

29 November 2018

ECO (ATLANTIC) OIL & GAS LTD.

("Eco", "Eco Atlantic", "Company" or, together with its subsidiaries, the "Group")

Unaudited Results for the three and six months ended 30 September 2018 and Business Update

Eco (Atlantic) Oil & Gas Ltd. (AIM: ECO, TSX-V: EOG), the oil and gas exploration company with licences in highly prospective regions in South America and Africa, is pleased to announce its results for the three and six months ended 30 September 2018 and to provide a corporate and operational update.

Corporate Highlights:

- **Guyana**
 - Eco announced the filing of a National Instrument 51-101 compliant resource report on the Orinduik Block, offshore Guyana with 2.9 Billion Barrels of Oil (Equivalent) prospective resource P50 Best Estimate. The report does not take into account the recent Exxon Hammerhead 1 discovery.
 - On 13 September 2018, Total submitted an official exercise notice of its option to acquire a 25% working interest in the Orinduik Block in return for USD 12.5 million cash consideration, in addition to USD 1.0 million previously received as consideration for the option.
 - On 27 November 2018 (post period end), Eco received the USD 12.5 million and all necessary approvals and documentation to effect the 25% interest transfer in the Orinduik Block to Total, and accordingly the transfer to Total has been completed. The working interests in the Orinduik Block are now Tullow (Operator) 60%, Total 25% and Eco 15%.
- **Namibia**
 - Eco was granted a one-year extension to the First Renewal Exploration Period for all of its Namibia Licenses to March 2019 by the Namibian Ministry of Mines and Energy (the "Ministry"). Each license will then automatically enter the Second Renewal Period, which in turn has a two-year exploration phase which can be extended by a third year at the discretion of the Ministry.
 - The Company acquired the remaining 10% of the shares of Pan Africa Oil Namibia Ltd ("PAO Namibia"). Following completion of the acquisition, PAO Namibia became a wholly owned subsidiary of the Company. As a result, Eco's working interest in the Tamar License (PEL 50) increased to 80% from 72%.
 - On 26 October 2018 (post period end), Eco received a formal notice from Tullow Namibia informing that it has elected not to enter into the Second Renewal Period for the Cooper (PEL 30) License. As a result, the Company automatically receives back Tullow Namibia's 25% working interest. The Company now holds a 57.5% working interest in PEL 30.
 - Eco continues to monitor developments in Namibia, specifically the recent entries by Exxon Mobil and Kosmos Energy, the planned 2019 wells by Total S.A. and Royal Dutch

Shell plc, and the results of the two wells which were drilled on PEL 37 (Tullow Oil) and PEL 71 (Chariot Oil and Gas) in the Walvis Basin.

- **New Ventures**

- In line with the Company's strategy, Eco continues to identify, evaluate and negotiate additional upstream project opportunities.

- **Financial highlights**

- The Company ended the quarter with cash and cash equivalent of CAD\$11.3 million, total assets of CAD\$13.7 million, total liabilities of CAD\$0.7 million and total equity of CAD\$13.0 million.
- The Company's current cash position is CAD\$27.3 million.

Gil Holzman, President and Chief Executive Officer of Eco Atlantic, commented:

"During the period since 31 March 2018, we have focused on completing our careful interpretation of the Orinduik 3D seismic data set which has allowed us to identify multiple drilling prospects. We are delighted that Total have exercised their option to farm into 25% of the Orinduik Block, which has added an additional USD 12.5 million to our cash reserves as of today. Having Total as a partner in Orinduik is further confirmation of the great value we see in this asset and our ability to partner with major international oil companies."

"We have spent the last few months advancing new asset opportunities in selected regions that fit our model. This included the extension of the current exploration period across all of our Namibian licences through to March 2019, the beginning of the second two-year Renewal Period which has the option to be extended a further year. Thanks to our own technical team and partners' work, and developments in the Walvis Basin, our geotechnical understanding of the depositional environment and specific areas for hydrocarbon prospectivity has improved. With Tullow's withdrawal from our Cooper license, and with recent entries into Namibia by major oil companies, we see an opportunity to bring in other partners to advance our blocks and we are working towards this goal."

"Our prime focus currently is to review, design and approve the drilling programme on our Orinduik Block offshore Guyana, with Tullow and Total, which we expect to execute during the first half of 2019. We look forward to keeping the market updated as to our progress and exact drilling plans."

The Company's unaudited financial results for three months ended 30 September 2018, together with Management's Discussion and Analysis as at 30 September 2018, are available to download on the Company's website at www.ecooilandgas.com and on Sedar at www.sedar.com.

The following are the Company's Balance Sheet, Income Statements, Cash Flow Statement and selected notes from the Condensed Consolidated Interim Financial Statements (Unaudited). All amounts are in Canadian Dollars, unless otherwise stated.

Balance Sheet

	September 30, 2018	March 31, 2018
	Unaudited	Audited
Assets		
Current assets		
Cash and cash equivalents	11,329,228	14,316,042
Short-term investments	74,818	74,818
Government receivable	28,131	23,626
Accounts receivable and prepaid expenses	791,909	832,322
	12,224,086	15,246,808
Petroleum and natural gas licenses	1,489,971	1,489,971
Total Assets	13,714,057	16,736,779
Liabilities		
Current liabilities		
Accounts payable and accrued liabilities	230,243	521,537
Advances from and amounts owing to license partners, net	494,002	209,487
	724,245	731,024
Equity		
Share capital	44,952,511	43,813,254
Shares to be issued	249,000	1,139,257
Restricted Share Units reserve	70,393	70,393
Warrants	167,931	167,931
Stock options	2,982,340	2,979,367
Non-controlling interest	-	(55,065)
Accumulated deficit	(35,432,363)	(32,109,382)
Total Equity	12,989,812	16,005,755
Total Liabilities and Equity	13,714,057	16,736,779

Income Statement

	Three months ended September 30,		Six months ended September 30,	
	2018	2017	2018	2017
	Unaudited		Unaudited	
Revenue				
Income from option agreement	-	1,248,000	-	1,248,000
Interest income	88,132	27,054	96,975	33,557
	88,132	1,275,054	96,975	1,281,557

Operating expenses:

Compensation costs	291,575	212,566	524,941	403,713
Professional fees	77,069	60,739	102,362	154,841
Operating costs	1,293,895	2,437,574	1,762,395	3,008,910
General and administrative costs	340,349	291,153	632,068	463,728
Share-based compensation	1,486	20,006	2,973	1,098,404
Foreign exchange loss	233,848	91,594	91,152	112,522
Total expenses	2,238,222	3,113,632	3,115,891	5,242,118
Net loss and comprehensive loss	(2,150,090)	(1,838,578)	(3,018,916)	(3,960,561)
Basic and diluted net loss per share attributable to equity holders of the parent	(0.01)	(0.02)	(0.02)	(0.03)
Weighted average number of ordinary shares used in computing basic and diluted net loss per share	159,195,217	85,969,461	158,619,131	118,659,609

Cash Flow Statement

	Six months ended September 30,	
	2018	2017
	Unaudited	
Cash flow from operating activities		
Net loss from continued operations	(3,018,916)	(3,960,561)
Items not affecting cash:		
Share-based compensation	2,973	1,098,404
Changes in non-cash working capital:		
Government receivable	(4,505)	6,596
Accounts payable and accrued liabilities	(291,294)	(234,875)
Accounts receivable and prepaid expenses	40,413	241,081
Advance from and amounts owing to license partners	284,515	1,413,855
	(2,986,814)	(1,435,500)
Decrease in cash and cash equivalents	(2,986,814)	(1,435,500)
Cash and cash equivalents, beginning of period	14,316,042	6,088,567

Selected Notes to the Condensed Consolidated Interim Financial Statements (Unaudited)

The Company's business is to identify, acquire, explore and develop petroleum, natural gas, and shale gas properties. The Company primarily operates in the Co-Operative Republic of Guyana ("Guyana") and the Republic of Namibia ("Namibia"). The head office of the Company is located at 181 Bay Street, Suite 320, Toronto, ON, Canada, M5J 2T3.

As used herein, the term "Company" means individually and collectively, as the context may require, Eco (Atlantic) Oil and Gas Ltd. and its subsidiaries.

These consolidated financial statements were approved by the Board of Directors of the Company on November 27, 2018.

1. Basis of Preparation

These condensed consolidated interim financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") on a going concern basis, which assumes the realization of assets and liquidation of liabilities in the normal course of business. In the opinion of management, all adjustments (consisting of normal recurring accruals) considered necessary for a fair statement of results in accordance with IFRS have been included.

2. Subsequent Events

- a. On October 5, 2018, 590,000 warrants with an exercise price of £0.16 were exercised for gross proceeds of \$159,866 (£94,400).
- b. On October 26, 2018 the Company announced a formal notice from Tullow Namibia confirming that it is unable to either enter into the Second Renewal Period for the Cooper License or to make a financial commitment to drilling. As a result, the Company will now receive back Tullow Namibia's Working interest. On completion of the transfer, the Company will now hold a 57.5% working interest in the Cooper License.
- c. On October 31, 2018 the Company announced that it had received approval for the transfer of 25% working interest to Total from the President of Guyana and on November 27, 2018, Total transferred US\$12.5 million to the Company and completed the transfer.

****ENDS****

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The information contained within this announcement is deemed by the Company to constitute inside information as stipulated under the Market Abuse Regulations (EU) No. 596/2014.

Notes to editors

Eco Atlantic is a TSX-V and AIM listed Oil & Gas exploration and production Company with interests in Guyana and Namibia where significant oil discoveries have been made.

The Group aims to deliver material value for its stakeholders through oil exploration, appraisal and development activities in stable emerging markets, in partnership with major oil companies, including Tullow, Total and Azinam.

In Guyana, Eco Guyana holds a 15% working interest alongside Total (25%) and Tullow Oil (60%) in the 1,800 km² Orinduik Block in the shallow water of the prospective Suriname-Guyana basin. The Orinduik Block is adjacent and updip to the deep-water Liza Field and Snoek, Payara, Pacora, Turbot, Longtail and Hammerhead Discoveries, recently discovered by ExxonMobil and Hess, which are estimated to contain in excess of 4.2 billion barrels of oil equivalent, making it one of a handful of billion-barrel discoveries in the last half-decade.

In Namibia, the Company holds interests in four offshore petroleum licences totalling approximately 25,000 km² with over 2.3 billion barrels of prospective P50 resources in the Walvis and Lüderitz Basins. These four licences, Cooper, Guy, Sharon and Tamar are being developed alongside partners Azinam and NAMCOR. Eco has been granted a drilling permit on its Cooper Block (Operator).