Jura Energy Corporation

Condensed Consolidated Interim Financial Statements
For the Three and Nine Months Ended
September 30, 2020
(expressed in US dollars)
(Unaudited)

Notice of no auditor review of Condensed Consolidated Interim Financial Statements

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

The accompanying unaudited condensed consolidated interim financial statements of the Corporation as at and for the three and nine months period ended September 30, 2020 have been prepared by and are the responsibility of the Corporation's management.

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

Jura Energy Corporation

Condensed Consolidated Interim Statements of Financial Position

As at September 30, 2020 (Unaudited)

(expressed in US dollars)

	September 30, 2020 $	December 31, 2019 $
Assets		
Current assets		
Cash and cash equivalents	638,605	581,686
Restricted cash	514,306	952,314
Accounts and other receivables (note 4)	11,045,797	5,959,732
	12,198,708	**7,493,732**
Non-current assets		
Property, plant and equipment (note 5)	43,391,727	43,252,888
Exploration and evaluation assets (note 6)	5,219,320	4,626,053
Long-term receivables	274,196	239,911
Total assets	**61,083,951**	**55,612,584**
Liabilities and Shareholders' Equity		
Current liabilities		
Accounts payable and accrued liabilities	13,241,318	13,923,729
Borrowings (note 7)	1,722,622	6,560,417
Amounts due to related parties (note 8)	2,490,729	604,488
	17,454,669	**21,088,634**
Non-current liabilities		
Borrowings (note 7)	10,111,343	806,601
Amounts due to related parties (note 8)	8,362,700	14,016,590
Deferred tax liability – net	3,688,256	2,471,872
Asset retirement obligation (note 10)	3,581,384	3,206,559
Total liabilities	**43,198,352**	**41,590,256**
Shareholders' equity		
Share capital (note 11)	65,203,045	65,203,045
Contributed surplus (note 11)	406,884	390,107
Warrants (note 11)	140,265	140,265
Accumulated deficit	(47,864,595)	(51,711,089)
Total shareholders' equity	**17,885,599**	**14,022,328**
Total equity and liabilities	**61,083,951**	**55,612,584**

Contingencies and commitments (note 12)

APPROVED ON BEHALF OF THE BOARD OF DIRECTORS

"Signed"
Nadeem Farooq
CEO and Director

"Signed"
Stephen C. Smith
Director

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

Jura Energy Corporation

Condensed Consolidated Interim Statements of Comprehensive Income / (Loss)

For the three and nine months ended September 30, 2020 (Unaudited)

(expressed in US dollars)

	Three months ended		Nine months ended	
	September 30, 2020 $	**September 30, 2019 $**	**September 30, 2020 $**	**September 30, 2019 $**
Net revenue	4,960,653	2,600,217	14,347,265	8,071,828
Cost of production (note 13)	(1,992,986)	(1,205,559)	(5,559,899)	(3,460,977)
Gross profit	**2,967,667**	**1,394,658**	**8,787,366**	**4,610,851**
Expenses				
General and administrative expenses (note 14)	(615,985)	(408,619)	(1,488,200)	(1,230,320)
Impairment of oil and gas properties (note 5)	-	-	(750,000)	-
Other income	-	-	19,293	-
Operating profit	**2,351,682**	**986,039**	**6,568,459**	**3,380,531**
Exchange gain / (loss) – net	(286,086)	(206,939)	1,024,357	1,183,960
Finance costs (note 15)	(795,533)	(1,031,740)	(2,529,938)	(2,577,861)
Profit / (loss) before income tax	**1,270,063**	**(252,640)**	**5,062,878**	**1,986,630**
Income tax (note 16)	(135,583)	74,701	(1,216,384)	(1,329,984)
Total comprehensive income / (loss) for the period	**1,134,480**	**(177,939)**	**3,846,494**	**656,646**
Earnings per share (note 17)				
Basic	0.02	(0.00)	0.06	0.01
Diluted	0.02	(0.00)	0.05	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 nine months ended September 30, 2020 (Unaudited)

(expressed in US dollars)

	September 30, 2020 $	**September 30, 2019 $**
Cash provided by / (used in)		
Operating activities		
Profit before tax for the period	5,062,878	1,986,630
Adjustments for:		
Impairment of oil and gas properties (note 5)	750,000	-
Depletion of oil and gas properties (note 13)	3,324,901	1,798,868
Depreciation of other operating assets (note 14)	26,687	86,734
Accrued finance costs on:		
- Amounts due to related parties (note 15)	1,070,119	1,231,905
- Borrowings (note 15)	1,355,077	1,037,969
- Accretion on asset retirement obligation (note 15)	56,073	56,165
Stock based compensation (note 11)	16,777	10,553
Other income	(19,293)	-
Net unrealized exchange gain on borrowings and amounts due to related parties	(758,887)	(817,898)
Funds flow	10,884,332	5,390,926
Changes in working capital		
Increase in accounts and other receivables	(5,086,065)	(883,083)
(Decrease) / increase in accounts payable and accrued liabilities	(682,411)	2,180,542
Decrease in restricted cash	438,008	194,202
Net cash generated from operating activities	**5,553,864**	**6,882,587**
Investing activities		
Property, plant and equipment	(3,963,523)	(2,343,474)
Proceeds from disposal of property, plant and equipment	48,250	-
Exploration and evaluation assets	(593,267)	(166,376)
Changes in long-term receivables	(34,285)	(47,000)
Net cash used in investing activities	**(4,542,825)**	**(2,556,850)**
Financing activities		
Amounts due to related parties – proceeds	2,513,177	939,113
Amounts due to related parties – repayment	(2,933,480)	(1,341,937)
Borrowings – proceeds	12,245,982	-
Borrowings – repayment	(7,234,774)	(2,333,445)
Finance costs paid	(5,545,025)	(937,286)
Net cash used in financing activities	**(954,120)**	**(3,673,555)**
Net increase in cash and cash equivalents	**56,919**	**652,182**
Cash and cash equivalents at beginning of the period	581,686	1,388,243
Cash and cash equivalents at end of the period	**638,605**	**2,040,425**

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 nine months ended September 30, 2020 (Unaudited)

(expressed in US Dollars)

	Number of shares	Share capital $	Contributed surplus $	Warrants $	Accumulated Deficit $	Total $
Balance at January 1, 2019	**69,076,328**	**65,203,045**	**366,067**	**140,265**	**(51,494,694)**	**14,214,683**
Net profit for the period	-	-	-	-	656,646	656,646
Stock based compensation (note 11)	-	-	10,553	-	-	10,553
Balance at September 30, 2019	**69,076,328**	**65,203,045**	**376,620**	**140,265**	**(50,838,048)**	**14,881,882**
Balance at January 1, 2020	**69,076,328**	**65,203,045**	**390,107**	**140,265**	**(51,711,089)**	**14,022,328**
Net profit for the period	-	-	-	-	3,846,494	3,846,494
Stock based compensation (note 11)	-	-	16,777	-	-	16,777
Balance at September 30, 2020	**69,076,328**	**65,203,045**	**406,884**	**140,265**	**(47,864,595)**	**17,885,599**

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

1 Company and its operations

Jura Energy Corporation ("JEC" or the "Company") is listed on the TSX Venture Exchange ("TSX-V") and trades under the symbol "JEC". The registered office of the Company is located at Suite 5100, 150 – 6th Avenue SW, Calgary, T2P 3Y7, Alberta, Canada. These condensed consolidated interim financial statements include the financial statements of JEC, and its wholly owned subsidiaries Spud Energy Pty Limited ("SEPL"), PetExPro Ltd. (formerly Frontier Acquisition Company Limited) ("PEPL"), Frontier Oil and Gas Holdings Limited ("FOGHL") 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 November 26, 2020.

2 Going concern

Management has prepared these condensed consolidated interim financial statements in accordance with the International Financial Reporting Standards ("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 $5.26 million at September 30, 2020 (December 31, 2019: $13.60 million). During the nine months ended September 30, 2020, the Company reported a net profit of $3.85 million (September 30, 2020: $0.66 million). As at September 30, 2020, the Company has an accumulated deficit of $47.86 million (December 31, 2019: $51.71 million). In addition to its ongoing working capital requirements, the Company also had financial commitments as at September 30, 2020, that amounted to $5.06 million (December 31, 2019: $8.65 million) *(see "Commitments – note 12").* Additional cash resources will be required to exploit the Company's petroleum and natural gas properties.

In addition to the above-mentioned factors, there are a number of additional material uncertainties that 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 uncertainties include the need for additional cash resources to fund its existing operations and for the development of its properties, economic dependence on joint venture partners, the current economic and political conditions in Pakistan and the full extent of the impact of COVID-19 on the Company's operations and future financial performance.

To date, all exploration, development and other operational activities of the Company have been funded by 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. The Company's access to sufficient capital will impact its ability to complete its planned exploration and development activities.

On January 31, 2020, SEPL entered into a syndicated term finance facility of PKR 2,000 million (approx. $12.07 million) with Askari Bank Limited ("AKBL"), the lead arranger acting on behalf of the participants (the "AKBL Facility"). The proceeds of AKBL Facility were utilised to (i) fully settle the outstanding balance of Al Baraka syndicated credit facilities and JS Bank bilateral term finance facilities and (ii) fund the capital expenditure commitments of SEPL. Further, on June 11, 2020, SEPL entered into a running finance facility of PKR 425 million (approx. $2.56 million) with JS Bank Limited, a related party. The proceeds of the running finance facility will be utilized to fund the operating expenses of SEPL.

Subsequent to the period end, on November 3, 2020, SEPL entered into another running finance facility of PKR 200 million (approx. $1.21 million) with JS Bank Limited, a related party. The proceeds of the running finance facility will be utilized to fund the operating expenses of SEPL *(see "Subsequent Events – note 21 (a)")*. Further, the principal shareholder has confirmed its commitment to provide continued financial support to the Company as and when required for a foreseeable future which is at least twelve (12) months from the balance sheet date and twelve (12) months from the date of approval of these condensed consolidated interim financial statements.

(expressed in US Dollars)

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. These 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, 2019 which have been prepared in accordance with IFRS, as issued by the International Accounting Standards Board.

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, 2019.

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 historical experience including the 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, 2019.

In March 2020, the World Health Organization declared a global pandemic following the emergence and rapid spread of a novel strain of coronavirus ("COVID-19"). The outbreak and subsequent measures intended to limit COVID-19 globally contributed to significant declines and volatility in capital and financial markets, and adversely impacted global commodity markets, most notably the dramatic decline in worldwide demand for crude oil. There are no comparable recent events that provide guidance as to the long term effect that COVID-19 may have, including global efforts to contain the spread and severity of the virus.

The full extent of the impact of COVID-19 on the Company’s operations and future financial performance is currently unknown. The continued impact on capital and financial markets on a macro-scale presents uncertainty and risk that may affect the Company's performance, and the estimates and assumptions used in the preparation of its financial results.

Additional estimates, assumptions and judgments in response to COVID-19 have been disclosed in these condensed consolidated interim financial statements regarding valuation assessments to determine the recoverable amount of the Company’s oil and gas properties.

4 Accounts and other receivables

	September 30, 2020 $	**December 31, 2019 $**
Trade receivables (note 4 a)	10,333,848	5,534,608
Due from related parties (note 4 b)	830,743	830,743
Prepayments	193	58,735
Security deposits	42,061	42,061
Other receivables	657,170	311,803
	11,864,015	**6,777,950**
Provision for impairment (note 4 b)	(818,218)	(818,218)
	11,045,797	**5,959,732**

(expressed in US Dollars)

a) The trade receivables are provided as a security by way of irrevocable assignment into the collection accounts maintained with AKBL, the lead arranger, acting on behalf of the participants, pursuant to the terms of the syndicated term finance facility (*refer to note 7 (a) for further details*).

b) This represents $818,218 and $12,525 (December 31, 2019: $818,218 and $12,525) receivable from Energy Exploration Limited ("EEL") and JSEL respectively. The balances are receivable on demand and carry no interest.

Amount due from EEL represents expenses recharged and payments made on behalf of EEL. EEL has an 11% and 12% working interest in the Sanjawi and Zamzama North exploration licenses respectively. However, owing to the expiry of the term of the Zamzama North exploration license and force majeure declaration in the Sanjawi exploration license, the Company has fully provided for the balance receivable from EEL.

5 Property, plant and equipment

		Other operating assets				
	Oil and gas properties $	**Computer equipment $**	**Furniture and fixtures $**	**Office equipment $**	**Motor vehicles $**	**Total $**
Cost	63,520,728	109,148	24,011	48,949	339,879	64,042,715
Accumulated depletion, depreciation and impairment	(20,351,937)	(101,988)	(22,423)	(48,949)	(264,530)	(20,789,827)
Opening net book value	43,168,791	7,160	1,588	-	75,349	43,252,888
Period ended September 30, 2020						
Additions during the period	3,960,641	2,882	-	-	-	3,963,523
Addition in asset retirement obligation	318,752	-	-	-	-	318,752
Disposal during the period						
Cost	-	-	-	-	(119,575)	(119,575)
Accumulated depreciation	-	-	-	-	77,727	77,727
	-	-	-	-	(41,848)	(41,848)
Depletion and depreciation for the period	(3,324,901)	(3,255)	(1,517)	-	(21,915)	(3,351,588)
Impairment for the period (note 5 b)	(750,000)	-	-	-	-	(750,000)
Carrying amount at September 30, 2020	**43,373,283**	**6,787**	**71**	**-**	**11,586**	**43,391,727**
Cost	67,800,121	112,030	24,011	48,949	220,304	68,205,415
Accumulated depletion, depreciation and impairment	(24,426,838)	(105,243)	(23,940)	(48,949)	(208,718)	(24,813,688)
Carrying amount at September 30, 2020	**43,373,283**	**6,787**	**71**	**-**	**11,586**	**43,391,727**
Cost	59,407,448	103,792	24,011	48,949	339,879	59,924,079
Accumulated depletion, depreciation and impairment	(17,986,655)	(97,773)	(20,445)	(48,910)	(211,398)	(18,365,181)
Opening net book value	41,420,793	6,019	3,566	39	128,481	41,558,898
Year ended December 31, 2019						
Additions during the year	3,451,623	5,356	-	-	-	3,456,979
Addition in asset retirement obligation	80,410	-	-	-	-	80,410
Revision in asset retirement obligation	201,546	-	-	-	-	201,546
Transferred from exploration and evaluation assets (note 6)	379,701	-	-	-	-	379,701
Depletion and depreciation for the year	(2,365,282)	(4,215)	(1,978)	(39)	(53,132)	(2,424,646)
Carrying amount at December 31, 2019	**43,168,791**	**7,160**	**1,588**	**-**	**75,349**	**43,252,888**
Cost	63,520,728	109,148	24,011	48,949	339,879	64,042,715
Accumulated depletion, depreciation and impairment	(20,351,937)	(101,988)	(22,423)	(48,949)	(264,530)	(20,789,827)
Carrying amount at December 31, 2019	**43,168,791**	**7,160**	**1,588**	**-**	**75,349**	**43,252,888**
Annual rate of depreciation (%)		33.33%	20.00%	33.33%	20.00%	

a) Motor vehicles include the following amounts where the Company is a lessee under a finance lease (*refer to note 7 (c) for further details*):

	September 30, 2020 $	**December 31, 2019 $**
Leasehold motor vehicles		
Cost	146,086	265,661
Accumulated depreciation	(134,500)	(190,312)
	11,586	**75,349**

(expressed in US Dollars)

b) Impairment of oil and gas properties

In light of the significant degradation and volatility in global crude oil prices, international oil supply and demand imbalances, and the uncertainty surrounding the economic impact of COVID–19, the management carried out an impairment test at March 31, 2020, for its Cash Generating Units in accordance with the accounting policy stated in note 2(xvi-b) of the Company's annual audited financial statements for the year ended December 31, 2019. As a result of the impairment test carried out at March 31, 2020, an impairment charge of $0.75 million was recorded for CGU-II. No impairment was required to be recognized for CGU-I and CGU-III.

The economic conditions at March 31, 2020, that required a test for impairment have improved, and therefore no indicators of impairment existed at September 30, 2020.

The impairment test at March 31, 2020 was performed using a fair value less cost of disposal methodology using a discounted cash flow model. The fair value of each Cash Generating Unit ("CGU") was categorized as Level 3 fair value based on the unobservable inputs used. The determination of the recoverable amount of a CGU involved several assumptions and estimates which are subject to estimation uncertainty, as well as a significant degree of judgment. Significant estimates involved in the calculation include pricing assumptions, production and cost assumptions and the appropriate discount rate. The Company engages an independent reserves valuer to prepare an annual reserve report, which contains the pricing, production and cost assumptions that form the basis for determining the recoverable amount of each CGU. The most recent report is prepared as at December 31, 2019, and therefore adjustments were made to reflect the updated crude oil price forecast at the time of impairment testing. Other adjustments to the report were made as necessary to reflect the change in the economic environment. The appropriate discount rate requires a significant amount of judgment, and a sensitivity analysis was performed to ensure that a 1% change in discount rate and 5% change in crude oil price forecast did not affect the conclusion of the impairment test carried out at March 31, 2020.

6 Exploration and evaluation assets

	September 30, 2020	December 31, 2019
	$	$
Balance at beginning of the period	4,626,053	4,543,971
Additions during the period	593,267	458,727
Transferred to property, plant and equipment (note 5)	-	(379,701)
Revision in estimate of asset retirement obligation	-	10,169
Exploration and evaluation assets written off (note 6 c)	-	(7,113)
Carrying amount at end of the period	**5,219,320**	**4,626,053**

a) The initial term of Phase II of the Badin IV North exploration license expired on December 6, 2019. In accordance with the provisions of the Petroleum Concession Agreement ("PCA"), the operator on behalf of the JV partners submitted a renewal application to the Directorate General of Petroleum Concessions ("DGPC") for approval on December 4, 2019. The approval of the application filed with the DGPC is pending as of the date of approval of these financial statements. The management believes that, based on the related provisions of the Badin IV North PCA, the exploration license has been and will remain valid until approval is granted by the DGPC. As a result, no derecognition or impairment of exploration and evaluation assets amounting to $2,311,103 (December 31, 2019: $2,146,103) related to the Badin IV North exploration license is required as at September 30, 2020.

b) The initial term of Phase II of the Badin IV South exploration license expired on July 4, 2018. In accordance with the provisions of the Badin IV South PCA, the operator on behalf of the JV partners submitted a renewal application to the DGPC for approval on July 2, 2018. On February 10, 2020, the DGPC granted approval of extension in the license term subject to the submission of bank guarantees by the JV partners. On February 13, 2020, Jura submitted its application to the DGPC for hypothecation of reserves in lieu of bank guarantee. The approval of the

(expressed in US Dollars)

Company's application is pending as of the date of approval of these financial statements. The management believes that the possibility of rejection of Jura's application by the DGPC is remote, since a similar approval has been granted in respect of the Guddu exploration license. As a result, no derecognition or impairment of exploration and evaluation assets amounting to $426,296 (December 31, 2019: 292,232) related to the Badin IV South exploration license is required as at September 30, 2020.

c) Owing to the expiry of the term of the Zamzama North exploration license and force majeure declaration in the Sanjawi exploration license, all the costs incurred have been written off.

d) In 2016, the DGPC issued a notice to Heritage Oil & Gas Limited, the operator of the Sanjawi and Zamzama North exploration licenses, to remedy the breach of failing to discharge the minimum work commitments and financial obligations in the Zamzama North Exploration License as stipulated in the PCA and applicable Pakistan Petroleum (Exploration and Production) Rules 2001 ("Rules"). Thereafter, the DGPC issued a show cause notice to the Operator to explain why the Zamzama North Exploration License / PCA should not be revoked. The Operator responded to the DGPC that the Joint Venture ("JV") partners do not intend to challenge the proposed revocation of the License and PCA, however, the JV partners do not accept that they have or should incur any further liability towards the Government or DGPC in relation to the license, PCA or under the Rules because the reasons which prevented the Operator from discharging its obligations under the License and PCA were outside the control of the Operator and the JV partners.

Further, DGPC issued a notice of termination to the Operator in respect of the Sanjawi Exploration License and required the Operator to, among other conditions, settle payment of all outstanding work obligations and other financial obligations, as stipulated in the PCA, arising prior to the date of declaration of *force majeure*. The Operator responded that the obligations have either already been fully discharged or are otherwise not applicable, given the historical facts leading up to the formal declaration of the *force majeure*. Therefore, the obligations set out in the notice of termination do not apply.

The management, along with the JV partners, is pursuing the matter with the DGPC and is confident that there will be no financial or other obligation in respect of the above notices because the reasons resulting in the breaches were not in the control of the JV partners. Further, the management, based on legal advice, is of the view that the Company is not liable to pay liquidated damages in respect of the undischarged work commitments until completion of assignment of the working interests in Zamzama North and Sanjawi exploration licenses to the Company, which is currently pending. Accordingly, the Company has no exposure to any obligation resulting from the DGPC notices.

7 Borrowings

	September 30, 2020	December 31, 2019
Current	**$**	**$**
AKBL Syndicated term finance facilities (note 7 a)	1,712,848	-
ABPL Syndicated credit facilities (note 7 b)	-	2,984,732
Finance lease obligations (note 7 c)	9,774	33,528
Subordinated debentures (note 7 d)	-	3,542,157
	1,722,622	**6,560,417**
Non-current		
AKBL Syndicated term finance facilities (note 7 a)	10,110,911	-
ABPL Syndicated credit facilities (note 7 b)	-	787,795
Finance lease obligations (note 7 c)	432	18,806
	10,111,343	**806,601**
Total borrowings	**11,833,965**	**7,367,018**

(expressed in US Dollars)

a) On January 31, 2020, SEPL entered into long term syndicated term finance facilities of PKR 2,000 million (approximately $12.07 million) with AKBL, the lead arranger acting on behalf of the participants (the "AKBL Facility").

The syndicate is comprised of AKBL, JS Bank Limited ("JSBL"), a related party of Jura, and Al Baraka Bank Pakistan Limited ("ABPL") with participation of PKR 1,000 million (approximately $6.04 million), PKR 550 million (approximately $3.32 million) and PKR 450 million (approximately $2.71 million) respectively. The AKBL Facility carries interest at the rate of 3-month KIBOR plus 2.50%. The interest is payable quarterly in arrears whereas the principal is repayable in sixteen equal quarterly installments commencing after a grace period of one year from the date of first disbursement.

The AKBL Facility is secured by corporate guarantees of Jura and FHL, a first hypothecation charge on the moveable fixed assets of SEPL with a 25% margin, an assignment of present and future receivables of SEPL and FHL with a 25% margin, a lien on collection accounts of SEPL and FHL maintained with AKBL and a lien on SEPL's debt service reserve account and debt payment account maintained with AKBL.

The proceeds of AKBL Facility were utilized to fully settle the outstanding amount of Al Baraka syndicated credit facilities and JS Bank term finance facilities and fund the capital expenditure commitments of SEPL.

Under the terms of the AKBL Facility, the Pakistan Branch of SEPL must comply at each year-end (i.e. December 31) with the following financial covenants:

i) Debt service coverage ratio of at least 1.20 times;
ii) Current ratio of 1:1; and
iii) Debt to equity ratio of not more than 60:40.

The first compliance under the AKBL Facility will be carried out at December 31, 2020.

b) On January 31, 2020, the outstanding amount of ABPL syndicated credit facilities was fully settled from the proceeds of AKBL Facility.

c) In February 2016, SEPL entered into a diminishing musharaka facility with ABPL for the lease of vehicles for the Company's employees, in the amount of up to PKR 42 million (approximately $0.25 million). Under the terms of the facility, the Company has the option to acquire the leased vehicles without any consideration upon expiry of the lease term. The lease term is five years. The commitments in relation to the finance lease payable are as follows:

	September 30, 2020 $	December 31, 2019 $
Within one year	10,108	36,964
Later than one year but not later than five years	632	19,563
Later than five years	-	-
Minimum lease payments	**10,740**	**56,527**
Future interest payments	(534)	(4,193)
Recognized as liability	**10,206**	**52,334**

The present value of finance lease liabilities is as follows:

Within one year	9,774	33,528
Later than one year but not later than five years	432	18,806
Later than five years	-	-
Minimum lease payments	**10,206**	**52,334**

(expressed in US Dollars)

d) On May 18, 2018, the Company completed the private placement of 3,500 subscription units of subordinated debentures. Each unit comprised of a debenture of $1,000 carrying interest at the rate of 11% per annum and 200 warrants exercisable at a price of C$0.15 per common share of the Company. As a consideration for the 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 31 each year.

The financing comprises two components: (i) subordinated debentures and (ii) warrants of $22,593 representing the right of debenture holders to acquire the Company'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 May 18, 2018, the closing date, determined using the Black-Scholes Option Pricing Model. The share purchase warrants will now expire on October 31, 2020. The assumptions used in the calculation of fair value of C$0.04 per share purchase warrants are:

Risk-free interest rate (%)	1.99
Expected life (years)	1.95
Estimated volatility of underlying common shares (%)	168.00

On April 30, 2020, the Company entered into a second supplemental debentures indenture pursuant to which the maturity date of the subordinate debentures was extended from April 30, 2020 to October 31, 2020 or an earlier date at the option of the Company.

In accordance with the provisions of IFRS-9, the extension in maturity date has been accounted for as extinguishment of the original subordinated debentures and recognition of the new subordinated debentures at fair value. The fair value of the new subordinated debentures is calculated using a discount rate of 11.78% representing the Company's weighted average cost of borrowing on April 30, 2020. As a result of extinguishment, a gain of $12,891 has been recorded in the statement of comprehensive income / (loss).

On September 25, 2020, the Company exercised its right under the Trust Indenture for an early settlement of debentures. The movement in the carrying value of subordinated debentures is as follows:

	September 30, 2020 $	**December 31, 2019 $**
Balance at beginning of the period	3,542,157	3,480,752
Interest accrued during the period	150,343	446,405
Interest paid during the period	(192,500)	(385,000)
Extinguishment of subordinated debentures	(3,500,000)	-
Recognition of new subordinated debentures at fair value	3,487,109	-
Interest accrued during the period	166,891	-
Settlement of debenture	(3,654,000)	
Carrying amount at end of the period	**-**	**3,542,157**

8 Amounts due to related parties

	September 30, 2020 $	**December 31, 2019 $**
Current		
Term finance facilities (note 8 a)	-	604,488
Running finance facility (note 8 b)	2,490,729	-
	2,490,729	**604,488**
Non-current		
Term finance facilities (note 8 a)	-	1,247,895
Shareholder loans (note 8 c)	8,362,700	12,768,695
	8,362,700	**14,016,590**
Total amounts due to related parties	**10,853,429**	**14,621,078**

(expressed in US Dollars)

a) These represents term finance facilities availed from JSBL, a related party. On January 31, 2020, the outstanding amount of term finance facilities was fully settled from the proceeds of AKBL Facility.

b) On June 11, 2020, SEPL entered into a running finance facility ("RF Facility") of PKR 425 million (approx. $2.55 million) with JSBL, a related party. The proceeds of the RF Facility were utilized to fund the operating expenses of SEPL.

The outstanding amount of RF Facility carries interest at the rate of 1-month KIBOR plus 2% payable quarterly. The RF Facility is secured by corporate guarantees of Jura and FHL, a first hypothecation charge on the moveable fixed assets of FHL with a 25% margin, a ranking hypothecation charge on the moveable fixed assets of SEPL with a 25% margin, to be ungraded to a pari passu charge within 180 days of first disbursement, a ranking assignment of present and future receivables of SEPL and FHL with a 25% margin and a lien on SEPL and FHL bank maintained with JSBL.

c) These represent unsecured (i) short term loan of $nil (December 31, 2019: $822,739) and (ii) bridge loan of $8,362,700 (December 31, 2019: $11,945,956) from the majority shareholder of the Company, JSEL. The principal and accrued interest outstanding on these loans bear interest at the rate of 11% per annum compounded quarterly. The principal and accrued interest outstanding as at September 30, 2020 are payable on demand, however, the shareholder has provided a written undertaking to the Company, pursuant to which the shareholder loans shall not be called for repayment for a minimum period of twelve months from the date of approval of these condensed consolidated interim financial statements.

Further, JSEL has the option to convert, in whole or in part, the principal and accrued interest under the bridge loan 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 JSEL 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 September 30, 2020, the bridge loan comprised two components: (i) the host agreement and (ii) the embedded derivative representing the Conversion Option. 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 September 30, 2020, was $nil (December 31, 2019: $nil).

9 The contractual maturities of borrowings and amounts due to related parties are as follows:

	Carrying value $	Not later than one year $	Later than one year and not later than five years $	Later than five years $
At September 30, 2020				
Borrowings				
AKBL Syndicated term finance facilities	11,823,759	1,712,848	10,110,911	-
Finance lease obligations	10,206	9,774	432	-
Subordinated debentures	-	-	-	-
Amounts due to related parties				
Shareholder loans	8,362,700	-	8,362,700	-
Running finance facility	2,490,729	2,490,729	-	-
	22,687,394	**4,213,351**	**18,474,043**	**-**

(expressed in US Dollars)

	Carrying value $	Not later than one year $	Later than one year and not later than five years $	Later than five years $
At December 31, 2019				
Borrowings				
ABPL Syndicated credit facilities	3,772,527	2,984,732	787,795	-
Finance lease obligations	52,334	33,528	18,806	-
Subordinated debentures	3,542,157	3,542,157	-	-
Amounts due to related parties				
Shareholder loans	12,768,695	-	12,768,695	-
Term finance facilities	1,852,383	604,488	1,247,895	-
	21,988,096	**7,164,905**	**14,823,191**	**-**

The fair value of borrowings and amounts due to related parties is not materially different to their carrying amount since the interest payable is close to the current market rate. The fair values are determined based on discounted cash flows using the Company's weighted average current cost of borrowing.

10 Asset retirement obligation

	September 30, 2020 $	December 31, 2019 $
Balance at beginning of the period	3,206,559	2,839,544
Additions during the period	318,752	80,410
Revisions due to change in estimates	-	211,715
Accretion on asset retirement obligation	56,073	74,890
Carrying amount at end of the period	**3,581,384**	**3,206,559**

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. As at September 30, 2020, 69,076,328 (December 31, 2019: 69,076,328) common share of C$ 1 were outstanding.

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 vest over a period of up to three years and expire no more than five years from the date of grant.

	Period ended September 30, 2020			Year ended December 31, 2019		
	Number of options	Weighted average exercise price		Number of options	Weighted average exercise price	
		$	C$		$	C$
Options outstanding, beginning of period	50,000	0.77	1.00	50,000	0.73	1.00
Granted	-	-	-	-	-	-
Exercised	-	-	-	-	-	-
Forfeited	-	-	-	-	-	-
Expired	(50,000)	0.77	1.00	-	-	-
Options outstanding, end of period	-	-	-	50,000	0.77	1.00
Options exercisable, end of period	-	-	-	50,000	0.77	1.00

(expressed in US Dollars)

Restricted Share Units

The Company has a restricted share unit plan pursuant to which restricted share units ("RSU") may be granted to directors and officers of the Company. The RSU vest over a period of up to three years and expire no more than five years from the date of grant.

As at September 30, 2020, 1,221,753 restricted share units were outstanding.

Stock based compensation and contributed surplus

During the three and nine months ended September 30, 2020, stock based compensation of $5,380 and $16,777 (three and nine months ended September 30, 2019: $2,483 and $10,553) was charged to the condensed consolidated interim statement of comprehensive income / (loss).

Warrants

The warrants were issued to the investors and the Company's advisor for successful placement of subordinated debentures amounting to $3.5 million. These warrants expired on September 25, 2020.

12 Contingencies and commitments

There has been no material change in contingencies as disclosed in the latest consolidated annual audited financial statements of the Company for the year ended December 31, 2019.

Commitments

	September 30, 2020	**December 31, 2019**
	$	**$**
Minimum capital commitments related to exploration licenses	5,063,536	5,489,836
Commitments under approved authority for expenditures	-	3,160,467
Commitment under share purchase agreement for the acquisition of Energy Exploration Limited, a related party	1,000	1,000
	5,064,536	**8,651,303**

13 Cost of production

	Three months ended		**Nine months ended**	
	September 30, 2020	**September 30, 2019**	**September 30, 2020**	**September 30, 2019**
	$	**$**	**$**	**$**
Production costs	684,858	605,173	2,234,998	1,662,109
Depletion of oil and gas properties	1,308,128	600,386	3,324,901	1,798,868
	1,992,986	**1,205,559**	**5,559,899**	**3,460,977**

14 General and administrative expenses

	Three months ended		**Nine months ended**	
	September 30, 2020	**September 30, 2019**	**September 30, 2020**	**September 30, 2019**
	$	**$**	**$**	**$**
Employees' benefits	223,691	193,554	680,837	535,906
Directors' compensation	22,189	19,358	66,362	61,176
Amortization and depreciation	8,868	29,020	26,687	86,732
Legal and professional charges	5,500	12,697	32,275	100,625
Travelling expenses	453	47,265	20,007	107,715
Consultancy (note 14 a)	42,685	65,432	188,086	204,484
Office rent and utilities	51,459	33,947	131,542	71,463
Other expenses	261,140	7,346	342,404	62,219
	615,985	**408,619**	**1,488,200**	**1,230,320**

(expressed in US Dollars)

a) Consultancy includes an amount of $20,000 and $60,000, charged by JS North Asia Investments Limited, a related party, for the three and nine months ended September 30, 2020 (three and nine months ended September 30, 2019: $20,000 and $60,000).

15 Finance costs

	Three months ended		Nine months ended	
	September 30, 2020	**September 30, 2019**	**September 30, 2020**	**September 30, 2019**
	$	**$**	**$**	**$**
Interest on amounts due to related parties	327,109	435,055	1,070,119	1,231,905
Interest on borrowings	418,801	326,141	1,355,077	1,037,969
Accretion on asset retirement obligation	19,287	18,722	56,073	56,165
Late payment surcharge on payments	30,336	251,822	48,669	251,822
	795,533	**1,031,740**	**2,529,938**	**2,577,861**

16 Income tax

	Three months ended		Nine months ended	
	September 30, 2020	**September 30, 2019**	**September 30, 2020**	**September 30, 2019**
	$	**$**	**$**	**$**
Current tax (note 16 a)	-	-	-	-
Deferred tax reversal / (charge) (note 16 b)	(135,583)	74,701	(1,216,384)	(1,329,894)
	(135,583)	**74,701**	**(1,216,384)**	**(1,329,894)**

a) The Company does not owe any current tax for the three and nine months period ended September 30, 2020 and 2019.

b) The deferred tax charge for the three and nine months period ended September 30, 2020 primarily arises from the significant reduction in Pak Rupee (“PKR”) denominated tax losses and allowances, available for deduction against future taxable income, owing to devaluation of the PKR against the United States Dollar (“USD”).

The exchange rates used to translate PKR denominated tax losses and allowances at September 30, 2020 and December 31, 2019 was USD 1 = PKR 165.70 and USD 1 = PKR 155.35 respectively.

17 Earnings / (loss) per share

	Three months ended		Nine months ended	
	September 30, 2020	**September 30, 2019**	**September 30, 2020**	**September 30, 2019**
	$	**$**	**$**	**$**
Net profit / (loss) for the period	1,134,480	(177,939)	3,846,494	656,646
Weighted average number of outstanding shares				
- Basic	69,076,328	69,076,328	69,076,328	69,076,328
- Diluted	70,298,081	70,298,081	70,298,081	70,298,081
- Basic earnings per share	0.02	(0.00)	0.06	0.01
- Diluted earnings per share	0.02	(0.00)	0.05	0.01

For the three and nine months ended September 30, 2020 and 2019, 6,907,632 stock options under shareholder loans were excluded from the calculation of diluted shares as they would be anti-dilutive.

18 Financial risk management

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, 2019. There has been no change in the risk management policies since December 31, 2019.

Fair value of financial assets and liabilities

The fair value of financial assets and liabilities is determined using different levels 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 fair value of cash and cash equivalents, restricted cash, accounts and other receivables and accounts payable and accrued liabilities approximate their carrying amount due to the short-term nature of the instruments.

The fair value of borrowings and amounts due to related parties approximates their carrying value as the interest rates charged on these instruments is comparable to the prevailing interest rates.

19 Transactions with related parties

The Company's related parties include its majority shareholder, JSEL. Amounts due from / (to) related parties have been disclosed under respective receivable and payable balances. Related parties and their relationship with the Company are as follows:

Majority Shareholder
- JS Energy Limited

Wholly owned subsidiaries
- Spud Energy Pty Limited
- PetExPro Ltd.
- Frontier Oil and Gas Holdings Limited
- Frontier Holdings Limited
- 4515226 Canada Inc.
- 1428112 Alberta Ltd.
- 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
- Energy Exploration Limited
- JS Investment Consultancy FZE
- JS North Asia Investments Limited
- Konnect Gas (Private) Limited

(expressed in US Dollars)

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 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:

	September 30, 2020	December 31, 2019
JSEL – majority shareholder	**$**	**$**
Bridge loan		
Balance payable at beginning of the period	11,933,431	10,704,979
Interest accrued during the period	944,583	1,228,452
Principal repaid during the period	(290,090)	-
Interest paid during the period	(4,237,749)	-
Balance payable at end of the period	8,350,175	11,933,431
Short term loan		
Balance payable at beginning of the period	822,739	2,151,276
Interest accrued during the period	9,422	170,939
Principal repaid during the period	(820,607)	(1,178,944)
Interest paid during the period	(11,554)	(320,532)
Balance payable at end of the period	-	822,739
JSBL – associated company		
AKBL Syndicated term finance facilities		
Balance payable at beginning of the period	-	-
Loan received during the period	3,367,645	-
Interest accrued during the period	263,958	-
Interest paid during the period	(194,619)	-
Exchange gain on retranslation	(185,451)	-
Balance payable at end of the period	3,251,533	-
Running finance facility		
Balance payable at beginning of the period	-	-
Facility utilized during the period	2,513,177	-
Interest accrued during the period	66,237	-
Interest paid during the period	(11,044)	-
Exchange gain on retranslation	(77,641)	-
Balance payable at end of the period	2,490,729	-
ABPL Syndicated credit facilities		
Balance payable at beginning of the period	1,578,859	3,145,626
Interest accrued during the period	38,810	341,624
Principal repaid during the period	(1,552,046)	(1,307,591)
Interest paid during the period	(64,702)	(337,091)
Exchange gain on retranslation	(921)	(263,709)
Balance payable at end of the period	-	1,578,859
Term finance facilities		
Balance payable at beginning of the period	1,852,383	1,438,925
Loan received during the period	-	939,113
Interest accrued during the period	49,877	251,836
Principal repaid during the period	(1,822,783)	(448,433)
Interest paid during the period	(78,970)	(199,781)
Exchange gain on retranslation	(507)	(129,277)
Balance payable at end of the period	-	1,852,383

(expressed in US Dollars)

	Three months ended September 30, 2020	Three months ended September 30, 2019	Nine months ended September 30, 2020	Nine months ended September 30, 2019
Key management personnel compensation	**$**	**$**	**$**	**$**
Management salaries and benefits	71,100	68,930	208,400	206,790
Directors' fees and compensation	22,189	19,358	66,362	61,176
	93,289	88,288	274,762	267,966

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, namely 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 and nine months ended September 30, 2020, the Pakistan segment had two main customers, Sui Southern Gas Company Limited ("SSGCL") and Engro Fertilizers Limited ("EFL") to whom all the gas from (i) Zarghun South, Ayesha, Aminah and Ayesha North and (ii) Reti, Maru and Maru South is sold respectively. SSGCL is a state-owned entity and EFL is a large publicly-listed company. Percentage breakup of customer wise sales for the three and nine months ended September 30, 2020 and 2019 and trade receivables at September 30, 2020 and December 31, 2019 are as follows:

	Three months ended September 30, 2020	Three months ended September 30, 2019	Nine months ended September 30, 2020	Nine months ended September 30, 2019
Net revenue	**$**	**$**	**$**	**$**
SSGCL	94%	88%	92%	88%
EFL	5%	12%	7%	12%
Others	1%	0%	1%	0%
	100%	100%	100%	100%

	September 30, 2020	December 31, 2019
Trade receivables		
SSGCL	97%	94%
EFL	2%	5%
Others	1%	1%
	100%	100%

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 September 30, 2020			For the nine months ended September 30, 2020		
	Canada	**Pakistan**	**Consolidated**	**Canada**	**Pakistan**	**Consolidated**
	------------------------$	---------------------------				
Net revenue	-	4,960,653	4,960,653	-	14,347,265	14,347,265
Cost of production	-	(1,992,986)	(1,992,986)	-	(5,559,899)	(5,559,899)
Gross profit	**-**	**2,967,667**	**2,967,667**	**-**	**8,787,366**	**8,787,366**
General and administrative expenses	(97,783)	(518,202)	(615,985)	(256,460)	(1,231,740)	(1,488,200)
Impairment of oil and gas properties	-	-	-	-	(750,000)	(750,000)
Other income	-	-	-	12,891	6,402	19,293
Operating profit / (loss)	**(97,783)**	**2,449,465**	**2,351,682**	**(243,569)**	**6,812,028**	**6,568,459**
Exchange gain / (loss) - net	(14,894)	(271,192)	(286,086)	(10,064)	1,034,421	1,024,357

(expressed in US Dollars)

Finance costs	(98,427)	(697,106)	(795,533)	(317,234)	(2,212,704)	(2,529,938)
Net profit / (loss) for the period	**(211,104)**	**1,481,167**	**1,270,063**	**(570,867)**	**5,633,745**	**5,062,878**
Income tax	-	(135,583)	(135,583)	-	(1,216,384)	(1,216,384)
	(211,104)	**1,345,584**	**1,134,480**	**(570,867)**	**4,417,361**	**3,846,494**
Additions during the period						
Property, plant and equipment	-	46,043	46,043	-	3,963,523	3,963,523
Exploration and evaluation assets	-	299,128	299,128	-	593,267	593,267

	As at September 30, 2020		
	Canada	**Pakistan**	**Consolidated**
		---$---	
Segment assets	39,369	61,044,582	61,083,951
Segment liabilities	118,361	43,079,991	43,198,352

	For the three months ended September 30, 2019			**For the nine months ended September 30, 2019**		
	Canada	**Pakistan**	**Consolidated**	**Canada**	**Pakistan**	**Consolidated**
			---$---			
Net revenue	-	2,600,217	2,600,217	-	8,071,828	8,071,828
Cost of production	-	(1,205,559)	(1,205,559)	-	(3,460,977)	(3,460,977)
Gross profit	**-**	**1,394,658**	**1,394,658**	**-**	**4,610,851**	**4,610,851**
General and administrative expenses	(58,751)	(349,868)	(408,619)	(214,809)	(1,015,511)	(1,230,320)
Operating profit / (loss)	**(58,751)**	**1,044,790**	**986,039**	**(214,809)**	**3,595,340**	**3,380,531**
Exchange gain / (loss) - net	(1,684)	(205,255)	(206,939)	(5,513)	1,189,473	1,183,960
Finance costs	(111,749)	(919,991)	(1,031,740)	(333,984)	(2,243,877)	(2,577,861)
Net profit / (loss) for the period	**(172,184)**	**(80,456)**	**(252,640)**	**(554,306)**	**2,540,936**	**1,986,630**
Income tax reversal / (charge)	-	74,701	74,701	-	(1,329,984)	(1,329,984)
	(172,184)	**(5,755)**	**(177,939)**	**(554,306)**	**1,210,952**	**656,646**
Additions / (adjustment) during the period						
Property, plant and equipment	-	256,387	256,387	-	2,343,472	2,343,472
Exploration and evaluation assets	-	(64,707)	(64,707)	-	166,376	166,376

	As at September 30, 2019		
	Canada	**Pakistan**	**Consolidated**
		---$---	
Segment assets	34,852	55,949,294	55,984,146
Segment liabilities	3,790,950	37,311,314	41,102,264

21 Subsequent events

a) Closing of running finance facility

Subsequent to period end, on November 3, 2020, SEPL entered into a running finance facility of PKR 200 million (approx. $1.21 million) with JS Bank Limited, a related party. The proceeds of the running finance facility will be utilized to funds the operating expenses of SEPL.