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Press release

Africa Energy Announces 2025 Year End Results

March 25, 2026 – Africa Energy Corp. (TSX Venture: AFE) (Nasdaq First North: AEC) (“Africa Energy” or the “Company”), an oil and gas exploration company, announces financial and operating results for the year ended December 31, 2025.

Robert Nicolella, Africa Energy's CEO, commented, “We are feeling cautiously optimistic about the recent announcements made by key ministers in government regarding the importance of natural gas as a key transition fuel in the energy transition and the decision to proceed with determination of appeals against environmental authorizations. We believe this demonstrates the government’s commitment to attract investment to the industry and advance the development of its domestic resources to ensure energy security, which has been emphasized by recent conflict in the middle east.”

On March 5, 2026, the Honorable Minister of Mineral and Petroleum Resources, Mr. Gwede Mantashe, highlighted the role natural gas must play in closing the energy deficit in South Africa and that natural gas will be the most effective transition fuel. Further Mr. Gwede Mantashe identified Africa Energy Corp.’s discovered resources in Block 11B/12B¹, offshore South Africa, as a resource which the government of South Africa is seeking to accelerate development of.

On March 11, 2026, the newly appointed Honorable Minister of Forestry, Fisheries and the Environment, Mr. Willie Aucamp, announced that his department is proceeding with determination of appeals lodged against environmental authorizations granted for offshore oil and gas projects. Following the previous decision of the Western Cape High Court in South Africa to set aside an environmental authorization for the offshore exploration operations in Block 5/6/7 (held by unrelated parties), the former Minister of Forestry, Fisheries and the Environment made a decision to defer appeals lodged with his department following the granting of environmental authorizations pending the outcome of court proceedings in respect of the Block 5/6/7 judgement.

The Company took the prudent step of pausing its Environmental Authorization (“EA”) application for Block 11B/12B, offshore South Africa, following the previous decision by the Western Cape High Court. This allowed the Company to fully assess the implications of the new legal and regulatory landscape and ensure its EA application and development plans were optimally aligned. Concurrently, the Company’s technical team continues to advance technical work on various development scenarios.

2025 HIGHLIGHTS

- On February 28, 2025, Main Street 1549 Pty. Ltd. (“Main Street 1549”), appointed operator of Block 11B/12B in November of 2024, submitted a new Environmental Authorization (“EA”) application with a revised project scope.
- On March 31, 2025, the Company closed a non-brokered private placement of common shares and a shares-for-debt transaction, which significantly improved the Company’s financial position. These transactions allowed the Company to fully repay its debt, which consisted exclusively of obligations under the promissory note, and to provide it with an additional \$2.9 million after debt repayment

¹ Main Street 1549 currently holds a 10% participating interest in Block 11B/12B, offshore South Africa. The Company currently owns 49% of the common shares and 100% of the Class B shares of Main Street 1549.

for general working capital purposes and to advance the development of the Company's interest in Block 11B/12B.

- On May 28, 2025, the Company signed definitive agreements with Arostyle Investments (RF) (Proprietary) Limited ("Arostyle") to restructure their joint investment in Main Street 1549 (Proprietary) Limited ("Main Street 1549"), which holds the participating interest in Block 11B/12B. The restructuring will result in the Company (through Main Street 1549) holding a 75% participating interest in Block 11B/12B with Arostyle holding the remaining 25%. The definitive agreements are subject to all relevant regulatory approvals being obtained and remain subject to the fulfilment of certain conditions, including the regulatory transfer approval of the withdrawing parties interest in Block 11B/12B.
- Effective May 30, 2025, the Company completed a consolidation of the Company's shares on a 5:1 basis. After giving effect to the consolidation, the Company had 479,162,450 common shares issued and outstanding.
- At December 31, 2025, the Company had US\$3.2 million in cash, US\$3.0 million of working capital and no debt compared to US\$2.3 million in cash, US\$8.2 million of working capital deficiency and US\$10.4 million promissory note debt obligations at the end of 2024. In addition, Main Street 1549 had US\$1.6 million of cash at December 31, 2025.

OUTLOOK

The Company is focused on obtaining environmental authorization for development of discovered resources in Block 11B/12B so that it can obtain the Production Right approval. Early engagements with relevant stakeholders on gas supply has commenced in an effort to secure offtake customers for future development.

Subject to all relevant regulatory approvals by South African authorities with respect to the withdrawal of the joint venture partners in Block 11B/12B and completion of the restructuring of Main Street 1549, the Company expects to hold 75% direct interest in Block 11B/12B. Despite the challenges and delays encountered so far, the Company remains confident that the Block 11B/12B resources can be commercially developed. The Brulpadda and Luiperd discoveries are the largest discoveries of natural gas resources in South Africa and if developed could supply a significant portion of the country's energy needs required to achieve both sustainable economic growth and the transition to lower carbon energy sources.

FINANCIAL INFORMATION

(Audited; thousands, except per share amounts, US dollars)

	Year Ended December 31, 2025	Year Ended December 31, 2024
Operating income/(expenses)	(4,772)	(99,455)
Net income/(loss)	(4,957)	(100,615)
Net income/(loss) per share (basic and diluted)	(0.01)	(0.36)
Weighted average number of shares outstanding (basic)	430,981	281,562
Weighted average number of shares outstanding (diluted)	430,981	281,562
Number of shares outstanding	479,162	281,562
Cash flows provided by (used in) operations	(1,850)	(1,113)
Cash flows provided by (used in) investing	(216)	(582)
Cash flows provided by (used in) financing	2,858	2,300
Total change in cash and cash equivalents	855	597
Change in share capital	17,671	-
Change in contributed surplus	(3,818)	691
Change in deficit	4,957	100,615
Total change in equity	8,896	(99,924)

	December 31, 2025	December 31, 2024
Cash and cash equivalents	3,160	2,305
Total assets	41,134	42,577
Total liabilities	316	10,655
Total equity	40,818	31,922
Net working capital	2,954	(8,229)

The financial information in this table was selected from the Company's audited consolidated financial statements for the year ended December 31, 2025 (the "Financial Statements"), which are available on SEDAR at www.sedar.com and the Company's website at www.africaenergycorp.com.

EARNINGS TREND AND FINANCIAL POSITION

(Audited; US dollars)

Operating expenses decreased by \$94.7 million for the year ended December 31, 2025, compared to the same period in 2024. The Company recorded a \$97.4 million non-cash loss on revaluation of the financial asset during 2024 versus \$1.0 million during 2025. The non-cash loss on revaluation of the financial asset relates to the Company's investment in Block 11B/12B and was due mainly to changes in base assumptions for discount rate, development costs and operating expenditures.

At December 31, 2025, the Company had cash of \$3.2 million and working capital of \$3.0 million compared to cash of \$2.3 million and working capital deficiency of \$8.2 million at December 31, 2024. The increase in cash and working capital since December 31, 2024, can be mainly attributed to the completion of the shares for debt transaction and the private placement that completed March 31, 2025.

NEXT EARNINGS REPORT RELEASE

The Company plans to report its results for the three months ended March 31, 2026 on May 14, 2026.

About Africa Energy Corp.

Africa Energy Corp. is a Canadian oil and gas exploration company focused on South Africa. The Company is listed in Toronto on TSX Venture Exchange (ticker "AFE") and in Stockholm on Nasdaq First North Growth Market (ticker "AEC").

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Important information

This is information that Africa Energy is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication through the agency of the contact persons set out above on March 25, 2026, at 5:30 p.m. ET.

The Company's certified advisor on Nasdaq First North Growth Market is Bergs Securities AB, +46 739 49 62 50, rutger.ahlerup@bergssecurities.se.

Forward looking statements

Certain statements contained in this press release constitute forward-looking information. These statements relate to future events or the Company's future performance, business prospects and opportunities, which are based on assumptions of management.

The use of any of the words "will", "expected", "planned" and similar expressions and statements relating to matters that are not historical facts are intended to identify forward-looking information and are based on the Company's current belief or assumptions as to the outcome and timing of certain future events. These forward-looking statements involve risks and uncertainties relating to, among other things, changes in oil prices, results of exploration and development activities, including results, timing and costs of seismic, drilling and development related activity in the Company's area of operations and, uninsured risks, regulatory changes, defects in title, availability of funds required to participate in the exploration activities, or of financing on reasonable terms, availability of materials and equipment on satisfactory terms, outcome of commercial negotiations with government and other regulatory authorities, timeliness of government or other regulatory approvals, actual performance of facilities, availability of third party service providers, equipment and processes relative to specifications and expectations and unanticipated environmental impacts on operations. Actual future results may differ materially. Various assumptions or factors are typically applied in drawing conclusions or making the forecasts or projections set out in forward-looking information. Those assumptions and factors are based on information currently available to the Company. The forward-looking information contained in this release is made as of the date hereof and the Company is not obligated to update or revise any forward-looking information, whether as a result of new information, future events or otherwise, except as required by applicable securities laws. Because of the risks, uncertainties and assumptions contained herein, investors should not place undue reliance on forward-looking information. The foregoing statements expressly qualify any forward-looking information.

Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.