This "Management's Discussion and Analysis" has been prepared as of January 31, 2019 and should be read in conjunction with the audited consolidated financial statements of the Company for the year ended June 30, 2018.

Forward-looking Information

This Management Discussion and Analysis ("MD&A") contains certain forward-looking statements and information relating to Simba Essel Energy Inc. ("the Company" or "Simba") that are based on the beliefs of its management as well as assumptions made by and information currently available to the Company. When used in this document, the words "anticipate", "believe", "estimate", "expect" and similar expressions, as they relate to the Company or its management, are intended to identify forward-looking statements. This MD&A contains forward-looking statements relating to, among other things, regulatory compliance, the sufficiency of current working capital, and the estimated cost and availability of funding for the continued exploration and development of the Simba exploration properties. Such statements reflect the current views of the Company with respect to future events and are subject to certain risks, uncertainties and assumptions. Many factors could cause the actual results, performance or achievements of Simba to be materially different from any future results, performance or achievements that may be expressed or implied by such forward-looking statements.

The Company

Simba is a Canadian-based company, incorporated under the laws of the Province of British Columbia. On February 18th, 2010, Gold Star Resources Corp. received approval from the TSX Venture Exchange ("TSX-V") to change the Company's name to Simba Energy Inc. The stock symbol of the Company is "SMB" and the Company's CUSIP number is 828572107. A further amendment to the Company name occurred on April 24, 2017 when the Company name was amended to Simba Essel Energy Inc. The website of the Company is Simbaenergy.ca.

Simba's strategy is to focus on oil and gas opportunities in unexplored onshore and shallow offshore basins of Africa. Using expertise and affiliations the Company pursued and secured strategic assets that demonstrate high potential for drilling and production operations. Once obtained, Simba utilizes a farm-out strategy to seek partners to escalate exploration of the assets before commencing exploration drilling.

Due to the Company not filing its annual audited financial statements by the required filing date, the British Columbia Securities Commission granted a management cease trade order on November 2, 2018, pursuant to which the Company's Chief Executive Officer ("CEO") and Chief Financial Officer ("CFO") were not able to trade in its securities, until the date of filing these financial statements.

Oil and gas properties

(a) Kenya

On August 3, 2011, the Company was awarded a Production Sharing Contract ("PSC") by the Government of Kenya covering Block 2A in Kenya. This PSC comprises 7,802 square kilometres in northeast Kenya.

Block 2A overlies the southern tip of the Mandera Basin while the southwest corner of the block extends into the Anza Basin. The Mandera Basin is Permo-Triassic to Tertiary in age with a sediment thickness of 10,000 meters. Potential source rock interval is mid Jurassic-Lower Cretaceous and comparable with the larger Mandera-Lugh basin in Ethiopia and Somalia.

In December 2011, the work program for year one commenced with a re-interpretation of existing gravity and magnetic data as well as the reprocessing of select 2D lines. The Company also obtained copies of all existing 2D seismic lines (800 kilometers) carried out by Chevron and Amoco. This reprocessing was completed by March 2012.

On April 22, 2014, the Company signed a contract with Bell Geospace to conduct a comprehensive airborne Full Tensor Gradiometry ("FTG") survey on Block 2A in Kenya. Work commenced on this project throughout May 2014 and on June 19, 2014 the Company reported the completion of the flight program portion of the FTG and that Geospace had identified 11 high ranking and sizeable anomalies in both the Mandera (5 anomalies) basin and the Anza (6 anomalies) within the Block 2A concession.

The FTG identified five structural features in the Mandera basin with independent closures varying in size from 30km^2 to over 100km^2. The largest, having 2D seismic 4-way structural closure and excellent correlation with the FTG and earlier passive seismic surveys completed, is an excellent prospect. The remaining anomalies consist of two "string of pearl type" leads and two FTG structures that are supported by previous passive seismic results. This was outlined in the final report received from Bell Geospace on August 14, 2014.

On June 5, 2015, the Company executed an agreement with Essel Group Middle East DMCC ("Essel"), wherein Essel agreed to provide funding on certain exploration and evaluation expenditures in Kenya with respect to this PSC. This funding commitment covers exploration expenditures for FTG and seismic surveys and the drilling of two wells for which Essel will earn 60% of the Company's Kenyan subsidiary, Simba Africa Rift Energy Ltd., while Simba retains 40%.

A definitive agreement was executed on November 27, 2015 and was subject to approval of the TSX-V, the government of Kenya and the Company's shareholders, all of which were subsequently received.

In January and May 2016, Essel subscribed to a total of 67,914,975 units of the Company and two of its officers became directors and officers of Simba. As a result, Essel is henceforth disclosed as a related party for financial statement purposes.

On March 3, 2017, Africa Geophysical Services Ltd ("AGS") completed the 2D seismic acquisition program on Block 2A in Wajir, Kenya, and the Company announced that the 2D seismic program on Block 2A in Kenya covering 520 kilometers was completed and forwarded to Essel. The seismic data generated by AGS was interpreted by three independent consulting firms to complete 2D seismic interpretation services, a prospective resource estimate, and an updated NI 51-101 report for block 2A in Wajir, Kenya. The scope of work involves an update of a Block 2A interpretation study conducted in May 2012, along with the inclusion of approximately 535 km of new 2D seismic data that was acquired. The data will form the basis for a drill program that Essel has informed the Company, it expects to start once permits have been received by the Kenyan government.

(b) Liberia

Liberia is a country that resumed stable and democratic government in 2006, after a period of over twenty years of civil war. The current government, which is underwritten by the United Nations ("UN") and the USA, has restored democracy and through its government agency, National Oil Company of Liberia ("NOCAL"), is directing efforts towards the opening of the natural resource sector to foreign investment, and consequently, is also laying great emphasis on infrastructure. The Liberian and US dollar are freely traded in parallel within the national economy.

In 2010, the Company, through its subsidiary, Simba Energy Liberia Inc., acquired a Hydrocarbon Reconnaissance License ("HRL") covering an onshore area in Liberia covering an area of approximately 1,366 square kilometres. Although the HRL Permit NR-001 in Liberia was allowed to expire in February 2011, the application process of applying for a PSC effectively extended the life of the license. The extension of the reconnaissance permit by NOCAL provided both the Company and NOCAL additional time to complete the technical review. The negotiations were put on hold in 2015 as the country dealt with an outbreak of a serious contagious disease.

On April 10, 2017, the Company executed an agreement with NOCAL for the issuance of a new Hydrocarbon Reconnaissance License #NR-002 which includes the existing concession area of 1,366km^2 plus an additional 1,595.7km^2 for a total areal of 2,961.7km^2. This newly expanded exploration area connects Simba's existing onshore concession with the newly acquired offshore acreage.

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 Company is in discussion with Essel to provide funding under similar terms as Kenya. These fees have been deferred as Essel is arranging for a work program in Liberia.

Once the above program has been successfully completed, the Company will immediately apply for conversion of the existing NR-002 license to a formal PSC.

Between February, 2011 and April, 2017, any costs incurred in Liberia were expensed as site investigation costs. Costs incurred prior and subsequently have been capitalized as exploration and evaluation expenditures.

As of June 30, 2018, the discussions between the government of Liberia, Essel and the Company had not been completed and there is the possibility that no suitable agreement will be reached. Accordingly, the Company determined that as a result of this uncertainty, the appropriate approach was to fully impair the asset.

Financial statement presentation

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board on a going concern basis, which presumes the realization of assets and discharge of liabilities in the normal course of business for the near future. The Company's ability to continue as a going concern is dependent upon achieving profitable operations and upon obtaining on-going financing. There can be no assurance that the Company will be able to obtain either of these requirements. The consolidated financial statements do not include any adjustments to the amounts and classification of assets and liabilities that might be necessary should the Company be unable to continue in business.

Selected Annual Financial Information

The following annual information has been extracted from the audited consolidated financial statements:

	June 30, 2018 In CDN $	June 30, 2017 In CDN $	June 30, 2016 In CDN $
Operating expenses	373,797	1,160,990	1,120,495
Other (income)/expenses	2,330,025	-	1,107,576
Net loss for the year	2,703,822	1,160,990	2,228,071
Net loss per share	0.01	0.00	0.01
Total assets	8,303,471	10,460,742	9,957,731
Total Liabilities	2,579,4923	2,032,872	2,617,581

Summary of Quarterly Results

Results for the eight most recently completed quarters, extracted from the unaudited condensed interim consolidated financial statements, are summarized as follows:

	Total revenues In CDN $	Net loss (income) for the period In CDN $	Net loss per share (basic and diluted) In CDN $
September 30, 2018	NIL	47,570	0.00
June 30, 2018	NIL	2,187,394	0.01
March 31, 2018	NIL	136,058	0.00
December 31, 2017	NIL	164,582	0.00
September 30, 2017	NIL	215,788	0.00
June 30, 2017	NIL	281,931	0.01
March 31, 2017	NIL	301,758	0.00
December 31, 2016	NIL	323,754	0.00

Results of Operations

Results for the quarter

The operating expenses for the 1st quarter (“Q1”) of fiscal 2019 were $47,570. In Q1 fiscal 2018, the operating expenses were $215,788, representing a decrease of $168,218. However, it must be noted that certain expenses incurred in Q1, 2018 were later reversed during that year, so a better comparison would to eliminate those expenses for comparative purposes. The fees later reversed were consulting fees of $9,000 and management fees of $63,000. Eliminating them from Q1 2018 brings those expenses down to $143,788.

The Company had no expenses for amortization, investor communications and travel in Q1, 2019. In Q1 2018, there were $48,955 in expenses. All other costs in Q1, 2019 were insignificant and less than what was incurred for Q1, 2018.

Kenya

Under the agreement with Essel, Essel are to fund all exploration expenditures, but the Company is responsible for maintaining the Kenyan office and administrative personnel. During Q1, 2019, the Company incurred $15,306 in costs for the Kenya office compared to $68,510 for the same period in the previous year.

Liquidity and Capital Resources

At September 30, 2018, the Company had cash on hand of $4,249 compared to $20,242 at June 30, 2018. Current assets amounted to $34,205 at September 30, 2018 compared to $51,430 at June 30, 2018 and the working capital deficit at September 30, 2018 amounted to $2,590,869 compared to a working capital deficit of $2,527,993 at June 30, 2018.

In prior periods, the Company has been successful in raising capital through private placement and the exercise of options and/or warrants. Related parties have also assisted through advancing funds. 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 September 30, 2018. These material uncertainties may cast significant doubt upon the ability of the Company to continue as a going concern.

Transactions with Related Parties

The following are fees paid or accrued to officers and directors:

For the three months ended September 30,	2018		2017
Management fees to the CEO	$ -	(i)	$ 33,000
Management fees to the President	-	(i)	30,000
Management fees to the Director of Operations	-		30,000
Management fees to the CFO	12,000		12,000
Total	$ 12,000		$ 105,000

(i) These fees were later reversed during the year ended June 30, 2018.

Included in amounts due to related parties as at September 30, 2018, is an amount due to Essel of $1,084,011 (June 30, 2018 - $1,068,704). Also included are amounts due to officers and directors of the Company, or companies owned by officers and directors of $697,733 (June 30, 2018 - $663,733). All amounts payable are unsecured, non-interest bearing and have no fixed terms of repayment.

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 payments are $11,249 and current subleases amount to $8,265 per month for a net monthly obligation of $3,533. The subleases vary from one month to six months, 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, the original contract has been amended eliminating previously specific yearly expenditures and replacing them with required approved exploration surveys and programs. Essel, is currently in negotiations with the Kenyan government with respect to obtaining permits for the right to drill.

(b) Lawsuit

During the fiscal 2018 year, the Company received a demand to pay from a creditor in the amount of $81,736. The amount has been fully accounted for in accounts payable.

Recent accounting pronouncements

The standards that are issued up to the date of issuance of the Company's financial statements, but were not effective during the period ended September 30, 2018, are disclosed below. The Company intends to adopt these standards, if applicable, when they become effective.

IFRS 16, Leases - IFRS 16 will affect primarily the accounting by lessees and will result in the recognition of almost all leases on balance sheet. The standard removes the current distinction between operating and financing leases and requires recognition of an asset (the right to use the leased item) and a financial liability to pay rentals for virtually all lease contracts. An optional exemption exists for short-term and low-value leases.

As the Company has no leases, it is not expected that the adoption of this standard will have an effect on the financial statements.

The standard is effective for accounting periods beginning on or after January 1, 2019.

Recently adopted standards

Effective July 1, 2018, the Company adopted the following standard.

IFRS 9, Financial Instruments ("IFRS 9") – classification and measurement, addresses the classification, measurement and de-recognition of financial assets and financial liabilities, introduces new rules for hedge accounting and a new impairment model for financial assets. The new impairment model requires the recognition of impairment provisions based on expected credit losses ("ECL") rather than only incurred credit losses as is the case under IAS 39. It applies to financial assets classified at amortized cost. The new standard also introduces expanded disclosure requirements and changes in presentation. This adoption of this standard did not have a material effect on these financial statements

Other accounting standards or amendments to existing accounting standards that have been issued but have future effective dates are either not applicable or are not expected to have a significant impact on the Company's financial statements.

Capital disclosures

The Company considers its capital to consist of its debt and equity. Its objectives when managing capital are to safeguard the entity's ability to continue as a going concern and to identify, acquire and explore mineral 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 future development of the business. There were no changes in the Company's approach to capital management during fiscal 2018. Neither the Company nor its subsidiaries are subject to externally imposed capital requirements.

Financial instruments and risks

The Company's financial instruments consist of cash, accounts payable and accrued liabilities, and due to related parties. It is management's opinion that the Company is not exposed to significant interest, currency or credit risks arising from these financial instruments. The fair value of these financial instruments approximates their carrying values, due to the relatively short period to maturity of these financial instruments.

The Company's risk exposures and the impact on the Company's financial instruments are summarized below:

Fair Value

The Company classifies its fair value measurements in accordance with an established hierarchy that priorities the inputs in valuation techniques used to measure fair value as follows:

Level 1 - Unadjusted quoted prices in active markets for identical assets or liabilities;
Level 2 - Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and
Level 3 - Inputs that are not based on observable market data.

The Company is not exposed to significant interest rate risk due to the short-term maturity of its monetary assets and liabilities.

Credit risk

Credit risk is the risk of loss associated with counterparty's inability to fulfill its payment obligations. The Company is not exposed to significant credit risk on its financial assets due to cash being placed with major financial institutions and goods and services tax recoverable is due from government agencies.

Foreign exchange risk

Foreign exchange risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company has transactions denominated in the U.S. dollar, the UK pound sterling and Kenyan Shilling. During fiscal 2018, when compared to the Canadian dollar, the U.S. dollar increased approximately 1% while the UK pound sterling increased by approximately 3% in value. While significant, management considers the foreign exchange risk to be minimal as they feel the Canadian dollar would not likely depreciate significantly further in the future.

At September 30, 2018, none of the Company's cash was denominated in a foreign currency but $793,000 of accounts payable and accrued liabilities were denominated in those currencies. A 10% variation in the U.S. dollar or UK pound sterling would result in an impact of approximately $79,000 on net loss.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company manages liquidity by maintaining adequate cash balances and by raising funds through equity financings. The Company has no assurance that such financings will be available on favourable terms. The Company believes it is subject to liquidity risk through its working capital (deficiency). In general, the Company attempts to avoid exposure to liquidity risk by obtaining corporate financing through the issuance of common shares and/or units. As at June 30, 2017, the Company had cash of $4,249 to settle current liabilities of $2,625,074 that fall due for payment within twelve months of the statement of financial position. All of the Company's contractual obligations are current and due within one year. The Company's ability to deal with this working capital deficiency casts significant doubt on the ability of the Company to continue as a going concern.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in the market interest rates. Management considers the interest rate risk to be minimal.

Risk Factors Relating to the Company's Business

Being a company active in the oil and gas and mineral resource exploration and development industry, the Company is exposed to numerous risks.

Exploration Stage Operations

The Company's operations are subject to the risks normally incident to the exploration for and the development and operation of oil and gas properties.

All the Company's properties are still in the exploration stage. Oil and gas exploration involves a high degree of risk, which even a combination of experience, knowledge and careful evaluation may not be able to avoid. Few properties that are explored are ultimately developed into producing revenue.

Exploration in various jurisdictions may involve consultation with indigenous groups. The Company endeavors to consult with such groups on a good faith basis, however, there are no guarantees the consultation process will result in decisions acceptable to all parties. The risk of unforeseen claims and disputes could affect the Company's existing operations as well as development projects and future acquisitions.

Unusual or unexpected formations, formation pressures, fires, power outages, labour disruptions, flooding, explosions, cave-ins, landslides and the inability to obtain adequate machinery, equipment or labour are some of the risks involved in mineral exploration and exploitation activities. The Company has relied on and may continue to rely on consultants and others for oil and gas exploration and exploitation expertise.

Substantial expenditures are required to establish reserves and resources through drilling, to develop processes for extraction, in the case of new properties, to develop the facilities and infrastructure at any site chosen for production.

There is no assurance that commercial quantities of reserves or resources will be discovered. Even if commercial quantities are discovered, there is no assurance that the properties will be brought into commercial production or that the funds required to exploit reserves and resources discovered by the Company will be obtained on a timely basis or at all.

Competition

The oil and gas and mining industry is intensely competitive in all of its phases, and the Company competes with other companies with greater technical and financing resources than itself with respect to acquire properties of merit, the recruitment and retention of qualified employees and other persons to carry out its exploration activities. Competition in the industry could adversely affect the Company's prospects for exploration in the future.

Other Information

As at January 31, 2019, the Company had the following common shares, stock options and warrants outstanding:

Issued and outstanding common shares	401,328,457
Options	9,600,000
Total	410,928,457