Condensed Interim Consolidated Financial Statements of

Simba Essel Energy Inc.

As at March 31, 2018 and 2017

(Expressed in Canadian dollars)

In accordance with National Instrument 51-102 Part 4, *Continuous Disclosure Obligations,* subsection 4.3(3)(a), **WE HEREBY GIVE NOTICE** that our condensed consolidated financial statements for the interim period ended March 31, 2018, which follows this notice, have not been reviewed by an auditor.

SIMBA ESSEL ENERGY INC.
Condensed Interim Consolidated Statements of Financial Position
March 31, 2018 and June 30, 2017
Expressed in Canadian dollars

	March 31 2018	June 30 2017
ASSETS		
Current assets		
Cash	$ 4	$ 16,068
Recoverable sales tax	4,916	7,254
Prepaid expenses	28,724	31,161
	33,644	54,483
Non-current assets		
Exploration and evaluation assets (Note 3)	10,573,589	10,399,621
Equipment (Note 4)	1,659	6,638
	10,575,248	10,406,259
	$ 10,608,892	$ 10,460,742
LIABILITIES		
Current liabilities		
Accounts payable and accrued liabilities (Note 5)	$ 866,255	$ 851,146
Due to related parties (Note 6)	1,831,195	1,181,726
	2,697,450	2,032,872
SHAREHOLDERS' EQUITY		
Share capital (Note 7)	33,183,095	33,183,095
Reserves	3,374,560	3,374,560
Deficit	(28,646,213)	(28,129,785)
	7,911,442	8,427,870
	$ 10,608,892	$ 10,460,742

Nature and Continuance of Operations (Note 1)
Commitments (Note 9)

Approved on behalf of the Board of Directors by:

``Robert Dinning`` **, Director**
Robert Dinning

``John King Burns`` **, Director**
John King Burns

SIMBA ESSEL ENERGY INC.
Condensed Interim Consolidated Statements of Loss and Comprehensive Loss
For the three and nine months Ended March 31, 2018 and 2017
Expressed in Canadian dollars

	3 month period		9 month period	
	2018	2017	2018	2017
Operating expenses				
Amortization	$ 1,659	2,829	$ 4,979	$ 8,487
Consulting fees	-	18,353	9,000	36,353
Interest and bank charges	454	696	1,439	1,699
Investor communication, trade shows and web site	6,576	11,326	21,264	45,014
Management fees (Note 6)	75,000	72,000	265,000	282,000
Office and miscellaneous	27,432	25,732	92,441	137,271
Professional fees	22,119	20,430	72,912	91,446
Project investigation costs	-	145,925	-	245,394
Transfer agent and regulatory fees	1,354	-	6,494	21,733
Travel	1,464	4,467	42,899	9,662
Loss from operations	(136,058)	(301,758)	(516,428)	(879,059)
Net loss and comprehensive loss for the period	$ (136,058)	$ (301,758)	$ (516,428)	$ (879,059)
Basic and diluted loss per common share	$ (0.00)	$ (0.00)	$ (0.00)	$ (0.00)
Weighted average number of common shares outstanding - Basic and Diluted	401,328,457	386,838,465	401,328,457	383,582,053

SIMBA ESSEL ENERGY INC.

Condensed Interim Consolidated Statements of Changes in Equity
Expressed in Canadian dollars
For the period from June 30, 2016 to March 31, 2018

	Share capital		Share subscriptions received (receivable)	Reserves	Deficit	Total Shareholders' Equity
	Number of Shares	Amount $				
Balance, June 30, 2016	**381,989,243**	**$ 31,979,586**	**$(1,063,654)**	**$ 3,393,013**	**$ (26,968,795)**	**$ 7,340,150**
Share subsriptions received	-	-	1,063,654	-	-	1,063,654
Options exercised at $0.06	1,270,000	76,200	-	-	-	76,200
Fair value adjustment	-	18,453	-	(18,453)	-	-
Warrants exercised at $0.05	7,500,000	375,000	-		-	375,000
Net loss and comprehensive loss			-	-	-	-
for the nine months ended			-	-	-	-
March 31, 2017	-	-	-	-	(879,059)	(879,059)
Balance March 31, 2017	**390,759,243**	**32,449,239**	**-**	**3,374,560**	**(27,847,854)**	**7,975,945**
Shares issued for debt at $0.07	10,569,214	739,845	-	-	-	739,845
Share issue costs	-	(5,989)	-	-	-	(5,989)
Net loss and comprehensive loss			-			
for the three months from April 1, 2017						
to June 30, 2017		-	-	-	(281,931)	(281,931)
Balance June 30, 2017	**401,328,457**	**33,183,095**	**-**	**3,374,560**	**(28,129,785)**	**8,427,870**
Net loss and comprehensive loss						
for the nine months ended						
March 31, 2018	-	-	-	-	(516,428)	(516,428)
Balance, March 31, 2018	**401,328,457**	**$ 33,183,095**	**$ -**	**$ 3,374,560**	**$ (28,646,213)**	**$ 7,911,442**

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

SIMBA ESSEL ENERGY INC.
Condensed Interim Consolidated Statements of Cash Flows
For the nine months Ended March 31, 2018 and 2017
Expressed in Canadian dollars

	2018	2017
Cash Flows used in Operating Activities		
Net loss for the nine month period	$ (516,428)	$ (879,059)
Items not affecting cash		
Amortization	4,979	8,487
Net change in non-cash working capital items		
Recoverable sales tax	2,338	4,773
Prepaid expenses	2,437	12,760
Accounts payable and accrued liabilities	119,834	(90,333)
Due to related parties	475,501	295,902
	88,661	(647,470)
Cash Flows from Financing Activities		
Cash from options excercised	-	76,200
Cash from warrants exercised	-	375,000
Share subscriptions received in cash	-	43,814
	-	495,014
Cash Flows used in Investing Activities		
Exploration expenditures	(104,725)	(165,113)
	(104,725)	(165,113)
Increase (decrease) in cash	(16,064)	(317,569)
Cash, beginning of period	16,068	444,792
Cash, end of period	$ 4	$ 127,223

Supplemental Disclosure of Cash Flow Information Note 8

1. NATURE OF OPERATIONS AND GOING CONCERN

Simba Essel Energy Inc. (the "Company") was incorporated under the laws of the Province of British Columbia. Its principal business activity includes the acquisition and exploration of resource properties. The Company's head office, principal address and records office is at Suite 210, 905 West Pender Street, Vancouver, British Columbia, V6C 3L6. On April 24, 2017, the Company name was changed to Simba Essel Energy Inc.

The Company is in the process of exploring its oil and gas properties and has not yet determined whether the properties contain reserves that are economically recoverable. The recoverability of the amounts shown for resource properties is dependent upon the existence of economically recoverable reserves, the ability of the Company to obtain the necessary financing to complete the development of those reserves and upon profitable production.

These consolidated financial statements have been prepared assuming the Company will continue on a going-concern basis. This assumes that the Company will be able to continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities and commitments in the normal course of operations.

As disclosed in Note 4, the Company entered into an agreement with Essel Group Middle East DMCC, ("Essel") whereby Essel agreed to fund certain exploration and evaluation expenditures in Kenya with respect to its Production Sharing Contract ("PSC"). The Company remains responsible for administrative expenses, both in Kenya and at the corporate offices, as well as providing funding to eliminate the working capital deficiency. In order for the Company to meet these liabilities as they come due and to continue its operations, the Company will need to raise funds through private placements or the exercise of stock options and/or warrants.

Although the Company has been successful in raising capital by those means in the past, there can be no assurance that the Company will be able to continue to raise funds, in which case the Company may be unable to meet its obligations. Should the Company be unable to realize its assets and discharge its liabilities in the normal course of business, the net realizable value of its assets may be materially less than the amounts recorded on the statements of financial position. The consolidated financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts and classification of liabilities that might be necessary should the Company be unable to continue in existence. Such adjustments could be material. The Company has incurred losses since inception and has a working capital deficiency as at December 31, 2017. These material uncertainties may cast significant doubt upon the ability of the Company to continue as a going concern.

	March 31 2018	June 30 2017
Deficit	$ (28,646,213)	$ (28,129,785)
Working capital (deficiency)	(2,663,806)	(1,978,389)

2. COMPLIANCE AND SIGNIFICANT ACCOUNTING POLICIES

The condensed interim consolidated financial statements are prepared in accordance with IAS 34 "Interim Financial Reporting of the International Financial Reporting Standards ("IFRS"). The condensed interim consolidated financial statements were approved by the board of directors on May 26, 2018.

The condensed interim consolidated financial statements are presented in Canadian dollars unless otherwise noted. The financial statements include the accounts of the Company and its wholly owned subsidiaries. All significant intercompany balances and transactions were eliminated upon consolidation.

The consolidated financial statements are presented in Canadian dollars unless otherwise noted. The Company consolidates an entity when it has power over that entity, is exposed, or has rights, to variable returns from its involvement with that entity and has the ability to affect those returns through its power over that entity. The financial statements of other entities (e.g. subsidiaries) are included in the consolidated financial statements from the date that control commences until the date that control ceases. All significant intercompany balances and transactions were eliminated on consolidation. The consolidated financial statements include the accounts of the Company and the following subsidiaries.

	Country of Incorporation	Percentage of ownership as of Mar 31 2018	Percentage of ownership as of June 30 2017
Simba Energy Liberia Inc.	Liberia	100%	100%
Simba Energy Fze.	United Arab Emirates	100%	100%
Simba Africa Rift Energy Ltd.	Kenya	100%	100%
Simba Energy - SUCC	Guinea	100%	100%
Simba Energy Ghana Limited	Ghana	100%	100%

The significant accounting policies for the periods are consistent with those disclosed in the audited annual financial statements of the Company for the year ended June 30, 2017. The accompanying unaudited condensed interim consolidated financial statements should be read in conjunction with the Company's audited annual financial statements for the year ended June 30, 2017.

A number of new standards and amendments to standards and interpretations are not yet effective for the period ended March 31, 2018 and have not been applied in preparing these financial statements. Additionally, there were a number of new standards and amendments to standards and interpretations that came into effect subsequent to the annual statements. However, none of these new accounting pronouncements had any impact on the preparation of these financial statements.

3. EXPLORATION AND EVALUATION ASSETS

	Kenya	Liberia	Total
2018 fiscal year			
Balance, June 30, 2017	$ 8,048,127	$2,351,494	$ 10,399,621
Field office, travel and other	168,414	5,554	173,968
Balance, March 31, 2018	$ 8,216,541	$2,357,048	$ 10,573,589

Expressed in Canadian dollars

	Kenya	Liberia	Total
2017			
Balance, June 30, 2016	$ 7,449,261	$ 1,968,351	$ 9,417,612
Acquisition	-	380,487	380,487
Consulting	57,969	-	57,969
Field office, travel and other	540,897	2,656	543,553
Balance, June 30, 2017	$ 8,048,127	$ 2,351,494	$ 10,399,621

(a) Kenya

In August 2011, the Company, through its subsidiary, Simba Africa Rift Energy Ltd., was awarded a Production Sharing Contract ("PSC") by the Government of Kenya covering Block 2A, which overlies the southern tip of the Mandera Basin in the northern part of the country. There are work commitments (Note 9) required to keep the PSC in good standing, which the Company has complied with as of March 31, 2018.

On June 5, 2015, the Company entered into an agreement with Essel wherein Essel agreed to provide funding required to carry out certain exploration and evaluation expenditures on the Company's Kenyan PSC. A definitive agreement was executed on November 27, 2015. This funding commitment covers certain exploration expenditures including Full Tensor Gradiometry ("FTG"), seismic surveys and the drilling of two wells. Essel will earn 60% of the Company's Kenyan subsidiary, Simba Africa Rift Energy Ltd. while the Company will retain 40%. The seismic survey has been completed and analyzed. The seismic curvey has been completed and analuzed. Two separate international petroleum consulting firms have been hired to interprete the seismic carried out and make recommendations going forward regarding the ultimate goal of drilling.

Subsequent to signing the agreement, two members of Essel's board of directors became directors of Simba, thereby making Essel a related party.

(b) Liberia

The Company, through its subsidiary, Simba Energy Liberia Inc., acquired a Hydrocarbon Reconnaissance License ("HRL") covering an onshore area in Liberia. The original HRL expired in February 2011, but an outbreak of a contagious disease prevented any exploration from taking place and held up the issue of a replacement license which the National Oil Company of Liberia had agreed to issue to the Company. A new license was finally executed on April 10, 2017. This new HRL covers the Company's existing concession area as well as an additional offshore area. Costs incurred for the Liberian project were expensed during the period between the expiration of the old license and the issue of the new one.

The new HRL is for a period of two years with an automatic one-year renewal, provided the Company complies with the terms of the HRL. Those terms included annual fees of US$284,234 and commencing a work program within 180 days of signing (October 27, 2017). The work program will include an environmental and social impact study, FTG and seismic surveys. The next phase of the project will be the commencement of FR\TG which should be undertaken in the near future.

(c) Guinea

In July 2011, the Company signed an agreement to acquire a 60% interest in an issued PSC for Blocks 1 & 2 onshore in the Republic of Guinea's Bove Basin. The Company undertook 100% of the program costs in year one and 60% of the program costs in each year thereafter. On May 24, 2012, the Company received final approval for its 60% owned PSC for Blocks 1 & 2.

Expressed in Canadian dollars

The Company has fulfilled its work obligations to date and is in advanced negotiations with the government of Guinea regarding 100% ownership of the PSC and revising the work program going forward. As at June 30, 2016, the negotiations had not been completed and, without a firm agreement, management impaired the property and wrote down the costs incurred to that date. Any costs subsequently incurred have been expensed as project investigation costs (2017 - $232,517:. Negotiations are currently ongoing.

4. EQUIPMENT

For the nine months ended March 31, 2018

	Office Equipment	Vehicle	Computer Hardware	Total
Costs				
Balance, July 1, 2017	$ 15,562	$ 45,000	$ 32,077	$ 92,639
Additions / Disposals	-	-	-	-
Balance, March 31, 2018	15,562	45,000	32,077	92,639
Accumulated depreciation				
Balance, July 1, 2017	$ 12,671	$ 43,656	$ 29,674	$ 86,001
Additions / Disposals	2,168	1,008	1,803	4,979
Balance, March 31, 2018	$ 11,948	$ 42,308	$ 27,706	$ 90,980

For the year ended June 30, 2017

	Office Equipment	Vehicle	Computer Hardware	Computer Software	Leasehold Improvements	Total
Costs						
Balance, July 1, 2016	$ 15,562	$ 45,000	$ 32,077	$ 3,875	$ 34,553	$ 131,067
Additions / Disposals	-	-	-	(3,875)	-	(3,875)
Balance, June 30, 2017	15,562	45,000	32,077	-	34,553	127,192
Accumulated depreciation						
Balance, July 1, 2016	11,948	42,308	27,706	3,875	27,286	113,123
Additions / Disposals	723	1,348	1,968	(3,875)	7,267	7,431
Balance, June 30, 2017	$ 12,671	$ 43,656	$ 29,674	$ -	$ 34,553	$ 120,554
Carrying value						
March 31, 2018	$ 3,614	$ 2,692	$ 4,371	$ -	$ -	$ 1,659
June 30, 2017	$ 2,891	$ 1,344	$ 2,403	$ -	$ -	$ 6,638

Expressed in Canadian dollars

5. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

Accounts payable and accrued liabilities consist of the following:

	March 31 2018	June 30 2017
Accounts payable	$ 802,450	$ 796,649
Withholding taxes payable	11,077	4,500
Accrued liabilties	46,500	50,000
	$ 866,255	$ 851,146

6. RELATED PARTY TRANSACTIONS

The remuneration of the Company's key management personnel for the nine months ended March 31, 2018 and 2017 is as follows:

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	Mar 31 2018	Mar 31 2017
Management fees paid or accrued to the Chief Executive Officer and Director	$ 99,000	$ 66,000
Management fees paid or accrued to the President and Director	90,000	90,000
Management fees paid or accrued to the Managing Director of Operation	40,000	90,000
Management fees paid or accrued to the Chief Financial Officer	36,000	36,000
	$ 265,000	$ 282,000

Included in amounts due to related parties as at March 31, 2018, is an amount due to Essel of $1,025,462 (2017 - $939,896). Also included are amounts due to officers and directors of the Company, or companies owned by officers and directors of $805,734 (2016 - $325,633). All amounts payable are unsecured, non-interest bearing and have no fixed terms of repayment.

The shares issued during the June 30, 2017 year of 10,569,214 common shares at a price of $0.07 per share for proceeds of $739,845 were issued to Essel.

Expressed in Canadian dollars

7. SHARE CAPITAL

(a) The authorized capital of the Company consists of:

Unlimited number of common shares without par value.

At March 31, 2018, the Company's issed and outstanding shares totaled 401,328,457.

The Company did not have any share transactions during the nine-month period ended March 31, 2018.

During the year ended June 30, 2017, the Company completed the following share transactions:

On June 27, 2017, the completed a non-brokered private placement by issuing 10,569,214 common shares of the Company at a price of $0.07 per share to Essel to settle debt for advances and direct payments made by Essel to the Company's creditors. The share issuance totaled $739,845.

7,500,000 warrants were exercised at $0.05 and 1,270,000 options were exercised at $0.06. Total gross proceeds received were $451,200. The fair value of those options was originally determined to be $18,453 and was credited to reserves at the time of issuance. Upon exercise, this amount was taken out of reserves and added to the value received for shares issued.

Another 17,000,000 warrants were initially exercised but it was later determined that the warrant holder was a related party and could not receive warrants. Accordingly, the transaction was reversed.

(b) Stock options

The Company has adopted an incentive stock option plan (the "Plan"). The essential elements of the Plan provide that the aggregate number of shares of the Company's capital stock issuable pursuant to options granted under the Plan may not exceed 10% of the Company's issued and outstanding shares at the date of grant of the options. Options granted under the Plan may have a maximum term of five years. The exercise price of options granted under the Plan will not be less than the market price of the shares (defined as the last closing market price of the Company's shares immediately preceding the issuance of a news release announcing the granting of the options) or such other price as may be agreed to by the Company and accepted by the TSX Venture Exchange. Options granted to persons acting in investor relations vest at the rate of 25% on date of grant and 25% every three months thereafter. All other options vest on grant.

The following is a summary of stock option transactions during the six-month period ended March 31, 2018 and the year ended June 30, 2017.

	For the 9 month period ended March 31, 2018	Weighted average exercise price	For the year ended June 30, 2017	Weighted average exercise price
Balance, beginning of period	13,850,000	$ 0.08	15,970,000	$ 0.08
Expired	(3,850,000)	0.13	(850,000)	0.11
Exercised	-	-	(1,270,000)	0.06
Balance, end of period	10,000,000	$ 0.06	13,850,000	$ 0.08

During the year ended June 30, 2017, the weighted average trading price of the Company's stock at the time of exercise was $0.08.

Expressed in Canadian dollars

A summary of the Company's outstanding stock options as at March 31, 2018 is as follows:

Options	Number exercisable	Number outstanding	Weighted average remaining contractual life (in yrs)
As At March 31, 2018			
$0.06	10,000,000	10,000,000	1.85
	10,000,000	10,000,000	1.85

(c) Share-based compensation

For stock options granted to employees, officers, directors and consultants, the Company recognizes as an expense the estimated fair value of the stock options granted. The fair value of each stock option granted is estimated on the date of grant using the Black-Scholes option pricing model.

There was no share-based compensation during the nine-month period ended March 31, 2018 or the year ended June 30, 2017.

(d) Warrants

The following is a summary of warrant transactions during the nine-month period ended March 31, 2018 and the year ended June 30, 2017.

	For the 9 months ended March 31, 2018	Weighted average exercise price	For the year ended June 30, 2017	Weighted average exercise price
Balance, beginning of period	76,682,497	$ 0.13	103,825,497	$ 0.15
Cancelled	-	-	(19,643,000)	0.075
Expired	-	-	(7,500,000)	0.05
Balance, end of period	76,682,497	$ 0.13	76,682,497	$ 0.13

A summary of the Company's outstanding warrants as at March 31, 2018 is as follows:

Outstanding Warrants	Exercise Price	Expiry Date
22,295,200	$ 0.15	June 28, 2018
31,829,809	$ 0.15	July 30, 2018
18,057,488	$ 0.075	January 21, 2018
4,500,000	$ 0.075	May 31, 2018
76,682,497	$ 0.13	

8. SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION

The significant non-cash investing and financing transactions for the nine months ended March 31, 2018 were as follows:

(a) Essel paid $173,968 towards the costs of exploration and evaluation assets, $39,000 towards travel and $30,000 for management fees.

(b) Accounts payable included in exploration and evaluation assets were reduced by $49,082.

The significant non-cash investing and financing transactions for the nine months ended March 31, 2017 were as follows:

The Company received $43,814 in cash from Essel for share subscriptions receivable. Essel also paid $1,455,109 to reduce accounts payable, $267,940 towards the costs of exploration and evalution assets, $188,672 for site investigation costs, $90,000 for management fees and $1,828 in travel expenses. Of the total amounts paid by Essel of $2,003,550, $1,063,654 was charged to subscriptions receivable and the balance of $939,896 is classified as owing to related parties.

9. COMMITMENTS

The Company has the following future commitments:

(a) Office lease

The Company has entered into an agreement to lease office space effective July 1, 2017 until June 30, 2020. The monthly lease payment will be $11,249 and current subleases amount to $5,300 per month for a net monthly obligation of $5,949. The subleases are for six months to a year, renewable at the lessee's option.

(b) Work commitments

The terms of certain of the Company's PSCs require the Company to make payments and undertake exploration expenditures in order for the contracts to remain in good standing. In Kenya (Note 4), the original contract has been amended eliminating previously specific yearly expenditures and replacing them with required approved exploration surveys and programs. The Company currently is required to undertake a drill program, but the date to commence that by has yet to be determined. The Company anticipates Essel meeting this commitment as required under the farm-in agreement.

Liberian commitments are described in Note 4.

10. SEGMENTED INFORMATION

The Company has one reportable operating segment, being oil and gas exploration in Africa. The Company's non-current assets by geographic location are as follows:

Expressed in Canadian dollars

	Equipment	Exloration & evaluation assets
March 31, 2018		
Canada	$ 723	$ -
United Kingdom	600	-
Kenya	336	8,216,541
Liberia	-	2,357,048
	$ 1,659	$ 10,573,589

	Equipment	Exploration & evaluation assets
June 30, 2017		
Canada	$ 2,891	$ -
United Kingdom	2,403	-
Kenya	1,344	8,048,127
Liberia	-	2,351,494
	$ 6,638	$ 10,399,621