

28 February 2017

**ECO (ATLANTIC) OIL & GAS LTD.**

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

**Third Quarter Financial Results and Business Update**

**TORONTO, ONTARIO, LONDON, UK, February 28, 2017, Eco (Atlantic) Oil & Gas Ltd. ([EOG.V](#), [ECO.LN](#)) ("Eco Atlantic" or "the Company)** announces that it has reported its financial and operational results for the three and nine month periods ended December 31, 2016, and provides an update on recent corporate achievements and anticipated milestones for H1 2017. The reports are now available under the Company's profile on SEDAR ([www.sedar.com](http://www.sedar.com)) and will be available on the Company's website via the following link: <http://www.ecoilandgas.com/investors/financials/>.

Eco Atlantic reported on the following financial, operational and business milestones:

**Guyana:** Together with Tullow Oil, the operator of the Orinduik Block in which the Company holds a 36.7 per cent interest, a detailed review of regional 2D seismic data has been completed which established significant credible leads in the Block Canyon Play Fairways that warrant a comprehensive 3D seismic survey. Together with Tullow, the parties have approved an extensive 2,000km 3D seismic program, which is expected to be conducted in June - July 2017. The program is larger than originally anticipated and the Company believes that this will provide a full and comprehensive understanding of the potential drilling targets.

**AIM admission and listing** - On February 8, 2017, the Company completed a placing and admission of its common shares to trading on the AIM market of the London Stock Exchange ("AIM"). The Company raised £5.09 million (CDN \$8.4 million). These funds will enable the Company to augment the activities already achieved during the nine month period ended December 31, 2016. Following the admission and financing, and as of the date of this report, the Company has cash and cash equivalents of \$6.9 million.

**Namibia:** The Company and its block partners have engaged Risk Based Solutions Ltd. ("RBS") to conduct Environmental Impact Assessments ("EIA's") and the process for drilling permits applications in respect to the Cooper and Guy blocks. The surveys and permits are expected to be completed and granted respectively during Q3 2017.

**Ghana:** The Company completed the sale of its interest in Eco Atlantic Ghana Ltd. to PetroGulf Ltd., which has significantly reduced its liabilities and has allowed it to focus attention on the Guyana and Namibia operations.

**General Operations:** Continued reduction of general and administrative costs, compensation expenses and professional fees from a total of CDN \$1,144,000 for the nine month period ended December 31, 2015 to CDN \$798,000 for the nine month period ended December 31, 2016. Eco Atlantic has met all of its current work commitments under the various Petroleum Agreements<sup>1</sup> and is being cost carried and sufficiently funded to progress its exploration commitments for the fiscal year ahead.

**Gil Holzman, Chief Executive Officer of Eco Atlantic commented:** "2016 was one of our most exciting years at Eco, as we continued with our operations in Namibia and shifted our focus from Ghana to Guyana.

*"Towards the end of 2016 we worked intensively to ensure that the Company successfully listed onto AIM and our efforts were rewarded by an oversubscribed placing in early 2017. Following this financing, our balance sheet is extremely strong and will enable us to continue to aggressively peruse our work programs in Guyana and Namibia in the coming months.*

*"In recent months we approved a larger than expected 3D seismic program over the Orinduik Block in Guyana. The reason for doing so is based on the recent significant oil discoveries in the area and ours and Tullow's understanding of the regional 2D work that has already been performed.*

*"We continue to keep G&A levels lean and efficient and remain optimistic about the oil and gas sector. We look forward to progressing our work programs in the coming months in both Guyana and Namibia."*

For more information, please visit [www.ecoilandgas.com](http://www.ecoilandgas.com) or contact the following:

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## Key Financial Highlights:

	Three months ended		Nine months ended	
	December 31,		December 31,	
	2016	2015	2016	2015
	Unaudited		Unaudited	
<b>Revenue</b>				
Interest income	\$303	\$1,107	\$3,835	\$11,142
	<b>303</b>	1,107	<b>3,835</b>	11,142
<b>Operating expenses:</b>				
Compensation costs	60,478	62,435	247,655	404,391
Professional fees	81,521	34,256	237,634	338,201
Operating costs	386,287	46,932	1,555,171	207,589
General and administrative costs	77,911	132,401	313,175	462,537
Share-based compensation	608,683	5,800	683,603	12,800
Foreign exchange gain	(20,389)	(217,030)	(29,433)	(283,425)
Total expenses	<b>1,194,491</b>	64,794	<b>3,007,805</b>	1,142,093
<b>Net income (loss) and comprehensive income (loss) from continuing operations</b>	<b>\$(1,194,188)</b>	\$(63,687)	<b>\$(3,003,970)</b>	\$(1,130,951)
Discontinued operations	-	(203,453)	767,544	(635,830)
<b>Net loss and comprehensive loss</b>	<b>\$(1,194,188)</b>	\$(267,140)	<b>\$(2,236,426)</b>	\$(1,766,781)

Net comprehensive loss attributed to:

Equity holders of the parent	<b>(1,194,188)</b>	(33,918)	<b>(2,236,426)</b>	(1,061,723)
Non-controlling interests	-	(4,621)	-	(5,541)
	<b><u>\$(1,194,188)</u></b>	<u>\$(38,539)</u>	<b><u>\$(2,236,426)</u></b>	<u>\$(1,067,264)</u>
Basic and diluted net income (loss) per share from continuing operations	<b>(0.02)</b>	(0.00)	<b>(0.04)</b>	(0.01)
Basic and diluted net income (loss) per share from discontinuing operations	-	(0.00)	<b>0.01</b>	(0.01)
Basic and diluted net loss per share attributable to equity holders of the parent	<b><u>\$(0.02)</u></b>	<u>\$(0.00)</u>	<b><u>\$(0.03)</u></b>	<u>\$(0.01)</u>
Weighted average number of ordinary shares used in computing basic and diluted net loss per share	<b>85,969,461</b>	87,482,284	<b>85,161,992</b>	89,273,425

## **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 Atlantic holds a 40% working interest alongside Tullow Oil (60%) in the 1,800km<sup>2</sup> 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 25,000km<sup>2</sup> 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 expected to begin in 2017.