

**Eco (Atlantic) Oil & Gas Ltd.**  
**Condensed Interim Consolidated Financial Statements**  
**For the Three and Nine Month Periods ended December 31, 2025 and 2024**

**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, 2025 and 2024 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, Subsection 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.**  
**Table of Contents**  
**December 31, 2024 and 2023**

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<b>Contents</b>	<b>Page</b>
<b>Condensed Interim Consolidated Financial Statements</b>	
Condensed Interim Consolidated Statements of Financial Position	1
Condensed Interim Consolidated Statements of Operations and Comprehensive Loss	2
Condensed Interim Consolidated Statements of Changes in Equity	3
Condensed Interim Consolidated Statements of Cash Flows	4
Notes to Condensed Interim Consolidated Financial Statements	5 –16

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

	December 31, 2025	March 31, 2025
<b>Assets</b>		
<b>Current Assets</b>		
Cash and cash equivalents	\$ 2,946,643	\$ 4,726,152
Short-term investments	72,864	69,676
Government receivable	20,329	58,933
Amounts owing by license partners	-	206,818
Accounts receivable and prepaid expenses	64,150	54,550
<b>Total Current Assets</b>	<b>3,103,986</b>	<b>5,116,129</b>
<b>Non- Current Assets</b>		
Petroleum and natural gas licenses <i>(Note 4)</i>	16,822,274	16,447,274
<b>Total Non-Current Assets</b>	<b>16,822,274</b>	<b>16,447,274</b>
<b>Total Assets</b>	<b>19,926,260</b>	<b>21,563,403</b>
<b>Liabilities</b>		
<b>Current Liabilities</b>		
Accounts payable and accrued liabilities	1,264,812	1,178,785
<b>Total Current Liabilities</b>	<b>1,264,812</b>	<b>1,178,785</b>
<b>Total Liabilities</b>	<b>1,264,812</b>	<b>1,178,785</b>
<b>Equity</b>		
Share capital <i>(Note 6)</i>	117,730,863	107,129,936
Restricted Share Units reserve <i>(Note 7)</i>	1,038,722	1,038,722
Warrants <i>(Note 8)</i>	-	10,600,927
Stock options <i>(Note 9)</i>	3,825,345	3,209,329
Foreign currency translation reserve	(1,559,510)	(1,527,171)
Accumulated deficit	(102,373,972)	(100,067,125)
<b>Total Equity</b>	<b>18,661,448</b>	<b>20,384,618</b>
<b>Total Liabilities and Equity</b>	<b>\$ 19,926,260</b>	<b>\$ 21,563,403</b>

**Basis of Preparation** *(Note 2)*

**Commitments** *(Note 12)*

**Subsequent events** *(Note 14)*

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		Nine months ended	
	December 31,		December 31,	
	2025	2024	2025	2024
<b>Income</b>				
Interest income	\$ 26	\$ 52,081	\$ 18,122	\$ 59,592
Income from option grant	2,000,000	-	2,000,000	-
Total Income	2,000,026	52,081	2,018,122	59,592
<b>Operating expenses</b>				
Compensation costs	300,965	255,939	1,006,608	727,251
Professional fees	315,152	64,689	565,189	421,177
Operating costs, net	194,331	550,458	1,669,787	2,097,699
General and administrative costs	82,683	164,086	476,778	478,699
Share-based compensation (Notes 9)	206,086	-	616,016	-
Foreign exchange loss (gain)	(2,455)	(69,861)	(9,409)	7,449
Total operating expenses	1,096,762	965,311	4,324,969	3,732,275
<b>Net profit (loss) for the period, before taxes</b>	903,264	(913,230)	(2,306,847)	(3,672,683)
Tax recovery	-	-	-	-
<b>Net profit (loss) for the period, after taxes</b>	903,264	(913,230)	(2,306,847)	(3,672,683)
Foreign currency translation adjustment	(13,822)	(38,529)	(32,339)	5,359
<b>Comprehensive profit (loss) for the period</b>	\$ 889,442	\$ (951,759)	\$ (2,339,186)	\$ (3,667,324)
Basic and diluted net loss per share:	\$ 0.003	\$ (0.002)	\$ (0.007)	\$ (0.010)
Weighted average number of ordinary shares used in computing basic and diluted net loss per share	315,231,936	370,173,680	315,231,936	370,173,680

*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)

	Number of Shares	Capital	Restricted Share Units	Warrant Reserve	Stock Options	Deficit	Foreign Currency Translation Reserve	Total Equity
<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	-	-	-	-	-	-	43,888	43,888
Net loss for the period	-	-	-	-	-	(2,759,453)	-	(2,759,453)
<b>Balance, September 30, 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>(111,860,768)</b>	<b>(1,524,581)</b>	<b>27,302,575</b>
Cancellation of shares and warrants	(54,941,744)	(18,120,562)	-	(1,015,345)	-	11,311,739	-	(7,824,168)
Expiration of warrants	-	3,162,000	-	(3,162,000)	-	-	-	-
Share-based compensation	-	-	118,069	-	308,828	-	-	426,897
Foreign currency translation adjustment	-	-	-	-	-	-	(2,590)	(2,590)
Net loss for the period	-	-	-	-	-	481,904	-	481,904
<b>Balance, March 31, 2025</b>	<b>315,231,936</b>	<b>\$ 107,129,936</b>	<b>1,038,722</b>	<b>10,600,927</b>	<b>3,209,329</b>	<b>(100,067,125)</b>	<b>(1,527,171)</b>	<b>20,384,618</b>
Share-based compensation	-	-	-	-	616,016	-	-	616,016
Expiration of warrants	-	10,600,927	-	(10,600,927)	-	-	-	-
Foreign currency translation adjustment	-	-	-	-	-	-	(32,339)	(32,339)
Net loss for the period	-	-	-	-	-	(2,306,847)	-	(2,306,847)
<b>Balance, December 31, 2025</b>	<b>315,231,936</b>	<b>117,730,863</b>	<b>1,038,722</b>	<b>-</b>	<b>3,825,345</b>	<b>(102,373,972)</b>	<b>(1,559,510)</b>	<b>18,661,448</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 December 31,	
	2025	2024
<b>Cash flow from operating activities</b>		
Net loss from operations	\$ (2,306,847)	\$ (3,672,683)
Items not affecting cash: (non-cash / non-operating adjustment)		
Share-based compensation	616,016	-
Proceeds from option granted over non-current asset	-	-
Changes in non-cash working capital:		
Government receivable	38,604	(8,674)
Accounts payable and accrued liabilities	86,027	(334,236)
Accounts receivable and prepaid expenses	(9,600)	38,539
Advance from and amounts owing to license partners	206,818	(590,482)
<b>Cash flow from operating activities</b>	<b>(1,368,982)</b>	<b>(4,567,536)</b>
<b>Cash flow from investing activities</b>		
Short-term investments	(3,188)	(61,893)
Acquisition of interest in property	(375,000)	(150,000)
Proceeds from Block 3B/4B farm-out	-	7,834,866
<b>Cash flow from investing activities</b>	<b>(378,188)</b>	<b>7,622,973</b>
<b>Decrease in cash and cash equivalents</b>	<b>(1,747,170)</b>	<b>3,055,437</b>
Foreign exchange differences	(32,339)	5,359
Cash and cash equivalents, beginning of period	4,726,152	2,967,005
<b>Cash and cash equivalents, end of period</b>	<b>\$ 2,946,643</b>	<b>\$ 6,027,801</b>

*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, 2025 and 2024**  
**(Expressed in US Dollars)**

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**1. Nature of Operations**

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- a) 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 1 (see note 7(b)(i)) and 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 1Y3.

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 of Directors of the Company on February 27, 2026.

- b) Private placement – On January 29, 2026, the Company completed a private placement for an aggregate amount of \$10, million (£7.4 million), see note 14 for more details.

**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, 2025.

Any subsequent changes to IFRS that are given effect in the Company's annual consolidated financial statements for the year ending March 31, 2026, could result in restatement of these condensed interim consolidated financial statements.

**Significant accounting judgements and estimates**

The preparation of the condensed interim 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, 2025 and 2024**  
**(Expressed in US Dollars)**

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**3. Summary of Material Accounting Policies**

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***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 key estimate and assumption uncertainties, considered 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 Investments 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 revalued this investment.

**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, 2025 and 2024**  
**(Expressed in US Dollars)**

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**4. Petroleum and Natural Gas Licenses**

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	<u>Licenses</u>
<b>Balance – March 31, 2024</b>	<b>\$ 28,168,439</b>
Acquisition of WI in Block 1 CBK	150,000
Block 3B/4B farm-out	<u>(11,871,165)</u>
<b>Balance - March 31, 2025</b>	<b>\$ 16,447,274</b>
Acquisition of WI Block 1 CBK (Note 4b(i)(a))	225,000
Block 1 CBK OB Energies Option (Note 4b(i)(c))	<u>150,000</u>
<b>Balance - December 31, 2025</b>	<b><u>\$ 16,822,274</u></b>

**a) Guyana**

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

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

On December 3, 2025, the Company signed a framework agreement with Navitas Petroleum LP (“Navitas”) pursuant to which Navitas pay the Company \$2,000,000 to enter into an exclusive option agreement to farm-in to the Orinduik Block (the “Orinduik Option”) and Block 1 CBK (as defined below) (the “Block 1 CBK Option”). The Orinduik Option, which may be exercised within twelve months and upon payment of US\$2,500,000 to Eco, enables Navitas to farm-in to the Orinduik Block to acquire an 80% working interest and operatorship, and will carry Eco in respect of the work to be performed in the Orinduik Block, which may include drilling an exploration well or appraising the Jethro-1 and Joe-1 existing heavy oil discoveries for potential development and commercialisation. The Block 1 CBK Option, which may be exercised within six months and upon payment of \$4,000,000 to Eco, enables Navitas to acquire up to a 47.5% working interest and operatorship and will carry Eco's share of the exploration work programme in Block 1 CBK. The amounts carried by Navitas will be repaid via Eco's share of proceeds from future production.

**Eco (Atlantic) Oil & Gas Ltd.**  
**Notes to the Unaudited Condensed Interim Consolidated Financial Statements**  
**For the Three and Nine Months Ended December 31, 2025 and 2024**  
**(Expressed in US Dollars)**

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

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**b) South Africa**

Offshore South Africa in the Orange Basin, the Company 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, the Company announced the acquisition of Block 1 ("Block 1") pending government title award, which was granted on June 3, 2025 (see note (i) below).

**i) Block 1 CBK**

- (a) On June 4, 2024, the Company signed the farm-in into Block 1 CBK Offshore South Africa Orange Basin. Eco, through its subsidiary Azinam South Africa Limited ("Azinam SA"), will farm-in and acquire a 75% WI from Tosaco Energy (Pty) Ltd ("Tosaco") and will become operator of a new exploration right (the "Block 1 Farm-In").

The terms of the 75% WI Block 1 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) (Paid on June 4, 2025) and \$375,000 payable upon a TSX-V/AIM compliant Resource Report to be commissioned by the Company. 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.

On November 19, 2025, the Petroleum Agency of South Africa granted the Assignment and Transfer of a 25% participating interest from Tosaco Energy (Pty) Ltd to OrangeBasin Energies (Pty) Ltd ("OrangeBasin Energies"), a B-BBEE-rated South African entity.

- (b) See note 4a regarding the Block 1 CBK OB Option.
- (c) On December 3, 2025, Azinam SA signed an exclusive option agreement OrangeBasin Energies, to acquire a further 20% participating interest in Block 1 CBK for a cash and shares consideration ("Block 1 CBK OB Energies Option"). The Company paid \$150,000 for the Block 1 CBK OrangeBasin Energies Option.

Under the option agreement, if exercised in full by Eco, OrangeBasin Energies will receive \$500,000 on exercise, \$500,000 on completion and \$3,800,000 on completion, which Eco will have the right to settle in cash or Common Shares at the Company's sole discretion ("Exercise Cost"). The number of Common Shares to be issued will be calculated by reference to the prevailing share price at the time of exercise.

Under the Block 1 CBK Option, Navitas has the right to acquire 50% of the Block 1 CBK Orange Basin Option, which is exercisable at Eco's and Navitas' mutual consent at any point throughout the term of the initial exploration period expiring in February 2028. If Navitas elects to participate in such option, Navitas will reimburse Eco for its proportion of the Exercise Cost. If exercised (in part or in whole) with Common Shares, they will be subject to a lock up agreement period of 6 months. On completion, OrangeBasin Energies' remaining 5% retained interest will be carried by Eco and Navitas for the exploration right period including drilling up to two contingent exploration wells.

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

### **Notes to the Unaudited Condensed Interim Consolidated Financial Statements For the Three and Nine Months Ended December 31, 2025 and 2024 (Expressed in US Dollars)**

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

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##### **b) South Africa**

##### **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 300m-2500m. The Company's interest in Block 3B/4B is 5.25%.

During the years ended March 31, 2025 and 2024, the Company signed several farmout agreements pursuant to which the Company will receive future milestone based payments, as following:

- a full carry of its 5.25% retained share of all JV costs, up to a limit 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 license. This represents a total block carry of \$212 million.
- Further payments, amounting to \$11.5 million will be payable to the Company from TotalEnergies, QatarEnergy and Meren SA Energy Corp., formerly Africa Oil SA Corp. on achieving agreed milestones; award of an environmental permit and spudding of the first exploration well.

##### **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").

On February 3, 2021, a new ten year life cycle for the Namibia Licenses received final governmental approval and on March 15, 2025, all the Namibia Licenses received a formal 12-month extension.

On August 27, 2025, the Ministry of Industries, Mines and Energy of the Republic of Namibia approved a 12-month extension to the First Renewal Exploration Period for all four licenses under Section 30 (2A) of the Petroleum (Exploration and Production). The revised expiry date is 26 August 2026.

The approved license framework includes: a one-year extension to the Initial Exploration Period; an optional two-year First Renewal Period; an optional additional one-year extension to the First Renewal Period; and an optional two-year Second Renewal Period thereafter. This extended schedule provides additional time to conduct exploration activities and secure new farm-in partners.

**Eco (Atlantic) Oil & Gas Ltd.**  
**Notes to the Unaudited Condensed Interim Consolidated Financial Statements**  
**For the Three and Nine Months Ended December 31, 2025 and 2024**  
**(Expressed in US Dollars)**

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

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**c) Namibia**

**(i) 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% working interest (“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. The Company is responsible for all exploration costs during the exploration period.

**(ii) 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. The Company is responsible for all exploration costs during the exploration period.

On September 15, 2025, the Company executed a farmout agreement to sell its entire 85% WI in to Lamda Energy (“Sharon Farm-out Agreement”).

Lamda Energy is a privately owned and operated offshore oil and gas company with an experienced Operating Team. Lamda Energy will become a wholly Namibian-owned qualified offshore Operator upon Ministerial approval. The Company will retain a board seat at Lamda Energy

Under the terms of the Sharon Farm-out Agreement, Lamda Energy will make an up-front payment to the Company for administrative costs, and, on completion, will assume all obligations and liabilities associated to Sharon Block. In addition, in the event of a future farm-out by Lamda Energy to a third party, Lamda Energy will be required to make certain payments to the Company at a fixed quantum per percentage interest farmed out, up to a maximum of \$2 million.

The Sharon Farm-out Agreement is subject to government approval.

**(iii) 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. The Company is responsible for all exploration costs during the exploration period.

**(iv) 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. The Company is responsible for all exploration costs during the exploration period.

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, 2025 and 2024**  
**(Expressed in US Dollars)**

**5. 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, 2025 and 2024 and the balances owing as of December 31, 2025 and 2024:

December 31, 2025:

	Directors Fees	Consulting Fees	Stock based awards	Option based awards	Total	Amounts owing at Dec 31, 2025
<b>Executive Directors</b>						
Gil Holzman - CEO	\$ -	379 971	136 759	41 570	\$ 558 300	22 075
Colin Kinley - COO	-	204 527	136 759	41 570	382 856	-
Gadi Levin - Financial Director	-	108 000	56 982	17 322	182 304	6 000
Alice Carroll	-	152 853	56 982	17 322	227 157	33 638
<b>Non Executive Directors</b>						
Peter Nicol	27 418	-	-	17 322	44 740	-
Keith Hill	16 687	-	-	10 393	27 080	5 574
Alan Friedman	27 662	-	-	10 393	38 055	-
Selma Usiku	17 952	-	-	10 393	28 345	2 119
Emily Ferguson	40 118	-	34 190	10 393	84 701	-
<b>Officers</b>						
Alan Rootenberg - CFO	-	6 870	-	-	6 870	678
Kinley Exploration LLC, a company controlled by the COO	-	216 544	-	-	216 544	12 750
<b>Total</b>	<b>\$ 129 837</b>	<b>\$ 1 068 765</b>	<b>421 672</b>	<b>176 678</b>	<b>\$ 1 796 952</b>	<b>\$ 82 834</b>

December 31, 2024:

	Directors Fees	Consulting Fees	Stock based awards	Option based awards	Total	Amounts owing at December 31, 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
Selma Usiku	-	-	-	-	-	-
Helmut Angula	-	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>

**6. Share Capital**

**Authorized Share Capital**

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

**Issued Share Capital**

There were no issuances of Common Shares during the nine months ended December 31, 2025.

**7. Restricted Share Units**

- 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.
- As at December 31, 2025, there are 5,468,000 RSU issued of which 3,700,000 have not yet vested.

**Eco (Atlantic) Oil & Gas Ltd.**  
**Notes to the Unaudited Condensed Interim Consolidated Financial Statements**  
**For the Three and Nine Months Ended December 31, 2025 and 2024**  
**(Expressed in US Dollars)**

**8. Warrants**

A summary of changes in warrants for the year ended March 31, 2025 and the nine months ended December 31, 2025 is detailed below:

	Number of Warrants	Weighted Average Exercise Price (\$)
<b>Balance, March 31, 2024</b>	<b>73,406,531</b>	<b>0.69</b>
Expired	(20,000,000)	0.73
Cancelled	(4,864,865)	0.41
<b>Balance, March 31, 2025</b>	<b>48,541,666</b>	<b>0.67</b>
Expired May 11, 2025	(48,541,666)	0.67
<b>Balance, December 31, 2025</b>	<b>-</b>	<b>-</b>

As of December 31, 2025, there are no outstanding warrants

**9. Stock Options**

a) A summary of the status of stock options issued under the Plan as at December 31, 2025 and changes during the period is as follows:

	Number of Stock options	Weighted average exercise price (US\$)	Remaining contractual life - years
<b>Balance, March 31, 2024</b>	<b>6,050,000</b>	<b>\$ 0.387</b>	<b>3.05</b>
Expired	(200,000)	0.834	-
Granted	5,610,000	0.208	4.79
<b>Balance, March 31, 2025 and December 31, 2025</b>	<b>11,460,000</b>	<b>\$ 0.279</b>	<b>2.99</b>

b) Stock-based compensation expense is recognized over the vesting period of options. During the three and nine month periods ended December 31, 2025, stock-based compensation in respect of stock option grants amounted to \$206,086 and \$616,016, respectively (three and nine month periods ended December 31, 2024 – \$nil and \$nil, respectively).

As at December 31, 2025, outstanding options were as follows:

Number of Options Outstanding	Number of Options Exercisable	Exercise Price	Exercise Price (US\$)	Expiry Date
5,850,000	5,850,000	C\$0.50	\$0.35	May 16, 2027
5,610,000	2,805,000	C\$0.30	\$0.21	January 10, 2030
<b>11,460,000</b>	<b>8,655,000</b>			

**Eco (Atlantic) Oil & Gas Ltd.**  
**Notes to the Unaudited Condensed Interim Consolidated Financial Statements**  
**For the Three and Nine Months Ended December 31, 2025 and 2024**  
**(Expressed in US Dollars)**

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**10. Asset Retirement Obligations (“ARO”)**

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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, 2025, and the nine-month period ended December 31, 2025, no additional wells were drilled.

**11. 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, 2025. 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, 2025 and 2024**  
**(Expressed in US Dollars)**

**11. 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, 2025, the Company had working capital of \$2,008,174 (March 31, 2025 – working capital of \$3,937,344). 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	\$ 1 081 143	\$ 1 081 143	\$ 1 081 143	\$ -	\$ -	\$ -
	<b>\$ 1 081 143</b>	<b>\$ 1 081 143</b>	<b>\$ 1 081 143</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, 2025 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, 2025 and 2024**  
**(Expressed in US Dollars)**

**12. 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.

**13. 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, 2025, 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:

<b>December 31, 2025</b>	<b>Guyana</b>	<b>Namibia</b>	<b>South Africa</b>	<b>Total</b>
Petroleum and natural gas licenses	\$ 781 649	15 515 625	525 000	16 822 274
	\$ 781 649	15 515 625	525 000	16 822 274
<b>March 31, 2025</b>	<b>Guyana</b>	<b>Namibia</b>	<b>South Africa</b>	<b>Total</b>
Petroleum and natural gas licenses	\$ 781 649	15 515 625	150 000	16 447 274
	\$ 781 649	15 515 625	150 000	16 447 274

**14. Subsequent events**

On January 29, 2026, the Company completed a private placement in the amount of \$10 million (£7.4 million) for the issuance of 26,909,091 units at a price of 27.5 pence (\$0.37) per unit ("Unit"). Each Unit comprises one common share and one warrant (the "Warrants"). Each Warrant will entitle the holder to subscribe for one new Common Share at an exercise price of 40 pence (\$0.55) per share and will be exercisable through to January 30, 2029.