S 233808

Court File No. .....
Vancouver Registry

IN THE SUPREME COURT OF BRITISH COLUMBIA

BETWEEN:

CATHERINE BOWLES

Plaintiff

- and -

RECONNAISSANCE ENERGY AFRICA LTD.,

Defendant

NOTICE OF CIVIL CLAIM

Proceeding under the *Class Proceedings Act,* RSBC 1996, c. 50

This action has been commenced by the Plaintiff for the relief set out in Part 2 below.

If you intend to respond to this action, you or your lawyer must

(a) file a response to civil claim in Form 2 in the above-named registry of this court within the time for response to civil claim described below, and

(b) serve a copy of the filed response to civil claim on the plaintiff.

If you intend to make a counterclaim, you or your lawyer must

(a) file a response to civil claim in Form 2 and a counterclaim in Form 3 in the above-named registry of this court within the time for response to civil claim described below, and

(b) serve a copy of the filed response to civil claim and counterclaim on the plaintiff and on any new parties named in the counterclaim.

JUDGMENT MAY BE PRONOUNCED AGAINST YOU IF YOU FAIL to file the response to civil claim within the time for response to civil claim described below.

Time for response to civil claim

A response to civil claim must be filed and served on the Plaintiff,

(a) if you were served with the notice of civil claim anywhere in Canada, within 21 days after that service,

(b) if you were served with the notice of civil claim anywhere in the United States of America, within 35 days after that service,

(c) if you were served with the notice of civil claim anywhere else, within 49 days after that service, or

(d) if the time for response to civil claim has been set by order of the court, within that time.

CLAIM OF THE PLAINTIFF

PART 1. NATURE OF THE ACTION

1. This is a shareholder class action on behalf of a class consisting of all persons and entities who purchased or otherwise acquired the securities of Reconnaissance Energy Africa Ltd. ("**ReconAfrica**") between May 30, 2020 and September 7, 2021 (the "**Class Period**"), excluding those persons and entities that have issued their own action or a member of a certified class action in the United States and who have not otherwise opted out of said certified class action in the United States.

2. ReconAfrica is an oil and gas exploration company with its home office in Vancouver, British Columbia. ReconAfrica is a reporting issuer and its principal regulator is the British Columbia Securities Commission. It lists its securities on the Toronto Venture Exchange ("RECO"), Frankfurt Stock Exchange ("0XD"), and the U.S. over-the-counter market ("RECAF").

3. The Plaintiff, on behalf of herself and the Class (as defined within **Part 2**, herein), alleges that between May 30, 2020 and August 30, 2021, ReconAfrica published core and non-core documents containing misrepresentations that were publicly corrected between June 24 and September 7, 2021 (the "**Public Corrective Statements**").

4. The Plaintiff seeks to recover damages incurred as a direct and foreseeable result of ReconAfrica's misrepresentations and their public correction.

PART 2. STATEMENT OF FACTS

5. The Plaintiff relies upon the British Columbia *Securities Act* ("**BCSA**") for definitions in addition to the terms that are defined elsewhere herein.

The Plaintiff

6. Catherine Bowles is a resident of British Columbia, Canada. Immediately after the Defendant responded to adverse facts alleged by a third-party, on June 28, 2021, the Plaintiff purchased 487 shares of ReconAfrica, held all those shares until after the Public Corrective Statements released on July 14 and September 7, 2021, and suffered an economic loss.

The Class

7. The Plaintiff is advancing her causes of action on behalf of herself and other investors (the "**Class**") defined as: All investors, except excluded investors, that purchased the Defendant's securities between May 30, 2020 and September 7, 2021, and held all or some of those purchased securities after September 7, 2021 (the "**Class Period**").

8. The excluded investors are defined as any insider, and his/her immediate family, of the Defendant; any member of Advanced Media Solutions Ltd., Bull Market Media GmbH, Digitonic Ltd., Quester Advisors; any executive of Canaccord; and any investor that purchased the Defendant's securities on the U.S. OTC market.

The Defendant

9. ReconAfrica is incorporated in British Columbia, Canada and maintains its principal executive offices at PO Box 48326 Bentall, Vancouver, BC, V7X 1A1, Canada. It is a Responsible and Reporting Issuer that lists its securities on the TSX Venture, Nasdaq, and Frankfurt Stock Exchange.

The Material Facts:
Total Mix of Information, Impugned Documents, and the Misrepresentations

10. Prior to the Class Period, the Defendant controlled the total mix of information for investors to make an investing decision to purchase, sell, or to hold its securities.

11. During the Class Period, ReconAfrica's only oil and gas exploration activities were in Namibia, a country in Africa. From the time ReconAfrica was introduced to public stock markets in February 2019, and over the following year and a half, the Company touted its plans to frack oil in Namibia as its core business plan.

12. During the Class Period, the Company signaled its planned fracking by referencing "unconventional" resources and "shale" deposits within Namibia. In industry parlance, "unconventional" resources and/or "shale" deposits refer to oil and gas deposits requiring extraction by fracking. These false statements resulted in ReconAfrica's share price being artificially inflated.

13. On September 16, 2020, *The Namibian*, the largest daily newspaper in Namibia, published an article criticizing ReconAfrica's intent to frack, and the related environmental concerns it triggered. On September 18, 2020, the Namibia Ministry of Mines and Energy issued a press release in response to the article, clarifying that ReconAfrica had not been authorized to frack, stating in relevant part:

> [N]o Licence for the development of unconventional resources (*E.g.* Shale gas) has ever been applied for/or granted in Namibia. This means that on record, no hydraulic fracking activities are planned in Namibia. It also means that the company Recon will not be conducting any fracking activities in the Okavango Delta.

14. The Company's representations to investors were misleading because investors were led to believe that ReconAfrica would pursue a fracking-based approach, without being told that ReconAfrica had no reasonable expectation that fracking would be permitted in Namibia.

15. In response to these developments and additional media reporting detailing ReconAfrica's fracking plans and related environmental concerns, the Company abruptly changed its messaging to investors. From October 2020 on, ReconAfrica stated that it was focused on conventional oil and gas production and had no plans to engage in fracking.

16. Nevertheless, the Defendant's statements to investors reported positive test results but omitted critical facts in the form of key technical data in the Company's possession that was necessary for investors to adequately evaluate its test well results. Such standard technical information included, for example, well depth, mud log data and wireline log data.

17. Commencing June 24, 2021, research firm Viceroy Research LLC ("**Viceroy**") published a report exposing the Defendant's wrongdoing. The report detailed ReconAfrica's unrealistic fracking intentions, and the omission of material facts concerning their data from the Company's promotional test well announcements.

18. Viceroy continued to publish additional reports further revealing the Defendant's misrepresentations and weak prospects for conventional oil and gas production. Those reports included a Viceroy report dated September 7, 2021, the last day of the Class Period, pointing out significant weaknesses and omissions in the Company's then most recently announced test results.

19. During the Class Period, the Defendant failed to disclose to investors that: (1) ReconAfrica had not determined whether Namibia would allow fracking, which had never been done in Namibia, and which was central to the Company's business plans; and (2) ReconAfrica possessed data from its test wells that revealed poor prospects for achieving oil and gas production that would be commercially viable. These omitted material facts undermined the Defendant's public statements made during the Class Period, rendering them misleading.

20. When publicly corrected, the markets' reaction was immediate and harsh. On September 7, 2021, when the Viceroy Report was published, ReconAfrica's closing share price dropped from $6.50 to $5.90, or 12.8%, on record trading volume.

The Impugned Documents

21. On **May 29, 2020**, the Defendant released its 1Q 2020 financial statements and management, discussion, and analysis ("MD&A") and, in relevant part, reported:

> *The primary objective of the initial multi-well drilling program is to establish an active petroleum system, of which the main target is the Permian marine shales. The secondary objective is the evaluation of conventional hydrocarbon bearing stratigraphy.*
>
> * * *
>
> *The Kavango Basin offers both large scale conventional and non-conventional play types.*

In this context "shales" refers to oil and gas deposits requiring extraction by fracking, and "conventional" refers to deposits that do not require extraction by fracking. Thus, ReconAfrica's primary objective was pursuing fracking-related deposits.

22. This information became a part of the total mix of information about the Defendant's investment quality and share price.

23. This core document contained misrepresentations because it was drafted in a manner that misled investors that ReconAfrica could pursue a fracking-based approach, without being told that no one had ever been granted permission to frack in Namibia, that ReconAfrica had not determined whether Namibia would allow fracking, that ReconAfrica had not applied for a license to engage in fracking, and that ReconAfrica had no reasonable basis to believe it would receive approval to frack in Namibia (because it was never done before and the land was near protected national forests and wildlife).

24. On **July 28, 2020**, the Defendant released its Annual Information Form ("**AIF**") and, in relevant part, reported:

> *The Company is targeting equivalent rocks to the hydrocarbon-prone unconventional deposits within the Karoo Group of the Main Karoo Basin in South Africa.*
>
> * * *
>
> *The undiscovered petroleum initially-in-place and prospective resources included in the Sproule Report represent the unconventional (tight gas, shale gas and tight oil) resources of the Company's lands and do not include potential conventional prospective resources.*
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> * * *
>
> *Depending on the success of the initial work program, the Company anticipates it will begin further exploration and development of conventional and unconventional hydrocarbons in commercial quantities . . . in the Kavango Basin.*

25. Also, in describing the chances of being able to develop any conventional or unconventional petroleum deposits, assuming a discovery of such deposits, the AIF listed the probability of "Regulatory Approval" for development as "0.9," *i.e.*, 90%.

26. This information became a part of the total mix of information about the Defendant's investment quality and share price.

27. This core document contained misrepresentations because it was drafted in a manner that misled investors that ReconAfrica could pursue a fracking-based approach, without being told that no one had ever been granted permission to frack in Namibia, that ReconAfrica had not determined whether Namibia would allow fracking, that ReconAfrica had not applied for a license to engage in fracking, and that ReconAfrica had no reasonable basis to believe it would receive approval to

frack in Namibia (because it was never done before and the land was near protected national forests and wildlife).

28. On **August 20, 2020**, the Defendant released a material change report announcing that it completed its public offering of 32.8 million units sold at a price of $0.70 each, raising approximately $23 million. On August 12, 2020, the corresponding prospectus was released on SEDAR that expressly incorporated by reference the above Impugned Documents.

29. On **August 25, 2020**, the Defendant released its 2Q 2020 financial statements and MD&A and, in relevant part, reported:

> *The primary objective of the initial multi-well drilling program is to establish an active petroleum system, of which the main target is the Permian marine shales. The secondary objective is the evaluation of conventional hydrocarbon bearing stratigraphy.*
>
> * * *
>
> *The primary objective of ReconAfrica's initial three well drilling program, scheduled for Q4 of 2020, is to confirm a thick, active, petroleum system throughout the deep Kavango basin. Specifically, the wells are designed to test organic rich shales and more shallow conventional structures throughout the sedimentary basin.*

30. This information became a part of the total mix of information about the Defendant's investment quality and share price.

31. This core document contained misrepresentations because it was drafted in a manner that misled investors that ReconAfrica could pursue a fracking-based approach, without being told that no one had ever been granted permission to frack in Namibia, that ReconAfrica had not determined whether Namibia would allow fracking, that ReconAfrica had not applied for a license to engage in fracking, and that ReconAfrica had no reasonable basis to believe it would receive approval to

frack in Namibia (because it was never done before and the land was near protected national forests and wildlife).

32. On **September 16, 2020**, *The Namibian* published an article titled "Oil drillers threaten Okavango ecosystem," which criticized ReconAfrica's intent to engage in fracking, and raised related environmental, health and safety concerns.

33. On **September 18, 2020**, the Namibia Ministry of Mines and Energy responded to the article by issuing a press release stating:

> *[N]o Licence for the development of unconventional resources (E.g. Shale gas) has ever been applied for/or granted in Namibia. This means that on record, no hydraulic fracking activities are planned in Namibia. It also means that the company Recon will not be conducting any fracking activities in the Okavango Delta.*

34. On **April 30, 2021**, the Defendant released its F/2020 Annual Information Form ("AIF") and, in relevant part, reported:

> *The Company initiated drilling of the first well ("6-2") of ReconAfrica's three well program in the deep Kavango Basin of North East Namibia on January 11, 2021 and achieved total depth in early April 2021. . . . The well sample log of the 6-2 provides over 200 meters (over 660 feet) of oil and natural gas indicators/shows over three discrete intervals in a stacked sequence of reservoir and source rock. Extraction of oil from these samples and subsequent fingerprinting for key characteristics of the liquids, supports an active petroleum system with multiple source intervals.*
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> * * *
>
> *On April 15, 2021, the Company . . . announced preliminary analysis of the data from 6-2 well, the first of the three well drilling program, providing clear evidence of a working*

conventional petroleum system in the Kavango Basin.

35. This information became a part of the total mix of information about the Defendant's investment quality and share price.

36. This core document was misleading because it omitted the full extent of the well test results, which would have revealed poor prospects for achieving oil and gas production. The Defendant cherry-picked which test data to discuss, without including the crucial context of unfavorable data the Defendant obtained from the same test samples. This gave investors a misleading impression of the test results and ReconAfrica's prospects for making commercially viable oil and gas extractions. The September 7, 2021 Viceroy report noted that ReconAfrica withheld test result data from its April 2021 well test for five months and the test results revealed a failure of the well:

> *Viceroy's analysis of the [September 2, 2021] presentation confirms our dim view of RECO's chances of commerciality in a conventional oil play. The 6-2 well is effectively a failure with the porous 950 zone completely saturated with water and the 1350 zone too tight for a conventional commercial play . . . . Note that [the] log interpretation was released [on September 2, 2021] almost 5 months after the completion of drilling on the 6-2 well [in April 2021] even though this log interpretation data would have been available days after they logged the well.*

37. On **May 11, 2021**, the Defendant released an amended F/2020 AIF and clarified some but not all of the of the impugned material facts.

38. On **May 27, 2021**, the Defendant released a material change report announcing that it completed its public offering of 3,789,600 units sold at a price of $9.50 each, raising approximately $42 million. On May 19, 2021, the corresponding prospectus was released on SEDAR that expressly incorporated by reference the above Impugned Documents.

39. On **May 31, 2021**, the Defendant released its 1Q 2021 financial statements and MD&A. The MD&A stated, in relevant part:

> *Analysis of the well sample log of the 6-2 well showed over 200 meters (over 660 feet) of oil and natural gas indicators/shows over three discrete intervals in a stacked sequence of reservoir and source rock. Extraction of oil from these samples and subsequent fingerprinting for key characteristics of the liquids, supports an active petroleum system with multiple source intervals.*

40. This information became a part of the total mix of information about the Defendant's investment quality and share price.

41. This core document was misleading because it withheld from investors unfavorable data from the Company's well sample tests, which would have revealed poor prospects for achieving oil and gas production. The Defendant cherry-picked which test data to discuss, without including the crucial context of unfavorable data the Defendant obtained from the same test samples. This gave investors a misleading impression of the test results and ReconAfrica's prospects for making commercially viable oil and gas extractions. As noted above, Viceroy has revealed that ReconAfrica withheld for five months (from April 2021 to September 2, 2021) negative test data indicating that the "porous 950 zone [is] completely saturated with water and the 1350 zone [is] too tight for a conventional commercial play."

42. On **August 30, 2021**, the Defendant released its 2Q 2021 financial statements and MD&A. The MD&A stated, in relevant part:

> *Highlights from the drilling of the 6-2 and 6-1 wells are as follows: [1] The 6-2 well and 6-1 well reached total depths of 2,294 meters (7,526 feet) and 2,780 meters (9,121 feet) respectively. [2] The 6-2 well had over 250 meters (820 feet) of hydrocarbon shows while the 6-1 had over 350 meters (1,148 feet) of hydrocarbon shows. [3] Both wells had full*

logging suites, extensive sidewall cores in addition to the full sample analysis of cuttings, and hydrocarbon shows . . . .

* * *

A total of over 250 meters (820 feet) of conventional migrated light oil, natural gas and natural gas liquids were encountered over three zones [from the 6-2 well].

* * *

A preliminary total of 350 meters (1,148 feet) of oil and natural gas shows were encountered over seven potential zones [from the 6-1 well].

43. This information became a part of the total mix of information about the Defendant's investment quality and share price.

44. This core document was misleading because it withheld from investors unfavorable material facts (i.e., sample data) from the Company's well sample tests, which would have revealed poor prospects for achieving oil and gas production. The Defendant's presentation of the positive material facts and negligently omitting the negative material facts created misrepresentations of ReconAfrica's prospects for making commercially viable oil and gas extractions. As noted above, Viceroy revealed that ReconAfrica withheld for five months (from April 2021 to September 2, 2021) negative test data indicating that the "porous 950 zone [is] completely saturated with water and the 1350 zone [is] too tight for a conventional commercial play."

Public Corrective Statements

45. The Plaintiff alleges that during the summer of 2021, there were several Public Corrective Statements released into the total mix of information about the Defendant's business operations in Namibia.

46. On **June 24, 2021**, Viceroy published a report entitled, "ReconAfrica - No? Pumped Stock," which detailed several omitted material facts from the Impugned Documents, including a quote from Namibia's Petroleum Commissioner who previously indicated that Namibia would not license the Defendant to conduct unconventional hydrocarbon exploration in Namibia. Moreover, this report also highlighted that the Defendant omitted material facts about its mud logs and the specifics about its drilling depths identified within the Impugned Documents.

47. The following day, the market reacted harshly and immediately by selling off the shares by 17% on record volume of 23.8 million shares just on the TSXV, only.

48. On **June 28, 2021**, the Defendant published a non-core document entitled, "ReconAfrica Responds to Short Seller's Biased and False Short Report," responding to some of the topics identified within the Viceroy report. This news release assured investors that the issues raised in the Viceroy report were untrue and that business at ReconAfrica remained positive, as previously represented.

49. On **June 28-29, 2021**, the Plaintiff read this news release and decided to purchase ReconAfrica's securities.

50. On **August 5** and **9, 2021**, the Defendant published another non-core document entitled, "Additional Drilling Results and Plans for Next Exploration Phase in the Kavango Basin," to provide the market with additional material facts that were highlighted in the June 24, 2021 Viceroy report.

51. This news partially confirmed the statements made in the June 24, 2021 Viceroy report. The following day, the market reacted harshly and immediately by selling off the shares by over 25% on record volume of over 25 million shares just on the TSXV, only.

52. On **August 16, 2021**, Viceroy published another report entitled, "ReconAfrica - Drilling Update Response," which detailed several omitted material facts from the Impugned Documents, and this time included consultations with a geologist and highlighted that the Defendant did not retain a global mining expert Schlumberger but, rather, Horizon Well Logging Inc. This report also highlighted that the Defendant continued to omit material facts about its mud logs and the specifics about its drilling depths identified within the Impugned Documents.

53. The following day, the market reacted harshly and immediately by selling off the shares by approximately 20% on record volume of 28 million shares just on the TSXV, only.

54. Finally, on **September 7, 2021**, in response to ReconAfrica's August 30, 2021 statements and a September 2, 2021 press release regarding purportedly positive results from its well tests, Viceroy published a report that analyzed the Defendant's portrayal of its test results. The Viceroy report stated, in relevant part:

> *The presentation [by ReconAfrica] is a clear attempt to put a positive spin on disappointing drill results but fails to do so under further scrutiny.*
>
> * * *
>
> *Viceroy's analysis of the [test results] presentation confirms our dim view of [ReconAfrica's] chances of commerciality in a conventional oil play. The 6-2 well is effectively a failure with the porous 950 zone completely saturated with water and the 1350 zone too tight for a conventional commercial play or even reliable readings of water saturation.*
>
> *We would have liked to analyze the [test] logs further, but some parts have been compressed so heavily they are unreadable, we believe intentionally.*
>
> * * *
>
> *Note that [the] log interpretation was released [on September 2, 2021] almost 5 months after the completion of drilling on the 6-2 well [in April 2021] even though this log interpretation data would have been available days after they logged the well.*

> *[ReconAfrica is] committed to drip-feeding overly positive press releases in the hope of boosting their share price. This release, including its rosy interpretation and (we believe intentionally) unreadable logs is no different.*

55. The following day, the market reacted harshly and immediately by selling off the shares by 11% on record volume of 7 million shares just on the TSXV, only.

PART 3. LEGAL BASIS

56. The Plaintiff is a shareholder of the Defendant because she reviewed and relied upon more than one of the Impugned Documents to make an investment decision to purchase and hold the Defendant's securities during the Class Period.

57. The Plaintiff held those securities after the final public corrective statement was released into the market, resulting in an economic injury to the Plaintiff.

58. As reflected by the market's reaction to learning the information contained in the public corrective statements, i.e., the significant effect on the market price of the Defendant's securities, the omitted facts were material facts that the Defendant should have disclosed within the Impugned Documents.

Common Law Primary Market Liability

59. The Defendant had a duty of care to exercise due care and diligence to ensure that the Impugned Documents fairly and accurately disclosed all the material facts concerning each topic raised within the Impugned Documents so as to ensure that each statement is neither false or misleading in the circumstances in which it was made.

60. Each time a member of the Class purchased the Defendant's securities in a primary market transaction, a duty of care to that member of the Class was created.

61. As reflected by the material facts being disclosed within the Public Corrective Statements, the Defendant had access to the omitted material facts identified within the Public Corrective

Statements that should have been disclosed within its core documents but where not and, therefore, making the Impugned Documents misleading in the circumstances of the then total mix of information about its business operations.

62. The Plaintiff, nevertheless, relied upon the Defendant's core documents that omitted to include all the material facts and make the investment decision to purchase and hold the Defendant's securities until after the release of the Public Corrective Statements thereby suffering an economic injury.

63. Had the Defendant disclosed all the material facts within the prospectus and/or offering memorandum, including the core documents referenced therein, the members of the Class would not have purchased the Defendant's securities or would not have purchased the Defendant's securities at the same price but, rather, a lower price reflected by the percentage the Defendant's securities dropped upon the release of the Public Corrective Statements.

Statutory Law Primary Market Liability: Section 131 of the BCSA

64. The Defendant is a "responsible issuer" under ss. 1 and 140.1 of the BCSA.

65. The Impugned Documents are core documents as defined within the BCSA.

66. The Impugned Documents contained Form 52-109FV2 Certification Forms from the CEO and Investment Bank that based upon the exercise of reasonable diligence, it did not contain any untrue statements of material fact or omit to state a material facts required to be stated or that is necessary to to make a statement not misleading in light of the circumstances under which it was made.

67. The Defendant released the Impugned Documents that omitted the material facts identified within the Public Corrective Statements.

68. The Plaintiff alleges that the Defendant omitted material facts that would reasonably be expected to have a significant effect on the market price of the Defendant's securities had said omitted facts been disclosed within the Impugned Documents; as reflected by the market's reaction upon the publication of the Public Corrective Statements.

69. The Plaintiff purchased the Defendant's securities after an Impugned Document containing the misrepresentation was released and held said securities until after the Impugned Document was publicly corrected.

Statutory Secondary Market Liability: Section 140.3 of the BCSA

70. Subject to s. 140.8 of the BCSA, the Plaintiff will advance the cause of action found at s. 140.3 of the BCSA.

71. The Defendant is a "responsible issuer" under ss. 1 and 140.1 of the BCSA.

72. The Impugned Documents are core and non-core documents as defined within the BCSA.

73. The Impugned Documents contained Form 52-109FV2 Certification Forms that based upon the exercise of reasonable diligence, it did not contain any untrue statements of material fact or omit to state a material facts required to be stated or that is necessary to to make a statement not misleading in light of the circumstances under which it was made.

74. The Defendant released the Impugned Documents that omitted the material facts identified within the Public Corrective Statements.

75. The Plaintiff alleges that the Defendant omitted material facts that would reasonably be expected to have a significant effect on the market price of the Defendant's securities had said omitted facts been disclosed within the Impugned Documents; as reflected by the market's reaction upon the publication of the Public Corrective Statements.

76. The Plaintiff purchased the Defendant's securities after an Impugned Document containing the misrepresentation was released and held said securities until after the Impugned Document was publicly corrected.

Common Law Secondary Market Liability

77. The Defendant had a duty of care to exercise due care and diligence to ensure that the Impugned Documents fairly and accurately disclosed all the material facts concerning each topic raised within the Impugned Documents so as to ensure that each statement is neither false or misleading in the circumstances in which it was made.

78. Each time a member of the Class purchased the Defendant's securities in the secondary market, a duty of care to that member of the Class was created.

79. As reflected by the material facts being disclosed within the Public Corrective Statements, the Defendant had access to the omitted material facts identified within the Public Corrective Statements that should have been disclosed within its core documents but where not and, therefore, making the Impugned Documents misleading in the circumstances of the then total mix of information about its business operations.

80. The Plaintiff, nevertheless, relied upon the Defendant's core documents that omitted to include all the material facts and make the investment decision to purchase and hold the Defendant's securities until after the release of the Public Corrective Statements thereby suffering an economic injury.

81. Had the Defendant disclosed all the material facts within the prospectus and/or offering memorandum, including the core documents referenced therein, the members of the Class would not have purchased the Defendant's securities or would not have purchased the Defendant's

securities at the same price but, rather, a lower price reflected by the percentage the Defendant's securities dropped upon the release of the Public Corrective Statements.

Vicarious Liability

82. The Defendant is vicariously liable for the acts and omissions of its senior executives and directors, including those that prepared and authorized the publication of the Impugned Documents.

Real and Substantial Connection with British Columbia

83. There is a real and substantial connection between the Plaintiff, Class Members, ReconAfrica, and the province of British Columbia for the following reasons:

a. ReconAfrica's main office is located in Vancouver, British Columbia;

b. ReconAfrica's a reporting issuer in British Columbia;

c. ReconAfrica's main regulator is the British Columbia Securities Commission; and

d. Members of the Class are located in British Columbia.

Plaintiff's address for service:

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330 Bay Street, Suite 1302
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Lawyers for the Plaintiff

Place of Trial: Vancouver, British Columbia

The address of the registry is:

800 Smithe Street
Vancouver, BC
V6Z 2E1

Date: May 23, 2023

Signature of lawyer for plaintiff
Albert Pelletier (LSO#46965R)
Berger Montague (Canada) PC