Eco (Atlantic) Oil & Gas Ltd.
(A Development Stage Company)

Condensed Consolidated Interim Financial Statements
For the Three Month Period ended June 30, 2013

(Unaudited)

Table of Contents

NOTICE TO SHAREHOLDERS

The accompanying unaudited condensed consolidated interim financial statements of Eco (Atlantic) Oil & Gas Ltd. for the three month period ended June 30, 2013 have been prepared by management in accordance with International Financial Reporting Standards applicable to consolidated interim financial statements (see note 2 to the unaudited condensed consolidated interim financial statements). Recognizing that the Company is responsible for both the integrity and objectivity of the unaudited condensed consolidated interim financial statements, management is satisfied that these unaudited condensed consolidated interim financial statements have been fairly presented.

Under National Instrument 51-102, part 4, sub-section 4.3(3)(a), if an auditor has not performed a review of the interim financial statements, they must be accompanied by a notice indicating that the financial statements have not been reviewed by an auditor.

The Company's independent auditor has not performed a review of these financial statements in accordance with standards established by the Canadian Institute of Chartered Accountants for a review of interim financial statements by an entity's auditor.

Eco (Atlantic) Oil & Gas Ltd.
(A Development Stage Company)

Condensed Consolidated Interim Statements of Financial Position (Unaudited)

	June 30, 2013	March 31, 2013
Assets		
Current assets		
Cash and cash equivalents	**$ 5,745,711**	$ 6,264,402
Short-term investments *(Note 5)*	**100,000**	304,109
Accounts receivable and prepaid expenses	**122,800**	63,604
	5,968,511	6,632,115
Petroleum and natural gas licenses *(Note 6)*	**2,685,655**	3,270,998
Equipment *(Note 7)*	**6,384**	5,250
	$ 8,660,550	$ 9,908,363
Liabilities		
Current liabilities		
Accounts payable and accrued liabilities *(Note 8)*	**$ 213,116**	$ 232,229
Equity		
Share Capital *(Note 9)*	**16,961,370**	16,961,370
Warrants *(Note 15)*	**1,035,000**	1,035,000
Stock options *(Note 14)*	**1,919,600**	1,805,600
Accumulated deficit	**(11,468,536)**	(10,125,836)
	8,447,434	9,676,134
	$ 8,660,550	$ 9,908,363

The accompanying notes are an integral part of these condensed consolidated interim financial statements.

Basis of Preparation and Going Concern *(Note 2)*

Commitments and Contingencies *(Notes 6, 11, 13 and 17(ii)))*

Subsequent events *(Note 17)*

Eco (Atlantic) Oil & Gas Ltd.
(A Development Stage Company)

Condensed Consolidated Interim Statements of Operations and Comprehensive Loss (Unaudited)

	Three Month Period Ended June 30, 2013	Three Month Period Ended June 30, 2012
Revenue		
Interest income	**$ 22,315**	$ 15,352
Operating expenses		
Operating costs *(Notes 6(v) and 8)*	**257,814**	456,470
Compensation and professional fees *(Notes 6(v) and 8*	**245,712**	272,922
General and administrative costs *(Notes 6(v) and 16)*	**157,238**	315,111
Share-based compensation *(Notes 8 and 14)*	**114,000**	290,128
Foreign exchange loss	**4,209**	1,483
Depreciation	**699**	479
Total expenses	**779,672**	1,336,593
Net loss before the undernoted	**(757,357)**	(1,321,241)
Write-down of licenses *(Note 6(iii))*	**(585,343)**	-
Net loss and comprehensive loss	**$ (1,342,700)**	**$** (1,321,241)
Loss per share - basic and diluted	**$ (0.02)**	$ (0.02)
Weighted average number of shares - basic and diluted	**68,959,661**	60,814,344

The accompanying notes are an integral part of these condensed consolidated interim financial statements.

Eco (Atlantic) Oil & Gas Ltd.
(A Development Stage Company)

Condensed Consolidated Interim Statements of Equity (Unaudited)

	Number	Capital $	Warrants $	Stock Options $	Deficit $	Equity $
Balance, March 31, 2012	**60,754,653**	**13,126,284**	**1,608,560**	**809,600**	**(6,141,634)**	**9,402,810**
Shares issued on exercise of warrants	106,508	85,208	-	-	-	85,208
Fair value of warrants exercised	-	16,253	(16,253)	-	-	-
Stock options expensed	-	-	-	290,128	-	290,128
Loss for the three month period	-	-	-	-	(1,321,241)	(1,321,241)
Balance, June 30, 2012	**60,861,161**	**13,227,745**	**1,592,307**	**1,099,728**	**(7,462,875)**	**8,456,905**
Shares issued net of issue costs	8,098,500	3,176,318	-	-	-	3,176,318
Fair value of warrants expired	-	557,307	(557,307)	-	-	-
Stock options expensed	-	-	-	705,872	-	705,872
Loss for the nine month period	-	-	-	-	(2,662,961)	(2,662,961)
Balance, March 31, 2013	**68,959,661**	**16,961,370**	**1,035,000**	**1,805,600**	**(10,125,836)**	**9,676,134**
Stock options expensed	-	-	-	114,000	-	114,000
Loss for the three month period ended June 30, 2013	-	-	-	-	(1,342,700)	(1,342,700)
Balance, June 30, 2013	**68,959,661**	**16,961,370**	**1,035,000**	**1,919,600**	**(11,468,536)**	**8,447,434**

The accompanying notes are an integral part of these condensed consolidated interim financial statements.

Eco (Atlantic) Oil & Gas Ltd.
(A Development Stage Company)

Condensed Consolidated Interim Statements of Cash Flows (Unaudited)

	Three Month Period Ended June 30, 2013	Three Month Period Ended June 30, 2012
Cash flow from operating activities		
Net loss for the period	**$ (1,342,700)**	$ (1,321,241)
Items not affecting cash:		
Write-down of licenses	**585,343**	-
Share-based compensation	**114,000**	290,127
Depreciation	**699**	479
Changes in non-cash working capital:		
Accounts receivable and prepaid expenses	**(59,196)**	4,525
Accounts payable and accrued liabilities	**(19,113)**	280,743
	(720,967)	(745,367)
Cash flow from investing activities		
Short-term investments	**204,109**	-
Equipment acquired	**(1,833)**	(3,715)
	202,276	(3,715)
Cash flow from financing activities		
Proceeds from exercise of warrants	-	85,208
Cash in trust	-	252,512
		337,720
Decrease in cash and cash equivalents	**(518,691)**	(411,362)
Cash and cash equivalents, beginning of the period	**6,264,402**	6,175,167
Cash and cash equivalents, end of the period	**$ 5,745,711**	$ 5,763,805
Supplementary information		
Cash and cash equivalents, end of the period		
Cash at banks	**$ 15,280**	$ 1,186,511
Cash on deposit	**$ 5,730,431**	$ 4,577,294

The accompanying notes are an integral part of these condensed consolidated interim financial statements.

1. Nature of Operations

The activities of Eco (Atlantic) Oil & Gas Ltd (the "Company") are directed towards the identification, acquisition, exploration and development of petroleum, natural gas and coal bed methane ("CBM") licenses in the Republic of Namibia.

The head office of the Company is located at 120 Adelaide Street West, Suite 1204, Toronto, Ontario.

These condensed consolidated interim financial statements were approved by the Board of Directors of the Company on August 22, 2013.

2. 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 economically recoverable petroleum, natural gas and CBM 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 a development stage company and has not earned any revenues to date

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 its future obligations. These matters raise substantial 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 consolidated statements of financial position. 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.

The Company has accumulated losses of $11,468,536 since its inception and expects to incur further losses in the development of its business.

3. Summary of Significant Accounting Policies

Statement of compliance

The Company applies International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretations issued by the IFRS Interpretations Committee ("IFRIC").

These condensed consolidated interim financial statements have been prepared in accordance with International Accounting Standard 34, Interim Financial Reporting. Accordingly, they do not include all of the information required for full annual financial statements required by IFRS as issued by IASB and interpretations issued by IFRIC.

The policies applied in these condensed consolidated interim financial statements are based on IFRS issued and outstanding as of August 22, 2013, the date the Board of Directors approved the statements. Except as described in Note 4, the same accounting policies and methods of computation are followed in these condensed consolidated interim financial statements as compared with the most recent annual consolidated financial statements of the Company as at and for the year ended March 31, 2013.

3. Summary of Significant Accounting Policies (continued)

Statement of compliance (continued

Any subsequent changes to IFRS that are given effect in the Company's annual consolidated financial statements for the year ending March 31, 2014 could result in restatement of these condensed consolidated interim financial statements.

Basis of consolidation

The condensed consolidated interim financial statements include the accounts of the Company and its wholly-owned subsidiaries, Eco (BVI) Oil & Gas Ltd. ("EBVI"), Eco Oil and Gas (Namibia) (Pty) Ltd. ("EOGN") and Eco Oil and Gas Services (Pty) Ltd. ("EOGS").

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.

i) 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.

Critical judgments used in applying accounting policies

In the preparation of these condensed consolidated interim financial statements, management has made judgments, aside from those that involve estimates, in the process of applying the accounting policies. These judgments can have an effect on the amounts recognized in the condensed consolidated interim financial statements.

Re-classifications

Certain prior period balances have been reclassified to conform with the current period's presentation.

4. Changes in Accounting Policies

As of April 1 2013 the Company adopted several new IFRS standards and amendments in accordance with the transitional provisions of each standard. A brief description of each new standard and its impact on the Company's financial statements follows:

IFRS 10, "Consolidated Financial Statements" supersedes IAS 27 "Consolidation and Separate Financial Statements" and SIC-12 "Consolidation – Special Purpose Entities". This standard provides a single model to be applied in control analysis for all investees including special purpose entities. The retrospective adoption of this standard does not have any impact on the Company's financial statements.

4. Changes in Accounting Policies (continued)

IFRS 11, "Joint Arrangements" divides joint arrangements into two types, joint operations and joint ventures, each with their own accounting model. All joint arrangements are required to be reassessed on transition to IFRS 11 to determine their type to apply the appropriate accounting. The retrospective adoption of this standard does not have any impact on the Company's financial statements.

IFRS 12, "Disclosure of Interests in Other Entities" combines in a single standard the disclosure requirements for subsidiaries, associates and joint arrangements as well as unconsolidated structured entities. The retrospective adoption of this standard does not have any impact on the Company's financial statements.

IFRS 13, "Fair Value Measurement" defines fair value, establishes a framework for measuring fair value and sets out disclosure requirements for fair value measurements. This standard defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The adoption of this standard does not have an impact on the Company's financial statements.

5. Short-term Investments

The Company's short-term investments comprise interest bearing deposits with its primary bank, which are held as collateral for credit-card lines of credit and GIC's held with an investment company.

6. Petroleum and Natural Gas Licenses

	Balance April 1, 2013	Additions	Impairment and Abandonment	Balance June 30, 2013
Licenses	**$ 3,270,998**	**$ -**	**$ (585,343)**	**$ 2,685,655**

	Balance April 1, 2012	Additions	Impairment and Abandonment	Balance March 31, 2013
Licenses	$ 3,270,998	$ -	$ -	$ 3,270,998

(i) All Licenses are initially issued for four years with two renewal options of two years each, after which time the licenses revert back to the government, unless a production license is granted at any time within the eight year period. Production licenses are generally granted for a 25 year term. The Licenses are subject to license agreements entered into between the Company and the Ministry of Mines and Energy of the Republic of Namibia (the "Ministry"). *(See Subsequent Events Note 17(ii))*

(ii) In October 2012, the Company received Ministry confirmation of its revised work plan, which provides for a single exploration well on each license by the fourth anniversary of each license. The Company also received approval to extend the scope of the Onshore Licenses to include the exploration and development of shale gas.

6. Petroleum and Natural Gas Licenses (continued)

(iii) Following the Company's decision to relinquish its license number 32, which incorporates license area 2148 (the "Relinquished License"), in August 2013 the Company received confirmation of Ministry acceptance of the relinquishment. The capitalized costs associated with the Relinquished License were written-off during the three months ended June 30, 2013.

(iv) In August 2013, the Company received Ministry approval for the inclusion of oil and gas exploration rights on its onshore license number 31, which incorporates license areas 2114, 2013B and 2014B.

(iv) The Company's commitments under the license agreements are as follows: *(See Subsequent Events Note 17 (ii))*

Year 1	**(ending March 31, 2012)**	
Desktop study		$ 2,150,000
Year 2 and 3	**(ending March 31, 2013 and 2014)**	
Complete and interpret a 500 Sq Km 3D seismic survey		5,200,000
Year 4	**(ending March 31, 2015)**	
Drill exploratory well through targets identified by 3D seismic		122,750,000
Complete and interpret a 2,000 Sq Km 3D seismic survey		20,800,000
Core hole drilling		1,200,000
Evaluation report		250,000
		145,000,000
Year 5	**(ending March 31, 2016)**	
Drill exploratory well through targets identified by 3D seismic		245,500,000
Additional core hole drilling		1,200,000
		246,700,000
Year 6	**(ending March 31, 2017)**	
Assessment of second core hole		250,000
Resource assessment and production assessment first renewal		750,000
First renewal period offtake/production engineering		1,500,000
		2,500,000
Year 7 and 8	**(ending March 31, 2018 and 2019)**	
Second renewal period additional 500 Sq Km 3D seismic		14,000,000
		$ 415,550,000

As at June 30, 2013, the Company had incurred costs of in excess of $2,150,000 in connection with the desktop study and is in compliance with its initial commitments.

The entire amount of petroleum and natural gas licenses relates to license acquisition costs. As the Company has not commenced principal operations as at June 30, 2013, no depletion has been recorded.

6. Petroleum and Natural Gas Licenses (continued)

(v) On December 22, 2011, the Company entered into an agreement (the "Farm-out Agreement") with Azimuth Ltd. ("Azimuth") an oil and gas exploration company, pursuant to which Azimuth acquired a 20% working interest in each of the Company's Offshore Licenses in return for funding 40% of the cost of 3D seismic surveys covering 2,500 square kilometers across all Offshore Licenses. Under the Joint Operating Agreement (the "JOA") entered into between Azimuth, The National Petroleum Corporation of Namibia ("NAMCOR"), a legal entity enacted under the Namibian Companies Act of 1973, and the Company and signed on January 24, 2013, 20% of certain operating, general and administrative expenses and compensation and professional fees incurred by the Company are recoverable from Azimuth. During the year ended March 31, 2013, the Company commenced billing Azimuth for its share of such expenses as recoveries of costs. The Condensed Consolidated Interim Statements of Operations and Comprehensive Loss, reflect expenditures net of these recoveries from Azimuth. The amounts recovered from Azimuth for the three months ended June 30, 2013 were; operating expenses $51,438 (2012 - $nil), general and administrative expenses $14,744 (2012 - $nil) and compensation and professional fees $21,834 (2012 - $nil).

Following approval of the Farm-out Agreement by the Ministry on May 31, 2012, the Company owns a 70% interest, Azimuth a 20% interest and NAMCOR its 10% interest in the Offshore Licenses (the "NAMCOR Interest"). The exploration activity on the Offshore Licenses is performed in the framework of the JOA, pursuant to which the Company is designated the operator of the Offshore Licenses.

The Company and Azimuth will be responsible for designing, sourcing and operating all aspects of 3D seismic surveys of the Offshore Licenses. The Company carries the NAMCOR Interest during the exploration period. Once production commences, NAMCOR will reimburse the Company, from production, for the full previously carried amount plus 20% interest on funds advanced by the Company.

7. Equipment

		Cost		**Accumulated Depreciation**		**June 30, 2013 Net Book Value**
Equipment	**$**	**11,643**	**$**	**5,259**	**$**	**6,384**

		Cost		Accumulated Depreciation		March 31, 2013 Net Book Value
Equipment	$	9,810	$	4,560	$	5,250

8. Related Party Transactions and Balances

The aggregate value of transactions with shareholders and directors and entities over which they have control or significant influence was as follows:

	June 30, 2013 $	June 30, 2012 $
Fees for management services paid to a company controlled by the President and CEO of the Company	**66,000**	63,673
Amount outstanding at the end of the period	**23,104**	21,285
Fees for management services paid to a company controlled by the COO of the Company	**45,000**	85,731
Amount outstanding at the end of the period	**34,034**	33,253
Fees paid to companies controlled by the CFO of the Company	**45,000**	22,500
Amount outstanding at the end of the period	**-**	15,000
Fees for management services paid to a company controlled by the Executive Vice President of the Company	**30,000**	30,000
Amount outstanding at the end of the period	**-**	10,000
Fees paid to a company controlled by the Chairman of the Company	**15,000**	16,528
Amount outstanding at the end of the period	**33,000**	-

Remuneration of the Company's directors and its Chief Executive Officer, Chief Financial Officer, Chief Operating Officer and its Executive Vice President was as follows:

	Three Month Periods Ended	
	June 30, 2013 $	June 30, 2012 $
Salaries, fees and benefits	**212,035**	225,716
Stock-based compensation	**109,329**	274,204
Total	**321,364**	499,920

9. Share Capital

Authorized: Unlimited Common Shares

Issued:	**Common Shares**	**Amount $**
Balance, March 31, 2012	**60,754,653**	**13,126,284**
Shares issued net of issue costs *(i)*	8,098,500	3,176,318
Shares issued on exercise of warrants	106,508	85,208
Fair value of warrants exercised	-	16,253
Fair value of warrants expired *(Note 15)*	-	557,307
Balance, March 31, 2013 and June 30, 2013	**68,959,661**	**16,961,370**

(i) On November 19, 2012 EAOG completed a non-brokered private placement of common shares of the Company (the "Common Shares") (the "Offering"). In connection with the Offering, the Company issued 8,098,500 Common Shares at a price of $0.40 per Common Share for gross proceeds of $3,239,400. The Company incurred costs of $63,082 in connection with this private placement.

(ii) 11,961,682 of the Company's shares are held in escrow.

10. Asset Retirement Obligations ("ARO")

The Company is legally required to restore its properties to their original condition. Estimated future site restoration costs will be based upon engineering estimates of the anticipated method and the extent of site restoration required in accordance with current legislation and industry practices in the various locations in which the Company has properties.

As of June 30, 2013 and 2012, the Company did not operate any properties, accordingly, no ARO was required.

11. Capital Management

The Company considers its capital structure to consist of share capital, deficit and reserves. The Company manages its capital structure and makes adjustments to it, in order to have the funds available to support the acquisition, exploration and development of its licenses. The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain future development of the business.

The Company is a development stage entity; as such the Company is dependent on external equity financing to fund its activities. In order to carry out the planned exploration and pay for administrative costs, the Company will spend its existing working capital and raise additional amounts as needed. Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable.

There were no changes in the Company's approach to capital management during the period ended June 30, 2013. Neither the Company nor its subsidiaries are subject to externally imposed capital requirements.

The Company's objective when managing capital is to safeguard the Company's ability to continue as a going concern. The Company's ability to raise future capital is subject to uncertainty and the inability to raise such capital may have an adverse impact over the Company's ability to continue as a going concern *(Note 2)*.

12. Risk Management

a) Credit risk

The Company's credit risk is primarily attributable to short-term investments and amounts receivable. The Company has no significant concentration of credit risk arising from operations. Short-term investments consist of deposits with Schedule 1 banks, from which management believes the risk of loss to be remote. Amounts receivable consist of advances to suppliers and harmonized sales tax due from the Federal Government of Canada. Management believes that the credit risk concentration with respect to amounts receivable is remote. The Company does not hold any non-bank asset backed commercial paper.

b) Interest rate risk

The Company has cash balances, cash on deposit and no interest bearing debt. It does not have a material exposure to this risk.

c) Liquidity risk

The Company ensures, as far as possible, that it will have sufficient liquidity to meet its liabilities when due, without incurring unacceptable losses or harm to the Company's reputation.

As at June 30, 2013, the Company had cash on hand and on deposit of $5,845,711 (March 31, 2013 - $6,568,511) to settle current liabilities of $213,116 (March 31, 2013 - $232,229).

The Company utilizes authorization for expenditures to further manage capital expenditures and attempts to match its payment cycle with available cash resources. Accounts payable and accrued liabilities at June 30, 2013 all have contractual maturities of less than 90 days and are subject to normal trade terms.

d) Foreign currency risk

The Company is exposed to foreign currency fluctuations on its operations in Namibia, which are denominated in Namibian dollars. Sensitivity to a plus or minus 10% changes in rates would not have a significant effect on the net loss of the Company, given the Company's minimal assets and liabilities designated in Namibian dollars as at June 30, 2013.

13. Commitments and Contingencies

a) 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 submitted work plans for the development of the Namibian licenses, see *Note 6* for details.

b) Commitments

The Company has office lease commitments as follows:

2014	$	16,519
2015		13,370
Total	$	29,889

14. Stock Options

The Company maintains a stock option plan (the "Plan") for the directors, officers, consultants and employees of the Company and its subsidiary companies. The maximum number of options issuable under the Plan shall be equal to ten percent (10%) of the Outstanding Shares of the Company less the aggregate number of shares reserved for issuance or issuable under any other security based compensation arrangement of the Company.

A summary of the status of the Plan as at June 30, 2013 and changes during the period was as follows:

	Number of Stock Options	Weighted Average Exercise price ($)	Remaining Contractual Life - Years
Balance, March 31, 2012	4,780,000	0.60	3.54
Granted May 2012	350,000	0.68	3.88
Granted December 2012	900,000	0.40	4.49
Canceled and expired	(90,000)	(0.60)	
Balance, March 31, 2013 and June 30, 2013	5,940,000	0.57	

The fair value of all options that vested during the three months ended June 30, 2013 was $114,000 (2012 - $290,128).

As at June 30, 2013, 4,471,111 options were exercisable. (March 31, 2013 – 3,976,111).

15. Warrants

A summary of warrants outstanding at June 30, 2013 was as follows:

	Number of Warrants	Weighted Average Exercise Price ($)
Balance, March 31, 2012	8,290,756	0.93
Exercised during the year ended March 31, 2013	(85,000)	0.80
Expired during the year ended March 31, 2013 *(Note 9)*	(2,915,000)	0.80
Balance, March 31, 2013 and June 30, 3013	5,290,756	1.00

	Number of Warrants	Remaining Contractual Life in Years
	353,415	0.52
	4,937,341	1.02
Balance, June 30, 2013	5,290,756	

16. General and Administrative Costs

General and administrative costs consist of the following:

	June 30, 2013 $	June 30, 2012 $
Travel expenses	**51,270**	199,367
Occupancy and office expenses	**63,166**	35,503
Public company costs	**13,447**	33,526
Insurance	**12,112**	11,922
Financial services	**1,488**	3,429
Advertising and communication	**30,499**	31,366
Recovered under JOAs *(Note 6(v))*	**(14,744)**	-
	157,238	315,113

17. Subsequent Events

(i) On July 5, 2013, the term of the 4,937,341 warrants due to expire on July 6, 2013 was extended for 12 months and the warrants will now expire on July 6, 2014.

(ii) On July 8, 2013, the Ministry granted a one year extension of the Sharon and Guy licenses and a one year deferral of the Company's obligations to drill an exploratory well and to produce a resource assessment on each of the Sharon and Guy licenses *(Note 6(iv))*.