



RECONAFRICA ANNOUNCES C\$35 MILLION UNDERWRITTEN OFFERING

The prospectus supplement, the corresponding base shelf prospectus and any amendment thereto in connection with this offering will be accessible through SEDAR+ within two business days

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July 17, 2024, Calgary, Alberta, Canada – Reconnaissance Energy Africa Ltd. (the “**Company**” or “**ReconAfrica**”) (TSXV: RECO) (OTCQX: RECAF) (Frankfurt: 0XD) announces that, in connection with its previously announced overnight marketed public offering (the “**Offering**”) of units of the Company (the “**Units**”), it has entered into an underwriting agreement with Research Capital Corporation as the lead underwriter and sole bookrunner, on behalf of a syndicate of underwriters, including Canaccord Genuity Corp. and Haywood Securities Inc. (collectively, the “**Underwriters**”), pursuant to which the Underwriters will agree to purchase 28,000,000 Units for aggregate gross proceeds of C\$35 million.

BW Energy Limited (“**BW Energy**”) has agreed to a strategic equity investment in the Company for US\$16 million (approximately C\$22 million), pursuant to the Offering in connection with the strategic partnership with the Company.

Each Unit will be comprised of one common share of the Company (a “**Common Share**”), and one Common Share purchase warrant of the Company (a “**Warrant**”). Each Warrant will entitle the holder thereof to purchase one Common Share at an exercise price of C\$1.75 at any time up to 24 months from closing of the Offering, subject to an acceleration provision as detailed further below. In the event that, at any time four months and one day after the date of issuance and prior to the expiry date of the Warrants, the moving volume weighted average trading price of the Common Shares on the TSX Venture Exchange (“**Exchange**”), or other principal exchange on which the Common Shares are listed, is equal to or greater than C\$3.70 for any 20 consecutive trading days, the Company may, within 10 business days of the occurrence of such event, deliver a notice to the holders of Warrants accelerating the expiry date of the Warrants to the date that is 30 days following the date of such notice (the “**Accelerated Exercise Period**”). Any unexercised Warrants shall automatically expire at the end of the Accelerated Exercise Period.

The net proceeds from the Offering will be used for exploration activities, working capital and general corporate purposes.

The Company has granted to the Underwriters an option (the “**Over-Allotment Option**”), exercisable, in whole or in part, in the sole discretion of the Underwriters, to purchase up to an additional number of Units, and/or the components thereof, that in aggregate would be equal to 15% of the total number of Units to be issued under the Offering, to cover over-allotments, if any, and for market stabilization purposes, exercisable at any time and from time to time up to 30 days following the closing of the Offering.

All Units purchased by BW Energy will be subject to a six-month lock-up agreement.

The closing of the Offering is expected to occur on or about July 31, 2024 (the “**Closing**”), or such other earlier or later date as the Underwriters may determine. Closing is subject to the Company receiving all necessary regulatory approvals, including the approval of the Exchange to list, on the date of Closing, the Common Shares, and the Common Shares issuable upon exercise of the Warrants and the Underwriters’ broker warrants, on the Exchange. In addition, the Company will

use commercial reasonable efforts to obtain the necessary approvals to list the Warrants on the Exchange.

In connection with the Offering, the Company intends to file a prospectus supplement within two business days, to the Company's short form base shelf prospectus dated February 29, 2024, with the securities regulatory authorities in each of the provinces of Canada (except Québec). Copies of the base shelf prospectus and any supplement thereto to be filed in connection with the Offering, are and will be available under the Company's profile on SEDAR+ at www.sedarplus.ca. The Units are being offered in each of the provinces of Canada (except Québec) and may be offered in the United States on a private placement basis pursuant to an appropriate exemption from the registration requirements under applicable U.S. law, and outside of Canada and the United States on a private placement or equivalent basis.

This press release is not an offer to sell or the solicitation of an offer to buy the securities in the United States or in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to qualification or registration under the securities laws of such jurisdiction. The securities being offered have not been, nor will they be, registered under the United States Securities Act of 1933, as amended, and such securities may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons absent registration or an applicable exemption from U.S. registration requirements and applicable U.S. state securities laws.

About BW Energy Limited

BW Energy is a growth E&P company with a differentiated strategy targeting proven offshore oil and gas reservoirs through low risk phased developments. The Company has access to existing production facilities to reduce time to first oil and cashflow with lower investments than traditional offshore developments. The Company's assets are 73.5% of the producing Dussafu Marine licence offshore Gabon, 100% interest in the Golfinho and Camarupim fields, a 76.5% interest in the BM-ES-23 block in, a 95% interest in the Maromba field in Brazil and a 95% interest in the Kudu field in Namibia, all operated by BW Energy.

BW Energy, 74% owned by BW Group Ltd., was created as the E&P arm of Oslo listed BW Offshore, a company with more than four decades of experience in operating advanced offshore production solutions and executing complex projects. Since its origin, BW Offshore has executed 40 FPSO and FSO projects.

About ReconAfrica

ReconAfrica is a Canadian oil and gas company engaged in the opening of the newly discovered Kavango Sedimentary Basin in the Kalahari Desert of northeastern Namibia and northwestern Botswana, where the Company holds petroleum licences comprising ~8 million contiguous acres. In all aspects of its operations ReconAfrica is committed to minimal disturbance of habitat in line with international standards and will implement environmental and social best practices in all of its project areas.

Neither the TSXV nor its Regulation Services Provider (as that term is defined in policies of the TSXV) accepts responsibility for the adequacy or accuracy of this release.

For further information contact:

Brian Reinsborough, President and Chief Executive Officer | Tel: +1-877-631-1160

Grayson Andersen, Vice President Investor Relations | Tel: +1-877-631-1160

Email: admin@reconafrika.com

IR Inquiries Email: investors@reconafrika.com

Media Inquiries Email: media@reconafrika.com

Cautionary Note Regarding Forward-Looking Statements:

Certain statements contained in this press release constitute forward-looking information under applicable Canadian, United States and other applicable securities laws, rules and regulations, including, without limitation, statements with respect to the completion of the strategic joint venture transaction, the timing and amount of cash payments relating to the joint venture transaction, the timing and amount of any bonus payments, the timing and amount of production milestone payments, entering into a definitive agreement, the drilling of four exploration wells, the undertaking of additional seismic acquisition, statements with respect to prospective resources of oil and natural gas, the financing of exploration, development and production related costs, the expected use of proceeds from the Offering, the expected closing date of the Offering, the completion of the Offering being subject to the receipt of all necessary regulatory approvals, including acceptance of the TSXV, any potential acceleration of the expiry date of the Warrants, the listing of the Warrants, and the Company's commitment to minimal disturbance of habitat, in line with best international standards and its implementation of environmental and social best practices in all of its project areas. These statements relate to future events or future performance. The use of any of the words "could", "intend", "expect", "believe", "will", "projected", "estimated" and similar expressions and statements relating to matters that are not historical facts are intended to identify forward-looking information and are based on ReconAfrica's current belief or assumptions as to the outcome and timing of such future events. There can be no assurance that such statements will prove to be accurate, as the Company's actual results and future events could differ materially from those anticipated in these forward-looking statements as a result of the factors discussed in the "Risk Factors" section in the Company's annual information form dated December 4, 2023, available under the Company's profile at www.sedarplus.ca. Actual future results may differ materially. Various assumptions or factors are typically applied in drawing conclusions or making the forecasts or projections set out in forward-looking information. Those assumptions and factors are based on information currently available to ReconAfrica. The forward-looking information contained in this release is made as of the date hereof and ReconAfrica undertakes no obligation to update or revise any forward-looking information, whether as a result of new information, future events or otherwise, except as required by applicable securities laws. Because of the risks, uncertainties and assumptions contained herein, investors should not place undue reliance on forward-looking information. The foregoing statements expressly qualify any forward-looking information contained herein.

Disclosure of Oil and Gas Information:

The report of Netherland, Sewell & Associates, Inc. ("NSAI") entitled "Estimates of Prospective Resources to the Reconnaissance Energy Africa Ltd. Interests in Certain Opportunities Located in Damara Fold and Thrust Belt Play Area in Petroleum Exploration Licence 73, Kavango Basin, Namibia as of February 29, 2024" (the "NSAI Report") and the prospective resource estimates contained therein and in this press release were prepared by NSAI, an independent qualified reserves evaluator, with an effective date of February 29, 2024. The NSAI Report was prepared in accordance with the definitions and guidelines of the Canadian Oil and Gas Evaluation Handbook prepared jointly by the Society of Petroleum and Engineers (Calgary Chapter) (the "COGE Handbook") and the Canadian Institute of Mining, Metallurgy & Petroleum and National Instrument 51-101 – Standards of Disclosure for Oil and Gas Activities ("NI 51-101"). For additional information concerning the risks and the level of uncertainty associated with recovery of the prospective resources detailed herein and in the NSAI Report, the significant positive and negative factors relevant to the prospective resources estimates detailed herein and in the NSAI Report and a description of the project to which the prospective resources estimates detailed herein and in the NSAI Report applies are contained within the NSAI Report, a copy of which has been filed with the Canadian Securities Administrators and is available under the Company's issued profile on SEDAR+ at www.sedarplus.ca.

The prospective resources shown in the NSAI Report have been estimated using probabilistic methods and are dependent on a petroleum discovery being made. If a discovery is made and development is undertaken, the probability that the recoverable volumes will equal or exceed the unrisks estimated amounts is 90 percent for the low estimate, 50 percent for the best estimate, and 10 percent for the high estimate. Low estimate and high estimate prospective resources have not been included in the NSAI Report. For the purposes of the NSAI Report, the volumes and parameters associated with the best estimate scenario of prospective resources are referred to as 2U. The 2U prospective resources have been aggregated beyond the prospect and lead level by arithmetic summation; therefore, these totals do not include the portfolio effect that might result from statistical aggregation. Statistical principles indicate that the arithmetic sums of multiple estimates may be misleading as to the volumes that may actually be recovered.

RECONNAISSANCE ENERGY AFRICA LTD.

Tel: 1-877-631-1160 | www.reconafrika.com