



RECONNAISSANCE ENERGY AFRICA LTD.

MANAGEMENT'S DISCUSSION AND ANALYSIS

Year Ended December 31, 2025

April 14, 2026

INTRODUCTION

The following is Management's Discussion and Analysis (this "**MD&A**") of the operating and financial results for Reconnaissance Energy Africa Ltd. ("**ReconAfrica**" or the "**Company**") as at and for the year ended December 31, 2025. This MD&A was written to comply with the requirements of National Instrument 51-102 – Continuous Disclosure Obligations.

This MD&A should be read in conjunction with the Company's audited consolidated financial statements as at and for the year ended December 31, 2025 and the nine months ended December 31, 2024 (the "**Audited Financial Statements**"), which have been prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board. Additional information about ReconAfrica, including that contained in the Company's Annual Information Form for the year ended December 31, 2025 (the "**AIF**"), is available under the Company's profile on SEDAR+ at www.sedarplus.ca.

Unless otherwise noted, references to dollar amounts in this MD&A are in Canadian dollars. This MD&A contains forward-looking statements and readers are cautioned that this MD&A should be read in conjunction with the Company's disclosure under the heading "Cautionary Note Regarding Forward-Looking Statements". This MD&A is dated April 14, 2026.

OVERVIEW

ReconAfrica is a Canadian-based junior oil and gas company working collaboratively with national governments to explore the oil and gas resource potential of petroleum licenses comprising approximately 13 million contiguous acres located in the recently discovered Kavango Basin of northeastern Namibia, southeastern Angola and northwestern Botswana. In the Kavango Basin, the Company is targeting two primary play types: the Damara Fold and Thrust Belt play and the Karoo Rift play. The Company is also exploring the oil and gas resource potential of the Ngulu block in the shallow water offshore central Gabon.

In northeast Namibia, the Company holds Petroleum Exploration Licence 073 ("**PEL 073**" or the "**Namibia Licence**") granted by the Government of the Republic of Namibia regarding 25,341 km² (6.3 million acres) in the Kavango Basin (the "**Namibia Licenced Property**"). ReconAfrica is the designated operator of, and holds a 70% working interest in, PEL 073, with BW Energy Limited ("**BW Energy**") holding a 20% working interest and the National Petroleum Corporation of Namibia ("**NAMCOR**") holding the remaining 10% as a carried participating interest. BW Energy obtained its 20% working interest in PEL 073 from the Company (the "**BW Energy Farm Down**") pursuant to a strategic farm-down agreement (the "**BW Energy Farm Down Agreement**") that closed on January 20, 2025.

The Company holds PEL 073 pursuant to the *Petroleum (Exploration and Production) Act, 1991* (Namibia) (the "**Namibian Petroleum Act**") and the terms of a petroleum agreement (the "**Petroleum Agreement**") among the Government of the Republic of Namibia, NAMCOR, and Reconnaissance Energy Namibia (Pty) Ltd. ("**ReconNamibia**"), a wholly owned subsidiary of ReconAfrica, dated January 26, 2015 and as adjusted on February 25, 2019. Exploration on PEL 073 is currently in the second of three exploration phases under the Petroleum Agreement. The second renewal exploration period (the "**Second Renewal Exploration Period**") originally covered the period from January 30, 2024 to January 29, 2026. On March 12, 2026, Namibia's Minister of Mines and Energy (the "**MME**") granted approval of a one-year extension to the Second Renewal Exploration Period, extending such period to January 29, 2027 on the condition that certain additional work program commitments are carried out during such extension period.

Environmental Clearance Certificate ("**ECC**") no. 2300571 (as extended) from the Namibian Environmental Commissioner, Ministry of the Environment, Forestry and Tourism, authorizes the Company to drill up to 22 exploration and appraisal wells, to unrestricted depths, from July 4, 2023 to July 4, 2026 on PEL 073.

Drilling operations on the Kavango West 1X exploration well located on PEL 073 (the "**KW1X Well**"), which spud on July 31, 2025, concluded on November 29, 2025 after reaching a total depth of 4,260 m (13,976 ft). Extensive wireline logging of the KW1X Well indicated large intervals of hydrocarbons in both the Huttenberg and Elandshoek formations. Production testing operations are expected to commence in the first quarter of 2026 and are expected to last approximately four to eight weeks. The KW1X exploration well was the Company's second test in the Damara Fold and Thrust Belt play — prior thereto the Company had drilled three stratigraphic test wells followed by its Prospect L (Naingopo) exploration well (the "**Naingopo Well**"), which had proved a working petroleum system in the Kavango Basin.

In Angola, the Company entered into a Memorandum of Understanding dated April 17, 2025 (“**Angola MOU**”) for a joint exploration project with the National Oil, Gas and Biofuels Agency of Angola (“**ANPG**”) regarding 21,044 km² (5.2 million acres) in the Kavango Basin (the “**Angola MOU Property**”). The Company entered into the Angola MOU through its 95%-owned subsidiary, Reconnaissance Energy Angola Limited (“**ReconAngola**”). Under the Angola MOU, ReconAngola will hold an 80% working interest, with Sociedade Nacional de Combustíveis de Angola E.P. (“**Sonangol**”), Angola’s state-owned oil company, holding the remaining 20% working interest.

In northwest Botswana, the Company holds Petroleum Exploration Licence 001 (“**PEL 001**” or the “**Botswana Licence**”) granted by the Government of the Republic of Botswana regarding 7,592 km² (1.9 million acres) in the Kavango Basin (the “**Botswana Licenced Property**”). ReconAfrica holds a 100% interest in PEL 001.

In Gabon, the Company entered into an exploration and production sharing contract (the “**Gabon PSC**”) with Record Resources Inc. (“**Record**”), the Government of the Republic of Gabon and Gabon Oil Company (“**GOC**”), Gabon’s national oil company, dated September 8, 2025, regarding the exploration, appraisal, development and production of oil and gas on offshore Block C-7 (1,214 km² (300,000 acres)) (the “**Ngulu Block**”). Pursuant to the Gabon PSC, the Company is the designated operator and holds a 55% working interest with Record holding a 20% working interest, GOC holding a 15% working interest (back-in option on commercial terms) and the Republic of Gabon holding the remaining 10% as a carried participating interest. During the first of two four-year exploration phases under the Gabon PSC, the Company has committed to completing detailed geological and geophysical studies, advancing 3D seismic reprocessing on an existing database and drilling one exploration well on the Ngulu Block. The Company and Record also entered into a binding memorandum of understanding (the “**Gabon MOU**”) dated August 1, 2026, which sets out several fundamental commercial terms between the parties.

In all aspects of its operations, ReconAfrica is committed to minimal disturbances in line with international best standards and implementing environment, social and governance (“**ESG**”) best practices. As of December 31, 2025, ReconAfrica has delivered approximately \$4.7 million of its \$10 million target for discretionary ESG related expenditures in Namibia. While there are no legal or contractual obligations, the Company aims to meet its \$10 million ESG target in the coming years, however, there is no assurance that the Company will be able to do so. Achieving this target depends on several factors, including the Company securing additional funding and/or reaching commercial operations. Should any portion of the Company’s prospective resources be discovered, and they are commercially viable to develop and produce, the traditional authorities and elected governments of Namibia, Angola, Botswana and Gabon will determine how they will manage their resources.

The common shares of the Company (the “**Common Shares**”) are listed and posted for trading on the TSX Venture Exchange (the “**Exchange**”) under the symbol “**RECO**”, on the OTCQX under the symbol “**RECAF**”, on the Frankfurt Stock Exchange under the symbol “**0XD**” and on the Namibian Stock Exchange (NSX) under the symbol “**REC**”.

SELECTED HIGHLIGHTS

For the year ended December 31, 2025, and subsequent period, the Company:

- Closed the BW Energy Farm Down upon receipt of the approvals of the MME, the Exchange and NAMCOR. The working interests in PEL 073 became: ReconAfrica, operator, 70% working interest; BW Energy 20% working interest; and NAMCOR 10% carried participating interest;
- announced the results of the Naingopo Well, which demonstrated a working petroleum system within the Damara Fold and Thrust Belt;
- entered the Angola MOU with the ANPG, for a joint exploration project in the Etosha-Okavango basin, located onshore in southeastern Angola;
- appointed Mark Friesen as Managing Director, Investor Relations and Capital Markets (effective October 1, 2025, Mr. Friesen assumed the role of Vice President, Investor Relations & Capital Markets);

- completed an overnight marketed public offering (the “**June 2025 Bought-Deal Financing**”) of 37,950,000 units (“**June 2025 Units**”) at a price of \$0.50 per unit, and together with the full exercise of the over-allotment option, for aggregate gross proceeds of approximately \$19 million;
- entered into the Gabon Transaction - executed a Production Sharing Contract for the Ngulu Block, gaining a 55% working interest and operator status, adding a high-potential offshore exploration asset to the Company's portfolio;
- completed an upsized and overnight marketed public offering (the “**September 2025 Bought-Deal Financing**”) of 33,944,000 units (“**September 2025 Units**”) at a price of \$0.60 per unit, and together with the full exercise of the over-allotment option, for aggregate gross proceeds of approximately \$20.4 million;
- announced the results of the KW1X Well which was drilled to a total depth of 4,260 m (13,976 ft. Extensive wireline logging of the KW1X Well indicated large intervals of hydrocarbons in both the Huttenberg and Elandshoek formations.
- production testing operations of the KW1X Well commenced in the first quarter of 2026;
- adopted a shareholder rights plan with Odyssey Trust Company as rights agent thereunder. The Shareholder Rights Plan was ratified by shareholders at the Company's annual general and special meeting of shareholders held on February 19, 2026;
- completed an upsized and overnight marketed underwritten listed issuer financing exemption offering (the “**January 2026 Bought-Deal Financing**”) of 38,736,945 units (“**January 2026 Units**”) at a price of \$0.95 per unit, and together with the full exercise of the over-allotment option, for aggregate gross proceeds of \$36,800,098;
- received a one-year extension to the PEL 073 Second Renewal Exploration Period, extending such period to January 29, 2027;
- commenced reprocessing of 3D seismic on the Ngulu Block offshore Gabon; and
- completed a short form base shelf prospectus relating to the offering for sale of its securities over a 25-month period.

OVERALL PERFORMANCE AND OPERATIONS

The following disclosure should be read in conjunction with the Company's overall performance and operations disclosure under the heading “Overview”, above.

NAMIBIA

Second Renewal Exploration Period

The Second Renewal Exploration Period covers the period from January 30, 2024, to January 29, 2027, relating to PEL 073.

Under the terms of the Second Renewal Exploration Period the Company will: (A) acquire additional subsurface data including either: (i) 500 km of 2D seismic data, (ii) 1,200 km² of enhanced Full Tensor Gradiometry (“**eFTG**”) data, or (iii) some combination of (i) or (ii) which is considered reasonable; and (B) design and drill a minimum of one exploration or stratigraphic test well. A minimum dollar commitment equivalent to the above items is also required. ReconAfrica has satisfied the drilling obligation through the drilling of the Naingopo well and the KW1X Well. Initially, the seismic/eFTG data requirement was expected to be satisfied through a 3D seismic program, however, the Company determined to prioritize the drilling of the KW1X Well and defer the 3D seismic program to 2026, subject to results (see “Capital Resources”).

Minimum expenditures for the Second Renewal Exploration Period, as prescribed by the Petroleum Agreement, total US\$10,000,000 plus an additional US\$50,000 per year (benchmarked to inflation) for the purposes of funding the education and training of Namibians, of which US\$35,000 is to be paid to the Namibian Petroleum Training and Educational Fund and US\$15,000 is to be paid in connection with the in-house training of Namibian citizens in the field of oil and/or gas exploration. However, as the Company's exploration expenditures in the First Renewal Exploration Period (Namibia) exceeded the minimum US\$10,000,000, this excess of over US\$60,000,000 may be applied to reduce the minimum exploration

expenditure commitment in the Second Renewal Exploration Period. This treatment has been confirmed by the MME and accordingly there is no minimum exploration expenditure for the Second Renewal Exploration Period. This does not alter the Company's obligation to conduct the seismic and drilling exploration work described above.

On March 12, 2026, the MME granted approval of a one-year extension on the Second Renewal Exploration Period, extending such period to January 29, 2027 on the condition that the following work program commitments are undertaken during such extension period:

- Review production testing results of the KW1X Well;
- Contingent on the production testing results of the KW1X well, drill an additional appraisal well on PEL 073;
- Contingent on the production testing results of the KW1X well and drilling of an additional appraisal well on PEL 073, conduct a Drill Stem Test on such appraisal well; and
- Minimum Exploration Expenditure of US\$17 million.

BW Energy Farm Down

Pursuant to the BW Energy Farm Down Agreement, BW Energy agreed to participate in two Damara Fold Belt exploration wells and a 3D seismic program, with an option to participate in two Kavango Basin exploration wells over a two-year period.

The Company's total potential consideration under the BW Energy Farm Down Agreement is US\$141 million (\$193 million), including a \$22 million (US\$16 million) equity investment pursuant to the public offering of units of the Company completed in July, 2024. An additional US\$45 million (\$62 million) bonus will be earned at declaration of commerciality (FID). These commerciality bonus payments will be paid in two installments, one at FID and the second payment one year after production. In the event of development of discoveries, production bonuses based on certain cash flow milestones achieved by BW Energy could total an additional US\$80 million (\$110 million). Three separate production bonus payments of US\$25 million (\$34 million) are made after BW Energy reaches certain free cash flow milestones. An additional first production payment of US\$5 million (\$7 million) is paid sixty days after the start of commercial production. All values converted using the US\$ exchange rate as at December 31, 2025.

BW Energy's capital obligations for drilling the Naingopo and KW1X Wells were received in the initial investment of \$22.0 million (US\$16 million) in July 2024. This investment amount is being reduced based on BW Energy's 20% pro-rata share of operating costs in PEL 073, plus US\$3.2 million for reaching TD in both the Naingopo (US\$1.6 million) and KW1X Wells (US\$1.6 million), with a further US\$6.4 million upon a successful seismic acquisition over the Kavango Basin. No additional funding is anticipated to be provided by BW Energy for operations on PEL 073 until the initial investment amount is fully allocated.

ANGOLA

The Angola MOU provides ReconAngola with exclusive rights to the Angola MOU Property for a 24-month term. The estimated minimum work commitment is approximately US\$8.5 million, which includes an estimated US\$8.0 million 2D seismic program scheduled for the second year of the 24-month Angola MOU term.

The MOU is a strategic addition to the Company's asset portfolio, which creates an opportunity for early entry into onshore Angola at a low cost, with minimal work commitments. The Angola MOU complements ReconAfrica's activities in Namibia and highlights the potential of the Damara Fold and Thrust Belt play and Karoo Rift play in the Kavango Basin by adding access to 21,044 km² (5.2 million acres) in Angola that are contiguous to the Company's existing 6.3 million acres in Namibia pursuant to PEL 073. Both plays are projected to extend into the Angola MOU Property.

As a result of the success at the KW1X Well, the Company accelerated geochemical sampling of surface oil seeps in the Angola MOU area and commenced permitting for a potential 2D seismic program as part of the broader evaluation of the Damara Fold and Thrust Belt. Crews are expected to be in the field in April 2026 to commence the sampling program.

BOTSWANA

The Botswana Licence includes a 100% working interest in all petroleum rights from surface to basement.

The terms of the Botswana Licence also include: an initial four-year exploration period, with renewals up to an additional 10 years, in accordance with the *Botswana Petroleum (Exploration and Production) Act*. Pursuant to the terms of the Botswana Licence, ReconAfrica was committed to a minimum work program of 5,000,000 Botswana Pula (BWP) over the first four-year exploration period from June 1, 2020.

In October 2024, the Company was granted approval for the First Renewal Exploration Period (Botswana), which covers the period from October 1, 2024, to September 30, 2028. Under the terms of the First Renewal Exploration Period (Botswana), the Company is required to undertake various geotechnical evaluations, vegetation mapping, a water study report, methane seep detection activities, an environmental impact study and provide funding for Botswana Petroleum Exploration and Training. Minimum expenditures during this period total BWP5,000,000 (approximately \$521,500 as at December 31, 2025).

During the year ended December 31, 2025, the Company recognized an impairment on the full balance of this property.

GABON

Gabon MOU

The Company and Record entered into the Gabon MOU dated August 1, 2026. Pursuant to the Gabon MOU, ReconAfrica and Record agreed to fundamental commercial terms leading to the formation of the Gabon PSC, including that:

- the Company, Record, the Republic of Gabon and GOC will enter into a joint operating agreement (the "**Gabon JOA**") regarding the petroleum operations under the Gabon PSC;
- ReconAfrica and Record will enter into an area of mutual interest agreement whereby Record will provide ReconAfrica with a right of first refusal on any opportunities generated by Record in Gabon (both onshore and offshore) for a period of two years from the date of the Gabon PSC;
- ReconAfrica will carry Record's working interest for the US\$5 million (on an 8/8th basis) payment owing to the Republic of Gabon upon execution of the Gabon PSC;
- ReconAfrica will carry Record's working interest for the costs of acquisition of seismic data sets including 2D and 3D up to a gross amount of US\$2 million (on an 8/8th basis) — with each party bearing its proportionate share of any seismic acquisition(s) above such gross amount;
- ReconAfrica will carry Record's working interest for the costs associated with all seismic reprocessing up to a gross amount of US\$1.2 million (on an 8/8th basis) — with each party bearing its proportionate share of any seismic reprocessing above such gross amount;
- ReconAfrica will carry Record's proportionate share for 20% working interest on all costs to drill to TD on the first well drilled on Ngulu Block to be capped at AFE amount. After TD or such cap is reached on the first well, Record will pay all proportionate costs on this basis going forward at this level including the costs of any subsequent drill stem test performed on the well in the event producible reservoir-quality intervals are intersected; and
- upon finalization and signing of the Gabon PSC, which occurred after presidential signature and official publication in the national gazette, the Company paid Record a closing fee of US\$180,000.

Gabon PSC

In Gabon, the Company entered into the Gabon PSC with Record, the Government of the Republic of Gabon and GOC dated September 8, 2025, regarding the exploration, appraisal, development and production of oil and gas on the Ngulu Block. Pursuant to the Gabon PSC, the Company is the designated operator and holds a 55% working interest with Record holding a 20% working interest, GOC holding a 15% working interest (back-in option on commercial terms) and the Republic of Gabon holding the remaining 10% as a carried participating interest.

Pursuant to the terms of the Gabon PSC, the Company paid US\$5.0 million (~\$7.0 million) to the Republic of Gabon upon closing of the transaction which occurred after presidential signature and official publication in the national gazette. With payment, the Company received access to historical seismic data and other data related to Ngulu Block.

The Gabon PSC contemplates an eight-year exploration period separated into two four-year exploration phases with corresponding work commitments, including: (1) to complete an initial work program over a four-year period (the execution of detailed geological and geophysical studies, advancement of 3D seismic

reprocessing on an existing database and the drilling of one well on Ngulu Block, altogether estimated at an aggregate US\$19.0 million), and (2) to complete a second exploration phase work program over a four-year period (advancement of 3D seismic reprocessing on an existing database and the drilling of one well on Ngulu Block, altogether estimated at an aggregate US\$17.0 million).

ADDITIONAL DISCLOSURE FOR VENTURE ISSUERS WITHOUT SIGNIFICANT REVENUE

Exploration and Evaluation Expenditures

	Botswana Property		Namibia Property		Gabon Property		Total
Balance at March 31, 2024	\$	202,671	\$	128,833,968	\$	-	\$ 129,036,639
Additions		31,425		33,036,611		-	33,068,036
Effect of exchange rate changes		5,846		9,202,547		-	9,208,393
Balance at December 31, 2024		239,942		171,073,126		-	171,313,068
Additions		8,320		29,349,358		7,468,306	36,825,984
Impairment		(244,544)		-		-	(244,544)
Effect of exchange rate changes		(3,718)		(8,430,477)		-	(8,434,195)
Balance at December 31, 2025	\$	-	\$	191,992,007	\$	7,468,306	\$ 199,460,313

Additions to exploration and evaluation assets consist of previously discussed exploration expenditures in Namibia, in addition to PSC related entry costs in Gabon. During the year ended December 31, 2025, the Company recognized a full impairment of the asset value of its Botswana property resulting from the recent and continuing hold on active operations for the Botswana Licence. The full carrying amount of these assets has been recognized as an impairment loss in the statement of profit or loss. For further details on these and other planned operations, please see "Overview" and "— Use of Proceeds Reconciliation", below.

General and Administration ("G&A") Expenses

	Year Ended December 31, 2025		9-Month Period Ended December 31, 2024	
Staff, consulting, and management	\$	6,265,692	\$	4,826,005
Marketing and stakeholder relations		606,848		777,650
Corporate development		88,025		335,169
Office and general		1,141,460		1,039,806
Transportation and accommodation		944,476		1,165,105
Insurance		1,375,481		1,034,656
Professional fees		1,050,620		1,078,971
	\$	11,472,602	\$	10,257,362

G&A expenses in the current fiscal period increased compared to the prior fiscal period, primarily because the prior fiscal period represented only nine months of activity. The Company continues to implement initiatives to streamline corporate operations and reduce costs, resulting in lower marketing, corporate development, transportation, and professional fees, on a prorated basis. These fluctuations are normal and vary with operational activity, but overall G&A costs are expected to remain relatively consistent in future quarters.

ENVIRONMENT, SOCIAL AND GOVERNANCE ("ESG")

ReconAfrica continues to invest in and work with local communities in Namibia, including its ongoing scholarship program. To date, ReconAfrica has provided scholarships for ten students from Kavango East and Kavango West studying in science, technology, engineering, the arts and mathematics (STEAM) and seven SAN nursing students, also from Kavango East and Kavango West.

ReconAfrica regularly reviews its ESG risks and management strategies, and published its inaugural 2023 sustainability report in August, 2024. For more information, see "Description of the Business — Environmental, Social and Governance (ESG)" in the AIF.

USE OF PROCEEDS RECONCILIATION

June 2025 Bought-Deal Financing

On June 17, 2025, the Company completed the June 2025 Bought-Deal Financing of 37,950,000 June 2025 Units at a price of \$0.50 per unit, and together with the full exercise of the over-allotment option, for aggregate gross proceeds of approximately \$19 million. Each June 2025 Unit was comprised of one Common Share and one Common Share purchase warrant of the Company (a "**June 2025 Warrant**"). Each June 2025 Warrant entitled the holder thereof to purchase one Common Share at an exercise price of \$0.60 (subject to adjustment in certain events) until June 17, 2027.

The following table provides a comparison of the Company's use of proceeds disclosure as set out in the Company's final short form prospectus dated June 6, 2025 to the Company's short form base shelf prospectus dated February 29, 2024 for the June 2025 Bought-Deal Financing to the actual use of proceeds as at December 31, 2025:

June 2025 Offering - Use of Proceeds	Approximate Amount (\$)	Actual (\$)
Drilling activities	15,600,000	14,339,091
Working Capital	1,746,750	3,007,659
Total:	17,346,750	17,346,750

Drilling activities includes rig and site preparation costs, mobilization to KW1X well, and related drilling operations. Working capital consists of general and administrative expenditures as discussed in the following sections of this MD&A.

September 2025 Bought-Deal Financing

On September 29, 2025, the Company completed the September 2025 Bought-Deal Financing of 33,944,000 September 2025 Units at a price of \$0.60 per unit, and together with the full exercise of the over-allotment option, for aggregate gross proceeds of approximately \$20.4 million. Each September 2025 Unit was comprised of one Common Share and one Common Share purchase warrant of the Company (a "**September 2025 Warrant**"). Each September 2025 Warrant entitled the holder thereof to purchase one Common Share at an exercise price of \$0.72 (subject to adjustment in certain events) until September 29, 2027.

The following table provides a comparison of the Company's use of proceeds disclosure as set out in the Company's final short form prospectus dated September 22, 2025, to the Company's short form base shelf prospectus dated February 29, 2024 for the September 2025 Bought-Deal Financing to the actual use of proceeds as at December 31, 2025:

September 2025 Offering - Use of Proceeds	Approximate Amount (\$)	Actual (\$)
Gabon		
Entry costs, including historical seismic and other block data	7,100,000	7,344,124
Seismic reprocessing	1,700,000	7,779
Geological and geophysical studies and consulting	700,000	-
In-country corporate and administration setup costs	500,000	16,422
Namibia		
Road, site, rig maintenance and ESG costs	4,100,000	7,265,351
Angola		
Memorandum of Understanding Phase I Commitments	700,000	-
Working Capital	4,238,000	2,445,143
Total:	19,038,000	17,078,819

Planned expenditures for seismic reprocessing and geological studies in Gabon and for initial commitments in Angola are expected to be incurred in 2026. A portion of the funds allocated to working capital have been

redirected to cover higher-than-anticipated costs associated with road, site, and rig maintenance, in addition to other commitments in Namibia related to KW1X Well drilling activities. The Company does not expect this variance to impact its ability to achieve its business objectives and milestones.

The Company anticipates that negative operating cash flows will continue as long as it remains in an exploration and development stage. Should remaining funds not be sufficient to complete planned operations or meet working capital requirements, additional funding may be required (see "Liquidity" and "Capital Resources"). In addition to uses of net proceeds as described herein, to the extent that the Company has negative operating cash flow in future periods, the Company may need to use some of the net proceeds from future offerings to fund such negative operating cash flow.

However, given the Company is in the exploration phase, there may be circumstances where, for sound business reasons, a reallocation of funds may be deemed prudent or necessary. The actual amount that the Company spends in connection with each of the intended uses of proceeds may vary significantly from the amounts specified above and will depend on a number of factors. Until applied, the net proceeds will be held as cash balances in the Company's bank accounts or invested in certificates of deposit and other instruments issued by banks or obligations of or guaranteed by the Government of Canada or any province thereof.

SELECTED ANNUAL INFORMATION

The following table provides a summary of the Company's financial results for each of the three most recently completed financial periods.

	December 31		December 31		March 31	
	2025		2024		2024	
Total assets	\$	212,610,124	\$	195,865,254	\$	142,301,073
Total non-current liabilities		1,706,970		1,587,760		1,037,439
Total revenue - discontinued operations		-		-		9,602,356
Net (income) loss		15,811,354		19,535,744		(41,111,791)
Net (income) loss per share, basic and diluted	\$	0.05	\$	0.08	\$	(0.20)

SUMMARY OF QUARTERLY RESULTS

	Three Months Ended							
	Dec-25	Sep-25	Jun-25	Mar-25	Dec-24	Sep-24	Jun-24	Mar-24
	\$	\$	\$	\$	\$	\$	\$	\$
Income (loss) for the period	(2,868,643)	(4,605,950)	(3,815,387)	(4,521,374)	(7,419,548)	(5,421,884)	(6,694,312)	(2,324,816)
Income (loss) per share	(0.01)	(0.01)	(0.01)	(0.02)	(0.03)	(0.02)	(0.03)	(0.01)

The Company recorded a net loss of \$2,868,643 for the three months ended December 31, 2025, compared to a loss of \$7,419,548 in the same period of 2024. The decrease in net loss was primarily driven by lower share-based payment expenses, a deferred tax recovery, and reduced G&A costs, as discussed in further detail below.

Further significant variances from the comparable period are detailed in the following table:

	Year Ended December		9-Month Period Ended	
	31, 2025		December 31, 2024	
Resource property costs	\$	384,209	\$	292,472
General and administration		11,472,602		10,257,362
Share-based payments		4,376,439		7,694,161
	\$	16,233,250	\$	18,243,995

Resource property costs primarily include project-related expenses, taxes, and community services costs that are not capitalized as exploration and evaluation assets. These costs increased slightly in the current year, reflecting a full 12-month fiscal period compared to the prior nine-month fiscal period. General and administrative costs are detailed below. Share-based payments are non-cash expenses, driven by grant dates, vesting schedules, and adjusted for any forfeitures.

DISCUSSION OF OPERATIONS

THREE MONTHS ENDED DECEMBER 31, 2025 COMPARED WITH THREE MONTHS ENDED DECEMBER 31, 2024

ReconAfrica's net loss totaled \$2,868,643 for the three months ended December 31, 2025, with basic and diluted loss per share of \$0.01. This compares with a net loss of \$7,419,548 for the three months ended December 31, 2024, with basic and diluted loss per share of \$0.03. The decrease of \$4,550,905 in net loss was principally due to the following:

- G&A expenses decreased by \$1,465,867 to \$2,445,143 for the three months ended December 31, 2025 from \$3,911,010 in the comparable 2024 quarter. The reduction was primarily driven by cost savings across all categories as the Company continued to streamline its operations;
- Share-based payment expenses decreased by \$987,329, totaling \$811,716 for the three months ended December 31, 2025 from \$1,799,045 in the comparable 2024 quarter, primarily due to the impact of the vesting schedule, grant date and forfeitures during the year; and
- The Company recorded a deferred tax recovery of \$889,027 for the three months ended December 31, 2025, compared with a combined deferred and current tax expense of \$1,144,057 in the prior period (deferred tax expense of \$562,972 and current tax expense of \$581,085). The deferred tax recovery in the current period was primarily due to a significant intercompany revenue credit recorded in a subsidiary reducing deferred tax liabilities. The prior period current tax expense of \$581,085 related to actual tax payments on the extension of a farm-out option between Reconnaissance Energy Botswana and another subsidiary, which has since been sold.

YEAR ENDED DECEMBER 31, 2025 COMPARED WITH NINE MONTHS ENDED DECEMBER 31, 2024

ReconAfrica's net loss totaled \$15,811,354 for the year ended December 31, 2025, with basic and diluted loss per share of \$0.05. This compares with a net loss of \$19,535,744 for the nine months ended December 31, 2024, with basic and diluted loss per share of \$0.08. The \$3,724,390 decrease in net loss was primarily driven by lower share-based payment expenses of \$3,317,722 and the variance in income tax, as discussed above. This was partially offset by higher G&A expenses, reflecting a 12-month period in the current year compared to a nine-month period in the prior fiscal period.

LIQUIDITY

The Company's working capital consists of the following:

	December 31, 2025	December 31, 2024
Cash	\$ 3,293,122	\$ 11,413,181
Other receivables and prepaids	471,501	1,102,896
Current portion of value-added tax receivable	1,671,084	3,119,208
Accounts payable	(2,237,834)	(2,485,620)
Current portion of decommissioning liabilities	(720,506)	(763,584)
	\$ 2,477,367	\$ 12,386,081

As at December 31, 2025, the Company had a working capital of \$2,477,367 compared to \$12,386,081 as at December 31, 2024.

On September 29, 2025, the Company completed the September 2025 Bought-Deal Financing of 33,944,000 September 2025 Units at a price of \$0.60 per unit, and together with the full exercise of the over-allotment option, for aggregate gross proceeds of approximately \$20.4 million. Each September 2025 Unit was comprised of one Common Share and one September 2025 Warrant. Each September 2025 Warrant entitled the holder thereof to purchase one Common Share at an exercise price of \$0.72 (subject to adjustment in certain events) until September 29, 2027

On June 17, 2025, the Company completed the June 2025 Bought-Deal Financing of 37,950,000 June 2025 Units at a price of \$0.50 per unit, and together with the full exercise of the over-allotment option, for aggregate gross proceeds of approximately \$19 million. Each June 2025 Unit was comprised of one Common Share and one June 2025 Warrant. Each June 2025 Warrant entitled the holder thereof to purchase one Common Share at an exercise price of \$0.60 (subject to adjustment in certain events) until June 17, 2027

See “Overall Performance and Operations — Use of Proceeds Reconciliation” for a description of the use of proceeds for the June 2025 Bought-Deal Financing and the September 2025 Bought-Deal Financing.

Subsequent to the year ended December 31, 2025, the Company completed the January 2026 Bought-Deal Financing of 38,736,945 January 2026 Units at a price of \$0.95 per unit, and together with the full exercise of the over-allotment option, for aggregate gross proceeds of \$36,800,098.

Additional financing over and above available funds is required to meet future working capital commitments and business objectives. This may include debt or equity financing or strategic transactions and there can be no assurances that such financing sources will be available as and when needed. If the Company is successful in achieving commerciality it may receive additional funds from BW Energy as outlined in the “Funding of Capital Commitments” section of this MD&A.

Historically, capital requirements have been primarily funded through the sale of equity securities. Factors that could affect the availability of financing include the state of international debt and equity markets, and investor perceptions and expectations of the global oil and gas market. There can be no assurance that such financing will be available in the amount required at any time or for any period or, if available, that it can be obtained on terms satisfactory to the Company. Based on the amount of funding raised, the Company's planned exploration or other work programs may be postponed, or otherwise revised, as necessary. See “Risk Management and Risk Factors”.

DECOMMISSIONING LIABILITIES

As at December 31, 2025, the Company has estimated the present value of decommissioning liabilities on its assets in Namibia at \$2.3 million. Of this amount, approximately \$0.7 million is expected to be spent within the next 12 months, with an additional \$1.6 million anticipated to be incurred over the following 1 to 3 years.

CAPITAL RESOURCES

NAMIBIA

For a discussion of the Company's commitments for capital expenditures regarding Namibia, see “Overview” and “Overall Performance and Operations — Namibia — Second Renewal Exploration Period”.

ANGOLA

For a discussion of the Company's commitments for capital expenditures regarding Angola, see “Overview” and “Overall Performance and Operations — Angola”.

BOTSWANA

For a discussion of the Company's commitments for capital expenditures regarding Botswana, see “Overview” and “Overall Performance and Operations — Botswana”.

GABON

For a discussion of the Company's commitments for capital expenditures regarding Gabon, see “Overview” and “Overall Performance and Operations — Gabon”.

On September 29, 2025, pursuant to a financial advisory engagement letter with Research Capital Corporation dated April 21, 2025, as amended (the “**Financial Advisory Agreement**”), whereby Research Capital Corporation advised the Company in connection with the Gabon Transaction and the September 2025 Bought-Deal Financing insofar as the proceeds were used to fund the Gabon Transaction, the Company paid Research Capital Corporation a cash fee of C\$120,000 (plus applicable taxes) and issued 166,667 Units to Research Capital Corporation on the same terms as the September 2025 Units. Each such Unit was comprised of one Common Share and one Common Share purchase warrant of the Company (a “**Gabon Advisory Warrant**”).

In connection with the Gabon Transaction, the Company also paid a sunk-cost recovery fee of US\$180,000 (~\$251,000) to Record.

FUNDING OF CAPITAL COMMITMENTS

The Company successfully raised funds through the June 2025 Bought-Deal Financing and September 2025 Bought-Deal Financing (and subsequent to the year ended December 31, 2025, the Company completed the

January 2026 Bought-Deal Financing), with proceeds directed toward the drilling and production testing of the KW1X Well, furthering the Angola MOU, the Gabon PSC required payments as discussed in the previous section, seismic reprocessing for Ngulu Block and working capital. The Company will require additional financing over and above available funds in order to meet future working capital commitments and business objectives. There can be no assurances that such financing sources will be available as and when needed. This may include funds raised through debt or equity financing, in addition to potential funding associated with the BW Energy Farm Down. See "Overview" and "Overall Performance and Operations — Namibia — BW Energy Farm Down" for a discussion of capital commitments from BW Energy regarding the BW Energy Farm Down.

ReconAfrica's capital management objectives, policies and processes remained unchanged during the year ended December 31, 2025. The Company is not subject to any capital requirements imposed by a lending institution or regulatory body, other than Policy 2.5 of the Exchange which requires adequate working capital or financial resources of the greater of (i) \$50,000 and (ii) an amount required in order to maintain operations and cover general and administrative expenses for a period of six months. As of December 31, 2025, the Company was compliant with Policy 2.5.

TRENDS AND ECONOMIC CONDITIONS

The Company is focused on the acquisition, exploration and development of hydrocarbons resources.

There are significant uncertainties regarding the market prices for hydrocarbons and the availability of equity and / or other financing for purposes of acquisition, exploration and development activities. The future performance of the Company is largely tied to the successful exploration, development and production of its indirect property interests; associated regulatory actions, including approval of contracts, permits and work programs to drill and produce wells; associated sales of hydrocarbons and overall financial markets. Financial and commodities markets are likely to be volatile, reflecting increasing concerns regarding the impact of global geopolitical instability and the escalation and expansion of conflict, including, in particular, in the Middle East, Ukraine, Venezuela, the stability of the global economy and global growth prospects as well as the United States tariffs and retaliatory tariffs. Uncertainties in financial and commodities markets and delays in regulatory actions have also led to increased difficulties in borrowing and raising funds. Energy companies worldwide can be materially and adversely affected by these trends. As a result, the Company might encounter difficulties raising equity and / or other capital without excessively diluting the interests of existing shareholders. These trends may limit the ability of the Company to further explore and / or develop hydrocarbons resources discovered on its applicable property interests.

The volatility of financial and commodities markets is a significant risk for the Company and the industry. As a result, investors might divest assets perceived as higher risk in comparison to other investments. Companies similar to ReconAfrica are considered substantially above average risk investments and are highly speculative. The volatility of markets, and investor sentiment, could make it difficult for ReconAfrica to access capital markets in order to raise the capital it will need to fund future expenditures. See also "Risk Management and Risk Factors".

OFF-BALANCE SHEET ARRANGEMENTS

The Company does not currently have any off-balance sheet arrangements except the commitments and contingencies previously discussed in this MD&A.

RELATED PARTY TRANSACTIONS

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Related parties may be individuals or corporate entities. A transaction is considered to be a related party transaction where there is a transfer of resources or obligations between related parties.

Transactions with related parties are summarized in the table below:

	Year Ended December 31, 2025	9-Month Period Ended December 31, 2024
Directors' fees	\$ 474,163	\$ 270,622
Management salaries and benefits	2,920,039	2,543,777
Share-based payments	3,989,679	5,700,858
	\$ 7,383,881	\$ 8,515,257

At December 31, 2025, a balance of \$75,111 was payable to related parties (December 31, 2024 — \$48,847). Amounts due to or from related parties are unsecured, non-interest bearing and have no fixed terms of repayment.

The Company's related party transactions consisted of compensation payable to its directors and officers. Other than compensation in the form of salaries or directors' fees and share-based payments, there were no other material transactions with related parties.

PROPOSED TRANSACTIONS

On September 22, 2022, the Company announced that it had entered into a definitive purchase and sale agreement with its partner, NAMCOR, to acquire half of its 10% carried participating interest in PEL 073. The consideration for the 5% interest comprises of (a) 5,000,000 common shares of the Company having an aggregate value of \$31,750,000 with a deemed price per share of \$6.35 and (b) US\$2,000,000 in cash. Completion of the NAMCOR Transaction requires various conditions precedent, including approval of the MME, the approval or waiver of Namibia's competition authority and the acceptance by the Exchange. There can be no assurance that the NAMCOR Transaction will be completed on these terms or at all. Discussions are ongoing to terminate the NAMCOR Transaction.

As is typical of the energy industry, the Company is continually reviewing potential merger, acquisition, investment and joint venture transactions and opportunities that could enhance shareholder value. This is focused on transactions that target acceleration of production and free cash flow, particularly due to the Company's concentrated asset risk profile (see "Risk Management and Risk Factors" herein).

CRITICAL ACCOUNTING ESTIMATES

The preparation of financial statements in accordance with IFRS requires management to make estimates. Critical accounting estimates are those estimates, which requires assumptions to be made about matters that are highly uncertain at the time the estimate is made, and a different estimate could have been made in the current period, or the estimate could change period-to-period. Estimates and judgments are continuously evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. However, actual outcomes can differ from these estimates. There have been no material changes to our critical accounting estimates used in applying accounting policies for the year ended December 31, 2025. Further information, including a discussion of critical accounting estimates, can be found in Note 2 of the audited consolidated financial statements for the year ended December 31, 2025. There were no material changes in the Company's accounting policies during the period. Any new or amended accounting standards effective in future periods are discussed in Note 3 of the audited consolidated financial statements for the year ended December 31, 2025.

FINANCIAL INSTRUMENTS AND OTHER INSTRUMENTS

The Board of Directors approves and monitors the risk management processes, inclusive of documented investment policies, counterparty limits, and controlling and reporting structures. The Company's financial instruments consist of cash, other receivables, deposits and accounts payable. The carrying value of cash, other receivables, deposits and accounts payable are a reasonable approximation of their fair value due to the short-term nature of these instruments. All of the Company's financial assets and liabilities are measured at amortized cost. Fair value measurements are categorized into a fair value hierarchy based on the lowest level input that is significant to the fair value measurement:

Fair value measurements are categorized into a fair value hierarchy based on the lowest level input that is significant to the fair value measurement:

- Level 1 inputs are determined by reference to unadjusted quoted prices in active markets for identical assets or liabilities;
- Level 2 inputs are determined based on inputs other than unadjusted quoted prices that are observable, either directly or indirectly; and
- Level 3 inputs are not based on observable market data. The Company does not have any financial instruments classified as Level 3.

The type of risk exposure and the way in which such exposure is managed is provided as follows:

CREDIT RISK

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Company's primary exposure to credit risk is related to its cash deposits in financial institutions and value-added tax ("VAT") receivable from government authorities. The Company manages cash deposit risk by using major banks that are high credit quality financial institutions as determined by rating agencies. The recoverability of VAT is subject to the fiscal regimes and administrative processes in the jurisdictions in which the Company operates. Management monitors the collectability of VAT receivable on an ongoing basis and, where applicable, records allowances for amounts considered not recoverable.

LIQUIDITY RISK

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company has a planning and budgeting process in place to help determine the funds required to support the Company's normal operating requirements on an ongoing basis. The Company's sole source of funding has been the issuance of equity securities for cash, primarily through prospectus offerings, and the exercising of outstanding options and warrants. The Company's access to financing is always uncertain and additional funding will be required to meet its longer-term business objectives. This may include debt or equity financing in addition to funds raised from joint venture partners or other transactions. There can be no assurance that such financing will be available in the amount required at any time or for any period or, if available, that it can be obtained on terms satisfactory to the Company.

FOREIGN EXCHANGE RISK

Foreign exchange risk is the risk that the fair values or future cash flows of a financial instrument will fluctuate because they are denominated in currencies that differ from the respective functional currency. The Company has a non-material direct exposure to foreign exchange risk arising from cash, other receivables, deposits and accounts payable measured in foreign currencies, principally the US dollar, Namibian dollar, Angolan Kwanza, Botswana pula and Central African Franc. The Company has a policy of settling items denominated in foreign currencies at the spot rate in place at the time of settlement.

INTEREST RATE RISK

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company does not have any significant interest rate risk.

COMMODITY PRICE RISK

Oil and natural gas prices have been and are expected to remain volatile due to market uncertainties over the supply and demand of these commodities due to various factors including Organization of the Petroleum Exporting Countries ("OPEC") actions, the current state of world economies, international conflicts and ongoing credit and liquidity concerns. Volatile commodity prices have had and will continue to have a significant impact on the Company's ability to raise future capital to fund operations. Therefore, management regularly monitors natural resource commodity prices to determine the appropriate course of action to mitigate this risk.

OUTSTANDING SHARE DATA

The following table outlines the maximum potential impact of share dilution upon full exercise of outstanding stock options, compensation options and common share purchase warrants as at the date of this MD&A:

	Shares and Potential Shares
Common shares outstanding	381,775,697
Warrants (average exercise price \$1.04)	134,597,940
Stock options (average exercise price \$1.82)	26,284,500
	542,658,137

During the year ended December 31, 2025, the Company issued 1,514,302 (nine months ended December 31, 2024 – 4,065,268) common shares pursuant to the exercise of 1,514,302 (nine months ended December 31, 2024 – 4,039,965) warrants for cash proceeds of \$765,366 (nine months ended December 31, 2024 – \$3,895,262) and nil (nine months ended December 31, 2024 – 25,303) compensation options for cash proceeds of \$Nil (nine months ended December 31, 2024 – \$27,833).

In addition, the Company issued nil common shares pursuant to the exercise of nil (nine months ended December 31, 2024 – 550,000) stock options for cash proceeds of \$Nil (nine months ended December 31, 2024 – \$234,500).

During the year ended December 31, 2025, the Company granted incentive stock options to certain directors, officers, employees, and consultants of the Company to acquire an aggregate of 7,585,000 (nine months ended December 31, 2024 – 10,430,000) common shares in the capital of the Company at an exercise price of \$0.60 (nine months ended December 31, 2024 – \$1.04 to \$1.40) per share for a period of up to five years.

On September 29, 2025, the Company completed the September 2025 Bought-Deal Financing. On June 17, 2025, the Company completed the June 2025 Bought-Deal Financing. Subsequent to the year ended December 31, 2025, the Company completed the January 2026 Bought-Deal Financing. See "Liquidity" for further details.

Subsequent to the year ended December 31, 2025, a total of 2,335,000 stock options with an average exercise price of \$4.22 expired unexercised.

CONTINGENCIES

The nature of the Company's petroleum exploration business sometimes results in individuals, groups or regulatory bodies, including parties that are opposed to the Company's business, making allegations that could lead to future legal proceedings that might ultimately be resolved in a way that could materially adversely impact the Company's financial position, stock price, cash flow and results of operations.

CHANGE IN YEAR-END

The Company changed its year-end from March 31 to December 31. As a result, the applicable comparison to the Company's current year consists of a nine-month period ending December 31, 2024.

CHANGE IN MANAGEMENT

In May 2025, Grayson Andersen left ReconAfrica to pursue new career opportunities. Mark Friesen was appointed Managing Director, Investor Relations and Capital Markets in May 2025 and, effective October 1, 2025, assumed the role of Vice President, Investor Relations & Capital Markets. Iman Hill, who was appointed a Director of ReconAfrica in August 2023, resigned from the Board of Directors effective July 31, 2025.

DISCLOSURE OF INTERNAL CONTROLS

Management has established processes to provide it with sufficient knowledge to support representations that it has exercised reasonable diligence to ensure that (i) the consolidated financial statements do not contain any untrue statement of material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it is made, as of the date of and for the periods presented by the consolidated financial statements, and (ii) the consolidated

financial statements fairly present in all material respects the financial condition, results of operations and cash flow of the Company, as of the date of and for the periods presented.

In contrast to the certificate required for non-venture issuers under National Instrument 52-109 – Certification of Disclosure in Issuers' Annual and Interim Filings ("NI 52-109"), the Venture Issuer Basic Certificate does not include representations relating to the establishment and maintenance of disclosure controls and procedures ("DC&P") and internal control over financial reporting ("ICFR"), as defined in NI 52-109. In particular, the certifying officers filing such certificate are not making any representations relating to the establishment and maintenance of:

- controls and other procedures designed to provide reasonable assurance that information required to be disclosed by the issuer in its annual filings, interim filings or other reports filed or submitted under securities legislation is recorded, processed, summarized and reported within the time periods specified in securities legislation; and
- a process to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated financial statements for external purposes in accordance with the issuer's GAAP (IFRS).

The Company's certifying officers are responsible for ensuring that processes are in place to provide them with sufficient knowledge to support the representations they are making in the certificate. Investors should be aware that inherent limitations on the ability of certifying officers of a venture issuer to design and implement on a cost effective basis DC&P and ICFR as defined in NI 52-109 may result in additional risks to the quality, reliability, transparency and timeliness of interim and annual filings and other reports provided under securities legislation.

RISK MANAGEMENT AND RISK FACTORS

The business of the Company consists of oil and gas exploration and related activities in Namibia, Angola, Botswana and Gabon. There are a number of inherent risks associated with oil and gas exploration and development, as well as local, national and international economic and political conditions that may affect the success of the Company which are beyond the Company's control, particularly since such operations are located in foreign countries. Many of these factors involve a high degree of risk.

The risks set out below are not an exhaustive list and should not be taken as a complete summary or description of all of the risks associated with ReconAfrica's business, the business of third parties with whom the Company conducts business and the crude oil and natural gas business generally. The following information is a summary only of certain risk factors and is qualified in its entirety by reference to, and must be read in conjunction with, the "Risk Factors" as presented in the AIF available under the Company's profile on SEDAR+ at www.sedarplus.ca.

- risks related to the nature of the business of the Company;
- exploration and production risks inherent in the oil and natural gas industry;
- risks related to permits, licences, approvals and authorizations;
- ongoing substantial capital requirements;
- adverse economic conditions, including the ongoing Middle-East conflicts, Russia-Ukraine war and geopolitical developments in Venezuela (and any associated sanctions);
- international developments and geopolitical risks;
- inflation, cost management and rising interest rates;
- political uncertainty in Namibia, Angola, Botswana, Gabon and Canada;
- access restrictions and tariff risks;
- negative operating cash flow;
- possible failure to realize anticipated benefits of acquisitions;
- commitments and contingencies;
- economic dependence;
- reliance on key individuals;
- marketability of crude oil and natural gas;
- project-related risks;
- climate change;

- risks of foreign operations;
- risks of operating through foreign subsidiaries;
- inherent risks related to fraud, bribery and corruption in Namibia, Botswana, Angola and Gabon;
- changes in government policy;
- royalty regimes;
- “resources” vs “reserves”;
- seismic data and estimates of resources;
- reserves estimates and reserve replacement risk;
- status and stage of development;
- availability of equipment and access restrictions;
- nature of reserves and additional funding requirements;
- third party credit risk;
- operating hazards and other uncertainties;
- asset concentration;
- competition;
- alternatives to and changing demand for petroleum products;
- global financial conditions;
- macro-economic risk;
- ongoing or future pandemics;
- sufficiency of insurance coverage;
- joint property ownership;
- joint venture risks;
- cyber attacks or terrorism;
- non-governmental organizations and eco-terrorism risks;
- infrastructure, energy and water supplies;
- offshore operations;
- disclosure controls and procedures;
- environmental regulations;
- market access constraints and oil and gas transportation risks;
- conflicts of interest;
- risks related to operating in African countries;
- tax regimes;
- foreign currency exchange risk;
- risks related to changes to national and local governmental laws and regulations;
- regulatory risks;
- management of growth;
- claims and legal proceedings;
- risks related to disclosure around Canada's *Extractive Sector Transparency Measures Act*;
- failure to comply with anti-bribery and anti-corruption laws;
- breach of confidentiality risks;
- reputation risk;
- environmental, pollution, occupational health and safety risks;
- data protection risks;
- risks regarding forward-looking statements;
- risks regarding Bill C-59 and “anti-greenwashing” legislation;
- ESG and sustainability practices and disclosure;
- discretion regarding use of proceeds from financings;
- volatility in the trading price of the Common Shares;
- liquidity of Common Shares and realization of investment in Common Shares;
- dilution and further sales of Common Shares; and
- dividends.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

Certain information contained in this MD&A constitutes “forward-looking statements” or “forward-looking information” under applicable securities legislation (collectively, “**forward-looking statements**”). These statements relate to management’s or, as noted, an independent evaluator’s expectations about future events, results of operations and the Company’s future performance (both operational and financial) and business prospects. All statements other than statements of historical fact are forward-looking statements. The use of any of the words “anticipate”, “plan”, “contemplate”, “continue”, “estimate”, “expect”, “intend”, “propose”, “might”, “may”, “will”, “shall”, “project”, “should”, “could”, “would”, “believe”, “predict”, “forecast”, “pursue”, “potential”, “objective” and “capable” and similar expressions are intended to identify forward-looking statements. These statements involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking statements. No assurance can be given that these expectations will prove to be correct and such forward-looking statements included in this MD&A should not be unduly relied upon. Unless otherwise indicated, these statements speak only as of the date of this MD&A. In addition, this MD&A may contain forward-looking statements and forward-looking information attributed to third-party industry sources.

In particular, this MD&A contains forward-looking statements pertaining to, among others, the following:

- the Company’s business objective and strategy;
- the quantity of prospective resources and progression thereof;
- production testing of the KW1X Well;
- the Company’s proposed exploration, drilling and exploitation activities and timelines, including expectations related to the work program at PEL 073 during the Second Renewal Exploration Period and thereafter;
- the third renewal exploration period under the Petroleum Agreement regarding PEL 073;
- receipt, from time to time, of the requisite regulatory environmental certificates and approvals regarding the Company’s proposed exploration, drilling and exploitation activities;
- seismic acquisition, surveys, processing and interpretation;
- expectations regarding a working conventional petroleum system with oil in stratigraphic wells and gas seeps in the Kavango Basin;
- the Company’s aim to prove a potential oil and gas reserve in the Kavango Basin that could lead to economic stimulus, funding local and regional jobs and other socio-economic benefits such as increased infrastructure, potable water access and investments in environmental and wildlife conservation;
- expectations regarding future expenditures to be incurred or spent on the Company’s assets;
- expectations, given exploration success, regarding the future development of the Company’s assets and the byproducts of such development;
- expectations regarding the BW Energy Farm Down, including the timing and amount of cash payments, bonus payments, and production milestone payments;
- expectations regarding Angola MOU, including estimated minimum work commitments and entering into a definitive agreement;
- expectations regarding the Gabon PSC and the Gabon MOU, including the initial work program, reprocessing and detailed evaluation of the seismic data, entering into the Gabon JOA, and deliver a third-party resource report outlining the potential of the Ngulu Block;
- ongoing activities by major industry competitors in Namibia, Botswana, Angola and Gabon;
- the continuing competitiveness of the fiscal regimes in the jurisdictions in which the Company operates;
- expectations regarding the NAMCOR Transaction;
- projections of market prices, including market prices for oil and natural gas, and costs;
- supply and demand for oil and natural gas;
- expectations regarding the infrastructure and transportation facilities that will be available to the Company for the storage and shipment of any products it may produce;
- expectations regarding the Company’s ability to raise capital;
- the use of proceeds from capital raises;
- the Company’s intention in respect of maintaining sufficient insurance;
- expectations regarding the Company’s ongoing relationships with the Namibian, Botswanan, Angolan

- and Gabonian governments and key ministries therein;
- expectations regarding the development of environmental laws and regulations and the future costs to the Company associated with compliance with such laws and regulations and any potential changes to public perception following ongoing changes to environmental laws;
- the Company's dividend policy; and
- expectations concerning any legal proceedings that the Company is a party to.

With respect to forward-looking statements contained in this MD&A, the Company has made assumptions regarding, among other things:

- the Company's ability to execute its business objectives and strategies;
- the Company's requirements for additional capital and availability of funding;
- the Company's expectations regarding certain of its future results, including, among others, revenue, expenses, expenditures, operations, and use of future cash flow;
- the Company's ability to effectively manage growth;
- political stability in the areas in which the Company is operating and completing transactions (or will potentially complete in the future);
- the ability of the Company to satisfy the drilling and other requirements under its licenses and interests;
- continued operations of and approvals forthcoming from governments in Namibia, Angola, Botswana and Gabon in a manner consistent with past conduct, including the Company's ability to obtain approvals and permits for seismic and drilling programs;
- future seismic and drilling activity on the expected timelines;
- results of future seismic programs;
- future production rates and associated operating netbacks and cash flow and field production rates and decline rates;
- the Company's ability to reach agreement with partners;
- the Company's ability to maintain its directors, senior management team and employees with relevant experience;
- the Company's ability to secure adequate product egress, including the timing and costs of pipeline, storage and facility construction and expansion;
- the impact of increasing competition in or near the Company's plays;
- the Company's ability to obtain qualified staff, equipment and services in a timely and cost-efficient manner to develop its business and execute work programs;
- the Company's ability to operate its properties in a safe, environmentally responsible, efficient and effective manner;
- future oil and natural gas prices;
- currency, exchange and interest rates;
- the regulatory framework regarding royalties, taxes and environmental matters;
- the Company's ability to successfully market its oil and natural gas products;
- the Company's ability to successfully manage the political and economic risks inherent in pursuing oil and gas opportunities in foreign countries;
- the state of the capital markets;
- the Company's ability to finance future developments and/or inorganic growth; and
- the amount and timing of future asset retirement obligations.

Actual results could differ materially from those anticipated in these forward-looking statements as a result of the risk factors set forth in this MD&A above under "Risk Management and Risk Factors", which list of risk factors is qualified in its entirety by reference to, and must be read in conjunction with, the "Risk Factors" as presented in the AIF available under the Company's profile on SEDAR+ at www.sedarplus.ca

Statements relating to "reserves" and "resources" (including prospective resources) are deemed to be forward-looking statements, as they involve the implied assessment, based on certain estimates and assumptions that the reserves and resources described can be profitably produced in the future. See "Statement of Reserves Data and Other Oil and Gas Information" in the AIF.

The prospective financial information included in this MD&A has been prepared by, and is the responsibility of, the Company's management. The Company's management believe that the prospective financial information has been prepared on a reasonable basis, reflecting management's best estimates and judgments, and represents, to the best of management's knowledge and opinion upon review by the board of directors of the Company, the Company's expected course of action. However, because this information is highly subjective, it should not be relied on as necessarily indicative of future results.

The above summary of major risks and assumptions related to forward-looking statements included or incorporated by reference in this MD&A has been provided for readers to gain a more complete perspective on the Company's future operations.

The forward-looking statements included in this MD&A are expressly qualified by this cautionary statement and, except as otherwise indicated, are made as of the date of this MD&A. Although the forward-looking statements contained herein are based upon what management believes to be reasonable assumptions, management cannot assure that actual results will be consistent with these forward-looking statements. Investors should not place undue reliance on forward-looking statements. The Company does not undertake any obligation to publicly update or revise any forward-looking statements or departures from them except as required by applicable securities laws.