



RECONAFRICA RESPONDS TO SHORT SELLER'S BIASED AND FALSE SHORT REPORT

June 28, 2021 – Vancouver, BC – Reconnaissance Energy Africa Ltd. (the “Company” or “ReconAfrica”) (TSX-V: RECO) (OTCQX: RECAF) (Frankfurt: OXD) provides the real facts in response to falsehoods and distortions from a recent short seller’s report.

Short Seller’s False Claims about ReconAfrica

The short seller report published on June 24, 2021 which falsely claims that no petroleum exists in the Kavango Basin completely ignores prominent geoscientists with decades of international experience, who have all verified that ReconAfrica’s data clearly confirms a working petroleum system. The short seller has no geological expertise itself, has not seen any data whatsoever, and its financial bias is clear: it admits that it has shorted the stock of ReconAfrica.

ReconAfrica’s Exploration Strategy is Logical, in Line With Best Industry Practices and Specifically Tailored to the Geology of Northeast Namibia and Northwest Botswana

1- ReconAfrica was the first to recognize the deep Kavango Basin as a distinct geological feature. ReconAfrica purchased aeromagnetic survey data which the Government of Namibia had commissioned, and had this data processed by Earthfield Technology, based in Houston Texas, one of the world’s leading specialists in quantitative analysis of magnetic and gravity data. Earthfield’s analysis yielded detailed, three-dimensional images of the basement surface of the Kavango Basin, and further defined it as geophysically separate from the Owambo Basin to the west. A new view of the regional geology resulted in the Kavango rift play that ReconAfrica is pursuing.

2- ReconAfrica worked to first establish the existence of a working petroleum system. In basins which have existing wells and production, a logical next step is to acquire seismic data to identify potential reservoirs. However, there are no wells in the Kavango Basin; the nearest well is the ST-1 well drilled in the 1960s in the Owambo Basin, 375 km west of the Company’s 6-2 well. Seismic data is useful to define possible reservoirs, but it cannot establish whether hydrocarbons are present, or whether there is a working petroleum system comprising source rock, maturation, migration, reservoir rock, and cap/seal. In these circumstances, the logical approach is to drill stratigraphic test wells to establish whether oil and gas has been generated in the basin, and to understand the sedimentology. Once the presence of a working petroleum system has been proven, seismic can then identify structure and potential reservoirs, leveraging the sedimentology data from the stratigraphic tests. Stratigraphic tests have been used for generations in many locations around the world to do just this.

This logical strategy for initial exploration work in the Kavango Basin is provided for in the Petroleum Agreement governing the Kavango Basin blocks and confirmed by Namibia’s Ministry of Mines and Energy and ReconAfrica’s industry partner NAMCOR, the Namibian state oil company.

3- Results from the Initial Stratigraphic Test Wells confirms a working petroleum system. With the approval of the Ministry of Mines and Energy, ReconAfrica and NAMCOR have recently drilled the 6-2 stratigraphic test well, and are *currently drilling ahead* on the 6-1 stratigraphic test well following a short maintenance break. This second well is anticipated to reach its total planned depth of 3800 m (12500 feet) in the first week of July.

As reported on April 15, 2021, the mud/well sample log, conducted by Horizon Well Logging Inc., of the 6-2 well provides over 200 meters (over 660 feet) of light oil and natural gas

indicators/shows over three discrete intervals in a stacked sequence of reservoir and source rock. Extraction of oil from these samples and subsequent fingerprinting for key characteristics of the liquids, supports an active petroleum system with multiple source intervals.

As reported on June 3 and 24, 2021, the 6-1 well has so far encountered 343 meters (1,125 feet) of oil and gas indicators/shows, further confirming an active petroleum system in the Kavango Basin.

The following statement was provided today by NAMCOR, ReconAfrica's joint venture partner in the Kavango Basin in Namibia:

“NAMCOR as a Joint Venture partner with ReconAfrica in PEL 73, hereby support the on-going drilling activities which was initially approved through Technical Advisory meeting between the parties to the Petroleum Agreement.

“NAMCOR has confidence in the geological results released by ReconAfrica during the on-going drilling campaign which has proved the presence of a Petroleum system in the Kavango Basin.

“We understand the hydrocarbon potential of the Kavango Basin; hence our collaboration with ReconAfrica, an international company with the technical and financial capabilities to unlock the discovery of commercially viable hydrocarbon reserves.”

Dr Ansgar Wanke, PhD (Geology), former Head of Geology Department, University of Namibia:

“I have been supervising and managing the well site geology of both stratigraphic test wells, namely ST 6-2 and ST 6-1. There, I have been closely working with the mudloggers and observed cuttings and core material, as well as well-site gas readings and liquid hydrocarbon indicators, such as fluorescence cuts. In fact, at both wells I could see and smell petroleum directly. I am thrilled to have witnessed clear indicators of a working petroleum system in the Kavango Basin.”

Dr James Granath, PhD (Structural Geology), Director of ReconAfrica:

“In the Middle East, the immense productivity in Saudi Arabia, Iraq and Iran, especially the Zagros belt, are based on multiple stacked source rocks and various kinds of reservoirs including carbonates, which are involved in many types of traps. This is not to say that Kavango is the same as the Middle East, but some structures there—the Zagros in particular—are similar to what we suspect we have drilled into in the Kavango Sedimentary Basin. The 6-2 and 6-1 wells are stratigraphic tests, science wells if you like, but the data from the wells including hydrocarbon shows have hinted at something very interesting, and they emphatically scream the imperative to follow through on a comprehensive exploration program. These wells suggest there is commercial potential in the basin. It took 30 wells in offshore Norway to get to this point, we've been lucky enough to do it in the first two.”

4- ReconAfrica and NAMCOR are now pursuing commercial potential of the Kavango Basin. The next logical step in an exploration program is to acquire seismic data to expand the understanding of the Kavango Basin and assess its commercial potential. With the approval of the Ministry of Mines and Energy, ReconAfrica and NAMCOR will conduct an initial 450 km low-impact 2D seismic acquisition program in the Kavango Basin. Following a formal tender process, ReconAfrica hired Polaris Seismic International, Canada's leading international seismic contractor for a program costing less than US \$10,000 per km. Subject to permitting, seismic operations are scheduled to commence in mid-July. Part of this program will connect the 6-1 and

6-2 stratigraphic test wells (which are 16 km apart) and when combined with a vertical seismic profile planned for those wells, will provide a clearer picture of the commercial potential of the central portion of the Kavango Basin.

ReconAfrica and its joint venture partner NAMCOR will be seeking Ministry approval for the drilling of additional wells in the Namibian portion of the Kavango Basin and the acquisition of additional seismic. These joint activities will be undertaken following Ministry approval and permitting/licensing, beginning in the second half of 2021. ReconAfrica presently has CDN \$63,000,000 in cash reserves which are available to support its continued exploration work in Namibia and Botswana. The Company anticipates this will be sufficient to conduct an initial evaluation of all five sub-basins in the Kavango Sedimentary Basin.

The Petroleum Agreement

The Petroleum Agreement for the Namibian portion of the Kavango Basin contemplates relinquishment of 75% of the licensed area, but excluded from this relinquishment are any areas which are subject to an application for the declaration of a petroleum field, which comprises the block with a discovery of commercial interest. ReconAfrica and NAMCOR are currently in the First Renewal Period of PEL 73, and this period can be extended by application and Ministry approval to the end of January 2023. A Second Renewal Period will follow which adds two additional years for exploration operations, and can also be extended by application for another year. Accordingly, it is reasonable to anticipate that upon application and approval, exploration in the Namibian portion of the Kavango Basin can continue until the end of January 2026. Consequently, ReconAfrica is confident that there is sufficient time to fully evaluate the entire Kavango Basin in Namibia and make production licence applications for declaration of any petroleum fields which are established as the program develops.

ReconAfrica's exploration licence for the Botswana portion of the Kavango Basin has three years remaining in the current exploration period, and renewals can extend the exploration period until 2034. No relinquishment obligation is defined for the Botswana exploration licence.

Petroleum fields discovered in Namibia and Botswana will be entitled to a petroleum production licence for a 25 year term, renewable for up to an additional 10 years in Namibia and 20 years in Botswana.

The Facts vs Short Seller's Distortions

The portion of the short seller's report that addresses the topics described above is riddled with inaccuracies. It displays an ignorance of the geology of Southern Africa in general and Namibia in particular. The results of the 6-2 and 6-1 stratigraphic test wells are misrepresented by the short seller, suggesting there is 'no oil', when in fact results from both wells were much more successful than anticipated, and firmly prove the presence of a working petroleum system. It overstates seismic acquisition costs by over 500%. It has misrepresented the relinquishment provisions of the Petroleum Agreement. Incredibly, it suggests that ReconAfrica is nearly bankrupt, when in fact ReconAfrica has over CDN \$63,000,000 of cash reserves, access to additional funds through capital markets and joint venture optionality to pursue its operations.

The short seller either lacks the knowledge and experience to assess these matters, or is intentionally distorting the publicly disclosed facts, or both.

Other Short Seller Fabrications and Distortions

The short seller report is littered with falsehoods on a variety of other topics. For the most part these are repetitions from earlier publications that ReconAfrica has previously addressed and debunked.

We reemphasize what has been stated previously: ReconAfrica directors and officers have consistently been net buyers of ReconAfrica stock. In the past 12 months, according to SEDI.ca, current officers and directors of ReconAfrica have purchased 985,289 shares for a cost of CDN \$793,428 and have only sold 112,206 shares for gross proceeds of CDN \$744,661, retaining 4,383,289 shares with a current market value of over CDN \$48 million. Companies operating any sort of “pump and dump” scheme would surely have sold significantly more shares than the officers and directors of ReconAfrica where the Company’s stock has risen 1326% in the past 12 months. Clearly, directors and officers of ReconAfrica are committed to the long term viability and success of the Company.

Despite the actions of short sellers and their enablers, ReconAfrica and our joint venture partner NAMCOR, will proceed with our plans to explore for this potentially major energy source for Namibia and Botswana in the Kavango area, in an environmentally and socially respectful manner and for the benefit of all.

About ReconAfrica

ReconAfrica is a Canadian oil and gas company engaged in the opening of the newly discovered deep Kavango Sedimentary Basin, in the Kalahari Desert of northeastern Namibia and northwestern Botswana, where the Company holds petroleum licences comprising approximately 8.5 million contiguous acres. In all aspects of its operations, ReconAfrica is committed to minimal disturbances in line with international best 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.

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***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 interpretation of data and models relating to the Company’s assets, including Earthfield’s analysis of aeromagnetic survey data, statements with respect to the Kavango Basin being geologically separate from the Owambo Basin, the Company’s proposed exploration, drilling and exploration activities and timelines, the Company’s exploration strategy, when the Company anticipates reaching total depth on the 6-1 well, the data from the 6-1 and 6-2 wells providing clear evidence of a working conventional petroleum system in the Kavango Basin and that there is commercial potential in the Kavango Basin, the interpretation and analysis of data, results and samples from the 6-1 and 6-2 wells, the hydrocarbon potential of the Kavango Basin, including statements with respect to ReconAfrica having the technical and financial capabilities to unlock the discovery of commercially viable hydrocarbon reserves, the geology of the Kavango Basin region, the size, characteristics and features of the Company’s oil and gas properties, the timing, duration and location of, and the receipt of final permitting for, the Company’s 450km 2D seismic program, the costs of the Company’s seismic program, the anticipated results of the Company’s seismic program, the Company seeking Ministry approvals for the drilling of additional wells in the Namibian portion of the Kavango Basin and the acquisition of additional seismic data, the timing for the commencement of such additional drilling and seismic activities, including the timing for the receipt of approvals and permitting/licensing related thereto, the Company’s current cash reserves being sufficient to conduct an initial evaluation of all five sub-basins in the Kavango Basin, the extension of the First Renewal Period to the end of January 2023 and the Botswana portion of the exploration licence to 2034, exploration of the Namibian portion of the Basin continuing until the end of January 2026, there being sufficient time for the Company to fully evaluate the Kavango Basin prior to making production licence applications for the declaration of any petroleum fields, the Company having access to additional funds through capital markets and joint venture optionality, and the Company’s commitment to minimal disturbances in line with international best 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 amended and restated annual information form dated May 19, 2021 available under the Company's profile at www.sedar.com. 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.

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