

**Eco (Atlantic) Oil & Gas Ltd.**  
**Condensed Interim Consolidated Financial Statements**  
**For the Three and Nine Month Periods ended December 31, 2024 and 2023**

**Expressed in US Dollars**

**(Unaudited)**

## **NOTICE TO SHAREHOLDERS**

The accompanying Unaudited Condensed Interim Consolidated Financial Statements of Eco (Atlantic) Oil & Gas Ltd. for the three and nine month periods ended December 31, 2024 and 2023 have been prepared by management in accordance with International Financial Reporting Standards applicable to Condensed Interim Consolidated Financial Statements. Recognizing that the Company is responsible for both the integrity and objectivity of the Unaudited Condensed Interim Consolidated Financial Statements, management is satisfied that these Unaudited Condensed Interim Consolidated Financial Statements have been fairly presented.

Under National Instrument 51-102, part 4, sub-section 4.3(3)(a), if an auditor has not performed a review of the Condensed Interim Consolidated Financial Statements, they must be accompanied by a notice indicating that the financial statements have not been reviewed by an auditor.

The Company's independent auditor has not performed a review of these Unaudited Condensed Interim Consolidated Financial Statements in accordance with standards established by the Institute of Chartered Professional Accountants of Canada for a review of interim financial statements by an entity's auditor.

**Eco (Atlantic) Oil & Gas Ltd.**  
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**December 31, 2024 and 2023**

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**Eco (Atlantic) Oil & Gas Ltd.**  
**Condensed Interim Consolidated Statements of Financial Position**  
(Unaudited)  
(Expressed in US Dollars)

|                                                     | December 31,<br>2024 | March 31,<br>2024    |
|-----------------------------------------------------|----------------------|----------------------|
| <b>Assets</b>                                       |                      |                      |
| <b>Current Assets</b>                               |                      |                      |
| Cash and cash equivalents                           | \$ 6,027,801         | \$ 2,967,005         |
| Short-term investments                              | 75,000               | 13,107               |
| Government receivable                               | 35,644               | 26,970               |
| Amounts owing by license partners                   | 165,821              | 49,578               |
| Accounts receivable and prepaid expenses            | -                    | 38,539               |
| <b>Total Current Assets</b>                         | <b>6,304,266</b>     | <b>3,095,199</b>     |
| <b>Non- Current Assets</b>                          |                      |                      |
| Petroleum and natural gas licenses (Note 5)         | 20,875,860           | 28,168,439           |
| <b>Total Non-Current Assets</b>                     | <b>20,875,860</b>    | <b>28,168,439</b>    |
| <b>Total Assets</b>                                 | <b>27,180,126</b>    | <b>31,263,638</b>    |
| <b>Liabilities</b>                                  |                      |                      |
| <b>Current Liabilities</b>                          |                      |                      |
| Accounts payable and accrued liabilities (Note 6)   | 829,310              | 1,163,546            |
| Advances from and amounts owing to license partners | -                    | 81,952               |
| <b>Total Current Liabilities</b>                    | <b>829,310</b>       | <b>1,245,498</b>     |
| <b>Total Liabilities</b>                            | <b>829,310</b>       | <b>1,245,498</b>     |
| <b>Equity</b>                                       |                      |                      |
| Share capital (Note 7)                              | 122,088,498          | 122,088,498          |
| Restricted Share Units reserve (Note 8)             | 920,653              | 920,653              |
| Warrants (Note 9)                                   | 14,778,272           | 14,778,272           |
| Stock options (Note 10)                             | 2,900,501            | 2,900,501            |
| Foreign currency translation reserve                | (1,563,110)          | (1,568,469)          |
| Accumulated deficit                                 | (112,773,998)        | (109,101,315)        |
| <b>Total Equity</b>                                 | <b>26,350,816</b>    | <b>30,018,140</b>    |
| <b>Total Liabilities and Equity</b>                 | <b>\$ 27,180,126</b> | <b>\$ 31,263,638</b> |

**Basis of Preparation (Note 2)**

**Commitments (Note 13)**

**Subsequent events (Note 17)**

Approved by the Board of Directors of the Company ("Board")

"Gil Holzman"  
Director

"Gadi Levin"  
Director

*The accompanying notes are an integral part of these Unaudited Condensed Interim Consolidated Financial Statements.*

**Eco (Atlantic) Oil & Gas Ltd.**  
**Condensed Interim Consolidated Statements of Operations and**  
**Comprehensive Loss**  
**(Unaudited)**  
**(Expressed in US Dollars)**

|                                                                                                   | Three months ended<br>December 31, |                       | Nine months ended<br>December 31, |                       |
|---------------------------------------------------------------------------------------------------|------------------------------------|-----------------------|-----------------------------------|-----------------------|
|                                                                                                   | 2024                               | 2023                  | 2024                              | 2023                  |
| <b>Revenue</b>                                                                                    |                                    |                       |                                   |                       |
| Interest income                                                                                   | \$ 52,081                          | \$ 17                 | \$ 59,592                         | \$ 1,703              |
|                                                                                                   | <b>52,081</b>                      | <b>17</b>             | <b>59,592</b>                     | <b>1,703</b>          |
| <b>Operating expenses:</b>                                                                        |                                    |                       |                                   |                       |
| Compensation costs                                                                                | 255,939                            | 208,201               | 727,251                           | 629,199               |
| Professional fees                                                                                 | 64,689                             | 89,877                | 421,177                           | 388,437               |
| Operating costs, net (Note 14)                                                                    | 550,458                            | 567,682               | 2,097,699                         | 1,329,063             |
| General and administrative costs (Note 15)                                                        | 164,086                            | 180,744               | 478,699                           | 453,786               |
| Share-based compensation (Notes 10)                                                               | -                                  | -                     | -                                 | 95,695                |
| Foreign exchange loss (gain)                                                                      | (69,861)                           | (111,839)             | 7,449                             | (12,094)              |
| Total operating expenses                                                                          | <b>965,311</b>                     | <b>934,665</b>        | <b>3,732,275</b>                  | <b>2,884,086</b>      |
| <b>Operating loss</b>                                                                             | <b>(913,230)</b>                   | <b>(934,648)</b>      | <b>(3,672,683)</b>                | <b>(2,882,383)</b>    |
| <b>Other Non-Operating Charges and Write-downs</b>                                                |                                    |                       |                                   |                       |
| Gain on settlement of liability                                                                   | -                                  | -                     | -                                 | (200,640)             |
| Fair value change in warrant liability                                                            | -                                  | -                     | -                                 | 261,720               |
| Share of losses of associate                                                                      | -                                  | (166,224)             | -                                 | (498,671)             |
| Tax recovery                                                                                      | -                                  | -                     | -                                 | 536,694               |
| <b>Net loss for the period</b>                                                                    | <b>\$ (913,230)</b>                | <b>\$ (1,100,872)</b> | <b>\$ (3,672,683)</b>             | <b>\$ (2,783,280)</b> |
| Foreign currency translation adjustment                                                           | (38,529)                           | 101,779               | 5,359                             | (183,996)             |
| <b>Comprehensive loss for the period</b>                                                          | <b>\$ (951,759)</b>                | <b>\$ (999,093)</b>   | <b>\$ (3,667,324)</b>             | <b>\$ (2,967,276)</b> |
| Basic and diluted net loss per share:                                                             | <b>\$ (0.002)</b>                  | <b>\$ (0.003)</b>     | <b>\$ (0.010)</b>                 | <b>\$ (0.008)</b>     |
| Weighted average number of ordinary shares used in computing basic and diluted net loss per share | <b>370,173,680</b>                 | <b>369,421,234</b>    | <b>370,173,680</b>                | <b>368,987,135</b>    |

*The accompanying notes are an integral part of these Unaudited Condensed Interim Consolidated Financial Statements.*

**Eco (Atlantic) Oil & Gas Ltd.**  
**Condensed Interim Consolidated Statements of Changes in Equity**  
(Unaudited)  
(Expressed in US Dollars)

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|                                                     | Number of<br>Shares | Capital               | Restricted<br>Share Units | Warrant<br>Reserve   | Stock Options       | Deficit                 | Foreign<br>Currency<br>Translation<br>Reserve | Total Equity         |
|-----------------------------------------------------|---------------------|-----------------------|---------------------------|----------------------|---------------------|-------------------------|-----------------------------------------------|----------------------|
| <b>Balance, March 31, 2023</b>                      | <b>367,348,680</b>  | <b>\$ 121,570,983</b> | <b>\$ 920,653</b>         | <b>\$ 14,778,272</b> | <b>\$ 2,804,806</b> | <b>\$ (87,963,416)</b>  | <b>\$ (1,458,709)</b>                         | <b>\$ 50,652,589</b> |
| Issuance of shares for settlement of liability      | 1,200,000           | 200,640               | -                         | -                    | -                   | -                       | -                                             | 200,640              |
| Issuance of shares in respect of farm-out agreement | 1,625,000           | 316,875               | -                         | -                    | -                   | -                       | -                                             | 316,875              |
| Share option expenses                               | -                   | -                     | -                         | -                    | 95,695              | -                       | -                                             | 95,695               |
| Foreign currency translation adjustment             | -                   | -                     | -                         | -                    | -                   | -                       | (183,996)                                     | (183,996)            |
| Net loss for the period                             | -                   | -                     | -                         | -                    | -                   | (2,783,280)             | -                                             | (2,783,280)          |
| <b>Balance, December 31, 2023</b>                   | <b>370,173,680</b>  | <b>\$ 122,088,498</b> | <b>\$ 920,653</b>         | <b>\$ 14,778,272</b> | <b>\$ 2,900,501</b> | <b>\$ (90,746,696)</b>  | <b>\$ (1,642,705)</b>                         | <b>\$ 48,298,523</b> |
| Foreign currency translation adjustment             | -                   | -                     | -                         | -                    | -                   | -                       | 74,236                                        | 74,236               |
| Net loss for the period                             | -                   | -                     | -                         | -                    | -                   | (18,354,619)            | -                                             | (18,354,619)         |
| <b>Balance, March 31, 2024</b>                      | <b>370,173,680</b>  | <b>\$ 122,088,498</b> | <b>\$ 920,653</b>         | <b>\$ 14,778,272</b> | <b>\$ 2,900,501</b> | <b>\$ (109,101,315)</b> | <b>\$ (1,568,469)</b>                         | <b>\$ 30,018,140</b> |
| Foreign currency translation adjustment             | -                   | -                     | -                         | -                    | -                   | -                       | 5,359                                         | 5,359                |
| Net loss for the period                             | -                   | -                     | -                         | -                    | -                   | (3,672,683)             | -                                             | (3,672,683)          |
| <b>Balance, December 31, 2024</b>                   | <b>370,173,680</b>  | <b>\$ 122,088,498</b> | <b>\$ 920,653</b>         | <b>\$ 14,778,272</b> | <b>\$ 2,900,501</b> | <b>\$ (112,773,998)</b> | <b>\$ (1,563,110)</b>                         | <b>\$ 26,350,816</b> |

*The accompanying notes are an integral part of these Unaudited Condensed Interim Consolidated Financial Statements.*

**Eco (Atlantic) Oil & Gas Ltd.**  
**Condensed Interim Consolidated Statements of Cash Flows**  
**For the Nine Months Ended December 31, 2024 and 2023**  
**(Expressed in US Dollars)**

|                                                           | Nine months ended<br>December 31, |                     |
|-----------------------------------------------------------|-----------------------------------|---------------------|
|                                                           | 2024                              | 2023                |
| <b>Cash flow from operating activities</b>                |                                   |                     |
| Net loss from operations                                  | \$ (3,672,683)                    | \$ (2,783,280)      |
| Items not affecting cash:                                 |                                   |                     |
| Share-based compensation                                  | -                                 | 95,695              |
| Fair value change in warrant liability                    | -                                 | (261,720)           |
| Share of losses of companies accounted for at equity      | -                                 | 498,671             |
| Changes in non-cash working capital:                      |                                   |                     |
| Government receivable                                     | (8,674)                           | 4,166               |
| Accounts payable and accrued liabilities                  | (334,236)                         | (2,897,287)         |
| Accounts receivable and prepaid expenses                  | 38,539                            | 1,449,931           |
| Advance from and amounts owing to license partners        | (590,482)                         | 357,449             |
| <b>Cash flow from operating activities</b>                | <b>(4,567,536)</b>                | <b>(3,536,375)</b>  |
| <b>Cash flow from investing activities</b>                |                                   |                     |
| Short-term investments                                    | (61,893)                          | -                   |
| Acquisition of interest in property                       | (150,000)                         | -                   |
| Acquisition of Orinduik BV (*)                            | -                                 | (700,000)           |
| Proceeds from Block 3B/4B farm-out                        | 7,834,866                         | 2,500,000           |
| <b>Cash flow from investing activities</b>                | <b>7,622,973</b>                  | <b>1,800,000</b>    |
| <b>Cash flow from financing activities</b>                | <b>-</b>                          | <b>-</b>            |
| <b>Increase (decrease) in cash and cash equivalents</b>   | <b>3,055,437</b>                  | <b>(1,736,375)</b>  |
| Foreign exchange differences                              | 5,359                             | (183,996)           |
| Cash and cash equivalents, beginning of period            | 2,967,005                         | 4,110,734           |
| <b>Cash and cash equivalents, end of period</b>           | <b>\$ 6,027,801</b>               | <b>\$ 2,190,363</b> |
| <b>Supplementary disclosure of cash flow information:</b> |                                   |                     |
| <b>Significant non-cash transactions</b>                  |                                   |                     |
| Issuance of shares for settlement of liability            | \$ -                              | \$ 200,640          |
| Issuance of shares in respect of farmout agreement        | \$ -                              | \$ 316,875          |
| <u>Acquisition of Orinduik BV</u>                         |                                   |                     |
| Petroleum and natural gas license                         | \$ -                              | \$ 781,649          |
| Working capital - liabilities                             | \$ -                              | \$ (81,649)         |
| (*) Total cash and cash equivalents paid                  | \$ -                              | \$ 700,000          |

*The accompanying notes are an integral part of these Unaudited Condensed Interim Consolidated Financial Statements.*

# **Eco (Atlantic) Oil & Gas Ltd.**

## **Notes to the Unaudited Condensed Interim Consolidated Financial Statements For the Three and Nine Months Ended December 31, 2024 and 2023 (Expressed in US Dollars)**

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### **1. Nature of Operations**

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Eco (Atlantic) Oil & Gas Ltd. ("Eco Atlantic" or the "Company") operates a business focused on high growth, high impact energy projects - primarily through identifying, acquiring, and exploring oil and gas assets. The Company's key oil and gas assets include Block 3B/4B offshore the Republic of South Africa ("South Africa"), four licenses offshore the Republic of Namibia ("Namibia"), and an interest in the Orinduik License offshore the Co-Operative Republic of Guyana ("Guyana"). The head office of the Company is located at 7 Coulson Avenue, Toronto, ON, Canada, M4V 143.

The Company is listed on the TSX Venture Exchange ("TSXV") and trades under the symbol "EOG.V" and on the AIM Market ("AIM") of the London Stock Exchange and trades under the symbol "ECO.L".

These Condensed Interim Consolidated Financial Statements were approved by the Board on February 26, 2025.

### **2. Basis of Preparation**

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The Condensed Interim Consolidated Financial Statements of the Company have been prepared on a historical cost basis with the exception of certain financial instruments that are measured at fair value. Historical cost is generally based on the fair value of the consideration given in exchange for assets.

### **3. Summary of Material Accounting Policies**

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#### **Statement of compliance**

The Company applies International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board and interpretations issued by the IFRS Interpretations Committee.

These Unaudited Condensed Interim Consolidated Financial Statements have been prepared in accordance with International Accounting Standards ("IAS") 34 Interim Financial Reporting. The Unaudited Condensed Interim Consolidated Financial Statements do not include all of the information required for annual consolidated financial statements and should be read in conjunction with the Company's Audited Consolidated Financial Statements for the year ended March 31, 2024.

Any subsequent changes to IFRS that are given effect in the Company's annual consolidated financial statements for the year ending March 31, 2024, could result in restatement of these Condensed Interim Consolidated Financial Statements.

#### **Significant accounting judgements and estimates**

The preparation of the consolidated financial statements using accounting policies consistent with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities, the reported amounts of revenues and expenses and to exercise judgment in the process of applying the accounting policies.

# **Eco (Atlantic) Oil & Gas Ltd.**

## **Notes to the Unaudited Condensed Interim Consolidated Financial Statements For the Three and Nine Months Ended December 31, 2024 and 2023 (Expressed in US Dollars)**

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### **3. Summary of Material Accounting Policies (continued)**

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#### **Significant accounting judgements and estimates (continued)**

##### ***Critical accounting estimates***

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively from the period in which the estimates are revised. The following are the estimate and assumption uncertainties, considered to be key by management.

##### Judgements

###### *i) Impairment of petroleum and natural gas licenses*

When there is objective evidence that an asset may be impaired, the Company is required to estimate the asset's recoverable amount. The recoverable amount is the greater of value in use and fair value less costs to sell.

###### *ii) Investment in associates*

The Company has determined it holds significant influence over JHI Associates Inc. ("JHI") due to its ability to appoint a director to the JHI Board. Accordingly, the Company accounts for its investment using the equity method of accounting in accordance with IAS 28 Investment in Associates and Joint Ventures. Management applies its judgements as to whether the Company has significant influence over JHI and if the Company did not have significant influence, it would account for the investment as a financial instrument carried at fair value through profit and loss. During the year ended March 31, 2024, the Company identified objective evidence of impairment relating to the Company's investment in JHI and consequently wrote-down this investment to \$Nil (see note 4).

##### Estimates

###### *i) Stock Based Compensation*

The Company uses the fair value method, utilizing the Black-Scholes option pricing model, for valuing stock options granted to directors, officers, consultants and employees. The Black-Scholes model is based on significant assumptions such as volatility, dividend yield, risk free interest rate, estimated forfeitures and expected term.

## **Eco (Atlantic) Oil & Gas Ltd.**

### **Notes to the Unaudited Condensed Interim Consolidated Financial Statements For the Three and Nine Months Ended December 31, 2024 and 2023 (Expressed in US Dollars)**

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#### **4. Investment in associate**

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The Company holds a 6.4% interest in JHI Associates Inc, ("JHI") a private company incorporated in Ontario Canada and headquartered in In Toronto, Canada.

As of March 31, 2024, the Company, determined that there is objective evidence of impairment in the value of the JHI investment, primarily due to the in-activity on its core asset in Guyana. Following this impairment indication, management assessed the fair value of JHI and has estimated the fair value to be \$Nil.

#### **5. Petroleum and Natural Gas Licenses**

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|                                       | <b>Licenses</b>      |
|---------------------------------------|----------------------|
| <b>Balance – March 31, 2023</b>       | <b>\$ 40,852,020</b> |
| Block 3B/4B farm-out                  | (5,000,000)          |
| Azinam acquisition                    | 316,875              |
| Orinduik block farm-in                | 781,649              |
| Write-down of Block 2B                | (8,782,105)          |
| <b>Balance - March 31, 2024</b>       | <b>\$ 28,168,439</b> |
| Acquisition of Block 1 (Note 5b(i))   | 150,000              |
| Block 3B/4B farm-out (Note 5b(ii) a)) | (4,500,000)          |
| Block 3B/4B farm-out (Note 5b(ii) b)) | (2,942,579)          |
| <b>Balance - December 31, 2024</b>    | <b>\$ 20,875,860</b> |

**Eco (Atlantic) Oil & Gas Ltd.**  
**Notes to the Unaudited Condensed Interim Consolidated Financial Statements**  
**For the Three and Nine Months Ended December 31, 2024 and 2023**  
**(Expressed in US Dollars)**

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**5. Petroleum and Natural Gas Licenses (continued)**

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The petroleum and natural gas licenses of the Company are located offshore in Guyana, South Africa, and Namibia.

**a) Guyana**

The Orinduik License covers the Orinduik block, offshore Guyana. The Orinduik block is situated in shallow to deep water (70m – 1,400m), 170 kilometers offshore Guyana in the Suriname Guyana basin ("Orinduik License").

Eco was awarded the Orinduik Petroleum License in 2016, alongside JV Partner and Operator, Tullow Oil Plc ("Tullow").

During 2019, the Company completed two exploration wells, including two discoveries, and on February 3, 2020, the Company announced the filing of a National Instrument 51-101 compliant resource report on the Orinduik Block.

On August 10, 2023, the Company acquired an additional 60% operating interest in Orinduik Block, offshore Guyana, through the acquisition of Tullow Guyana B.V. ("TGBV"), a wholly owned subsidiary of Tullow. The transaction closed on November 15, 2023, TGBV was renamed Eco Orinduik B.V. ("Eco Orinduik") and as such, the interests of the partners in the Orinduik License are as follows:

Eco holds an aggregate 100% Participating Interest via Eco Orinduik (60% and operator of the block) and Eco (Atlantic) Guyana Inc. (40%)

**5. Petroleum and Natural Gas Licenses (continued)**

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**b) South Africa**

Offshore South Africa in the Orange Basin, Eco holds a 5.25% Working Interest ("WI") in the 17,581 km<sup>2</sup> Block 3B/4B ("Block 3B/4B") and on June 5, 2024, Eco announced the acquisition of Block 1 ("Block 1") pending government title award. On June 5, 2024, the Company also confirmed that it relinquished its 50% WI operated offshore Block 2B in South Africa. The Company has completed all necessary documentation, and environmental audits, and has informed the PASA. Eco's Board of directors considers Block 2B a non-core asset in the portfolio. Following acceptance by the PASA of this relinquishment, the Company will have no further liability in respect of Block 2B.

**i) Block 1**

On June 5, 2024, the Company announced the farm-in into Block 1 Offshore South Africa Orange Basin. Through Azinam South Africa, the Company will farm-in and acquire a 75% WI from Tosaco Energy (Proprietary) Limited ("Tosaco") and upon title award by the Government of Republic of South Africa will become operator of a new exploration right (the "Farm-In").

The terms of the 75% WI Farm-In are as follows: \$150,000 payable upon signing (Paid on June 6, 2024), \$225,000 payable upon issuance of Section 11 (Government title transfer) and \$375,000 payable upon a TSX-V/AIM compliant Resource Report to be commissioned by Eco. The Company will carry the remaining 25% WI through the budget and work program for the first three years up to an agreed sum of \$2.3 million of a total work program.

## Eco (Atlantic) Oil & Gas Ltd.

### Notes to the Unaudited Condensed Interim Consolidated Financial Statements For the Three and Nine Months Ended December 31, 2024 and 2023 (Expressed in US Dollars)

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#### 5. Petroleum and Natural Gas Licenses (continued)

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##### b) South Africa (continued)

##### ii) Block 3B/4B

Block 3B/4B, located between 120-250kms offshore western South Africa, covers an area of 17,581km<sup>2</sup> and lies in water depths ranging from 300-2500m.

##### a. 6.25% Farmout

On July 11, 2023, the Company signed a legally binding Letter of Intent (the "Agreement") pursuant to which its wholly owned subsidiary, Azinam Limited ("Azinam"), will farm out a 6.25% participating interest in Block 3B/4B, to Africa Oil SA Corp (the "Acquisition"). Pursuant to the terms of the Agreement, the completion of the farm-out is subject to the satisfaction of customary conditions precedent including, but not limited to, the receipt of requisite regulatory approvals from the government of South Africa and the TSXV.

The consideration for the farm-out is up to \$10.5 million in cash, payable conditional on certain milestones as set out below, of which \$9 million has been received to date:

- \$2.5 million within 30 days of signing of the Agreement (received on July 25, 2023);
- \$2.5 million upon government approval for the transfer of the 6.25% interest in Block 3B/4B to Africa Oil (received on January 16, 2024);
- \$4 million upon the completion of a targeted farm-out to a third party (received on September 10, 2024); and
- \$1.5 million upon spud of the first exploration well in Block 3B/4B.

##### b. 13.75% Farmout

On March 5, 2024, the Company signed a farm-out agreement ("**FOA**") pursuant to which Azinam South Africa Limited will farm-out a 13.75% Participating Interest in Block 3B/4B as part of an aggregate 57% farm down transaction along with its joint venture ("JV") partners Africa Oil SA Corp. and Ricocure (Proprietary) Limited ("Ricocure") to TotalEnergies EP South Africa B.V., who will become operator ("**TotalEnergies**") and QatarEnergy International E&P LLC ("**QatarEnergy**").

On August 28, 2024, the Company announced completion of the FOA after receipt of the requisite regulatory approvals (Section 11) from the government of South Africa ("**Completion**"), reducing Eco's retained interest to 5.25%.

## Eco (Atlantic) Oil & Gas Ltd.

### Notes to the Unaudited Condensed Interim Consolidated Financial Statements For the Three and Nine Months Ended December 31, 2024 and 2023 (Expressed in US Dollars)

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#### 5. Petroleum and Natural Gas Licenses (continued)

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##### b) South Africa (continued)

##### ii) Block 3B/4B (continued)

##### b. 13.75% Farmout (continued)

On March 5, 2024, the Company signed a farm-out agreement ("**FOA**") pursuant to which Azinam South Africa Limited will farm-out a 13.75% Participating Interest in Block 3B/4B as part of an aggregate 57% farm down transaction along with its joint venture ("JV") partners Africa Oil SA Corp. and Ricocure (Proprietary) Limited ("Ricocure") to TotalEnergies EP South Africa B.V., who will become operator ("**TotalEnergies**") and QatarEnergy International E&P LLC ("**QatarEnergy**").

On August 28, 2024, the Company announced completion of the FOA after receipt of the requisite regulatory approvals (Section 11) from the government of South Africa ("**Completion**"), reducing Eco's retained interest to 5.25%.

The consideration for the FOA was as follows:

- TotalEnergies and QatarEnergy paid Eco a total of \$2.5 million (plus VAT) and Ricocure paid Eco \$1.6 million. In addition, as noted in note 5b(ii)(a), the Company also received \$4 million from Africa Oil.
- Eco will also receive a full carry of its 6.25% retained share of all JV costs, up to a limited of \$13.5 million, repayable to TotalEnergies and QatarEnergy from production, which is expected to be adequate to fund the Company's share of drilling for up to two wells on the licence. This represents a total block carry of \$212 million.
- Further payments, amounting to \$11.5m will be payable to Eco from TotalEnergies, QatarEnergy and Africa Oil on achieving an environmental permit milestone and spudding of the first exploration well.

Following Completion, TotalEnergies, the Operator of the Block, held a 33% Participating Interest; QatarEnergy International E&P LLC, held a 24% Participating Interest; Africa Oil SA Corp, a wholly owned subsidiary of Africa Oil Corp., retained a 17% Participating Interest; Azinam Limited, a wholly owned subsidiary of Eco Atlantic, retained a Participating Interest of 6.25%; and Ricocure retained a 19.75% Participating Interest.

##### c. 1% Farmout

On July 29, 2024, the Company announced the signing of an agreement with Africa Oil ("AO Agreement") to sell a 1% Participating Interest in Block 3B/4B South Africa in exchange for cancellation of all of Africa Oil's Common Shares and warrants in Eco (54,941,744 Common Shares and 4,864,865 Warrants, which, assuming conversion of the Warrants, would equal 16.16% on a diluted basis (c.15% non-diluted) of the total outstanding common shares of Eco worth approximately C\$11 million at the time of the announcement). Subject to various approvals, on closing, Africa Oil would no longer be a Shareholder in the Company and would no longer have the right to appoint a Director to Eco's Board. See note 17a regarding the closing of the AO Agreement on January 13, 2025.

## **Eco (Atlantic) Oil & Gas Ltd.**

### **Notes to the Unaudited Condensed Interim Consolidated Financial Statements For the Three and Nine Months Ended December 31, 2024 and 2023 (Expressed in US Dollars)**

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#### **5. Petroleum and Natural Gas Licenses (continued)**

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##### **c) Namibia**

The Company holds four offshore petroleum licenses in the Republic of Namibia ("Namibia") being petroleum exploration license number 097 (the "Cooper License"), petroleum exploration license number 098 (the "Sharon License"), petroleum exploration license number 099 (the "Guy License") and petroleum exploration license number 100 (the "Tamar License"), (together the "Namibia Licenses").

##### **The Cooper License**

The Cooper License covers approximately 5,788kms and is located in license area 2012A offshore in the economical waters of Namibia (the "Cooper Block"). The Company holds, through its subsidiaries, a 85% WI in the Cooper License, the National Petroleum Corporation of Namibia ("NAMCOR") holds a 10% WI and Tangi Trading Enterprise cc holds a 5% WI ("Tangi"). The Company is responsible for all exploration costs during the exploration period.

On February 3, 2021, a new ten (10) year life cycle for the Cooper License received final governmental approval.

##### **The Sharon License**

The Sharon License covers approximately 5,700kms and is located in license area 2213 offshore in the economical waters of Namibia (the "Sharon Block"). The Company holds, through its subsidiaries, a 85% WI in the Sharon License, NAMCOR holds a 10% WI, and Titan Oil and Gas (Pty) Ltd holds a 5% WI ("Titan"). The Company is responsible for all exploration costs during the exploration period.

On February 3, 2021, a new ten (10) year life cycle for the Sharon License received final governmental approval.

##### **The Guy License**

The Guy License covers 11,457kms and is located in license area 2111B and 2211A offshore in the economical waters of Namibia (the "Guy Block"). The Company holds, through its subsidiaries, a 85% WI in the Guy License, NAMCOR holds a 10% WI, and Lotus Explorations (Pty) Ltd holds a 5% WI ("Lotus"). The Company is responsible for all exploration costs during the exploration period.

On February 3, 2021, a new ten (10) year life cycle for the Sharon License received final governmental approval.

##### **The Tamar License**

The Tamar License covers approximately 5,649kms and is located in license areas 2211B and 2311A offshore in the economical waters of Namibia (the "Tamar Block"). The Company holds, through its subsidiaries, an 85% WI in the Tamar Block, NAMCOR holds a 10% WI and Moonshade Investment (Pty) Ltd holds a 5% WI ("Moonshade"). The Company is responsible for all exploration costs during the exploration period.

On February 3, 2021, a new ten (10) year life cycle for the Sharon License received final governmental approval.

In August 2024, the Company purchased the license to 1,324 km of existing 2D seismic survey in the Tamar Block

**Eco (Atlantic) Oil & Gas Ltd.**  
**Notes to the Unaudited Condensed Interim Consolidated Financial Statements**  
**For the Three and Nine Months Ended December 31, 2024 and 2023**  
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**6. Related Party Transactions and Balances and Director and Officer Remuneration**

The following are the expenses incurred with related parties for the nine-month periods ended December 31, 2024 and 2023 and the balances owing as of December 31, 2024 and 2023:

December 31, 2024:

|                                                         | Directors<br>Fees | Consulting<br>Fees  | Stock<br>based<br>awards | Option<br>based<br>awards | Total               | Amounts owing<br>at December 31,<br>2024 |
|---------------------------------------------------------|-------------------|---------------------|--------------------------|---------------------------|---------------------|------------------------------------------|
| <b>Executive Directors</b>                              |                   |                     |                          |                           |                     |                                          |
| Gil Holzman - CEO                                       | \$ -              | \$ 378,976          | \$ -                     | \$ -                      | \$ 378,976          | \$ 8,747                                 |
| Colin Kinley - COO                                      | -                 | 270,000             | -                        | -                         | 270,000             | 30,000                                   |
| Gadi Levin - Financial Director                         | -                 | 97,800              | -                        | -                         | 97,800              | 12,000                                   |
| Alice Carroll                                           | -                 | 115,376             | -                        | -                         | 115,376             | 12,774                                   |
| <b>Non Executive Directors</b>                          |                   |                     |                          |                           |                     |                                          |
| Keith Hill                                              | 16,567            | -                   | -                        | -                         | 16,567              | 7,650                                    |
| Peter Nicol                                             | 26,205            | -                   | -                        | -                         | 26,205              | 6,800                                    |
| Alan Friedman                                           | -                 | 27,738              | -                        | -                         | 27,738              | 12,687                                   |
| Oliver Quinn                                            | -                 | -                   | -                        | -                         | -                   | -                                        |
| Selma Usiku                                             | -                 | 12,268              | -                        | -                         | 12,268              | 1,363                                    |
| <b>Officers</b>                                         |                   |                     |                          |                           |                     |                                          |
| Alan Rootenberg - CFO                                   | -                 | 8,550               | -                        | -                         | 8,550               | 1,197                                    |
| Kinley Exploration LLC, a company controlled by the COO | -                 | 279,186             | -                        | -                         | 279,186             | 96,121                                   |
| <b>Total</b>                                            | <b>\$ 42,772</b>  | <b>\$ 1,189,894</b> | <b>\$ -</b>              | <b>\$ -</b>               | <b>\$ 1,232,666</b> | <b>\$ 189,339</b>                        |

December 31, 2023:

|                                                         | Directors<br>Fees | Consulting<br>Fees | Stock<br>based<br>awards | Option<br>based<br>awards | Total               | Amounts owing<br>at December 31,<br>2023 |
|---------------------------------------------------------|-------------------|--------------------|--------------------------|---------------------------|---------------------|------------------------------------------|
| <b>Executive Directors</b>                              |                   |                    |                          |                           |                     |                                          |
| Gil Holzman - CEO                                       | \$ -              | \$ 358,701         | \$ -                     | \$ 23,726                 | \$ 382,427          | \$ 39,856                                |
| Colin Kinley - COO                                      | -                 | 270,000            | -                        | 23,726                    | 293,726             | 30,000                                   |
| Gadi Levin - Financial Director                         | -                 | 84,800             | -                        | 6,327                     | 91,127              | 10,300                                   |
| Alice Carroll                                           | -                 | 2,406              | -                        | 4,745                     | 7,151               | 12,436                                   |
| <b>Non Executive Directors</b>                          |                   |                    |                          |                           |                     |                                          |
| Keith Hill                                              | 17,220            | -                  | -                        | 11,863                    | 29,083              | 5,740                                    |
| Peter Nicol                                             | 25,551            | -                  | -                        | 6,327                     | 31,878              | 8,517                                    |
| Alan Friedman                                           | -                 | 28,635             | -                        | 3,163                     | 31,798              | 3,182                                    |
| Selma Usiku                                             | -                 | 159                | -                        | -                         | 159                 | 813                                      |
| Helmut Angula                                           | 14,350            | -                  | -                        | 3,163                     | 17,513              | 4,783                                    |
| <b>Officers</b>                                         |                   |                    |                          |                           |                     |                                          |
| Alan Rootenberg - CFO                                   | -                 | 18,110             | -                        | -                         | 18,110              | 2,012                                    |
| Kinley Exploration LLC, a company controlled by the COO | -                 | 137,477            | -                        | -                         | 137,477             | 29,000                                   |
| <b>Total</b>                                            | <b>\$ 57,121</b>  | <b>\$ 900,288</b>  | <b>\$ -</b>              | <b>\$ 83,040</b>          | <b>\$ 1,040,449</b> | <b>\$ 146,639</b>                        |

**7. Share Capital**

**Authorized Share Capital**

The authorized share capital consists of an unlimited number of Common Shares with no par value.

**Issued Share Capital**

**Share transactions during the nine months ended December 31, 2024:**

- There were no issuances of Common Shares during the nine months ended December 31, 2024.
- See note 5(b)(ii)(c) and note 17a regarding the cancellation of 54,941,744 Common Shares on January 13, 2025.

## Eco (Atlantic) Oil & Gas Ltd.

### Notes to the Unaudited Condensed Interim Consolidated Financial Statements For the Three and Nine Months Ended December 31, 2024 and 2023 (Expressed in US Dollars)

#### 8. Restricted Share Units

- a) Since December 29, 2017, the Company maintains an Omnibus Incentive Plan (the “Plan”) for the directors, officers, consultants and employees of the Company and its subsidiary companies. The maximum number of RSU's and options issuable under the Plan shall be equal to ten percent (10%) of the outstanding Common Shares of the Company less the aggregate number of Common Shares reserved for issuance or issuable under any other security-based compensation arrangement of the Company.
- b) As at December 31, 2024, there are 1,768,000 RSU's issued and vested.
- c) See note 17b for RSUs issued subsequent to December 31, 2024.

#### 9. Warrants

A summary of changes in warrants for the year ended March 31, 2024 and the nine months ended December 31, 2024 is detailed below:

|                            | Number of<br>Warrants | Weighted<br>Average<br>Exercise<br>Price<br>(\$) |
|----------------------------|-----------------------|--------------------------------------------------|
| Balance, March 31, 2023    | 88,352,444            | 0.63                                             |
| Expired                    | (14,945,913)          | 0.35                                             |
| Balance, March 31, 2024    | 73,406,531            | 0.69                                             |
| Expired                    | (20,000,000)          | 0.73                                             |
| Balance, December 31, 2024 | 53,406,531            | 0.65                                             |

As at December 31, 2024, outstanding warrants were as follows:

| Number of<br>warrants | Exercise Price | Exercise<br>Price (USD) | Expiry Date |
|-----------------------|----------------|-------------------------|-------------|
| 20,000,000 (*)        | C\$1.50        | \$1.05                  | 11/05/2025  |
| 33,406,531 (**)       | \$0.41         | \$0.41                  | 30/06/2025  |
| <b>53,406,531</b>     |                |                         |             |

(\*) Exercisable only in the case of a producible commercial discovery on Block 2B or Block 3B/4B.

(\*\*) See note 17a regarding the cancellation of 4,864,865 warrants as of January 13, 2025.

# Eco (Atlantic) Oil & Gas Ltd.

## Notes to the Unaudited Condensed Interim Consolidated Financial Statements For the Three and Nine Months Ended December 31, 2024 and 2023 (Expressed in US Dollars)

### 10. Stock Options

- a) A summary of the status of stock options issued under the Plan as at December 31, 2024 and changes during the period is as follows:

|                                   | Number of<br>Options | Weighted<br>exercise<br>price | Remining<br>contractual<br>life - years |
|-----------------------------------|----------------------|-------------------------------|-----------------------------------------|
| <b>Balance, March 31, 2023</b>    | <b>8,050,000</b>     | <b>\$ 0.456</b>               | <b>3.75</b>                             |
| Expired                           | (2,000,000)          | \$ 0.666                      | -                                       |
| <b>Balance, March 31, 2024</b>    | <b>6,050,000</b>     | <b>\$ 0.387</b>               | <b>3.05</b>                             |
| <b>Balance, December 31, 2024</b> | <b>6,050,000</b>     | <b>\$ 0.365</b>               | <b>2.30</b>                             |

1. Stock-based compensation expense is recognized over the vesting period of options. During the three and nine month periods ended December 31, 2024, stock-based compensation recorded in respect of stock option grants amounted to \$nil (three and nine months periods ended December 31, 2023 – \$nil and \$95,695, respectively).
2. As at December 31, 2024, outstanding options were as follows:

| Number of<br>Options<br>Outstanding | Numnber of<br>Options<br>Exercisable | Exercise<br>Price | Exercise<br>Price<br>(US\$) | Expiry Date      |
|-------------------------------------|--------------------------------------|-------------------|-----------------------------|------------------|
| 200,000                             | 200,000 (*)                          | C\$1.20           | \$0.84                      | January 10, 2025 |
| 5,850,000                           | 5,850,000                            | C\$0.50           | \$0.35                      | May 16, 2027     |
| <b>6,050,000</b>                    | <b>6,050,000</b>                     |                   |                             |                  |

(\*) These options expired subsequent to the balance sheet – see note 17b.

- b) See note 17b for stock option issuances and expirations subsequent to the balance sheet date.

### 11. Asset Retirement Obligations (“ARO”)

The Company is legally required to restore its properties to their original condition. Estimated future site restoration costs will be based upon engineering estimates of the anticipated method and the extent of site restoration required in accordance with current legislation and industry practices in the various locations in which the Company has properties.

During the year ended March 31, 2024, one well was drilled, plugged, and abandoned as the Operator in accordance with international standards and the Petroleum Regulations and the Government of the Republic of South Africa, so there is no further liability after the drilling program was completed.

During the year ended March 31, 2023, one well was drilled, plugged, and abandoned as the operator in accordance with international and the requirements of the Government of the Republic of South Africa, so there is no further liability after the drilling program was completed.

During the year ended March 31, 2024, and the nine-month period ended December 31, 2024, no additional wells were drilled.

**Eco (Atlantic) Oil & Gas Ltd.**  
**Notes to the Unaudited Condensed Interim Consolidated Financial Statements**  
**For the Three and Nine Months Ended December 31, 2024 and 2023**  
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**12. Capital and Risk Management**

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**Capital Management**

The Company considers its capital structure to consist of share capital, deficit and reserves. The Company manages its capital structure and makes adjustments to it, in order to have the funds available to support the acquisition, exploration and development of its licenses. The Board does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain future development of the business.

The Company is an exploration stage entity; as such the Company is dependent on external equity financing to fund its activities. In order to carry out the planned exploration and pay for administrative costs, the Company will spend its existing working capital and raise additional amounts as needed. Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable.

There were no changes in the Company's approach to capital management during the nine-month period ended December 31, 2024. Neither the Company nor its subsidiaries are subject to externally imposed capital requirements.

**Risk Management**

*a) Credit risk*

The Company's credit risk is primarily attributable to short-term investments, government receivable, amounts receivable and amounts owing by license partners. The Company has no significant concentration of credit risk arising from operations. Short-term investments consist of deposits with Schedule 1 banks, from which management believes the risk of loss to be remote. Amounts receivable consist of advances to suppliers and harmonised sales tax due from the Federal Government of Canada, and VAT due from the South African Government. Government receivable and amounts owing by license partners have been collected subsequent to year end. Management believes that the credit risk concentration with respect to amounts receivable and amounts owing by license partners is remote and has a history of collecting all such receivables.

*b) Interest rate risk*

The Company has cash balances, cash on deposit, and no interest-bearing debt. It does not have a material exposure to this risk.

## Eco (Atlantic) Oil & Gas Ltd.

### Notes to the Unaudited Condensed Interim Consolidated Financial Statements For the Three and Nine Months Ended December 31, 2024 and 2023 (Expressed in US Dollars)

#### 12. Capital and Risk Management (continued)

##### Risk Management (continued)

###### c) *Liquidity risk*

The Company is dependent on obtaining financing to complete its exploration programs and development thereon where applicable, and ultimately, achieving future profitable operations from the licenses or profitable proceeds from their disposition.

The Company ensures, as far as possible, that it will have sufficient liquidity to meet its liabilities when due, without incurring unacceptable losses or harm to the Company's reputation.

The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities as they come due. As of December 31, 2024, the Company had working capital of \$5,474,956 (March 31, 2024 – working capital of \$1,849,701). The table below presents the maturity profile of the Company's financial liabilities based on contractual undiscounted payments:

|                                                     | Carrying amount   | Contractual cash flows | Within 1 year     | 1-2 years   | 2-5 years   | 5+ years    |
|-----------------------------------------------------|-------------------|------------------------|-------------------|-------------|-------------|-------------|
| Accounts payable and accrued liabilities            | \$ 829,310        | \$ 829,310             | \$ 829,310        | \$ -        | \$ -        | \$ -        |
| Advances from and amounts owing to license partners | -                 | -                      | -                 | -           | -           | -           |
|                                                     | <b>\$ 829,310</b> | <b>\$ 829,310</b>      | <b>\$ 829,310</b> | <b>\$ -</b> | <b>\$ -</b> | <b>\$ -</b> |

The Company utilises authorisation for expenditures to further manage capital expenditures and attempts to match its payment cycle with available cash resources. Accounts payable and accrued liabilities at December 31, 2024 all have contractual maturities of less than 90 days and are subject to normal trade terms.

The Company is dependent on obtaining financing to complete development, and upon future profitable operations from the licenses or profitable proceeds from their disposition.

###### d) *Foreign currency risk*

Most of the Company's operations are in US dollars and most of the cash and cash equivalent are also held in US dollars. Therefore foreign exchange risk is low. Management periodically considers reducing the effect of exchange risk through the use of forward currency contracts but has not entered into any such contracts to date.

Sensitivity to a plus or minus 10% change in currency exchange rates would not have a significant effect on the net income (loss) of the Company.

## Eco (Atlantic) Oil & Gas Ltd.

### Notes to the Unaudited Condensed Interim Consolidated Financial Statements For the Three and Nine Months Ended December 31, 2024 and 2023 (Expressed in US Dollars)

#### 13. Commitments

The Company is committed to meeting all of the conditions of its licenses including annual lease renewals, regulatory payments and social responsibility initiatives or extension fees as needed, which the Company estimates to be approximately \$650,000 per year.

The Company, together with its partners on each license, submit annual work plans for the development of each license, which are approved by the relevant regulator.

#### 14. Operating Costs, net

Operating costs consist of the following:

|                                                                                     | Three months ended<br>December 31, |            | Nine months ended<br>December 31, |              |
|-------------------------------------------------------------------------------------|------------------------------------|------------|-----------------------------------|--------------|
|                                                                                     | 2024                               | 2023       | 2024                              | 2023         |
| Drilling costs, data acquisition and interpretation and technical consulting, gross | \$ 497,822                         | \$ 535,519 | \$ 1,651,623                      | \$ 1,234,089 |
| Exploration license fees                                                            | 33,692                             | (311)      | 362,496                           | 63,793       |
| Travel                                                                              | 72,396                             | 97,132     | 131,426                           | 129,630      |
| Social corporate responsibility                                                     | 40,843                             | 22,028     | 119,146                           | 74,171       |
| Recoveries from exploration partners                                                | (94,295)                           | (86,686)   | (166,992)                         | (172,620)    |
|                                                                                     | \$ 550,458                         | \$ 567,682 | \$ 2,097,699                      | \$ 1,329,063 |

#### 15. General and Administrative Costs

General and administrative costs consist of the following:

|                               | Three months ended<br>December 31, |            | Nine months ended<br>December 31, |            |
|-------------------------------|------------------------------------|------------|-----------------------------------|------------|
|                               | 2024                               | 2023       | 2024                              | 2023       |
| Occupancy and office expenses | \$ 17,896                          | \$ 3,389   | \$ 38,668                         | \$ 31,886  |
| Travel expenses               | 80,104                             | 40,292     | 131,552                           | 79,058     |
| Public company costs          | 52,774                             | 106,152    | 260,884                           | 294,438    |
| Insurance                     | 9,570                              | 28,051     | 37,621                            | 38,786     |
| Financial services            | 3,742                              | 2,860      | 9,974                             | 9,618      |
|                               | \$ 164,086                         | \$ 180,744 | \$ 478,699                        | \$ 453,786 |

# Eco (Atlantic) Oil & Gas Ltd.

## Notes to the Unaudited Condensed Interim Consolidated Financial Statements For the Three and Nine Months Ended December 31, 2024 and 2023 (Expressed in US Dollars)

### 16. Segmental Information

An operating segment is a component of the Company that meets the following six criteria:

- i) Is engaged in business activities from which it may earn revenues and incur expenses;
- ii) Whose operating results are regularly reviewed by the Company's chief operating decision maker to make decisions about allocated resources to the segment and assess its performance; and
- iii) For which separate financial information is available.

Segment revenue and segment costs include items that are attributable to the relevant segments and items that can be allocated to segments.

As at December 31, 2024, the Company has one operating segment, oil and gas exploration. The corporate office does not represent an operating segment and is included for informational purposes only. Corporate office expenses consist of public company costs, office, and administrative costs, as well as salaries, share-based compensation and other expenses pertaining to corporate activities.

The Company's non-current assets by geographical locations are as follows:

| December 31, 2024                  | Guyana     | Namibia       | South Africa | Total         |
|------------------------------------|------------|---------------|--------------|---------------|
| Petroleum and natural gas licenses | \$ 781,649 | \$ 15,515,625 | \$ 4,578,586 | \$ 20,875,860 |
|                                    | \$ 781,649 | \$ 15,515,625 | \$ 4,578,586 | \$ 20,875,860 |

| March 31, 2024                     | Guyana     | Namibia       | South Africa  | Total         |
|------------------------------------|------------|---------------|---------------|---------------|
| Petroleum and natural gas licenses | \$ 781,649 | \$ 15,515,625 | \$ 11,871,165 | \$ 28,168,439 |
|                                    | \$ 781,649 | \$ 15,515,625 | \$ 11,871,165 | \$ 28,168,439 |

### 17. Subsequent events

- a) On January 13, 2025, the AO Agreement closed and as a result 54,941,744 Common Shares and 4,864,865 warrants were cancelled and Africa Oil is no longer a Shareholder in the Company and no longer has the right to appoint a Director to Eco's Board. Accordingly, Africa Oil's representative, Oliver Quinn, has stepped down from Eco's Board with immediate effect. In accordance with the AO Agreement as described above, Eco's interest in Block 3B/4B was reduced to a fully carried 5.25%,

Consequently, Eco announced the appointment of Mrs Emily Ferguson as a Non-Executive Director with immediate effect.

- b) On January 13, 2025, The Company issued 3,700,000 RSUs to certain Executive and Non-Executive Directors, pursuant to the Plan. The RSUs will vest one year after the date of grant and convert into 3,700,000 Common Shares.

In addition, the Company granted, to certain directors, officers and consultants of the Company, stock options to subscribe for 5,610,000 Common Shares at an exercise price of \$CAD0.30 (£0.17) per Common Share (the "Options"). The Options vest in two equal tranches on the date of grant, and first anniversary from the date of grant. The Options are exercisable, at the recipient's discretion and expire five (5) years from the date of grant.