

ReconAfrica Enters Into Letter of Intent to Acquire Renaissance Oil

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VANCOUVER, April 19, 2021 - [Reconnaissance Energy Africa Ltd.](#) ("ReconAfrica") (TSXV: RECO) (OTCQX: RECAF) (Frankfurt: 0XD) and [Renaissance Oil Corp.](#) ("Renaissance") (TSXV: ROE) (OTCQB: RNSFF) are pleased to announce that they have entered into a letter of intent (the "LOI") setting forth the material terms and conditions upon which ReconAfrica will acquire all of the issued and outstanding common shares (the "Renaissance Shares") and convertible securities of Renaissance (the "Transaction"). The Transaction is expected to be implemented by way of a statutory plan of arrangement under the Business Corporations Act (British Columbia).

Pursuant to the LOI, ReconAfrica will issue to each holder of a Renaissance Share 0.046 of a common share of ReconAfrica (each whole common share, a "ReconAfrica Share") (the "Consideration"). The value of the Consideration represents a 1.45% premium over the closing price of the Renaissance Shares on the TSX Venture Exchange (the "TSXV") on April 16, 2021, the last day of trading prior to the announcement of the Transaction, and based on the closing price of the ReconAfrica Shares on the TSX.V of \$7.62 on April 16, 2021. The terms of the Transaction value Renaissance at \$.35 per share or approximately \$155 million. Following the completion of the Transaction, current shareholders of Renaissance will hold approximately 20,340,792 shares or 11.36% of the fully-diluted issued and outstanding shares of ReconAfrica.

The boards of directors of each of ReconAfrica and Renaissance, respectively, have unanimously approved the entering into of the LOI. The companies have agreed to a 30 -day exclusivity period to, among other things, negotiate and settle a definitive agreement.

"With ReconAfrica's recent drilling success in the Kavango Basin, the Company has determined it is in the best interest of ReconAfrica shareholders to consolidate all interests," stated Scot Evans, CEO of ReconAfrica. "Renaissance Oil's right to acquire 50% working interest in 2.2 million acres in the eastern part of the Kavango basin (Botswana) is potentially very valuable to ReconAfrica as it pursues the development of conventional resources in the basin."

"Consolidating all interests in the Kavango Basin to 8,500,000 acres, which covers the entire sedimentary basin, is in an accretive transaction for both ReconAfrica and Renaissance," stated Craig Steinke, CEO of Renaissance. "The combined company will solely focus on the development of the deep Kavango basin while exploring strategic alternatives for the Mexican assets."

The LOI is non-binding and there is no assurance that the Transaction will be completed as proposed or at all. The completion of the Transaction is subject to, among other things: (i) completion of satisfactory due diligence by each of ReconAfrica and Renaissance; (ii) negotiation of a definitive agreement and the entering into of a binding definitive agreement in connection with the Transaction, to include standard non-solicitation, superior proposal and right to match provisions (the "Definitive Agreement"), following receipt by the board of directors of Renaissance of a fairness opinion in connection with the Transaction and the board of directors resolving to unanimously recommend that shareholders of Renaissance vote in favour of the Transaction; (iii) the entering into by the directors and officers of Renaissance of support and lock-up agreements on terms satisfactory to ReconAfrica to vote in favour of the Transaction; and (iv) receipt of all required corporate approvals from the board of directors of ReconAfrica and Renaissance, respectively, and all regulatory and shareholder approvals, including "majority of the minority" shareholder approvals, as applicable, any competition or foreign investment approvals and the approval of the TSXV and any required third-party consents.

None of the securities to be issued pursuant to the Arrangement Agreement have been or will be registered under the United State Securities Act of 1933, as amended (the "U.S. Securities Act"), or any state securities laws, and any securities issued in the Arrangement are anticipated to be issued in reliance upon available exemptions from such registration requirements pursuant to Section 3(a)(10) of the U.S. Securities Act and applicable exemptions under state securities laws. This press release does not constitute an offer to sell or the solicitation of an offer to buy any securities.

ReconAfrica is a junior, Canadian oil and gas company engaged in the opening of the newly discovered deep Kavango Sedimentary Basin, in the Kalahari Desert of northeastern Namibia and northwestern Botswana, where ReconAfrica holds petroleum licenses comprising approximately 8.5 million contiguous acres. In all aspects of its operations, ReconAfrica is committed to minimal disturbances in line with international best standards and will implement environmental and social best practices in all of its project areas.

Renaissance is an onshore operator in Mexico with 100% working interest in approximately 1200 boe/day. The Company holds an option to acquire a 50% working interest, in all rights from surface to basement, in a large Petroleum Licence, comprising 2.2 million acres in the Kavango sedimentary basin, in Botswana, Africa. The licence operator is ReconAfrica.

Neither the TSXV nor its Regulation Services Provider (as that term is defined in policies of the TSXV) accepts responsibility for the adequacy or accuracy of this release.

Cautionary Note Regarding Forward-Looking Statements: Certain statements contained in this press release constitute forward-looking information under applicable Canadian, United States and other applicable securities laws, rules and regulations, including, without limitation, statements with respect to the completion of the Transaction and all of the condition's precedent to the completion of the Transaction that must be fulfilled. 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 information and are based on ReconAfrica's and Renaissance'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 ReconAfrica's and Renaissance'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 ReconAfrica's annual information form dated July 27, 2020 available under ReconAfrica's profile at www.sedar.com and in the "Risk Management and Risk Factors" section in Renaissance's management's discussion and analysis for the year ended December 31, 2019. 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 information. Those assumptions and factors are based on information currently available to ReconAfrica and Renaissance. The forward-looking information contained in this news release is made as of the date hereof and ReconAfrica and Renaissance undertake no obligation to update or revise any forward-looking information, 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 information. The foregoing statements expressly qualify any forward-looking information contained herein.

SOURCE Reconnaissance Energy Africa Ltd.

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