

# **Jura Energy Corporation**

Condensed Consolidated Interim Financial Statements  
For the Three Months Ended

**March 31, 2021**

(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 Company as at and for the three months ended March 31, 2021 have been prepared by and are the responsibility of the Company's management.

The Company'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 March 31, 2021 (Unaudited)

(Expressed in US Dollars)

	March 31, 2021 \$	December 31, 2020 \$
<b>Assets</b>		
<b>Current assets</b>		
Cash and cash equivalents	438,403	2,629,558
Restricted cash	1,880,087	512,325
Accounts and other receivables (note 4)	12,889,436	12,162,705
	<b>15,207,926</b>	<b>15,304,588</b>
<b>Non-current assets</b>		
Property, plant and equipment (note 5)	44,440,578	45,000,962
Exploration and evaluation assets (note 6)	3,440,888	3,317,483
Long-term receivables	299,865	284,048
<b>Total assets</b>	<b>63,389,257</b>	<b>63,907,081</b>
<b>Liabilities and Shareholders' Equity</b>		
<b>Current liabilities</b>		
Accounts payable and accrued liabilities	15,747,941	14,487,980
Borrowings (note 7)	3,143,137	2,195,077
Amounts due to related parties (note 8)	4,125,889	3,968,181
	<b>23,016,967</b>	<b>20,651,238</b>
<b>Non-current liabilities</b>		
Borrowings (note 7)	9,781,543	10,121,739
Amounts due to related parties (note 8)	4,152,722	7,489,109
Deferred tax liability - net	3,482,737	3,388,616
Asset retirement obligation (note 10)	4,405,197	4,358,575
<b>Total liabilities</b>	<b>44,839,166</b>	<b>46,009,277</b>
<b>Shareholders' equity</b>		
Share capital (note 11)	65,203,045	65,203,045
Contributed surplus (note 11)	417,137	412,264
Warrants	140,265	140,265
Accumulated deficit	(47,210,356)	(47,857,770)
<b>Total shareholders' equity</b>	<b>18,550,091</b>	<b>17,897,804</b>
<b>Total equity and liabilities</b>	<b>63,389,257</b>	<b>63,907,081</b>

Going concern (note 2)

Contingencies and commitments (note 12)

APPROVED ON BEHALF OF THE BOARD OF DIRECTORS

*"Signed"*

*Muhammad 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 months ended March 31, 2021 (Unaudited)

(Expressed in US Dollars)

	March 31, 2021 \$	March 31, 2020 \$
Net revenue	4,974,496	3,073,597
Cost of production (note 13)	(2,072,840)	(1,407,536)
<b>Gross profit</b>	<b>2,901,656</b>	<b>1,666,061</b>
<b>Expenses</b>		
General and administrative expenses (note 14)	(483,844)	(427,292)
Impairment of oil and gas properties (note 5)	-	(750,000)
Other income	-	6,402
<b>Operating profit</b>	<b>2,417,812</b>	<b>495,171</b>
Exchange (loss) / gain - net	(1,033,634)	764,260
Finance costs (note 15)	(642,643)	(910,202)
<b>Profit before income tax</b>	<b>741,535</b>	<b>349,229</b>
Income tax	(94,121)	(573,872)
<b>Total comprehensive income / (loss) for the period</b>	<b>647,414</b>	<b>(224,643)</b>
<b>Earnings / (loss) per share</b> (note 16)		
Basic and diluted	0.01	(0.00)
<b>Going concern</b> (note 2)		

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, 2021 (Unaudited)

(Expressed in US Dollars)

	March 31, 2021 \$	March 31, 2020 \$
<b>Cash provided by / (used in)</b>		
<b>Operating activities</b>		
Profit before tax for the period	741,535	349,229
Adjustments for:		
Impairment of oil and gas properties (note 5)	-	750,000
Depletion of oil and gas properties (note 13)	1,251,043	677,144
Depreciation of other operating assets (note 14)	7,355	8,967
Accrued finance costs on:		
- Amounts due to related parties (note 15)	254,572	387,811
- Borrowings (note 15)	341,449	486,559
- Accretion on asset retirement obligation (note 15)	46,622	17,499
Stock-based compensation (note 11)	4,873	5,164
Other income	-	(6,402)
Net unrealized exchange loss / (gain) on borrowings and amounts due to related parties	765,570	(696,750)
Funds flow	<b>3,413,019</b>	<b>1,979,221</b>
Changes in working capital		
Increase in accounts and other receivables	(726,731)	(931,600)
Increase / (decrease) in accounts payable and accrued liabilities	1,259,961	(1,498,521)
(Increase) / decrease in restricted cash	(1,367,762)	326,520
Net cash generated from / (used in) operating activities	<b>2,578,487</b>	<b>(124,380)</b>
<b>Investing activities</b>		
Property, plant and equipment	(698,014)	(2,909,471)
Proceeds from disposal of property, plant and equipment	-	48,250
Exploration and evaluation assets	(123,405)	(117,112)
Changes in long-term receivables	(15,817)	(20,303)
Net cash used in investing activities	<b>(837,236)</b>	<b>(2,998,636)</b>
<b>Financing activities</b>		
Amounts due to related parties - repayment	(3,353,689)	(2,636,261)
Borrowings - proceeds	-	9,826,138
Borrowings - repayment	(4,958)	(3,726,048)
Finance costs paid	(573,759)	(241,278)
Net cash (used in) / generated from financing activities	<b>(3,932,406)</b>	<b>3,222,551</b>
<b>Net (decrease) / increase in cash and cash equivalents</b>	<b>(2,191,155)</b>	<b>99,535</b>
Cash and cash equivalents at beginning of the period	<b>2,629,558</b>	581,686
<b>Cash and cash equivalents at end of the period</b>	<b>438,403</b>	<b>681,221</b>

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, 2021 (Unaudited)

(Expressed in US Dollars)

	Number of shares	Share capital \$	Contributed surplus \$	Warrants \$	Accumulated deficit \$	Total \$
Balance at January 1, 2020	69,076,328	65,203,045	390,107	140,265	(51,711,089)	14,022,328
Net loss for the period	-	-	-	-	(224,643)	(224,643)
Stock-based compensation (note 11)	-	-	5,164	-	-	5,164
<b>Balance at March 31, 2020</b>	<b>69,076,328</b>	<b>65,203,045</b>	<b>395,271</b>	<b>140,265</b>	<b>(51,935,732)</b>	<b>13,802,849</b>
Balance at January 1, 2021	69,076,328	65,203,045	412,264	140,265	(47,857,770)	17,897,804
Net profit for the period	-	-	-	-	647,414	647,414
Stock-based compensation (note 11)	-	-	4,873	-	-	4,873
<b>Balance at March 31, 2021</b>	<b>69,076,328</b>	<b>65,203,045</b>	<b>417,137</b>	<b>140,265</b>	<b>(47,210,356)</b>	<b>18,550,091</b>

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

# Jura Energy Corporation

## Notes to the Condensed Consolidated Interim Financial Statements For the three months ended March 31, 2021 (Unaudited)

(Expressed in US Dollars)

### 1 Company and its operations

Jura Energy Corporation ("JEC", "Jura" or the "Company") is listed on the TSX Venture Exchange ("TSX-V") and trades under the symbol "JEC". The registered office of Jura Energy Corporation is located at Suite 2100, 144 - 4th Avenue SW, Calgary, T2P 3N4, 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"), PetExPro Ltd. ("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 May 28, 2021.

### 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 had a working capital deficiency of \$7.81 million at March 31, 2021 (December 31, 2020: \$5.35 million). During the three months period ended March 31, 2021, the Company reported a net profit of \$0.65 million (March 31, 2020: net loss of \$0.22 million) and net cash generated from / (used in) operating activities of \$2.58 million (March 31, 2020: (\$0.12) million). As at March 31, 2021, the Company had an accumulated deficit of \$47.21 million (December 31, 2020: \$47.86 million). In addition to its ongoing working capital requirements, the Company also had financial commitments as at March 31, 2021 that amounted to \$3.24 million.

The Company's performance has improved significantly since January 2020 after commencement of production from Ayesha, Aminah and Ayesha North leases and a fourth well in the Zarghun South lease, however, until the Company shows a history of sustained earnings and reduction in financial liabilities there are material uncertainties that raise significant doubt as to the ability of the Company to continue as a going concern and, accordingly, the appropriateness of the use of the accounting principles applicable to a going concern.

Therefore, the condensed consolidated interim financial statements of the Company 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, 2020 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, 2020.

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

# Jura Energy Corporation

## Notes to the Condensed Consolidated Interim Financial Statements

For the three months ended March 31, 2021 (Unaudited)

(Expressed in US Dollars)

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, 2020.

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"). COVID-19 continues to impact worldwide demand for crude oil and therefore global commodity markets. Price volatility remains largely due to market sensitivity to COVID-19 related news including vaccine breakthroughs and rollouts, and the resurgence of COVID-19 cases and developing variants of concern. The continued impact on capital and financial markets on a macro-scale present uncertainty and risk with respect to the Company's performance, and estimates and assumptions used in the preparation of its financial results.

### 4 Accounts and other receivables

	March 31, 2020	December 31, 2020
	\$	\$
Trade receivables (note 4 a)	12,195,606	10,961,234
Due from concession operator	-	579,323
Due from related parties (note 4 b)	1,104,463	1,104,463
Prepayments	34,094	50,424
Security deposits	42,062	42,062
Other receivables	331,429	243,417
	<b>13,707,654</b>	<b>12,980,923</b>
Provision for impairment (note 4 b)	(818,218)	(818,218)
	<b>12,889,436</b>	<b>12,162,705</b>

- 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 \$286,245 (December 31, 2020: \$818,218 and \$286,245) receivable from Energy Exploration Limited ("EEL") and JS Energy Limited ("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 a 12% working interest in Zamzama North exploration license. However, owing to the expiry of the term of the Zamzama North exploration license, the Company has fully provided for the balance receivable from EEL.

### 5 Property, plant and equipment

	Oil and gas properties	Other operating assets			Motor vehicles	Total
		Computer equipment	Furniture and fixtures	Office equipment		
	\$	\$	\$	\$	\$	\$
Cost	70,737,070	114,603	24,011	48,949	220,304	71,144,937
Accumulated depletion, depreciation and impairment	(25,757,125)	(105,243)	(23,942)	(48,949)	(208,716)	(26,143,975)
Opening net book value	<b>44,979,945</b>	<b>9,360</b>	<b>69</b>	<b>-</b>	<b>11,588</b>	<b>45,000,962</b>
<b>Period ended March 31, 2021</b>						
Additions during the period	698,014	-	-	-	-	698,014
Depletion and depreciation for the period	(1,251,043)	(1,802)	(69)	-	(5,484)	(1,258,398)
<b>Carrying amount at March 31, 2021</b>	<b>44,426,916</b>	<b>7,558</b>	<b>-</b>	<b>-</b>	<b>6,104</b>	<b>44,440,578</b>
Cost	71,435,084	114,603	24,011	48,949	220,304	71,842,951

# Jura Energy Corporation

## Notes to the Condensed Consolidated Interim Financial Statements

For the three months ended March 31, 2021 (Unaudited)

(Expressed in US Dollars)

Accumulated depletion, depreciation and impairment	(27,008,168)	(107,045)	(24,011)	(48,949)	(214,200)	(27,402,373)
<b>Carrying amount at March 31, 2021</b>	<b>44,426,916</b>	<b>7,558</b>	<b>-</b>	<b>-</b>	<b>6,104</b>	<b>44,440,578</b>
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	<b>43,168,791</b>	<b>7,160</b>	<b>1,588</b>	<b>-</b>	<b>75,349</b>	<b>43,252,888</b>
<b>Year ended December 31, 2020</b>						
Additions during the year	4,029,971	5,455	-	-	-	4,035,426
Addition in asset retirement obligation	319,031	-	-	-	-	319,031
Revision in asset retirement obligation	757,617	-	-	-	-	757,617
Transferred from exploration and evaluation assets	2,109,723	-	-	-	-	2,109,723
Disposal during the year						
- Cost	-	-	-	-	(119,575)	(119,575)
- Accumulated depreciation	-	-	-	-	77,727	77,727
	-	-	-	-	(41,848)	(41,848)
Depletion and depreciation for the year	(4,655,188)	(3,255)	(1,519)	-	(21,913)	(4,681,875)
Impairment for the year	(750,000)	-	-	-	-	(750,000)
<b>Carrying amount at December 31, 2020</b>	<b>44,979,945</b>	<b>9,360</b>	<b>69</b>	<b>-</b>	<b>11,588</b>	<b>45,000,962</b>
Cost	70,737,070	114,603	24,011	48,949	220,304	71,144,937
Accumulated depletion, depreciation and impairment	(25,757,125)	(105,243)	(23,942)	(48,949)	(208,716)	(26,143,975)
<b>Carrying amount at December 31, 2020</b>	<b>44,979,945</b>	<b>9,360</b>	<b>69</b>	<b>-</b>	<b>11,588</b>	<b>45,000,962</b>
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 (b) for further details):

	March 31, 2021	December 31, 2020
<b>Leasehold motor vehicles</b>	<b>\$</b>	<b>\$</b>
Cost	146,086	146,086
Accumulated depreciation	(139,982)	(134,498)
Carrying amount at end of period	<b>6,104</b>	<b>11,588</b>

### 6 Exploration and evaluation assets

	March 31, 2021	December 31, 2020
	<b>\$</b>	<b>\$</b>
Balance at beginning of the period	3,317,483	4,626,053
Additions during the period	123,405	808,019
Transferred to property, plant and equipment	-	(2,109,723)
Exploration and evaluation assets written off	-	(6,866)
Carrying amount at end of the period	<b>3,440,888</b>	<b>3,317,483</b>

### 7 Borrowings

	March 31, 2021	December 31, 2020
<b>Current</b>	<b>\$</b>	<b>\$</b>
AKBL Syndicated term finance facilities (note 7 a)	3,141,590	2,188,881
Finance lease obligations (note 7 b)	1,547	6,196
	<b>3,143,137</b>	<b>2,195,077</b>
<b>Non-current</b>		
AKBL Syndicated term finance facilities (note 7 a)	9,781,543	10,121,455
Finance lease obligations (note 7 b)	-	284
	<b>9,781,543</b>	<b>10,121,739</b>
<b>Total borrowings</b>	<b>12,924,680</b>	<b>12,316,816</b>



# Jura Energy Corporation

## Notes to the Condensed Consolidated Interim Financial Statements

For the three months ended March 31, 2021 (Unaudited)

(Expressed in US Dollars)

- a) On January 31, 2020, SEPL entered into long term syndicated term finance facilities of PKR 2,000 million (approximately \$13.04 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 \$6.52 million), PKR 550 million (approximately \$3.59 million) and PKR 450 million (approximately \$2.93 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.

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.

As at December 31, 2020, the Pakistan Branch of SEPL was compliant with the above financial covenants.

- b) 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 \$0.27 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:

	March 31, 2021	December 31, 2020
	\$	\$
Within one year	1,677	6,446
Later than one year but not later than five years	-	291
Later than five years	-	-
<b>Minimum lease payments</b>	<b>1,677</b>	<b>6,737</b>
Future interest payments	(130)	(257)
<b>Recognized as liability</b>	<b>1,547</b>	<b>6,480</b>

The present value of finance lease liabilities is as follows:

Within one year	1,547	6,196
Later than one year but not later than five years	-	284
Later than five years	-	-
<b>Minimum lease payments</b>	<b>1,547</b>	<b>6,480</b>

# Jura Energy Corporation

## Notes to the Condensed Consolidated Interim Financial Statements For the three months ended March 31, 2021 (Unaudited)

(Expressed in US Dollars)

### 8 Amounts due to related parties

	March 31, 2021	December 31, 2020
<b>Current</b>	<b>\$</b>	<b>\$</b>
Running finance facilities (note 8 a)	4,125,889	3,968,181
	<u>4,125,889</u>	<u>3,968,181</u>
<b>Non-current</b>		
Shareholder loan (note 8 b)	4,152,722	7,489,109
	<u>4,152,722</u>	<u>7,489,109</u>
<b>Total amounts due to related parties</b>	<u>8,278,611</u>	<u>11,457,290</u>

- a) On June 11, 2020, SEPL entered into a running finance facility ("RF Facility-I") of PKR 425 million (approx. \$2.77 million) with JSBL, a related party. The proceeds of the RF Facility-I were utilized to fund the operating expenses of SEPL. The outstanding amount of RF Facility-I carries interest at the rate of 1-month KIBOR plus 2% payable quarterly in arrears. The RF Facility-I 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 upgraded 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 accounts maintained with JSBL.

Further, on November 03, 2020, SEPL entered into another running finance facility ("RF Facility-II") of PKR 200 million (approx. \$1.30 million) with JSBL, a related party. The proceeds of the RF Facility-II were utilized to fund the operating expenses of SEPL. The outstanding amount of RF Facility-II carries interest at the rate of 1-month KIBOR plus 2.25% payable quarterly in arrears. The RF Facility-II is also 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, a ranking assignment of present and future receivables of SEPL and FHL with a 25% margin and a lien on SEPL and FHL bank accounts maintained with JSBL.

- b) This represent unsecured bridge loan of \$4,152,722 (December 31, 2020: \$7,489,109) from the majority shareholder of the Company, JSEL. The principal amount bears interest at the rate of 11% per annum compounded quarterly. The principal and accrued interest outstanding as at March 31, 2021 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. As at March 31, 2021, a maximum of 5,222,047 shares are issuable under the Conversion Option.

At March 31, 2021, 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 March 31, 2021, was \$nil (December 31, 2020: \$nil).

# Jura Energy Corporation

## Notes to the Condensed Consolidated Interim Financial Statements For the three months ended March 31, 2021 (Unaudited)

(Expressed in US Dollars)

9 The contractual maturities of borrowing 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 \$
<b>At March 31, 2021</b>				
AKBL Syndicated term finance facilities	12,923,133	3,141,590	9,781,543	-
Finance lease obligations	1,547	1,547	-	-
Shareholder loan	4,152,722	-	4,152,722	-
Running finance facilities	4,125,889	4,125,889	-	-
	<b>21,203,291</b>	<b>7,269,026</b>	<b>13,934,265</b>	-
<b>At December 31, 2020</b>				
AKBL Syndicated term finance facilities	12,310,336	2,188,881	10,121,455	-
Finance lease obligations	6,480	6,196	284	-
Shareholder loan	7,489,109	-	7,489,109	-
Running finance facilities	3,968,181	3,968,181	-	-
	<b>23,774,106</b>	<b>6,163,258</b>	<b>17,610,848</b>	-

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

	March 31, 2021 \$	December 31, 2020 \$
Balance at beginning of the period	4,358,575	3,206,559
Additions during the period	-	319,031
Revisions due to change in estimates	-	757,617
Accretion on asset retirement obligation	46,622	75,368
Carrying amount at end of the period	<b>4,405,197</b>	<b>4,358,575</b>

### 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 March 31, 2021, 69,076,328 (December 31, 2020: 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 generally vest over a period of up to three years and expire no more than five years from the date of grant.

#### 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 March 31, 2021, 1,221,753 restricted share units were outstanding.

# Jura Energy Corporation

## Notes to the Condensed Consolidated Interim Financial Statements For the three months ended March 31, 2021 (Unaudited)

(Expressed in US Dollars)

### Stock-based compensation and contributed surplus

During the three months ended March 31, 2021, stock-based compensation of \$4,873 (March 31, 2020: \$5,164) was charged to the condensed consolidated interim statement of comprehensive income / (loss).

### 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, 2020.

#### Commitments

	March 31, 2021	December 31, 2020
	\$	\$
Minimum capital commitments related to exploration licenses	2,972,086	2,972,086
Commitments under approved AFEs	266,500	558,550
Commitment under share purchase agreement for the acquisition of EEL	1,000	1,000
	<u>3,239,586</u>	<u>3,531,636</u>

### 13 Cost of production

	March 31, 2021	March 31, 2020
	\$	\$
Production costs	821,797	730,392
Depletion of oil and gas properties (note 5)	1,251,043	677,144
	<u>2,072,840</u>	<u>1,407,536</u>

### 14 General and administrative expenses

	March 31, 2021	March 31, 2020
	\$	\$
Employees' benefits	263,129	211,451
Directors' compensation	22,216	21,414
Depreciation of other operating assets	7,355	8,967
Legal and professional charges	21,812	24,356
Travelling expenses	3,213	18,823
Consultancy (note 14 a)	75,366	102,801
Office rent and utilities	40,894	22,066
Other expenses	49,859	17,414
	<u>483,844</u>	<u>427,292</u>

a) Consultancy includes an amount of \$20,000 (2020: \$20,000) charged by JS North Asia Investments Limited, a related party.

### 15 Finance costs

	March 31, 2021	March 31, 2020
	\$	\$
Interest on the amounts due to related parties	254,572	387,811
Interest on borrowings	341,449	486,559
Accretion on asset retirement obligation (note 10)	46,622	17,499
Late payment surcharge on payment of cash calls to operators	-	18,333
	<u>642,643</u>	<u>910,202</u>

# Jura Energy Corporation

## Notes to the Condensed Consolidated Interim Financial Statements For the three months ended March 31, 2021 (Unaudited)

(Expressed in US Dollars)

### 16 Earnings / (loss) per share

	March 31, 2021	March 31, 2020
	\$	\$
Net profit / (loss) for the period	647,414	(224,643)
Weighted average number of outstanding shares		
- Basic	69,076,328	69,076,328
- Diluted	70,298,081	70,298,081
Basic and diluted earnings / (loss) per share	0.01	(0.00)

For the three months ended March 31, 2021 and 2020, 5,222,047 stock options under shareholder loan were excluded from the calculation of diluted shares as they would be anti-dilutive.

### 17 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, 2020. There has been no change in the risk management policies since December 31, 2020.

#### 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.

### 18 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.

# Jura Energy Corporation

## Notes to the Condensed Consolidated Interim Financial Statements For the three months ended March 31, 2021 (Unaudited)

(Expressed in US Dollars)

- 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

### *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:

	<b>March 31, 2021</b>	<b>December 31, 2020</b>
	\$	\$
<b>JSEL - majority shareholder</b>		
<b>Bridge loan</b>		
Balance payable at beginning of the period	7,202,864	11,933,431
Interest accrued during the period	163,613	1,170,610
Principal repaid during the period	(3,309,264)	(932,796)
Interest paid during the period	(190,736)	(4,694,661)
Payments made on behalf of JSEL	-	(273,720)
Balance payable at end of the period	<u>3,866,477</u>	<u>7,202,864</u>
<b>Short term loan</b>		
Balance payable at beginning of the period	-	822,739
Interest accrued during the period	-	9,804
Principal repaid during the period	-	(820,607)
Interest paid during the period	-	(11,936)
Balance payable at end of the period	<u>-</u>	<u>-</u>
<b>JSBL - associated company</b>		
<b>AKBL syndicated term finance facilities</b>		
Balance payable at beginning of the period	3,385,343	-
Loan received during the period	-	3,367,645
Interest accrued during the period	93,860	361,134
Interest paid during the period	(84,555)	(274,328)
Exchange loss / (gain) on retranslation	159,214	(69,108)
Balance payable at end of the period	<u>3,553,862</u>	<u>3,385,343</u>

# Jura Energy Corporation

## Notes to the Condensed Consolidated Interim Financial Statements For the three months ended March 31, 2021 (Unaudited)

(Expressed in US Dollars)

	March 31, 2021	December 31, 2020
	\$	\$
<b>Running finance facilities</b>		
Balance payable at beginning of the period	3,968,181	-
Facility utilized / (settled) during the period	(44,425)	3,815,722
Interest accrued during the period	90,959	185,773
Interest paid during the period	(75,358)	(66,595)
Exchange loss on retranslation	186,532	33,281
Balance payable at end of the period	<u>4,125,889</u>	<u>3,968,181</u>
<b>ABPL syndicated credit facilities</b>		
Balance payable at beginning of the period	-	1,578,859
Interest accrued during the period	-	38,810
Principal repaid during the period	-	(1,552,046)
Interest paid during the period	-	(64,702)
Exchange gain on retranslation	-	(921)
Balance payable at end of the period	<u>-</u>	<u>-</u>
<b>Term finance facilities</b>		
Balance payable at beginning of the period	-	1,852,383
Interest accrued during the period	-	49,877
Principal repaid during the period	-	(1,822,783)
Interest paid during the period	-	(78,970)
Exchange gain on retranslation	-	(507)
Balance payable at end of the period	<u>-</u>	<u>-</u>
	<b>March 31, 2021</b>	<b>March 31, 2020</b>
	\$	\$
<b>Key Management Compensation</b>		
Management salaries and benefits	112,835	69,300
Directors' fees and compensation	22,216	21,414
	<u>135,051</u>	<u>90,714</u>

### 19 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 months ended March 31, 2021, 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 months ended March 31, 2021 and 2020 and trade receivables at March 31, 2021 and December 31, 2020 are as follows:

	March 31, 2021	March 31, 2020
<b>Net sales</b>		
SSGCL	93%	88%
EFL	5%	10%
Others	2%	2%

# Jura Energy Corporation

## Notes to the Condensed Consolidated Interim Financial Statements For the three months ended March 31, 2021 (Unaudited)

(Expressed in US Dollars)

	March 31, 2021	December 31, 2020
<b>Trade receivables</b>		
SSGCL	97%	97%
EFL	2%	2%
Others	1%	1%

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, 2021			For the three months ended March 31, 2020		
	Canada	Pakistan	Consolidated	Canada	Pakistan	Consolidated
	-----\$-----					
Net revenue	-	4,974,496	4,974,496	-	3,073,597	3,073,597
Cost of production	-	(2,072,840)	(2,072,840)	-	(1,407,536)	(1,407,536)
<b>Gross profit</b>	-	<b>2,901,656</b>	<b>2,901,656</b>	-	<b>1,666,061</b>	<b>1,666,061</b>
General and administrative expenses	(30,467)	(453,377)	(483,844)	(56,312)	(370,980)	(427,292)
Impairment of oil and gas properties	-	-	-	-	(750,000)	(750,000)
Other income	-	-	-	-	6,402	6,402
<b>Operating profit / (loss)</b>	<b>(30,467)</b>	<b>2,448,279</b>	<b>2,417,812</b>	<b>(56,312)</b>	<b>551,483</b>	<b>495,171</b>
Exchange gain / (loss) - net	(1,732)	(1,031,902)	(1,033,634)	1,263	762,997	764,260
Finance costs	-	(642,643)	(642,643)	(112,757)	(797,445)	(910,202)
<b>Net profit / (loss) for the period</b>	<b>(32,199)</b>	<b>773,734</b>	<b>741,535</b>	<b>(167,806)</b>	<b>517,035</b>	<b>349,229</b>
Income tax	-	(94,121)	(94,121)	-	(573,872)	(573,872)
	<b>(32,199)</b>	<b>679,613</b>	<b>647,414</b>	<b>(167,806)</b>	<b>(56,837)</b>	<b>(224,643)</b>
Additions during the period						
Property, plant and equipment	-	698,014	698,014	-	2,909,471	2,909,471
Exploration and evaluation assets	-	123,405	123,405	-	117,112	117,112
	As at March 31, 2021			As at March 31, 2020		
	Canada	Pakistan	Consolidated	Canada	Pakistan	Consolidated
	-----\$-----					
Segment assets	555,765	62,833,492	63,389,257	53,028	58,151,850	58,204,878
Segment liabilities	142,412	44,696,754	44,839,166	3,848,340	40,553,689	44,402,029