ReconAfrica has discovered + licensed a new deep (30,000') Permian Age rift sedimentary basin in northeast Namibia and northwest Botswana “Kavango Basin”

“All of the worlds basins of this depth produce commercial hydrocarbons”
- Bill Cathey, CEO, Earthfi elds Technology, Houston

ReconAfrica TSX-V RECO holds rights to the entire sedimentary basin, 8.75 million acres

Same seaway or depositional environment as Shell’s 390 TCF Permian shale (top 10 shale plays worldwide)

Expecting up to 6,000’ Permian petroleum system supporting large-scale unconventional + conventional plays

ReconAfrica has acquired a 1,000 HP drilling rig shipping to Namibia for a Q4 2020 drilling campaign

Based on a previously drilled well (ST-1/1964) and the acquisition and interpretation of a high quality (200m spacing) aeromagnetic survey, ReconAfrica has discovered a deep, 30,000’, predominantly Permian aged, rift sedimentary basin in NE Namibia and NW Botswana (FIG 01). All of the worlds basins of this depth produce commercial hydrocarbons.
ST-1 WELL

Stratigraphic Test #1 was drilled by Etosha Petroleum Company Ltd, in late 1964. The well is west of ReconAfrica’s leasehold, in the Owambo Basin, Namibia. ST-1 lithology log documents the presence of approximately 620 Feet of Permian-Age source shale; thermally immature in this wellbore, as they are too shallow at this location. This ST-1 hydrocarbon source sequence correlates directly to the Permian Whitehill formation in the Main Karoo Basin in South Africa, with TOC up to 14% and U.S. Energy Information Administration gas estimates in excess of 390 TCF, at significantly deeper depths and higher thermal maturities. The ST-1 well is west of the main Kavango Basin, where in the Kavango, the Permian source rocks are expected to be up to 6000’ thick, and more thermally mature due to greater depth (FIG 2).

FIG 02: ST1 Lithology supports Karoo Permian Shales throughout ReconAfrica’s Kavango Basin.
RIFT BASINS

The Kavango Basin sits on the southern extent of the Southern Trans-African Rift & Shear system (STARSS), which controls the development of the basin and the potential for hydrocarbon accumulations. Rift basins occur wherever plate tectonic processes have stretched the continents or caused them to separate and drift apart (FIG 03). They define the major continental oil and gas fields today in continental Africa, and contain the majority of the world’s oil and gas in conventional traps. The United States Geological Survey (USGS) estimates conventional resources of 13.4 BBO and 3.6 TCF of Gas in the East Africa Rift System, northeast of the Kavango basin. ReconAfrica’s technical team has sourced, gathered and integrated all this data to better understand both unconventional and conventional horizons that will be targeted with the initial drilling program, intent on proving an active petroleum system capable of producing economic quantities of hydrocarbons in 2020.

FIG 03: Formation of intercontinental rift basin.

PERMIAN BASINS

The Kavango is of overall Permian age, time equivalent, and similar depth to the famous “Permian Basin” in Texas and New Mexico, one of the world’s “Super Basins” with significant production from multiple reservoirs and source rocks. The Permian is a time of overall global sea level rise and basin forming, leading to the deposition of organic, hydrocarbon rich strata. In both the American and southern Africa Permian basins, formation of thick sections of deep marine and lacustrine sediments takes place as these basins are forming, thus growth of the thickest sections occurs in the deepest part of the basin as it forms. In the Kavango Basin, the existence of this organic shale is proven by the ST-1 well, which is located due west of the basin.
With support of a new extended, high density Aero-Mag survey and Halliburton’s advanced LithoTect ® technology, and other new ancillary data, the Company’s technical team has generated a thorough understanding of how this deep Permian rift basin developed. Specifically, the Company has been able to identify the faulting system throughout the basin, responsible for developing potential conventional fault and stratigraphic hydrocarbon bearing structures. This work builds on the unconventional potential previously identified for Kavango Basin.
The Crown 750 was US manufactured and has never been used. The rig is 1000 Horsepower equipped with two CAT 540 Horsepower Diesel engines, combined with a 440,000 pound hook load. Consequently the rig is rated to drill 12,000 vertical feet. The rig is currently being outfitted with a best-in-class top drive system (for faster drilling rates) and ancillary equipment to acclimate the rig for drilling in the Kalahari Desert. Thereafter, the rig will be shipped directly by sea from the Port of Houston to the Port of Walvis Bay, Namibia. Once in Walvis Bay the rig will be transported over land by way of the paved highway directly to the Company’s Kavango Basin license area in NE Namibia.

ACQUIRED CROWN 750 RIG – FEBRUARY, 2020

Source: Dolmen Broker Report, Bloomberg & Reuters

SHALE PLAY VALUATION BY ACREAGE (US$) (BASED ON DATA FROM USA, AUSTRALIA + ARGENTINA)

PROGRESS IN COMMERCIALIZATION INCREASES MARKET VALUE OF ACREAGE

- Success with ReconAfrica’s 3-well program will bring license to “Undeveloped” stage.
- At current share price, investors in ReconAfrica buy into Kavango Basin at <US$10/acre
MEET THE TECHNICAL TEAM
RECONAFRICA’S TECHNICAL TEAM HAVE THE SPECIALIZED EXPERTISE AND TRACK RECORD REQUIRED FOR THE SUCCESSFUL EXPLORATION OF THE COMPANY’S NAMIBIA ASSETS.

MR. SCOT EVANS, COO / GEOLOGIST
Scot Evans is an energy industry leader with a combined 35 years of experience with Exxon and Halliburton. In his last position, Mr. Evans served as Vice President of Halliburton’s Integrated Asset Management and Technical Consulting organizations, where he grew production from 20K to over 100K barrels of oil equivalent per day, creating the equivalent of a Mid-Cap upstream oil company. Mr. Evans’ experience in the US extends to the Delaware, Midland, Eagle Ford and Monterey plays, and internationally in Algeria, Kuwait, India, Russia, Ecuador and Mexico. He is an expert in developing unconventional resources.

MR. NICK STEINSBERGER, SVP, DRILLING + COMPLETIONS
Nick Steinsberger brings 32 years’ experience in petroleum engineering, drilling and completions, production, and surface facilities to ReconAfrica. Nick began his career with Mitchell Energy in 1988 and help turn the Barnett into the industry’s first commercial shale play reaching peak production of 5.75 Billion Cubic Feet per day in 2012. Based on its success in the Barnett, Mitchell Energy was sold to Devon Energy for $3.1 Billion in 2002.

MR. DANIEL JARVIE, GEOCHEMIST
Mr. Jarvie is globally recognized as a leading analytical and interpretive organic geochemist, having evaluated conventional and unconventional petroleum systems around the World. Most notably, he completed the geochemical analysis for Mitchell Energy, in their development of the Barnett Shale of the Fort Worth Basin, Texas. In 2010, he was awarded “Hart Energy’s Most Influential People for the Petroleum Industry in the Next Decade.” Mr. Jarvie is a retired Chief Geochemist for EOG Resources, the largest producer of shale oil resource plays in North America.

MR. BILL CATHEY, GEOPHYSICIST
Mr. Cathey, President and Chief Geoscientist of Earthfield Technology, has over 25 years of potential fields interpretation experience. Mr. Cathey is world-renowned in the field of aero-magnetics with clients including Chevron, ExxonMobil, ConocoPhillips and many other major and large independent oil and gas companies. Mr. Cathey performed the entire aero-magnetic survey interpretation of the Kavango Basin for ReconAfrica.

DR. JAMES GRANATH, DIRECTOR
Dr. Granath is a director of ReconAfrica and a member of the company’s technical team. He holds his PhD in Geology from Monash University in Australia, and a BS and MS from the University of Illinois at Champaign Urbana. Dr. Granath is a structural geologist with extensive knowledge in African petroleum exploration. His expertise lies in seismic interpretation and integration with structural analysis, fracture analysis, regional synthesis, and prospect and play evaluation. Dr. Granath spent 18 years with Conoco Inc. in research, international exploration, and new ventures.

MR. DALE MITISKA, GEOLOGIST
Mr. Mitiska has 30+ years of geological and operational experience throughout North America, including the Williston Basin/Bakken shale, the San Juan, the DJ Basins, the Niobrara and Barnett shale, Marcellus, Eagleford and Woodford plays. Geological investigations include regional basin analysis, exploration and development mapping, detailed reservoir analysis and description, prospect generation for clastic and carbonate reservoirs, 2D & 3D seismic acquisition and interpretation, reservoir engineering integration and geological and geophysical computer modeling and mapping.

DR. ANSGAR WANKE, GEOLOGIST
Dr. Wanke is a geologist with over 20 years of experience in various fields including regional mapping, geochemistry, hydro- and engineering geology, sedimentology and seismic stratigraphy. He joined the University of Namibia geology department in 2008, reviewed and designed several geology curricula, and has been heading the department from 2012 to 2015.