

Eco (Atlantic) Oil and Gas Ltd. Announces Results for the six months ended 30 September 2020

24.11.2020 | [ACCESS Newswire](#)

Unaudited Results for the six months ended 30 September 2020

Corporate and Operational Update

TORONTO, November 24, 2020 - Eco (Atlantic) Oil & Gas Ltd. (AIM:ECO)(TSX?V:EOG), the oil and gas exploration company with licence interests in Guyana and Namibia, is pleased to announce its results for the three and six months ended 30 September 2020, alongside a corporate and operational update.

Results Highlights:

Financials

- As at 30 September 2020, the Company had cash and cash equivalents of US\$17.2 million with zero debt.
- Eco remains fully funded for its share (15% WI net) of its planned two exploration wells at Orinduik Block offshore Guyana.
- As at 30 September 2020, Eco had total assets of US\$18.4 million, total liabilities of US\$470,661 and total equity of US\$18 million.
- 70% reduction in general and administrative expenses as compared to same six month period in 2019, including travel costs reduction of 82% and office cost reductions of 90% in line with previously reported COVID-19 cost discipline measures.

Operations

- Multiple light sweet oil drilling prospects on the Orinduik block are currently being reviewed by the Company's 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 Cretaceous interpretation and target selection for drilling.
- On 30 June 2020, the Company and its JV Partners approved a budget in the amount of approximately US\$5 million through to 31 December 2020 for 3D reprocessing based on new regional results and high grading of target selection. The Company's share of this budget is US\$750,000.
- The Company, together with its strategic alliance partners [Africa Oil Corp.](#), is currently reviewing and evaluating additional assets opportunities in both Africa and South America.

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.
- 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 for the next drilling campaign and Eco expects to be able to update the market on its next 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 (government approval is expected imminently).

Namibia

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

Corporate

- Due to the ongoing COVID-19 pandemic, Eco continues to keep a strict control over costs throughout the business. This cost drive 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:

"The Company remains well placed to capitalise on its strategic acreage in both Guyana and Namibia; both prolific hydrocarbon provinces. With no debt and strong cash reserves, Eco remains fully funded for its further near-term drilling plans in Guyana and continues to evaluate additional value enhancing opportunities.

"In Guyana, arguably one the most attractive exploration and production regions in the world in the past five years, we are excited to recommence drilling activity in due course and we are aiming to define targets through reprocessing and we hope to have target selection in the next six months allowing us to begin drilling preparation in the second half of 2021.

"In Namibia, we have seen a ramp up in activity by other operators towards their respective drilling programmes and we expect any success here to considerably benefit Eco. Namibia continues to become ever more attractive to the major players in the industry, and we look forward to an exciting year of activity in 2021 in country and for Eco.

"Eco's resilient business model, along with its strong management, shareholders, and assets in prolific E&P hotspots, means the Company is well positioned to deliver value for shareholders going forward. We very much look forward to keeping the market up to speed on developments for the remainder of 2020 and into the New Year."

The Company's unaudited financial results for three and six months ended 30 September 2020, together with Management's Discussion and Analysis for the three months and six months to 30 September 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

Assets
Current assets

September 30
2020
Unaudited

Cash and cash equivalents	17,192,996
Short-term investments	52,760
Government receivable	18,741
Amounts owing by licence partners, net	21,809
Accounts receivable and prepaid expenses	135,254
	17,421,560
Petroleum and natural gas licences	1,117,171
Total Assets	18,538,731
Liabilities	
Current liabilities	
Accounts payable and accrued liabilities	131,192
Advances from and amounts owing to licence partners, net	339,469
Total Liabilities	470,661
Equity	
Share capital	59,099,725
Restricted Share Units reserve	267,669
Warrants	53,026
Stock options	2,597,644
Foreign currency translation reserve	(1,205,801)
Accumulated deficit	(42,744,193)
Total Equity	18,068,070
Total Liabilities and Equity	18,538,731

Income Statement

	Three Months ended September 30, 2020	Three Months ended September 30, 2019
Revenue	7,242,000	7,242,000
Interest income	7,242,000	7,242,000
Operating expenses:		
Compensation costs	141,000	141,000
Professional fees	87,700	87,700
Operating costs	330,000	330,000
General and administrative costs	142,000	142,000
Share-based compensation	42,100	42,100
Foreign exchange gain	(45,200)	(45,200)
Total expenses	699,000	699,000
Net loss and comprehensive loss	(699,000)	(699,000)
Basic and diluted net loss per share attributable to equity holders of the parent	(0.00)	(0.00)
Weighted average number of ordinary shares used in computing basic and diluted net loss per share	184,000	184,000

Cash Flow Statement

Six months ended
September 30,
2020 2019
Unaudited

Cash flow from operating activities		
Net loss from operations	(1,496,624)	(18,3
Items not affecting cash:		
Share-based compensation	54,820	5,619
Warrants issued for services		-
Changes in non-cash working capital:		
Government receivable	535	(7,15
Accounts payable and accrued liabilities	(219,050)	(207,
Accounts receivable and prepaid expenses	(88,992)	23,01
Advance from and amounts owing to licence partners	339,469	903,6
	(1,409,842)	(12,0
Cash flow from financing activities		
Net proceeds from Private Placement	-	15,93
Proceeds from the exercise of stock options	-	53,97
Proceeds from the exercise of warrants	-	120,6
	-	16,11
Increase (decrease) in cash and cash equivalents	(1,409,842)	4,091
Foreign exchange differences	(64,178)	305,7
Cash and cash equivalents, beginning of period	18,667,016	18,75
Cash and cash equivalents, end of period	17,192,996	23,14

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.

****ENDS****

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

Eco Atlantic Oil and Gas	c/o Celicourt +44 (0) 20 8434 2754
Gil Holzman, CEO	+44(0)781 729 5070 +1 (416) 318 8272
Colin Kinley, COO	
Alice Carroll, Head of Marketing and IR	
Strand Hanson Limited (Financial & Nominated Adviser)	+44 (0) 20 7409 3494
James Harris	
James Bellman	
Berenberg (Broker)	+44 (0) 20 3207 7800
Matthew Armitt	
Detlir Elezi	
Celicourt (PR)	+44 (0) 20 8434 2754
Mark Antelme	
Jimmy Lea	
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 licences totalling approximately 25,000km² with over 2.3bboe of prospective P50 resources in the Walvis Basin. 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).

This information is provided by RNS, the news service of the London Stock Exchange. RNS is approved by the Financial Conduct Authority to act as a Primary Information Provider in the United Kingdom. Terms and conditions relating to the use and distribution of this information may apply. For further information, please contact rns@lseg.com or visit www.rns.com.

SOURCE: [Eco \(Atlantic\) Oil & Gas Ltd.](#)

View source version on accesswire.com:

<https://www.accesswire.com/618174/Eco-Atlantic-Oil-and-Gas-Ltd-Announces-Results-for-the-six-months-ended-30-September-2020.html>

Dieser Artikel stammt von Rohstoff-Welt.de

Die URL für diesen Artikel lautet:

<https://www.rohstoff-welt.de/news/367737--Eco-Atlantic-Oil-and-Gas-Ltd.-Announces-Results-for-the-six-months-ended-30-September-2020.html>

Für den Inhalt des Beitrages ist allein der Autor verantwortlich bzw. die aufgeführte Quelle. Bild- oder Filmrechte liegen beim Autor/Quelle bzw. bei der vom ihm benannten Quelle. Bei Übersetzungen können Fehler nicht ausgeschlossen werden. Der vertretene Standpunkt eines Autors spiegelt generell nicht die Meinung des Webseiten-Betreibers wieder. Mittels der Veröffentlichung will dieser lediglich ein pluralistisches Meinungsbild darstellen. Direkte oder indirekte Aussagen in einem Beitrag stellen keinerlei Aufforderung zum Kauf-/Verkauf von Wertpapieren dar. Wir wehren uns gegen jede Form von Hass, Diskriminierung und Verletzung der Menschenwürde. Beachten Sie bitte auch unsere [AGB/Disclaimer!](#)

Die Reproduktion, Modifikation oder Verwendung der Inhalte ganz oder teilweise ohne schriftliche Genehmigung ist untersagt!
Alle Angaben ohne Gewähr! Copyright © by Rohstoff-Welt.de -1999-2026. Es gelten unsere [AGB](#) und [Datenschutzrichtlinien](#).