



Azinam to become Operator and 50% holder of Block 2B with the potential for the first major oil production offshore South Africa

Hamilton, Bermuda – Tuesday, February 25th, 2019:

Azinam Limited (“Azinam” or the “Company”), the Seacrest Capital-backed Southern Africa-focussed oil & gas company, is pleased to announce that following a deal with Africa Energy Corp. (“Africa Energy”) Azinam will become the Operator and 50% licence holder in Block 2B offshore South Africa, which contains the A-J1 oil discovery. Following completion of the transaction, Azinam and licence partners will drill up-dip of the A-J1 discovery, targeting 349 million barrels of oil (Best Estimate Gross Prospective Resources). The Block 2B area has the potential to provide the first major oil production offshore South Africa, and the first production in the Orange Basin.

Block 2B is located in the Orange Basin and covers 3,604 square kilometres off the west coast of South Africa 300 kilometres north of Cape Town with water depths ranging from 50 to 200 meters. Oil was discovered and tested on the block by Soekor in the A-J1 borehole drilled in 1988. Thick reservoir sandstones were intersected between 2,985 meters and 3,350 meters. The well was tested and flowed 191 barrels of oil per day of 36 degree API oil from a 10 meter sandstone interval at about 3,250 meters. The 686 square kilometre 2013 3D seismic data confirmed the up-dip prospectivity of the A-J1 discovery and significant further prospectivity.

Under the terms of the farmout agreement with Africa Energy, Azinam will acquire a 50.0% participating interest in Block 2B. Upon completion Azinam will become Operator of Block 2B on behalf of the joint venture partners. Africa Energy will retain a 27.5% participating interest in the block. Simultaneously, Panoro Energy will become a 12.5% participating interest holder on the licence. Crown Energy AB indirectly holds the remaining 10% participating interest.

Daniel McKeown, Managing Director of Azinam, commented:

“With this transaction, Azinam is positioned to deliver the first major oil production offshore South Africa. With A-J1 having flowed oil to surface and with the benefit of a significant database of well and seismic information, Azinam believes that Block 2B has the potential to provide South Africa with its first major offshore oil production. This transaction will allow for a well to be drilled to test the wider potential of the A-J1 discovery. Azinam and partners are targeting 349 million barrels of oil (Best Estimate of Prospective Resources).

In 1988 the A-J1 well offshore South Africa encountered significant quantities of oil in 150m water depth and only 25km from shore. With the benefit of new 3D seismic, we can see that A-J1 drilled the down-dip section of a potentially much larger oil accumulation in a number of prospects. With today’s announcement, the Block 2B partners can move forward to test this considerable potential via a Q4-2020 well. With all elements of the petroleum system proven and with contingent resources in place, the well has a high chance of demonstrating the commercial potential of Block 2B. Confirmation of a significant oil field on Block 2B, in a benign ocean setting and close to shore, represents a significant opportunity for the Republic of South Africa and the Block 2B licence holders to deliver the first major oil production offshore South Africa. Azinam is part of the Seacrest Capital Group of companies. Also backed by Petroleum GeoServices ASA, Azinam has a strong exploration heritage. Together with other Seacrest Capital Group – backed companies, Azinam has significant



shared corporate experience in drilling offshore exploration wells to the highest international safety and performance standards.”

Azinam is a leading independent oil and gas company offshore Southwest Africa (South Africa and Namibia) with an extensive seismic database and one of the largest licence positions, giving it a strong regional understanding. Azinam is proud to be working at the forefront of oil & gas exploration in partnership with our host countries South Africa and Namibia. The discovery of commercial oil & gas deposits offshore Namibia and South Africa in the coming years would have a profound impact on our hosts' economies, provide additional revenue, employment, secure energy sources to support industry and business and offer an alternative to coal as a primary energy source.”

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About Azinam

Azinam is a leading independent Southern Africa Atlantic Margin focussed Oil & Gas exploration company. The Company, headquartered in Bermuda, was established in 2012 with the support of Seacrest Capital Group. Azinam is currently the largest direct acreage holder in the region (on a gross basis) holding working interests in a total of eight licences (80,530km²) over areas of the Walvis, Lüderitz and Orange basins offshore Namibia and South Africa. Subject to completing the deals referenced in this release, Azinam shall have six licences in Namibia and direct and indirect positions in three licences offshore South Africa.

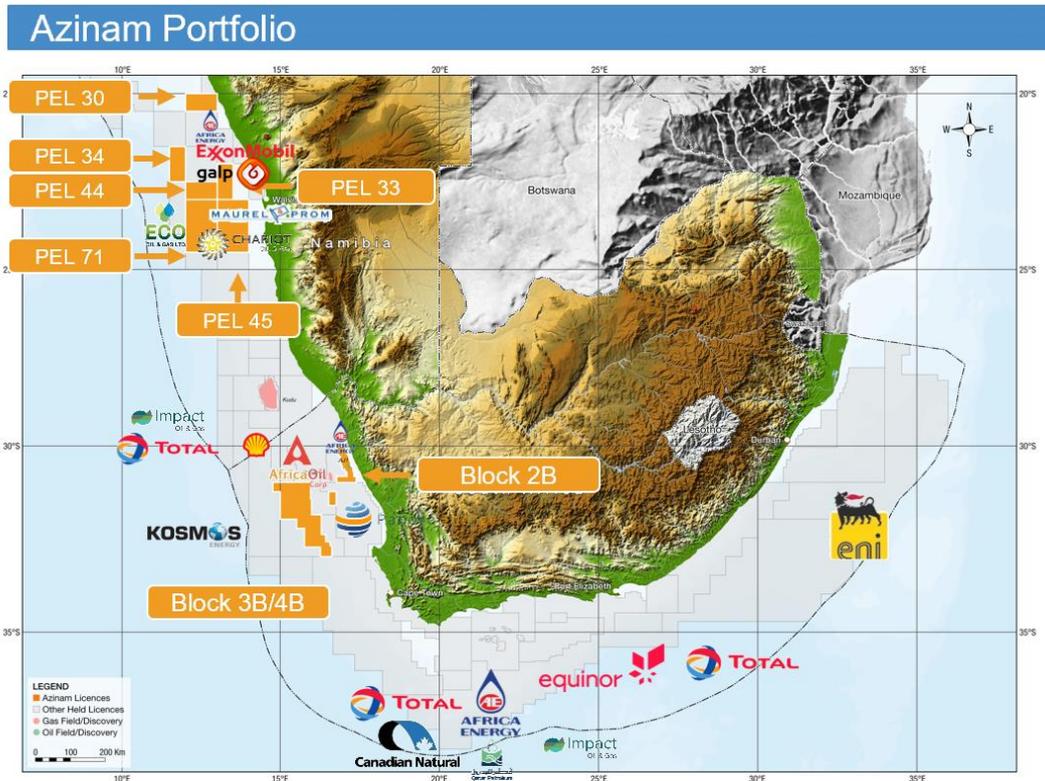
A combination of heightened industry interest along this Southwest area of Africa, and the recent giant Brulpadda discovery offshore South Africa, coupled with recent licensing and exploration success in geologically analogous regions within the South Atlantic margins, including the Falkland Islands, Brazil, South Africa and Angola, has made the region one of the most attractive potential hydrocarbon provinces in the global arena.

www.azinam.com

About Seacrest Capital Group

Seacrest Capital Group is a leading independent energy investor specialising in offshore oil and gas investments, leveraging its proprietary assets, relationships and operational and technical capabilities to build a diversified, global portfolio of regionally focussed oil and gas companies. Since 2010, Seacrest has invested in a number of successful upstream oil and gas companies in the United Kingdom, Norway, West Africa, Ireland and South America.

Azinam licence positions offshore Namibia and South Africa, including yet-to-be completed transactions:



Logos indicate approximate license positions of Major and Independent E&P companies in the region

