. Lundin.

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## BUSINESS OF THE SPECIAL MEETING

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### 1. General

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To the knowledge of the board of directors of the Company, the only matters to be brought before the Meeting are those matters set forth in the accompanying Notice of Meeting.

The information concerning Impact Oil and Gas Limited (“**Impact**”), Impact Oil & Gas SA Blocks 11B-12B Limited (“**Impact 11B/12B**”) and Arostyle Investments (RF) (Proprietary) Limited (“**Arostyle**”) in this Circular has been provided by Impact, Impact 11B/12B and Arostyle, respectively. Although the Company has no knowledge that would indicate that such information is untrue or incomplete, the Company does not assume any responsibility for the accuracy or completeness of such information.

### 2. Disinterested Shareholders

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Africa Oil Corp. (“**Africa Oil**”) holds 32.03% of the Common Shares. Africa Oil also holds approximately 31% of the issued and outstanding ordinary shares of Impact. Mr. Keith Hill, a director of the Company, is also a director of Africa Oil and Impact. Mr. Ian Gibbs, a director of the Company, is also a director of Africa Oil. Africa Oil, Mr. Gibbs, and Mr Hill are considered “Non Arm’s Length” parties of the Company and therefore, Africa Oil, Mr. Gibbs, and Mr. Keith Hill are excluded from voting on the Main Street Resolution. To the knowledge of the Company, Mr. Hill owns 700,000 Common Shares. To the knowledge of the Company, Mr. Gibbs does not own any Common Shares. Collectively, Africa Oil, Mr. Keith Hill and Mr. Ian Gibbs hold 257,682,414 Common Shares, or approximately 32.12% of the Common Shares.

Shareholders of the Company (the “**Disinterested Shareholders**”), other than Africa Oil, Mr. Ian Gibbs and Mr. Keith Hill, are asked to consider and if deemed advisable, approve the Main Street Resolution.

### 3. Approval of the Creation of Impact as a Control Person of the Company and the Main Street Transactions

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On August 24, 2020, the Company entered into definitive agreements to increase its effective interest in Block 11B/12B offshore South Africa from 4.9% to 10% (the “**Participating Interest**”), subject to various consents and approvals.

The Company currently holds 49% of the shares in Main Street 1549 Proprietary Limited (“**Main Street**”), which holds the Participating Interest. Total E&P South Africa B.V. is operator and has a 45% participating interest in Block 11B/12B, while Qatar Petroleum International Upstream LLC and CNR International (South Africa) Limited have 25% and 20% participating interests, respectively, in Block 11B/12B.

The Company is pursuing two transactions by which Africa Energy will (a) secure the indirect financial interest held by Impact 11B/12B (the “**Impact Transaction**”), a wholly owned subsidiary of Impact, and (b) obtain an option from Arostyle, which holds 51% of the shares in Main Street, to acquire the entire Participating Interest after drilling the Luiperd-1X well (the “**Arostyle Option**”). Following the Impact Transaction and exercise of the Arostyle Option, subject to various consents and approvals, Africa Energy will directly hold the Participating Interest, and both Impact and Arostyle will be significant shareholders of Africa Energy.

#### Impact Transaction

In December 2018, Impact 11B/12B entered into a loan agreement with Arostyle and Main Street (the “**Arostyle Loan Agreement**”). Under the Arostyle Loan Agreement, Impact 11B/12B advanced approximately \$35.2 million to enable Arostyle



to fund its proportionate share of Main Street's Block 11B/12B entry costs and subsequent exploration expenditures for the Participating Interest. The terms of the Arostyle Loan Agreement provide Impact 11B/12B with a risk-adjusted return linked to the proceeds on any future sale of the Participating Interest.

The Company has entered into an investment agreement (the "**Investment Agreement**") with Impact and Impact 11B/12B whereby it has agreed to subscribe for new shares in Impact 11B/12B and thereby obtain control of Impact 11B/12B.

The Investment Agreement provides that the Company will subscribe for 100% of a new class of shares ("**Impact Class B Shares**") in Impact 11B/12B. The Impact Class B Shares will contain multiple voting rights that provide the Company with 99% of the aggregate voting rights and provide priority regarding dividends due to Impact on distributions relating to amounts received by Impact 11B/12B pursuant to the Arostyle Loan Agreement. The Impact Class B Shares will be issued to the Company in return for the issue by the Company to Impact 11B/12B of unsecured subordinated loan notes with a maturity date of December 31, 2020.

Impact has entered into a subscription agreement with the Company to subscribe for 509,092,771 Common Shares (the "**Subscription Shares**") which will be issued shortly following closing of the subscription by the Company for the Impact Class B Shares.

The Investment Agreement provides Impact with the right, for so long as it holds not less than 10% of the Common Shares, to appoint one (1) nominee to the board of directors of the Company. The Investment Agreement also provides for certain orderly market covenants in respect of any dispositions by Impact of the Subscription Shares, customary standstill provisions for a period of 12 months and certain restrictions on the issuance of Common Shares (or securities convertible into Common Shares) by the Company prior to closing of the Impact Transaction, subject to certain exceptions.

Closing of the Impact Transaction is independent of the Arostyle Transaction (defined below) but subject to approval by the Disinterested Shareholders and the TSXV.

#### Arostyle Transaction

In parallel with the Impact Transaction, the Company and Arostyle have entered into an implementation agreement (the "**Implementation Agreement**") that provides for certain amendments to the existing Main Street shareholders' agreement ("**Main Street SHA**") and the Arostyle Loan Agreement and which among other things, provides for the Arostyle Option (defined below) (the "**Arostyle Transaction**", and together with the Impact Transaction, the "**Main Street Transactions**").

The amendments to the Main Street SHA provide that the Company will fund 100% of the future obligations of Main Street in respect of Block 11B/12B for a risk-adjusted return linked to the proceeds on any future sale of the Participating Interest. Pending closing of the various transactions pursuant to the Implementation Agreement, the Company will fund 100% of the obligations of Main Street in respect of Block 11B/12B immediately in accordance with the terms of the existing Main Street SHA which provides that such funding will be made as a loan. Upon closing of the Arostyle Transaction, such loan will be converted into class B shares of Main Street which provide for a risk adjusted return to the Company upon the sale of the Participating Interest. In the event the Arostyle Transaction is not completed, Arostyle will have thirty (30) days to repay such amount to the Company, failing which the Company may exercise certain rights of default, which could include seeking a sale of the Participating Interest.

The amendments to the Main Street SHA provide for the Arostyle Option whereby either of Arostyle or the Company has the right to require that the Participating Interest is sold to a wholly-owned subsidiary of the Company. The Arostyle Option will become exercisable by either party upon completion of the Luiperd-1X well for an unlimited time period and is subject to receiving all required regulatory approvals and joint venture partner consents and waivers. Completion of the exercise of the Arostyle Option would result in Arostyle being issued 64,455,916 Common Shares. In addition, the amendments to the Main Street SHA provides for a restriction on the issuance of Common Shares (or securities convertible into Common Shares), prior to completion of the Luiperd-1X well, subject to certain exceptions to fund expenditures at Main Street and if required to maintain the Company as a going concern, provided the issue price /conversion price is not less than C\$0.218.

### TSXV Conditional Approval

The Company has obtained conditional approval from the TSXV of the Main Street Transactions. Final approval of the TSXV for Main Street Transactions is subject to the satisfaction by the Company of various conditions, including but not limited to the filing of the requisite closing documents with the TSXV and the approval of Disinterested Shareholders of the Company for the creation of a new Control Person (defined below) and the terms of the Main Street Transactions.

### Benefits of the Transaction

As a combined result of the Main Street Transactions, the Company will hold a 10% direct interest in Block 11B/12B, which will provide the Company with several benefits, including:

- The Company's exposure to low risk exploration will increase in advance of the upcoming drilling campaign; and
- The simplification of the interest to facilitate a potential disposition of the Participating Interest in the future.

### Control Person

As a result of the issuance of the Subscription Shares to Impact pursuant to the Impact Transaction, it is expected that Impact will become a new "Control Person" (defined below) of the Company. At the Meeting, Shareholders are being asked to approve the creation of Impact as a new Control Person (defined below).

Under Section 5.14 of Policy 5.3 of the TSXV Corporate Finance Manual, if the Common Shares issued under the Impact Transaction will result in the creation of a new Control Person, the approval of the Disinterested Shareholders by way of ordinary resolution must be obtained for the creation of this new Control Person. A "**Control Person**" means any Person that holds or is one of a combination of Persons that holds a sufficient number of any of the securities of an issuer so as to affect materially the control of that issuer, or that holds more than 20% of the outstanding voting shares of an issuer except where there is evidence showing that the holder of those securities does not materially affect the control of the issuer.

Consequently, under the policies of the TSXV, the approval of Disinterested Shareholders to the creation of Impact as a new Control Person must be obtained. As of the date hereof, Impact does not hold any Common Shares. As mentioned above, upon completion of the Impact Transaction, it is expected that Impact will hold Common Shares representing more than 20% of all issued and outstanding Common Shares of the Company on a non-diluted basis.

### About Impact

Impact is a privately owned oil and gas exploration company with a strategic focus on large scale, mid to deep water plays of sufficient materiality to be of interest to major companies. Impact's objective is to build a world class portfolio of drillable prospects, in a number of different geologic and geographic locations to minimise risk. By doing so, and by having high-calibre oil industry partners validate its exploration concepts and ideas, Impact's management believes that it is positioned to potentially deliver substantial shareholder value in the medium to longer term.

Impact acquired its first asset offshore South Africa in 2011 and has subsequently expanded its asset base across the offshore margins of Southern and West Africa, partnering with super-majors across its portfolio. Impact's current portfolio covers a combined area of over 110,000 km<sup>2</sup> (gross) (including its indirect interest in Block 11B/12B).

## **The Main Street Resolution**

**BE IT RESOLVED** by ordinary resolution that:

1. *The creation of Impact Oil and Gas Limited as a Control Person (within the meaning set out in the policies of the TSXV) of the Company is hereby authorized and approved;*
2. *The Company be and is authorized to complete the Main Street Transactions on the terms and conditions substantially as described in the Circular;*
3. *Any one director or officer of the Company is hereby authorized to take all necessary acts and proceedings, to execute and deliver and file all applications, declarations, documents and other instruments and to do all such other acts (whether under corporate seal of the Company or otherwise) that may be necessary or desirable to give effect to the provisions of this resolution; and;*
4. *Notwithstanding the foregoing, the directors of the Company are hereby authorized, without further approval of or notice to the shareholders of the Company, to revoke this ordinary resolution in whole or in part at any time.*

## **4. Other Business**

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Management of the Company is not aware of any other matter to come before the Meeting, other than as set out in this Circular. However, if any other business is properly presented at the Meeting and may properly be considered and acted upon, proxies will be voted by those persons name in the Proxy in their discretion, including with respect to any amendments or variation to the matters identified in the Meeting materials.

## **Additional Information**

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Additional information relating to the Company is available on SEDAR under the Company's profile at [www.sedar.com](http://www.sedar.com).