

Environment, Social & Governance: 60-Day Progress Report

Goals, Indicators and Results

As part of its Environment, Social & Governance (ESG) commitment, officially launched on June 3, 2021, ReconAfrica has pledged to provide an initial 60-day progress report, to be followed by quarterly reports as the company moves forward with its projects in Namibia.

Following is a report on the steps taken during June and July 2021 as part of ReconAfrica's ESG program, along with a summary of our goals and key technical indicators.

ReconAfrica has been working in collaboration with Namibian governments, Conservancies, Traditional Authorities and communities on a number of ambitious initiatives related to water, wildlife and reforestation, in addition to ongoing social initiatives. To date, ReconAfrica has dedicated N\$112 million toward its ESG initiatives.

ReconAfrica's ESG program is guided, in part, by Namibia's sustainable development initiatives, which include: *Vision 2030*; *Harambee Prosperity Plans 1 & 2*; *National Development Plan 5*. As well, the company is aligning its objectives with UN Sustainable Development and Net Zero goals, and has established a Carbon Neutral strategy, under which it has initiated analysis of greenhouse gas emissions tracking for planned operations.

The company's ESG progress is being tracked and measured on an ongoing basis and will continue to evolve as the company expands its activities in Namibia. These indicators will be influenced by both operational developments and feedback from a range of Namibian and international stakeholders and ESG experts.

Following this 60-day Progress Report, ReconAfrica plans to issue quarterly ESG Updates, reporting on selected measured indicators and progress highlights during those periods.



ESG Goals

- Ensure regulatory compliance
- Engage openly with stakeholders and manage community impacts
- Protect the environment, land, water & wildlife
- Implement a carbon-neutral program
- Enhance the livelihoods of the people of Namibia and create socio-economic opportunities
- Support positive outcomes for all Namibians – environmentally, economically and socially



60-Day Progress Report (June-July 2021)

What We're Tracking (key technical indicators)

- Water and Air Quality
- Climate Change and Carbon Emissions
- Biodiversity
- Reforestation
- Waste Management
- Regulatory Consultation
- Stakeholder and Indigenous Engagement
- Issues & Concerns (Grievance) Management
- Human Rights Standards
- Labour Standards & Human Resources Processes
- Gender and Diversity
- Stakeholder Engagement and Social Initiatives
- Community Outreach Projects (Agriculture, Health & Wellness and Education)
- Corporate Governance Processes

Steps Taken – Water

- Assessment of groundwater resources
Reconnaissance Energy Namibia licence area PEL73 – hydro census and water quality sampling in Kavango East and West
- Advanced planning for 20 permitted community water wells – hydro census and assessment of groundwater resources
- Eight locations selected for additional community water wells
- Research in collaboration with Namibian Ministry of Water, Agriculture and Land Reform (MAWLR) and other stakeholders to select locations for additional 12 community potable water wells (in addition to four community water wells already drilled and donated by ReconAfrica)
- Ongoing collaboration on water-related issues as part of new private-public committee that includes MAWLR, Traditional Authorities, Community Headwomen and Headmen, along with community users
- Engaging women and young adults as part of the consultation and fact-finding process



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Steps Taken – Wildlife

- Initiated wildlife surveys in advance of newly launched 2D Seismic program
- Ongoing monitoring throughout the seismic data-gathering period
- Ongoing wildlife surveys in advance of future drilling and operations and implementation of mitigation measures, including potential deviation of operations when required due to wildlife movement
- Collaboration with Kavango East Conservancies to gather data and help to implement wildlife surveying and monitoring requirements
- Working with ENGOs and other entities to collaborate with data gathering and sharing as part of the survey and wildlife monitoring processes
- Working with Conservancies and other wildlife specialists to counter the effects of poaching and promote wildlife repopulation in the Kavango region



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Steps Taken – Reforestation

- Initiated data gathering on feasible nursery and incubation trials to address reforestation initiatives throughout lease area
- Planned collaboration with governments, Traditional Authorities and other stakeholders to assess suitable tree types, ecosystems, genetic diversities of trees, forest contribution to global carbon cycles and long-term socio-economic benefits
- Review of findings from the World Bank Forest Carbon Production Facility reports to assist with ESG forestation initiatives



About ReconAfrica

ReconAfrica is a Canadian-based oil and gas company working collaboratively with national governments to explore oil and gas potential in Northeast Namibia and Northwest Botswana – the Kavango Basin.

To date, ReconAfrica has been granted licences by Namibia and Botswana to explore and confirm the presence of their resources; we have no licence to produce oil or to engage in hydraulic fracturing ('fracing').

This project aims to prove a potential reserve that could lead to economic stimulus, funding local and regional jobs and other socio-economic benefits such as increased infrastructure, potable water access and investments in environmental and wildlife conservation.

Should oil and gas be discovered, the traditional authorities and elected governments of Namibia and Botswana will determine how they will manage those resources.



Contact Us:

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For more information visit : www.reconafrika.com

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Steps Taken – Social Initiatives

- N\$15-million contribution to support national COVID-19 relief efforts as the pandemic continues to surge in Namibia as part of health and well-being sector
- Continued local hiring, with 306 Namibian residents now employed by ReconAfrica subsidiary Reconnaissance Energy Namibia (REN)
- Skills transfer initiative – 32 Namibian residents receiving basic training in geology; petroleum engineering; Core Lab Technology; IT; Health, Safety & Environment; and Environmental Management.
- Working with Kavango East and West Governors to support tertiary education support initiative
- Ongoing engagement and communication, in local languages, with stakeholders and Traditional Authorities in Project Impact Areas
- Ongoing stakeholder issues monitoring and tracking; ReconAfrica/Reconnaissance Energy Namibia Operations team commitment to timely management and resolution of stakeholder issues in local languages, with stakeholders and Traditional Authorities in Project Impact Areas

