28 February 2018

ECO (ATLANTIC) OIL & GAS LTD.

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

Interim Results For The Three And Nine Months Ended 31 December 2017 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 unaudited results for the three and nine months ended 31 December 2017.

Financial Highlights:

- Through the Company's subsidiary, Eco Atlantic (Guyana) Inc. ("Eco Guyana"), we entered into an option agreement that provides Total E&P Activités Pétrolières, (a wholly owned subsidiary of Total SA) ("Total"), with an option to acquire a 25% Working Interest in the Orinduik Block (the "Total Option"). Total paid US$ 1 million for the option. Total has 120 days from the date of receipt of the processed 3D seismic data to exercise the option in return for a US$12.5 million cash payment to Eco Guyana.
- On November 13, 2017, the Company entered into an agreement with Africa Oil Corp ("AOC") whereby AOC subscribed for 29,200,000 shares in the Company for gross proceeds of CAD$14 million (the "Subscription"). The completion of the Subscription, associated share issuance and transfer of funds was completed on November 16, 2017.
- The Company and AOC also entered into a Strategic Alliance Agreement to jointly identify new assets to add to the Company's portfolio.
- Cash on hand as at 31 December 2017 of approximately CAD$14.4 million. Current cash on hand of approximately CAD$14.7 million.
- On 22 February 2018, The Company was recognised as a 2018 TSX Venture 50™ company, an annual ranking of top-performing companies on the TSX Venture Exchange (the "TSX-V") over the last year. The TSX Venture 50™ comprise the top 10 companies listed on the TSX Venture Exchange in each of the five major industry sectors - mining, oil & gas, clean technology & life sciences, diversified industries and technology - based on a ranking formula with equal weighting given to return on investment, market capitalisation growth, trading volume and analyst coverage. All data was as of 31 December 2017.

Operational Highlights:

- Following the completion of a circa 2,550 km^2 3D seismic survey on the 1,800 km^2 Orinduik Block, offshore Guyana, and the progression of the processing during January and February 2018, the first batch of processed data has been sent to Total. The remaining data will be provided to Total in due course triggering the commencement of up to 120 review period under the terms of the total Option and an update will be provided to shareholders at such time.

- Eco Atlantic and Tullow Oil ("Tullow") are interpreting the data in order to identify the drilling targets and potential additional leads on the Orinduik Block.
- The Company, as operator of the Cooper Block, offshore Namibia, has published a public notice for Environmental Clearance Certificate (ECC) for drilling an exploration well on the Block, a key clearance required ahead of potential drilling on the Block.
- On 21 November 2017, the Company announced that India's ONGC Videsh Vankorneft Pte. Ltd. has agreed to acquire, is acquiring a 15% working interest in the Cooper Block from Tullow.
- Tullow Oil and Chariot Oil & Gas Limited officially confirmed drilling of their Namibia Walvis Basin Blocks directly adjacent to The Company's Cooper, Tamar, and Sharon Blocks in H2 2018.

Gadi Levin, Finance Director of Eco Atlantic, commented:

"We are proud to present our financial report for the three and nine months ended 31 December 2017. Our balance sheet remains very strong, following our AIM IPO back in February 2017, the receipt of US$ 1 million from Total as payment for an option to farm into our Orinduik Block, and the completion of the CAD$14 million private placement with Africa Oil Corp. These transactions, together with the exercise of options and broker warrants, which injected a further CAD$840,000 into our cash reserves, leave us in a robust financial position. We are leveraging these cash reserves to continue to advance all of our exiting licenses, whilst assessing new opportunities in frontier regions, in line with our strategic alliance with Africa Oil Corp. giving the area's high prospectivity and large discoveries, we remain confident that Total will exercise its option to farm in to our Orinduik block which could potentially add an additional US$12.5m to our balance sheet."

The Company's unaudited financial results for the three and nine months ended 31 December 2017, together with Management's Discussion and Analysis as at 31 December 2017, 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 to the Condensed Consolidated Interim Financial Statements (Unaudited). All amounts are in Canadian Dollars, unless otherwise stated.

Balance Sheet

	December 31, 2017	March 31, 2017
	Unaudited	**Audited**
Assets		
Current assets		
Cash and cash equivalents	**$ 14,376,535**	$ 6,088,567
Short-term investments *(Note 5)*	**74,818**	49,818

Government receivable	**23,997**	26,609
Accounts receivable and prepaid expenses *(Note 6)*	**838,703**	1,100,491
	15,314,053	7,265,485
Petroleum and natural gas licenses *(Note 7)*	**1,489,971**	1,489,971
Total Assets	**$ 16,804,024**	$ 8,755,456
Liabilities		
Current liabilities		
Accounts payable and accrued liabilities *(Note 8)*	**$ 394,312**	$ 630,761
Advances from and amounts owing to license partners *(Note 6)*	**39,722**	169,868
	434,034	800,629
Equity		
Share capital *(Note 9)*	**42,814,406**	26,961,675
Restricted Share Units reserve *(Note 9)*	**113,355**	184,029
Warrants *(Note 10)*	**238,236**	237,267
Stock options *(Note 11)*	**3,051,042**	2,985,732
Non-controlling interest	**(76,288)**	(76,288)
Accumulated deficit	**(29,770,761)**	(22,337,588)
Total Equity	**16,369,990**	7,954,827
Total Liabilities and Equity	**$ 16,804,024**	$ 8,755,456

Income Statement

	Three months ended December 31,		Nine Months Ended December 31,	
	2017	**2016**	**2017**	**2016**
	Unaudited		Unaudited	
Revenue				
Income from option agreement	-	-	**1,248,000**	-
Interest income	**5,997**	303	**39,554**	3,835
	5,997	303	**1,287,554**	3,835
Operating expenses:				
Compensation costs	**256,811**	60,478	**660,524**	247,655
Professional fees	**196,812**	104,360	**351,653**	237,634
Operating costs	**1,217,364**	417,333	**4,226,274**	1,555,171
General and administrative costs	**155,972**	78,048	**619,700**	313,175
Share-based compensation	**1,438,224**	608,569	**2,536,628**	683,603
Foreign exchange loss (gain)	**213,426**	(20,389)	**325,948**	(29,433)
Total expenses	**3,478,609**	1,248,399	**8,720,727**	3,007,805

Net loss and comprehensive loss from continuing operations	**(3,472,612)**	(1,248,096)	**(7,433,173)**	(3,003,970)
Discontinued operations income	-	821,452	-	767,544
Net loss and comprehensive loss	**(3,472,612)**	(426,644)	**(7,433,173)**	(2,236,426)
Net comprehensive loss attributed to:				
Equity holders of the parent	**(3,472,612)**	(426,644)	**(7,433,173)**	(2,236,426)
Non-controlling interests	-	-	-	-
	(3,472,612)	(426,644)	**(7,433,173)**	(2,236,426)
Basic and diluted net income (loss) per share from continuing operations	**(0.03)**	(0.02)	**(0.06)**	(0.04)
Basic and diluted net income (loss) per share from discontinuing operations	-	0.01	-	0.01
Basic and diluted net loss per share attributable to equity holders of the parent	**(0.03)**	(0.01)	**(0.06)**	(0.03)
Weighted average number of ordinary shares used in computing basic and diluted net loss per share	**135,918,317**	85,969,461	**124,395,401**	85,161,992

Cash Flow Statement

	Nine Months Ended December 31,	
	2017	**2016**
	Unaudited	
Cash flow from operating activities		
Net loss from continued operations	**(7,433,173)**	(3,003,970)
Net loss from discontinued operations	-	767,544
Items not affecting cash:		
Share-based compensation	**2,536,628**	683,603
Depreciation	-	259
Changes in non-cash working capital:		
Government receivable	**2,612**	790
Accounts payable and accrued liabilities	**(218,949)**	(3,075,539)
Accounts receivable and prepaid expenses	**261,788**	(919,919)
Advance from and amounts owing to license partners	**(130,146)**	273,742
	(4,981,240)	(5,273,490)
Net change in non-cash working capital items relating to discontinued operations	-	1,605,752
Cash flow from investing activities		

Short-term investments	**(25,000)**	50,182
	(25,000)	50,182
Net change in investment activities relating to discontinued operations	-	1,612,382
Cash flow from financing activities		
Proceeds from Brokered Private Placement	**14,016,000**	-
Costs incurred on Brokered Private Placement	**(721,792)**	-
Share repurchases	-	(316,602)
	13,294,208	(316,602)
Increase (decrease) in cash and cash equivalents	**8,287,968**	(2,321,776)
Cash and cash equivalents, beginning of year	**6,088,567**	3,463,178
Cash and cash equivalents, end of period	**14,376,535**	1,141,402

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

1. Basis of Preparation and Going Concern

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.

The ability of the Company to continue as a going concern depends upon the discovery of any economically recoverable petroleum and natural gas reserves on its licenses, the ability of the Company to obtain financing to complete development, and upon future profitable operations from the licenses or profitable proceeds from their disposition. The Company is an exploration stage company and has not earned any revenues to date. These condensed consolidated interim financial statements do not reflect any adjustments to the carrying value of assets and liabilities that would be necessary if the Company were unable to achieve profitable operations or obtain adequate financing.

There can be no assurance that the Company will be able to raise funds in the future, in which case the Company may be unable to meet some of its future obligations. These matters raise significant doubt about the Company's ability to continue as a going concern. In the event the Company is unable to continue as a going concern, the net realizable value of its assets may be materially less than the amounts recorded on its condensed consolidated interim statements of financial position.

The Company has accumulated losses of $29,770,761 since its inception and expects to incur further losses in the development of its business.

2. Share Capital

On November 16, 2017 the Company completed a brokered private placement with Africa Oil Corp ("AOC") resulting in gross proceeds of $14 million (the "AOC Brokered Private Placement"). The AOC Brokered Private Placement involved the sale of 29,200,000 shares in the Company at a price of $0.48 per share. Net proceeds were $13,294,208 after deducting a cash commission in the amount of $588,096 to the brokers and other expenses of $52,801.

The Company and AOC also entered into a Strategic Alliance Agreement to identify new projects to add to the Company's portfolio.

3. Subsequent Events

a. On January 19, 2018, 1,200,000 options were exercise at $0.30 per option into 1,200,000 shares of the Company for a gross consideration of $360,000.

b. In February 2018, 1,562,500 warrants were exercise at £0.176 ($0.31) per warrant into 1,562,500 shares of the Company for a gross consideration of $480,286 (£274,912).

c. Following the issuance of the above-mentioned options and warrants, the Company has 157,494,833 Common Shares, 2,158,248 warrants, 6,836,480 Options and 393,900 RSU's outstanding.

d. On February 20, 2018, the Company entered into two share purchase agreements (collectively, the "Purchase Agreements") to purchase the minority interests in Eco Guyana, consisting of 6% of the outstanding shares of Eco Guyana (the "Minority Shares"). As consideration for the acquisition of the Minority Shares the Company has agreed to pay a cash consideration in the amount of US$200,000 payable in two equal tranches (the first upon closing of the Purchase Agreements (the "Closing") and the second 60 days after Closing); and issue a total of 1,700,384 common shares (the "Consideration Shares"). The Consideration Shares will be subject to a lock up arrangement, with 1/3 being released on Closing; 1/3 being released 91 days after Closing; and the remaining balance being released 181 days after Closing. Upon Closing, the Company will own 100% of Eco Guyana.

****ENDS****

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

Eco Atlantic Oil and Gas +1 (416) 250 1955
Gil Holzman, CEO
Colin Kinley, COO
Alan Friedman, VP

Strand Hanson Limited (*Financial & Nominated Adviser*) +44 (0) 20 7409 3494
James Harris
Rory Murphy
James Bellman

Brandon Hill Capital Limited (Joint Broker) +44 (0) 20 3463 5000
Alex Walker
Jonathan Evans
Robert Beenstock

Peterhouse Corporate Finance (Joint Broker) +44 (0) 20 7469 0930
Eran Zucker
Duncan Vasey
Lucy Williams

Blytheweigh +44 (0) 207 138 3553
Nick Elwes

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 and AziNam.

In Guyana, Eco Guyana holds a 40%(1) working interest alongside Tullow Oil (60%) in the 1,800 km^2 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, recently discovered by ExxonMobil and Hess, which is estimated to contain as much as 1.4 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 totaling approximately 25,000 km^2 with over 2.3 billion barrels of prospective P50 resources in the Wallis and Lüderitz Basins. These four licences, Cooper, Guy, Sharon and Tamar are being developed alongside partners, which include Tullow Oil, AziNam and NAMCOR. Significant 3D and 2D surveys and interpretation have been completed with drilling preparations expected to begin in 2018.

(1) Total E&P Activités Pétrolières, (a wholly owned subsidiary of Total SA) ("Total") has an option to acquire a 25% Working Interest in the Orinduik Block for US$12.5 million.