

Catherine Bowles v. Reconnaissance Energy Africa Ltd.

Canadian Settlement Approval Hearing to be held June 20, 2024

TORONTO – March 28, 2024 – Law firm Berger Montague (Canada) today announces that the British Columbia Supreme Court (the “Court”) has scheduled a hearing to be held on **June 20, 2024 at 9:45 a.m.** at the Courthouse at 800 Smithe Street, Vancouver, British Columbia. (the “Canadian Settlement Approval Hearing”) to approve a settlement among all of the parties to the class proceeding styled *Catherine Bowles v. Reconnaissance Energy Africa Ltd.*, S-233808 (Vancouver Registry)(the “Canadian Action”).

The Canadian Action has been certified for settlement purposes only with the following common issue: did the Defendant release statements containing misrepresentations concerning material facts regarding: a) planned hydraulic fracturing or fracking by referencing “unconventional” resources and “shale” deposits within Namibia during the Canadian Settlement Class Period, and b) unfavorable data from the Company's well sample tests, which would have revealed poor prospects for achieving oil and gas production? Leave to proceed under s. 140.8 of the British Columbia *Securities Act* RSBC 1996, c 418 has also been granted, also for settlement purposes only.

Background

A proposed class action was commenced on behalf of investors who purchased or otherwise acquired ReconAfrica Energy Africa Ltd. (“ReconAfrica”) common shares, listed on the TSX Venture Exchange and Frankfurt Stock Exchange, on or after May 30, 2020, and held some or all of those securities until after the close of trading on September 7, 2021 (“Canadian Settlement Class Members” and the “Canadian Class Period”).

The plaintiff in the Canadian Action (the “Canadian Plaintiff”) alleges that commencing May 2020, ReconAfrica negligently signaled 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. The Canadian Plaintiff alleges that ReconAfrica was made these statements negligently because it 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 ReconAfrica’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 alleged omitted material facts undermined ReconAfrica’s public statements made during the Canadian Class Period, rendering them misleading. ReconAfrica denies all such allegations and makes no admission of liability in connection with the Settlement.

At the conclusion of a full-day mediation in October 2023, the parties agreed to settle the Action to fully, definitively and permanently resolve all claims asserted against ReconAfrica, subject to approval of a written Settlement Agreement by the Court at the Settlement Approval Hearing.

The Settlement:

The parties have reached a proposed settlement of the Canadian Action, without an admission of liability on the part of ReconAfrica, subject to approval by the Court. The terms of the proposed settlement are set out below.

ReconAfrica will pay CAD \$5,075,000 million (the “Canadian Settlement Amount”), in full and final settlement of all claims against it in the Canadian Action. The Canadian Settlement Amount, less the lawyers’ fees and disbursements, administration expenses, and taxes (the “Canadian Net Settlement Fund”), if approved by the Canadian Court, will be distributed to the Canadian Settlement Class in accordance with a court-approved Canadian Plan of Allocation. The proposed Global Stipulation and Agreement of Settlement dated February 27,

2024 (the “Settlement Agreement”) Canadian Settlement Class definition and Canadian Plan of Allocation may be viewed at <https://bergermontague.ca/cases/reconnaissance-energy-africa-ltd/>.

If the Canadian Settlement is approved, a further notice will be published which will include instructions on how Canadian Settlement Class Members can file Claim Forms to participate in the distribution of the Canadian Net Settlement Fund and the deadline for doing so.

The Canadian Settlement provides that if it is approved by the Court, the claims of all Canadian Settlement Class Members which were asserted or which could have been asserted in the Canadian Action, will be fully and finally released and the Canadian Action will be dismissed.

The Class:

If you purchased or otherwise acquired on the TSX Venture Exchange and Frankfurt Stock Exchange, on or after May 30, 2020, and held some or all of those securities until after the close of trading on September 7, 2021, you will likely be entitled to participate in the Canadian Net Settlement Fund after the Court has approved it.

Objections and Opt-Outs

At the Canadian Settlement Approval Hearing, the Court will consider any objections to the proposed Canadian Settlement and opt-outs from the Canadian Settlement Class by the Canadian Settlement Class Members if the objections are submitted in writing, by prepaid mail or email to Berger Montague (Canada) PC, 330 Bay Street, Suite 1302, Toronto, Ontario, M5H 2S8, Email: info@bergermontague.ca, Attention: ReconAfrica Class Action, in the matter described in the *Notice of Proposed Settlement of the Canadian Reconnaissance Energy Africa Ltd. Securities Class Action* located at <https://bergermontague.ca/cases/reconnaissance-energy-africa-ltd/>.

OBJECTIONS MUST BE RECEIVED ON OR BEFORE May 27, 2024 AT 5:00PM E.T.

Attending The Canadian Settlement Approval Hearing

Canadian Class Members may attend the Canadian Settlement Approval Hearing whether or not they deliver an objection. The Court may permit Canadian Class Members to participate in the Canadian Settlement Approval Hearing whether or not they deliver an objection. Canadian Settlement Class Members who wish for a lawyer to speak on their behalf at the Canadian Settlement Approval Hearing may retain one to do so at their own expense.

QUESTIONS

Questions for the Canadian Settlement Class Members’ lawyers may be directed to:

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