

**FORM 51-102F3
MATERIAL CHANGE REPORT**

Item 1. Name and Address of Company

Reconnaissance Energy Africa Ltd. ("**ReconAfrica**" or the "**Company**")
Suite 1500-999 West Hastings Street
Vancouver, BC V6C 2W2

Item 2. Date of Material Change

August 20, 2020

Item 3. News Release

A news release was disseminated through Canada Newswire on August 20, 2020 and was subsequently filed under the Company's profile on SEDAR.

Item 4. Summary of Material Change

On August 20, 2020, ReconAfrica completed its previously announced public offering (the "**Offering**") of units (the "**Units**") for gross proceeds of approximately C\$23 million, including the partial exercise of the over-allotment option.

Pursuant to the Offering, a total of 32,855,409 Units were sold at a price of C\$0.70 per Unit. Each Unit consists of one common share (a "**Common Share**") in the capital of the Company and one common share purchase warrant (a "**Warrant**"). Each Warrant entitles the holder to acquire one Common Share at a price of C\$1.00 until August 20, 2025.

Item 5. Full Description of Material Change

5.1 Full Description of Material Change

On August 20, 2020, ReconAfrica completed its previously announced public offering of Units for gross proceeds of approximately C\$23 million, including the partial exercise of the over-allotment option. The Offering was completed by way of a short form prospectus filed in all of the provinces of Canada, except Québec, and the Units were sold elsewhere outside of Canada on a private placement basis.

Pursuant to the Offering, a total of 32,855,409 Units were sold at a price of C\$0.70 per Unit. Each Unit consists of one Common Share in the capital of the Company and one Warrant. Each Warrant entitles the holder to acquire one Common Share at a price of C\$1.00 until August 20, 2025. The Warrants are subject to acceleration of the expiry date to a date 30 calendar days following notice to be provided to the holders of the Warrants by the Company in the event that the daily volume weighted average trading price of the Common Shares on the TSX Venture Exchange (the "**Exchange**") for any period of 20 consecutive trading days equals or exceeds C\$3.00.

The Offering was made through Haywood Securities Inc. (the "**Agent**"). The Agent received a cash commission equal to 6.0% of the gross proceeds of the Offering (other than from the sale of 7,125,639 Units to purchasers on the president's list for aggregate gross proceeds of approximately C\$5 million, for which a 1.5% cash commission was paid). In addition, the Agent

was issued compensation options in an amount equal to 6.0% of the number of Units sold under the Offering (other than with respect to those sold to purchasers on the president's list, for which no compensation options were issued) (the "**Compensation Options**"). Each Compensation Option entitles the holder to acquire one Unit at a price of C\$0.70 until August 20, 2025.

The Exchange accepted the Warrants for listing and the Warrants commenced trading on the Exchange under the symbol "RECO.WT" on August 24, 2020.

The net proceeds from the Offering will be used for the transportation costs of shipping the Company's drilling rig from Houston, Texas to Namibia and to complete the three-well drilling program and acquire and process 2D seismic data in the Kavango Basin, together with working capital.

Certain officers of the Company participated in the Offering and were issued an aggregate of 957,477 Units. Such participation in the Offering constitutes a "related party transaction" as defined in Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions* ("**61-101**"). The Offering was exempt from the formal valuation and minority shareholder approval requirements of 61-101 as neither the fair market value of the securities issued to related parties nor the consideration for such securities exceed 25% of the Company's market capitalization. The Company did not file a material change report 21 days prior to closing of the Offering as the participation of insiders of the Company in the Offering had not been confirmed at that time and the shorter time period was necessary in order to permit the Company to close the Offering in a timeframe consistent with usual market practice for transactions of this nature.

This material change report does not constitute an offer to sell or a solicitation of an offer to sell any of the securities in the United States. The securities have not been and will not be registered under the United States Securities Act of 1933, as amended (the "U.S. Securities Act") or any state securities laws and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. Persons unless registered under the U.S. Securities Act and applicable state securities laws or an exemption from such registration is available.

The following supplementary information is provided in accordance with Section 5.2 of 61-101 in respect of the Offering:

A Description of the Transaction and its Material Terms

See above.

Purpose and Business Reasons for the Transaction and the Anticipated Effect of the Transaction on the Issuer's Business and Affairs

See above discussion regarding the use of the net proceeds from the Offering.

The Interest in the Transaction of Every Interested Party and of the Related Parties and Associated Entities of the Interested Parties and the Anticipated Effect of the Transaction on the Percentage of Securities of the Issuer Beneficially Owned or Controlled by each such Person or Company for which there would be a Material Change in that Percentage

Related Party	Percentage of Common Shares (Undiluted) Before the Closing Date	Participation in the Offering	Percentage of Common Shares (Undiluted) on the Closing Date
Scot Evans	0.06%	32,477	0.07%
Carlos Escribano	0.10%	25,000	0.09%
Nicholas Steinsberger	Nil	200,000	0.19%
Douglas Allen	0.07%	700,000	0.71%

The anticipated effect of the Offering on the percentage of Common Shares beneficially owned or controlled by each aforementioned individual is referred to in the table above.

Discussion of the Review and Approval Process Adopted by the Board of Directors

All the terms and conditions of the Offering were reviewed and approved by the board of directors of the Company (the “**Board**”), with no director in opposition. In approving the Offering, the Board considered the benefits of the Offering and other alternative transactions available to the Company and determined that the Offering was in the best interests of the Company.

General Nature and Material Terms of any Agreement Entered into by the Issuer, or a Related Party of the Issuer, with an Interested Party or a Joint Actor with an Interested Party, in connection with the Transaction

Not applicable.

Formal Valuation and Minority Approval Exemptions Relied Upon

See above.

5.2 Disclosure for Restructuring Transactions

Not applicable.

Item 6. Reliance on Section 7.1(2) of National Instrument 51-102

Not applicable.

Item 7. Omitted Information

There is no information of a material nature that has been omitted.

Item 8. Executive Officer

Anna Tudela
 Corporate Secretary and Chief Compliance Officer
 +1 604.505.4155

Item 9. Date of Report

Dated August 28, 2020.

Cautionary Note Regarding Forward-Looking Statements

Certain statements contained in this material change report constitute forward-looking statements under applicable Canadian, United States and other applicable securities laws, rules and regulations, including, without limitation, statements with respect to any potential acceleration of the expiry date of the Warrants, the use of proceeds and the expectation that the performance of the operations with the use of proceeds will significantly exceed the Company's work obligation during the current phase of its exploration licence. 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 statements 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 annual information form dated July 27, 2020 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 statements. Those assumptions and factors are based on information currently available to ReconAfrica. The forward-looking statements contained in this material change report are made as of the date hereof and ReconAfrica undertakes no obligation to update or revise any forward-looking statements, 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 statements. The foregoing statements expressly qualify any forward-looking statements contained herein.