Condensed Consolidated Interim Financial Statements

September 30, 2024 and 2023

RECONNAISSANCE ENERGY AFRICA LTD.
Condensed Consolidated Interim Statements of Financial Position
(Unaudited - Expressed in Canadian Dollars, unless otherwise stated)

		September 30, 2024		March 31, 2024
ASSETS				
Current Assets				
Cash	**$**	**30,805,253**	$	2,076,749
Other receivables		**249,448**		420,869
Prepaid expenses		**1,051,177**		551,059
		32,105,878		3,048,677
Value-added tax receivable		**6,267,134**		5,068,049
Exploration and evaluation assets (Note 6)		**149,069,471**		129,036,639
Property, plant and equipment (Note 7)		**4,665,448**		5,147,708
Total Assets	**$**	**192,107,931**	$	142,301,073
LIABILITIES AND SHAREHOLDERS' EQUITY				
Current Liabilities				
Accounts payable and accrued liabilities	**$**	**4,746,968**	$	3,350,163
Subscription received in advance		**-**		472,190
Decommissioning liabilities (Note 9)		**401,491**		586,397
		5,148,459		4,408,750
Decommissioning liabilities (Note 9)		**622,531**		596,378
Deferred tax liability		**439,401**		441,061
Total Liabilities		**6,210,391**		5,446,189
Shareholders' Equity				
Share capital (Note 10)		**408,720,595**		360,536,864
Reserves (Note 10)		**95,252,935**		81,542,509
Deficit		**(318,114,715)**		(305,998,519)
Accumulated other comprehensive income ("AOCI")		**38,725**		774,030
Total Shareholders' Equity		**185,897,540**		136,854,884
Total Liabilities and Shareholders' Equity	**$**	**192,107,931**	$	142,301,073

Nature of operations and going concern (Note 1)
Commitments and contingencies (Note 13)

These condensed consolidated interim financial statements were authorized for issue by the Board of Directors on November 20, 2024.
Approved by the Board of Directors:

"D. Jeffrey Harder" Director *"Joseph Davis"* Director

The accompanying notes are an integral part of these condensed consolidated interim financial statements.

RECONNAISSANCE ENERGY AFRICA LTD.

Condensed Consolidated Interim Statements of Loss and Comprehensive Loss

(Unaudited - Expressed in Canadian Dollars, unless otherwise stated)

	Three Months Ended September 30, 2024	Three Months Ended September 30, 2023	**Six Months Ended September 30, 2024**	Six Months Ended September 30, 2023
EXPENSES				
Resource property costs	**$ 22,702**	$ 217,479	**$ 37,915**	$ 273,916
General and administration (Note 11)	**3,190,003**	4,134,579	**6,346,352**	8,370,034
Repairs and maintenance	**(36)**	-	**23,378**	-
Accretion (Note 9)	**14,349**	18,766	**28,741**	33,532
Share-based payments (Notes 8, 10)	**2,373,141**	3,277,592	**5,895,116**	5,014,534
	5,600,159	7,648,416	**12,331,502**	13,692,016
Other Items				
Other income	**(270,952)**	(29,308)	**(387,361)**	(65,821)
Exchange loss (gain)	**92,677**	60,724	**172,055**	(88,052)
	(178,275)	31,416	**(215,306)**	(153,873)
Loss from continued operations	**5,421,884**	7,679,832	**12,116,196**	13,538,143
Loss from discontinued operations (Note 5)	**-**	9,839,826	**-**	17,828,080
Loss	**5,421,884**	17,519,658	**12,116,196**	31,366,223
Other Comprehensive Income				
Items that may be reclassified subsequently to net loss				
Translation adjustment	**2,115,190**	1,106,678	**735,305**	233,311
Loss and comprehensive loss	**$ 7,537,074**	$ 18,626,336	**$ 12,851,501**	$ 31,599,534
Basic & diluted loss per common share - continued operations	**$ 0.02**	$ 0.04	**$ 0.05**	$ 0.07
Basic & diluted loss per common share - discontinued operations	**$ -**	$ 0.05	**$ -**	$ 0.09
Weighted average number of common shares outstanding - basic and diluted	**254,777,904**	208,493,501	**242,425,216**	205,303,680

The accompanying notes are an integral part of these condensed consolidated interim financial statements.

RECONNAISSANCE ENERGY AFRICA LTD.

Condensed Consolidated Interim Statements of Changes in Shareholders' Equity

(Unaudited - Expressed in Canadian Dollars, unless otherwise stated)

	Share Capital					
	Number	Amount	Reserves	Deficit	AOCI	Equity
Balance at March 31, 2023	202,078,806	$ 355,031,053	$ 73,080,671	$ (347,110,310)	$ 2,324,996	$ 83,326,410
Shares issued:						
Private offering	1,071,500	730,470	469,610	-	-	1,200,080
Public offering	6,795,454	4,705,340	2,769,660	-	-	7,475,000
Issue costs - cash	-	(1,254,754)	-	-	-	(1,254,754)
Issue costs - compensation options	-	(143,573)	143,573	-	-	-
Warrants exercise	795,450	926,545	(184,571)	-	-	741,974
Share-based payments	-	-	5,014,534	-	-	5,014,534
Loss	-	-	-	(31,366,223)	-	(31,366,223)
Translation adjustment	-	-	-	-	(233,311)	(233,311)
Balance at September 30, 2023	210,741,210	359,995,081	81,293,477	(378,476,533)	2,091,685	64,903,710
Shares issued:						
Private offering	-	92,907	(92,907)	-	-	-
Public offering	-	491,364	(491,364)	-	-	-
Issue costs - cash	-	(115,047)	-	-	-	(115,047)
Issue costs - compensation options	-	18,438	(18,438)	-	-	-
Warrants exercise	-	(29,285)	29,285	-	-	-
Options exercise	175,000	83,406	(29,156)	-	-	54,250
Share-based payments	-	-	851,612	-	-	851,612
Income	-	-	-	72,478,014	-	72,478,014
Translation adjustment	-	-	-	-	(1,317,655)	(1,317,655)
Balance at March 31, 2024	210,916,210	360,536,864	81,542,509	(305,998,519)	774,030	136,854,884
Shares issued:						
Public offering	50,110,705	48,218,218	7,798,094	-	-	56,016,312
Issue costs - cash	-	(4,122,368)	-	-	-	(4,122,368)
Issue costs - broker warrants	-	(872,499)	872,499	-	-	-
Warrants exercise	4,039,965	4,648,149	(752,885)	-	-	3,895,264
Compensation option exercise	25,303	31,515	(3,682)	-	-	27,833
Options exercise	475,000	280,716	(98,716)	-	-	182,000
Share-based payments	-	-	5,895,116	-	-	5,895,116
Loss	-	-	-	(12,116,196)	-	(12,116,196)
Translation adjustment	-	-	-	-	(735,305)	(735,305)
Balance at September 30, 2024	**265,567,183**	**$ 408,720,595**	**$ 95,252,935**	**$ (318,114,715)**	**$ 38,725**	**$ 185,897,540**

The accompanying notes are an integral part of these condensed consolidated interim financial statements.

RECONNAISSANCE ENERGY AFRICA LTD.

Condensed Consolidated Interim Statements of Cash Flows

(Unaudited - Expressed in Canadian Dollars, unless otherwise stated)

		Six Months Ended September 30, 2024		Six Months Ended September 30, 2023
CASH FLOWS FROM OPERATING ACTIVITIES				
Loss	**$**	**(12,116,196)**	$	(13,538,143)
Items not involving cash:				
Accretion on decommissioning liabilities		**28,741**		33,532
Share-based payments		**5,895,116**		5,014,534
Unrealized foreign exchange		**(4,160)**		(21,939)
Changes in non-cash working capital items:				
Receivables		**(1,027,664)**		(1,952,131)
Prepaid expenses		**(500,118)**		(623,765)
Accounts payable and accrued liabilities		**(1,961,059)**		1,708,995
Net cash used in operating activities		**(9,685,340)**		(9,378,917)
CASH FLOWS FROM INVESTING ACTIVITIES				
Disposal of equipment		**69,393**		-
Investment in exploration and evaluation assets		**(16,992,368)**		(12,623,364)
Settlement of decommissioning liabiltiies		**(184,905)**		-
Net cash used in investing activities		**(17,107,880)**		(12,623,364)
CASH FLOWS FROM FINANCING ACTIVITIES				
Proceeds from the issuance of shares		**59,649,218**		9,417,055
Share issue costs		**(4,122,368)**		(1,097,906)
Net cash provided by financing activities		**55,526,850**		8,319,149
Impact of exchange rate changes on cash		**(5,126)**		(758)
Net change in cash - continuing operations		**28,728,504**		(13,683,890)
Net change in cash - discontinued operations (Note 5)		**-**		(8,370,739)
Cash - discontinued operations		**-**		(15,628,802)
Cash, beginning of period		**2,076,749**		38,814,806
Cash, end of period	**$**	**30,805,253**	$	1,131,375

For the six months ended September 30, 2024 and September 30, 2023, there were no non-cash financing or investing transactions that are not disclosed elsewhere in the condensed consolidated interim financial statements.

The accompanying notes are an integral part of these condensed consolidated interim financial statements.

1. NATURE OF OPERATIONS AND GOING CONCERN

Reconnaissance Energy Africa Ltd. ("ReconAfrica" or the "Company") was incorporated on June 22, 1978, under the provisions of the Company Act of British Columbia. The Company is a junior oil and natural gas company with a focus on exploration and development in Namibia and Botswana. The address of the Company's corporate office and principal place of business is 635 – 8th Avenue SW, Calgary, AB, T2P 3M3, Canada.

These unaudited condensed consolidated interim financial statements (the "Financial Statements") have been prepared on a going concern basis, which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business in the foreseeable future. ReconAfrica does not have revenues to fund ongoing operations, and the Company may be required to raise new financing through the sale of shares or issuance of debt to continue with its operations and to develop its assets. Accordingly, the Company's continued successful operations are dependent on its ability to obtain additional financing. Although management has been successful in raising capital in the past, there is no assurance that the Company will be able to obtain adequate financing in the future or that such financing will be obtained on terms advantageous to the Company. These conditions indicate the existence of material uncertainties that may cast significant doubt on the Company's ability to continue as a going concern. These Financial Statements do not give effect to adjustments that would be necessary to the carrying values and classification of assets and liabilities should the Company be unable to continue as a going concern. These adjustments could be material.

2. BASIS OF PREPARATION

These Financial Statements of the Company have been prepared in accordance with International Accounting Standard ("IAS") 34, "Interim Financial Reporting" following acceptable accounting policies under IFRS Accounting Standards as issued by the International Accounting Standards Board ("IASB"). These Financial Statements should be read in conjunction with the Company's audited financial statements for the year ended March 31, 2024.

These Financial Statements have been prepared on an accruals basis and are based on historical costs, except for certain financial instruments classified as financial instruments at fair value through profit or loss. These Financial Statements are presented in Canadian dollars unless otherwise noted and include the accounts of the Company and its wholly owned subsidiaries. All intercompany transactions and accounts have been eliminated upon consolidation.

Estimates and judgments are continuously evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. In preparing the Financial Statements, the judgments made by management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those applied to the audited consolidated financial statements for the year ended March 31, 2024.

3. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION

These Financial Statements have been prepared on the basis of accounting policies and methods of computation consistent with those applied in the Company's audited financial statements for the year ended March 31, 2024.

New accounting policies

Certain pronouncements have been issued by the IASB that are effective for the Company's accounting period beginning on January 1, 2024. The Company has reviewed all other updates and determined the below standard to be applicable or consequential to the Company.

Standards issued but not yet effective

IFRS 18, *Presentation and Disclosure in Financial Statements* ("IFRS 18"), which will replace IAS 1, *Presentation of Financial Statements* aims to improve how companies communicate in their financial statements, with a focus on information about financial performance in the statement of profit or loss, in particular additional defined subtotals, disclosures about management-defined performance measures and new principles for aggregation and disaggregation of information. IFRS 18 is accompanied by limited amendments to the requirements in IAS 7 *Statement of Cash Flows.* IFRS 18 is effective from January 1, 2027. Companies are permitted to apply IFRS 18 before that date.

The Company has not yet determined the impact of these amendments on its consolidated financial statements.

4. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

The Board of Directors approves and monitors the risk management processes, inclusive of documented investment policies, counterparty limits, and controlling and reporting structures. The Company's financial instruments consist of cash, other receivables, accounts payable and accrued liabilities and subscriptions received in advance. The carrying value of cash, other receivables, accounts payable and accrued liabilities and subscriptions received in advance are a reasonable approximation of their fair value due to the short-term nature of these instruments. All of the Company's financial assets and liabilities are measured at amortized cost. Fair value measurements are categorized into a fair value hierarchy based on the lowest level input that is significant to the fair value measurement:

- Level 1 inputs are determined by reference to unadjusted quoted prices in active markets for identical assets or liabilities.
- Level 2 inputs are determined based on inputs other than unadjusted quoted prices that are observable, either directly or indirectly.
- Level 3 inputs are not based on observable market data. The Company does not have any financial instruments classified as Level 3.

The type of risk exposure and the way in which such exposure is managed is provided as follows:

Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Company's primary exposure to credit risk is related to its cash deposits in financial institutions. The Company manages cash deposit risk by using major banks that are high credit quality financial institutions as determined by rating agencies.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company has a planning and budgeting process in place to help determine the funds required to support the Company's normal operating requirements on an ongoing basis. The Company's sole source of funding has been the issuance of equity securities for cash, primarily through prospectus offerings, and the exercising of outstanding options and warrants. The Company's access to financing is always uncertain and additional funding will be required to meet its longer-term business objectives, including future drilling activities. This may include debt or equity financing in addition to funds raised from joint venture partners. There can be no assurance that such financing will be available in the amount required at any time or for any period or, if available, that it can be obtained on terms satisfactory to the Company.

Foreign exchange risk

Foreign exchange risk is the risk that the fair values or future cash flows of a financial instrument will fluctuate because they are denominated in currencies that differ from the respective functional currency. The Company has a non-material direct exposure to foreign exchange risk arising from cash, other receivables and accounts payable and accrued liabilities measured in foreign currencies, principally the US dollar, Namibian dollar and Botswana pula. The Company has a policy of settling items denominated in foreign currencies at the spot rate in place at the time of settlement.

Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company does not have any significant interest rate risk.

Commodity price risk

Oil and natural gas prices have been and are expected to remain volatile due to market uncertainties over the supply and demand of these commodities due to various factors including Organization of the Petroleum Exporting Countries ("OPEC") actions, the current state of world economies, international conflicts and ongoing credit and liquidity concerns. Volatile commodity prices have had and will continue to have a significant impact on the Company's ability to raise future capital to fund operations. Therefore, management regularly monitors natural resource commodity prices to determine the appropriate course of action to mitigate this risk.

5. DISCONTINUED OPERATIONS

On October 25, 2023, the Company entered into a share purchase agreement with a third-party for the sale of all issued and outstanding shares of Renaissance Oil Corp. ("ROC"), a wholly owned subsidiary of the Company, for a deemed price of $10.3 million (US$7.5 million). In addition, under the agreement, the third-party assumed all debts and all present and future liabilities of ROC and its subsidiaries. ROC through its subsidiaries, owns all of the Company's operations in Mexico. The Company received acceptance on the sale of ROC by the TSX Venture Exchange on November 16, 2023. Gross proceeds of approximately $10.3 million were added to the Company's treasury before the transaction closed.

As a result of the sale, the Company has derecognized the assets and liabilities of ROC:

Cash		4,615,643
Restricted cash		21,747,216
Trade receivables		13,183,557
Other receivables		801,398
Prepaid expenses		443,379
Property, plant and equipment (Note 7)		17,385
Accounts payable & accrued liabilities		(3,496,806)
Royalties payable		(121,941,628)
Decommissioning liabilities (Note 10)		(1,134,091)
Net liabilities of Renaissance		(85,763,947)
Add: Finder fees paid		276,400
Gain on sale of Renaissance	**$**	**(85,487,547)**

Under the terms of a finder's fee agreement, the Company was obligated to pay to two arms-length third parties the aggregate amount of $276,400 upon closing of the above transaction.

The revenues and expenses relating to the reclassification of ROC as discontinued operations were shown as a single line item in the Statement of Loss and Comprehensive Loss are as follows:

	Three Months Ended September 30, 2024	Three Months Ended September 30, 2023	**Six Months Ended September 30, 2024**	Six Months Ended September 30, 2023
INCOME				
Revenue	**$ -**	$ 3,652,021	**$ -**	$ 7,857,849
Royalties	**-**	(3,132,851)	**-**	(6,516,517)
	-	519,170	**-**	1,341,332
EXPENSES				
Production costs	**-**	401,377	**-**	671,826
Resource property costs	**-**	48,734	**-**	225,608
General and administration	**-**	2,288,354	**-**	2,956,023
Depreciation	**-**	1,062	**-**	2,290
Accretion	**-**	19,040	**-**	38,100
	-	2,758,567	**-**	3,893,847
Other Items				
Other income	**-**	(546,840)	**-**	(999,703)
Finance expense	**-**	8,346,313	**-**	16,411,782
Exchange (gain) loss	**-**	(199,044)	**-**	(136,514)
	-	7,600,429	**-**	15,275,565
Loss from discontinued operations	**$ -**	$ 9,839,826	**$ -**	$ 17,828,080

The breakdown of cash flows from discontinued operations is as follows:

	Six Months Ended September 30, 2024	Six Months Ended September 30, 2023
Net cash used in operating activities	**$ -**	$ (4,356,168)
Net cash used in investing activities	**-**	(4,014,571)
Change in cash during the period	**$ -**	$ (8,370,739)

6. EXPLORATION AND EVALUATION ASSETS

The following table reconciles the changes in the Company's exploration and evaluation assets:

	Botswana Property	Namibia Property	Total
Balance at March 31, 2023	**165,285**	**113,587,738**	**113,753,023**
Additions	37,514	15,047,106	15,084,620
Effect of exchange rate changes	(128)	199,124	198,996
Balance at March 31, 2024	**$ 202,671**	**$ 128,833,968**	**$ 129,036,639**
Additions	31,131	20,698,698	20,729,829
Effect of exchange rate changes	7,185	(704,182)	(696,997)
Balance at September 30, 2024	**$ 240,987**	**$ 148,828,484**	**$ 149,069,471**

The Company's exploration and evaluation assets relate entirely to properties located in Namibia and Botswana. At September 30, 2024, no indicators of impairment have been identified for the exploration and evaluation assets.

Namibia Property

On January 26, 2019, the Company, through Reconnaissance Energy Namibia (Pty) Ltd. ("ReconNamibia"), an indirect wholly-owned subsidiary of ReconAfrica, entered into a petroleum agreement among the Government of the Republic of Namibia, and the National Petroleum Corporation of Namibia ("NAMCOR"). Under this agreement, on January 29, 2015, the Company was issued and holds a 90% interest in the petroleum exploration licence no. 0073 ("PEL 73"). The PEL 73 is comprised of blocks 1719, 1720, 1721, 1819, 1820 and 1821 situated in the Kavango Basin of northeast Namibia (the "Namibia Licensed Property").

During the 15-month period ending March 31, 2023, the Company entered into a purchase and sale agreement with NAMCOR to acquire an additional 5% participating interest in PEL 73. As consideration, the Company will pay to NAMCOR US$2,000,000 in cash and issue to NAMCOR 5,000,000 common shares of the Company. The transaction has not yet closed and the parties are in ongoing discussions.

On July 30, 2024, the Company entered into a definitive farm down agreement with BW Energy Limited ("BW Energy"), for the sale of a 20% working interest in PEL 73. In connection with the above agreement, BW Energy agreed to a strategic equity investment in the Company for $22 million (US$16 million), pursuant to underwritten public offering of securities of the Company (see Note 10). The Company shall transfer a 20% working interest in PEL 73 to BW Energy in exchange for total potential consideration of US$141 million ($193 million), including a $22 million (US$16 million) equity investment. An additional US$45 million ($62 million) bonus will be earned at declaration of commerciality (Final Investment Decision or "FID") providing additional capital carry through to first production. These commerciality bonus payments will be paid in two installments, one at FID and the second payment one year after production. In the event of development of discoveries, production bonuses based on certain cash flow milestones achieved by BW Energy could total an additional US$80 million ($109 million). Three separate production bonus payments of US$25 million ($34 million), are made after BW Energy reaches certain free cash flow milestones. An additional first production payment of US$5 million ($7 million), is paid sixty days after the start of commercial production.

As a result of the above agreement, the ownership interests in PEL 73 are: ReconAfrica 70%, BW Energy 20%, and NAMCOR 10%. ReconAfrica remains the operator of PEL 73. Completion of the transaction is subject to satisfaction of customary closing conditions, including approvals from NAMCOR and the MME.

The Company has commitments related to its petroleum exploration licence in Northeast Namibia. In December 2019, the Company received approval for its application to extend the Namibia Licence into the First Renewal Period, which continued till January 29, 2024. In October 2023, ReconAfrica and its joint venture partner NAMCOR were granted approval for the

Second Renewal Exploration Period by the Ministry of Mines and Energy in Namibia ("MME"). The Second Renewal Exploration Period covers the period from January 30, 2024 to January 29, 2026, relating to PEL 73. Under the terms of the Second Renewal Exploration Period the Company will acquire additional subsurface data including either; (i) 500 km of 2D seismic data, (ii) 1,200 km2 of enhanced Full Tensor Gradiometry ("eFTG") data, or (iii) some combination of (i) or (ii) which is considered reasonable. Additionally, the Company will be required to design and drill a minimum of one exploration or stratigraphic test well. A minimum dollar commitment equivalent to the above items is also required.

Botswana Property

On June 9, 2020, the Company, through its wholly-owned subsidiary, Reconnaissance Energy Botswana (Pty) Ltd. ("ReconBotswana"), was granted a petroleum licence in northwestern Botswana (the "Botswana Licence"), which extended over a period of four years. The lands subject to the Botswana Licence are contiguous to the Namibia Licensed Property.

Pursuant to the terms of the Botswana Licence, ReconAfrica was committed to a minimum work program of BWP5,000,000 (approximately $500,000) over the first four-year exploration period from June 1, 2020.

On October 4, 2024, the Company was granted approval for the First Renewal of the Botswana Licence. The period covers from October 1, 2024, to September 30, 2028. Pursuant to the terms of the extension, the Company will be required to undertake various geotechnical evaluations, vegetation mapping, a water study report, methane seep detection activities, an environmental impact study and provide funding for Botswana Petroleum Exploration and Training. Total minimum required expenditures under the Licence over the term represent BWP5,000,000 (approximately $517,500).

7. PROPERTY, PLANT AND EQUIPMENT

Equipment is recorded at cost, including costs attributable to bring the asset to intended use, less accumulated depreciation. Depreciation begins when the asset is put into service and is calculated using the straight-line method. The cost of maintenance and repairs is charged to expense as incurred. The cost of significant renewals and improvements is added to the carrying amount of the respective assets. When assets are retired, or otherwise disposed of, the cost and related accumulated depreciation are removed from the balance, and any resulting gain or loss is reflected in the condensed consolidated interim statements of loss and comprehensive loss.

	Drilling Rig Equipment	Vehicles	Computer Equipment	Office Equipment	Total
Cost:					
Balance, March 31, 2023	**$ 6,724,444**	**$ 327,708**	**$ 96,216**	**$ 124,185**	**$ 7,272,553**
Addition/Disposal	283,362	-	-	-	283,362
Effect of exchange rate changes	9,771	412	1,785	1,036	13,004
Less: assets associated with sale of Renaissance	-	-	(95,712)	(46,015)	(141,727)
Balance, March 31, 2024	**7,017,577**	**328,120**	**2,289**	**79,206**	**7,427,192**
Addition/Disposal	(69,393)	-	-	-	(69,393)
Effect of exchange rate changes	(25,460)	(1,235)	-	(251)	(26,946)
Balance, September 30, 2024	**$ 6,922,724**	**$ 326,885**	**$ 2,289**	**$ 78,955**	**$ 7,330,853**
Accumulated depreciation:					
Balance, March 31, 2023	**$ (1,388,405)**	**$ (142,920)**	**$ (96,090)**	**$ (41,419)**	**$ (1,668,834)**
Depreciation	(702,894)	(48,970)	(164)	(16,964)	(768,992)
Effect of exchange rate changes	34,160	2,962	(1,734)	(1,388)	34,000
Less: assets associated with sale of Renaissance	-	-	95,699	28,643	124,342
Balance, March 31, 2024	**(2,057,139)**	**(188,928)**	**(2,289)**	**(31,128)**	**(2,279,484)**
Depreciation	(367,178)	(24,822)	-	(7,515)	(399,515)
Disposition	-	-	-	-	-
Effect of exchange rate changes	12,402	1,027	-	165	13,594
Balance, September 30, 2024	**$ (2,411,915)**	**$ (212,723)**	**$ (2,289)**	**$ (38,478)**	**$ (2,665,405)**
Net book value:					
As of March 31, 2024	**$ 4,960,438**	**$ 139,192**	**$ -**	**$ 48,078**	**$ 5,147,708**
As of September 30, 2024	**$ 4,510,809**	**$ 114,162**	**$ -**	**$ 40,477**	**$ 4,665,448**

Depreciation of $399,515 (September 30, 2023 - $248,342) is recorded in exploration and evaluation assets.

Depreciation is recognized to allocate the cost of capital assets over the useful life of the respective assets. The cost of replacing a part of an item of property, plant and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company, and its cost can be measured reliably. The carrying amount of the replaced part is derecognized. The costs of the day-to-day servicing of property, plant and equipment (repair and maintenance) are recognized in profit or loss as incurred. Property, plant, and equipment are depreciated as follows:

	Expected Life	Salvage Value	Basis of Depreciation
Drilling rig equipment	10 years	10%	straight-line
Vehicles	5 years	20%	straight-line
Computer equipment	3 years	33%	straight-line
Office equipment	3 years	33%	straight-line

At September 30, 2024, no indicators of impairment have been identified for the property, plant and equipment.

8. RELATED PARTY TRANSACTIONS

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Related parties may be individuals or corporate entities. A transaction is considered to be a related party transaction when there is a transfer of resources or obligations between related parties.

Transactions with related parties are summarized in the table below:

	Six Months Ended	
	September 30, 2024	**September 30, 2023**
Directors' fees	$ 193,869	$ 64,728
Management salaries and benefits	1,713,398	1,078,935
Share-based payments	4,174,565	3,376,890
	$ 6,081,832	**$ 4,520,553**

At September 30, 2024, a balance of $111,711 was payable to related parties (March 31, 2024 - $500,204). Amounts due to or from related parties are unsecured, non-interest bearing and have no fixed terms of repayment.

9. DECOMMISSIONING LIABILITIES

The following table reconciles the changes in the Company's decommissioning liabilities:

Balance at March 31, 2023	**$ 2,529,772**
Accretion	130,957
Change in estimate - African assets	(368,052)
Effect of exchange rate changes	24,189
Less: liabilities associated with sale of ROC	(1,134,091)
Balance at March 31, 2024	**$ 1,182,775**
Accretion	28,741
Liabilities settled	(184,905)
Effect of exchange rate changes	(2,589)
Balance at September 30, 2024	**$ 1,024,022**
Less: Current portion	**(401,491)**
Decommissioning liabilities, non-current	**$ 622,531**

As at September 30, 2024, the decommissioning liabilities are based on total undiscounted future liabilities, after inflation adjustment, of $1.3 million (March 31, 2024 - $1.3 million). The Company calculated the present value of the obligations using a discount rate of 4.82% (March 31, 2024 – 4.82% - 8.89%) to reflect the market assessment of the time value of money as well as risks specific to the liabilities that have not been included in the cash flow estimates. The inflation rate used in determining the cash flow estimates was 2.80% (March 31, 2024 – 2.80% - 6.85%). The payments relating to the above obligations are expected to be made between 2024 and 2025.

10. SHARE CAPITAL

Authorized: Unlimited common shares without par value

Common shares

At September 30, 2024, there were 265,567,183 (March 31, 2024 – 210,916,210) common shares issued and outstanding.

On April 3, 2024, the Company completed a bought deal public offering of units of the Company for aggregate gross proceeds of $17,250,035. Pursuant to the bought deal public offering, a total of 19,166,705 units were issued at a price of $0.90 per unit. Each unit consists of one common share in the capital of the Company and one common share purchase warrant of the Company. Each warrant entitles the holder to acquire one common share at a price of $1.15 until April 3, 2026. In connection with the bought deal public offering, the Company issued 1,263,878 broker warrants. Each broker warrant entitles the holder to acquire one common share of the Company at a price of $0.90 until April 3, 2026. The Company also incurred share issuance costs of $634,777 in the form of professional fees and paid a cash commission of $1,134,791 to the underwriters.

On July 31, 2024, the Company completed an underwritten public offering of securities of the Company, for aggregate gross proceeds of $38,766,277 consisting of 30,944,000 common shares and 31,844,600 common share purchase warrants of the Company. This public offering consisted of 30,944,000 units at a price of $1.25 per unit and 900,600 warrants at a price of $0.096 per warrant. Each unit consists of one common share in the capital of the Company and one common share purchase warrant of the Company. Each warrant entitles the holder to acquire one common share at a price of $1.75 until July 31, 2026. In connection with the public offering, the Company issued 949,544 broker warrants. Each broker warrant entitles the holder to acquire one common share at a price of $1.25 until July 31, 2026. The Company also incurred share issuance costs of $492,594 in the form of professional fees and paid a cash commission of $1,860,206 to the underwriters.

During the six months ended September 30, 2024, the Company issued 4,065,268 (2023 – 795,450) common shares pursuant to the exercise of 4,039,965 (2023 – 795,450) warrants for cash proceeds of $3,895,264 (2023 - $741,974) and 25,303 (2023 – nil) compensation options for cash proceeds $27,833 (2023 – $Nil).

During the six months ended September 30, 2024, the Company issued 475,000 common shares pursuant to the exercise of 475,000 (2023 – nil) stock options for cash proceeds of $182,000 (2023 - $Nil).

Compensation options and warrants

A summary of changes in compensation options,share purchase warrants and broker warrants is presented below:

	Number of Compensation options	Number of Warrants & Broker warrants		Weighted Average Exercise Price ($)
Balance, March 31, 2023	155,729	6,984,114	$	8.36
Issued	295,227	7,866,954		1.35
Exercised	-	(795,450)		0.93
Expired	(127,079)	(2,431,733)		10.79
Balance, March 31, 2024	323,877	11,623,885	$	3.54
Issued	-	53,250,030		1.50
Exercised	(25,303)	(4,039,965)		0.97
Expired		(2,179,122)		14.00
Balance, September 30, 2024	**298,574**	**58,654,828**	**$**	**1.49**

The warrants have been valued using relative fair value and compensation options issued have been valued using the Black-Scholes pricing model, with a gross amount of $8,591,359 (2023 - $3,382,843) included in reserves. The following assumptions were used for the Black-Scholes valuation of the warrants granted:

Warrants & Broker warrants	Six Months Ended September 30, 2024	Six Months Ended September 30, 2023
Risk-free interest rate	3.46%-4.22%	4.64%
Expected life	1.06-2.0 years	2.0 years
Annualized volatility	75.00%	110.00%
Dividend rate	nil	nil

Compensation options	Six Months Ended September 30, 2024	Six Months Ended September 30, 2023
Risk-free interest rate	nil	4.64%
Expected life	nil	2 years
Annualized volatility	nil	110.00%
Dividend rate	nil	nil

Warrants, broker warrants and compensation options outstanding at September 30, 2024 are as follows:

Number of Warrants & Broker warrants	Number of Compensation Options	Exercise Price ($)	Expiry Date
77,940	-	0.50	December 18, 2024
746,177	-	1.00	February 4, 2025
6,361,157	-	1.35	July 18, 2025
1,071,500	-	1.40	September 1, 2025
16,373,905		1.15	April 3, 2026
1,230,005		0.90	April 3, 2026
31,844,600		1.75	July 31, 2026
949,544		1.25	July 31, 2026
-	269,924	1.10	July 18, 2025
-	28,650	0.70	August 25, 2025
58,654,828	**298,574**		

Stock options

The Company amended its existing stock option plan on April 22, 2022. Pursuant to the stock option plan, options are awarded to eligible people at the discretion of the Board of Directors. The Board of Directors also establishes the exercise price at each option grant, which shall not be less than the discounted market price of the common shares on the day preceding the grant date. Options granted must be exercised no later than five years after the grant date. Subject to the stock option plan, the maximum number of common shares which may be reserved for issuance under the plan shall not exceed 10% of the number of common shares issued and outstanding at the time of option grant.

During the six months ended September 30, 2024, the Company granted incentive stock options to certain directors, officers, employees, and consultants of the Company to acquire an aggregate of 10,430,000 common shares in the capital of the Company at an exercise price of $1.04 to $1.40 per share for a period of up to five years.

During the three and six months ended September 30, 2024, the Company recorded share-based payments of $2,373,141 and $5,895,116 (2023 – $3,277,592 and $5,014,534). The following table highlights the assumptions used to determine the fair value of stock options granted using the Black-Scholes Option Pricing Model:

	Six Months Ended September 30, 2024	Six Months Ended September 30, 2023
Risk-free interest rate	3.02%-3.64%	4.04%
Expected life	1.25-5 years	5 years
Expected volatility	75.00%	109.44%
Expected dividend yield	n/a	n/a

Options granted under the stock option plan are subject to a vesting schedule, whereby 25% of each option will vest on the grant date and 25% will vest on each of the nine months anniversaries following the date of grant. The Company may choose to offer a more restrictive and accelerated vesting period upon its discretion.

The following table summarizes information about the stock options transactions for the six months ended September 30, 2024.

	Number of Options		Weighted Average Exercise Price ($)
Balance, March 31, 2023	16,995,000	$	5.89
Stock options issued	10,860,750		1.34
Stock options exercised	(175,000)		0.31
Stock options forfeited/cancelled	(7,246,250)		6.85
Stock options expired	(1,200,000)		12.00
Balance, March 31, 2024	19,234,500	$	2.63
Stock options issued	10,430,000		1.39
Stock options exercised	(475,000)		0.38
Stock options forfeited/cancelled	(3,665,000)		1.37
Stock options expired	-		-
Balance, September 30, 2024	**25,524,500**	**$**	**2.35**

Stock options outstanding at September 30, 2024 are as follows:

Number of Options Outstanding	Number of Options Exercisable		Exercise Price	Expiry Date	Weighted Average Remaining Contractual Life (in years)
320,000	320,000		0.76	February 18, 2025	0.4
1,650,000	1,650,000		0.70	August 26, 2025	0.9
100,000	100,000		0.76	August 26, 2025	0.9
218,750	218,750		2.19	January 5, 2026	1.3
2,275,000	2,275,000		6.88	April 25, 2026	1.6
200,000	200,000		11.39	July 14, 2026	1.8
2,250,000	2,250,000		6.35	May 13, 2027	2.6
4,280,000	2,202,500		1.40	August 3, 2028	3.8
2,965,750	741,438		1.40	March 6, 2029	4.4
460,000	230,000		1.40	March 6, 2026	1.4
375,000	187,500		1.15	June 6, 2025	0.7
30,000	15,000		1.40	May 15, 2029	4.6
5,800,000	1,450,000		1.40	June 19, 2029	4.7
4,225,000	1,056,250		1.40	August 9, 2029	4.9
375,000	-		1.04	November 9, 2025	1.1
25,524,500	**12,896,438**	**$**	**2.35**		**3.56**

11. GENERAL AND ADMINISTRATION

The following table provides a breakdown of general and administration expenses:

	Three Months Ended		Six Months Ended	
	September 30, 2024	September 30, 2023	September 30, 2024	September 30, 2023
Staff, consulting, and management (Note 8)	$ 1,481,303	$ 2,087,191	$ 3,055,591	$ 3,928,397
Marketing and stakeholder relations	198,388	254,058	335,120	483,941
Corporate development	-	48,512	18,461	113,620
Office and general	357,521	536,908	750,951	829,503
Transportation and accommodation	421,433	142,099	768,234	290,267
Insurance	294,992	348,725	726,063	934,578
Professional fees	436,366	717,086	691,932	1,789,728
	$ 3,190,003	**$ 4,134,579**	**$ 6,346,352**	**$ 8,370,034**

12. SEGMENTED INFORMATION

The following tables highlight the Company's operating segments:

Six Months Ended September 30, 2024	**Corporate**	**Mexico**	**Africa**	**Total**
Total non-current assets	$ 11,909,820	$ -	$ 148,092,233	$ 160,002,053
Total assets	42,765,181	-	149,342,750	192,107,931
Total liabilities	(1,304,448)	-	(4,905,943)	(6,210,391)
Loss before taxes	10,175,893	-	1,940,303	12,116,196

Six Months Ended September 30, 2023	**Corporate**	**Mexico**	**Africa**	**Total**
Total non-current assets	$ 9,711,762	$ 17,671	$ 119,845,830	$ 129,575,263
Total assets	13,168,893	50,302,481	125,115,950	188,587,324
Total liabilities	(3,012,674)	(118,266,841)	(2,404,099)	(123,683,614)
Crude oil revenue	-	3,977,087	-	3,977,087
Natural gas revenue	-	3,863,822	-	3,863,822
Prior period adjustments	-	16,940	-	16,940
Total revenue (Note 5)	-	7,857,849	-	7,857,849
Loss before taxes	10,836,865	17,828,080	2,701,278	31,366,223

Three Months Ended September 30, 2024	**Corporate**	**Mexico**	**Africa**	**Total**
Crude oil revenue	-	-	-	-
Natural gas revenue	-	-	-	-
Prior period adjustments	-	-	-	-
Total revenue	-	-	-	-
Loss (income) before taxes	4,365,277	-	1,056,607	5,421,884

Three Months Ended September 30, 2023	**Corporate**	**Mexico**	**Africa**	**Total**
Crude oil revenue	-	1,718,198	-	1,718,198
Natural gas revenue	-	1,952,742	-	1,952,742
Prior period adjustments	-	(18,919)	-	(18,919)
Total revenue	-	3,652,021	-	3,652,021
Loss before taxes	6,260,916	9,839,826	1,418,916	17,519,658

13. COMMITMENTS AND CONTINGENCIES

The nature of the Company's petroleum exploration business sometimes results in individuals, groups or regulatory bodies, including parties that are opposed to the Company's business, making allegations that could lead to future legal proceedings that might ultimately be resolved in a way that could materially adversely impact the Company's financial position, stock price, cash flow and results of operations.

The Company and certain of its current and former officers and directors have been named as defendants in three substantially identical purported class action lawsuits filed by shareholders of the Company in the United States District Court in Brooklyn, New York. The Company identified the first of these lawsuits in an October 28, 2021 news release. The first lawsuit was voluntarily dismissed by that plaintiff on November 9, 2021, and the other two were consolidated by the court, which appointed a lead plaintiff and lead counsel to represent the purported class members. On April 11, 2022, the lead plaintiff filed a consolidated amended complaint that alleges that the Company and the individual defendants made untrue statements of material fact or omitted to state material facts or engaged in acts that operated as a fraud upon the purchasers of the Company's stock in violation of Section 10(b) and Section 20(a) of the U.S. Securities Exchange Act of 1934, as amended, and Rule 10b-5, thereunder. The claims are alleged on behalf of a class of shareholders, except certain excluded shareholders, who purchased or otherwise acquired shares of the Company in the U.S. between February 28, 2019 and September 7, 2021 (the "US Action"). The lead plaintiff generally alleges that the defendants made misleading statements about the Company's oil exploration projects in Namibia and Botswana that rely in part on allegations by a short seller of the Company's stock and free-lance writers for National Geographic magazine. The lead plaintiff seeks unspecified monetary damages. No trial date has been set by the court. The Company disputes the allegations and intends to vigorously defend the action, although no assurance can be given with respect to the ultimate outcome of this action.

The Company has also been named in a proposed class action filed by a shareholder of the Company in the Supreme Court of British Columbia under the Class Proceedings Act, RSBC 1996, c. 50. The claim is a proposed shareholder class action on behalf of all investors, except certain excluded investors, that purchased the Company's securities outside the U.S. between May 30, 2020 and September 7, 2021, and held all or some of those purchased securities after September 7, 2021 (the "Canadian Action"). The claim generally alleges that ReconAfrica published core and non-core documents containing misrepresentations that were publicly corrected between June 24 and September 7, 2021. The plaintiff seeks damages against the Company in connection with the alleged misrepresentations and public corrections. The Company disputes the allegations and intends to vigorously defend the claim, although no assurance can be given with respect to the ultimate outcome of this action.

On February 28, 2024, following a mediation with the plaintiffs in both the U.S. Action and the Canadian Action, the Company announced that the parties entered into a global settlement agreement to resolve both cases. The Canadian Action received final court approval on June 20, 2024. The U.S. Action received preliminary court approval on August 8, 2024, and the hearing for final court approval is scheduled for December 19, 2024.

14. CAPITAL MANAGEMENT

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to pursue the acquisition, exploration and development of exploration and evaluation assets, and to maintain a flexible capital structure which optimizes the costs of capital at an acceptable risk. In the management of capital, the Company includes the components of equity which, at September 30, 2024, totaled $185,897,540 (March 31, 2024 – $136,854,884).

The Company manages the capital structure and adjusts it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue new shares, issue debt or acquire or dispose of assets. The Company is not exposed to any externally imposed capital requirements. No changes were made to the Company's capital management practices during the period ended September 30, 2024.