EAST WEST PETROLEUM CORP.

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE THREE MONTHS ENDED
JUNE 30, 2019

(Unaudited - Expressed in Canadian Dollars)

NOTICE OF NO AUDITOR REVIEW OF
CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

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

The accompanying unaudited condensed consolidated interim financial statements of the Company have been prepared by and are the responsibility of the Company's management.

The Company's auditors have not performed a review of these condensed consolidated interim financial statements in accordance with the standards established by the Chartered Professional Accountants of Canada for a review of interim financial statements by an entity's auditor.

EAST WEST PETROLEUM CORP.
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF FINANCIAL POSITION
(Unaudited - Expressed in Canadian Dollars)

	Note	June 30, 2019 $	March 31, 2019 $
ASSETS			
Current assets			
Cash		3,821,628	3,657,694
GST receivable		1,461	46,592
Amounts receivable	4	406,268	380,008
Prepaid expenses		21,988	33,261
Total current assets		4,251,345	4,117,555
Non-current assets			
Investments	5	752,394	960,774
Exploration and evaluation assets	6	1,634,597	1,696,906
Property, plant and equipment	7	712,980	1,068,432
Total non-current assets		3,099,971	3,726,112
TOTAL ASSETS		7,351,316	7,843,667
LIABILITIES			
Current liabilities			
Accounts payable and accrued liabilities		253,176	655,254
Non-current liabilities			
Decommissioning liabilities	8	1,316,825	1,357,434
TOTAL LIABILITIES		1,570,001	2,012,688
SHAREHOLDERS' EQUITY			
Share capital	9	39,868,761	39,868,761
Share-based compensation reserve		5,299,003	5,251,003
Foreign currency translation reserve		(337,957)	(181,568)
Deficit		(39,048,492)	(39,107,217)
TOTAL SHAREHOLDERS' EQUITY		5,781,315	5,830,979
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		7,351,316	7,843,667

Nature of Operations - see Note 1

Commitments - see Note 12

Event after the Reporting Period - see Note 15

These condensed consolidated interim financial statements were approved for issue by the Board of Directors on August 29, 2019 and are signed on its behalf by:

/s/ Mark Brown	*/s/ Nick DeMare*
Mark Brown	Nick DeMare
Director	Director

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

EAST WEST PETROLEUM CORP.
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF COMPREHENSIVE LOSS
(Unaudited - Expressed in Canadian Dollars)

	Note	Three Months Ended June 30, 2019 $	Three Months Ended June 30, 2018 $
Revenues and costs			
Petroleum and natural gas sales		1,132,453	825,332
Production costs		(239,133)	(360,290)
Transportation and storage costs		(120,216)	(64,559)
Royalties		(85,283)	(39,831)
		687,821	360,652
Expenses			
General and administrative		66,626	316,354
General exploration		37,668	28,510
Share-based compensation	9(c)	48,000	-
Depletion and depreciation	7	363,143	143,329
Finance expense of decommissioning liabilities	8	5,765	5,838
		521,202	494,031
Income (loss) before other items		166,619	(133,379)
Other items			
Interest income		19,220	15,567
Foreign exchange		79,411	72,093
Unrealized loss on investments	5	(187,513)	(450,561)
(Loss) gain on sale of investments	5	(19,012)	38,868
		(107,894)	(324,033)
Net income (loss) for the period		58,725	(457,412)
Other comprehensive loss			
Change in currency translation of foreign subsidiary		(156,389)	(68,661)
Comprehensive loss for the period		(97,664)	(526,073)
Basic and diluted income (loss) per common share		$0.00	$(0.00)
Weighted average number of common shares outstanding		89,585,665	89,585,665

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

EAST WEST PETROLEUM CORP.
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF CHANGES IN EQUITY
(Unaudited - Expressed in Canadian Dollars)

Three Months Ended June 30, 2019

	Share Capital		Reserves			
	Number of Shares	Amount $	Share-Based Compensation $	Foreign Currency Translation $	Deficit $	Total Equity $
Balance at March 31, 2019	89,585,665	39,868,761	5,251,003	(181,568)	(39,107,217)	5,830,979
Share-based compensation	-	-	48,000	-	-	48,000
Currency translation adjustment	-	-	-	(156,389)	-	(156,389)
Net income for the period	-	-	-	-	58,725	58,725
Balance at June 30, 2019	89,585,665	39,868,761	5,299,003	(337,957)	(39,048,492)	5,781,315

Three Months Ended June 30, 2018

	Share Capital		Reserves				
	Number of Shares	Amount $	Share-Based Compensation $	Foreign Currency Translation $	Investments Revaluation $	Deficit $	Total Equity $
Balance at March 31, 2018	89,585,665	39,868,761	5,251,003	(118,403)	591,975	(38,357,739)	7,235,597
Currency translation adjustment	-	-	-	(68,661)	-	-	(68,661)
Impact of adoption of IFRS 9 on April 1, 2018	-	-	-	-	(591,975)	591,975	-
Net loss for the period	-	-	-	-	-	(457,412)	(457,412)
Balance at June 30, 2018	89,585,665	39,868,761	5,251,003	(187,064)	-	(38,223,176)	6,709,524

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

EAST WEST PETROLEUM CORP.

CONDENSED CONSOLIDATED INTERIM STATEMENTS OF CASH FLOWS

(Unaudited - Expressed in Canadian Dollars)

	Three Months Ended June 30,	
	2019	2018
	$	$
Operating activities		
Net income (loss) for the period	58,725	(457,412)
Adjustments for:		
Depletion and depreciation	363,143	143,329
Share-based compensation	48,000	-
Finance expense of decommissioning liabilities	5,765	5,838
Loss (gain) on sale of investments	19,012	(38,868)
Unrealized loss on investments	187,513	450,561
Changes in non-cash working capital items:		
Amounts receivable	(42,217)	131,315
GST receivable	45,131	(26,912)
Prepaid expenses	10,385	30,380
Accounts payable and accrued liabilities	(402,031)	83,993
Net cash provided by operating activities	293,426	322,224
Investing activities		
Expenditures on exploration and evaluation assets	(1,126)	(19,611)
Expenditures on property, plant and equipment	(27,367)	(7,106)
Proceeds from sale of investments	1,855	99,608
Investment purchases	-	(201,651)
Net cash used in investing activities	(26,638)	(128,760)
Effect of exchange rate changes on cash	(102,854)	(19,099)
Net change in cash for the period	163,934	174,365
Cash at beginning of period	3,657,694	4,030,573
Cash at end of period	3,821,628	4,204,938

Supplemental cash flow information - See Note 13

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

1. Nature of Operations

East West Petroleum Corp. (the "Company") was incorporated on October 23, 1987 under the provisions of the Company Act (British Columbia). The Company is listed and trades on the TSX Venture Exchange ("TSXV") under the symbol "EW". The Company's principal office is located at Suite 1305 - 1090 West Georgia Street, Vancouver, British Columbia V6E 3V7 Canada.

The Company is in the process of exploring, developing and producing from its oil and gas properties. As at June 30, 2019 the Company has one producing oil and gas property in New Zealand. The success of the Company's exploration and development of its oil and gas properties requires significant additional exploration and development activities to establish additional proved reserves and to commercialize its oil and gas exploration properties. The Company is also influenced by significant financial risks as well as commodity prices. In addition, the Company will use cash and operating cash flow to further explore and develop its properties towards planned principal operations. The Company monitors its cash and cash equivalents and adjusts its expenditure plans to conform to available funding. The Company plans to fund exploration and development activities through existing cash resources and sales of investments.

On June 24, 2019 the Company entered into an agreement to dispose of its oil and gas interests in New Zealand, as described in Note 6(a).

2. Basis of Preparation

Statement of Compliance

These condensed consolidated interim financial statements have been prepared using accounting policies consistent with International Financial Reporting Standards ("IFRS"), and in accordance with International Accounting Standards ("IAS") 34, *Interim Financial Reporting*, as issued by the International Accounting Standards Board ("IASB"). These condensed consolidated interim financial statements should be read in conjunction with the audited consolidated financial statements for the year ended March 31, 2018, which have been prepared in accordance with IFRS as issued by the IASB. The accounting policies followed in these condensed consolidated interim financial statements are consistent with those applied in the Company's consolidated financial statements for the year ended March 31, 2019, other than the adoption of IFRS 16 - *Leases*("IFRS 16").

Changes in Accounting Policies - IFRS 16

The Company adopted all of the requirements of IFRS 16, effective April 1, 2019.

IFRS 16 specifies how an IFRS reporter will recognize, measure, present and disclose leases. The standard provides a single lessee accounting model, requiring lessees to recognize assets and liabilities for all leases unless the lease term is12 months or less or the underlying asset has a low value. Lessors continue to classify leases as operating or finance, with IFRS 16's approach to lessor accounting substantially unchanged from its predecessor, IAS 17.

There was no impact on the Company's condensed consolidated interim financial statements upon the adoption of this new standard.

Basis of Presentation

These condensed consolidated interim financial statements have been prepared on a historical cost basis except for certain financial instruments which are measured at fair value. The condensed consolidated interim financial statements are presented in Canadian dollars unless otherwise stated.

Comparative Figures

Certain of the prior period's comparative figures have been reclassified to conform with the current period's presentation.

(Unaudited - Expressed in Canadian Dollars)

3. Details of the Group

In addition to the Company, these condensed consolidated interim financial statements include all subsidiaries. The Company's significant subsidiary, East West Petroleum (NZ) Limited ("EWNZ"), is engaged in the exploring and producing oil and gas operations. Subsidiaries are all corporations over which the Company is able, directly or indirectly, to control financial and operating policies, which is the authority usually connected with holding majority voting rights. Subsidiaries are fully consolidated from the date on which control is acquired by the Company. Inter-company transactions and balances are eliminated upon consolidation. They are de-consolidated from the date that control by the Company ceases.

4. Amounts Receivable

	June 30, 2019 $	March 31, 2019 $
Production receivable	388,561	363,916
Other	17,707	16,092
	406,268	380,008

5. Investments

	As at June 30, 2019		
	Number	Cost $	Carrying Value $
FVTPL investments:			
Common shares:			
(a) Advantage Lithium Corp. ("Advantage Lithium")	1,719,000	1,067,586	670,410
(b) Seaway Energy Services Inc. ("Seaway")	512,400	459,336	81,984
		1,526,922	752,394

	As at March 31, 2019		
	Number	Cost $	Carrying Value $
FVTPL investments:			
Common shares:			
(a) Advantage Lithium	1,719,000	1,067,586	876,690
(b) Seaway	512,400	459,336	81,984
(c) American Helium Inc. ("American Helium")	28,000	20,867	2,100
		1,547,789	960,774

(a) During the three months ended June 30, 2018 the Company made open market purchases and sales of common shares of Advantage Lithium under which the Company purchased 179,000 common shares for $169,606 and 82,000 common shares for $49,561, resulting in a gain on sale of investments of $39,156. No purchases or sale of common shares of Advantage Lithium occurred during the three months ended June 30, 2019.

The carrying values of the Advantage Lithium common shares have been directly referenced to published price quotations in an active market.

(b) The carrying values of the Seaway common shares have been directly referenced to published price quotations in an active market.

(Unaudited - Expressed in Canadian Dollars)

5. **Investments** (continued)

(c) During the three months ended June 30, 2019 the Company made open market purchases and sales of common shares of American Helium under which the Company purchased nil (2018 - 43,000) common shares for $nil (2018 - $32,045) and sold 28,000 (2018 - 15,000) common shares for $1,855 (2018 - $10,890), resulting in a loss on sale of investments of $19,012 (2018 - $288).

(d) During the three months ended June 30, 2019 the Company recorded an unrealized loss of $187,513 (2018 - $450,561) on its investments.

(e) Certain current and former directors and officers of the Company are also current and former directors and/or officers of Advantage Lithium, Seaway and American Helium.

6. **Exploration and Evaluation Assets**

	PEP 54877 $
Balance at March 31, 2018	1,681,691
Capital expenditures	53,152
Foreign exchange movement	(37,937)
Balance at March 31, 2019	1,696,906
Capital expenditures	1,126
Foreign exchange movement	(63,435)
Balance at June 30, 2019	1,634,597

(a) On December 11, 2012 the Government of New Zealand awarded the Company and its partner, TAG Oil Ltd. ("TAG"), interests in three onshore exploration blocks located in the Taranaki Basin, New Zealand. Under the terms of the agreements, the Company participated in the drilling of exploration wells. On January 7, 2014 commercial discovery was declared on petroleum exploration permit ("PEP") 54877 and the capitalized expenditures were transferred to property, plant and equipment. The Company has earned a 30% participation in PEP 54877. On September 17, 2017 New Zealand Petroleum and Minerals ("NZP&M") approved the petroleum mining permit ("PMP") for the Company's 30% working interest of PMP 60291, which has been carved out of PEP 54877 and part of the remaining acreage has been included in an application to extend the duration of PEP 54877. During fiscal 2018 the Company drilled an exploration well (the "Cheal D-1 Well") under PEP 54877. Drilling and testing of the Cheal D-1 Well was completed and tests concluded that gas was present but not in sufficient quantities to produce as an economic discovery. The Cheal D-1 Well has been suspended with a plan to potentially re-enter in the future.

On June 24, 2019 the Company signed a heads of agreement (the "HOA") with a private arm's length New Zealand company (the "Buyer") pursuant to which the Company has agreed to sell its interest in PEP 54877 and PMP 60291 (collectively, the "Permits") which comprise the entirety of the Company's assets in New Zealand (the "Transaction").

The Permits are the subject of a joint operating agreement (the "JOA") between EWNZ, a wholly-owned subsidiary of the Company, and Cheal Petroleum Limited ("CPL"). The disposition of the Company's interest in the Permits will be conditional upon the waiver of CPL of its rights under the JOA to acquire the Company's interest in the Permits, and the waiver or satisfaction of any other obligations as may exist to CPL.

6. Exploration and Evaluation Assets (continued)

Pursuant to the terms of the HOA, and in consideration of the Transaction, the Buyer will pay the Company US $1,900,000 in cash. The effective date for the sale is April 1, 2019 and payments are staged over 16 months of closing with initial payment of US $1,000,000 with normal closing adjustments, due on closing. On August 7, 2019 the Company received Company shareholder approval. Completion of the Transaction is subject to final completion of a definitive agreement, approvals to the transfer from New Zealand's Overseas Investment Act 2005 and New Zealand Petroleum and Minerals, and final TSXV approval.

On July 16, 2019 the Company received a deposit of US $50,000 from the Buyer.

(b) During fiscal 2010 the Company was informed by the government of Romania that it had been awarded four exploration blocks located in the Pannonian Basin, in western Romania. In May 2011 the Company signed petroleum concession agreements with the National Agency for Minerals and Hydrocarbons ("NAMR") the government agency in Romania which regulates the oil and gas industry.

On May 20, 2011 the Company and Naftna Industrija Srbije j.s.c. Novi Sad ("NIS"), an arm's length corporation, signed a memorandum of understanding to jointly explore the four exploration blocks in Romania. On October 27, 2011 the Company and NIS signed a farm-out agreement (the "Farm-out"). Under the terms of the Farm-out, NIS paid the Company a total of $525,000 for the assignment of an 85% participation interest and operatorship of the Romania Work Programs to NIS. NIS has the obligation to fund the Romania Work Programs, including environmental work, 2D and 3D seismic acquisition and processing, and the drilling of 12 wells. The Company retains a 15% carried interest in each block through the obligatory two year Phase I work program and the optional one year Phase II work program. If a commercial discovery is made, the Company will be responsible for its 15% interest in development of the commercial discovery.

The four concessions have specific mandatory Phase 1 work programs (the "Romania Work Programs"), which are estimated at US $62,741,000 for all four programs. Production from the concessions is also subject to royalties of between 3.5% to 13.5% based on quarterly gross production payable to the government.

(Unaudited - Expressed in Canadian Dollars)

7. Property, Plant and Equipment

	Petroleum and Natural Gas Properties (PMP 60291) $
Cost:	
Balance at March 31, 2018	13,462,294
Capital expenditures	952,455
Foreign exchange movement	(293,233)
Balance at March 31, 2019	14,121,516
Capital expenditures	44,502
Foreign exchange movement	(528,249)
Balance at June 30, 2019	13,637,769
Accumulated Depletion and Depreciation and Impairment:	
Balance at March 31, 2018	(12,782,294)
Depletion and depreciation	(556,123)
Foreign exchange movement	285,333
Balance at March 31, 2019	(13,053,084)
Depletion and depreciation	(363,143)
Foreign exchange movement	491,438
Balance at June 30, 2019	(12,924,789)
Carrying Value:	
Balance at March 31, 2019	1,068,432
Balance at June 30, 2019	712,980

An impairment test is performed on capitalized property, plant and equipment costs at a CGU level when indicators of impairment exist. Impairment is calculated as the difference in the CGU's carrying value and its recoverable amount.

See also Note 6(a).

8. Decommissioning Liabilities

	$
Balance, March 31, 2018	1,364,784
Finance cost	23,124
Foreign exchange movement	(30,474)
Balance, March 31, 2019	1,357,434
Finance cost	5,765
Foreign exchange movement	(46,374)
Balance, June 30, 2019	1,316,825

8. Decommissioning Liabilities (continued)

The total amount of estimated undiscounted cash flows required to settle the Company's estimated obligation is $1,320,292 (March 31, 2019 - $1,366,760) which has been discounted using a pre-tax risk-free rate of 1.94% (March 31, 2019 - 1.94%) and an inflation rate of 1.60% (March 31, 2019 - 1.60%). The present value of the decommissioning liabilities may be subject to change based on management's current estimates, changes in remediation technology or changes to the applicable laws and regulations. Such changes will be recorded in the accounts of the Company as they occur.

The total future asset decommissioning obligations were estimated based on the Company's net ownership interest in all wells and facilities, the estimated costs to abandon and reclaim the wells and facilities and the estimated timing of the costs to be incurred in future years. These liabilities will be settled at various dates which are currently expected to extend up to 2021. Settlement of the liabilities is expected to be funded from general corporate funds at the time of retirement.

See also Note 6(a).

9. Share Capital

(a) *Authorized Share Capital*

The Company's authorized share capital consisted of an unlimited number of common shares without par value. All issued common shares are fully paid.

(b) *Reconciliation of Changes in Share Capital*

No equity financings were conducted by the Company during the three months ended June 30, 2019 or fiscal 2019.

(c) *Share Option Plan*

The Company has established a fixed share option plan (the "Plan"), in which a total of 12,408,697 common shares have been reserved for issuance under the Plan. The minimum exercise price of the share options is set at the Company's closing share price on the day before the grant date, less allowable discounts in accordance with the policies of the TSXV. Options granted may be subject to vesting provisions as determined by the Board of Directors and have a maximum term of ten years from the date of grant.

During the three months ended June 30, 2019 the Company granted granted share options to purchase 800,000 common shares and recorded compensation expense of $48,000. No share options were granted or vested during the three months ended June 30, 2018. The fair value of share options granted during the three months ended June 30, 2019 was estimated using the Black-Scholes option pricing model using the following assumptions: risk-free interest rate of 1.52%; estimated volatility of 65%; expected life of 5 years; expected dividend yield of 0%; and estimated forfeiture rate of 0%.

The weighted average grant date fair value of all share options granted during the three months ended June 30, 2019 was $0.06 per share option.

(Unaudited - Expressed in Canadian Dollars)

9. Share Capital (continued)

A summary of the Company's share options at June 30, 2019 and 2018 and the changes for the three months ended on those dates, is as follows:

	2019		2018	
	Number of Options Outstanding	Weighted Average Exercise Price $	Number of Options Outstanding	Weighted Average Exercise Price $
Balance, beginning of period	5,815,000	0.13	6,315,000	0.13
Granted	800,000	0.10	-	-
Expired/cancelled	(500,000)	0.135	(500,000)	0.14
Balance, end of period	6,115,000	0.12	5,815,000	0.13

The following table summarizes information about the share options outstanding and exercisable at June 30, 2019:

Number of Shares	Exercise Price $	Expiry Date
2,700,000	0.14	November 14, 2019
50,000	0.09	November 26, 2020
1,265,000	0.10	November 21, 2021
500,000	0.13	December 30, 2021
800,000	0.125	January 19, 2022
800,000	0.10	April 24, 2024
6,115,000		

See also Note 15.

10. Related Party Disclosures

A number of key management personnel, or their related parties, hold positions in other entities that result in them having control or significant influence over the financial or operating policies of those entities. Certain of these entities transacted with the Company during the reporting period. Key management personnel include those persons having authority and responsibility for planning, directing and controlling the activities of the Company as a whole. The Company has determined that key management personnel consists of members of the Company's Board of Directors and all executive officers.

(a) During the three months ended June 30, 2019 and 2018 the Company incurred the following compensation amounts to its current and former key management personnel:

	2019 $	2018 $
Professional fees	12,000	27,900
Share-based compensation	48,000	-
	60,000	27,900

As at June 30, 2019 $nil (March 31, 2019 - $6,000) remained unpaid and has been included in accounts payable and accrued liabilities.

10. Related Party Disclosures (continued)

(b) During the three months ended June 30, 2019 the Company incurred a total of $6,200 (2018 - $5,800) to Chase Management Ltd. ("Chase"), a private corporation owned by the CFO of the Company, for accounting and administration services provided by Chase personnel, excluding the CFO. As at June 30, 2019 $4,200 (March 31, 2019 - $5,300) remained unpaid and has been included in accounts payable and accrued liabilities.

(c) See also Note 5.

11. Financial Instruments and Risk Management

The nature of the Company's operations expose the Company to credit risk, liquidity risk and market risk, and changes in commodity prices, foreign exchange rates and interest rates may have a material effect on cash flows, net income and comprehensive income.

This note provides information about the Company's exposure to each of the above risks as well as the Company's objectives, policies and processes for measuring and managing these risks.

The Company's risk management policies are established to identify and analyze the risks faced by the Company, to set appropriate risk limits and to monitor market conditions and the Company's activities. The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework and policies.

Credit Risk

Credit risk is the risk of financial loss to the Company if counterparties do not fulfill their contractual obligations. The most significant exposure to this risk is relative to the sale of oil production. All of the Company's production is sold directly to an oil super major. The Company is paid for its oil sales within 30 days of shipment. The Company has assessed the risk of non-collection from the buyer as low due to the buyer's financial condition.

Cash is held with a Canadian chartered bank and is monitored to ensure a stable return.

The carrying amount of cash and amounts receivable represents the maximum credit exposure. The Company does not have an allowance for doubtful accounts on its amounts receivable as at June 30, 2019 and 2018 and did not provide for any doubtful accounts.

Commodity Price Risk

Commodity price risk is the risk that future cash flows will fluctuate as a result of changes in commodity prices, affecting results of operations and cash generated from operating activities. Such prices may also affect the value of exploration and development properties and the level of spending for future activities. Prices received by the Company for its production are largely beyond the Company's control as petroleum prices are impacted by world economic events that dictate the levels of supply and demand. All of the Company's oil production is sold at spot rates exposing the Company to the risk of price movements. As at June 30, 2019, assuming all other variables remain constant, a change of 10% in oil and gas prices would have an effect on net income of $113,245. The Company has an agreement to sell its gas production from the Cheal E field at a base price of NZD $4.65 per gigajoule, subject to an adjustment formula based on the market price, with a minimum price of NZD $4.00 per gigajoule. The gas agreement is set to end December 31, 2019.

Liquidity Risk

Liquidity risk is the risk that the Company will not have the resources to meet its obligations as they fall due. The Company manages this risk by closely monitoring cash forecasts and managing resources to ensure that it will have sufficient liquidity to meet its obligations. All of the Company's financial liabilities are classified as current and are anticipated to mature within the next fiscal period. The following table is based on the contractual maturity dates of financial assets and the earliest date on which the Company can be required to settle financial liabilities.

11. Financial Instruments and Risk Management (continued)

	Contractual Maturity Analysis at June 30, 2019				
	Less than 3 Months $	3 - 12 Months $	1 - 5 Years $	Over 5 Years $	Total $
Cash	3,821,628	-	-	-	3,821,628
Amounts receivable	406,268	-	-	-	406,268
Investments	-	-	752,394	-	752,394
Accounts payable and accrued liabilities	(253,176)	-	-	-	(253,176)

Market Risk

Market risk is the risk that changes in foreign exchange rates, commodity prices and interest rates will affect the Company's cash flows, net income and comprehensive income. The objective of market risk management is to manage and control market risk exposures within acceptable limits, while maximizing returns.

Foreign Currency Exchange Rate Risk

Foreign currency exchange rate risk is the risk that future cash flows, net income and comprehensive income will fluctuate as a result of changes in foreign exchange rates. All of the Company's petroleum sales are denominated in United States dollars and gas sales, operational and capital activities related to the Company's properties are transacted primarily in New Zealand dollars and/or United States dollars with some costs also being incurred in Canadian dollars.

The Company currently does not have significant exposure to other currencies and this is not expected to change in the foreseeable future as the work commitments in New Zealand are expected to be carried out in New Zealand and to a lesser extent, in United States dollars.

Interest Rate Risk

Interest rate risk is the risk that future cash flows will fluctuate as a result of changes in market interest rates. The Company is exposed to interest rate fluctuations on its cash which bears a floating rate of interest. The risk is not considered significant.

The Company did not have any interest rate swaps or financial contracts in place during the three months ended June 30, 2019 or fiscal 2019 and any variations in interest rates would not have materially affected net income.

Fair Value of Financial Instruments

Financial instruments are classified into one of the following categories: FVTPL; amortized cost; fair value through other comprehensive income ("FVOCI"); and other financial liabilities. The carrying values of the Company's financial instruments are classified into the following categories:

Financial Instrument	Category	June 30, 2019 $	March 31, 2019 $
Cash	FVTPL	3,821,628	3,657,694
Amounts receivable	Amortized cost	406,268	380,008
Investments- common shares	FVTPL	752,394	960,774
Accounts payable and accrued liabilities	Amortized cost	(253,176)	(655,254)

(Unaudited - Expressed in Canadian Dollars)

11. Financial Instruments and Risk Management (continued)

The Company's financial instruments recorded at fair value require disclosure about how the fair value was determined based on significant levels of inputs described in the following hierarchy:

Level 1 - Quoted prices are available in active markets for identical assets or liabilities as of the reporting date. Active markets are those in which transactions occur in sufficient frequency and value to provide pricing information on an ongoing basis.

Level 2 - Pricing inputs are other than quoted prices in active markets included in Level 1. Prices in Level 2 are either directly or indirectly observable as of the reporting date. Level 2 valuations are based on inputs including quoted forward prices for commodities, time value and volatility factors, which can be substantially observed or corroborated in the market place.

Level 3 - Valuations in this level are those with inputs for the asset or liability that are not based on observable market data.

The recorded amounts for amounts receivable and accounts payable and accrued liabilities approximate their fair value due to their short-term nature. The recorded amounts for cash and investments approximate their fair value. The fair value of cash and investment in common shares under the fair value hierarchy is measured using Level 1 and Level 2 inputs. The fair value of the investment in warrants is measured using Level 2 inputs.

The following is an analysis of the Company's financial assets measured at fair value as at June 30, 2019 and March 31, 2019:

	June 30, 2019		
	Level 1 $	Level 2 $	Level 3 $
Cash	3,821,628	-	-
Investments - common shares	752,394	-	-
	4,574,022	-	-

	March 31, 2019		
	Level 1 $	Level 2 $	Level 3 $
Cash	3,657,694	-	-
Investments - common shares	960,774	-	-
	4,618,468	-	-

Capital Management

The Company manages its capital structure and makes adjustments to it, based on the funds available to the Company, in order to support the acquisition and exploration of petroleum and natural gas properties. The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain development of the business. The Company defines capital that it manages as share capital. The Company will continue to assess new properties and seek to acquire an interest in additional properties if it feels there is sufficient geologic or economic potential and if it has adequate financial resources to do so. Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable.

The Company's share capital is not subject to any external restrictions. The Company has not paid or declared any dividends since the date of incorporation, nor are any currently contemplated. There have been no changes to the Company's approach to capital management during the period.

(Unaudited - Expressed in Canadian Dollars)

12. Commitments

The Company's share of expected exploration and development permit obligations and/or commitments as at June 30, 2019 are approximately $105,000 to be incurred during fiscal 2019 and $1,250,000 over the next five years. The Company may choose to alter the program, request extensions, reject development costs, relinquish certain permits or farm-out its interest in permits where practical. See also Note 6(a).

13. Supplemental Cash Flow Information

During the three months ended June 30, 2019 and 2018 non-cash activities were conducted by the Company as follows:

	2019 $	2018 $
Investing activity		
Property, plant and equipment	(359,656)	(23,081)
Operating activity		
Accounts payable and accrued liabilities	359,656	23,081

14. Segmented Information

During the three months ended June 30, 2019 and fiscal 2019 the Company operated in one business segment, being the acquisition, exploration and production of oil and gas properties in New Zealand. The Company's total assets and operations are segmented geographically as follows:

	As at June 30, 2019		
	Canada $	New Zealand $	Total
Current assets	3,561,525	684,820	4,251,345
Investments	752,394	-	752,394
Exploration and evaluation assets	-	1,634,597	1,634,597
Property, plant and equipment	-	712,980	712,980
	4,313,919	3,037,397	7,351,316
Petroleum and natural gas sales	-	1,132,453	1,132,453

	As at March 31, 2019		
	Canada $	New Zealand $	Total
Current assets	3,129,412	988,143	4,117,555
Investments	960,774	-	960,774
Exploration and evaluation assets	-	1,696,906	1,696,906
Property, plant and equipment	-	1,068,432	1,068,432
	4,090,186	3,753,481	7,843,667
Petroleum and natural gas sales	-	2,760,971	2,760,971

15. Event after the Reporting Period

Subsequent to June 30, 2019 stock options to purchase 500,000 common shares at an exercise price of $0.13 expired without exercise.