

26 November 2018

Impact Oil & Gas Limited

("Impact" or "the Company")

Capital Raising of USD \$10,000,000

London 26 November 2018, Impact Oil and Gas ("Impact"), one of the leading oil exploration companies operating offshore Southern and West Africa, is pleased to announce that it has raised USD \$10,000,000 through the exercise of options agreed under the previously announced subscription agreement ("Subscription Agreement") entered into on 7 February 2018, with Deepkloof Limited ("Deepkloof"), a subsidiary of Hosken Consolidated Investments ("HCI") of South Africa, and Africa Oil Corp ("AOC"). The Subscription Agreement provided for subscriptions totalling, up to USD \$35,000,000.

On 8 March 2018, Impact announced it had fulfilled the conditions of the Subscription Agreement, and received the first tranche of the Placing comprising an investment of USD \$25,000,000, amounting to 19.3% of the issued share capital. At this time, the Company also granted options, for a period of 9 months from the initial subscription, for a further investment of USD \$10,000,000.

The company has now exercised the granted options, resulting in the following subscriptions:

- Deepkloof subscribed for 29,840,769 shares, and was issued with 14,920,384 Warrants for an aggregate subscription price of USD\$7,500,000; and
- Africa Oil subscribed for 9,946,923 shares, and was issued with 4,973,461 Warrants for an aggregate subscription price of USD2,500,000.

The right to exercise was contingent on certain conditions, which have been satisfied.

The Company expect to use the net proceeds to:

- fund the drilling of the Company's share of its first exploration well anticipated in 2019 in Block 2913B, Namibia, where it is partially carried by its partner; Total E&P Namibia B.V.;
- fund on-going activities in Gabon following initial farm-out discussions,
- fund operational requirements, including subsurface technical work across the Company's asset portfolio; and
- strengthen the Company's balance sheet as it continues to pursue new ventures.

Post-completion, Deepkloof will hold 48.86% and Africa Oil Corp will hold 25.11% of the issued share capital in the company.

Siraj Ahmed, CEO, said:

"Today's announcement reflects the continued support from our shareholders, Deepkloof and Africa Oil. With their backing, we have a strong balance sheet from which we can continue to de-risk our portfolio whilst evaluating new opportunities."

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About Impact Oil & Gas

Impact is currently privately owned. The company acquired its first asset, the Tugela South Exploration Right, offshore South Africa in 2011 and has subsequently expanded its asset base across the offshore margins of South and West Africa. It has since partnered with ExxonMobil and Equinor (South Africa), CNOOC (AGC – between Senegal and Guinea Bissau) and Total (Namibia and South Africa). It is currently in discussions with potential partners for a farm-in to its Gabonese assets. The company's current portfolio covers a combined area of over 90,000 km² (gross).

Impact is a pure exploration company with a strategic focus on large scale, mid to deep water plays of sufficient size to be of interest to major companies. Its management is committed to further expanding this attractive portfolio of exploration assets and securing large independents and major oil companies as partners. The company's objective is to build a world class portfolio, in a number of different geologic and geographic locations to minimise risk and with a large enough portfolio to ultimately enhance the chance of drilling success. Management believes that by doing so, and by having oil industry partners validate its exploration concepts and ideas, it aims to deliver substantial shareholder value in the medium to longer term.