

Centric Energy Corp.: Proposed Acquisition by Africa Oil Corp.

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LONDON, ENGLAND -- ([Marketwire](#) - Nov. 29, 2010) - [Centric Energy Corp.](#) ("Centric" or "the Company") (TSX VENTURE: CTE) has entered into an arrangement agreement with [Africa Oil Corp.](#) ("Africa Oil" or "AOC") (TSX.V: AOI NASDAQ OMX: AOI) (the "Arrangement") under which Africa Oil has agreed to acquire all of the issued and outstanding common shares of Centric (the "Centric Shares") by way of Plan of Arrangement under the Business Corporations Act (British Columbia) (the "Transaction").

Summary of Transaction

Under the terms of the Transaction, each Centric shareholder will receive 0.3077 of a common share of Africa Oil and C\$0.0001 in cash for each Centric Share held, which represents a premium of 71% based on the 20-day volume weighted average trading prices of both Africa Oil and Centric on the TSX Venture Exchange for the period ended November 26, 2010.

The implied aggregate equity value of the Transaction is approximately C\$60 million on a fully-diluted basis, based on 92,303,103 Centric Shares outstanding and 5,700,000 Centric options outstanding with exercise prices ranging from C\$0.06 to C\$0.35 per Centric Share. Holders of Centric options who do not exercise their options prior to the closing of the Transaction will have their options cancelled. Upon completion of the Transaction, Centric shareholders will own approximately 15% of the combined entity, on a fully diluted basis, and Africa Oil shareholders will own approximately 85% of the combined entity.

Africa Oil has received undertakings to vote in favour of the Transaction from the directors of Centric in addition to certain other shareholders of Centric who, in aggregate, beneficially own or control an aggregate of approximately 43% of the Centric Shares on a non-diluted basis.

Details of the Arrangement

The Transaction will be completed pursuant to a Plan of Arrangement that requires the approval of at least two-thirds of the votes cast, in person or by proxy, by the shareholders of Centric at a special meeting to be called to consider the Transaction. The closing of the Transaction is also subject to receipt of regulatory, court and other approvals and other customary conditions precedent, as well as the satisfactory resolution of the court proceedings brought in the High Court in Kitale, Kenya, by Interstate Petroleum Ltd. against the Permanent Secretary in the Ministry of Energy, Kenya, relating to the valid issuance of title to certain properties owned by AOC and Centric, among others, as previously announced by AOC and Centric.

CIBC World Markets Inc. ("CIBC") acted as exclusive financial advisor to Centric. CIBC also provided an opinion to the Board of Directors of Centric to the effect that, as of the date thereof and subject to certain assumptions, limitations and qualifications contained therein, the consideration to be received by Centric shareholders pursuant to the Transaction is fair, from a financial point of view, to Centric shareholders.

The Board of Directors of Centric has concluded that the Transaction is in the best interests of Centric and its shareholders and has unanimously resolved to recommend that the shareholders of Centric vote their shares in favour of the Arrangement.

An Information Circular outlining the Transaction is expected to be mailed to Centric shareholders prior to the end of January 2011, with the special meeting expected to take place in February 2011, with the closing of the Transaction to occur shortly thereafter.

Highlights of the Combined Entity

The directors and management of Centric expect that the combination of the two companies will benefit the existing shareholders of Centric who will exchange their Centric shares for the shares of Africa Oil, which will:

- be a leading East African focused exploration company with the largest exploration portfolio in Kenya that

provides exposure to the highly prospective East Africa rift basin trend and rift basins in Puntland which are thought to be the extension of productive basins in Yemen

- have a larger, more diversified exploration portfolio representing total net contingent and prospective unrisks resources of 4,558 MMboe in three east African countries and in Mali, central west Africa
- have numerous high impact drilling targets in geological settings analogous to the highly-productive basins of Uganda (Albertine basin), south Sudan (Muglad and Melut basins) and Yemen
- be in a strong financial position with currently available cash of approximately C\$50 million to fund the combined company's active upcoming work and drilling program
- have the potential to acquire additional East African opportunities through its enhanced access to external financing sources

Settlement of disputes

In an unrelated matter, the Company reports that it has agreed to issue a total of 300,000 common shares, for aggregate proceeds of \$36,000, to two persons in settlement of disputes relating to the exercise of warrants previously issued by the Company.

About Centric Energy Corp.

Centric Energy Corp. is a Canadian oil and gas exploration company with assets in Kenya and Mali. Centric focuses on hydrocarbon exploration and production in opportunities in sub-Saharan Africa, currently holding 8.5 million net acres through one exploration license in Kenya and two exploration licenses in Mali.

ON BEHALF OF CENTRIC ENERGY CORP.

Alec Robinson
President and Chief Executive Officer

BOEs may be misleading, particularly if used in isolation. A BOE conversion ratio of 6 Mcf: 1bbl is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead.

Forward Looking Statements

This press release includes "forward-looking statements" within the meaning of Canadian securities laws, including Canadian Securities Administrators' National Instrument 51-102 Continuous Disclosure Obligations. Forward-looking statements are commonly identified by such terms and phrases as "would", "may", "will", "expects" or "expected to" and other terms with similar meaning indicating possible future events or actions or potential impact on the businesses or shareholders of Africa Oil Corp. and Centric Energy Corp. Such statements include, but are not limited to, statements about the anticipated benefits, savings and synergies of the business combination of Africa Oil and Centric, including future financial and operating results. The plans, objectives, expectations and intentions of the combined entity, the future development of the combined company's business, and the contingencies and uncertainties to which Africa Oil and Centric may be subject and other statements that are not historical facts. There is no assurance that the proposed transaction contemplated in this press release will be completed at all, or completed upon the same terms and conditions described.

The following factors, among others, could cause actual results to differ materially from those set forth in the forward-looking statements: the ability to obtain required approvals of the combination on the proposed terms and schedule; the failure of the shareholders of Centric to approve the transactions; the risk that the businesses will not be integrated successfully; the risk that the cost savings and any revenue synergies from the business combination may not be fully realized or may take longer to realize than expected; and disruption caused by the business combination making it more difficult to maintain relationships with the regulatory agencies, employees or suppliers. Additional factors that could cause results to differ materially from those described in the forward-looking statements can be found in the periodic reports filed by both

Africa Oil and Centric.

All forward-looking statements in this press release are expressly qualified by information contained in each company's filings with regulatory authorities and neither company undertakes to publicly update forward-looking statements, whether as a result of new information, future events or otherwise, except as required by applicable laws.

Centric shareholders are urged to read the information circular regarding the proposed transaction, when it becomes available, because it will contain important information. Shareholders will be able to obtain a copy of the information circular, as well as copies of Centric and Africa Oil's periodic filings, on the SEDAR website (www.sedar.com).

Neither the TSX Venture Exchange nor its Regulation Services Provider accepts responsibility for the adequacy or accuracy of this release.

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