ECO (ATLANTIC) OIL & GAS LTD.

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE THREE AND SIX MONTHS PERIOD ENDED
September 30, 2021

Expressed in US Dollars

Prepared by:
ECO (ATLANTIC) OIL & GAS LTD.
7 Coulson Avenue
Toronto, ON, Canada, M4V 1Y3
November 25, 2021

Introduction

The following management's discussion and analysis (the "**MD&A**") of the financial condition and results of operations of Eco (Atlantic) Oil & Gas Ltd. and its subsidiary companies (individually and collectively, as the context requires, "**Eco Atlantic**" or the "**Company**") constitutes management's review of the factors that affected the Company's financial and operating performance for the three and six month period ended September 30, 2021. This discussion should be read in conjunction with the audited consolidated financial statements of the Company for the year ended March 31, 2021, together with the notes thereto, as well as the Company's unaudited condensed consolidated interim financial statements for three and six month period ended September 30, 2021 (the "**Financial Statements**"). These documents have been prepared in accordance with International Financial Reporting Standards ("**IFRS**") issued by the International Accounting Standards Board. This MD&A contains forward-looking information that is subject to risk factors including those set out under "Forward Looking Information" below and elsewhere in this MD&A, including under "Risks and Uncertainties". Further information about the Company and its operations can be obtained from the offices of the Company or at www.ecooilandgas.com. **All amounts are reported in US dollars**, unless otherwise noted. This MD&A has been prepared as at November 25, 2021.

Forward Looking Information

Statements contained in this MD&A that are not historical facts are forward-looking statements that involve risks and uncertainties. Forward-looking statements include, but are not limited to, statements with respect to the future price of petroleum and/or natural gas; capital expenditures; costs, timing and future plans concerning the development of petroleum and/or natural gas properties; permitting time lines; currency fluctuations; requirements for additional capital; government regulation of petroleum and natural gas matters; environmental risks; unanticipated reclamation expenses; title disputes or claims; and limitations on insurance coverage. In certain cases, forward-looking statements can be identified by the use of words such as "plans", "expects" or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases or state that certain actions, events or results "may", "could", "would", "might" or "will be taken", "occur" or "be achieved". Forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Such factors include, among others, risks related to operations; termination or amendment of existing contracts; actual results of drilling activities; results of reclamation activities, if any; conclusions of economic evaluations; changes in project parameters as plans continue to be refined; future prices of petroleum and natural gas; failure of plant, equipment or processes to operate as anticipated; accidents, labour disputes and other risks of the petroleum and natural gas industries; delays in obtaining or failure to obtain any governmental approvals, licenses or financing or in the completion of development activities; as well as those factors discussed in the section entitled "Risks and Uncertainties " in this MD&A. Although the Company has attempted to identify important factors that may cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements. These forward-looking statements are made as of the date of this MD&A and the Company assumes no obligation to update or revise them to reflect new events or circumstances, except as may be required by law.

Nature of Business and Structure of the Company

The Company's business focuses on the generation of shareholder value through high growth energy projects - primarily through identifying, acquiring, and exploring oil and gas assets, and more recently, through the development of renewable energy projects.

The Company operates in the Republic of Namibia ("**Namibia**") and the Co-Operative Republic of Guyana ("**Guyana**") and in the European Union (through its wholly owned subsidiary Solear Ltd "**Solear**").

The common shares of the Company (the "**Common Shares**") trade on the TSX Venture Exchange (the "**TSXV**") under the symbol "EOG", and on the AIM Market of the London Stock Exchange (the "**AIM**") under the symbol "ECO".

Overview of Operations

Oil and Gas exploration

Eco (Atlantic) Guyana Inc. ("**Eco Guyana**"), the Company's wholly owned subsidiary, currently holds a 15% interest in the Orinduik Block offshore Guyana governed by a petroleum agreement between the Company, the Government of Guyana, Tullow Guyana B.V. and TOQAP Guyana B.V. (the "**Orinduik License**"). The Company's original 40% interest was reduced to 15% following the completion of the exercise of the Total Option (as defined below).

The Company holds four licenses in the Walvis Basin, Offshore Namibia ("**Namibia Licenses**"). Two licenses are held by the Company's wholly owned subsidiary, Eco Oil and Gas (Namibia) (Pty) Ltd.: (i) petroleum exploration license number 0030 (the "**Cooper License**") and (ii) petroleum exploration license number 0034 (the "**Guy License**") and two licenses are held by the Company's wholly owned subsidiary, Eco Oil and Gas Services (Namibia) (Pty) Ltd.: (iii) petroleum exploration license number 0033 (the "**Sharon License**") and (iv) being petroleum exploration license number 0050 (the "**Tamar License**"). The terms of the Namibia Licenses are governed by petroleum agreements (each, an "**Namibia Petroleum Agreements**" and collectively, the "**Eco Namibia Petroleum Agreements**") between the Company, its Namibia Licenses partners, and Namibia's Ministry of Mines and Energy (the "**Ministry**").

Effective June 28, 2021 the Company became the indirect owner of an interest in the Canje Block offshore Guyana through the acquisition of a 6.4% interest (and up to 10% on a fully diluted basis) in JHI Associates Inc., a private company incorporated in Ontario and headquartered in Toronto, Canada. The Canje Block is operated by ExxonMobil and is held by Working Interests partners Esso Exploration & Production Guyana Limited (35%), with TotalEnergies E&P Guyana B.V. (35%), JHI Associates (BVI) Inc. (17.5%) and Mid-Atlantic Oil & Gas Inc. (12.5%).

The Company is in the development stage and has not yet commenced principal producing operations other than acquiring and analyzing certain pertinent geological data in Guyana and Namibia and drilling two exploration wells in Guyana. The Company is currently engaged in the exploration and development of its properties in addition to evaluating the Jethro and Joe oil discoveries to determine the appropriate appraisal approach.

Renewable Energy development

During 2021, the Company's subsidiary, Eco (BVI) Oil and Gas Ltd, was renamed Solear Ltd., to source, acquire and develop an exclusive pipeline of potential high yield solar energy projects, with a geographic focus in southern Europe. An independent senior team is currently engaged in the review and analysis of several development projects with potentially promising returns to seek to generate shareholder value.

Solear is targeting development capacity of 2 GW by the end of 2024. The near-term objectives of the business are to create a portfolio of investment grade solar development assets which will attract capital for further development through to construction and operation.

Significant Developments

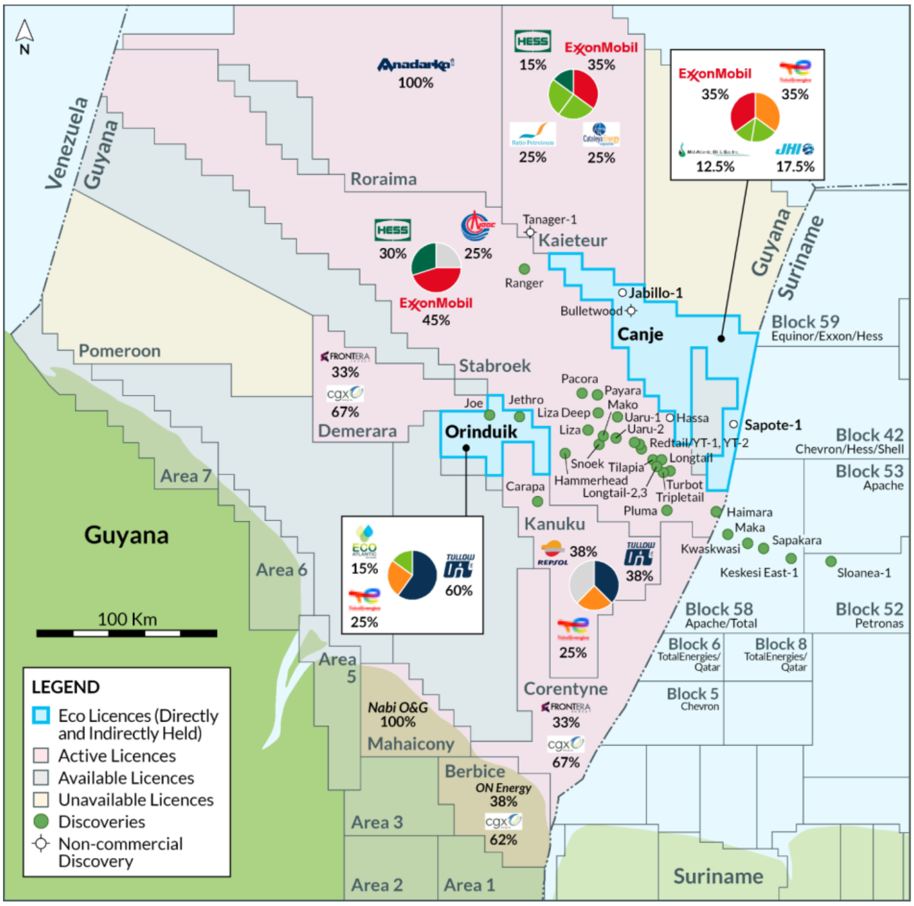
On January 26, 2021, the Company announced the formation of a new company to source, acquire and develop an exclusive pipeline of potential high yield solar energy projects. To give effect to the new venture, the Company's existing subsidiary Eco (BVI) Oil and Gas Ltd, was renamed Solear in which the Company originally owned 70% of the outstanding shares and Nepcoe Capital Partners ("**Nepcoe**") owned the remining 30% of the outstanding shares. Solear completed its first acquisition of a fully contracted, permitted, and build ready project in Greece, known as the Kozani Project. Effective August 1, 2021, Nepcoe agreed to a restructuring of the shareholdings of Solear such that the Company is now the holder of 100% of Solear.

- On March 15, 2021, the Company announced that the joint venture partners in respect of the Orinduik Block offshore Guyana successfully entered into the First Renewal Period of the Orinduik License initially signed on 14 January 2016 with the Government of Guyana, with the associated notice having now been approved and signed by the Department of Energy of the Government of Guyana ("**DOE**"). The DOE has also provided final approval for the transfer of the Total E&P Guyana B.V. 25% working interest in the Orinduik License to a new company jointly owned by Total E&P Guyana B.V. (60%) and Qatar Petroleum (40%), namely TOQAP Guyana B.V. ("**TOQAP**").
- On June 28, 2021, the Company announced that it had closed a transaction with JHI Associates Inc. ("**JHI**"), a private company incorporated in Ontario and headquartered in Toronto, Canada, for the company to acquire up to a 10% interest in JHI on a fully diluted basis (the "**JHI Transaction**") and to appoint Keith Hill, a non-executive Director of the Company, to the JHI board of directors. The JHI Transaction provides the Company with immediate exposure to a current active drilling program in the Canje Block offshore Guyana.

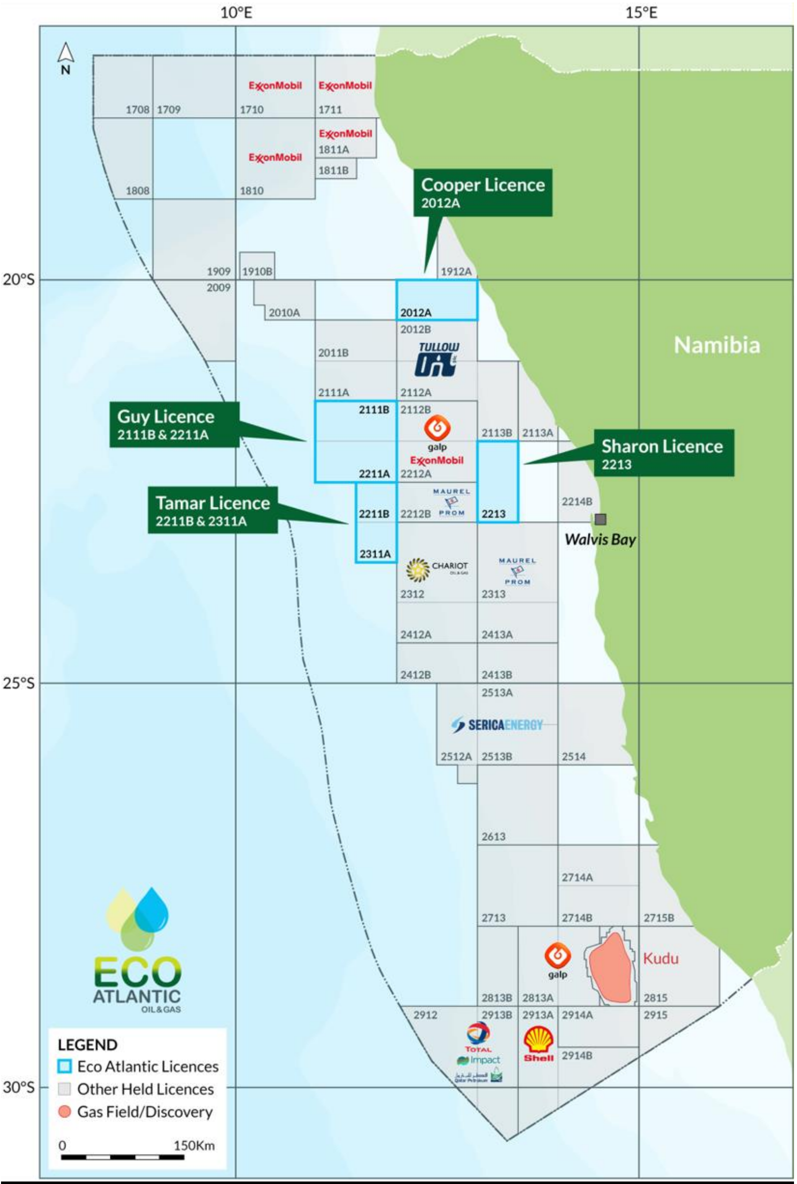
- On June 28, 2021, the Company announced a private placement offering (the "**Offering**") of 14,945,913 Units in the capital of the Company (the "**Units**") at a price of CDN$0.41 per Unit. Each Unit consists of one common share and one whole common share purchase warrant (the "**Warrants**"). Each Warrant entitles the holder thereof to acquire one additional common share in the capital of the Company (each a "**Warrant Share**") at a price of CDN$0.47 per Warrant Share at any time until such date as is two years after the closing of the Offering. The offering was completed with two subscribers, namely Africa Oil Corp. and Charlestown Energy Partners, LLC. The private placement closed on July 19, 2021.
- On July 5, 2021, the Company announced that it received a detailed update from JHI Associates Inc ("**JHI**"). The Jabillo-1 well in the Canje Block, offshore Guyana, reached its planned target depth and was evaluated but did not show evidence of commercial hydrocarbons. Jabillo-1 will now be plugged and abandoned. This well was drilled at no cost to JHI or Eco and was completed on a full carry basis. JHI has also announced that the Block Operator ExxonMobil confirmed its plan to spud another exploration well, Sapote 1, around mid-August 2021.
- On November 1, 2021 the Company announced that it had received an update from JHI that ExxonMobil has successfully and safely drilled the Sapote-1 well on the Canje Block, to a depth of 6,759 meters (22,172 ft), in 2,549 meters (8,362 ft) of water. The well recorded hydrocarbon shows while drilling, and in the logging sequence, in a deeper interval than anticipated, but had no shows in the upper primary objective horizon. With sidewall coring and wireline logging complete, ExxonMobil will now work to define the reservoir properties, including porosity and permeability, and the cored samples will be analysed for hydrocarbons.
- On November 1, 2021 the Company announced that Solear has signed effective October 2021 an MOU with B&S Power Holdings Co. ("**B&S Power**"), an independent developer and operator of solar parks in Europe and South America, to jointly acquire and develop Ready to Build ("**RTB**") solar parks, funded exclusively by an international EPC firm. As part of the joint venture, B&S Power will inject their current development assets base into Solear. The companies are now evaluating a 104MW RTB park in Greece and additional transactions in Bulgaria, Hungary, and Spain.

The location of the Company's exploration licenses are indicated on the maps below:

Guyana



Namibia


10°E
15°E
20°S
25°S
30°S
N
Namibia
Cooper Licence
2012A
Guy Licence
2111B & 2211A
Sharon Licence
2213
Tamar Licence
2211B & 2311A
Walvis Bay
Kudu
1708
1709
1710
1711
1811A
1811B
1808
1810
1909
1910B
1912A
2009
2010A
2012A
2012B
2011B
2111A
2112A
2111B
2112B
2113B
2113A
2211A
2212A
2211B
2212B
2213
2214B
2311A
2312
2313
2412A
2413A
2412B
2413B
2513A
2512A
2513B
2514
2613
2714A
2713
2714B
2715B
2813B
2813A
2815
2912
2913B
2913A
2914A
2915
2914B
LEGEND
Eco Atlantic Licences
Other Held Licences
Gas Field/Discovery
0
150Km

GUYANA

Orinduik Block

The Orinduik Block governed by the Orinduik License is located offshore Guyana. The Orinduik Block is situated in shallow to deep water (70m-1,400m), 170kms offshore Guyana in the Suriname Guyana basin and is located in close proximity to the ExxonMobil led consortiums' 21 oil discoveries which is estimated by ExxonMobil to contain approximately 10 billion recoverable BOE.

In accordance with the Orinduik License and following TotalEnergies E&P Activitiés Pétrolières' ("**Total**") exercise of their Total Option (as defined below), Eco (Atlantic) Guyana Inc. ("**Eco Guyana**") holds a 15% working interest in the Guyana License, TotalEnergies held a 25% working interest (now held by TOQAP Guyana B.V.) and Tullow Guyana holds a 60% interest (Operator) (together the "**Partners**").

On September 11, 2018, the Company announced the filing of a Competent Persons Report ("**Report**") with 2.9 BBOE prospective resource P50 Best Estimate. On March 18, 2019, the Company announced an update to the Report pursuant to which the potential resource on the Orinduik Block, offshore Guyana, was increased to 3.981 BBOE prospective resource P50 Best Estimate, subsequently updated in February 2020.

On December 5, 2018, the Company announced its 2019 drilling program for the Orinduik Block, offshore Guyana. The net cost of the first well, named the Jethro-Lobe prospect, which is located 170 kilometres offshore in the Suriname Guyana basin, was US$7.6 million, the prospect, which was drilled from a conventional drill ship, is a lower tertiary stratigraphically trapped canyon turbidite in about 1,350 meters of water. The prospect, at that time, was estimated to hold 216 mmbbl of gross prospective resources with the 'Chance of Success' estimated to be 43.2%.

On February 20, 2019, the Company announced that, along with its Partners in the Orinduik Block, it contracted a rig, the Stena Forth, a ninth-generation drillship from Stena, to drill the Jethro-Lobe prospect on the Orinduik Block offshore Guyana.

On March 29, 2019, the Company announced that the Company and the Partners had approved the drilling budget for the second well on the Orinduik Block. The net cost, to the Company, of the second well, named the Joe prospect, was approximately US$3 million. Prior to the recent discovery, the prospect was estimated to hold 150mmbbl of gross prospective resources with the 'Chance of Success' estimated to be 43.2%.

On July 5, 2019, the Company announced the spudding of the Jethro-Lobe well.

On August 12, 2019, the Company announced a major oil discovery on the Orinduik License. The Jethro-1 exploration well was drilled by the Stena Forth drillship to a final depth of 14,331 feet (4,400 meters) in approximately 1,350 meters of water. Evaluation of logging data confirmed that the Jethro-1 is the first discovery on the Orinduik License and comprises oil-bearing sandstone reservoir of Lower Tertiary age. It encountered 180.5 feet (55 meters) of net oil pay in lower Tertiary sandstone reservoirs which supports recoverable oil resources. The well was cased, and is awaiting further evaluation to determine the appropriate appraisal activity.

On August 27, 2019, the Company announced the commencement of drilling of the Joe prospect ("**Joe-1**") the Company's second exploration well on the Orinduik Block. Joe-1 was spud using the Stena Forth drillship, which previously drilled the Jethro-1 discovery.

On September 16, 2019, the Company announced a second oil discovery on the Orinduik Block, offshore Guyana. The Joe-1 exploration well was drilled by the Stena Forth drillship to a final depth of 7,176 feet (2,175 meters) in approximately 2,546 feet (780 meters) of water. Evaluation of MWD, wireline logging and sampling of the oil confirms that Joe-1 is the second discovery on the Orinduik License and comprises oil-bearing sandstone reservoir with a high porosity of Upper Tertiary age. The Joe-1 well encountered 52 feet (16 meters) of continuous thick sandstone, which supports the presence of recoverable oil resources. Additional thinner sands above and below the main pay are being evaluated for possible incremental pay.

On November 13, 2019, the Company announced that wells were drilled within budget, with MWD logging tool and conventional wireline, and the reservoirs were considered to be high quality sands with good permeability.

Fluid samples were taken in both of the wells and were sent for analysis by the Operator. Initial results suggest that the samples recovered to date from Jethro-1 and Joe-1 are mobile heavy crudes, not dissimilar to the commercial heavy crudes in the North Sea, Gulf of Mexico, the Campos Basin in Brazil, Venezuela and Angola, with high sulphur content.

The Partners have sought third party consultant with heavy oil development expertise to answer our technical queries and provide an initial assessment of several potential development drilling and production scenarios. The Jethro-1 discovery has the advantage of 8,500 PSI reservoir (2,600 PSI Overpressure), which increases drive efficiency; high reservoir temperature of 94 degrees Celsius; and an estimated flowing well head temperature of 90 degrees, which both increases oil mobility and provides an advantage at the floating production facility. The Company remains optimistic in considering the development scenarios and as the project progresses will provide further information on plans and timing.

On December 9, 2019, the Partners elected to enter the next exploration phase (the "**First Renewal Period**") of the Orinduik License signed on January 14, 2016 and have submitted their official notice to the Department of Energy of the Government of Guyana.

The entering into of the First Renewal Period, which commenced from January 14, 2020, will see the Partners maintain control of the licence for a further three years, through to January 13, 2023, and until the second renewal exploration period which will last until 2026.

On February 3, 2020, the Company announced the filing of a National Instrument 51-101 compliant resource report on the Orinduik Block, offshore Guyana:

- Significant increase in Gross Prospective Resources to 5,141 MMBOE (771 MMBOE net to Eco) from previous estimate of Gross Prospective Resources of 3,981 MMBOE in March 2019.
- 22 prospects identified on Orinduik Block including 11 leads in the Upper Cretaceous horizon.
- Majority of the project leads have over a 30% or better chance of success (COS), enhanced by the recent discovery of light oil on the Kanuku block to the south of Orinduik.
- Leads in the Tertiary aged section estimated to contain 1,204 MMBOE, and within the Cretaceous section are estimated to contain approximately 3,936 MMBOE.
- Two targets in the Cretaceous horizon (Amaila/Kumaka and Iatuk-D) are identified as having in excess of 725 MMBOE each.

On March 15, 2021, the Department of Energy of the Government of Guyana provided final approval for the transfer of the TotalEnergies E&P Guyana B.V. 25% working interest in the Orinduik License to a new company jointly owned by TotalEnergies E&P Guyana B.V. (60%) and Qatar Petroleum (40%), namely TOQAP Guyana B.V. ("**TOQAP**"). Accordingly, the JV Partners now comprise Eco Atlantic (15% WI), Tullow Guyana B.V. (Operator, 60% WI) and TOQAP (25% WI). The Partners are currently further defining the Orinduik geological modeling, prospects maturation and upgrading of the drilling targets inventory selection in an ongoing process. The Partners are also reviewing and incorporating the latest Kanuku Block Carapa-1 light oil discovery and additional regional exploration information into the models. The intent is to provide further definition to the Cretaceous interpretation and targets' selection for drilling in the next drilling campaign.

As of the date hereof, the remaining Exploration activities and the aggregate expenditure of such activities as estimated by management based on current costs for the Orinduik License is as follows(1):

Exploration Activities	Expenditure US$	Company's share of Expenditure US$
By June 2026		
• 2nd renewal period – Drill one further exploration well (contingent)	$ 20,000,000	$ 3,000,000
Total	$ 20,000,000	3,000,000

Note: (1) Drilling Exploration activities are not currently committed and cost estimates are based on management estimates for the costs if the relevant drilling exploration activity was to be undertaken as at the date of this document.

JHI ASSOCIATES INC.

Canje Block

JHI, a private company, holds a 17.5% Working Interest in the 4,800km^2 Canje Exploration Block offshore Guyana. The Canje Block is operated by ExxonMobil and is held by Working Interests partners Esso Exploration & Production Guyana Limited (35%), with TotalEnergies E&P Guyana B.V. (35%), JHI Associates (BVI) Inc. (17.5%) and Mid-Atlantic Oil & Gas Inc. (12.5%).

JHI is a Guyana pure-play deepwater exploration company founded in 2011. In 2014, JHI teamed up with Guyana-based Mid-Atlantic Oil & Gas Inc. ("**MOGI**") which was awarded the Canje Block in 2015. In 2016, ExxonMobil joined the Canje Block as Operator, and in 2018 TotalEnergies farmed into the Block. Five years of extensive technical and seismic data analysis led to the Canje partners identifying multiple drillable prospects and successfully applying for a multi-well drilling permit. The 2021 multi-well exploration program on the Canje Block seeks to test the extension of the prolific hydrocarbon system which has resulted in over 9 billion barrels of oil equivalent of recoverable resources being discovered in the adjacent Stabroek Block since 2015.

As announced on June 28, 2021, Eco acquired a 6.4% interest in JHI Associates Inc. with the option to increase its stake to 10% on a fully diluted basis.

On July 5, 2021, it was announced that the second well on the Canje Block, Jabillo-1, was safely drilled in 2,903 meters of water by the Stena DrillMax drillship to its planned target depth of 6,475 meters. This well tested Upper Cretaceous reservoirs in a stratigraphic trap, reached planned target depth and was evaluated but did not show evidence of commercial hydrocarbons. This well was drilled at no cost to JHI or Eco and was completed on a full carry basis.

The Stena DrillMax drillship is currently operating in the ExxonMobil Operated Stabroek Block and is expected to move on to drill the Sapote-1 well, in the eastern portion of the Canje Block. The Sapote-1 Well is expected to be spud in Q3 2021 with an estimated drilling time of up to 60 days.

On August 31, 2021, the Company announced that Exxonmobil has spud the Sapote-1 in the Canje Block offshore Guyana. The Sapote-1 well is designed to test Upper Cretaceous reservoirs in a stratigraphic trap. The well is approximately 255 km northeast of Georgetown, in 2,550 meters of water, and is being drilled with the Stena DrillMax drillship. The Sapote prospect lies approximately 100 km southeast of the Jabillo location and approximately 50 km north of the Haimara discovery in the Stabroek Block and approximately 60 km northwest of the Maka Central discovery in Block 58.

On November 1, 2021 the Company announced that it had received an update from JHI that ExxonMobil has successfully and safely drilled the Sapote-1 well on the Canje Block, to a depth of 6,759 meters (22,172 ft), in 2,549 meters (8,362 ft) of water. The well recorded hydrocarbon shows while drilling, and in the logging sequence, in a deeper interval than anticipated, but had no shows in the upper primary objective horizon. With sidewall coring and wireline logging complete, ExxonMobil will now work to define the reservoir properties, including porosity and permeability, and the cored samples will be analysed for hydrocarbons.

NAMIBIA

Cooper License

The Cooper License covers approximately 5,788 square kilometers and is located in license area 2012A offshore in the economical waters of Namibia (the "**Cooper Block**"). The Company holds a 57.5% working interest in the Cooper License, the National Petroleum Corporation of Namibia ("**NAMCOR**") holds a 10% working interest, AziNam Ltd ("**AziNam**") holds a 30.7% working interest, and Tangi Trading Enterprise cc ("**Tangi**") holds a 5% working interest. The Company and AziNam proportionally carry NAMCOR and Tangi's working interest during the exploration period.

The Company owns a 1,100 square kilometers 3D seismic survey processed and interpreted with a drilling prospect ("**Osprey**") defined.

On February 5, 2021 a new ten (10) year life cycle for the Cooper License received final governmental approval.

As of the date hereof, the Exploration Activities, and the aggregate expenditure as estimated by management based on current costs for the Cooper License is as follows(1):

Period	Minimum Exploration Work Program	Year	Minimum Estimated Expenditure	Company's share of expenditure
Phase I	WELL TARGETING • 3D Interpretation, Final Processing • Comparison to Learnings From wells Drilled • Faulting Analysis, Source Rock Interpretation • Reprocessing, if required, Target Definition	Year 1 & 2	$ 550,000	$ 351,000
Phase II	WELL PLANNING • Final Location Investigation, Survey, if required • Well Engineering Design, Well Planning and Well Engineering	Year 3	$ 1,200,000	$ 767,000
Phase III	DRILLING EXPLORATORY WELL • Completion of Contracts, Completion of Engineering • Final Drilling Permits, Drilling of Exploratory Well	Year 4	$ 50,000,000	$ 31,941,000
	FIRST RENEWAL EXPLORATION PERIOD (2 YEARS) *(Optional 1-year extension)*			
Phase IV	RESOURCE AND PRODUCTION ASSESSMENT • Based on successful well, Company will complete resource and production assessment and consider offset well • (*If* exploration *well is unsuccessful evaluate new 3D survey)*	Year 5	$ 450,000	$ 287,000
Phase V	OFFTAKE PRODUCTION ENGINEERING PLANNING • Based on successful well, Company completes target assessment and begins planning and permitting for drilling of an offset production well • (*If initial exploration well is unsuccessful, define areas of primary* interest, *permit new 1,200 Km² 3D Survey, Estimate $8/mm)*	Year 6	$ 600,000	$ 383,000
	SECOND RENEWAL EXPLORATION PERIOD (2 YEARS) *(Optional 1-year extension)*			
Phase VI	DRILLING ASSESSMENT WELL • Based on Successful Well, Complete Planning for Assessment Well • Evaluate Offtake Plans Based on 2nd Well Success • Drill Assessment Well, Begin Offtake Engineering and Design	Year 7 & 8	$ 45,000,000	$28,747,000

Notes

(1) Exploration Activities are not currently committed and cost estimates are based on management estimates for the costs if the relevant Exploration Activity was to be undertaken as at the date of this document.

Sharon License

The Sharon License covers approximately 5,700 square kilometers and is located in license area 2213A and 2213B offshore in the economical waters of Namibia (the "**Sharon Block**"). The Company holds a 56.7% working interest in the Sharon License, NAMCOR holds a 10% working interest, AziNam holds a 28.3% working interest and Titan Oil and Gas (Pty) Ltd holds a 5% working interest ("**Titan**"). The Company and AziNam proportionally carry NAMCOR and Titan's working interest during the exploration period.

The Company owns 3,000 kilometer 2D seismic survey for the Sharon Block.

On 5 February, 2021 a new ten (10) year life cycle for the Sharon License received final governmental approval.

As of the date hereof, the remaining Exploration Activities and the aggregate expenditure as estimated by management based on current costs for the Sharon License is as follows[(1)]:

Period	**Minimum Exploration Work Program -**	**Year**	**Minimum Estimated Expenditure**	**Company's share of expenditure**
Phase I	SEISMIC PLANNING AND 2D SEISMIC PROGRAM • Existing 2D Interpretation • Seismic Planning and Complete 2D Seismic Program 1000 km • Processing, Interpretation • Comparison to Learnings other programs and wells Drilled • Faulting Analysis, Source Rock Interpretation	Year 1 & 2	$ 1,000,000	$ 667,000
Phase II	3D SEISMIC PLANNING AND PROGRAM CONTRACTING • 3D Contracting, Planning, Permitting, Operations 1000 km Regional Interpretation	Year 3	$ 6,200,000	$ 4,136,000
Phase III	3D PROCESSING AND INTERPRETATION • Completion of Processing • Interpretation and analysis • Well Target Selection • Drilling Permits • Drilling Contractor	Year 4	$ 1,500,000	$ 1,001,000
	FIRST RENEWAL EXPLORATION PERIOD (2 YEARS) *(Optional 1-year extension)*			
Phase IV	DRILLING EXPLORATORY WELL • Completion of Contracts, Completion of Engineering • Final Drilling Permits, Drilling of Exploratory Well RESOURCE AND PRODUCTION ASSESSMENT • Based on successful well, Company will complete resource and production assessment and consider offset well • (*If exploration well is unsuccessful evaluate new 3D survey)*	Year 5	$ 40,000,000	$ 26,682,000

Period	Minimum Exploration Work Program -	Year	Minimum Estimated Expenditure	Company's share of expenditure
Phase V	OFFTAKE PRODUCTION ENGINEERING PLANNING • Based on successful well, Company completes target assessment and begins planning and permitting for drilling of an offset production well • (*If initial exploration well is unsuccessful, define areas of primary interest, permit new 1,200 Km^2 3D Survey, Estimate $8mm)*	Year 6	$ 600,000	$ 400,000
	SECOND RENEWAL EXPLORATION PERIOD (2 YEARS) *(Optional 1-year extension)*			
Phase VI	DRILLING ASSESSMENT WELL • Based on Successful Well, Complete Planning for Assessment Well • Evaluate Offtake Plans Based on 2nd Well Success • Drill Assessment Well, Begin Offtake Engineering and Design	Year 7 & 8	$ 40,000,000	$ 26,682,000

Notes
(1) Exploration Activities are not currently committed and cost estimates are based on management estimates for the costs if the relevant Exploration Activity was to be undertaken as at the date of this document.

Guy License

The Guy License covers 11,457 square kilometers and is located in license area 2111B and 2211A offshore in the economical waters of Namibia (the "**Guy Block**"). The Company holds a 47.2% working interest in the Guy License, NAMCOR holds a 10% working interest, AziNam holds a 37.8% working interest and Lotus Explorations (Pty) Ltd holds a 5% working interest ("**Lotus**"). The Company and AziNam proportionally carry NAMCOR and Lotus' working interest during the exploration period.

The Company owns 1,000 kilometer 2D seismic survey and 870 square kilometer 3D seismic survey on the Guy Block.

On 5 February, 2021 a new ten (10) year life cycle for the Guy License received final governmental approval.

As of the date hereof, the remaining Exploration Activities and the aggregate expenditure as estimated by management based on current costs for the Guy License is as follows: (1)

Period	Minimum Exploration Work Program	Year	Minimum Estimated Expenditure	Company's share of expenditure
Phase I	SEISMIC PLANNING AND 2D SEISMIC PROGRAM • Existing 2D and 3D Interpretation • Seismic Planning and Complete 2D Seismic Program 1000 km • Processing, Interpretation • Comparison to Learnings other programs and wells Drilled • Faulting Analysis, Source Rock Interpretation	Year 1 & 2	$ 1,250,000	$ 694,000

Period	Minimum Exploration Work Program	Year	Minimum Estimated Expenditure	Company's share of expenditure
Phase II	3D SEISMIC PLANNING AND PROGRAM CONTRACTING • 3D Contracting, Planning, Permitting, Operations 1000 km Regional Interpretation	Year 3	$ 6,400,000	$ 3,555,000
Phase III	3D PROCESSING AND INTERPRETATION • Completion of Processing • Interpretation and analysis • Well Target Selection • Drilling Permits • Drilling Contractor	Year 4	$ 1,500,000	$ 833,000
	FIRST RENEWAL EXPLORATION PERIOD (2 YEARS) *(Optional 1-year extension)*			
Phase IV	DRILLING EXPLORATORY WELL • Completion of Contracts, Completion of Engineering • Final Drilling Permits, Drilling of Exploratory Well RESOURCE AND PRODUCTION ASSESSMENT • Based on successful well, Company will complete resource and production assessment and consider offset well • (*If exploration well is unsuccessful evaluate new 3D survey)*	Year 5	$ 50,000,000	$ 27,765,000
Phase V	OFFTAKE PRODUCTION ENGINEERING PLANNING • Based on successful well, Company completes target assessment and begins planning and permitting for drilling of an offset production well • (*If initial exploration well is unsuccessful, define areas of primary interest, permit new 1,200 Km^2 3D Survey, Estimate $8mm)*	Year 6	$ 600,000	$ 333,000
	SECOND RENEWAL EXPLORATION PERIOD (2 YEARS) *(Optional 1-year extension)*			
Phase VI	DRILLING ASSESSMENT WELL • Based on Successful Well, Complete Planning for Assessment Well • Evaluate Offtake Plans Based on 2nd Well Success • Drill Assessment Well, Begin Offtake Engineering and Design	Year 7 & 8	$ 50,000,000	$ 27,765,000

Notes

(1) Exploration Activities are not currently committed and cost estimates are based on management estimates for the costs if the relevant Exploration Activity was to be undertaken as at the date of this document.

Tamar License

The Tamar License covers approximately 5,648 square kilometers and is located in license areas 2211B and 2311A offshore in the economical waters of Namibia (the "**Tamar Block**"). The Company holds an 85% working interest in the Tamar Block, NAMCOR holds a 10% working interest and Moonshade Investment (Pty) Ltd holds a 5% working interest ("**Moonshade**"). The Company and AziNam proportionally carry NAMCOR and Moonshades' working interest during the exploration period.

On 5 February, 2021 a new ten (10) year life cycle for the Tamar License received final governmental approval.

As of the date hereof, the remaining Exploration Activities and the aggregate expenditure as estimated by management based on current costs for the Tamar License is as follows: (1)

Period	**Minimum Exploration Work Program**	**Year**	**Minimum Estimated Expenditure**	**Company's share of expenditure**
Phase I	SEISMIC PLANNING AND 2D SEISMIC PROGRAM • Existing 2D Interpretation • Seismic Planning and Complete 2D Seismic Program • Processing, Interpretation • Comparison to Learnings other programs and wells Drilled • Faulting Analysis, Source Rock Interpretation	Year 1 & 2	$ 1,250,000	$ 1,250,000
Phase II	3D SEISMIC PLANNING AND PROGRAM CONTRACTING • 3D Contracting, Planning, Permitting Regional Interpretation	Year 3	$ 6,400,000	$ 6,400,000
Phase III	3D PROCESSING AND INTERPRETATION • Completion of Processing • Interpretation and analysis • Well Target Selection • Drilling Permits • Drilling Contractor	Year 4	$ 1,500,000	$ 1,500,000
	FIRST RENEWAL EXPLORATION PERIOD (2 YEARS) *(Optional 1-year extension)*			
Phase IV	DRILLING EXPLORATORY WELL • Completion of Contracts, Completion of Engineering • Final Drilling Permits, Drilling of Exploratory Well RESOURCE AND PRODUCTION ASSESSMENT • Based on successful well, Company will complete resource and production assessment and consider offset well • (*If exploration well is unsuccessful evaluate new 3D survey)*	Year 5	$ 40,000,000	$ 40,000,000

Period	Minimum Exploration Work Program	Year	Minimum Estimated Expenditure	Company's share of expenditure
Phase V	OFFTAKE PRODUCTION ENGINEERING PLANNING • Based on successful well, Company completes target assessment and begins planning and permitting for drilling of an offset production well • (*If initial exploration well is unsuccessful, define areas of primary interest, permit new 1,200 Km^2 3D Survey, Estimate $8mm)*	Year 6	$ 600,000	$ 600,000
	SECOND RENEWAL EXPLORATION PERIOD (2 YEARS) *(Optional 1-year extension)*			
Phase VI	DRILLING ASSESSMENT WELL • Based on Successful Well, Complete Planning for Assessment Well • Evaluate Offtake Plans Based on 2nd Well Success • Drill Assessment Well, Begin Offtake Engineering and Design	Year 7 & 8	$ 40,000,000	$ 40,000,000

Notes

(1) Exploration Activities are not currently committed and cost estimates are based on management estimates for the costs if the relevant Exploration Activity was to be undertaken as at the date of this document.

SOLEAR

Solear, a wholly owned subsidiary of Eco, is an independent renewable energy company focused on grid-scale solar development projects in southern Europe. Initial funding has been provided by Eco in the form of a shareholder loan, as described below. Solear's near term objectives are to create a portfolio of investment grade solar development assets which will attract capital for maturing through to construction and operation. The business is pursuing development assets which have the capability of providing double digit returns with low completion risk and also have the materiality to support a rapid growth of the business.

The company is targeting development capacity of up to 2 GW by the end of 2024.

Structure of the new venture and Loan

The Company has agreed to provide a secured loan of up to $6 million (the "**Loan**") to Solear. Initially, the Company retained a 70% shareholding in Solear, with Nepcoe holding the remaining 30%. In August 2021, Nepcoe agreed to a restructuring of the shareholdings of Solear such that the Company is now the holder of 100% of Solear. The Loan bears 2% annual interest, which will accrue and is expected to be payable from the proceeds of either a public or private financing, through operating cash flow, or a project monetization event. It is intended that Solear will be a standalone business from Eco Atlantic. The Board of Eco Atlantic will assess the ability for shareholders to participate directly in the financing of Solear when it seeks to raise the necessary funds for capturing more project opportunities and / or the construction of the projects within its pipeline, for which a number of options are being actively considered.

Solear's near term objectives to develop pipeline of competitive IRR assets through development, construction and into operation is led by an experienced renewable energy team. The senior management team has a wide range of project experience across the full value chain in Europe and have originated and developed approximately 10GW of power projects in Europe, Africa and North America.

Solear is being led by senior executives Nick Morgan and Aneliya Erdly, and benefits from Eco's engineering project experience with the executive team's oversight.

Nick Morgan

Nick is an experienced CFO across public and private companies operating in the energy sector. He has broad expertise in both advisory and executive positions. Nick was recently the Group CFO of a United Kingdom flex power generation business which was successfully sold to a US based private equity backed renewable and flex power business. He has 13 years of investment banking experience, advising on M&A and ECM transactions and spent six years as the CFO of a publicly listed O&G exploration and production company. Nick is a Chartered Accountant by profession.

Aneliya Erdly

Aneliya has 16 years' experience in senior management positions developing, financing, constructing and running renewable power generation businesses. She has material in depth solar industry knowledge and experience. She was the former CEO of a pan-European renewables platform, originating 5 GW of wind and solar pipelines in Europe and over 10 GW globally. She oversaw the bringing into operation of approximately 10 GW of Europe based solar assets. Aneliya's experience covers regulatory oversight, equipment procurement, asset management and cost optimization. Her previous roles included senior executive positions at AES Corporate and SilverRidge, a Riverstone backed renewables business. Aneliya most recently advised Trafigura on the structuring of a new renewable energy platform and developing a global investment thesis.

European Solar Market

The European solar photovoltaic market is experiencing a period of high growth, with an increasing speed of development forecast over the coming decade. The European Union recently set out new targets to be achieved by the end of 2030 in its 'Fit for 55'package, which it is seeking to pass into law.

The increased targets for renewable power generation and the production of green hydrogen from renewable sources, for use in industry and transport, are forecast to require a massive expansion of existing renewable generation capacity. A material part of this expansion is expected to come from the European solar industry. The streamlining of permitting by regional and national authorities and governmental support for new growth assets will be expected to achieve these new targets.

Social Corporate Responsibility

The Company is committed to meeting the highest standards of Environmental, Social and Governance ("**ESG**") practices across all aspects of the business. In the countries it operates in, Eco is dedicated to promoting sustainable growth, as well as support to local communities. Eco has begun implementing early-stage social responsibility program focused on education in Namibia and Guyana. The Company firmly believes that by providing the younger generation with the valuable skills and education tools needed to succeed, the whole economy in which it operates will benefit from growth and prosperity.

Eco's primary ESG goal is to contribute to a sustainable future for Namibia and Guyana. As the petroleum sector continues to develop in these jurisdictions, these countries will inevitably benefit from the creation of new jobs, economic growth, infrastructure development and education. Within this context, Eco will continue to demonstrate its support and participation through proactive social and corporate responsibility.

In addition, Eco seeks to contribute via Solear to the production of renewable energy to reduce the Group's net carbon emissions.

Financial position

The Company's current operations are focused on Guyana and Namibia.

As at September 30, 2021, the Company had total assets of $19,946,369 and a net equity position of $16,702,962. This compares with total assets of $16,929,177 and a net equity position of $15,982,098 as at March 31, 2021. The Company had current liabilities of $626,381 as at September 30, 2021, as compared with $621,162 as at March 31, 2021.

As at September 30, 2021, the Company had working capital of $6,059,280 compared to working capital of $13,001,619 as at March 31, 2021. The Company had cash on hand of $6,221,320 as at September 30, 2021, compared with $11,807,309 as at March 31, 2021, and short-term investments of $52,618 at September 30, 2021 compared with $1,552,640 as at March 31, 2021. As of the date of this report, the Company holds approximately $5.5 million in cash and cash equivalents and $500,000 as a restricted deposit.

Environmental Regulation

The Company's activities may be subject to environmental regulations, which may cover a wide variety of matters. It is likely that environmental legislation and permitting will evolve in a manner which will require stricter standards and enforcement. This may include increased fines and penalties for non-compliance, more stringent environmental assessments of proposed projects and a higher degree of responsibility for companies, their directors and employees.

The Company does not believe that any provision for such costs is currently required and is unable to determine the impact on its financial position, if any, of environmental laws and regulations that may be enacted in the future due to the uncertainty surrounding the form that these laws and regulations may take.

Summarized Financial Information (in US Dollars)

	Three months ended September 30,		Six months ended September 30,	
	2021	2020	2021	2020
Revenue				
Interest income	**3,911**	7,247	**8,435**	35,656
	3,911	7,247	**8,435**	35,656
Operating expenses:				
Compensation costs	**338,089**	141,322	**584,267**	313,626
Professional fees	**352,342**	87,799	**423,023**	120,414
Operating costs	**38,195**	330,738	**479,792**	850,415
General and administrative costs	**200,960**	142,267	**309,357**	229,270
Share-based compensation	**5,888**	42,177	**11,710**	54,820
Interest expsense	**7,109**	-	**10,513**	-
Revaluation of warrant liability	**(637,189)**	-	**(637,189)**	-
Foreign exchange gain (loss)	**99,153**	(45,298)	**53,222**	(36,265)
Total operating expenses	**404,547**	699,005	**1,234,695**	1,532,280
Net loss for the period	**$ (400,636)**	$ (691,758)	**$ (1,226,260)**	$ (1,496,624)

Exploration and evaluation assets and expenditures

For oil and gas prospects not commercially viable and financially feasible, the Company expenses exploration and evaluation expenditures as incurred. Exploration and evaluation expenditures include acquisition costs of oil and gas prospects, property option payments and evaluation activities. Exploration and evaluation expenditures associated with a business combination or asset acquisition are capitalized.

Once a project has been established as commercially viable and technically feasible, related development expenditures are capitalized. This includes costs incurred in preparing the site for production operations. Capitalization ceases when the oil and natural gas reserves are capable of commercial production, with the exception of development costs that give rise to a future benefit. Exploration and evaluation expenditures are capitalized if the Company can demonstrate that these expenditures meet the criteria of an identifiable intangible asset.

Interest income

During the three months ended September 30, 2021, the Company earned interest of $3,911 from funds invested in interest bearing deposits with financial institutions, as compared with $7,247 earned during the three months ended September 30, 2020.

During the six months ended September 30, 2021, the Company earned interest of $8,435 from funds invested in interest bearing deposits with financial institutions, as compared with $35,656 earned during the six months ended September 30, 2020.

The decrease in interest earned during each period reflects the decrease in average cash balances during the period as the Company used its cash reserves to finance its operations and a decrease in interest rates during the period.

Expenses

As operator of the some of its petroleum exploration licenses, the Company bills certain partners for their respective share in certain compensation, operating and administrative expenses on our Namibian Licenses ("**JOA Recoveries**").

Operating costs

Operating costs include amounts spent on data acquisition, technical consulting and analysis, incurred in connection with the Company's oil and gas licenses and expenses incurred by Solear to progress its renewable energy projects

During the three months ended September 30, 2021, the Company incurred net operating costs of $38,195 as compared to net operating costs of $330,738 for the three months ended September 30, 2020. In 2021, $3,908 relates to the Company's oil and gas division and $34,287 relates to the Company's renewables division.

During the six months ended September 30, 2021, the Company incurred net operating costs of $479,792 as compared to net operating costs of $850,415 for the six months ended September 30, 2020. In 2021, $405,942 relates to the Company's oil and gas division and $73,850 relates to the Company's renewables division.

Compensation costs

Compensation costs represent amounts paid by the Company for compensation to certain members of management and non-executive directors. It further includes compensation paid to management of Solear.

During the three months ended September 30, 2021, the Company incurred compensation costs of $338,089 as compared to $141,322 for the three months ended September 30, 2020.

During the six months ended September 30, 2021, the Company incurred compensation costs of $584,267 compared to $313,626 for the six months ended September 30, 2020.

The increase in compensation costs in 2021 is due to the inclusion of costs relating to Solear in the form of a shareholder's loan.

Following the restructuring within Solear (as described above), the increased costs relating to Solear will no longer be incurred going forward.

Professional fees

Professional fees represent amounts paid by the Company for professional fees provided to the Company by independent service providers.

During the three months ended September 30, 2021, the Company incurred professional fees of $352,342 compared to $87,799 for the three months ended September 30, 2020. The increase in professional fees in 2021 is due to the inclusion of costs relating to Solear in the form of a shareholder's loan.

During the six months ended September 30, 2021, the Company incurred professional fees of $423,023 compared to $120,414 for the six months ended September 30, 2020.

Following the restructuring within Solear (as described above), the increased costs relating to Solear will no longer be incurred going forward.

General and administrative costs

General and administrative costs include public company charges, travel and entertainment, occupancy and general office expenditures for the Company's head office in Toronto and its regional office in Guyana, London and Namibia.

During the three months ended September 30, 2021, the Company incurred net general and administrative costs of $200,960 as compared to $142,267 during the three months ended September 30, 2020.

During the six months ended September 30, 2021, the Company incurred net general and administrative costs of $309,357 as compared to $229,270 during the six months ended September 30, 2020.

General and Administrative costs increased during 2021 as compared to 2021, primarily due to public company costs, and costs related to Solear.

Following the restructuring within Solear (as described above), the increased costs relating to Solear will no longer be incurred going forward.

Share based compensation

The share based compensation expense reflects the fair value of stock options granted to directors, officers, employees and consultants of the Company.

During the three months ended September 30, 2021, share based compensation amounted to $5,888 as compared to $42,177 for the three months ended September 30, 2020.

During the six months ended September 30, 2021, share based compensation amounted to $11,710 as compared to $54,820 for the six months ended September 30, 2020.

Foreign exchange

The foreign exchange movement during the three months and six months ended September 30, 2021, reflects the movements of the Canadian dollar, British Pound, Euro and Namibian dollar relative to the US Dollar. The Company's cash and cash equivalents and short-term investments are held primarily in US Dollars, but the Company also hold funds in in Canadian dollars, British Pounds and Euros.

Summary of Quarterly Results ~~needs to be updated~~

Summarized quarterly results for the past eight quarters are as follows:

	Quarter Ended							
		30-Sep-21		30-Jun-21		31-Mar-21		31-Dec-20
Total income	$	3,911	$	4,524	$	5,318	$	6,123
Net loss for the period	$	(400,636)	$	(825,624)	$	(1,540,808)	$	(642,375)
Basic loss per share	$	(0.002)	$	(0.004)	$	(0.008)	$	(0.003)

	Quarter Ended							
		30-Sep-20		30-Jun-20		31-Mar-20		31-Dec-19
Total income	$	7,247	$	28,409	$	69,008	$	80,302
Net profit (loss) for the period	$	(691,758)	$	(804,866)	$	750,017	$	(2,473,333)
Basic loss per share	$	(0.005)	$	(0.005)	$	0.001	$	(0.010)

During the last six quarters, and following the drilling of two wells in Guyana, the Company, together with its partners, have been reprocessing 3D data and identifying additional targets to drill on our Guyana block. During the last four quarters, the Company has also focused its efforts on establishing our renewable solar energy division.

Commented [RC1]: Trivial point but suggest keeping all loss per share to same decimal place (either 2 or 3) for comparison purposes, and add brackets to 31 Dec 19 loss per share as has been done for 31 Dec 20

Commented [GL2R1]: I went with 3 decimal places, else there are rounding errors.

Commented [RC3R1]: March 20 figure should be without brackets as it's a profit for the period

Commented [GL4R1]: done

Additional Disclosure for Venture Issuers Without Significant Revenue (In US Dollars)

	Three months ended September 30,		Six months ended September 30,	
	2021	2020	2021	2020
Gross expenditures on exploration and evaluation				
Cooper License	**$ 139,000**	$ 150,000	**$ 251,000**	$ 264,000
Guy License	**61,000**	68,000	**$ 83,000**	91,000
Sharon License	**121,000**	135,000	**$ 190,000**	236,000
Tamar License	**6,000**	24,000	**$ 27,000**	67,000
Guyana License	**111,000**	132,000	**135,000**	441,000
Total	**$ 438,000**	$ 509,000	**$ 686,000**	$ 1,099,000
General and administrative expenses				
Occupancy and office expenses	**$ 5,051**	$ 5,477	**$ 7,700**	$ 7,854
Social corporate responsibility	**-**	46,261	**-**	46,261
Travel expenses	**13,964**	736	**28,996**	27,608
Public company costs	**149,435**	81,540	**236,642**	145,775
Insurance	**42,871**	17,306	**48,685**	19,622
Financial services	**4,826**	2,336	**7,964**	4,176
Recovered under JOAs	**(15,187)**	(11,389)	**(20,630)**	(22,026)
	$ 200,960	$ 142,267	**$ 309,357**	$ 229,270

Liquidity and Capital Resources

The financial statements have been prepared on a going concern basis whereby the Company is assumed to be able to realize its assets and discharge its liabilities in the normal course of operations. The financial statements do not reflect adjustments that would be necessary if the going concern assumption were not appropriate. If the going concern assumption was not appropriate for the financial statements, then adjustments of a material nature would be necessary in the carrying value of assets such as petroleum and natural gas licenses, liabilities, the reported expenses, and the balance sheet classifications used. Management continues to pursue financing opportunities for the Company to ensure that it will have sufficient cash to carry out its planned exploration program beyond the next year.

During the six months ended September 30, 2021, the Company's overall position of cash and cash equivalents decreased by $5,585,989, including forex differences. This decrease in cash can be attributed to the following activities:

1) The Company's net cash used in operating activities during the six months ended September 30, 2021 was $1,950,517 as compared to cash used in operating activities of $1,409,842 for the six months ended September 30, 2020. The increase in 2021 is as a result of the inclusion of the Solear operations in the form of a shareholder's loan.
2) Cash used in investing activities for the six months ended September 30, 2021 was $8,499,978 as compared to nil for the six months ended September 30, 2020. In 2021, the amount related primarily to the Company's acquisition of the JHI Associates Inc. common shares, and was offset by the redemption of short term investments.
3) Cash generated from financing activities for the six months ended September 30, 2021 was $4,865,177 as compared to nil for the six months ended September 30, 2020. In 2021, the amount related primarily to private placement completed in July 2021 and the exercise of options.

As discussed above, the Company is required to undertake specific exploration activities on each of the Company's licenses during each phase of development. (See "Overview of Operations" for information on the Company's commitments.)

The Company is currently engaged in the exploration and development of the licenses in order to assess the existence of commercially exploitable quantities of oil and gas and to determine if additional resources should be allocated to these licenses as per the work program commitments set out herein. The Company has completed the minimum exploration work required to date for each of its material licenses.

The Company has no revenue producing operations and continues to manage its costs, focusing on its higher potential licenses as described above. It may seek funding in the capital markets and may seek to pursue additional joint venture and farm-in opportunities with other suitable companies having access to capital, in order to meet its exploratory commitments and development strategy. Although the Company has been successful in raising funds to date, there can be no assurance that adequate funding will be available in the future, or available under terms favorable to the Company.

Common Share Data (as at November 24, 2021)

Common Shares	199,~~643~~893,636
Common Share to be returned to treasury[(1)]	(846,992)
Options issued to directors, officers and consultants	6,970,000
RSUs granted to directors, officers and consultants	343,000
Warrants	14,945,913
Common shares outstanding on a fully diluted basis	221,305,557~~221,055,557~~

Commented [JB5]: Needs to be updated. 199,893,636 shares in issue.

(1) In connection with the Amalgamation, the former shareholders of PAO were required to surrender for cancellation the certificates representing their PAO shares (the "Certificates") in order to obtain Common Shares. Former shareholders of PAO had six years from January 28, 2015, being the effective date of the Amalgamation, to surrender their Certificates and to receive Common Shares (the "Conversion"), failing which their Common Shares would be cancelled. On January 28, 2021 (the "Expiry Date") the rights to the Conversion expired. As at the Expiry Date there remained 846,992 Common Shares that were not surrendered for Conversion and which were effectively cancelled.

Commented [GL6R5]: done

Off-Balance Sheet Agreements

As of the date of this MD&A, the Company does not have any off-balance sheet arrangements that have or are reasonably likely to have, a current or future effect on its results of operations or financial condition, including, and without limitation, such consolidations as liquidity, capital expenditure and capital resources that would be considered material to investors.

Contractual Commitments

Licenses

The Company is committed to meeting all of the conditions of its licenses including annual lease renewal or extension fees as needed.

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.

Financial Instruments

Other risks and uncertainties the Company faces at present are market risk and foreign exchange risk.

Market risk is the risk of loss that may arise from changes in interest rates, foreign exchange rates and oil and gas prices. An extended period of depressed oil and gas prices could make access to capital more difficult and the Company is dependent on capital markets to fund its exploration and ultimately, its development programs.

Foreign exchange risk arises since most of the Company's costs are in currencies other than the Canadian dollar. Fluctuations in exchange rates between the Canadian dollar and the U.S. dollar could materially affect the Company's financial position. 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.

Risks and Uncertainties

The business of exploring for, developing and producing oil and gas reserves is inherently risky. The Company is in the development stage and has not determined whether its licenses contain economically recoverable reserves. The Company's future viability is dependent on the existence of oil and gas reserves and on the ability of the Company to obtain financing for its exploration programs and development of such reserves and ultimately on the profitability of operations or disposition of its oil and gas interests.

The Company's actual exploration and operating results may be very different from those expected as at the date of this MD&A.

For a complete discussion on risk factors, please refer to the Company's Annual Information Form dated July 29, 2021, filed under the Company's profile at www.sedar.com and on the Company's website.

COVID-19

Since January 2020, the Coronavirus outbreak has dramatically expanded into a worldwide pandemic creating macro-economic uncertainty and disruption in the business and financial markets. Many countries around the world have been taking measures designated to limit the continued spread of the Coronavirus, including the closure of workplaces, restricting travel, prohibiting assembling, closing international borders and quarantining populated areas. To date there have been minimal disruptions to the Company's operations. Despite reduced travel, the Company has been able to maintain communications and on-going operations with its partners and regulatory bodies, however, such measures present concerns that may dramatically affect the Company's ability to conduct its business effectively, including, but not limited to, adverse effect relating to negotiations and discussions with regulators, site visits, slowdown and stoppage of work, travel and other activities which are essential and critical for maintaining on-going business activities. Given the uncertainty around the extent and timing of the future spread or mitigation of COVID-19 and around the imposition or relaxation of protective measures, the Company cannot reasonably estimate the impact to its future results of operations, cash flows or financial condition; infections may become more widespread and the limitation on the ability to work and travel, as well as any closures or supply disruptions, may be extended for longer periods of time and to other locations, all of which would have a negative impact on the Company's business, financial condition and operating results. In addition, the unknown scale and duration of these developments have macro and micro negative effects on the financial markets, oil prices and the global economy which could result in an economic downturn that could have a material adverse effect on its operations and financial results, earnings, cash flow and financial condition. To mitigate some of these risks, the Company has taken steps to reduce its cash burn by reducing compensation to officers, directors and consultants.

Transactions between Related Parties and Balances

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 senior management, 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.

Fees for management services and operating costs paid to directors and officers or private companies which are controlled by directors or officers of the Company were as follows:

The following are the expenses incurred with related parties for the six months ended September 30, 2021 and 2020 and the balances owing as of September 30, 2021 and 2020:

September 30, 2021:

	Directors Fees	Consulting Fees	Stock based awards	Option based awards	Total	Amounts owing at September 30, 2021
Executive Directors						
Gil Holzman - CEO	$ -	$ 202,359	$ -	$ -	$ 202,359	$ 33,726
Colin Kinley - COO (*)	-	189,950	-	-	189,950	31,658
Alan Friedman - Executive Vice President	-	20,491	-	-	20,491	3,415
Gadi Levin - Financial Director	-	47,250	-	-	47,250	7,875
Non Executive Directors				-		
Moshe Peterberg - Chairman of the board	61,200	-	-	-	61,200	10,200
Keith Hill	12,210	-	-	-	12,210	2,035
Peter Nicol	18,659	-	-	-	18,659	3,110
Helmut Angula	10,175	-	-	-	10,175	1,696
Officers						
Alan Rootenberg - CFO	-	5,700	-	-	5,700	950
Total	**$ 102,244**	**$ 465,750**	**$ -**	**$ -**	**$ 567,994**	**$ 94,666**

(*) Included in Consulting fees to Mr. Kinley is $90,000 in fees paid for technical services provided by Kinley Exploration LLC, a Company controlled by Mr. Kinley.

September 30, 2020:

	Directors Fees	Consulting Fees	Stock based awards(**)	Option based awards(**)	Total	Amounts owing at September 30, 2020
Executive Directors						
Gil Holzman - CEO	$ -	$ 142,800	$ -	$ -	$ 142,800	$ 23,800
Colin Kinley - COO (*)	-	219,300	-	-	219,300	36,550
Alan Friedman - Executive Vice President	-	18,816	-	-	18,816	3,136
Gadi Levin - Financial Director	-	45,049	-	-	45,049	7,508
Non Executive Directors						
Moshe Peterberg - Chairman of the board	61,200	-	-	-	61,200	30,600
Keith Hill	11,349	-	-	-	11,349	5,674
Peter Nicol	17,122	-	-	-	17,122	8,561
Helmut Angula	9,457	-	-	-	9,457	4,729
Officers						
Alan Rootenberg - CFO	-	5,646	-	-	5,646	-
Total	**$ 99,128**	**$ 431,612**	**$ -**	**$ -**	**$ 530,740**	**$ 120,558**

(*) Included in Consulting fees to Mr. Kinley is $90,000 in fees paid for technical services provided by Kinley Exploration LLC, a Company controlled by Mr. Kinley.

Critical Accounting Estimates

The Company's critical accounting estimates are defined as those estimates that have a significant impact on the portrayal of its financial position and operations and that require management to make judgments, assumptions and estimates in the application of IFRS. Judgments, assumptions and estimates are based on historical experience and other factors that management believes to be reasonable under current conditions. As events occur and additional information is obtained, these judgments, assumptions and estimates may be subject to change. The Company believes the following are the critical accounting estimates used in the preparation of its consolidated financial statements. The Company' significant accounting policies can be found in Note 3 of the Company's Financial Statements.

Use of estimates

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.

Impairment of assets

When there are indications 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. Determining the value in use requires the Company to estimate expected future cash flows associated with the assets and a suitable discount rate in order to calculate present value.

Stock Based Compensation

The Company uses the fair value method, utilizing the Black-Scholes option pricing model, for valuing warrants and stock options granted to directors, officers, consultants and employees. The estimated fair value is recognized over the applicable vesting period as stock-based compensation expense. The recognized costs are subject to the estimation of what the ultimate payout will be using pricing models such as the Black-Scholes model which is based on significant assumptions such as volatility, dividend yield and expected term.

Income Taxes

At the end of each reporting period, the Company assesses whether the realization of deferred tax benefits is sufficiently probable to recognize deferred tax assets. This assessment requires the exercise of judgment on the part of management with respect to, among other things, benefits that could be realized from available income tax strategies and future taxable income, as well as other positive and negative factors. The recorded amount of total deferred tax assets could be reduced if estimates of projected future taxable income and benefits from available income tax strategies are lowered, or if changes in current income tax regulations are enacted that impose restrictions on the timing or extent of the Company's ability to utilize deferred tax benefits.

The Company's effective income tax rate can vary significantly quarter-to-quarter for various reasons, including the mix and volume of business in lower income tax jurisdictions and in jurisdictions for which no deferred income tax assets have been recognized because management believed it was not probable that future taxable profit would be available against which income tax losses and deductible temporary differences could be utilized. The Company's effective income tax rate can also vary due to the impact of foreign exchange fluctuations.

Disclosure Controls and Procedures and Internal Controls over Financial Reporting

Management has established processes to provide it with sufficient knowledge to support representations that it has exercised reasonable diligence to ensure that (i) the consolidated financial statements do not contain any untrue statement of material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it is made, as of the date of and for the periods presented by the consolidated financial statements, and (ii) the consolidated financial statements fairly present in all material respects the financial position, results of operations and cash flows of the Company, as of the date of and for the periods presented.

In contrast to the certificate required for non-venture issuers under National Instrument 52-109 – *Certification of Disclosure in Issuers' Annual and Interim Filings* ("**NI 52-109**"), the Venture Issuer Basic Certificate does not include representations relating to the establishment and maintenance of disclosure controls and procedures ("**DC&P**") and internal control over financial reporting ("**ICFR**"), as defined in NI 52-109. In particular, the certifying officers filing this certificate are not making any representations relating to the establishment and maintenance of:

1) controls and other procedures designed to provide reasonable assurance that information required to be disclosed by the issuer in its annual filings, interim filings or other reports filed or submitted under securities legislation is recorded, processed, summarized and reported within the time periods specified in securities legislation; and
2) a process to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated financial statements for external purposes in accordance with the issuer's GAAP (IFRS).

The issuer's certifying officers are responsible for ensuring that processes are in place to provide them with sufficient knowledge to support the representations they are making in the certificate. Investors should be aware that inherent limitations on the ability of certifying officers of a venture issuer to design and implement on a cost-effective basis DC&P and ICFR as defined in NI 52-109 may result in additional risks to the quality, reliability, transparency and timeliness of interim and annual filings and other reports provided under securities legislation.

Additional Information

Additional information relating to the Company, the Company's quarterly and annual consolidated financial statements, annual information form, technical reports and other disclosure documents, are available on the System for Electronic Document Analysis and Retrieval (SEDAR) website at www.sedar.com.