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## NEWS RELEASE

### AFRICA OIL ACQUIRES MAJOR EAST AFRICAN OIL EXPLORATION PORTFOLIO

#### CAD \$20 MILLION PRIVATE PLACEMENT

**February 4, 2009 (AOI – TSXV)...Africa Oil Corp.** (“Africa Oil” or “the Company”) is pleased to announce that it has signed a Share Purchase Agreement to acquire a large portfolio of East African oil exploration projects from Lundin Petroleum AB. The projects are located within a vastly underexplored region of the rich East African rift basin petroleum system. The projects acquired include an 85% working interest in Blocks 2, 6, 7 and 8 and a 50% working interest in the Adigala Block in Ethiopia plus a 100% interest in Block 10A and a 30% interest in Block 9 in Kenya. Africa Oil will assume operatorship of these projects excluding Block 9 in Kenya.

This new acreage is complementary to and consolidates Africa Oil's existing holdings in what is considered a truly world-class exploration play fairway. Upon conclusion of the transaction, the Company's total land package in this prolific region will be in excess of 200,000 square kilometers – an area roughly the size of Great Britain. Please see attached map.

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 Heritage/Tullow 1 billion+ barrel Albert Graben 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.

Exploration activity is now starting to pick up in the area, however, less than 200 wells to date have been drilled over the years in Ethiopia, Kenya and Somalia's hydrocarbon basins which encompass an area greater than 2.3 million square kilometers. For scale of reference, the North Sea basin encompasses 210,000 square kilometers and has seen over 4,600 wells (61 wells drilled before commercial oil). The North Sea reserve estimates are approximately 50 billion barrels of oil equivalent and current production is approximately 5.5 million barrels of oil equivalent per day. The Gulf of Suez has over 3,096 wells drilled within an area of 26,000 square kilometers. Reserves here are estimated at 8 billion barrels with production currently estimated at 700,000 barrels of oil per day.

Africa Oil has an aggressive exploration program planned over the next two years which will include seismic and drilling in both Ethiopia and Kenya, in addition to the previously announced upcoming drill program in Puntland, Somalia.

Rick Schmitt, President of Africa Oil, commented, “Through this transaction, Africa Oil has secured a major East African acreage position in all key petroleum systems which extend into the area. The Production Sharing Agreements provide excellent fiscal terms for exploration and development. The Company has identified numerous large and robust prospects on seismic and we look forward to the opportunity of exploring within a truly world class exploration play fairway”

Pursuant to the Share Purchase Agreement, Africa Oil will pay as consideration to Lundin Petroleum AB approximately US \$20 million which will be funded through a convertible loan from Lundin Petroleum AB maturing December 31, 2011 and at an interest rate of USD six-month LIBOR plus 3%. The loan,

including any accrued and unpaid interest, will be convertible, at the option of either Africa Oil or Lundin Petroleum AB, into shares of Africa Oil on the basis of CAD \$0.90 per common share.

The Company's existing CAD \$6 million loan (plus accrued interest) from a shareholder of the Company will be converted to Units of the Company on the basis of CAD \$1.00 per Unit. Each Unit will comprise one common share and one-half of a share purchase warrant. Each whole warrant is exercisable into one common share of Africa Oil at a price of \$1.50 per share over a period of two years. In the event that Africa Oil trades at or above CAD \$2.00 for a period of 30 consecutive days, a forced exercise provision will come into effect.

Concurrent with the Share Purchase Agreement, Africa Oil has agreed to sell, on a non-brokered, private placement basis, an aggregate of up to 20 million Units of the Company at a price of CAD \$1.00 per Unit for gross proceeds of CAD \$20 million. Each Unit will comprise one common share and one-half of a share purchase warrant. Each whole warrant is exercisable into one common share of Africa Oil at a price of \$1.50 per share over a period of two years. In the event that Africa Oil trades at or above CAD \$2.00 for a period of 30 consecutive days, a forced exercise provision will come into effect. A 5% finder's fee may be payable on all or a portion of the private placement. Net proceeds of the private placement will be used towards the planned work programs on the Company's projects in Ethiopia, Kenya and Somalia, as well as for general corporate purposes. The private placement is subject to regulatory approval.

The foregoing transactions are subject to all requisite regulatory and government approvals, as well as shareholder approval if required.

ON BEHALF OF THE BOARD

"Rick Schmitt"  
President

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