EAST WEST PETROLEUM CORP.

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED MARCH 31, 2020

This discussion and analysis of financial position and results of operation is prepared as at August 18, 2020 and should be read in conjunction with the audited consolidated financial statements for the years ended March 31, 2020 and 2019 of East West Petroleum Corp. ("East West" or the "Company"). The following disclosure and associated consolidated financial statements are presented in accordance with International Financial Reporting Standards ("IFRS"). Except as otherwise disclosed, all dollar figures included therein and in the following management discussion and analysis ("MD&A") are quoted in Canadian dollars. Additional information relevant to the Company's activities, can be found on SEDAR at www.sedar.com .

Forward-Looking Statements

Forward-looking information is subject to known and unknown risks, uncertainties and other factors that may cause the Company's actual results, level of activity, performance or achievements to be materially different from those expressed or implied by such forward-looking information. Such factors include, but are not limited to: the ability to raise sufficient capital to fund exploration and development; the quantity of and future net revenues from the Company's reserves; oil and natural gas production levels; commodity prices, foreign currency exchange rates and interest rates; capital expenditure programs and other expenditures; supply and demand for oil and natural gas; schedules and timing of certain projects and the Company's strategy for growth; competitive conditions; the Company's future operating and financial results; and treatment under governmental and other regulatory regimes and tax, environmental and other laws.

Prospective resources are those quantities of petroleum estimated, as of a given date, to be potentially recoverable from undiscovered accumulations by application of future development projects. Prospective resources have both an associated chance of discovery and a chance of development. Prospective resources are further subdivided in accordance with the level of certainty associated with recoverable estimates assuming their discovery and development and may be subclassified based on project maturity. Best estimate resources are considered to be the best estimate of the quantity that will actually be recovered from the accumulation. If probabilistic methods are used, this term is a measure of central tendency of the uncertainty distribution (most likely/mode, P50/median, or arithmetic average/mean). As estimates, there is no certainty that any portion of the resources will be discovered. If discovered, there is no certainty that it will be commercially viable to produce any portion of the resources that the estimated reserves or resources will be recovered or produced.

This list is not exhaustive of the factors that may affect our forward-looking information. These and other factors should be considered carefully and readers should not place undue reliance on such forward-looking information. The Company disclaims any intention or obligation to update or revise forward-looking information, whether as a result of new information, future events or otherwise.

All of the Company's public disclosure filings, including its most recent management information circular, material change reports, press releases and other information, may be accessed via www.sedar.com and readers are urged to review these materials, including the reserve reports filed with respect to the Company's petroleum and natural gas properties.

Company Overview

The Company is a reporting issuer in British Columbia and Alberta and trades on the TSX Venture Exchange ("TSXV") under the symbol "EW" as a Tier 1 issuer. The Company currently carries on business in one operating segment, being the acquisition of, exploration for and production from petroleum and natural gas properties. The Company's current portfolio consists of interests in exploration concessions in New Zealand and Romania and producing properties in the Taranaki Basin, New Zealand. The Company also holds marketable investments in common shares of publicly traded companies. The Company's principal office is located at #1305 - 1090 West Georgia Street, Vancouver, BC, V6E 3V7.

The Company had agreed to sell its interest in PEP 54877 and PMP 60291 which comprise the majority of its New Zealand assets. The agreement was terminated by the Company on August 1, 2020. See “Proposed Disposition of New Zealand Oil & Gas Assets”. The Company is currently assessing its go-forward plans, which includes the possible sale of its New Zealand concessions to other buyers, and whether its focus should remain on the oil and gas sector. At this time no decisions have been made but the Company will be assessing alternatives.

Proposed Disposition of New Zealand Oil & Gas Assets

On June 24, 2019 the Company signed a heads of agreement with a private arm’s length New Zealand company (the “Buyer”) pursuant to which the Company 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”). On October 8, 2019, as amended, the Company and the Buyer signed the definitive agreement (the “Definitive Agreement”) for the sale and purchase of the Permits under the Transaction.

Pursuant to the terms of the Definitive Agreement, and in consideration of the Transaction, the Buyer agreed to pay the Company US $1,900,000 (the “Purchase Price”), with April 1, 2019 as the effective date (the “Effective Date”). On July 16, 2019 the Company received a deposit of $70,935 (US $50,000) (the “Deposit”) from the Buyer which was refundable to the Buyer under certain conditions. In addition to the Deposit, all revenue, less associated sales costs, production costs, royalties and capital costs, received by the Company subsequent to the Effective Date would be credited to the Purchase Price to be paid by the Buyer. On August 7, 2019 the Company received shareholder approval to the Transaction.

As at March 31, 2020 closing of the Transaction was still subject to final New Zealand governmental and TSXV approvals. On August 1, 2020 the Company terminated the Definitive Agreement as the amount to be received, given the April 1, 2019 effective date, was significantly less than current value. The Deposit was refunded to the Buyer.

See also “Project Update - New Zealand”.

Directors and Officers

As of the date of this MD&A the Company’s Board of Directors and Officers are as follows:

Nick DeMare	- Interim CEO, Chief Financial Officer (“CFO”), Corporate Secretary and director
Mark Brown	- Director
Kevin Haney	- Director

Projects Update

In this MD&A, production and reserves information may be presented on a barrel of oil equivalent (“BOE”) basis with six thousand cubic feet (“MCF”) of natural gas being equivalent to one barrel (“bbl”) of crude oil or natural gas liquids. BOE’s may be misleading, particularly if used in isolation. A BOE conversion ratio of 6 MCF: 1 bbl is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead.

New Zealand

The Company has operations in the Taranaki Basin of New Zealand. All licenses were previously operated by the Company’s partner, TAG Oil Ltd. (“TAG” or the “Operator”), and all wells are targeting shallow Miocene targets in the Urenui and Mt. Messenger formations which have been shown to be productive for oil and gas throughout the Basin, including TAG’s adjacent Cheal field. Within the Taranaki Basin, East West holds a 30% working interest in the Petroleum Exploration Permit (“PEP”) 54877 and the Petroleum Mining Permit PMP 60291 (Cheal East) and TAG held the remaining 70%. On November 9, 2018 TAG entered into a definitive share and asset purchase agreement with Tamarind Resources Pte. Ltd. (“Tamarind”), to sell substantially all of its Taranaki Basin assets and operations in New Zealand which includes TAG’s interest in PEP 54877 and PMP 60291. On September 25, 2019 TAG completed the sale. In light of TAG’s decision to sell the majority of its interest in the Taranaki Basin assets the Company assessed its options with respect to its 30% interest in Cheal East and, on June 24, 2019, the Company signed a heads of agreement with the Buyer pursuant to which the Company has agreed to sell its 30% interest in PEP 54877 and PMP 60291 to the Buyer. As at March 31, 2020 closing of the Transaction was still subject to final New

Zealand governmental and TSXV approvals. On August 1, 2020 the Company terminated the Definitive Agreement and the Deposit was refunded to the Buyer. See also "Proposed Disposition of New Zealand Oil & Gas Assets".

PMP 60291 is the location of the Cheal E-Site and the Cheal E-site production facility as well as the Cheal-E wells. There has been continued positive response from the Cheal E waterflood program, with both production and pressure increases having been observed. The Cheal E waterflood program was expanded to include the conversion of the Cheal-E4 well to a water injector in two Mt. Messenger formation intervals, which has swept oil towards the Cheal-E1 producing well from the southern area of the field resulting in additional oil recovery and extending the Cheal-E site's field life.

During fiscal 2020 oil and gas production increased from 28 Mbbl oil and 46 MMCF gas during fiscal 2019 to 45 Mbbl oil and 67 MMcf gas during fiscal 2020. During fiscal 2019 the Cheal-E2 well experienced pumping equipment problems resulting in the well ceasing production in October 2018 but was rehabilitated and returned to full production in early May 2019. The Cheal-E1 also had pump efficiency issues and the well came offline in December 2018 due to wax in tubing returning to full production in March 2019. As a result the Company had five wells, the Cheal-E1, E2, E5, E6 and E8 producing for the majority of fiscal 2020.

Reserves Data

An independent reserves evaluation, relating to the resource base of the Company in the Cheal Area of New Zealand, effective March 31, 2020, has been prepared by Sproule International Limited. The report follows all industry standard procedures and is in conformity with the Canadian Oil and Gas Evaluation Handbook and National Instrument 51-101 ("NI 51-101"). Readers are encouraged to review the Form 51-101 F1 - *Statement of Reserve Data and Other Oil and Gas Information*, which is a summary of the report, filed on the SEDAR website at www.sedar.com.

Reconciliation of Company Gross (1) Reserves
by Principal Product Type as of March 31, 2020

	Light and Medium Crude Oil (Combined)			Conventional Natural Gas (Solution Gas)			Total Equivalent		
	Gross Proved (Mbbl)	Gross Probable (Mbbl)	Gross Proved Plus Probable (Mbbl)	Gross Proved (MMcf)	Gross Probable (MMcf)	Gross Proved Plus Probable (MMcf)	Gross Proved (MBOE)	Gross Probable (MBOE)	Gross Proved Plus Probable (MBOE)
March 31, 2019	53	38	91	96	81	177	69	52	121
Technical Revisions	65	(9)	56	73	(40)	33	77	(16)	61
Production	(45)	0	(45)	(67)	0	(67)	(56)	0	(56)
March 31, 2020	73	29	102	102	41	143	90	36	126

(1) The Gross Reserves presented here are the Company's working interest reserves before calculations of royalties, and before consideration of the Company's royalty interest.
(2) Technical Revisions also include changes in reserves associated with changes in operating costs, capital costs and commodity price offsets.
(3) Totals in the above table may not add due to rounding.

Gross proved plus probable ("2P") reserves estimates within the Taranaki Basin at March 31, 2020 were 126 MBOE compared to the March 31, 2019 2P reserves of 121 MBOE. Taking into account the 56 MBOE the Company produced over the fiscal year and the 61 MBOE increase for technical revisions and economic factors, the Company's reserves overall increased by 5%.

Romania

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.

The four concessions have specific mandatory work programs (the "Romania Work Programs"), which were estimated at US $63,000,000 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.

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 has 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 is the operator of the four concessions and 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 Phase I work program and an optional one year Phase II work program which carries additional commitments. The current expiries of the Phase I terms are as follows: Block EX-2 December 12, 2021, Block EX-3 December 14, 2021 and November 22, 2020 for Blocks EX-7 and EX-8. If a commercial discovery is made, the Company is responsible for its 15% interest in development of the commercial discovery.

As operator, NIS has proposed and is actively progressing comprehensive exploration programs in the EX-2, EX-3, EX-7 and EX-8 exploration blocks in Romania. It should be noted that all activities are dependent on securing the necessary government and local approvals.

Due to the Covid-19 pandemic the state of emergency a nationwide lockdown was imposed by the Romanian government on March 25, 2020. Consequently, the operator NIS, has temporarily ceased new exploration field activity until such time that the lockdown is lifted and social distancing requirements can be safely relaxed. It is expected that this will substantially delay the planned 2020 exploration programs in the EX-2, EX-3, EX-7 and EX-8 exploration blocks in Romania. As usual, it should be noted that all activities are dependent on securing the necessary government and local approvals.

On Block Ex-2, acquisition program of 3D seismic in the amount of 170 Km^2 was completed in Q3/2019 (calendar) and processing of the data is underway. The Phase 1 Exploration Period was extended for another two years and now ends in December 2021.

On Block EX-3, processing of the data acquired last year on 223 km^2 3D seismic program has been finished and interpretation of the data has been completed. This work identified several exploration prospects with drilling expected to commence in 2021 (calendar). The Phase 1 Exploration Period was extended for another two years and now ends in December 2021.

On Block EX-7, an exploration well, Bvs-1000, was drilled in Q1/2019 (calendar) to a total depth of 3,800 meters and encountered several potential hydrocarbon bearing zones as identified on logs. Testing has now been postponed until 2021 (calendar). On the Teremia North discovery, the initial discovery well, Teremia-1000 experienced mechanical problems resulting in an inflow of formation water. A workover is planned for 2021. An appraisal well, Teremia-1001, was drilled and completed in Q1/2019 (calendar) and, following initial testing, was placed on long term experimental production in July 2019. Production rates have stabilised around 150 bopd.

On Block EX-8, a second deviated appraisal well, Teremia-1002, was drilled into the extension of the Teremia North discovery. The well was completed and tested in Q4/2019 (calendar) and has subsequently been placed on long term experimental production with rates stabilising around 150 bopd.

An exploration well, Pesac Sud-1000 was drilled and completed in 3Q/2019 (calendar) two separate intervals were tested in Q4/2019 (calendar). Both tests failed to indicate the presence of hydrocarbons. Future testing of potentially prospective shallower zones is being considered for 2021 (calendar).

NIS is committed to fulfilling the commitment work programs in all blocks, considering certain legislative changes and being granted appropriate extensions due to the current Covid-19 situation.

NIS will be funding 100% of the costs and fully carrying the Company through the commitment work programs in each of the blocks in return for earning an 85% interest in each licence.

Investments

As at March 31, 2020 the Company held 1,719,000 common shares of Advantage Lithium and 512,400 common shares of Seaway. The March 31, 2020 fair value of these investments was $511,734. On April 17, 2020 Orocobre Limited (“Orocobe”) acquired 100% of the issued and outstanding common shares of Advantage Lithium in exchange for 0.142 ordinary shares of Orocobre per Advantage Lithium share. The Company received 244,098 shares of Orocobre for its 1,719,000 Advantage Lithium shares. Subsequent to March 31, 2020 Seaway completed a consolidation of its share capital on a basis of, one new for every 2.5 old common shares and, on May 22, 2020, completed a reverse takeover transaction to form Sweet Earth Holdings Inc (“Sweet Earth”). The Company now holds 204,960 shares of Sweet Earth.

Selected Financial Data

The following selected financial information is derived from the audited annual consolidated financial statements prepared in accordance with IFRS.

	Year Ended March 31,		
	2020 $	2019 $	2018 $
Operations:			
Total revenues	3,676,561	2,760,971	1,923,942
Operating costs	(1,881,842)	(1,462,175)	(1,266,609)
Expenses	(966,870)	(1,367,820)	(2,085,197)
Other items	62,941	(1,272,429)	560,321
Income (loss) before deferred income tax	890,790	(1,341,453)	(867,543)
Deferred income tax	Nil	Nil	81,000
Net income (loss)	890,790	(1,341,453)	(786,543)
Other comprehensive income (loss), net	(353,831)	(63,165)	755,897
Comprehensive income (loss)	536,959	(1,404,618)	(30,646)
Basic and diluted income (loss) per share	0.01	(0.01)	(0.01)
Balance Sheet:			
Working capital	4,977,101	3,462,301	4,118,454
Total assets	8,287,295	7,843,667	8,912,682
Total long-term liabilities	(1,269,824)	(1,357,434)	(1,364,784)

The following selected financial information is derived from the unaudited condensed consolidated interim financial statements of the Company prepared in accordance with IFRS.

	Fiscal 2020				Fiscal 2019			
	Mar. 31 2020 $	Dec. 31 2019 $	Sep. 30 2019 $	Jun. 30 2019 $	Mar. 31 2019 $	Dec. 31 2018 $	Sep. 30 2018 $	Jun. 30 2018 $
Operations:								
Total revenues	1,537,983	647,536	358,589	1,132,453	447,218	663,892	824,529	825,332
Operating costs	(541,161)	(451,611)	(444,438)	(444,632)	(272,134)	(388,400)	(336,961)	(464,680)
Expenses	369,371	(453,820)	(361,219)	(521,202)	(131,681)	(303,846)	(438,262)	(494,031)
Other items	200,313	283,639	(313,117)	(107,894)	(29,719)	(379,722)	(538,955)	(324,033)
Net income (loss)	1,566,506	25,744	(760,185)	58,725	13,684	(408,076)	(489,649)	(457,412)
Other comprehensive (loss) income	(393,407)	146,435	49,530	(156,389)	(13,032)	141,685	(123,157)	(87,189)
Comprehensive income (loss)	1,173,099	172,179	(710,655)	(97,664)	652	(266,391)	(612,806)	(526,073)
Basic and diluted income (loss) per share	0.02	(0.00)	(0.01)	0.00	0.00	(0.00)	(0.01)	(0.00)
Balance Sheet:								
Working capital	4,977,101	4,143,819	3,766,965	3,998,169	3,462,301	3,872,357	3,821,391	4,048,277
Assets held-for-sale	Nil	1,786,828	2,067,867	Nil	Nil	Nil	Nil	Nil
Total assets	8,287,295	6,919,026	6,595,945	7,351,316	7,843,667	7,435,978	7,952,357	8,422,104
Decommissioning liabilities	(1,269,824)	(319,101)	(309,904)	(1,316,825)	(1,357,434)	(1,340,200)	(1,262,718)	(1,317,180)
Liabilities on assets held-for-sale	Nil	(995,431)	(943,472)	Nil	Nil	Nil	Nil	Nil
Deposit	(70,935)	(65,505)	(65,505)	Nil	Nil	Nil	Nil	Nil

Results of Operations

Three Months Ended March 31, 2020 ("Q4/2020"), Three Months Ended December 31, 2019 ("Q3/2020"), and Three Months Ended March 31, 2019 ("Q4/2019").

Comparable revenues and operating costs for Q4/2020, Q3/2020 and Q4/2019 are as follows:

	Q4/2020	**Q3/2020**	**Q4/2019**
Total sales	$ 1,537,983	$ 647,536	$ 447,218
Total sales volume	21,001 BOE	12,653 BOE	6,394 BOE
Average realized price per BOE	$ 73.23	$ 51.18	$ 69.94
Petroleum sales	$ 1,420,456	$ 572,355	$ 396,717
Petroleum sales volume	17,781 BOE	9,946 BOE	4,691 BOE
Average petroleum realized price per BOE	$ 79.89	$ 57.55	$ 84.57
Natural gas sales	$ 117,527	$ 75,181	$ 50,501
Natural gas sales volume	3,220 BOE	2,707 BOE	1,703 BOE
Average natural gas realized price per BOE	$ 36.50	$ 27.77	$ 29.65
Production costs	$ 327,131	$ 376,394	$ 195,983
Average per BOE	$ 15.58	$ 29.75	$ 30.65
Transportation and storage costs	$ 69,180	$ 46,257	$ 56,350
Average per BOE	$ 3.29	$ 3.66	$ 8.81
Royalties	$ 144,850	$ 28,960	$ 19,801
Average per BOE	$ 6.90	$ 2.29	$ 3.10
Netback	$ 996,822	$ 195,925	$ 175,084
Average per BOE	$ 47.47	$ 15.48	$ 27.38

Q4/2020 compared to Q3/2020

Total sales revenues increased by 138% from $647,536 in Q3/2020 to $1,537,983 in Q4/2020. The increase is due to a 66% increase in total sales volumes of oil and natural gas and a 43% increase in average realized price per BOE.

During Q4/2020 production costs decreased by 13%, from $376,394 in Q3/2020 to $327,131 in Q4/2020 due to final repairs completed on the wells during Q3/2020.

During Q4/2020 the Company reported a net income of $1,566,506 compared to a net income of $25,744 for Q3/2020. The fluctuation of $1,540,762 is primarily attributed to the following:

(i) net operating income increased by $800,897, from income of $195,925 in Q3/2020 to income of $996,822 in Q4/2020, due to an increase in sales volumes and average realized price per BOE;
(ii) recognition of a foreign exchange gain of $366,840 in Q4/2020 compared to a foreign exchange gain of $131,502 in Q3/2020;
(iii) recognition of depletion of $375,250 in Q3/2020 compared to a recovery of depletion of $490,460 in Q4/2020 due to the change in the Company's petroleum reserve base at the end of fiscal 2020; and
(iv) recognition of a $137,520 unrealized gain on investments in Q3/2020 compared to $180,495 unrealized loss on investments in Q4/2020.

Q4/2020 compared to Q4/2019

Total sales revenues increased from $447,218 in Q4/2019 to $1,537,983 in Q4/2020. The increase is attributable to a 228% increase in total sales volumes due to significantly higher production during Q4/2020 compared to Q4/2019 as a result of five wells producing during Q4/2020 compared to only four wells producing during Q4/2019.

Production costs increased by 67% from $195,983 in Q4/2019 to $327,131 in Q4/2020 due to the higher volumes processed during Q4/2020.

During Q4/2020 the Company reported a net income of $1,566,506 compared to a net income of $13,684 for Q4/2019. The increase in income of $1,552,822 is primarily attributed to:

(i) net operating income increased from $175,084 in Q4/2019 to $996,822 in Q4/2020 due to an increase in production and sales volumes;
(ii) recognition of a recovery of depletion of $12,950 in Q4/2019 compared to $490,460 in Q4/2020 due to the change in the Company's petroleum reserve base at the end of fiscal 2020; and
(iii) recognition of a unrealized gain on investments of $190,774 in Q4/2019 compared to a unrealized loss on investments of $180,495 in Q4/2020.

Fiscal 2020 compared to Fiscal 2019

Revenues and operating costs for fiscal 2020 compared fiscal 2019 are as follows:

	Fiscal 2020	**Fiscal 2019**
Total sales	$ 3,676,561	$ 2,760,971
Total volume	55,083 BOE	33,954 BOE
Average realized price per BOE	$ 66.75	$ 81.32
Petroleum sales	$ 3,361,849	$ 2,563,551
Petroleum volume	44,842 BOE	27,270 BOE
Average petroleum realized price per BOE	$ 74.97	$ 94.01
Natural gas sales	$ 314,712	$ 197,420
Natural gas volume	10,241 BOE	6,684 BOE
Average natural gas realized price per BOE	$ 30.73	$ 29.54
Production costs	$ 1,358,757	$ 1,084,557
Average per BOE	$ 24.67	$ 31.94
Transportation and storage costs	$ 282,590	$ 259,286
Average per BOE	$ 5.13	$ 7.64
Royalties	$ 240,495	$ 118,332
Average per BOE	$ 4.37	$ 3.49
Netback	$ 1,794,719	$ 1,298,796
Average per BOE	$ 32.58	$ 38.25

Total sales revenues increased from $2,760,971 in fiscal 2019 to $3,676,561 in fiscal 2020. The increase is primarily due to higher production resulting in higher sales volumes during fiscal 2020. During fiscal 2019 the Cheal-E2 well experienced pumping equipment problems resulting in the well ceasing production in October 2018 but was rehabilitated and returned to full production in May 2019. The Cheal-E1 also had pump efficiency issues and the well came offline in December 2018 due to wax in tubing returning to full production in March 2019. This resulted in the Company having a total of five wells producing for the majority of fiscal 2020.

Production costs increased from $1,084,557 during fiscal 2019 to $1,358,757 during fiscal 2020, an increase of 25% due to higher production processed and the cost of workovers for the Cheal-E1 and Cheal-E6 wells during fiscal 2020.

During fiscal 2020 the Company reported a net income of $890,790 compared to a net loss of $1,341,453 reported in fiscal 2019. The fluctuation is primarily attributed to:

(i) during fiscal 2020 the Company recorded a $428,173 unrealized loss on investments compared to a $1,369,997 unrealized loss during fiscal 2019 which was partially offset by a $49,815 realized gain on sale of investments during fiscal 2019 compared to a $19,012 realized loss on sale of investments during fiscal 2020;
(ii) the recognition of depletion and depreciation of $556,123 during fiscal 2019 compared to $419,509 during fiscal 2020. The decrease is attributed mainly to the change in the Company's petroleum reserve base;
(iii) the increase of $495,923 in net operating income from $1,298,796 in fiscal 2019 compared to $1,794,719 in fiscal 2020; and

(iv) decrease in general and administrative expenses of $354,591 from $764,400 during fiscal 2019 compared to $409,809 during fiscal 2020.

General and administrative expenses incurred during fiscal 2020 and fiscal 2019 are as follows:

	2020 **$**	**2019** **$**
Accounting and administrative	37,525	37,750
Audit and related	58,455	68,157
Bank charges	991	4,107
Charitable donations	-	10,000
Corporate development	3,825	242,899
Insurance	16,874	13,121
Legal	153,615	87,172
Office	5,916	15,411
Professional fees	94,890	175,359
Regulatory fees	9,132	7,879
Rent	3,631	19,000
Shareholder costs	13,547	6,369
Transfer agent fees	10,463	4,222
Travel	945	72,954
	409,809	764,400

Specific expenses of note during fiscal 2020 and fiscal 2019 are as follows:

(i) professional fees totalling $94,890 were incurred during fiscal 2020 compared to $175,359 during fiscal 2019 period as follows:
- $54,500 was paid to directors and officers of the Company during fiscal 2020 compared to $120,900 paid during fiscal 2019. See also "Related Party Transactions";
- $40,390 was paid to consultants for administrative and financial services during fiscal 2020 compared to $54,459 during fiscal 2019;

(ii) corporate development expenses of $3,825 were incurred during fiscal 2020 compared to $242,899 during fiscal 2019. During fiscal 2019 the Company engaged various firms to provide corporate information on the Company through various marketing campaigns;

(iii) legal fees of $153,615 were incurred during fiscal 2020 compared to $87,172 during fiscal 2019 due to ongoing legal services incurred relating to extensions and communications on the proposed disposition of the New Zealand oil and gas assets; and

(iv) travel expenses of $72,954 were incurred during fiscal 2019 for significant travel costs to attend meetings in Romania to review the Romania Work Programs compared to travel expenses of $945 incurred during fiscal 2020.

During fiscal 2020 the Company incurred general exploration expenses of $48,926 (2019 - $24,173) of which $34,063 (2019 - $18,821) was related to PEP 54879 and $14,863 (2019 - $5,352) was for ongoing review of current exploration and evaluation assets.

Interest income is generated from cash on deposit with a senior financial institution and short-term money market instrument issued by major financial institutions. During fiscal 2020 the Company reported interest income of $67,023 compared to $74,164 during fiscal 2019.

During fiscal 2020 the Company made open market purchases and sales of common shares of American Helium under which the Company purchased nil (2019 - 43,000) common shares for $nil (2019 - $32,045) and sold 28,000 (2019 - 15,000) common shares for $1,855 (2019 - $10,890), resulting in a loss on sale of investments of $19,012 (2019 - $288). During fiscal 2019 the Company made open market purchases and sales of common shares of Advantage Lithium under which the Company purchased 1,539,000 common shares for $1,039,936 and sold 1,353,000 common shares for $911,045, resulting in a gain on sale of investments of $50,103. No purchases or sale of common shares of Advantage Lithium occurred during fiscal 2020. During fiscal 2019 the Company also purchased 50,000 common shares of Seaway for $10,674. No purchases or sale of common shares of Seaway occurred during fiscal 2020.

Property, Plant and Equipment

During fiscal 2020 the Company incurred total additions of $79,985 (2019 - $952,455) for the Cheal-East wells, and recorded decrease of $1,021,098 (2019 - $293,233) in foreign exchange movement for property, plant and equipment additions on the New Zealand properties.

	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	79,985
Foreign exchange movement	(1,021,098)
Balance at March 31, 2020	13,180,403
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	(419,509)
Foreign exchange movement	948,538
Balance at March 31, 2020	(12,524,055)
Carrying Value:	
Balance at March 31, 2019	1,068,432
Balance at March 31, 2020	656,348

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	5,010
Foreign exchange movement	(122,637)
Balance at March 31, 2020	1,579,279

Minimal capital expenditures were conducted on PEP 54877 during fiscal 2020.

Financial Condition / Capital Resources

As at March 31, 2020 the Company had working capital of $4,977,101. The Company also holds investments in Advantage Lithium (now Orocobre) and Seaway (now Sweet Earth) with an estimated fair value of $511,734 as at March 31, 2020. The Company believes that it currently has sufficient financial resources to conduct anticipated exploration and development programs and meet anticipated corporate administration costs for the upcoming twelve month period. The Company is assessing its go forward plans with respect to its New Zealand holdings including possible sale of its concessions. There, however, can be no assurances that an agreement will be reached. In addition, exploration activities may change due to ongoing results and recommendations, discoveries may require appraisal and development work or the Company may acquire additional properties, which may entail significant funding or exploration commitments. In the event that the occasion arises, the Company may be required to obtain additional financing and/or sell its holdings in its investments as needed. While it has been successful in the past, there can be no assurance that the Company will be successful in raising future financing should the need arise.

Commitments

The Company's share of expected exploration and development permit obligations and/or commitments as at March 31, 2020 are approximately $147,000 to be incurred during fiscal 2021 and $1,400,000 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.

Off-Balance Sheet Arrangements

The Company has no off-balance sheet arrangements.

Proposed Transactions

The Company has no proposed transactions.

Critical Accounting Estimates

The preparation of financial statements in conformity IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenditures during the reporting period. Examples of significant estimates made by management include the determination of mineralized reserves, plant and equipment lives, estimating the fair values of financial instruments, impairment of long-lived assets, reclamation and rehabilitation provisions, valuation allowances for future income tax assets, classification of investments and assumptions used for share-based compensation. Actual results may differ from those estimates. A detailed summary of the Company's critical accounting estimates and sources of estimation is included in Note 3 to the March 31, 2020 audited annual consolidated financial statements.

Changes in Accounting Policies

During fiscal 2020 the Company adopted the following accounting policy:

> IFRS 16 - *Leases* ("IFRS 16")
>
> The Company adopted 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 is 12 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 consolidated financial statements upon the adoption of this new standard.

A detailed summary of the Company's other significant accounting policies is included in Note 3 to the March 31, 2020 audited annual consolidated financial statements.

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 includes 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 its executive officers.

(a) During fiscal 2020 and fiscal 2019 the following amounts were incurred:

	2020 $	2019 $
Professional fees - David Sidoo, former CEO and former Director (1)	9,000	72,000
Professional fees - Nick DeMare, Interim CEO, CFO and Director (2)	18,000	36,000
Professional fees - Ross McElroy, Director (3)	12,000	6,000
Professional fees - Mark Brown, Director (4)	12,000	-
Professional fees - Kevin Haney, Director (5)	3,500	-
Professional fees - David Taylor, former Director (6)	-	900
Professional fees - Dylan Sidoo, former Director (7)	-	6,000
Share-based compensation - Nick DeMare	15,000	
Share-based compensation - Ross McElroy	18,000	-
Share-based compensation - Mark Brown	18,000	
Share-based compensation - Kevin Haney	12,000	-
	117,500	120,900

(1) Paid to Siden Investments Ltd., a private company owned by David Sidoo. David Sidoo stepped-down as CEO on March 14, 2019 and ceased to be a director as of December 12, 2019
(2) Paid to Chase Management Ltd. ("Chase") a private company owned by Nick DeMare. Mr. DeMare was appointed interim CEO on March 14, 2019
(3) Paid to Edge Geological Consulting Inc., a private company owned by Ross McElroy
(4) Paid to Pacific Opportunities Capital Ltd., a private company owned by Mark Brown
(5) Mr. Haney was elected as a Director on December 12, 2019
(6) Paid to Circus Ventures Ltd., a private company owned by David Taylor. David Taylor was appointed as a director on October 3, 2017 and resigned on June 15, 2018.
(7) Dylan Sidoo resigned as a director on April 3, 2019.

As at March 31, 2020 $4,000 (2019 - $6,000) remained unpaid

(b) During fiscal 2020 the Company incurred a total of $37,525 (2019 - $37,750) to Chase Management Ltd. ("Chase"), a private corporation owned by Nick DeMare, for accounting and administration services provided by Chase personnel, excluding Nick DeMare. As at March 31, 2020 $1,500 (2019 - $5,300) remained unpaid.

(c) As at March 31, 2020 the Company owned 1,719,000 common shares of Advantage Lithium with a quoted market value of $429,750 and 512,400 common shares of Seaway with a quoted market value of $81,984. Certain former directors and officers of the Company are also former directors and /or officers of Advantage Lithium and Seaway. See "Investments".

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 a major oil company. 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 March 31, 2020 and 2019 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 March 31, 2020, assuming all other variables remain constant, a change of 10% in oil and gas prices would have an effect on net income of $367,656. Effective January 1, 2020 the Company has an agreement to sell its gas production from the Cheal E field at a base price of NZD $6.10 per gigajoule. The gas agreement is set to end December 31, 2020.

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.

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 fiscal 2020 and 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	March 31, 2020 $	March 31, 2019 $
Cash	FVTPL	4,908,264	3,657,694
Amounts receivable	Amortized cost	605,187	380,008
Investments- common shares	FVTPL	511,734	960,774
Accounts payable and accrued liabilities	Amortized cost	(491,898)	(655,254)

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 March 31, 2020 and 2019:

	March 31, 2020		
	Level 1 $	Level 2 $	Level 3 $
Cash	4,908,264	-	-
Investments - common shares	511,734	-	-
	5,419,998	-	-

	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.

Risks and Uncertainties

The Company is engaged in the exploration for and development of oil and natural gas properties. These activities involve significant risks which careful evaluation, experience and knowledge may not eliminate in some cases. The commercial viability of any petroleum and natural gas properties depends on many factors not all of which are within the control of management. Operationally the Company faces risks that are associated with and affect the financial viability of a given petroleum and natural gas property. These include risks associated with finding, developing and producing these petroleum and natural gas reserves. In addition, Government regulations, taxes, royalties, land tenure, land use, environmental protection and reclamation and closure obligations, have an impact on the economic viability of a petroleum and natural gas property.

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of expenses during the reporting period. Actual results could differ from those estimates.

The Company's ability to continue its operations and to realize assets at their carrying values is dependent upon the continued support of its shareholders, obtaining additional financing and generating revenues sufficient to cover its operating costs. The accompanying financial statements do not give effect to any adjustments which would be necessary should the Company be unable to continue as a going concern and therefore be required to realize its assets and discharge its liabilities in other than the normal course of business and at amounts different from those reflected in the accompanying audited financial statements.

Any forward-looking information in the MD&A is based on the conclusions of management. The Company cautions that due to risks and uncertainties, actual events may differ materially from current expectations. With respect to the Company's operations, actual events may differ from current expectations due to economic conditions, new opportunities, changing budget priorities of the company and other factors.

Outstanding Share Data

The Company's authorized share capital is unlimited common shares with no par value. As at August 18, 2020 there were 89,585,665 outstanding common shares and 5,505,000 share options outstanding with exercise prices ranging from \$0.06 to \$0.135 per share.