



## **TERMS OF REFERENCE FOR THE GOVERNANCE AND NOMINATING COMMITTEE**

### **I. PURPOSE**

The main purpose of the Governance and Nominating Committee (the “Committee”) is to provide a focus on governance that will enhance Reconnaissance Energy Africa Ltd. (“ReconAfrica” or the “Company”) performance, to assess and make recommendations regarding Board of Directors (the “Board”) effectiveness and to establish and lead the process for identifying, recruiting, appointing, re-appointing and providing ongoing development for directors.

### **II. COMPOSITION AND OPERATIONS**

- A. The Committee will consist of such number of directors, in no event to be less than three, as the Board of Directors may from time to time by resolution determine, the majority of whom will be independent directors.
- B. The Committee will meet at least two times per year.
- C. The Committee will operate under the guidelines applicable to all Board committees, located in the Board Guidelines.

### **III. DUTIES AND RESPONSIBILITIES**

Subject to the powers and duties of the Board, the Committee will:

- A. Annually review the Board’s relationship with management to ensure the Board is able to, and in fact does, function independently of management.
- B. Develop, and annually update and recommend to the Board for approval, a long-term plan for Board composition that takes into consideration:
  - i) the independence and material relationship of each director;
  - ii) size and composition of the Board with a view to determine the impact of the number of directors, the effectiveness of the Board and recommend to the Board, if necessary, a reduction or increase in the size of the Board;
  - iii) the competencies, integrity, diversity (gender, race, ethnicity and background experiences) and skills the Board, as a whole, should possess;

- iv) based on the determinations made under section III-B-iii, recommend to the Board nominees to fill vacancies on the Board to be recommended for election as directors at annual shareholder meetings;
  - v) develop a list of candidates to fill Board positions and assist the Company in attracting qualified individuals to act as Board members based on the determinations made above;
  - vi) the current strengths, skills and experience represented by each director, as well as each director's personality and other qualities as they affect Board dynamics;
  - vii) retirement dates;
  - viii) the appropriate size of the Board, with a view to facilitating effective decision-making and
  - ix) the strategic direction of the Company.
- C. Develop recommendations regarding the essential and desired experiences and skills for potential directors, taking into consideration the Board's short-term needs and long-term succession plans. Consider and develop recommendations to the Board on what changes to the Company's current policies relating to the representation of diversity and inclusion on the Board and in executive officer positions may be advisable.
- D. Develop recommendations to ensure Board diversity and inclusion.
- E. Develop and implement a process to handle any nominees for director who are recommended by security holders.
- F. In conjunction with the Non-Executive Board Chair, or Lead Director, recommend to the Board nominees for election to the Board, considering what competencies, diverse perspectives and skills each nominee will bring to the Board as well as whether or not each new nominee can devote sufficient time and resources to their duties as a Board member. The Committee will consider diversity objectives (including those relating to gender, race, ethnicity and background experiences) when identifying and nominating candidates for election or re-election to the Board.
- G. Review periodically, for Board approval, a Board Manual outlining the policies and procedures by which the Board will operate and the terms of reference for the Board, the Non-Executive Board Chair, the Lead Director (if applicable), the CEO, and committees of the Board.

- H. In conjunction with the Non-Executive Board Chair or Lead Director, assess the needs of the Board in terms of the frequency and location of Board and committee meetings, meeting agendas, discussion papers, reports and information, and the conduct of meetings and make recommendations to the Board as required.
- I. In conjunction with the Non-Executive Board Chair or Lead Director, recommend committee members and committee chair appointments to the Board for approval and review the need for, and the performance and suitability of, those committees and make recommendations as required.
- J. Review, monitor and make recommendations to the Board regarding the orientation of directors.
- K. Review, monitor and make recommendations to the Board regarding the education of directors.
- L. Annually review the directors' compensation program, in coordination with the Human Resources and Compensation Committee, and make any recommendations to the Board for approval.
- M. Annually review the Company's directors' and officers' third-party liability insurance to ensure adequacy of coverage.
- N. Review the Board's needs for formal Board, committee and individual director evaluation processes; and develop and implement appropriate processes.
- O. Review and approve the request of an individual director to engage independent counsel in appropriate circumstances, at the Company's expense.
- P. With regard to the Company's Code of Conduct and Ethics (the "Code"):
  - i) review and update periodically the Code and ensure that management has established a system to enforce the Code;
  - ii) review actions taken to ensure compliance with the Code and the results of confirmations and violations of such Code;
  - iii) ensure the Code, any revisions to the Code and any waivers to the Code granted by the Board are disclosed in a manner that meets regulatory guidelines;
  - iv) ensure that any departures from the Code by a director or senior officer that constitute a "material change" within the meaning of



National Instrument 51-201 Disclosure Standards, are reported in a manner that fully meets regulatory requirements.

- Q. Annually compare the Company's corporate governance practices against those recommended or required by any applicable regulator or stock exchange. Ensure the Company meets all requirements, and where the Company's practices differ from recommended practices, recommend to the Board whether this situation continues to be in the best interests of the Company.
- R. Implement and oversee measures for security holders to contact the independent directors, and ensure these measures are communicated to shareholders.
- S. Recommend to the Board any reports on corporate governance that may be required or considered advisable.
- T. At the request of the Board, undertake such other corporate governance initiatives as may be necessary or desirable to contribute to the success of the Company.

#### **IV. ACCOUNTABILITY**

- A. The Committee Chair has the responsibility to make periodic reports to the Board, as requested, on governance and nomination matters relative to the Company.
- B. The Committee will report its discussions to the Board by maintaining minutes of its meetings and providing an oral report at the next Board meeting.

#### **V. ANNUAL BOARD APPRAISAL PROCESS**

<u>Step</u>	<u>Date</u>	<u>Description</u>
1.		<ul style="list-style-type: none"><li>a) Review skills matrix and determine long term board requirements and retirements</li><li>b) Review board and committee questionnaire and amend or append as needed</li><li>c) Discuss appropriate form of individual director evaluations: paper and/or personal or telephone interviews by the Chair</li><li>d) Establish methodology for appraising the performance of the Chair</li></ul>



<u>Step</u>	<u>Date</u>	<u>Description</u>
2.		Send out board/committee questionnaire and initiate the individual director evaluation process
3.		Review the questionnaire and interview results
4.		Take conclusions of the review to the full board
5.		Initiate actions to improve board, committee and individual performance.







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### Appendix: Mandatory Governance Disclosure Checklist Under CSA NI 58-101 and NASDAQ

Item		CSA*	NASDAQ [to be added]
Disclose a statement of any significant ways in which RECO's governance practices differ from NASDAQ domestic companies.			
Disclose the identity of each director and whether each director is independent or not independent; and describe the basis for that determination.		✓	
Disclose whether or not a majority of directors are independent/unrelated. If not, describe what the board does to facilitate its exercise of independent judgement in carrying out its responsibilities.		✓	
If a director is presently a director of any other reporting issuer (or the equivalent) in a jurisdiction or a foreign jurisdiction, identify both the director and the other issuer.		✓	
Disclose whether or not the independent directors hold regularly scheduled meetings at which non-independent directors and members of management are not in attendance. If the independent directors hold such meetings, disclose the number of meetings held since the beginning of the most recently completed financial year.		✓	
If the independent directors do not hold regularly scheduled meetings at which members of management are not in attendance, describe what the Board does to facilitate open and candid discussion among its independent directors.		✓	
If one director is chosen to preside at all executive sessions of non-management directors, disclose their name in the annual proxy statement. If the same individual is not the presiding director at every such session, disclose the procedure by which a presiding director is chosen for each executive session. Disclose a method for parties to communicate directly with the presiding director or with the non-management directors as a group.			
Disclose whether or not the Board chair is independent. If the board has a chair or lead director who is an independent director, disclose the identity of the independent chair or lead director, and describe their role and responsibilities. If the Board has neither a chair that is independent nor a lead director that is independent, describe what the Board does to provide leadership for its independent directors.		✓	
Disclose the text of the Board's written mandate. If the Board does not have a written mandate, describe how the Board delineates its role and responsibilities.		✓	



Item		CSA*	NASDAQ [to be added]
Disclose whether or not the board has developed written position descriptions for the chair and the chair and the chair of each board committee. If the board has not developed written position descriptions for the chair and/or the chair of each board committee, briefly describe how the board delineates the role and responsibilities of each such position		✓	
Briefly describe what measures the Board takes to orient new directors regarding (i) the role of the Board, its committees and its directors, and (ii) the nature and operation of the issuer's business.		✓	
Briefly describe what measures, if any, the Board takes to provide continuing education for its directors. If the Board does not provide continuing education, describe how the board ensures that its directors maintain the skill and knowledge necessary for them to meet their obligations.		✓	
Describe any steps the Board takes to ensure directors exercise independent judgement in considering transactions and agreements in respect of which a director or executive officer has a material interest.		✓	
Disclose whether or not the Company has adopted a written code of ethical business conduct for the directors, officers and employees.		✓	
If the Company has adopted a written code of ethical business conduct for its directors, officers and employees: (i) disclose how a person or company may obtain a copy of the written code;		✓	
(ii) describe how the Board monitors compliance with its code, or if the board does not monitor compliance, explain whether and how the Board satisfies itself regarding compliance with its code;		✓	
(iii) provide a cross-reference to any material change report filed since the beginning of the most recently completed financial year that pertains to any conduct of a director or executive officer that constitutes a departure from the code.		✓	
Describe any other (besides the Code of Ethics) steps the Board takes to encourage and promote a culture of ethical business conduct.		✓	
Disclose whether or not the Board has a nominating committee composed entirely of independent directors.		✓	
If the Board does not have an independent nominating committee, describe why the Board believes this appropriate, what steps the Board takes to encourage an objective nomination process and identify the directors who participate in the consideration of director nominees.		✓	
If the Board has a nominating committee, describe its responsibilities, powers and operation.		✓	
Describe the process by which the Board identifies new candidates for board nomination.		✓	

Item		CSA*	NASDAQ [to be added]
Disclose whether or not the Board has a compensation committee composed entirely of independent directors. If the board does not have a compensation committee composed entirely of independent directors, describe what steps the board takes to ensure an objective process for determining such compensation.		✓	
If the Board has standing committees other than the audit, compensation and nominating committees, identify the committees and describe their function.		✓	
Disclose what steps, if any, that the Board takes to satisfy itself that the Board, its committees and its individual directors are performing effectively.		✓	
If Board, committee and director assessments are regularly conducted, describe the process used for the assessments. If assessments are not regularly conducted, describe how the board satisfies itself that the board, its committees and its directors are performing effectively;		✓	
Disclose director attendance records at Board meetings.		✓	
Disclose whether or not the issuer has adopted term limits for directors on its board or other mechanisms of Board renewal and if so, include description of those director term limits or other mechanisms of Board renewal. If the issuer has not adopted director term limits or other mechanisms of Board renewal, disclose why it has not done so. [58-101F1, Item 10]		✓	
Disclose whether the issuer has adopted a written policy relating to the identification and nomination of women directors. If the issuer has not adopted such a policy, disclose why it has not done so. [58-101F1, Item 11(a)] if an issuer has adopted a policy referred to in 11(a), disclose the following in respect of the policy: (i) summary of objectives and key provisions; (ii) measures taken to ensure that the policy has been effectively implemented; (iii) annual and cumulative progress by the issuer in achieving the objectives of the policy; and (iv) whether and, if so, how the Board or its nominating committee measures the effectiveness of the policy [58-101F1, Item 11(b)]		✓	
Disclose whether and, if so, how the board or nominating committee considers the level of representation of women on the board in identifying and nominating candidates for election or reelection to the Board. If the issuer does not consider the level of representation of women on the board in identifying and nominating candidates for election or reelection to the Board, disclose the issuer's reasons for not doing so. [58-101F1, Item 12]		✓	



Item		CSA*	NASDAQ [to be added]
Disclose whether and, if so, how issuer considers the level of representation of women in executive officer positions when making executive officer appointments. If the issuer does not consider the level of representation of women in executive officer positions when making executive officer appointments, disclose issuers reasons for not doing so. [58-101F1, Item 13]		✓	
Disclose whether the issuer has adopted a target regarding women on the issuer's board. If the issuer has not adopted the target, disclose why it has not done so. [58-101F1, Item 14(b)]		✓	
Disclose whether the issuer has adopted a target regarding women in executive officer positions of the issuer. If the issuer has not adopted a target, disclose why it has not done so. [58-101F1, Item 14(c).]		✓	
If the issuer has adopted a target regarding women on the issuer's board or in executive officer positions, disclose (i) the target, and (ii) the annual cumulative progress of the issuer in achieving the target. [58-101F1, Item 14(d)]		✓	
Disclose the number and proportion (%) of directors on the issuer's board who are women. [58-101F1, Item 15(a)]		✓	
Disclose the number and proportion (%) of executive officers of the issuer, including all major subsidiaries*of the issuer, who are women. [58-101F1, Item 15(b).]		✓	

\* "Major subsidiary" is defined in NI 55-104 as follows:

"major subsidiary" means a subsidiary of an issuer if

(a) the assets of the subsidiary, as included in the issuer's most recent annual audited or interim balance sheet, or, for a period relating to a financial year beginning on or after January 1, 2011, a statement of financial position, are 30 per cent or more of the consolidated assets of the issuer reported on that balance sheet or statement of financial position, as the case may be, or

(b) the revenue of the subsidiary, as included in the issuer's most recent annual audited or interim income statement, or, for a period relating to a financial year beginning on or after January 1, 2011, a statement of comprehensive income, is 30 per cent or more of the consolidated revenue of the issuer reported on that statement.