



# Reconnaissance Energy Africa Ltd.

## OVERNIGHT MARKETED OFFERING OF UNITS

### TERM SHEET

A final base shelf prospectus containing important information relating to the securities described in this document has been filed with the securities regulatory authorities in each of the provinces and territories of Canada. A copy of the final base shelf prospectus, any applicable shelf prospectus supplement and any amendment to the documents are accessible through SEDAR+. Copies of the documents may be obtained from Research Capital Corporation (ecm@researchcapital.com).

This document does not provide full disclosure of all material facts relating to the securities offered. Investors should read the final base shelf prospectus, any applicable shelf prospectus supplement and any amendment to the documents for disclosure of those facts, especially risk factors relating to the securities offered, before making an investment decision.

The securities offered under this final base shelf prospectus and prospectus supplement have not been and will not be registered under the United States Securities Act of 1933, as amended (the "U.S. Securities Act"), or the securities laws of any state or other jurisdiction of the United States (as such term is defined in Regulation S under the U.S. Securities Act) (the "United States"), and may not be offered or sold within the United States, or to, or for the account or benefit of a U.S. Person (as defined in Rule 902(k) of Regulation S under the U.S. Securities Act) or a person in the United States, except in transactions exempt from registration under the U.S. Securities Act and applicable U.S. state securities laws or the securities laws of any other jurisdiction of the United States. This term sheet does not constitute an offer to sell or a solicitation of an offer to buy any of the securities offered hereby within the United States or to, or for the account or benefit of, U.S. persons.

- Issuer:** Reconnaissance Energy Africa Ltd. (the "**Company**").
- Offering:** Overnight marketed public offering (the "**Offering**") of units of the Company (the "**Units**").
- Gross Proceeds:** C\$10,000,000 in aggregate gross proceeds.
- Offering Price:** C\$0.60 per Unit.
- Unit:** Each Unit shall be comprised of one common share of the Company (a "**Common Share**") and one Common Share purchase warrant of the Company (a "**Warrant**").
- Warrant:** Each Warrant will entitle the holder thereof to purchase one Common Share at an exercise price of C\$0.72 for a period of 24 months following closing of the Offering.
- Over-Allotment Option:** Up to 15% of the number of Units, and/or the components thereof, issued pursuant to the Offering to cover any over-allotments, if any, and for market stabilization purposes, exercisable within 30 days following the closing of the Offering ("**Over-Allotment Option**").
- Use of Proceeds:** The net proceeds from the Offering will be used for activities related to the advancement of appraisal and exploration expenses related to the Ngulu production sharing contract. This will include acquiring geological and geophysical studies, reprocessing of the 3D seismic data, the advancement of the initial development well in the existing proven oil discovery at the Loba Complex and for general corporate purposes and working capital.
- Form of Offering:** The Units will be offered by way of a prospectus supplement to the Company's base shelf prospectus dated February 29, 2024, to be filed in each of the provinces of Canada (except Quebec) pursuant to National Instrument 44-102 – Shelf Distributions and National Instrument 44-101 – Short Form Prospectus Distributions 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.
- Listing:** The Company shall obtain the necessary approvals to list the Common Shares and the Common Shares issuable upon the exercise of the Warrants and broker warrants for trading on the TSX Venture Exchange (the "**Exchange**").
- In addition, the Company will use commercial reasonable efforts to obtain the necessary approvals to list the Warrants on the Exchange.
- Eligibility:** The Units, Common Shares and Warrants are eligible for RRSPs, RRIFs, RDSPs, RESPs, TFSAAs, FHSAs, and DPSPs.
- Commission:** 6.0% cash commission and 6.0% broker warrants, subject to a reduction for orders on a "president's list".
- Underwriters:** 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**").
- Closing:** The closing of the Offering will occur on or about September 29, 2025, or such other earlier or later date as the Underwriters may determine (the "**Closing Date**" or "**Closing**").