

25 February 2021

ECO (ATLANTIC) OIL & GAS LTD.

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

**Unaudited Results for the three and nine months ended 31 December 2020
Corporate and Operational Update**

Eco (Atlantic) Oil & Gas Ltd. (AIM: ECO, TSX-V: EOG), the oil and gas exploration company with licences in proven oil province in Guyana and the highly prospective basins in Namibia, is pleased to announce its results for the three and nine months ended 31 December 2020, alongside a corporate and operational update.

Results Highlights:

Financials

- As at 31 December 2020, the Company had cash and cash equivalents of US\$16,350,090 with no debt.
- Eco remains fully funded for its share (15% WI net) of its planned two exploration wells at the Orinduik Block offshore Guyana.
- As at 31 December 2020, the Company had total assets of US\$17.7 million and a net equity position of \$17.4 million.
- The Company has decreased its total non-exploration expenses, including general and administration expense and compensation costs incurred during the nine months ended 31 December 2020 (H1 2021), when compared to the nine months ended 31 December 2019, by over 50%.

Operations

Eco Atlantic Oil & Gas

- Multiple light sweet oil drilling prospects on the Orinduik block are currently being reviewed by the Company and its licence partners (the "JV Partners"), with high-graded candidates being considered for the next drilling programme. The intention is to provide further definition to the upper and lower Cretaceous interpretation and target selection for drilling.
- The Company, together with its strategic alliance partner Africa Oil Corp., continues to evaluate additional asset opportunities in both West Africa and South America.
- On 30 November 2020, the Company successfully negotiated the reissuance of its four licenses in Namibia's Walvis Basin for 10 years, which received final Government confirmation on 5 February 2021.

Solear Ltd. (formerly Eco Atlantic Renewables post period end)

- On January 26, 2021, the Company announced the formation of a new joint venture company with Nepco Capital Partners Ltd, to source, acquire and develop an exclusive pipeline of potential high yield solar projects. At the time of launch, the new entity was to be called Eco Atlantic Renewables, however, in order to further reflect the standalone nature of the business the company has been re-named Solear Ltd ("Solear").
- Eco agreed to provide a secured loan of up to US\$6 million (the "Loan") to Solear, as a result of which the Company holds a 70% shareholding in Solear, with Nepco holding the remaining 30%. The Loan, which carries a 2% annual interest, is expected to be repayable from the proceeds of either a public or private financing, through operating cash flow, and/or a project monetization event.
- In January 2021, Solear completed its first acquisition of a fully contracted, permitted, and build ready project in Greece, known as the Kozani Project.
- Solear is continuing to build its exclusive portfolio in Spain, Italy, and Greece and is targeting a further financing event in the form of a private finance and/or IPO later this year.

Outlook:

Guyana

- Guyana continues to be one of the most prolific exploration regions in the world, with over nine billion barrels of oil discovered in the last five years. Eco and its JV Partners have already delivered two substantial oil discoveries on the Orinduik Block and the licence continues to offer significant upside potential. With the increase in oil prices the JV partners will revisit the Jethro discovery commercialisation potential.
- As previously reported, Eco is fully funded for further drilling on the block and, with its JV Partners, is assessing all opportunities available to drill at least two exploration wells into the light oil cretaceous targets as soon as practical. The Company is fully aligned with its JV partners on careful target selection based on the reprocessed 3D and the block and nearby oil discoveries for the next drilling campaign and Eco expects to be able to update the market on further drilling plans in due course.

The Orinduik JV partners are Eco Atlantic (15% working interest ("**WI**")), Tullow Guyana B.V. ("**Tullow**") (Operator, 60% WI) and Total E&P Guyana B.V. ("**Total**") (25% WI) in partnership with Qatar Petroleum.

Namibia

- The Company's successful negotiation of the reissuance of its four licences in the Walvis Basin, Offshore Namibia, lead to the expansion of its acreage position. As announced on 30 November 2020, the

Company's updated licences in Namibia cover approximately 28,593 km², with over 2.362 BBOE of prospective P50 resources.

- Eco has a strategically significant acreage position in-country and is progressing its various work programmes across its four blocks offshore Namibia. The Company has witnessed considerable interest from multiple international oil companies in Namibia.
- The Company continues to monitor upcoming drilling activity in the region, which could potentially see up to five exploration wells drilled on behalf of ExxonMobil, Total, Maurel & Prom, Shell and ReconAfrica in the next 12 months.

Corporate

- Throughout the ongoing COVID-19 pandemic, Eco has prioritised the welfare of its staff and partners.
- The Company continues to keep a strict control over costs throughout the business, which continues to generate material savings and has ensured that Eco remains well capitalised with a strong balance sheet.

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

"We have made significant progress in recent months across a number of aspects of the business. We have demonstrated our commitment to our core business strategy of achieving near-term exploration success in Guyana and Namibia, through maturing and upgrading the drilling targets' inventory in Guyana and the successful reissuance of our licences in Namibia, as well as adding a highly relevant and attractive asset to our portfolio through the formation of Solear Ltd., a majority held renewable energy company.

"Successfully renegotiating our four licences offshore Namibia, which we see as being an increasingly active exploration jurisdiction, was an important milestone for the Company and gives us a considerable footprint in country from which we will seek create significant shareholder value.

"In Guyana, we continue to work with our partners in the Orinduik block to finalise drilling selection, and look forward to recommencing drilling activity in the coming months. We remain very confident in Guyana's prospectivity as a hydrocarbon basin and the upside potential it offers. The recent increase in oil prices makes our existing discoveries in Guyana and drilling prospects inventory ever more attractive.

"Our recent strategic investment into Solear Ltd. demonstrates our drive and determination to use our cash reserves wisely alongside high impact exploration drilling. We are very excited about both the near-term opportunities that Solear brings, as well as the long-term benefits that come with broadening our asset portfolio. Solear has a highly attractive pipeline of low cost, high yield solar PV projects, that have the potential to generate high IRR returns for our shareholders. As ever, we look forward to keeping the market updated on our progress over the coming months."

The Company's unaudited financial results for three months and nine months ended 31 December 2020, together with Management's Discussion and Analysis as at 31 December 2020, are available to download on the Company's website at www.ecoilandgas.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 annual Financial Statements. All amounts are in US Dollars, unless otherwise stated.

Balance Sheet

	December 31, 2020	March 31, 2020	April 1, 2019
Assets	Unaudited	Audited	Audited
Current assets			
Cash and cash equivalents	16,350,090	18,667,016	18,750,453
Short-term investments	52,663	52,737	56,098
Government receivable	39,283	19,276	24,821
Amounts owing by license partners, net	89,805	45,596	-
Accounts receivable and prepaid expenses	73,215	46,262	60,678
	16,605,056	18,830,887	18,892,050
Petroleum and natural gas licenses	1,117,171	1,117,171	1,117,171
Total Assets	17,722,227	19,948,058	20,009,221
Liabilities			
Current liabilities			
Accounts payable and accrued liabilities	158,784	350,242	317,548
Advances from and amounts owing to license partners, net	98,947	-	845,524
Total Liabilities	257,731	350,242	1,163,072
Long term liabilities			
Equity			
Share capital	59,099,725	59,099,725	37,509,183
Restricted Share	267,669	267,669	83,597
Units reserve			
Warrants	53,026	53,026	39,570
Stock options	2,631,101	2,542,824	2,387,837

Foreign currency translation reserve	(1,200,457)	(1,117,859)	-
Accumulated deficit	(43,386,568)	(41,247,569)	(21,174,038)
Total Equity	17,464,496	19,597,816	18,846,149
Total Liabilities and Equity	17,722,227	19,948,058	20,009,221

Income Statement

	Three months ended December 31,		Nine months ended December 31,	
	2020	2019	2020	2019
	Unaudited		Unaudited	
Revenue				
Interest income	6,123	80,302	41,779	309,186
	6,123	80,302	41,779	309,186
Operating expenses:				
Compensation costs	173,373	207,440	486,999	627,967
Professional fees	80,280	117,844	200,694	353,963
Operating costs	255,477	1,097,788	1,105,892	12,466,334
General and administrative costs	138,472	386,275	367,742	1,139,106
Share-based compensation	33,457	35,758	88,277	5,654,869
Foreign exchange gain	(32,561)	708,530	(68,826)	890,495
Total expenses	648,498	2,553,635	2,180,778	21,132,734
Net loss and comprehensive loss	(642,375)	(2,473,333)	(2,138,999)	(20,823,548)
Basic and diluted net loss per share attributable to equity holders of the parent	(0.00)	(0.01)	(0.01)	(0.11)

Weighted average number of ordinary shares used in computing basic and diluted net loss per share	184,697,723	184,441,830	184,697,723	182,225,982
---	--------------------	-------------	--------------------	-------------

Cash Flow Statement

	Nine months ended December 31,	
	2020	2019
	Unaudited	
Cash flow from operating activities		
Net loss from operations	(2,138,999)	(20,823,548)
Items not affecting cash:		
Share-based compensation	88,277	5,654,869
Warrants issued for services		-
Changes in non-cash working capital:		
Government receivable	(20,007)	(12,818)
Accounts payable and accrued liabilities	(130,818)	(172,484)
Accounts receivable and prepaid expenses	(26,726)	11,533
Advance from and amounts owing to license partners	(135,313)	(749,180)
	(2,363,586)	(16,091,628)
Cash flow from financing activities		
Issuance of shares from Restricted share units		-
Net proceeds from Private Placement	-	15,935,765
Proceeds from the exercise of stock options	-	93,559
Proceeds from the exercise of warrants	-	120,612
	-	16,149,936
Increase (decrease) in cash and cash equivalents	(2,363,586)	58,308
Foreign exchange differences	46,660	721,021
Cash and cash equivalents, beginning of period	18,667,016	18,750,453

Cash and cash equivalents, end of period	16,350,090	19,529,782
--	-------------------	------------

Notes to the Financial Statements

Basis of Preparation

The condensed consolidated interim 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.

Summary of Significant Accounting Policies

Critical accounting 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.

Change in functional currency assessment

The functional currency of the Company and its subsidiaries represent the currency of the primary economic environment in which each entity operates. Through to March 31, 2020, all entities were considered to have a functional currency of Canadian Dollars. On March 31, 2020, the Company determined the United States Dollar ("USD") to be the functional currency for Eco Guyana based on the increased expenditures incurred in USD which is expected to continue in the foreseeable future. On April 1, 2020, the Company determined the USD to be the functional currency for Eco (Atlantic) Oil and Gas Ltd, based on the increase in USD denominated spending as of April 1, 2020. On April 1, 2020, the Company also determined the USD to be the functional currency of Eco Guyana Oil & Gas (Barbados) Ltd, since this entity is 100% owned by Eco Atlantic, and is the 100% owner of Eco Guyana, both of which have functional currencies denominated in USD. The change in estimate has been applied on a prospective basis effective April 1, 2020.

Effective April 1, 2020, the Company also changed its presentation currency from Canadian Dollars to USD. The change in presentation currency is to better reflect the Company's business activities and to improve investors' ability to compare the Company's results to its peers. This change has been applied retroactively as if the Company's new presentation currency has always been the Company's presentation currency.

Events After the Reporting Period

On January 26, 2021, the Company announced the formation of a new partnership with Nepco Capital Partners (Hong Kong) Ltd. ("Nepco"), to source, acquire and develop an exclusive pipeline of potential high yield solar projects. To give effect to the new venture, the Company's existing subsidiary Eco - EBVI, has been renamed Slear Ltd. ("Slear"), in which the Company now owns 70% and Nepco owns 30%. Slear completed its first acquisition of a fully contracted, permitted, and build ready project in Greece, known as the Kozani Project.

The Company has agreed to provide a secured loan of up to \$6m (the "Loan") to Slear. 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. 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.

****ENDS****

For more information, please visit www.ecooilandgas.com or contact the following:

Eco Atlantic Oil and Gas

Gil Holzman, CEO

Colin Kinley, COO

Alice Carroll, Head of Marketing and IR

c/o Celicourt +44 (0) 20 8434 2754

+44(0)781 729 5070 | +1 (416) 318 8272

Strand Hanson Limited (*Financial & Nominated Adviser*)

James Harris

Rory Murphy

James Bellman

+44 (0) 20 7409 3494

Berenberg (Broker)

Matthew Armitt

Emily Morris

Detlir Elezi

+44 (0) 20 3207 7800

Celicourt (PR)

Mark Antelme

Jimmy Lea

+44 (0) 20 8434 2754

Hannam & Partners (Research Advisor)

Neil Passmore

+44 (0) 20 7905 8500

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:

About Eco Atlantic:

Eco Atlantic is a TSX-V and AIM quoted 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 Operator 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 ExxonMobil Operated Stabroek Block, on which eighteen discoveries have been announced and over 9 Billion BOE of oil equivalent recoverable resources are estimated. First oil production commenced in December 2019 from the deep-water Liza Field, less than three years from FID.

Jethro-1 was the first major oil discovery on Orinduik Block. The Jethro-1 encountered 180.5 feet (55 meters) of net high-quality oil pay in excellent Lower Tertiary sandstone reservoirs which further proves recoverable oil resources. Joe-1 is the second discovery on the Orinduik Block and comprises high quality 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 further proves the presence of recoverable oil resources.

In Namibia, the Company holds interests in four offshore petroleum licenses totalling approximately 28,593km² with over 2.362bboe of prospective P50 resources in the Walvis Basin. These four licenses, 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).

Eco Atlantic is a 70% shareholder in Solear Ltd., alongside Nepco Capital Partners Ltd., a renewable energy developer and investment company, that own the remaining 30%. Solear is a private clean energy investment company focused on low cost, high yield solar development projects. Solear provides exposure to a large primarily European portfolio of pre-construction opportunities across the renewable energy value chain, from Ready-to-Build to early-stage development.