JURA ENERGY CORPORATION
CONDENSED CONSOLIDATED
INTERIM FINANCIAL STATEMENTS
FOR THE THREE MONTHS ENDED
MARCH 31, 2015 and 2014

Jura Energy Corporation
Condensed Consolidated Interim Statements of Financial Position
As at March 31, 2015

	Note	March 31, 2015 US$	December 31, 2014 US$
ASSETS			
Current assets			
Cash and cash equivalents		141,796	147,476
Accounts and other receivables	6	4,344,848	2,188,743
		4,486,644	**2,336,219**
Non-current assets			
Property, plant and equipment	7	44,831,772	45,164,043
Exploration and evaluation assets	8	11,218,057	10,997,779
Intangible assets		40,761	44,582
Restricted cash		35,037	35,024
		56,125,627	**56,241,428**
Total assets		**60,612,271**	**58,577,647**
LIABILITIES AND SHAREHOLDERS' EQUITY			
Current liabilities			
Accounts payable and accrued liabilities		9,046,177	6,681,751
Borrowings	9	12,683,169	13,137,256
		21,729,346	**19,819,007**
Non-current liabilities			
Borrowings	9	4,702,705	4,833,505
Asset retirement obligation	10	2,387,662	2,374,970
		7,090,367	**7,208,475**
Total liabilities		**28,819,713**	**27,027,482**
Shareholders' equity			
Share capital	11	65,203,045	65,203,045
Contributed surplus		331,352	323,752
Warrants		117,672	117,672
Accumulated deficit		(33,859,511)	(34,094,304)
Total shareholders' equity		**31,792,558**	**31,550,165**
Total equity and liabilities		**60,612,271**	**58,577,647**

Going concern	2
Contingencies and commitments	12

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

APPROVED ON BEHALF OF THE BOARD OF DIRECTORS

"Signed"
Shahid Hameed
Interim CEO and Director

"Signed"
Stephen C. Smith
Director

Jura Energy Corporation
Condensed Consolidated Interim Statements of Comprehensive Income
For the three months ended March 31, 2015 and 2014

	Note	March 31, 2015 US$	March 31, 2014 US$
Revenue		1,971,382	368,520
Cost of production	13	(1,402,740)	(308,626)
Gross profit		**568,642**	**59,894**
Administrative expenses	14	(662,557)	(527,889)
Other income		-	7,490
Operating loss		**(93,915)**	**(460,505)**
Finance income	15	799,451	151,732
Finance costs	16	(470,743)	(164,349)
Profit / (loss) before income tax		**234,793**	**(473,122)**
Income tax expense		-	-
Total comprehensive income / (loss) for the period		**234,793**	**(473,122)**
Earnings / (loss) per share - basic and diluted (US$ per share)	17	0.00	(0.01)

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

Jura Energy Corporation
Condensed Consolidated Interim Statements of Cash Flows
For the three months ended March 31, 2015 and 2014

	March 31, 2015 US$	March 31, 2014 US$
Cash flow from operating activities		
Profit / (loss) for the period	234,793	(473,122)
Adjustments for:		
Depletion, depreciation and amortization	814,137	248,116
Accrued finance costs	313,328	164,349
Stock based compensation	7,600	24,166
Unrealized exchange gain on borrowings	(779,227)	(177,275)
Gain on fair valuation of embedded derivative	-	(7,490)
	590,631	(221,256)
Changes in working capital		
Increase in accounts and other receivables	(2,156,105)	(250,819)
Increase in accounts payable and accrued liabilities	1,725,491	950,773
Net cash generated from operating activities	**160,017**	**478,698**
Cash flow from investing activities		
Property plant and equipment	(44,627)	(587,908)
Exploration and evaluation assets	(14,761)	(1,452,093)
Change in restricted cash	(13)	15,812
Net cash used in investing activities	**(59,401)**	**(2,024,189)**
Cash flow from financing activities		
Proceeds from borrowings	203,516	1,165,004
Repayment of borrowings	(248,425)	-
Finance costs paid	(61,387)	-
Net cash (used in) / generated from financing activities	**(106,296)**	**1,165,004**
Net decrease in cash and cash equivalents	(5,680)	(380,487)
Cash and cash equivalents at beginning of period	147,476	429,484
Cash and cash equivalents at end of period	**141,796**	**48,997**

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

Jura Energy Corporation
Condensed Consolidated Interim Statements of Changes in Equity
For the three months ended March 31, 2015 and 2014

	No of shares	Share Capital US$	Accumulated deficit US$	Contributed surplus US$	Warrants US$	Total US$
Balance at January 1, 2014	69,076,328	65,203,045	(30,642,643)	283,151	117,672	34,961,225
Net loss for the period	-	-	(473,122)	-	-	(473,122)
Stock based compensation for the period	-	-	-	24,166	-	24,166
Balance at March 31, 2014	**69,076,328**	**65,203,045**	**(31,115,765)**	**307,317**	**117,672**	**34,512,269**
Balance at January 1, 2015	69,076,328	65,203,045	(34,094,304)	323,752	117,672	31,550,165
Net profit for the period	-	-	234,793	-	-	234,793
Stock based compensation for the period	-	-	-	7,600	-	7,600
Balance at March 31, 2015	**69,076,328**	**65,203,045**	**(33,859,511)**	**331,352**	**117,672**	**31,792,558**

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

1. Company and its operations

Jura Energy Corporation ("the Company") is listed on the Toronto Stock Exchange and trades under the symbol "JEC". The registered office of Jura Energy Corporation is located at Suite 5100, 150 – 6th Avenue SW, Calgary, T2P3Y7, Alberta, Canada. These condensed consolidated interim financial statements include financial statements of Jura Energy Corporation ("JEC"), and its wholly owned subsidiaries Spud Energy Pty Limited ("SEPL"), Frontier Acquisition Company Limited ("FAC") and Frontier Holdings Limited ("FHL").

These condensed consolidated interim financial statements were approved and authorized for issue by the Company's board of directors on May 12, 2015.

2. Going concern

Management has prepared these condensed consolidated interim financial statements in accordance with IFRS applicable to a going concern, which contemplates that assets will be realized and liabilities will be discharged in the normal course of business as they become due. The Company has a working capital deficiency of US$ 17.2 million at March 31, 2015 (December 31, 2015: US$ 17.5 million). Additional cash resources will be required to exploit the Company's petroleum and natural gas properties. The Company has reported a net profit of US$ 0.2 million, for the three months ended March 31, 2015, and has a current accumulated deficit of US$ 33.9 million (December 31, 2014 US$ 34.1 million) due to incurrence of continued losses up to its prior fiscal year ended December 31, 2014. For the three months ended March 31, 2015 the Company reported positive cash flows from operations of US$ 0.2 million (March 31, 2014: US$ 0.5 million). In addition to its ongoing working capital requirements, the Company also has financial commitments as at March 31, 2015 that amounted to US$ 6.4 million (December 31, 2014 US$ 6.4 million) *(See "Commitments- Note 12.2").* Additional cash resources will be required to exploit the Company's petroleum and natural gas properties. These material uncertainties raise significant doubt as to the Company's ability to continue as a going concern and, accordingly, the appropriateness of the use of accounting principles applicable to a going concern. The uncertainty includes the need for additional cash resources to fund its existing operations and for the development of its properties, economic dependence on its joint venture partners and the current economic and political conditions in Pakistan.

To date, all exploration, development and other operational activities of the Company have been funded by the internal cash generation from its producing concessions, equity and debt issuances, funding by a shareholder, and by farm-out through which a third party reimbursed the Company for a portion of its historical costs and will pay a portion of the Company's future capital expenditures to earn a portion of the Company's working interest in its properties.

On February 20, 2013, SEPL entered into an unsecured bridge loan financing arrangement of C$11 million with its majority shareholder, Eastern Petroleum Limited ("EPL"), *(See "Borrowings- Note 9").* The loan carries interest at the rate of 3 months US$ LIBOR + 4%. Further, EPL also has a right to convert each C$ 1 of outstanding principal and accrued interest thereon into one common share of the Company. As at March 31, 2015, the Company had utilized C$ 9.8 million under this financing arrangement. The loan was due for repayment on demand after February 20, 2015 ("the maturity date"). However, EPL has provided an undertaking to the Company, pursuant to which, EPL shall not demand repayment of the principal amount and accrued interest thereon after the maturity date, unless the Company has sufficient funds to repay, in EPL's reasonable judgment, or the Company closes a qualifying financing.

Management is currently evaluating and pursuing other funding alternatives, including debt financing and new equity issuances to fund the Company's ongoing operations. The Company's access to sufficient capital will impact its ability to complete its planned exploration and development activities. However, there can be no assurance that the steps management is taking will be successful.

These condensed consolidated interim financial statements do not reflect the adjustments to the carrying values of assets and liabilities and the reported revenues and expenses and balance sheet classifications that would be necessary if the Company was unable to realize its assets and settle its liabilities as a going concern in the normal course of operations. Such adjustments could be material.

3. Basis of preparation

These condensed consolidated interim financial statements have been prepared in accordance with IFRS, as applicable to the interim financial reports including IAS 34, Interim Financial Reporting. The condensed consolidated interim financial statements do not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the annual audited financial statements of the Company for the year ended December 31, 2014 which have been prepared in accordance with IFRS, as issued by the International Accounting Standards Board.

4. Significant accounting policies

The accounting policies adopted in the preparation of these condensed consolidated interim financial statements are consistent with those followed in the preparation of the Company's consolidated annual audited financial statements for the year ended December 31, 2014, except as described below:

Reclassification of condensed consolidated statements of cash flows

Certain amounts in prior period have been reclassified to conform to the current period's presentation. Changes in accounts payable and accrued liabilities related to capital expenditure, amounting to US$ 1,858,529, are presented on a net basis within the property plant and equipment expenditure and exploration and evaluation expenditure in the Condensed Consolidated Statements of Cash Flows rather than such changes being presented as part of changes in working capital. This change in classification does not materially affect previously reported net cash flows used in operating and investing activities in the Condensed Consolidated Statements of Cash Flows, and had no effect on the previously reported Condensed Consolidated Statement of Financial Position and Condensed Consolidated Statement Comprehensive Income.

5. Critical accounting estimates and judgements

The preparation of these condensed consolidated interim financial statements in conformity with approved accounting standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. Estimates and judgments are continually evaluated and are based on historic experience including expectation of future events that are believed to be reasonable under the circumstances.

Estimates and judgements made by the management in the preparation of these condensed consolidated interim financial statements are the same as those used in the preparation of Company's consolidated annual audited financial statements for the year ended December 31, 2014.

6. Accounts and other receivables

	Note	March 31, 2015	December 31, 2014
		US$	**US$**
Trade receivables		3,932,401	1,811,542
Due from Energy Exploration Limited ("EEL")	6.1	818,218	818,218
Prepayments		51,902	52,596
Income tax refundable		128,355	113,945
Other receivables		232,190	210,660
		5,163,066	**3,006,961**
Provision for impairment	6.1	(818,218)	(818,218)
		4,344,848	**2,188,743**

6.1 This represents receivable against expenses recharged and payments made on behalf of EEL. The balance is receivable on demand and carries no interest. EEL has 11% and 12% working interests in the Sanjawi and Zamzama North exploration licenses respectively. However, owing to expiry of the term of Zamzama North exploration license and force majeure declaration by the operator in the Sanjawi exploration license, the Company has fully provided for the balance receivable from EEL.

7. **Property, plant and equipment**	**Oil and gas properties**	**Computer equipment**	**Furniture and fixtures**	**Office equipment**	**Motor vehicles**	**Total**
	US$					
Cost	46,961,216	86,109	13,886	25,074	74,218	47,160,503
Accumulated depletion / depreciation	(1,862,638)	(73,678)	(10,714)	(22,217)	(27,213)	(1,996,460)
Opening net book value	**45,098,578**	**12,431**	**3,172**	**2,857**	**47,005**	**45,164,043**
Period ended March 31, 2015						
Additions during the period – **note 7.1**	476,895	866	-	284	-	478,045
Depletion / depreciation for the period	(802,137)	(3,183)	(332)	(953)	(3,711)	(810,316)
Carrying amount at March 31, 2015	**44,773,336**	**10,114**	**2,840**	**2,188**	**43,294**	**44,831,772**
Cost	47,438,111	86,975	13,886	25,358	74,218	47,638,548
Accumulated depletion / depreciation	(2,664,775)	(76,861)	(11,046)	(23,170)	(30,924)	(2,806,776)
Net book value at March 31, 2015	**44,773,336**	**10,114**	**2,840**	**2,188**	**43,294**	**44,831,772**
Cost	36,519,183	86,109	13,886	25,074	74,218	36,718,470
Accumulated depletion / depreciation	(566,144)	(59,402)	(8,423)	(18,290)	(12,370)	(664,629)
Opening net book value	**35,953,039**	**26,707**	**5,463**	**6,784**	**61,848**	**36,053,841**
Year ended December 31, 2014						
Additions during the year – **note 7.1**	8,780,577	-	-	-	-	8,780,577
Transfer from exploration and evaluation assets	943,018	-	-	-	-	943,018
Revision in estimate of asset retirement obligation	718,438	-	-	-	-	718,438
Depletion / depreciation for the year	(1,296,494)	(14,276)	(2,291)	(3,927)	(14,843)	(1,331,831)
Carrying amount at December 31, 2014	**45,098,578**	**12,431**	**3,172**	**2,857**	**47,005**	**45,164,043**
Cost	46,961,216	86,109	13,886	25,074	74,218	47,160,503
Accumulated depletion / depreciation	(1,862,638)	(73,678)	(10,714)	(22,217)	(27,213)	(1,996,460)
Net book value at December 31, 2014	**45,098,578**	**12,431**	**3,172**	**2,857**	**47,005**	**45,164,043**
Annual rate of depreciation (%)		33.33%	20.00%	33.33%	20.00%	

7.1 Additions during the period include borrowing costs amounting to US$ Nil (December 31, 2014: US$ 206,201).

8. **Exploration and evaluation assets**	**Note**	**March 31, 2015**	**December 31, 2014**
		US$	**US$**
Balance at beginning of the period / year		10,997,779	9,449,865
Additions during the period / year		220,278	2,451,234
Transferred to property, plant and equipment		-	(943,018)
Revision in estimate of asset retirement obligation		-	101,868
Exploration and evaluation assets written off during the period / year		-	(62,170)
Carrying amount at end of period / year		**11,218,057**	**10,997,779**

9. Borrowings

	Note	March 31, 2015 US$	December 31, 2014 US$
Non-current			
Bank borrowings	9.1	727,498	980,969
Subordinated debentures	9.2	3,975,207	3,852,536
		4,702,705	**4,833,505**
Current			
Bank borrowings	9.1	993,343	1,013,367
Running finance facility	9.1	1,935,199	1,839,169
Shareholder loans	9.3	9,754,627	10,284,720
		12,683,169	**13,137,256**
Total borrowings		**17,385,874**	**17,970,761**

9.1 These represent secured borrowings from JS Bank Limited, a related party, of PKR 400 million (US$ 3.9 million) comprised of: (a) PKR 200 million in term finance at an interest rate equal to 3-month KIBOR plus 2%, maturing in two years and (b) PKR 200 million in renewable running finance at an interest rate equal to 3-month KIBOR plus 2%, maturing in one year. The principal of the term finance facility is repayable in eight equal quarterly installments in arrears, commencing three months after the date of disbursement. The term finance was disbursed in November 2014.

These facilities are secured by way of first charge on the fixed assets, assignment of receivables arising on account of gas sales from Badar, Reti, Maru and Maru South and Zarghun South leases and corporate guarantee of JEC.

9.2 On May 24, 2013 the Company completed the private placement of 4,000 subscription units. Each unit comprised of a debenture of US$ 1,000 carrying interest at the rate of 11% per annum and 200 warrants exercisable at a price of C$ 0.36 per common share of the Company. As a consideration of successful placement of subscription units, the Company's advisor was granted 50,000 warrants and paid a cash success fee. Interest is payable in arrears in equal semi-annual payments on April 30 and on October 30 each year. The repayment of debentures will fall due on April 30, 2018 or an earlier date at the option of the Company.

The financing comprises of two components: (i) subordinated debentures and (ii) warrants of US$ 117,672 representing the right of debenture holders to acquire JEC's shares. The subordinated debentures have been accounted for using the amortized cost method and share purchase warrants have been accounted for at fair value on the closing date i.e. May 24, 2013, determined using the Black Scholes Option Pricing Model. The share purchase warrants will expire on April 30, 2018. The assumptions used in the calculation of fair value of US$ 0.14 per share purchase warrants are:

Risk-free interest rate (%)	1.14
Expected life (years)	4.94
Estimated volatility of underlying common shares (%)	70.00

9.3 Shareholder loans

	Note	March 31, 2015 US$	December 31, 2014 US$
Current account with shareholder	9.4	1,868,013	1,868,013
Bridge loan payable to shareholder	9.5	7,886,614	8,416,707
		9,754,627	**10,284,720**

9.4 This represents unsecured funds received from the majority shareholder, EPL, to finance the business operations of the Company. The balance is payable on demand and does not carry any interest.

9.5 On February 20, 2013, SEPL entered into an unsecured bridge loan financing arrangement of C$11 million with the majority shareholder of the Company, EPL. The balance as at March 31, 2015 represents fourteen tranches of loan received from EPL. The principal and accrued interest outstanding at any time, will bear interest at the rate of 3-months US$ LIBOR plus 4% compounded quarterly. The facility is due for repayment on demand. Further, EPL has the option to convert, in whole or in part, the principal and accrued interest under the facility for a subscription of JEC shares, on the basis of one JEC share for each C$1.00 so converted ("the Conversion Option") subject to the restriction that, during any six month period, the aggregate number of JEC shares issuable to EPL under the conversion option may not exceed 10% of the number of JEC shares outstanding, on a non-diluted basis, prior to the date of the first conversion.

At March 31, 2015, the loan comprises of two components: (i) the host agreement and (ii) the embedded derivative representing the written option to EPL to convert the loan amount into JEC shares. The host agreement has been accounted for using the amortized cost method and the embedded derivative has been accounted for at fair value determined using the Black Scholes Option Pricing Model. The fair value of the embedded derivative at March 31, 2015 was Nil (December 31, 2014: Nil).

10. Asset retirement obligation	**March 31, 2015 US$**	**December 31, 2014 US$**
Balance at beginning of the period / year	2,374,970	1,507,683
Additions / revisions due to change in estimates	-	820,306
Asset retirement obligation incurred during the year	-	(20,865)
Accretion on asset retirement obligation	12,692	67,846
Carrying amount at end of the period / year	**2,387,662**	**2,374,970**

11. Share capital

Authorized share capital

The Company is authorized to issue an unlimited number of common shares and an unlimited number of preferred shares. The preferred shares may be issued in one or more series, with rights and privileges for each series as determined by the board of directors.

Stock options

The Company has a share option plan pursuant to which options may be granted to directors, officers, and employees of the Company. The options generally vest over a period of up to three years and expire no more than 5 years from the date of grant.

	Three months ended March 31, 2015		**Year ended December 31, 2014**	
	Number of options	**Weighted average exercise price**	**Number of options**	**Weighted average exercise price**
Options outstanding, beginning of period	2,368,294	C$ 0.84	2,943,294	C$0.79
Granted	-	-	-	-
Exercised	-	-	-	-
Forfeited	-	-	-	-
Expired	-	-	(575,000)	C$ 0.60
Options outstanding, end of period	2,368,294	C$ 0.84	2,368,294	C$ 0.84
Options exercisable, end of period	1,813,042	C$ 0.79	1,813,042	C$ 0.79

Price	Number outstanding	Weighted average remaining contractual life (years)	Exercisable
C$ 0.109	1,665,764	2.99	1,110,512
C$ 0.145	487,500	0.72	487,500
C$ 0.232	215,030	0.72	215,030
C$ 0.109 – C$ 0.232	2,368,294	2.32	1,813,042

Stock-based compensation and contributed surplus

During the three months ended March 31, 2015 stock-based compensation of US$ 7,600 (March 31, 2014: US$ 24,166) was charged to the consolidated statement of comprehensive income.

12. Contingencies and commitments

12.1 There has been no material change in contingencies as disclosed in the latest consolidated annual audited financial statements of the Company.

12.2 Commitments

	Note	March 31, 2015 US$	December 31, 2014 US$
Minimum capital commitments related to exploration licenses	12.3	4,419,050	4,419,050
Commitments under outstanding AFEs		1,767,285	1,767,285
Commitment under sale purchase agreement for the acquisition of EEL		1,000	1,000
Commitment under operating leases			
- Not later than one year		113,736	103,521
- Later than one year and less than five years		129,644	92,258
		6,430,715	**6,383,114**

12.3 Breakdown of minimum capital commitments related to exploration licenses:

	2015 US$	2016 US$	2017 US$	Total US$
Sanjawi	668,250	94,500	1,755,000	2,517,750
Zamzama North	1,224,000	-	-	1,224,000
Guddu	319,800	-	-	319,800
Badin IV North	357,500	-	-	357,500
Total	**2,569,550**	**94,500**	**1,755,000**	**4,419,050**

13. Cost of production

	March 31, 2015 US$	March 31, 2014 US$
Production costs	600,603	73,324
Depletion of oil and gas properties	802,137	235,302
	1,402,740	**308,626**

14. Administrative expenses

Salaries and employee benefits	316,881	211,616
Directors compensation	33,108	90,357
Amortization and depreciation	12,000	12,815

	March 31, 2015 US$	March 31, 2014 US$
Legal and professional services	65,407	44,291
Travelling expenses	27,289	15,621
Consultancy	120,374	52,457
Other expenses	87,498	100,732
	662,557	**527,889**

15. Finance Income

Finance income represents unrealized exchange gain on retranslation of foreign currency denominated borrowings at period end exchange rate.

16. Finance costs

Interest on borrowings	300,636	147,387
Accretion on asset retirement obligation	12,692	16,962
Finance costs others	157,415	-
	470,743	**164,349**

17. Earnings / (loss) per share

Net profit / (loss) for the period - US$		234,793	(473,122)
Weighted average number of outstanding shares	17.1	69,076,328	69,076,328
Earnings / (loss) per share - basic and diluted – US$ per share		0.00	(0.01)

17.1 For the three months ended March 31, 2015, employee stock options (2,368,294), stock option under shareholder loans (6,907,632) and share purchase warrants (850,000) were excluded from the calculation of diluted shares as they would be anti-dilutive.

18. Financial risk management

18.1 Financial risk factors

The Company's activities expose it to a variety of financial risks: market risk (including currency risk, fair value interest rate risk, cash flow interest rate risk and price risk), credit risk and liquidity risk.

These condensed consolidated interim financial statements do not include all financial risk management information and disclosure required in the annual financial statements; they should be read in conjunction with the Company's consolidated annual audited financial statements for the year ended December 31, 2014. There has been no change in the risk management policies since December 31, 2014.

18.2 Fair value of financial assets and liabilities

The analysis of financial instruments carried at fair value, by valuation method is described below. The different levels have been defined as follows:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1).

- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (Level 2).

- Inputs for the asset or liability that are not based on observable market data (that is unobservable inputs) (Level 3).

The carrying values of all other financial assets and liabilities approximate their fair values. Fair value is determined on the basis of objective evidence at each reporting date. Fair value of embedded derivative on Shareholder loan has calculated using Level 2 valuation method.

19. Transactions with related parties

The Company's related parties with significant transactions during the three months ended March 31, 2015 include its majority shareholder, EPL, JS Bank Limited, an associated Company and key management personnel. Related parties and their relationship are as follows:

Majority Shareholder
- Eastern Petroleum Limited

Wholly owned subsidiaries
- Spud Energy Pty Limited
- Frontier Acquisition Company Limited
- Frontier Holdings Limited
- 1428112 Alberta Limited
- 4515226 Canada Inc.
- Onni Wilson Avenue Development Limited Partnership
- Onni Elmbridge Development Limited Partnership
- Onni The Point Development Limited Partnership
- Onni IOCO Road One Development Limited

Associated entity
- JS Bank Limited

Key management personnel

Key management personnel are those having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any directors (whether executive or otherwise) of the Company.

The Company's key management includes its Interim Chief Executive Officer, Chief Financial Officer and its directors.

Transactions with related parties other than those which have been disclosed elsewhere in the financial statements are:

	March 31, 2015 US$	**December 31, 2014 US$**
Transactions with majority shareholder – EPL		
Balance payable at beginning of the period / year	10,284,720	7,952,646
Loan received during the period / year net of embedded derivative	120,000	3,057,514
Loan repaid during the period / year	-	(500,000)
Interest accrued on loan from shareholder	70,000	390,935
Exchange gain on retranslation of shareholder loan	(720,093)	(608,869)
Amount paid on behalf of EPL during the period / year	-	(7,506)
Balance payable at end of the period / year	**9,754,627**	**10,284,720**
Transactions with Associated entity - JS Bank Limited		
Balance payable at beginning of the period / year	3,833,505	-
Loan received during the period / year	83,516	3,717,218
Loan repaid during the period / year	(309,812)	-
Interest accrued during the period / year	107,965	50,223
Exchange (gain) / loss on retranslation of loan	(59,134)	66,064
Balance payable at end of the period / year	**3,656,040**	**3,833,505**

	March 31, 2015 US$	March 31, 2014 US$
Key management personnel compensation		
Management salaries and benefits	100,783	98,420
Management stock based compensation	1,369	4,106
Director's fees and compensation	33,108	47,918
	135,260	**150,444**

20. Operating segment information

Management has determined the operating segments based on the information that is presented to the Company's board of directors for allocation of resources and assessment of performance. The Company is organized into two operating segments based on geography i.e. Oil and gas operations in Pakistan ("Pakistan") and Corporate activities in Canada ("Canada").

The Pakistan segment derives its revenue primarily from the sale of petroleum products in Pakistan. During the three months ended March 31, 2015, the Pakistan segment had three customers, Sui Northern Gas Pipelines Limited ("SNGPL"), Engro Fertilizers Limited ("Engro") and Sui Southern Gas Company Limited ("SSGCL"), to whom all the gas from Badar, Reti, Maru and Maru South and Zarghun South are sold. SNGPL and SSGCL are state owned entities and Engro is a large publicly-listed company. Percentage breakup of sales to SNGPL, Engro and SSGCL for the three months ended March 31, 2015 and year ended December 31, 2014 and trade receivables at March 31, 2015 and December 31, 2014 are as follows:

	Three months ended March 31, 2015	Three months ended March 31, 2014
Net sales		
SNGPL	5%	28%
Engro	12%	72%
SSGCL	83%	-
Trade receivables	**March 31, 2015**	**December 31, 2014**
SNGPL	3%	8%
Engro	6%	16%
SSGCL	91%	76%

The Canada segment does not have any revenue generating operations.

The Company's board of directors monitors the results of the above mentioned segments for the purpose of making decisions about the resources to be allocated and for assessing performance based on historical results and the purpose of their existence. The segment information for the reportable segments is as follows:

	For the three months ended March 31, 2015		
	Canada	Pakistan	Consolidated
	--------------------------US$	----------------------------	
Revenue	-	1,971,382	1,971,382
Cost of production	-	(1,402,740)	(1,402,740)
Gross profit	**-**	**568,642**	**568,642**
Administrative expenses	(124,863)	(537,694)	(662,557)
Other income	-	-	-
Operating profit / (loss)	**(124,863)**	**30,948**	**(93,915)**
Finance income	19,125	780,326	799,451
Finance costs	(122,671)	(348,072)	(470,743)
Net profit / (loss) for the period	**(228,409)**	**463,202**	**234,793**

	Canada	Pakistan	Consolidated
Additions to property, plant and equipment	-	478,045	478,045
Additions to exploration and evaluation assets	-	220,278	220,278
	As at March 31, 2015		
Segment assets	98,666	60,513,605	60,612,271
Segment liabilities	3,975,207	24,844,506	28,819,713

	For the three months ended March 31, 2014		
	Canada	**Pakistan**	**Consolidated**
	-------------------------US$---------------------------		
Revenue	-	368,520	368,520
Cost of production	-	(308,626)	(308,626)
Gross profit	**-**	**59,894**	**59,894**
Administrative expenses	(142,965)	(384,924)	(527,889)
Other income	-	7,490	7,490
Operating loss	**(142,965)**	**(317,540)**	**(460,505)**
Finance income	1,820	149,912	151,732
Finance costs	(128,396)	(35,953)	(164,349)
Net loss for the period	**(269,541)**	**(203,581)**	**(473,122)**
Additions to property, plant and equipment	-	2,293,413	2,293,413
Additions to exploration and evaluation assets	-	1,605,117	1,605,117
	As at March 31, 2014		
Segment assets	128,283	51,587,720	51,716,003
Segment liabilities	4,079,421	13,124,313	17,203,734