Eco (Atlantic) Oil & Gas Ltd.

Consolidated Financial Statements
(in US Dollars)
Years Ended March 31, 2026 and 2025

Eco (Atlantic) Oil & Gas Ltd.
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Independent Auditor's Report

To the Shareholders of Eco (Atlantic) Oil & Gas Ltd.:

Opinion

We have audited the consolidated financial statements of Eco (Atlantic) Oil & Gas Ltd. and its subsidiaries (the "Company"), which comprise the consolidated statements of financial position as at March 31, 2026 and March 31, 2025, and the consolidated statements of operations and comprehensive loss, changes in equity and cash flows for the years then ended, and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Company as at March 31, 2026 and March 31, 2025, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with IFRS® Accounting Standards as issued by the International Accounting Standards Board.

Basis for Opinion

We conducted our audits in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audits of the consolidated financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Investment in Associate - JHI - Reversal of Impairment

Key Audit Matter Description

The Company holds a 6.6% interest in JHI Associates Inc. ("JHI"), a private company, which is accounted for using the equity method under IAS 28 Investment in Associates and Joint Ventures. This investment had been fully impaired to $nil as at March 31, 2024. During the year ended March 31, 2026, following the March 10, 2026 signing of a definitive arrangement agreement to acquire the remaining outstanding securities of JHI, management identified objective evidence supporting a reversal of the previously recorded impairment and recognized a reversal of $4,434,677, recording the investment at $4,434,677 as at March 31, 2026. Accounting for this transaction under IFRS required increased judgement in relation to measurement as there were significant estimates and judgement used. As a result, we considered this to be a key audit matter.

Refer to Note 6 Investment in associate.

Audit Response

We responded to this matter by performing audit procedures relating to the reversal of impairment on JHI. Our audit work in relation to this included, but was not restricted to, the following:

- Obtained management's memo on the recoverable amount of the JHI investment as at March 31, 2026 and evaluated whether the methodology and conclusions were consistent with the requirements of IAS 36 Impairment of Assets and IAS 28 Investment in Associate and Joint Ventures, including the appropriateness of recognizing a reversal.
- Assessed management's identification of the objective evidence supporting the reversal - including the change in circumstances arising from the arrangement to acquire the remaining interest in JHI, and evaluated whether such indicators appropriately supported a reversal as at March 31, 2026.
- Obtained and inspected the underlying documentation supporting management's assessment, including the executed arrangement agreement and related proposed/supporting contractual documents, and evaluated whether that evidence corroborated the existence of a recoverable amount as at March 31, 2026.
- Recalculated the amount of the impairment reversal recognized and agreed the resulting carrying value of the investment recorded in the consolidated financial statements.
- Evaluated the reasonableness of management's best estimate of the recoverable amount, including the appropriateness of the key inputs , and independently recalculated the implied value of 100% of JHI and the portion attributable to the Company's existing interest.
- Assessed whether the disclosures in Notes 3 and 6 appropriately describe the judgement exercised, the reversal recognized, and the basis of the recoverable amount, in accordance with the applicable financial reporting framework.

Other Information

Management is responsible for the other information. The other information comprises Management's Discussion and Analysis.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audits of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audits or otherwise appears to be materially misstated. We obtained Management's Discussion and Analysis prior to the date of this auditor's report. If, based on the work we have performed on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Company as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for the purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audits and significant audit findings, including any significant deficiencies in internal control that we identify during our audits.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is Zahra Alnoor Bhanji.

MNP LLP

Mississauga, Ontario
July 22, 2026

Chartered Professional Accountants
Licensed Public Accountants

Eco (Atlantic) Oil & Gas Ltd.
Consolidated Statements of Financial Position
As at March 31, 2026 and 2025
(Expressed in US Dollars)

	March 31, 2026	March 31, 2025
Assets		
Current Assets		
Cash and cash equivalents	$ **10,754,585**	$ 4,726,152
Short-term investments	**71,939**	69,676
Government receivable	**41,847**	58,933
Amounts owing by license partners	**-**	206,818
Accounts receivable and prepaid expenses (note 5)	**89,231**	54,550
Total Current Assets	**10,957,602**	5,116,129
Non- Current Assets		
Investment in associate *(Note 6)*	**4,434,677**	-
Petroleum and natural gas licenses *(note 7)*	**15,289,017**	16,447,274
Total Non-Current Assets	**19,723,694**	16,447,274
Total Assets	**30,681,296**	21,563,403
Liabilities		
Current Liabilities		
Accounts payable and accrued liabilities (note 8)	**2,099,596**	1,178,785
Total Current Liabilities	**2,099,596**	1,178,785
Warrant liability (note 9)	**10,798,993**	-
Total Liabilities	**12,898,589**	1,178,785
Equity		
Share capital *(Note 10)*	**122,596,984**	107,129,936
Restricted share units reserve *(Note 11)*	**920,654**	1,038,722
Warrants *(Note 12)*	**-**	10,600,927
Stock options *(Note 13)*	**3,409,325**	3,209,329
Foreign currency translation reserve	**(1,567,560)**	(1,527,171)
Accumulated deficit	**(107,576,696)**	(100,067,125)
Total Equity	**17,782,707**	20,384,618
Total Liabilities and Equity	$ **30,681,296**	$ 21,563,403

Basis of Preparation *(Note 2)*

Commitments *(Note 17)*

Events After the Reporting Period *(Note 21)*

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

"Gil Holzman"
Director

"Peter Nicol"
Director

The accompanying notes are an integral part of these consolidated financial statements.

Eco (Atlantic) Oil & Gas Ltd.
Consolidated Statements of Operations and Comprehensive Loss
For the years ended March 31, 2026 and 2025
(Expressed in US Dollars)

	Year ended March 31, 2026	Year ended March 31, 2025
Operating expenses (gain)		
Operating costs, net *(note 18)*	**$ 2,880,601**	2,816,892
Impairment of Sharon license (note 7(c)(iv))	**1,533,257**	-
Compensation costs	**1,630,983**	1,230,813
Professional fees	**1,023,219**	540,221
General and administrative costs *(note 19)*	**1,060,919**	708,805
Interest income	**(37,795)**	(92,074)
Share-based compensation *(notes 11, 13)*	**633,937**	426,897
Foreign exchange loss	**248,207**	41,577
Income from option grant to Navitas (note 7(a))	**(2,000,000)**	-
Gain on farm-out of Block 3b/4b (note 7(b)(ii)(c))	**-**	(3,395,582)
Operating loss	**(6,973,328)**	(2,277,549)
Other Non-Operating Charges		
Fair value change in warrant liability (note 9)	**(4,970,920)**	-
Reversal of impairment on investment in associate (note 6)	**4,434,677**	-
Net loss for the year, after taxes	**(7,509,571)**	(2,277,549)
Foreign currency translation adjustment	**(40,389)**	41,298
Comprehensive loss for the year	**$ (7,549,960)**	$ (2,236,251)
Basic and diluted net loss per share:	**$ (0.023)**	$ (0.006)
Weighted average number of ordinary shares used in computing basic and diluted net loss per share	**319,949,321**	358,131,654

The accompanying notes are an integral part of these consolidated financial statements.

Eco (Atlantic) Oil & Gas Ltd.
Consolidated Statements of Changes in Equity
For the years ended March 31, 2026 and 2025
(Expressed in US Dollars)

	Number of Shares	Capital	Restricted Share Units	Warrant Reserve	Stock Options	Deficit	Foreign Currency Translation Reserve	Total Equity
Balance, March 31, 2024	**370,173,680**	**$ 122,088,498**	**920,653**	**14,778,272**	**2,900,501**	**(109,101,315)**	**(1,568,469)**	**30,018,140**
Cancelation 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	-	-	-	-	-	-	41,298	41,298
Net loss for the year	-	-	-	-	-	(2,277,549)	-	(2,277,549)
Balance, March 31, 2025	**315,231,936**	**107,129,936**	**1,038,722**	**10,600,927**	**3,209,329**	**(100,067,125)**	**(1,527,171)**	**20,384,618**
Private placement, net (note 10a)	**26,909,091**	4,314,112	-	-	-	-	-	4,314,112
Shares issued for RSU's (note 11b)	**3,700,000**	552,009	(552,009)	-	-	-	-	-
Share-based compensation (note 13)	**-**	-	433,941	-	199,996	-	-	633,937
Expiration of warrants (note 12)	-	10,600,927		(10,600,927)	-	-	-	-
Foreign currency translation adjustment	-	-	-	-	-	-	(40,389)	(40,389)
Net loss for the year	-	-	-	-	-	(7,509,571)	-	(7,509,571)
Balance, March 31, 2026	**345,841,027**	**$ 122,596,984**	**$ 920,654**	**$ -**	**$ 3,409,325**	**$ (107,576,696)**	**$ (1,567,560)**	**$ 17,782,707**

The accompanying notes are an integral part of these consolidated financial statements.

Eco (Atlantic) Oil & Gas Ltd.
Consolidated Statements of Cash Flows
For the years ended March 31, 2026 and 2025
(Expressed in US Dollars)

	Year ended March 31, 2026	Year ended March 31, 2025
Cash flow from operating activities		
Net loss from operations	**$ (7,509,571)**	$ (2,277,549)
Items not affecting cash:		
Share-based compensation	**633,937**	426,897
Loss on farm out of Sharon Licensse	**1,533,257**	
Fair value change in warrant liability	**4,970,920**	
Write up of investment in associate	**(4,434,677)**	-
Gain on farm-out	**-**	(3,395,582)
Changes in non-cash working capital:		
Government receivable	**17,086**	(31,963)
Accounts payable and accrued liabilities	**920,811**	15,239
Accounts receivable and prepaid expenses	**(34,681)**	(16,011)
Advance from and amounts owing to license partners	**206,818**	(239,192)
Cash flow from operating activities	**(3,696,100)**	(5,518,161)
Cash flow from investing activities		
Short-term investments	**(2,263)**	(56,569)
Acquisition of Block 1	**(375,000)**	(150,000)
Proceeds from Block 3B/4B farm-out	**-**	7,442,579
Cash flow from investing activities	**(377,263)**	7,236,010
Cash flow from financing activities		
Private placement, net	**10,142,185**	-
Cash flow from financing activities	**10,142,185**	-
Increase in cash and cash equivalents	**6,068,822**	1,717,849
Foreign exchange differences	**(40,389)**	41,298
Cash and cash equivalents, beginning of year	**4,726,152**	2,967,005
Cash and cash equivalents, end of year	**$ 10,754,585**	$ 4,726,152
Supplementary disclosure of cash flow information:		
Significant non-cash transactions		
Fair value of shares cancelled	**-**	7,824,168

The accompanying notes are an integral part of these consolidated financial statements.

(Expressed in US Dollars)

1. Nature of Operations

Eco (Atlantic) Oil & Gas Ltd. ("Eco Atlantic", "Eco" 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 consolidated financial statements were approved by the Board of Directors of the Company on July 22, 2026.

2. Basis of Preparation

The 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

Statement of compliance

These consolidated financial statements have been prepared in accordance with IFRS® Accounting Standards issued by the International Accounting Standards Board ("IASB") and IFRIC® Interpretations of the IFRS® Interpretations Committee. The policies applied in these consolidated financial statements are based on IFRS issued and outstanding as of April 1, 2025.

The material accounting policies followed by the Company are summarized as follows:

Basis of consolidation

These consolidated financial statements include the accounts of the Company and its directly and indirectly owned subsidiaries. The Company's material subsidiaries are as follows:

	Proportionate Ownership	
	March 31, 2026	**March 31, 2025**
Eco (Atlantic) Guyana Inc. ("Eco Guyana")	100%	100%
Eco Oil and Gas (Namibia) (Pty) Ltd. ("Eco Namibia")	100%	100%
Eco Oil and Gas Services (Pty) Ltd. (Eco Services")	100%	100%
Azinam Group Limited (Bermuda)	100%	100%
Azinam Limited (Bermuda) ("Azinam Limited")	100%	100%
Azinam South Africa Limited (UK) ("Azinam South Africa")	100%	100%
Eco Orinduik BV ("Eco Orinduik")	100%	100%

Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits held with banks and other short-term highly liquid investments with original maturities of three months or less.

3. Summary of Material Accounting Policies (continued)

Investment in associate

Investments in associates are accounted for using the equity method. Investments of this nature are recorded at original cost. The investment is adjusted at each reporting date for the Company's share of the profit or loss of the investment after the date of acquisition. The Company reviews its investment in associate at the end of every financial reporting period to determine if events or changes in circumstances have transpired which indicate that its carrying value may not be recoverable. When there is objective evidence that the Company's net investment in an associate may be impaired, the entire carrying amount of the investment is tested for impairment as a single asset in accordance with IAS 36, *Impairment of Assets*, by comparing its recoverable amount, being the higher of value in use and fair value less costs of disposal, with its carrying amount. Any impairment loss is recognized in the consolidated statement of operations and comprehensive loss.

At each subsequent reporting date, the Company assesses whether there is any indication that a previously recognized impairment loss may have decreased or no longer exists. When such an indication exists, the Company reassesses the recoverable amount of the investment. A previously recognized impairment loss is reversed through the consolidated statement of operations and comprehensive loss to the extent that the recoverable amount has subsequently increased. The carrying amount following the reversal cannot exceed the carrying amount that would have been determined, after recognizing the Company's share of the associate's subsequent results, had no impairment loss previously been recognized. An impairment loss attributable to goodwill included within the carrying amount of the investment is not reversed.

Joint Operations

A portion of the Company's petroleum and natural gas exploration activities are conducted jointly with others; these consolidated financial statements reflect only the Company's proportionate interest in such activities.

Foreign currencies

These consolidated financial statements are presented in US dollars.

The functional currency of the Company and its subsidiaries is the US dollar.

Translation gains or losses resulting from the translation of the financial statements from the functional currency to the presentation currency are recorded as a foreign currency translation reserve in the consolidated statement of changes in equity. Statement of financial position accounts are translated to the presentation currency from the functional currency at the end of each reporting period at the period-end exchange rate. Statement of operations and comprehensive loss accounts are translated at the end of each reporting period at the average exchange rate for the period. Within each entity, transactions in currencies other than the entity's functional currency ("foreign currencies") are translated to the functional currency at the rate of exchange prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated to the functional currency at the end of each reporting period at the period-end exchange rate. Exchange gains and losses on the settlement of transactions and the translation of monetary assets and liabilities to the functional currency are recorded in consolidated statement of operations and comprehensive loss.

3. Summary of Material Accounting Policies (continued)

Stock-based compensation

Where equity settled share options are awarded to employees and employee-like service providers, the fair value of the options is determined using the Black-Scholes pricing model and is charged to the consolidated statements of operations and comprehensive loss over the vesting period. Non-market vesting conditions are taken into account by adjusting the number of equity instruments expected to vest at each reporting date so that, ultimately, the cumulative amount recognized over the vesting period is based on the number of options that eventually vest. Market vesting conditions are factored into the fair value of the options granted. As long as all other vesting conditions are satisfied, a charge is made irrespective of whether the market vesting conditions are satisfied. The cumulative expense charged is not adjusted for failure to achieve a market vesting condition.

Restricted Share Units

The Company has a restricted share unit plan (the “RSU Plan”) for its employees, officers, directors and consultants. The RSU Plan allows employees, directors, officers and consultants to participate in the growth and development of the Company.

All restricted share units (“RSUs”) granted are settled with Common Shares of the Company. The expense and corresponding increase in restricted share units reserve in shareholders’ equity are determined based on the grant date fair value of the award, which is based on the market price of the Company’s Common Shares and recognized using the graded method over the period that the employees unconditionally become entitled to the awards. Upon the conversion of RSUs to Common Shares at the end of restricted period, the amount attributable to the RSUs that was previously recognized in restricted share units reserve is recorded as an increase to share capital.

Financial instruments

Classification

The following table shows the classification of financial instruments under IFRS 9:

Financial asset/liability	Classification
Cash and cash equivalents	Amortized cost
Short-term investments	Amortized cost
Amounts owing by license partners	Amortized cost
Accounts receivable and government receivable	Amortized cost
Accounts payable and accrued liabilities	Amortized cost
Warrant liability	FVTPL

The Company determines the classification of financial instruments at initial recognition. The classification of its financial instruments is driven by the Company’s business model for managing the financial assets and their contractual cash flow characteristics. Equity instruments that are held for trading (including all equity derivative instruments) are classified as fair value through profit and loss (“FVTPL”). For other equity instruments, on the day of acquisition, the Company can make an irrevocable election (on an instrument-by-instrument basis) to designate them at fair value through other comprehensive income (“FVTOCI”). Financial liabilities are measured at amortized cost, unless they are required to be measured at FVTPL (such as instruments held for trading or derivatives), or the Company has opted to measure them at FVTPL.

3. Summary of Material Accounting Policies (continued)

Financial instruments (continued)

Financial assets and liabilities:

i) Financial instruments carried at fair value are initially recorded at fair value and transaction costs are expensed in the consolidated statements of operations and comprehensive loss. Realized and unrealized gains and losses arising from changes in the fair value of the financial instruments held at FVTPL are included in the consolidated statements of operations and comprehensive loss in the period in which they arise. FVTOCI are included in other comprehensive income. Where the Company has opted to recognize a financial instrument at FVTPL, any changes associated with the Company's own credit risk will be recognized in loss and other comprehensive (loss).

ii) Financial instruments carried at amortized cost are initially recognized at fair value plus or minus transaction costs, respectively, and subsequently carried at amortized cost less any impairment.

Impairment of financial assets at amortized cost

The Company recognizes a loss allowance for expected credit losses on financial assets that are measured at amortized cost. At each reporting date, the Company measures the loss allowance for the financial asset at an amount equal to the lifetime expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition. If at the reporting date, the financial asset has not increased significantly since initial recognition, the Company measures the loss allowance for the financial asset at an amount equal to twelve month expected credit losses. The Company recognizes an impairment loss for the amount of expected credit losses.

Exploration and evaluation assets and expenditures – Petroleum and natural gas licenses

i) Expenditures

For oil and gas prospects not commercially viable and technically feasible, the Company expenses exploration and evaluation expenditures as incurred. Exploration and evaluation expenditures include technical studies and exploratory drilling. The cost of acquiring an exploration property is capitalized. Exploration and evaluation expenditures are expensed.

Once the technical feasibility and commercial viability of extracting a mineral resource has been determined, the property is considered to be in the development stage and are reclassified to property plant and equipment as development properties. Exploration properties and exploration assets are tested for impairment before being transferred to development properties.

3. Summary of Material Accounting Policies (continued)

Financial instruments (continued)

iii) Farm-out arrangements

The Company, as farmor, accounts for the farm-out arrangements as follows; the farmor does not record any expenditure made by the farmee on its behalf and recognizes expenditures which the Company incurs under farm-out arrangements in respect of its own interest when such costs are incurred. Any cash consideration received as reimbursements of expenditures incurred in prior years is credited to any costs capitalized with any excess recorded as income from farm-out agreements in profit or loss. Any cash consideration received as reimbursements of expenditures incurred in the current year is offset against related expenditures in operating costs and general and administrative costs in profit or loss. Any cash consideration received in advance of underlying expenditures is capitalized to advance from license partners until the applicable expenditures have been incurred, at which point the recovery is transferred to income from farm-out agreements in profit or loss. Any cash received without an underlying commitment to incur expenditures is recorded as income from farm-out agreements in profit or loss.

iv) Impairment

The Company reviews its exploration assets at the end of every financial reporting period to determine if events or changes in circumstances have transpired which indicate that its carrying value may not be recoverable. The recoverability of costs incurred on the exploration assets is dependent upon numerous factors including exploration results, environmental risks, commodity risks, political risks, and the Company's ability to attain profitable production. It is possible that conditions in the near-term could change the Company's assessment of the carrying value. When a project is considered to no longer have commercially viable prospects for the Company, exploration properties and exploration assets in respect of that property are assessed to determine the recoverable amount. An impairment loss is recorded to the consolidated statement of operations and comprehensive loss if the recoverable amount is lower than the carrying value.

Loss per share

Basic loss per share is computed based on the weighted average number of Common Shares outstanding during the year. In calculating the diluted loss per share, the weighted average number of Common Shares outstanding assumes that the proceeds to be received on the exercise of dilutive stock options and warrants are used to repurchase Common Shares at the average market price during the year. Stock options, warrants, and restricted share units are excluded from the loss per share calculation if their impact is anti-dilutive.

3. Summary of Material Accounting Policies (continued)

Income taxes

Income tax expense consists of current and deferred tax expense. Current and deferred tax are recognized in profit or loss except to the extent that they relate to items recognized in equity or other comprehensive income.

Current tax is recognized and measured at the amount expected to be recovered from or payable to the taxation authorities based on the income tax rates enacted or substantively enacted at the end of the reporting period and includes any adjustment to taxes payable in respect of previous years.

Deferred tax is recognized on any temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable earnings. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset is realized, and the liability is settled. The effect of a change in the enacted or substantively enacted tax rates is recognized in net earnings and comprehensive income or in equity depending on the item to which the adjustment relates.

Deferred tax assets are recognized to the extent future recovery is probable. At each reporting period end, deferred tax assets are reduced to the extent that it is no longer probable that sufficient taxable earnings will be available to allow all or part of the asset to be recovered.

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.

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

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. In determining the recoverable amount of the Sharon License, management estimated its fair value less costs of disposal based primarily on the consideration expected to be recovered under the Sharon Farm-out Agreement (see note 7(c)(iv)). This estimate requires judgement regarding the completion of the transaction, the recoverability of the contractual amounts and the value, if any, attributable to contingent future payments; changes in these assumptions could result in a materially different recoverable amount and impairment loss.

3. Summary of Material Accounting Policies (continued)

Significant accounting judgements and estimates continued)

ii) Investment in associates

The Company has determined it holds significant influence over JHI due to its ability to appoint a director to the JHI Board (see note 6). 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 FVTPL. During the year ended March 31, 2024, the Company identified objective evidence of impairment relating to its investment in JHI and recognized an impairment loss. During the year ended March 31, 2026, the execution of the JHI Agreement provided objective evidence that the recoverable amount of the investment had increased, and the Company recognized a reversal of the previously recorded impairment loss (see note 6). In estimating the recoverable amount, management used the implied equity value of JHI based on the number of the Company's Common Shares to be issued under the JHI Agreement, the market price of those shares on the agreement date, and the proportion of JHI not already owned by the Company. The estimate is sensitive to changes in the Company's share price, the assumed value of the consideration and the allocation of JHI's implied equity value to the Company's existing interest.

iii) Stock-based Compensation and fair value of warrant liability

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 (note 13) and to value the warrants classified as liabilities (see note 9). The Black-Scholes model is based on significant assumptions such as volatility, dividend yield, risk free rate, estimated forfeitures and expected term.

iv) Going concern

The Company regularly reviews and makes assessments of its ability to continue as a going concern. This assessment relies on significant judgements and assumptions, taking into account known future information, including whether events or conditions create material uncertainties that may cast significant doubt on the ability to continue as a going concern.

In assessing the Company's ability to continue as a going concern, management applied judgement as to the Company's ability, and has reasonable expectation it will be able to fund operating and contractual service requirements for the next 12 months.

3. Summary of Material Accounting Policies (continued)

Standards-issued-but-not-yet-effective disclosure

There are a number of standards, amendments to standards, and interpretations which have been issued by the IASB that are effective in future accounting periods that the Company has decided not to adopt early.

IFRS 9 requires entities to recognize financial assets and liabilities when they become party to the contractual terms and to measure them initially at fair value, adjusted for directly attributable transaction costs where applicable. The standard is being clarified to provide better guidance on the derecognition of financial liabilities, which can impact bank reconciliation processes, especially during debt restructuring based on the timing of payments on financial liabilities as compared to the actual settlement of those debts. This clarification may result in a change in the derecognition timing of financial liabilities in situations where electronic payments are involved. The Company is currently assessing the impact that the adoption of this clarification of IFRS 9 will have on its consolidated financial statements. The amendments are effective for annual periods starting on or after January 1, 2026. Retrospective application is required and early adoption is permitted.

In April 2024, the IASB issued IFRS 18 Presentation and Disclosure in Financial Statements. This standard aims to improve the consistency and clarity of financial statement presentation and disclosures by providing updated guidance on the structure and content of financial statements. Key changes include enhanced requirements for the presentation of financial performance, financial position, and cash flows, as well as additional disclosures to improve transparency and comparability. In addition, IFRS 18 requires entities to classify income and expenses into five categories, three of which are new – i.e. operating, investing and financing – and the income tax and discontinued operation categories. The new standard sets out detailed requirements for classifying income and expenses into each category. These amendments are effective for annual periods beginning on or after January 1, 2027. The Company is currently assessing the impact that the adoption of IFRS 18 will have on its consolidated financial statements.

Company is currently assessing the impact of these new accounting standards since they are not adopted yet.

4. Short-term investments

As of March 31, 2026, the Company’s short-term investments comprise interest bearing deposits with its primary bank of $71,939 (March 31, 2025 - $69,676).

5. Accounts receivable and prepaid expenses

As of March 31, 2026, the Company’s accounts receivable and prepaid expenses comprise $89,231 (2025 - $54,550) of prepaid expenses.

6. Investment in associate

During the year ended March 31, 2022, the Company acquired a 7.35% interest in JHI Associates Inc. (“JHI”), a private company incorporated in Ontario and headquartered in Toronto, Canada, including the right to appoint a non-executive director to the board of JHI. The Company’s interest has since been diluted to 6.6% at March 31, 2025.

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 inactivity 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.

On March 10, 2026, the Company entered into a definitive arrangement agreement (the "JHI Agreement") to acquire all of the issued and outstanding securities of JHI that were not already owned by the Company (the “JHI Acquisition”). Under the terms of the JHI Agreement, the Company agreed to issue an aggregate of 96,307,812 Common Shares to JHI shareholders and other JHI security holders (holders of JHI options and warrants).

Transaction Summary:

On completion of the JHI Acquisition ("Closing"), Eco will issue 96,307,812 Common Shares such that up to approximately 21.8% of Eco's then issued share capital will be held by the shareholders of JHI. Upon Closing, JHI will have a cash balance of $1.0 million. Approximately 45% of the Common Shares to be issued to JHI shareholders will be subject to lock-up arrangements spanning 18 months following completion.

On May 15, 2026, JHI successfully obtained the final order approval from the Ontario Superior Court of Justice (Commercial List) (the "Court"), approving the JHI Agreement as proposed. At JHI's annual and special meeting of shareholders held on May 12, 2026, 100% of the votes cast were in favour of the plan of Arrangement with Eco, further demonstrating an overwhelming alignment on the transaction.

The only remaining conditions for final completion of the transaction includes receipt of Falkland Islands Government ("FIG") five-year license extension of the PL001 license and Navitas Petroleum LP's (via its subsidiary) operatorship; JHI to have a cash balance of US$1.0 million on completion of the JHI Acquisition; and, required TSX-V and AIM approvals.

The Company's existing ownership interest was excluded from the consideration to be transferred. Accordingly, management concluded that the JHI Agreement consideration represented approximately 93.4% of the equity interests in JHI and therefore grossed up the implied transaction value to derive the value of 100% of JHI.

(Expressed in US Dollars)

6. Investment in associate (continued)

Using the Company's TSX Venture Exchange closing share price of C$0.88 on March 10, 2026, the consideration issued to non-Eco holders implied a value of approximately C$84.8 million for the interests acquired. After grossing up for the Company's existing ownership interest, the implied value of 100% of JHI was approximately C$90.8 million. The resulting value attributable to the Company's existing 6.6% ownership interest was approximately C$6.0 million ($4.4 million).

Management concluded that the execution of the JHI Agreement provided objective evidence of recoverable amount that existed prior to March 31, 2026. In accordance with IAS 36, *Impairment of Assets*, as applied through IAS 28, *Investments in Associates and Joint Ventures*, the Company reassessed the recoverable amount of its investment in JHI and recognized a reversal of the previously recorded impairment loss. The impairment reversal did not relate to goodwill and was therefore permitted under IAS 36.

The following table summarizes the equity method accounting for the investment:

March 31, 2023	$	8,612,267
Write-down of JHI investment		(8,612,267)
March 31, 2024 and 2025		-
Reversal of impairment on investment in associate		4,434,677
March 31, 2026	$	4,434,677

7. Petroleum and Natural Gas Licenses

		Licenses
Balance - March 31, 2024	**$**	**28,168,439**
Acquisition of Block 1 (note 7(b)(i))		150,000
Block 3B/4B farm-out (note 7(b)(ii) a))		(4,000,000)
Block 3B/4B farm-out (note 7(b)(ii) b))		(3,442,579)
Block 3B/4B farm-out (note 7(b)(ii) c))		(4,428,586)
Balance – March 31, 2025	**$**	**16,447,274**
Acquisition of WI Block 1 CBK (note 7(b)(i)(a))		225,000
Block 1 CBK OB Energies Option (note 7(b)(i)(c))		150,000
Sharon impairment (note 7(c)(iv))		(1,533,257)
Balance - March 31, 2026	**$**	**15,289,017**

7. Petroleum and Natural Gas Licenses (continued)

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

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”).

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 and as such Eco holds an aggregate 100% participating interest (“PI”) 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 paid 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 (the "Block 1 CBK Option", For details on the Block 1 CBK Option, see note 7(b)(i)(b)) (“Navitas Framework Agreement”). 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 (“WI”) 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 commercialization.

The Orinduik license reached the end of its second renewal term on January 14 2026. However, Eco and Navitas are in ongoing discussions with the Government of Guyana regarding a new appraisal and exploration program for the block. Under Guyana's Petroleum Act, Eco is able to retain rights to the Jethro-1 and Joe-1 discoveries while the submitted appraisal program is under review by the authorities.

The Ministry of Natural Resources and the Guyana Geology and Mines Commission have received the joint submissions from Eco and Navitas, pursuant to which Navitas will have an 80% WI and Eco will have a 20% WI, but no final approval has yet been announced.

7. Petroleum and Natural Gas Licenses (continued)

b) South Africa

Offshore South Africa in the Orange Basin, Eco holds a 5.25% WI in the 17,581 km^2 Block 3B/4B (“Block 3B/4B”) and a 75% WI in the Block 1 CBK (“Block 1 CBK ”).

(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% PI from Tosaco Energy (Pty) Ltd to OrangeBasin Energies (Pty) Ltd (“OrangeBasin Energies”), a B-BBEE-rated South African entity.

(b) Further to the Navitas Framework Agreement described in note 7(a), the Block 1 CBK Option may be exercised within six months and upon payment of $4,000,000 to Eco, and enables Navitas to acquire up to a 47.5% WI 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. See note 21(e) for details of Navitas’ exercise of the Block 1 CBK Option subsequent to the balance sheet date.

(c) On December 3, 2025, Azinam SA signed an exclusive option agreement with OrangeBasin Energies, to acquire a further 20% PI 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 OB Energies Option.

Under the option agreement, if exercised in full by Eco, OrangeBasin Energies will receive $500,000 on exercise, $500,000 on completion in cash and $3,800,000 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 noted above, Navitas has the right to acquire 50% Eco’s WI in the Block 1 CBK OB Energies 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, Navitas will be subject to a lock up agreement period of six 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.

7. Petroleum and Natural Gas Licenses (continued)

b) <u>South Africa</u>

(ii) Block 3B/4B

Block 3B/4B, located between 120-250kms offshore western South Africa, covers an area of 17,581km² and lies in water depths ranging from 300-2500m. The Company's interest in Block 3B/4B is 5.25%.

a. **6.25% Farmout**

On July 11, 2023, the Company signed a legally binding Letter of Intent (the "3B/4B Agreement") pursuant to which Azinam Limited will farm out a 6.25% PI in Block 3B/4B, to Africa Oil SA Corp. Pursuant to the terms of the 3B/4B 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 3B/4B 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 will farm-out a 13.75% PI 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").

7. Petroleum and Natural Gas Licenses (continued)

b) South Africa (continued)

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

b. 13.75% Farmout (continued)

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 7b(ii)(a), the Company also received $4 million from Africa Oil.
- Eco to receive a full carry of its 6.25% 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.

Following Completion, TotalEnergies, the Operator of the Block, held a 33% PI; QatarEnergy International E&P LLC, held a 24% PI; Africa Oil SA Corp, a wholly owned subsidiary of Africa Oil Corp., retained a 17% PI; Azinam Limited, retained a PI of 6.25% (see note c below); and Ricocure retained a 19.75% PI.

c. 1% Farmout

On July 29, 2024, the Company announced the signing of an agreement with Africa Oil (“AO Agreement”) to sell a 1% PI in Block 3B/4B South Africa in exchange for cancellation of all of Africa Oil’s interest in the Company comprising 54,941,744 Common Shares and 4,864,865 warrants (the “Cancelled Equity”). The AO Agreement closed on January 10, 2025 (“Closing Date”) and the 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. Eco’s interest in Block 3B/4B was reduced to a fully carried 5.25%.

The fair value of the Cancelled Equity at the Closing Date was determined to be $7,824,168 (based on the closing price of the Company’s Common Shares on the Closing date for the cancelled Common Shares, and the Black-Scholes option pricing model for the cancelled warrants with the following assumptions: share price - $0.148; exercise price - $0.41; expected life – 0.92 years; annualized volatility - 66.39%; dividend yield - 0%; risk free rate - 3.69%.

The carrying value of Block 3B/4B at the Closing date was $4,428,586, which was reduced to nil, and the balance, $3,395,582 was recorded as a Gain on Farm Out in the Consolidated Statement of Operations and Comprehensive Loss.

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.

(i) The Cooper License

The Cooper License covers approximately 5,788kms and is located in license area 2012A offshore in the economic waters of Namibia (the "Cooper Block"). The Company holds, through its subsidiaries, an 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.

(ii) The Guy License

The Guy License covers 11,457kms and is located in license area 2111B and 2211A offshore in the economic waters of Namibia (the "Guy Block"). The Company holds, through its subsidiaries, an 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.

(iii) The Tamar License

The Tamar License covers approximately 5,649kms and is located in license areas 2211B and 2311A offshore in the economic 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.

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

7. Petroleum and Natural Gas Licenses (continued)

(iv) The Sharon License

The Sharon License covers approximately 5,700kms and is located in license area 2213 offshore in the economic waters of Namibia (the "Sharon Block"). The Company holds, through its subsidiaries, an 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 September 15, 2025, the Company executed a farmout agreement to sell its entire 85% WI in to Lamda Energy (Pty) Ltd ("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 in the amount of $150,000 plus interest, calculated to be $607,000 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, which was received on June 29, 2026.

The Company has written down the value of the license to $607,000 and accordingly recorded an impairment loss of $1,533,257 in the Consolidated Statements of Operations and Comprehensive Loss.

8. Related parties

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making operating and financial decisions. This would include the Company's directors and senior management (CEO, CFO, COO and VP Business Development & Corporate Affairs), who are considered to be key management personnel by the Company. Parties are also related if they are subject to common control or significant influence. Related parties may be individuals or corporate entities. A transaction is considered to be a related party transaction when there is a transfer of resources or obligations between related parties.

(Expressed in US Dollars)

8. Related parties (continued)

The following are the expenses incurred with related parties for the years ended March 31, 2026 and 2025 and the balances owing as of March 31, 2026 and 2025:

March 31, 2026:

	Directors Fees	Bonus	Consulting Fees	Stock based awards	Option based awards	Total	Amounts owing at March 31, 2026
Executive Directors							
Gil Holzman - CEO	-	396,000	508,522	140,737	42,779	1,088,038	289,315
Colin Kinley - COO (*)	-	-	179,661	140,737	42,779	363,177	-
Gadi Levin - CFO (**)	-	72,000	144,000	58,640	17,826	292,466	90,229
Alice Carroll (***)	-	144,738	224,967	58,640	17,826	446,171	40,095
Non Executive Directors							-
Peter Nicol	36,422	-	-	-	17,826	54,248	9,004
Keith Hill	22,190	-	-	-	10,695	32,885	5,503
Alan Friedman	36,955	-	-	-	10,695	47,650	6,910
Selma Usiku (***)	24,386	-	-	-	10,695	35,081	2,074
Emily Ferguson	54,002	-	10,639	35,185	10,695	110,521	10,625
Officers							-
Alan Rootenberg - CFO (**)	-		4,470	-	-	4,470	678
Kinley Exploration LLC, a company controlled by the COO (*)	-		308,238	-	-	308,238	18,133
Total	**173,955**	**612,738**	**1,380,497**	**433,939**	**181,816**	**2,782,945**	**472,566**

(*) Colin Kinley ceased to be a director on November 11, 2025

(**) Gadi Levin replaced Alan Rooteneberg as the CFO on September 1, 2025 and ceased to be a director on March 27, 2026

(***) Alice Carroll and Selma Usiku ceased to be directors on March 27, 2026.

March 31, 2025:

	Directors Fees	Consulting Fees	Stock based awards	Option based awards	Total	Amounts owing at March 31, 2025
Executive Directors						
Gil Holzman - CEO	$ -	$ 488,168	$ 38,293	$ 66,059	$ 592,520	$ 25,240
Colin Kinley - COO	-	395,000	38,293	66,059	499,352	32,917
Gadi Levin - Financial Director	-	133,800	15,955	27,525	177,280	12,000
Alice Carroll	-	161,098	15,955	27,525	204,578	16,362
Non Executive Directors						
Keith Hill	21,888	-	-	16,515	38,403	5,330
Peter Nicol	34,972	-	-	27,525	62,497	8,809
Alan Friedman	36,585		-	16,515	53,100	4,803
Selma Usiku	-	17,859	-	16,515	34,374	1,085
Emily Ferguson	12,000	-	9,573	16,515	38,088	12,000
Officers						
Alan Rootenberg - CFO	-	11,400	-	-	11,400	2,147
Kinley Exploration LLC, a company controlled by the COO	-	397,996	-	-	397,996	27,808
Total	**$ 105,445**	**$ 1,605,321**	**$ 118,069**	**$ 280,753**	**$ 2,109,588**	**$ 148,501**

9. Warrant liability

As detailed in note 10(a)(i), 26,909,091 Warrants were issued to investors in a private placement. The Warrants carry an exercise price of £0.40, with such exercise price being in British Pounds and not in the functional currency of the Company – US Dollars. In accordance with IAS 32 these Warrants are classified as a derivative liability (level 3 measurement - see note 16(e)) and carried at their fair value at the end of each reporting period. The Warrants are exercisable for a period of 3 years from the issue date. The Black-Scholes option pricing model was used to measure the warrant liability at the grant date and as of March 31, 2026 with the following assumptions: volatility of 62.85-63.88%, risk-free interest rate of 3.85%-4.24% per annum, expected life of 2.84-3 years and share price of £0.37 at the grant date and £0.56 at March 31, 2026.

Fair value of the warrant liability for the year ended on March 31, 2026:

Balance at April 1, 2025	$ -
Issuance of Warrants – fair value	5,828,073
Change in value	4,970,920
Balance at March 31, 2026	**$ 10,798,993**

10. Share Capital

Authorized Share Capital

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

Issued Share Capital

a) Share transactions during the year ended March 31, 2026:

(i) On January 29, 2026, the Company completed a private placement gross proceeds of $10.2 million, $10.0 million, net of issuance costs and issued 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.

The Warrants do not meet the "fixed-for-fixed" criterion under IAS 32 and are therefore classified as financial liabilities and measured at fair value through profit or loss (see Note 9). At initial recognition, the fair value of the warrant liability was determined using the Black-Scholes option pricing model. The residual amount of the proceeds, after allocating the fair value to the warrant liability, was allocated to the Common Shares and recognized in share capital. Transaction costs were allocated between the warrant liability and equity components on the same basis.

(ii) On March 2, 2026, the Company issued 3,700,000 shares in respect of RSUs that were granted in 2025, see note 11b.

(Expressed in US Dollars)

10. Share Capital (continued)

Issued Share Capital(continued)

b) Share transactions during the year ended March 31, 2025:

On January 10, 2025, the closing date of the AO Agreement, the Company recorded a net deduction in equity of $7,824,168, being the fair value of the Canceled Equity (see note 7(b)(ii)(c)). The Company reduced its share capital by , $18,120,562, representing 14.8% of the Common Shares outstanding at the time on the cancellation) and reduced the warrant reserve by $1,015,345, being the fair value of the cancelled warrants at their date of issuance, with a corresponding charge to accumulated deficit of $11,311,739.

11. 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 RSUs 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) On January 10, 2025, the Company issued 3,700,000 RSUs to certain Executive and Non-Executive Directors, pursuant to the Plan. The RSUs vest one year after the date of grant and convert into 3,700,000 Common Shares. The fair value of the RSUs was determined to be $552,009 based on the closing price of the Company's Common Shares on the date of issuance. During the year ended March 31, 2026, the Company charged $433,941 (2025 - $118,069) to stock-based compensation in relation to these RSUs. The shares in respect of these RSUs were issued on March 2, 2026.

c) As at March 31, 2026, there are 1,768,000 RSUs issued and vested RSUs. See note 21d for issuances subsequent to the reporting date.

12. Warrants

a) A summary of warrants activity for the years ended March 31, 2026 and 2025 is as follows:

	Number of Warrants	**Weighted Average Exercise Price ($)**
Balance, March 31, 2024	**73,406,531**	**0.69**
Expired	(20,000,000)	0.73
Cancelled	(4,864,865)	0.41
Balance, March 31, 2025	**48,541,666**	**0.67**
Expired	(20,000,000)	1.04
Expired	(28,541,666)	0.41
Investor warrants issued in a private placement (10(a)(i))	26,909,091	0.53
Balance, March 31, 2026	**26,909,091**	**0.53**

(Expressed in US Dollars)

12. Warrants (continued)

b) As at March 31, 2026, outstanding warrants were as follows:

Number of warrants		Exercise Price	Exercise Price (USD)	Expiry Date
26,909,091	£	0.400	$0.53	January 30, 2029
26,909,091				

13. Stock Options

The Company maintains a stock option plan (the "Plan") for the directors, officers, consultants and employees of the Company and its subsidiary companies. The maximum number of 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.

A summary of the status of the Plan as at March 31, 2026 and changes during the year is as follows:

	Number of Stock options		Weighted average exercise price (US$)	Remaining contractual life - years
Balance, March 31, 2024	**6,050,000**	**$**	**0.387**	**3.05**
Expired	(200,000)		0.834	-
Granted (a)	5,610,000		0.208	4.79
Balance, March 31, 2025 and 2026	**11,460,000**	**$**	**0.288**	**2.43**

a) On January 10, 2025, 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 CAD$0.30 ($0.21) 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 years from the date of grant.

   The total fair value of the Options is $508,824 and was determined using the Black-Scholes option pricing model with the following assumptions: share price - $0.15; exercise price - $0.21; expected life - five years; annualized volatility - 81.79%; dividend yield - 0%; risk free rate - 3.24%.

b) Stock-based compensation expense is recognized over the vesting period of stock options. During the year ended March 31, 2026, stock-based compensation in respect of stock option grants amounted to $199,996 (March 31, 2025 – $308,828).

(Expressed in US Dollars)

13. Stock Options

c) As at March 31, 2026, outstanding stock 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	$0.36	May 16, 2027
5,610,000	5,610,000	C$0.30	$0.22	January 10, 2030
11,460,000	**11,460,000**			

See note 21a for exercise of options subsequent to the reporting date, and note 21d for the issuance of new options subsequent to the reporting date.

14. Income Taxes

The reconciliation of the combined Canadian federal and provincial statutory income tax rate of 26.5% (2025 - 26.5%) to the effective tax rate is as follows:

	March 31, 2026 $	March 31, 2025 $
Net loss from continuing operations before recovery of income taxes	**(7,509,571)**	**(2,277,549)**
Expected income tax recovery	(1,990,040)	(603,550)
Differences in subsidiary tax rates changes and other adjustments	(185,930)	(926,720)
Stock based compensation and other non-deductible expenses	167,990	113,750
Fair value adjustment JHI Investment	(587,590)	-
Change in tax benefits not recognized	2,595,570	1,416,520
Income tax recovery	**-**	**-**

14. Income Taxes (continued)

Unrecognized Deferred Tax Assets

Deferred taxes are provided as a result of temporary differences that arise due to the differences between the income tax values and the carrying amount of assets and liabilities. Deferred tax assets have not been recognized in respect of the following deductible temporary differences:

	March 31, 2026 $	March 31, 2025 $
Deferred Tax Assets		
Operating tax losses carried forward - Canada	**27,214,960**	**23,701,810**
Tax attributes – Foreign countries	**13,459,500**	**13,459,500**
Property plant and equipment	**33,040**	**33,040**
Investment in associates	**5,997,320**	**10,432,000**
Share issue costs	**384,940**	**774,660**
Warrant liability	**4,970,920**	**-**
Capital losses carried forward - Canada	**576,670**	**576,670**
Resource pools	**59,130**	**59,130**

The Canadian non-capital losses expire as noted in the table below. The remaining deductible temporary differences may be carried forward indefinitely. Deferred tax assets have not been recognized in respect of these items because it is not probable that future taxable profit will be available against which the Company can utilize the benefit therefrom. The Company's Canadian non-capital losses expire as follows (presented in USD):

2031	71,440
2032	624,570
2033	1,087,310
2034	935,090
2037	1,293,160
2038	1,690,270
2039	1,983,430
2040	2,375,670
2041	2,300,180
2042	2,323,000
2043	3,596,980
2044	2,484,610
2045	2,448,650
2046	4,000,600
	27,214,960

15. Asset Retirement Obligations

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, 2023, one well was drilled, plugged, and abandoned in accordance with international standards and the requirements of the Government of the Republic of South Africa, and therefore, there is no further liability following the completion of this drilling program.

During the years ended March 31, 2024, 2025 and 2026, no additional wells were drilled.

16. Capital and Risk Management

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 of Directors 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 year ended March 31, 2026. 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 harmonized 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.

16. 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 March 31, 2026, the Company had working capital of $8,858,006 (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
Accounts payable and accrued liabilities	$ 2,099,596	$ 2,099,596	$ 2,099,596
	$ 2,099,596	**$ 2,099,596**	**$ 2,099,596**

The Company utilizes authorization for expenditures to further manage capital expenditures and attempts to match its payment cycle with available cash resources. Accounts payable and accrued liabilities at March 31, 2026 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 equivalents are also held in US dollars; therefore, the Company's 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.

(Expressed in US Dollars)

16. Capital and Risk Management (continued)

Risk Management (continued)

e) Fair value

The carrying amounts of cash and cash equivalents, short-term investments, government receivable, accounts receivable, amounts owing by license partners, and accounts payable and accrued liabilities approximate their fair values due to the short-term maturities of these financial instruments.

The Company's financial instruments measured at fair value were classified as follows:

March 31, 2026	Level 1	Level 2	Level 3	Total
Warrant liability	$ -	$ -	$ 10,795,743	$ 10,795,743

As at March 31, 2025, the Company did not have any financial instruments measured at fair value. There were no transfers between levels of the fair value hierarchy during the years ended March 31, 2026 and 2025.

The warrant liability is measured using the Black-Scholes option pricing model and is classified within Level 3 because the valuation incorporates significant unobservable inputs, principally expected share-price volatility. The reconciliation of the opening and closing balances of the Level 3 warrant liability is presented in Note 9.

The following table presents the sensitivity of the warrant liability to reasonably possible changes in the significant valuation inputs at March 31, 2026. Each change has been applied independently, with all other inputs held constant. An increase in the warrant liability would result in an equivalent loss, and a decrease in the warrant liability would result in an equivalent gain, in the consolidated statement of operations and comprehensive loss.

Change in input		
10% Share price increase/decrease	$	1,650,000
5% Expected volatility increase/decrease	$	425,000

The sensitivity analysis is illustrative and does not represent management's expectation of future changes. Changes in more than one input may be correlated, and the combined effect may differ from the sum of the individual sensitivities presented above.

17. 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, submits annual work plans for the development of each license which are approved by the relevant regulator.

(Expressed in US Dollars)

18. Operating Costs, net

Operating costs consist of the following:

	Year ended March 31, 2026	Year ended March 31, 2025
Drilling costs, data acquisition and interpretation and technical consulting, gross	**$ 1,781,511**	$ 2,106,820
Exploration license fees and petrofund	**721,417**	568,138
Travel	**255,189**	201,714
Social corporate responsibility	**122,484**	165,363
Recoveries from exploration partners	**-**	(225,143)
	$ 2,880,601	$ 2,816,892

19. General and Administrative Costs

General and administrative costs consist of the following:

	Year ended March 31, 2026	Year ended March 31, 2025
Occupancy and office expenses	**$ 42,032**	$ 47,383
Travel expenses	**127,635**	165,416
Public company costs	**808,213**	437,859
Insurance	**70,853**	47,848
Financial services	**12,186**	10,299
	$ 1,060,919	$ 708,805

20. Segment Information

An operating segment is a component of the Company that meets the following three 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 March 31, 2026, 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, stock-based compensation and other expenses pertaining to corporate activities.

(Expressed in US Dollars)

20. Segment Information continued)

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

March 31, 2026		Guyana	Namibia	South Africa	Total
Petroleum and natural gas licenses	$	781,649	13,982,368	525,000	15,289,017
	$	781,649	13,982,368	525,000	15,289,017

March 31, 2025		Guyana	Namibia	South Africa	Total
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

21. Events After the Reporting Period

a) Exercise of stock options and issuance of shares for RSUs

Subsequent to the reporting date and through to the date of the report, 2,100,000 stock options were exercised for an aggregate amount of CAD$780,000 ($567,500) and 2,100,000 shares were issued. In addition, 1,768,000 shares were issued in respect of vested RSUs.

b) Namibia Farmout Agreement

On April 10, 2026, the Company and BP Namibia Energy Ltd, a wholly owned subsidiary of BP Exploration Operating Company Limited ("BP") signed an agreement ("Namibia Farmout Agreement") to farm down 60% PI in the Cooper License, Guy License and Tamar License (together, the "Three Namibia Licenses").

Pursuant to the Namibia Farmout Agreement, Eco Namibia and Eco Services will farm out an aggregate of 60% PI and transfer Operatorship to BP in respect of the Three Namibia Licenses (the "Transaction") and upon successful completion of the Transaction, Eco will retain a 25% interest in the Three Namibian Licenses. Completion of the Transaction is subject to customary conditions and approvals from the Namibian authorities, Ministry of Industries Mines and Energy and Upstream Petroleum Unit at the State House.

21. Events After the Reporting Period (continued)

b) Namibia Farmout Agreement (continued)

Transactions Highlights:

- A one-time cash consideration of $2.7 million payable at Transaction completion.
- BP will carry 100% of Eco's 25% retained PI as well as Eco's proportionate share of the NAMCOR (10%) and the Local Partners (5%) PI Carry on the Three Namibian Licenses against the current exploration phase.
- The proposed exploration work program (which is subject to requisite government approval), includes; completing seismic reprocessing on PEL97 and carrying out a 3D Seismic Survey of at least 3,000km2 on PEL99 and PEL100.
- If BP and partners elect to enter the Second Renewal Period of the license term in 2028 and commit to drilling an exploration well, Eco will have the option to either (i) exercise a put option to transfer an additional 10% PI to BP in exchange for a full carry on Eco's remaining 15% PI subject to a cap of $21 million net to Eco for each well on each of the Three Namibian Licenses; or (ii) elect to retain its 25% PI of the costs associated with such drilling of a well during the Second Renewal Period (“Put Option”).
- The maximum aggregate carry consideration payable by BP in respect of each Put Option (should all Put Options namely on the Three Namibian Licenses be exercised) is $63 million with a cap of US$21 million per Put Option.
- Eco can elect to retain its 25% paying interest and/or to farm out to other potential partners (subject to such partners meeting technical and financial qualifications).
- The Transaction is subject to all customary approvals being obtained from the Government of Namibia in relation to the transfer of PI and transfer of Operatorship to BP and acceptance by the TSXV.
- The Transaction constitutes an arm's length transaction for purposes of TSXV policies. No finder's fees are payable in connection with the Transaction. No insiders of the Company have any interest in the Transaction.

c) Issuances of stock options and RSUs

On April 20, 2026, the Company granted, to certain directors, officers and consultants of the Company, stock options to subscribe for 5,587,500 Common Shares at an exercise price of CAD$1.24 per Common Share. dr at the recipient's discretion and expire five years from the date of grant. In addition, the Company granted certain directors, officers and consultants of the Company 6,537,500 RSUs. The RSUs vest one year after the date of grant and convert into 6,537,500 Common Shares.

21. Events After the Reporting Period (continued)

d) Block 1 CBK Option Exercise

On May 19, 2026, Navitas exercised the Block 1 CBK Option, signed a definitive agreement with the Company to farm down a 37.5% WI in Block 1 CBK (the " Block 1 CBK Agreement").

The Block 1 CBK Agreement is conditional on receipt of customary regulatory approvals, from the Petroleum Agency of South Africa and the TSX Venture Exchange and receipt of US$4.0 million cash payment from Navitas to Eco. Upon completion Navitas will become the Operator of Block 1 CBK with 37.5% WI (and up to 47.5% pending exercise of the Eco-OrangeBasin Energies option) upon completion of the transaction.

Eco will retain a remaining WI of 37.5% (and up to 47.5% assuming the exercise of the option with OrangeBasin Energies. Eco will be carried by Navitas for the work programme, the value of the carry being capped at $7.5 million net to Eco. The amounts carried by Navitas will be repaid via Eco's share of proceeds from future production on the Block.