echo
ENERGY

Annual Report

FOR THE YEAR ENDED 31 DECEMBER 2020

Echo Energy is a balanced, Latin America focussed, full cycle energy Company with a portfolio centred on the onshore Austral basin, Argentina. The portfolio comprises a significant production base, with enhancement opportunities, in combination with high impact exploration acreage.

Echo Energy's growth strategy targets both near-term, lower risk options across the energy spectrum alongside longer-term acquisitions, with a disciplined approach to delivering shareholder value from its existing portfolio and new opportunities.

Echo maintains its philosophy of equitable treatment and open communication with all our stakeholders and the communities in which we operate.

Contents

Key Highlights

Santa Cruz Sur

- Average net daily production in 2020 was:
  - 10.2 mmscf/d of natural gas
  - 259 bbls/d of oil and condensate
  - Total: 1,966 boepd
- Overall, in 2020, Echo's net cumulative production was:
  - Natural gas: 3,750 mmscf
  - Oil and condensate: 94,693 bbls
  - Total: 0.72 MMboe
- Reserves and resources[1]:
  - 1P (Proved): 3.13 MMBoe
  - 2P (Proved & Probable): 4.06 MMboe
  - 7.20 MMboe Contingent Resources (High estimate)
- Rapidly adjusted to oil price reduction in March 2020 by significantly reducing operating costs, shutting in oil production and postponing significant capital spending.
- Restored a portion of the previously shut-in oil production before year end, with no adverse impact on the wells during the offline period. Production capacity will be further increased by the facilities upgrade announced in Q1 2021.
- Matured the workover programme including the Monte Aymond project to retain flexibility on a risk-reward scale and the opportunity to take advantage of commodity price upswings.
- Favourable fiscal environment has led to the receipt of certain VAT payments, improving business cashflow.
- Secured new gas sales contracts at premium rates to the prevailing spot markets.
- Four gas compressors, previously leased to Santa Cruz Sur ("SCS") partners, have been purchased outright to improve output and operational efficiency.

Tapi Aike

- Entered into an option agreement with Compañia General de Combustibles S.A. ("CGC") to reposition Echo's participating interest to relieve all licence funding requirements.
- Echo allowed the option to lapse to focus on cost reduction and cash generative production opportunities, as well as other opportunities across the energy spectrum.

[1] Company estimate as at 31 December 2020

Corporate

COVID-19

- Major travel restrictions imposed by the Argentine government impacted local operations at the beginning of the period.
- Adapted swiftly to challenges presented by COVID-19.
  - Liaised with partners to ensure on-ground employees and personnel continue to operate in a safe environment.
  - Implemented remote working in the UK, which has been made permanent thereby reducing material costs of office space.

GTL International S.A.

- Post-period, Echo entered into a cooperation agreement with GTL International S.A. ("GTLI") to seek future opportunities in Bolivia.
- Opportunities span both hydrocarbon and renewables sectors.

Financial

- Fourfold increase in revenue from US $2.6 million in 2019 to US $11.1 million in 2020.
- During the period, successful restructure of the Spartan £1.0 million 12.0% loan facility with all 2020 interest payments deferred to the principle's date of maturity. Additionally, the Company's Luxembourg listed EUR 20.0m 8.0% secured notes ("Bonds") deferred all interest due in 2020 to repayment on maturity in May 2022.
- Successfully completed equity fund raises in August and December 2020, raising gross proceeds of US $1.54 million (£1.18 million).

Post Period End Debt Restructuring

- Post period restructure of the Lombard Odier debt facility, extending bond maturity date and deferring all cash payments until repayment of the principal. The Bonds were further restructured, extending bond maturity date and deferring all cash payments to May 2025. This restructuring materially transposes the Group's position, with only a £250k debt facility cash payment commitment for 2021.

"Echo's resilience during a very challenging year has ensured that we have been able to continue our operations efficiently and build firm foundations commercially and operationally despite the difficult external conditions. Not only have we made significant cost-saving efforts across the Company and rebalanced our financial position to provide increased flexibility, but we have also achieved tremendous operational progress across our SCS assets where we currently benefit from a favourable fiscal environment and attractive gas sales agreements with key customers. Moving forward, we are excited by the continuing expansion opportunities at our SCS assets, where we aim to maximise production potential, and we are also encouraged by the potential for new hydrocarbon and/or renewable energy prospects in neighbouring Bolivia and elsewhere in the Region. The framework for 2021 and beyond has now been set in place, and we look forward to capitalising on our various growth catalysts."

Martin Hull,
Chief Executive Officer

Chairman's and Chief Executive Officer's Statement

James Parsons
Non-Executive Chairman

Martin Hull
Chief Executive Officer

Similar to many businesses and the communities in which Echo Energy plc operates, the Company faced unprecedented challenges during 2020 with the global pandemic having an impact upon all aspects of the Company's operations and fundamentally changing the financial environment in which we operate. Your Company has emerged from these challenges operationally stronger, financially more robust (following the successful debt restructuring) with a renewed focus on its positive growth strategy. This is testament to the strength of the underlying business, the combined efforts of team and partners and at times the patience of shareholders and wider stakeholders. We are grateful for your support throughout the turbulent year.

2020 marked the first full year of operations at the Santa Cruz Sur assets following the successful integration of the acquisition completed in November 2019. The acquisition of the 70% interest in SCS was an important step in delivering against our strategy of building a full cycle Latin America focussed energy Company.

With its strong asset base and improved financial flexibility Echo is now very well placed to benefit from an active operational programme and is highly leveraged to improving economic and market conditions.

Argentina

Santa Cruz Sur

The SCS assets provide material production, generating material cash flow from a strong reserves base. The portfolio also includes significant upside from relatively low risk production enhancement opportunities combined with exciting higher impact projects.

Production remained in line with expectations during 2020 after a decision was made in April 2020, to temporarily shut in the majority of oil production and focus on gas. This was a response to the significant oil price drop at the end of Q1 2020. Average daily production throughout the year net to the Company was 1,966 boepd (including 10.2 MMscf/d of gas). Total net cumulative production was 720,000 boe (including 3,750 MMscf of gas) in the year.

The Company estimates that as at 31 December 2020, the SCS reserves base stood at an estimated 3.13 MMboe for 1P (Proved) and 4.06 MMboe for 2P (Proved & Probable) each net to the Company's 70% non-operated working interest. The reduction in 1P (Proved) reserves from the position as at December 2019 was less than the production from the assets during the year (0.72 MMboe net to Echo) and as such demonstrated the positive impact of the activities undertaken to migrate 2P reserves (Proved & Probable) into the 1P (Proved) category during the period. As commodity prices fell in March 2020, the Company took the financially prudent decision to defer capital expenditure and postpone final investment decisions on select activities. The volumes associated with these activities (6.51 MMboe net to Echo's 70% interest) have now been reclassified into Contingent Resources from 2P reserves (Proved & Probable), but are expected to return to reserves once future investment decisions are taken, and the current commercial contingencies to development are removed.

The Campo Limite exploration well ("CLi.x-1001") on the Palermo Aike concession, was successfully drilled in the early months of 2020. As a result of government restrictions imposed in response to the COVID-19 pandemic testing of this well was however interrupted. The well remains a material potential upside for the Company with the potential to increase reserves and resources in the Palermo Aike concession and open up additional commercial options. Well testing activities remain an operational priority and will resume once pandemic constraints are lifted, and within an optimised work schedule. The wider portfolio of opportunities within SCS was expanded by maturing a set of workovers and interventions to increase production. In addition, the Monte Aymond gas project was also assessed as commercially viable and, given the location near to Campo Limite, a hub development approach is being considered. These activities represent an exciting future work programme designed to expand production and generate continuing growth for the future.

Tapi Aike

In line with the Company's focus within its portfolio on cash generative production and on reducing costs, while maintaining upside exposure, Echo entered into an agreement with the operator of Tapi Aike to reposition the Company's 19% participating interest in Tapi Aike. This agreement enabled Echo to cease commitments to ongoing pre-drill expenditure at Tapi Aike, whilst maintaining an option for the Company to re-enter the western area of the Licence. At the end of the period, having reviewed all available data, the Company decided to continue with its production led strategy and therefore allowed the option to re-enter the Tapi Aike asset to lapse.

Bolivia

The Board believes that there remain considerable opportunities across the energy spectrum in Bolivia. Building on existing long-term relationships and to enhance business development initiatives in the country, post period Echo signed a cooperation agreement with GTL International S.A. pursuant to which the parties intend to collaborate and jointly assess new opportunities across the full energy spectrum, including solar and wind in the renewables space and E&P opportunities.

Finance

From Q1 2020, the Group sought to strengthen our financial position, firstly through the restructure of the unlisted debt facilities, releasing capital which could then be invested directly into the business to accelerate growth projects or support accretive optionality.

2020 was the Company's first full year of operations at the SCS assets. As a result, revenue saw a more than fourfold increase over 2019 levels and at more than US $11 million represented the largest annual figure in Echo's history. Despite the material increase in the business' size and associated complexities, the Board moved quickly to adapt to the realities of the difficult 2020 operating circumstances to preserve cash and reduce costs. General administrative costs, including head office costs, were reduced by approximately 15% from 2019 levels.

In the prior year management reported a material uncertainty in respect of going concern. Based on the post year end debt restructuring, the current level of revenue and cash generation and the sensitivities considered in respect of the cashflow forecasts, and the mitigating actions that could be taken to conserve cash in a worse- case scenario, management do not consider there to be a material uncertainty in the current year.

Successful Debt Restructuring

In Q1 2021 the Company successfully completed the restructuring of both the Company's Bonds and the Company's EUR 5.0m 8.0% secured convertible debt facility loan. This represented a landmark step for the business by materially improving the financial outlook through the deferral of maturity until Q2 2025 and no cash interest payments prior to the maturity date. The agreement, with the support of the debt holders not only substantially strengthens the balance sheet it enables for the reinvestment of cashflow into the business to drive further growth.

Outlook and Continuing Growth

Whilst 2020 brought extreme market volatility and a significant decline in commodity prices, 2021 has already seen a markedly improved market environment. As an example, Echo has recently secured gas prices averaging $2.64/mmbtu from industrial clients for the period May 2021 to April 2022 which represents an approximate 126% increase from the corresponding previous year. Similarly, the market for the Company's liquid production has now normalised with regular sales taking place and global benchmarks returning to pre pandemic levels. These factors combined with the underlying operational and financial progress make for a much-improved outlook in 2021 and beyond.

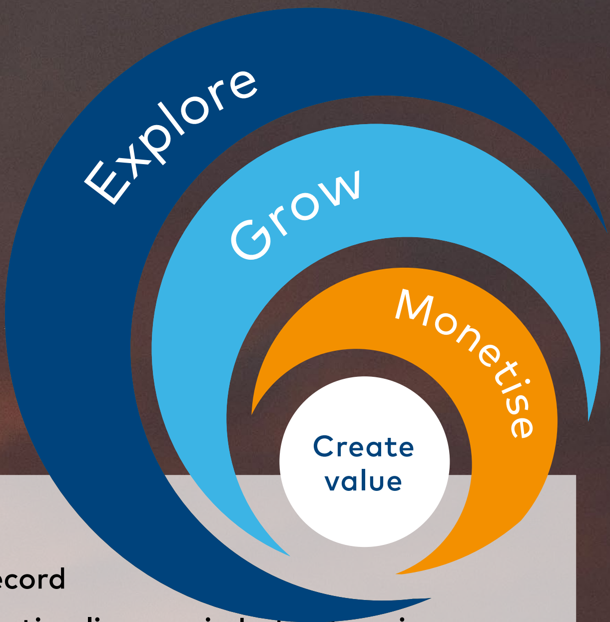
The Board remains committed to the Latin America energy growth strategy, and, alongside the continued expansion of the SCS portfolio, continues to consider potential growth options. The rapid and ongoing changes to the global energy mix, and the market and political response to the climate change challenge offer considerable potential for companies with the right capabilities and vision. As such Echo expects to consider investments across the energy spectrum in future and assess them against its strict operational and profitability criteria.

The framework for 2021 and beyond has now been established, and we look forward with renewed confidence to capitalising on the opportunities ahead.

James Parsons
Non-Executive Chairman

Martin Hull
Chief Executive Officer

Business Model



Key Resources

- Highly experienced team with proven track record
- Diversified portfolio of exploration and production licences in Latin America
- Active business development focus
- Prudent cost management with strong focus on safe and efficient operations
- Leading regional partners

Explore & Produce

Committed to targeting acreage positions that have the capacity to deliver substantial portfolio value through the E&P cycle, initiating drilling campaigns that will provide the opportunity to significantly increase our reserves and resources base.

Grow

We have demonstrated our origination and deal-making capability and continue to seek new corporate and high-impact asset acquisition opportunities across the energy spectrum, which further strengthens our position. Echo looks to add value to our existing assets by optimising the asset infrastructure, efficiently drilling new wells and/or initiating and completing workovers.

Monetise

Executing commercial agreements at strategically correct points in time to ensure that the value of the portfolio is maximised to the benefit of the shareholders. Our team is experienced and set up to execute such deals.

How We Create Value

We have an energy focussed agenda and operate in proven hydrocarbon basins that benefit from existing infrastructure, enabling us to create value through an active operational programme whilst simultaneously building the business through further acquisitions. We create value by acquiring high-quality acreage, generating high-grade opportunities while operating with a cost-effective focus. This allows us to maximise the risk reward profile of the business while actively pursuing merger and acquisition opportunities across the energy spectrum Echo's market position and size enables it to be a nimble and proactive player in Latin America.

Strategy and KPIs

The Key Performance Indicators ("KPIs") are how we measure the performance of our board of directors, executive team and staff against the strategic objectives of the business.

Echo has strategic objectives focussed on the following five areas: Growth, Asset Performance, Safety & Environment, Funding and Corporate. How the Board has delivered against these metrics in 2020 is evidenced in the Performance column below.

2020 KPI

1. Growth

	Measure	Performance
Diversify asset base with further asset or corporate acquisitions to build on the existing Argentinian position	Develop opportunity pipeline and inventory	After successful integration of the SCS assets during 2020, the Group successfully matured the Monte Aymond project, proving this to be an exciting commercial project. A decision was made to exit Tapi Aike, in keeping with Echo's focus on high impact cash generative production and focus on the lower risk potential in other SCS assets
Mature the Bolivian opportunities	Formalise relationships in country	Post period, Echo signed a cooperation agreement with GTL International S.A. over a five-year period. Both companies intend to collaborate and jointly assess new opportunities across the full energy spectrum

2. Asset Performance

	Measure	Performance
Oil and gas production	Daily production	As expected throughout the year with delivery of gas continuing uninterrupted to customers during the period. COVID-19 has not hindered production
Increase productivity of the existing assets	Increase in boepd of existing wells	Matured a portfolio of workovers and other opportunities with optionality around risk-reward balance and ability to rapidly respond to commodity price upswings
Reposition portfolio to focus on high-impact cash generative production and lower-risk potential upside		Decision to exit Tapi Aike and associated capital expenditure

3. Safety and Environment

	Measure	Performance
Sustained high quality safety, reporting and performance		Systems for HSE reporting and review of Operator HSE systems have been implemented. All non-routine operations are subject to a rigorous HSE review with the Operator prior to start up

4. Funding

	Measure	Performance
Fund the subsequent development of new business ventures and continued operational programme	Successful fund raises	Successful additional funding through issue of equity, to allow Echo to pursue value accretive transactions
Identify opportunities to monetise assets following success	Increase production from asset base	SCS cost reduction measures were implemented in the field, and the Company has successfully navigated through 2020's challenging economic and unprecedented times
Improve corporate level debt status, allowing increased flexibility and options	Restructuring of Company bonds	Effective debt restructuring of all existing long term loans, enhancing cashflow and strategic flexibility available to the Company

5. Corporate

	Measure	Performance
Safety and environment		Maintain a clean safety record with no significant incidents in periods of production and operation under Company operated control
Cost control		Progress made with large reductions to G&A both in the field and at corporate level, while maintaining an active work programme
Maintain transparent relationship with investors	Regular investor engagement	Regular web-based investor forums were held and direct investor enquiries are always answered. Maintained a measured approach to expectation
Staff diversity		No additional hiring required given operating circumstances, therefore staff losses not replaced

2020 KPIs

The 2020 performance of the business and its staff will be measured across both financial and operational functions and is captured in a corporate scorecard. The scorecard is made up of various KPIs and is tracked throughout the year. The Board's and executives' performance are judged on the delivery of the desired outcomes and a summary of these targets is listed below:

- Maximise shareholder value from newly acquired assets;
- Identify and mature high-quality opportunities for the operational programme;
- Continue to seek opportunities to diversify asset base with further asset or corporate acquisitions;
- Mature the Bolivian opportunities in the portfolio;
- Pursue opportunities to monetise assets following success; and
- Maintain cost control with expenditures appropriate to size and scale of company.

General corporate and operational objectives include HSE, sustainability, cost control, investor support, and staff diversity.

Assets

The portfolio has now been restructured following the withdrawal from Tapi Aike to provide a strong revenue-generating gas-dominated production base underpinned by a material reserve base. Significant revenue growth is now possible given Echo is now leveraged to the global demand recovery through continued increase in commodity prices.

The SCS assets represent the material production base of the Company. The assets consist of five production concessions, which produce gas and oil that contribute significant revenues to the Company. The assets are located in the east of the onshore Austral basin, with infrastructure in place for gas transport by pipeline to Buenos Aires and oil sales at the Punta Loyola terminal for both domestic and export sales.

Echo has an exciting and well-defined growth portfolio across the risk-reward spectrum. Providing a balanced opportunity set with short payback periods and, optionality and flexibility to respond to continued upswings in commodity prices. The Company is looking to enhance these existing assets with new opportunities across the energy spectrum in Latin America, utilising its reputation for M&A and commercial innovation.

Multiple opportunities exist within the current portfolio to increase base production as oil demand continues to rebound bringing on existing wells or undertaking low cost/low risk production enhancement opportunities with short payback times. The assets also high impact exploration upside, which includes recommencing the Campo Limite (CLi.x-1001) well test. The assets provide a risk-reward-cost balance providing optionality to enable flexible decision making to take advantage of market conditions.

Licence	Tapi Aike	Campo Bremen	Chorrillos	Océano	Moy Aike	Palermo Aike
Status	Exploration	Production Concession	Production Concession	Production Concession	Production Concession	Production Concession
Echo Participation	Non operator 19%	Non operator 70%	Non operator 70%	Non operator 70%	Non operator 70%	Non operator 70%
Expiry	Withdrew effective April 2020	April 2026	April 2026	August 2026	April 2026	August 2026
Area (km^2)	5,187	687	647	108	714	537

Portfolio

The Company is well positioned to build a diversified energy portfolio with a strong cash generating E&P foundation to support value accretive activities across the energy spectrum.

Echo is a significant acreage holder in the basin with access to over 2,600 km2 of licences containing 12 oil and gas fields and 82 production wells. This demonstrates Echo's commitment to the future of exploration and production potential of this part of Argentina.

Santa Cruz Sur is a gas dominated portfolio, and the Company's majority 70% non-operated interest provides an ability to significantly influence operational strategy. This gas focussed E&P portfolio is appropriate for energy transition and, provides oil price upside. The Company is now significantly leveraged to the current increase in commodity prices and can continue to take advantage as global demand recovers from 2020. Production from SCS is revenue generating for the Company, and the portfolio of opportunities provides a flexible and range of well-balanced risk-reward upside options. This portfolio provides potential high-reward exploration upside with potential success at Campo Limite, low cost/low risk production enhancement opportunities with short payback times and the ability to increase base production as oil demand rebounds.

In 2020 the Company was able to partially replace the loss in 1P (Proved) reserves due to realised production (0.72 MMboe), through the technical maturity of the opportunity set within the portfolio. 1P (Proved) reserves at year end were 3.13 MMboe, which is higher than would otherwise be the case given production in the year. The original acquisition of the SCS assets in 2019 was based on proved reserves economics. Current proved reserves per December 2020 remain similar to those at acquisition, adjusted for production. As commodity prices fell in March 2020, The Company took the financially prudent approach to push back capital spending and postpone final investment decisions on some activities. The volumes associated with these activities have now been reclassified into Contingent Resources from 2P reserves (Proved and Probable), but once future investment decisions are made, these are expected to mature back into 2P (Proved and Probable) reserves.

1,966 boepd

Average net daily production 2020

720,000 boe

Total production net to Echo 2020

3.12 MMboe

Net 1 P (Proved) reserves

Building on existing long-term relationships in Bolivia, and to enhance business development initiatives in the country, post period, Echo signed a cooperation agreement with GTL International S.A. over a five-year period. GTLI is a majority owned subsidiary of the Bolivian company UruboCorp and has interests in both the Bolivia hydrocarbon and renewables sectors. Both companies intend to collaborate and jointly assess new opportunities across the full energy spectrum, including solar and wind in the renewables space. GTLI is a leading Bolivian energy operator and holds the El Palmar operational hydrocarbon contract with the Government of Bolivia.

This cooperation agreement reflects the Company's focus on growing a gas led energy portfolio in Latin America by combining the enhancement of existing assets with new growth opportunities across the energy spectrum. The process will always follow strict criteria for value accretive M&A whilst utilising the Company's M&A recognised expertise and skills for commercial innovation.

Company Reserves & Resources are classified in accordance with the Society of Petroleum Engineers' PRMS 2018 update and are shown in accompanying tables as estimated by the Company as at 31 December 2020.

Santa Cruz Sur Net Reserves

Reserves Net to 70% Working Interest								
Oil (MMbbls)			Gas (Bcf)			Oil Equivalents (MMboe)		
Proved	Proved & Probable	Proved, Probable & Possible	Proved	Proved & Probable	Proved, Probable & Possible	Proved	Proved & Probable	Proved, Probable & Possible
0.70	0.94	1.12	13.66	17.50	19.45	3.13	4.06	4.59

Santa Cruz Sur Net Contingent Resources

Contingent Resources Net to 70% Working Interest								
Oil (MMbbls)			Gas (Bcf)			Oil Equivalents (MMboe)		
Low Estimate	Best Estimate	High Estimate	Low Estimate	Best Estimate	High Estimate	Low Estimate	Best Estimate	High Estimate
0.00	1.19	1.33	0.00	29.88	32.99	0.00	6.51	7.20

Santa Cruz Sur Net Prospective Resources

Prospective Resources (Bcf) Net to 70% working interest			
P90	P50	Pmean	P10
10.3	43.0	90.5	458.2

Operational Review

Santa Cruz Sur

As a response to the significant drop in global oil prices in Q1 2020, significant progress was made to restructure operations in Santa Cruz Sur and focus on gas production. This later enabled the Company to capitalise on the improved market conditions, which later materialised, and quickly restart oil production.

Production

Production remained in line with expectation in 2020. Average daily production throughout the year net to the Company was 1,966 boepd (including 10.2 MMscf/d of gas). Total net cumulative production was 720,000 boe (including 3,750 MMscf of gas) in the year.

As the implications of the COVID-19 pandemic began to be felt in Q1 2020 through the significant fall in global oil prices, the Company quickly began to restructure operations in the SCS assets to focus field operations on the production of gas. As part of this initiative, the majority of producing oil wells were temporarily shut in, easing the management of ongoing monthly cash costs with the intention of opening up the production when oil prices recovered. That economic recovery was well underway by September 2020, with improved market conditions enabling an initial phase of oil production to be brought back online. These were wells that have historically shown a lower volume of produced water. Subsequent production data were positive and showed that there had been no detrimental impact during the period of shut in. In early December, a second phase to bring shut in production back online was completed for several Springhill and Tobifera fields in the Chorrillos and Palermo Aike licences. Again, the production levels from those wells previously shut in indicates that the shut-in period did not have a detrimental impact on reservoir behaviour. The third and final phase to bring production online is expected to be complete in 2021.

Investing In Infrastructure For Future Production

As a response to improved market conditions towards the end of Q3 2020, the Group and its partners in the SCS Joint Venture, took the decision to purchase four gas compressors that were previously leased on a monthly basis. This new arrangement is expected to reduce gross monthly operating expenditure by around US$100,000 when compared to the previous lease arrangement, as well as providing security for future gas production.

During the period, the Company expanded the wider portfolio of activities within SCS by maturing an opportunity set of workovers and interventions to increase production. The cost of workover potentials identified is low, as compared to the cost of a new well, and given that the workovers sit in the developed part of the field, they are straight forward to bring on line.

In addition, the Company completed an assessment of the Monte Aymond gas project. The Monte Aymond project located 5.2 km to the west of Campo Limite on the Company's existing Palermo Aike licence at SCS, involves working over the Monte Aymond well which was drilled successfully in 1984, targeting a Springhill reservoir structure imaged on 3D seismic.

The well successfully discovered and tested gas and condensate at an initial flowrate of 2.4 MMscf/d, and subsequently at an average rate of 5 MMscf/d over a longer 10-month period of production. Whilst this well was previously abandoned, the Company is considering the development of Monte Aymond via a hub development approach.

Post period and following continued improvements in market conditions, the Group decided together with the SCS partners, to invest in our capital assets via an upgrade and debottleneck the existing liquids pipelines in the SCS assets, to accelerate the return to full oil production and to bring the remaining volumes previously shut in Q2 2020 back online. The pipeline upgrades will also provide additional capacity for those production enhancement projects that have been identified in the Company's opportunity portfolio at SCS.

Exploration

At the start of the year the Campo Limite CLi.x-1001 well was drilled in the Palermo Aike concession, part of the SCS assets.

The target for the well is a conventional Springhill sandstone reservoir, where a truncation geometry onto a basement high has been identified on 3D seismic. The target is supported by a negative seismic amplitude anomaly and by gas encounters in nearby wells. The reservoir was encountered at 2,124m in January 2020 and initial analyses of the wireline log data highlighted a zone of interest comprised of fine-grained sandstones and elevated gas shows in the target section. Combined with the wire line log data, this was taken as a potentially positive indication and resulted in the decision to move to completion and testing.

Due to travel restrictions imposed by the Argentine authorities in response to the COVID-19 pandemic completion and testing have been suspended. It is expected to resume as soon as practically possible and this remains an operational priority for the Group.

Tapi Aike

In line with the Company's focus within its portfolio on cash generative production and on reducing costs, while maintaining upside exposure, Echo entered into an agreement with CGC to reposition the Company's 19% participating interest in Tapi Aike. This agreement enabled Echo to cease commitments to ongoing pre-drill expenditure at Tapi Aike, whilst maintaining an 'Option' for the Company to re-enter the western are of the Licence once pre-drill technical activities have been completed and Echo had assessed the data available. This enabled the Company to sharpen its near-term strategic focus on low-risk high-impact cash generative production and substantial development and exploration opportunities at SCS, whilst streamlining overall operational costs. At the end of the period, having reviewed all available data, the Company decided to allow the Option to lapse consistent with its strategy.

Average Daily Production, 2020

	Net Cumulative boe	Net boe/d
Campo Bremen	138,568	379
Chorrillos	440,575	1,204
Océano	117,953	322
Moy Aike	22,616	62
TOTAL	**719,711**	**1,966**

Sustainability Review

As a corporate citizen operating across Latin America and in the UK, Echo believes in conducting a business that brings positive impact in the medium to long term, drives progress and respects the resources on which our future depends.

Our Corporate and Social Responsibility ("CSR") Objectives

Echo seeks to manage and maintain positive and respectful relationships with our stakeholders. To meet these objectives, Echo aims to:

- Protect the health, safety and wellbeing of our staff, contractors and the local communities our operations impact upon;
- Manage and maintain positive and respectful relationships with the communities with which we conduct business and in which we operate;
- Maintain a high standard of care for the natural environment and adopt appropriate environment management systems on our contract areas; and
- Reduce our environmental footprint by efficient use of resources, management of water and energy consumption and management of waste and emissions.

Anti-Bribery and Corruption ("ABC")

Echo has zero tolerance for bribery, corruption or unethical conduct in our business. Our policies require compliance with all applicable ABC laws, in particular, the UK Bribery Act, and the Argentine Foreign Corrupt Practices Act. The majority of our operations are based in Argentina. The Transparency International's Corruption Perception Index ("CPI") assesses corruption in the public sector when ranking different countries. In 2020, the CPI ranked Argentina 78 out of 180 participating countries worldwide with a score of 42/100. Bolivia is ranked 124 out of 180 with a score of 31/100. By comparison, the UK is ranked at 11 out of 180 with a score of 77/100.

Echo operates in a competitive market and faces competition in securing and maintaining licence interests, forming partnerships, attracting, and retaining the most efficient service providers and building cooperative relationships with all stakeholders. We are very aware of the pressures and challenges that we face. However, we are committed to upholding the highest levels of corporate and operational behaviour and our objective is to develop our business responsibly and with integrity at all levels. We have worked closely with our legal advisors to create a system of documented ABC policies and procedures that provide a consistent policy framework which all staff are issued with and trained in. Our policy and training encompass anti-bribery and corruption, gifts and entertainment, third-party representatives and whistle blowing.

Social Responsibility

Echo is committed as an organisation beyond our core business objectives, to be a responsible and ethical participant in the global community. Placing great consideration and aim to protect the health, safety and wellbeing of our staff, contractors, and the local communities.

Environmental Responsibility

Echo is very conscious of the natural environment in which it operates, and the Company works hard to minimise its impact on that environment. Echo is committed to the responsible stewardship of the environment and, on the conclusion of the Company's operations, and to return our sites to the condition in which Echo found them. Echo seeks to operate from compact drill sites in order to minimise disruption to the natural habitat. Echo is also committed to working closely with our partners and the various agencies

30% Female workforce

Reducing our environmental footprint

Maintaining positive relationships with the communities where we conduct business

in the jurisdictions in which it operates to make sure that all environmental and other regulations are fully satisfied as the Company undertakes its activities. The health and safety of our employees, contractors and partners on our sites is also paramount and more information is available in the Health, Safety and Environment ("HSE") review.

Diversity and Inclusion

Everyone at Echo is proud to embrace a culture of inclusivity across our organisation. Echo is an equal opportunities employer and has a stated policy as part of its Code of Conduct to deal fairly and equitably with all our employees in the workplace. The Company is dedicated to encouraging inclusion and diversity at all levels of the business, acknowledging that a more diverse workforce, with the right mix of skills, experience, culture, ethnicity, nationality, gender, and knowledge, can make a valuable contribution to the Company. Echo has made a commitment to extend equal employment opportunities to all, irrespective of race, colour, gender, sexual orientation, religion or belief, age, nationality, ethnicity, marital or civil partnership status, pregnancy and maternity, or disability. In addition, the Group not only provides direct support to employees, should they have any issues or concerns, by way of appropriate HR functions but also offers external training should it be deemed necessary.

Echo strives to maintain high levels of ethical and business practices at all times and has implemented clearly defined policies to assist employees with these issues. The primary aim is to protect the health, safety and wellbeing of our staff, partners, contractors, and the local communities in which the Company operates, moreover, Echo desires to go that one step further and invest in the future and sustainability of our business, our communities and our environment.

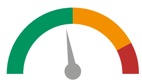
Managing Risks

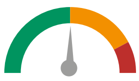
Echo is dedicated to managing the risks of the business in a structured manner. Our internal risk management system has five key steps in dealing with risks.

The five key steps in dealing with risk are:

Identified risks and mitigation options are summarised in the risk management table which provides a continual reference point for operations and review.

Risk Management Table

Risk	Description	Mitigation	Assessment of Risk Level
Operational Risk			
Operational incidents	Operations carry risks of health, safety and environmental incidents typical of the industry Operations are not executed as planned and result in cost overruns Litigation exposure Reputational damage	High HSE ethic with Joint Venture ("JV") procedures in place to deliver a safe operation. Echo also influences the Operator through its majority stake in the JV Ensuring staff are competent and appropriately trained Appropriate insurance	
Subsurface and surface risk to production	Reservoirs do not perform as expected and do not provide an adequate return on investment. Wells opened up after a period of shut in may underperform due to well integrity of reservoir issues	Monitor all current and future production carefully tracking daily performance Establish new sources of production through maturation of workover programmes and new drilling on existing assets with business development to diversify risk	
Strategic Risk			
Political instability	Fiscal and political pressure in either the UK or Latin America could result in changes to the investment landscape post COVID-19, delaying projects and changing the potential value associated with the assets Argentina and Bolivia have a history of expropriation but in very different forms	Work with our local partners to manage any situation that may arise and build strong relationships with governments and local authorities Assess the political climate on a regular basis to ensure the best possible awareness when making investment decisions	
Breach of Bribery Act	The Company, its contractors or partners, breach the UK Bribery Act leading to prosecution and reputational damage	Maintain and continuously improve the Company Anti-Bribery policy, Risk Assessment procedure and ensure that all staff are suitably trained All vendors and contractors will be risk assessed and all contracts awarded will have strict requirements to adhere to the policy	

Risk	Description	Mitigation	Assessment of Risk Level
Strategic Risk			
Macroeconomic uncertainty	Relates to the movement in macroeconomic parameters e.g. foreign exchange ("FX") rates, interest rates and inflation	Management of the Group's cash position and FX exposure Treasury policy developed for the treatment of JV cash in Argentina	
COVID-19 pandemic	Risk of interruption to operations, continued global downturn in demand for hydrocarbons	Implemented procedures with operators to ensure operations continued safely Where appropriate shut-in productions to preserve value in wells Adaptable working practices and systems in place to facilitate working from home	
Loss of key personnel	Can happen through resignation, illness, injury, or death Valuable knowledge and relationships could be lost Can result in a lack of leadership and direction	Travel policy in place to ensure safe business travel activity Knowledge sharing across disciplines to minimise impact of lost capacity Adequate remuneration to ensure staff retention	
Portfolio diversification	Echo is exposed to a range of E&P assets located in one jurisdiction exacerbating political risk	Active process to evaluate new business opportunities in Latin America to secure additional asset beyond existing jurisdictions	
Argentina company registration	The Government of Santa Cruz does not assign the title of acquired assets to Echo	Through our local lawyers and CGC continue the support to the local authorities ahead of the final approval	
Financial Risk			
Insufficient funding	There are insufficient funds for the Company to meet its financial obligations or carry out new capital investment opportunities Echo is dependent on the availability of external finance to fund the development of new discoveries Cost overruns on the exploration work programme and/or delay in payments from sales of existing hydrocarbon production	Raise equity following exploration success to take advantage of share price strength in order to fund the development of new discoveries Control finances through annual budgeting and variance analysis Negotiate and manage commercial contracts that provide certainty and allow for flexibility if required Delay capital expenditure and other discretionary spending	 

Stakeholder Engagement

Echo considers collaborative engagement with all stakeholders as vital for our business. It remains at the core of what we do. Stakeholders include not only our shareholders, lenders, and our partners, but also our suppliers & customers, our workforce, governments & regulators, and the communities in which we operate. By maintaining regular dialogue, we receive feedback on our strategy, performance and governance which can then be factored into the Board's decision-making process.

The table below, describes how the directors of the Company have regard for the matters set out in Section 172(1) of the Companies Act 2006 these are:

(a) the likely consequences of any decision in the long term

(b) the interests of the Company's employees,

(c) the need to foster the Company's business relationships with suppliers, customers, and others,

(d) the impact of the Company's operations on the community and the environment,

(e) the desirability of the Company maintaining a reputation for high standards of business conduct, and

(f) the need to act fairly as between members of the Company.

This table forms the Board's statement on such matters as required by the Act. Further information regarding Echo's assessment of environmental and community issues associated with our operations, can be found in the Sustainability Review on page 12 and in the HSE Review on page 29. Review of the key decisions and issues discussed in Board meetings and by various committees in 2020 is contained in the Corporate Governance Statement from page 23-28.

Why is it important to engage?	How do we engage?
Shareholders	
Echo seeks to develop an investor base of long-term holders that are aligned with our strategy. By clearly communicating our strategy and objectives, we maintain continued support for what we do. Important issues include: • Sustainable financial and operational performance • Continued execution of E&P projects	There is regular dialogue between both institutional and retail investors through meetings, calls, conferences, presentations and our virtual "Time with the Team" Q&As
Lenders	
Upstream oil and gas is a capital intensive business and by maintaining supportive relationships with our lending group, we can ensure access to long-term debt finance that enables us to invest in high quality assets that generate sustainable long-term cash flows. Important issues include: • Sustainable financial and operational performance • Capital allocation • Refinancing plan	Echo has continued to fulfil our obligations and engage with noteholders such that we were able to restructure our existing long-term debts, through renegotiation and issue of warrants and equity. Highlights include: • Spartan loan extended by 2 years and restructure of interest payments due • Post period, the Company Bonds were restructured to include the removal of all cash interest payments; and extension of maturity to May 2025 • Post period, successful amendment of the $5Million Euro Lombard debt facility with maturity extended to April 2025

Why is it important to engage?

How do we engage?

Partners

Sharing of risk is a fundamental component of our industry and by maintaining aligned and collaborative relationships with our joint venture partners, we can ensure that maximum value can be extracted from our operations in a safe and sustainable manner.

Important issues include:

- Operational performance & HSE
- Project ranking and work programmes
- Budget setting

Echo ensures that we maintain an open dialogue with both partners in the SCS licences. We seek to ensure that all partners are aligned around common objectives for the asset and maintain safe and efficient operations.

Highlights include:

- Successful negotiated exit of the Tapi Aike licences, with no cost on exit
- Effective collaboration with partners to reduce operational costs in the assets

Customers & Suppliers

Through the acquisition of SCS we gained several established gas customers with existing contracts which require renegotiation at expiration. The SCS supply chain is managed by our partners who operate on our behalf. We have further developed strong relationships with key corporate suppliers.

Important issues include:

- Contract management strategy
- Uninterrupted service for customers
- Enhance value

Engagement with suppliers usually takes place with the operator but we are closely involved and help shape the strategy and timing. Sales of crude are also negotiated by the operators, but our regional representative works in collaboration with our partners to negotiate contracts and timings.

Highlights include:

- The Argentinian natural gas market was volatile in 2020, not only due to the pandemic effect, but also due to an increasing pressure over the supply/demand balance given the output of Vaca Muerta. At the end of 1Q 2020 it was clear that an oversupply market would threaten the price for any new term industrial commitment starting in April 2020. Therefore, it was decided to maximize our Spot sales. This strategy paid off, since Spot prices later in 2020 were double the value of the contracts signed at the end of 1Q 2020, given the market outlook at that time. The Company was able to keep its term commitment with the utilities related demand, keeping the same conditions as the previous year.
- Fast and efficient onboarding as a supplier for SCS customers
- Post period in Q1 2021 as the recovery continued and, following a successful auction process for industrial clients, the Company secured two new gas sales contracts at significant premiums to both prevailing spot market rates and 2020 contracted rates. These contracts have a term of 12 months, with gas sales beginning in May 2021.

Why is it important to engage?

How do we engage?

Workforce

Our current and future success is underpinned by our ability to engage, motivate, and adapt our workforce. Creating the right environment for employees where their various strengths are recognised and their contributions are valued, helps to ensure that we can deliver our shared objectives.

Important issues include:

- Group strategy
- Diversity of thinking
- Corporate culture

During 2020, internal communications were upscaled, so employees were kept informed of all the workstreams across the Company and helped to raise key issues with directors and executives.

Highlights include:

- Production & strategy updates
- Educational presentations from each sector of Echo
- All staff involvement on CSR initiatives

Governments & Regulators

Maintaining respectful and collaborative relationships with our host governments and local regulatory authorities is vital to our 'licence to operate'. We believe that the strength of these relationships will allow us to make a sustainable and beneficial contribution to the regions in which we operate.

Important issues include:

- Licence attribution
- Identifying and securing new opportunities
- Providing views on upcoming legislation and factors that are important to the industry
- CSR commitments

Andres Brockman was Echo´s regional representative in Latin America serving as a Board Director, at the Hydrocarbons and Energy Bolivian Chamber in 2019 and 2020. His position enabled Echo to focus on enhancing value to Upstream investment projects and developments, through a series of negotiations with the government to secure Exploration and Production Incentives for any new project. In addition, his membership enabled Echo to access top government officials across the region and actively participates in legislative initiatives, analysis, and discussions.

Communities & Environment

Minimal environmental impact in the localities in which we operate ultimately help Echo reach its corporate objectives as well as just being the right thing to do. Building and maintaining the Company's reputation fosters Echo's long-term goals and the support and commitment of all employees.

Important issues include:

- Operating in an open and honest and socially responsible manner
- Social responsibility initiatives

Echo has engaged with all employees to choose community projects to support. All employees trained in ABC standards and all counterparties must adhere to these. Regular engagement with operator HSE officers occurs through operational committee meetings maintaining positive focus on health, safety, and the environment.

Financial Review

This year Echo has navigated a range of unprecedented challenges which have touched all aspects of our business. Through adaptation to the new reality, decisive action and a deep appreciation of the issues, the Company has been able to successfully continue its operations, and produce critical energy products in Argentina.

The Group reacted quickly to the challenges brought about by the global COVID-19 pandemic uncertainty and corresponding volatility in the energy markets. Reorganisation along value chains enabled Echo to lower operating costs and improve efficiencies at both corporate and asset level, allowing the Company to react proactively, whilst integrating SCS as an established business into the Echo Group.

Income Statement

The Group loss from continuing operations for the year to 31 December 2020 was US $15.3 million (2019: US $10 million) and total Group loss including discontinued operations was of US $25.9million (2019: US $13.5million). The vast majority of this increased loss compared to the prior year is due to the write off of the Tapi Aike asset (US $10.7 million). The Group successfully negotiate an exit from the Tapi Aike exploration acreage, following the unsuccessful CLix-1001 well, and was a demonstration of the decisive action that preserved cash resources.

For the year ended 31 December 2020, Group revenue was US $11.1 million (2019: US $2.6million), representing more than a four-fold increase year on year. The spilt between the two commodity revenue sources were

- Oil sales - US $2.8 million (2019: $1.4 million)
- Gas sales- US $8.3 million (2019: $1.2 million)

The Groups realised 2020 Oil revenue was substantially below initial expectations, and its lower value was a result of the necessary action to shut in certain producing wells in response to extreme oil market volatility, including the unprecedented negative oil prices seen at points during the year. With the stabilisation of the markets, and return to pre pandemic oil prices, operations are currently underway to resume this shut in production.

Echo achieved an average net oil price for the period of US $43.4/bbl (2019: US $51.52/bbl), and an average Gas price of US $2.60/mmbtu (2019: US $2.36mmbtu).

Financial Review continued

Group operational costs were US $13.4 million (2019: US $3.1 million), reflecting a full 12 month cost period from SCS operations, compared to the 2 months in 2019.

- Exploration expenses of US $0.2 million (2019: US $0.6 million) relates to on-going business development activity in Latin America.
- Gross administration expenses of US $3.2 million in 2020 were US $0.5 million lower than in 2019, reflecting the management's continued focus on cost control across the Group. The London office was relinquished, while staff numbers reduced, reflecting changes in operational activity.
- Finance costs are largely composed of foreign exchange losses of US $4.4million (2019: US $1.24 million), interest payable and unwinding of discount costs of US $4.9 million (2019: US $3.6 million), and the amortisation of debt fees.
- Movement in the value of the embedded derivative associated with the Company's EUR 5.0m 8.0% secured convertible debt facility credited US $0.66 million to the income statement.

Balance Sheet

In alignment with Echo's focus on high impact cash generative production assets, the Company relinquished its interest in the Tapi Aike concession during the year. All historic Tapi Aike capitalised costs of US $10.4 million were written off, reducing the Groups non-current asset balance from US $21.7 million in 2019 to US $11.0 million at the end of the period.

Careful management of cash balances, successful debt renegotiation and equity fund raises supported business flexibility and stability. The Group ended the period with US $0.6 million cash at bank compared to the prior year balance of US $1.7 million. During the year, Group funds were supplemented through a successful US $608k (GBP £475k) placing in August 2020, and an additional US $ 934k (GBP £700k) fund raise in December 2020.

The other receivables balance of US $7.2 million (2019: US $8.8 million) principally comprise of recoverable Argentine Value Added Tax and SCS joint venture receivables. Due to the easing of COVID-19 restrictions and opening of the Argentine tax office, processing of the VAT owed has resumed, and the Company expect to receive a portion of the owed funds in very near future.

The trade and other payables balance of USD $13.2 million is mainly comprised of US $2.3 million (2019: US $1.2 million) unlisted debt liability, and Joint venture payables of US $9.7 million (2019: US $4.9 million).

The Group's non-current liabilities are represented by US $27.3 million (2019: US $20.6 million) of unlisted debt instruments due in over a year, and US $3.0 million (2019: US $2.9 million) abandonment provision.

Bond Restructuring

During the year and into 2021, Echo successfully renegotiated the terms of its unlisted debt instruments, strengthening the Company's cashflow flexibility and position, and providing significant optionality.

At 31 December 2020, the Company's reported finance position only considered the following debt restructure amendments effective;

- The Company's £1.0 million 12.0% loan facility interest payments were all deferred. With effect from 1 January 2020, interest on the £1 million Loan accrued at an unchanged annual interest rate of 12.0% and, at the end of each quarterly interest period, added to the aggregate principal amount owing under the £1 million Loan, for payment on maturity in March 2022.
- The Company's Bond deferred all interest due in 2020 to repayment on maturity in May 2022.

Post Balance Sheet – Improved Market Environment and Outlook

There have been sizable positive market changes in Q1 2021, and Echo has taken advantage of this by securing new gas contracts at a premium to the prevailing spot market rates, successfully raising further funds of £856k, and materially restructuring the remaining unlisted debt instruments.

In early Q1 2021, the Company's EUR 5.0m 8.0% secured convertible debt facility loan maturity date was extended to April 2025, with no more cash interest payments until maturity date. Additionally, the Company's Luxembourg listed EUR 20.0m 8.0% secured bonds were successfully renegotiated, extending the maturity of the notes to May 2025, and removing all cash interest payments prior to the maturity date.

The net effect of these restructures meant that the Company's cash payment commitments to this debt will significantly reduce to only USD $341k in 2021. If the loan restructures were in effect at 31 December 2020, then the short term debt facility liability would reduce from US $2.3 million to US$ 0.3 million.

This restructuring enables the Company to operate from a significantly more stable platform from which to focus on increasing revenue, invest in its producing asset, and release capital which can instead be invested directly into the business to accelerate growth projects or support future acquisitions.

In light of this, and the anticipated improved market conditions, the Board looks confidently to the future.

This Strategic Report was approved by the Board on 5 May 2021 and signed on its behalf by:

Martin Hull
Chief Executive Officer
5 May 2021

Corporate Governance Statement

James Parsons
Non-Executive Chairman

Strong corporate governance is a key building block that allows an organisation to be successful.

Dear Shareholder

As the Chairman of the Company, it is my pleasure to present the Corporate Governance Statement for the year ended 31 December 2020. I firmly believe that strong corporate governance enables an organisation to grow successfully and to win confidence of the stakeholders. The Board is committed to good governance across the business, at an executive level and throughout its operations. The importance of solid governance within the organisation has been highlighted during 2020, which has been a challenging year for the business and for the economy as a whole with the global pandemic together with the downturn in the oil and gas sector. A strong foundation has helped steer the business through these challenging times.

Following the adoption of the Quoted Companies Alliance Corporate Governance Code in 2018 (the "QCA Code") the Company embarked on compliance and adherence to the corporate governance practices recommended by the QCA Code. The QCA Code requires AIM listed companies to adopt a "comply or explain" approach in respect of the recommended guidelines and the Board maintains that the Company complies with the QCA code in all aspects of the business.

The QCA has ten principles of corporate governance that the Company has committed to apply within the foundations of the business. These principles are listed below and the Board and employees across the business work to ensure that these principles are adhered to as much as the Company is able. Both within the annual report and accounts and on the corporate website, stakeholders can see how the Company complies with these principles.

The Board not only sets expectations for the business but also works towards ensuring that strong values are set and carried out by the directors across the business. A strong corporate culture is paramount to the success of a business. The Board strives to ensure that the objectives of the business, the principles and risks are underpinned by values of good governance that are fed down throughout the organisation.

The importance of engaging with our shareholders underpins the essence of the business, ensuring that there are numerous opportunities for investors to engage with both the Board and executive team.

During the period under review, there had been no major changes to the corporate governance structure of the Company.

James Parsons
Non-Executive Chairman

The Principles of the QCA Code

The QCA Code has ten principles of corporate governance that the Company has committed to apply within the foundations of the business. The table below sets out the principles and how the Company applies them:

QCA Code Principle	Disclosure	
1.	Explain the Company's business model and strategy, including key challenges in their execution (and how those will be addressed).	See pages 5-7 of Annual Report
2.	Seek to understand and meet shareholder needs and expectations. Explain the ways in which the company seeks to engage with shareholders.	See website disclosures: Principle Two AIM Rule 26
3.	Take into account wider stakeholder and social responsibilities and their implications for long term success. Explain how the business model identified the key resources and relationships on which the business relies. Explain how the Company obtains feedback from stakeholders.	See website disclosures: Principle Three AIM Rule 26 and section172 disclosure page 36 and pages 16-18.
4.	Describe how the Board has embedded effective risk management in order to execute and deliver strategy. This should include a description of what the board does to identify, assess and manage risk and how it gets assurance that the risk management and related control systems in place are effective.	See pages 14-15 of Annual Report.
5.	Identify those directors who are considered to be independent; where there are grounds to question the independence of a director, through length of service or otherwise, this must be explained.	Gavin Graham, James Parsons and Stephen Whyte are considered to be independent.
	Describe the time commitment required from directors (including non-executive directors).	The Chief Executive Officer is expected to devote substantially the whole of his time to the duties with the Company. The non-executives have a lesser time commitment. It is anticipated that each of the non-executives, including the chairman will dedicate 12 days a year.
	Include the number of meetings of the Board (and any committees) during the year, together with the attendance record of each director.	See page 28 Annual Report
6.	Identify each director.	See pages 30-31 Annual Report
	Describe the relevant experience, skills and personal qualities and capabilities that each director brings to the board (a simple list of current and past roles is insufficient); the statement should demonstrate how the board as a whole contains (or will contain) the necessary mix of experience, skills, personal qualities (including gender balance) and capabilities to deliver the strategy of the Company for the benefit of the shareholders over the medium to long-term.	See pages 30-31 Annual Report
	Explain how each director keeps his/her skillset up to date.	See page 26 Annual Report
	Where the board or any committee has sought external advice on a significant matter, this must be described and explained.	No such advice was sought in 2020.
	Where external advisers to the Board or any of its committees have been engaged, explain their role.	

QCA Code Principle	Disclosure	
6.	Describe any internal advisory responsibilities, such as the roles performed by the Company secretary and the senior independent director, in advising and supporting the Board.	The Company secretary helps keep the Board up to date on areas of new governance and liaises with the Nomad on areas of AIM requirements. The Company secretary has frequent communication with both the chairman and the chief executive officer and is available to other members of the Board if required.
7.	Include a high-level explanation of the Board performance effectiveness process.	See page 26 Annual Report
	Where a board performance evaluation has taken place in the year, provide a brief overview of it, how it was conducted and its results and recommendations. Progress against previous recommendations should also be addressed.	No such evaluation took place in 2020. However, the Chairman and the directors are mindful of the performance of the Board as a whole and ensure that each director works to support the Executive team and deliver as best they can for the business
8.	Include in the Chair's corporate governance statement how the culture is consistent with the Company's objectives, strategy and business model in the strategic report and with the description of principal risks and uncertainties. The statement should explain what the Board does to monitor and promote a healthy corporate culture and how the board assesses the state of the culture at present.	See page 23 Annual Report See website disclosures Principle Eight AIM Rule 26
9.	Maintain governance structures and processes that are fit for purpose and support good decision making by the board. Roles and responsibilities of the Chair, CEO and other directors with commitments. Describe the roles of the committees.	See website disclosures: Principle Nine AIM Rule 26 See pages 26-28 Annual Report
10.	Describe the work of any board committees undertaken during the year.	See page 27 Annual Report
	Include an audit committee report (or equivalent report if such committee is not in place).	See page 27 Annual Report
	Include a remuneration committee report (or equivalent report if such committee is not in place).	See page 27 Annual Report
	If the Company has not published one or more of the disclosures set out under Principles 1-9, the omitted disclosures must be identified and the reason for their omission explained.	N/A

Corporate Governance Statement continued

The Board

The Board comprises the non-executive chairman, three non-executive directors and the Chief Executive Officer (CEO).

The CEO has a strong executive team to offer the support required to fulfil the demands of the business and to deliver the strategy to stakeholders.

The Board has significant industry, financial, public markets and governance experience, possessing the necessary mix of experience, skills, personal qualities and capabilities to deliver the strategy of the Company for the benefit of the shareholders over the medium to long-term.

The role of the chairman and CEO are split in accordance with best practice. The chairman has the responsibility of ensuring that the Board discharges its responsibilities and is also responsible for facilitating full and constructive contributions from each member of the Board in determination of the Group's strategy and overall commercial objectives. The CEO leads the business and the executive team ensuring that strategic and commercial objectives are met. The CEO is accountable to the Board for the operational and financial performance of the business.

The Board as a whole is kept abreast with developments of governance and AIM regulations. The Company's lawyers provide updates on governance issues and the Company's NOMAD provides annual board room training as well as the initial training as part of a director's onboarding.

The directors have access to the Company's NOMAD, Company secretary, lawyers and auditors and are able to obtain advice from other external bodies as and when required.

The 2020 performance of the business and its staff will be measured across both financial and operational functions and is captured in a corporate scorecard. The scorecard is made up of various KPIs and is tracked throughout the year. The Board and executives' performance within the year was judged on the delivery of certain desired outcomes.

James Parsons, Non-Executive Chairman, was appointed to Board in March 2017. James is a qualified accountant and has a BA (Hons) in Business Administration. James brings a wealth of knowledge and expertise to lead the business forward. He is a specialist in restructuring, funding and transforming companies and has strong public markets experience.

Martin Hull, CEO, was appointed to the Board in October 2018, initially holding the position of chief financial officer ("CFO"). Martin has over 18 years experience in oil and gas investment banking at Rothschild. Martin, with his experience on many transactions at both the corporate and asset level, including debt and equity, has the knowledge to drive the business forward. His transaction experience and contacts in the energy sector will prove invaluable to building the Company.

Marco Fumagalli, Non-Executive Director, was appointed to the Board in March 2017. Marco is a qualified accountant and holds a degree in Business Administration. Marco, with his financial background, provides the experience required as chairman of the audit committee to challenge the business internally and also the Group auditors.

Stephen Whyte, Non-Executive Director was appointed to the Board in March 2017. Stephen's background provides the Board with the operational expertise to review and challenge decisions and opportunities presented both within the formal arena of the boardroom and as called upon when needed by the executives.

Gavin Graham, Non-Executive Director was appointed to the Board in November 2018. Gavin's wealth of experience in the oil and gas sector brings further technical and operational expertise to the Board. Furthermore, Gavin is considered to be an independent non-executive director.

Board Performance

The directors consider seriously the effectiveness of the Board, committees and individual performance. The Board meets formally five times a year with ad hoc board meetings as the business demands. There is a strong flow of communication between the directors, in particular the relationship between the CEO and the chairman. The agenda is set with the consultation of both the CEO and chairman, with consideration being given to both standing agenda items and the strategic and operational needs of the business. Papers are circulated in advance of the meetings, giving directors ample time to review the documentation, and enabling an effective meeting. Resulting actions are tracked for appropriate delivery and follow up.

In addition to the above, the directors have a wide knowledge of the business and requirements of directors' fiduciary duties. The directors have access to the Company's NOMAD and auditors if and when required. They are also able, at the Company's expense, to obtain advice from external bodies if required.

During the year, the Board continuously strived to further strengthen the governance structure already in place. Regular consultations are held with the Company's NOMAD, Company Secretary and lawyers in respect of compliance with the QCA Code, Companies Act and other statutory requirements, and to ensure that best practices are followed. An effective investor relation strategy was maintained and regulatory disclosure obligations were met, through a consistent flow of news releases to the market. All members of the Board are well acquainted and understand global regulations on ethical business practices and ensure that adequate internal policies and a supervisory mechanism is established in the business, through senior management. Whilst being mindful of the size and stage of development of the Company, the Board reviews and ensures the highest level of governance is maintained at all levels.

Matters Reserved for the Board

The directors adopted a schedule of those matters that should be reserved for the Board, which is reviewed on an annual basis. Those matters include:

- Approval of the Group's strategy and objectives;
- Approval of the Group budgets, including operating and expenditure budgets;
- Growth of activities into new business or geographical locations;
- Material changes to the Group's structure and management; and
- Changes to the Company's listing, governance or business processes.

Board Committees

The Board has established an audit committee, a remuneration and a nominations committee. At present, a decision has been made not to establish an HSE committee due to the fact that the Company is non-operating and still in the developing stage. The HSE matters are dealt with within the Board meetings.

Audit committee report

The audit committee is comprised of Marco Fumagalli and Stephen Whyte. Mr Fumagalli chairs the audit committee. The committee generally meets twice a year. The committee has engaged Crowe UK LLP to act as external auditors and they are also invited to attend committee meetings, unless they have a conflict of interest. The CEO and the Financial Controller of the Company also join the Committee by invitation.

An important part of the role of the committee is its responsibility for reviewing and monitoring the effectiveness of the Group's financial reporting, internal control policies, and procedures for the identification, assessment, and reporting of risk. The audit committee is also responsible for overseeing the relationship with the external auditor.

The main functions of the audit committee include:

- Reviewing and monitoring internal financial control systems and risk management systems on which the Company is reliant;
- Considering annual and interim accounts and audit reports; and
- Making recommendations to the Board in relation to the appointment and remuneration of the Company's auditor as well as annually reviewing and monitoring their independence, objectivity, and effectiveness.

During 2020 the audit committee:

- Approved the audited year end and interim financial statements; and
- Recommended to shareholders the re-appointment of the Company's auditor, Crowe UK LLP.

Remuneration committee report

During Q4 2020 the Board agreed that, in line with recommended governance, it would be appropriate for James Parsons (Chairman of the Company) to step down as chair of the Remuneration Committee. It was agreed that Gavin Graham would join the Committee as Chair, with both Marco Fumagalli and Stephen Whyte the remaining members. The decision was also made to separate the Nominations Committee from the Remuneration Committee.

The Remuneration Committee meets regularly to consider all material elements of the remuneration policy of the Company, including directors' and executive remuneration.

Corporate Governance Statement continued

During the year ended 31 December 2020, the Committee met three times and the following matters were included in its deliberations:

- Assessed the performance targets of the executive director;
- Reviewed the pay and benefits of the executive director in line with the achievement of his 2020 scorecard;
- Reviewed and recommended the salary increments and bonus awards to the staff;
- Agreed the 2020 performance targets for the executive director;
- A mid-year review of the 2020 scorecard
- Determination of the awards to be made under the Company's EMI scheme; and
- Review of the revised terms of reference of the Committee and recommended that the Board should approve the terms presented.

Nominations committee report

The Nominations Committee was established during Q4 of 2020. The Committee consists of Stephen Whyte, Chair, and Gavin Graham. The Committee will meet as and when required. The terms of reference for the Committee were approved by the Board.

The Nominations Committee is responsible for Board recruitment and succession planning. Keeping under review the leadership of the organisation and ensuring that the Board has the right skill set required for the business.

The directors' attendance at scheduled board meetings and board committees during 2020 is detailed in the table below:

Director	Board-Scheduled Meeting	Board Ad Hoc Meeting *	Audit	Remuneration	Nominations Committee
James Parsons (chairman)	5	9	-	3	-
Marco Fumagalli	5	9	2	3	-
Stephen Whyte	5	9	2	3	-
Martin Hull	5	9	-	-	-
Gavin Graham	5	9	-	-	-
Total meetings	**5**	**9**	**2**	**3**	**0**

* Ad hoc meetings : Additional meetings called for a specific matter generally of a more administrative nature not requiring full Board attendance

Health and Safety Review 2020

Echo is committed to conducting its business and operations in a manner that safeguards the health of employees, contractors and the public, and minimises the impact of operations on the environment.

The Company is committed to ensure that these objectives are achieved through:

- Providing all employees with training of a high standard and only using equipment that is certified and appropriate for its scope;
- Using only qualified contractors, who can work to the highest possible HSE standards;
- Ensuring near-misses and incidents, whether Echo or partner operated, are fully investigated and improvements implemented;
- Fostering a working culture where openness and reporting leads to standout operational and health, safety and environmental performance; and
- Working with our operating partners to make sure that health and safety hazards and environmental impacts have been fully assessed and appropriately mitigated.

HSE performance is regularly reported to the Board, which ensures that appropriate resources are provided to achieve these objectives in full. Where the Company participates in, but does not operate joint ventures, it seeks to ensure that similar standards are adopted by its operators. These commitments are in addition to our basic obligation to comply with applicable laws and regulations where we work.

In the Santa Cruz Sur assets, the Company has been instrumental in maturing an infrastructure project that upgrades brownfield pipelines to modern materials with a lower corrosion risk.

During the COVID-19 pandemic the Company rapidly moved to a model of remote working, even before the official 'stay at home' order was announced by the UK government in March 2020. All staff have adapted well to the remote working model with no loss or productivity and maintaining regular contact via virtual communications with our partners in Argentina and Bolivia.

The Team

Board of Directors

James Parsons
Non-Executive Chairman

In addition to his role as Non-Executive Chairman at Echo Energy plc, James is currently Executive Chairman of both Corcel Plc and Ascent Resources pls and Non-Executive Chairman at Coro Energy Plc.

James has over 20 years' experience in the fields of strategy, management, finance and corporate development in the energy industry. He started his career with the Royal Dutch Shell Group where he spent 12 years working in Brazil, the Dominican Republic, Scandinavia, the Netherlands and London. James was previously Chief Executive at Sound Energy Plc for eight years, is a qualified accountant and has a BA Honours in Business Economics.

Martin Hull
Chief Executive Officer

Martin has over 18 years' experience in oil & gas investment banking at Rothschild & Sons in London where he was a Managing Director in the global energy team with a focus on Latin America and Africa.

Previously he was Head of Oil & Gas, SE Asia, based out of Singapore. Martin has corporate finance expertise across the value chain with a particular focus on the upstream sector. He has advised on numerous transactions, including debt and equity, at both the corporate and asset level.

Martin holds a BA (Hons) from Exeter University.

Marco Fumagalli
Non-Executive Director

Marco is a founding Partner at Continental Investment Partners SA, a Swiss based investment firm, and leading shareholder in Nusakan plc (formerly Greenberry plc), a cornerstone shareholder in Echo Energy. Previously a Group Partner at 3i; Marco is a qualified accountant.

Stephen Whyte
Non-Executive Director

Stephen Whyte has over 30 years' experience in the oil and gas industry.

He was chief operating officer and executive director for Exploration and Production at Galp Energia until 2014 and Senior Vice President, Commercial at BG Group. He had previously spent a total of 14 years with Shell and six years with Clyde Petroleum. Stephen is currently a Board observer of Nostrum Oil and Gas plc on behalf of Bondholders.

Stephen was formerly Shell Country Chairman in Brazil and speaks Portuguese.

Executive Team

Dr. Gavin Graham
Non-Executive Director

Dr Graham is a geologist by background and, after 29 years in Shell, initially in Exploration and later as Vice President New Business/ Commercial for the Middle East, Caspian and South Asia regions, he joined Petrofac, the oilfield services Company, and gained experience working for six years on the upstream side of their business in the U.K., Tunisia, Malaysia and Mexico.

Dr Graham joined Polish state company Grupa LOTOS in 2017, where he has most recently been Chief Executive Officer of LOTOS Upstream, co-ordinating the start-up of this new 20,000 boe/d company, which has producing assets, development projects and exploration activity in Norway, Poland and Lithuania.

Martin Hull
Chief Executive Officer

Martin has over 18 years' experience in oil & gas investment banking at Rothschild & Sons in London where he was a Managing Director in the global energy team with a focus on Latin America and Africa.

Previously he was Head of Oil & Gas, SE Asia, based out of Singapore. Martin has corporate finance expertise across the value chain with a particular focus on the upstream sector. He has advised on numerous transactions, including debt and equity, at both the corporate and asset level.

Martin holds a BA (Hons) from Exeter University.

Dr. Julian Bessa
VP of Exploration

Dr Bessa is a geologist with over 20 years of exploration experience across Latin America, including at BG Group plc where he spent time as Bolivian Exploration Manager and VP Exploration Brazil. Additionally, Julian has managed significant exploration programmes offshore Uruguay and Honduras.

Julian has a D.Phil from the University of Oxford and an MBA from the Rotterdam School of Management.

Andres Brockmann
Regional Representative

Andres Brockmann, a Bolivian national, joined Echo Energy in October 2017 from Petrobras Bolivia where he has held a number of senior executive roles both in Bolivia and internationally for over 15 years.

Andres is a Production Engineer, with an MBA from the University of Zaragoza, Spain. Additionally, he was also a director of the Bolivian Chamber of Hydrocarbons and Energy until the end of 2020, and represents Echo's best interests since the Company has joined the Chamber.

Directors' Remuneration Report

The remuneration committee, which consists of the three non-executive directors, along with the Board as a whole is committed to attracting and retaining talent within the boardroom and the wider executive group to ensure the success of the Company. The remuneration committee works to ensure that the policies and framework are in place to reward staff for achievements and targets met, which in turn creates value for shareholders.

The Company offers a fixed remuneration package of salary, pension and certain benefits. In addition, there is a discretionary bonus award and EMI/share option scheme in place. As the business grows it may consider implementing a performance related LTIP for senior executives and executive directors.

The bonus and option awards are presented to the remuneration committee by the CEO for approval. The bonus awards are made to individuals taking account of their own performance and the Company's performance as a whole over the previous year. Members of the executive team have their level of bonus reviewed in line with their individual scorecards that are agreed at the beginning of the financial year. The amount of bonus and options awarded is set within a pre-agreed range for each level of staff.

The CEO's scorecard, bonus award and options granted are agreed by the remuneration committee.

A pension scheme is provided to all employees into which, subject to certain criteria, the Company contributes 5% of the individual's base salary.

Chairman and Non-Executive Directors' Fees

The fees paid to the Chairman and non-executive directors are set at a level both in line with the market and to appropriately reward and retain individuals of a high calibre. The fees paid reflects the level of commitment and contribution to the Company.

Fees are paid monthly in cash and are inclusive of all committee roles and responsibilities.

Remuneration of Directors

	Salary (US $)	Pension (US $)	2020 Cash Bonus award (US $)	Taxable benefit (US $)	Total 2020 (US $)	Total 2019 (US $)
Executive Director						
Martin Hull**	383,443	12,746	307,969*	4,566	**708,724**	389,617
Non-Executive Director						
James Parsons	84,210	–	–	–	**84,210**	185,677
Stephen Whyte	54,135	–	–	–	**54,135**	57,471
Marco Fumagalli	54,135	–	–	–	**54,135**	57,471
Gavin Graham	54,135	–	–	–	**54,135**	57,471

* The assessment of the 2020 bonus award to the CEO by the Rem Com, in Q1 2021, included both a review of the performance during 2020 and also considered the fact that the Company was in distress in the previous period and was not therefore able to award any form of bonus

** Martin Hull took a reduction in salary for 2021, annual salary is now £250,000 (US $320,000 using GBP £1: US $1.2832)

Share Options Awards

	Date of Grant	Exercisable Date	Acquisition Price per share (cents)*	Options held at 1.1.20 000's	Options held at 31.12.20 000's
Martin Hull	24.10.19	11.12.23	8.69	**12,000**	**12,000**
Martin Hull	19.12.19	20.12.22	3.45	**23.000**	**23,000**
James Parsons	09.03.17	09.03.20	2.16	**24,000**	**24,000**
Stephen Whyte	09.03.17	09.03.20	2.16	**4,000**	**4,000**
Marco Fumagalli	09.03.17	09.03.20	2.16	**4,000**	**4,000**

*Calculated at the exchange rate of GBP £1: US $1.2832.

No directors exercised options in the year ended 31 December 2020.

This Remuneration Report was approved by a duly authorised committee of the Board on 5 May 2021 and signed on its behalf by:

James Parsons
Non-Executive Chairman
5 May 2021

Directors' Report

The directors submit their report and accounts for the financial year ended 31 December 2020. The comparative period is the year ended 31 December 2019.

Principle Activities

Echo Energy plc is the holding Company for a group of companies. The Group's principal long-term focus is developing as a full-cycle exploration led, gas focused E&P Company in Latin America. The Group's growth strategy is to deliver shareholder value from both the existing asset portfolio and new opportunities.

Results and Dividends

Turnover for the year was US $11,126,520 (2019: US $2,586,069), and the loss before tax from continued operations was US $ 15,267,535 (2019: US $ 10,030,832). The directors have not declared any dividend in respect of the year ended 31 December 2020 (2019: US $Nil).

Future Developments

The Group will continue to optimise value creation and efficiency in the SCS assets, beginning in Q1 2021 with an investment and upgrade of the pipeline facilities. Details of plans of the SCS assets and other future developments are discussed in the Strategic Report on page 3 of this report.

Directors

The directors who served during the period were as follows:

- James Parsons
- Marco Fumagalli
- Stephen Whyte
- Martin Hull
- Dr Gavin Graham

Directors' Insurance

The Group has taken out an insurance policy to indemnify the directors and officers of the Group against liability when acting for the Group.

Auditor

Each person who is a director at the date of approval of this annual report confirms to the best of their knowledge that:

- so far as the director is aware, there is no relevant audit information of which the Company's auditor is unaware; and
- the director has taken all steps that he ought to have taken as a director to make himself aware of any relevant audit information and to establish that the auditor is aware of that information.
- This information is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

A resolution to reappoint the auditor Crowe U.K. LLP. will be proposed at the Annual General Meeting.

Directors' Shareholding and Interests in Shares

Directors and connected persons	No. of shares at 31.12.20
James Parsons	–
Marco Fumagalli (Nusakan plc)	**40,118,865**
Stephen Whyte	–
Martin Hull	**600,000**
Gavin Graham	–

Subsequent Events

Events which have occurred since 31 December 2020 are included in Note 33 to the attached financial statements.

The financial information for the year to 31 December 2020 has been prepared assuming the Group will continue as a going concern.

Under the going concern assumption, an entity is ordinarily viewed as continuing in business for the foreseeable future with neither the intention nor the necessity of liquidation, ceasing trading or seeking protection from creditors pursuant to laws or regulations.

In 2021, the Company materially enhanced its business position through the restructuring of loan notes, improved key customer sales contracts, and plan investment in facilities upgrades at asset level, which will allow the Company to fully draw on increased commodity prices available.

Whilst the directors remain acutely cost conscious and value focussed, the Group recognises that in order to pursue organic and inorganic growth opportunities it may require additional funding, this may be sourced through debt finance, joint venture equity or share issues.

An assessment has been made based on the Group's anticipated activities which have been included in the financial forecast to period ended 30 December 2022. The Directors are of the opinion that the Group has adequate financial resources to enable it to undertake its planned work programme for at least 12 months and additionally the board has considered downside scenarios including the event where there is a delay to the expected generation of cash. In the event of financial distress, the directors are confident that the implementation of austerity measures, the Groups proven success in raising capital, financing and strategic options available, will enable the Company's ability to continue as a going concern. Therefore, the going concern basis is adopted in preparing the financial statements.

Information Set Out in the Strategic Report

The directors have chosen to set out the following information relating to the assessment of financial risk on both page 15 of the Strategic Report, and in Note 22 of the Financial Statements.

Signed by order of the directors

Martin Hull
Chief Executive Officer
5 May 2021

Statement of Directors' Responsibilities

Directors are responsible for preparing the Strategic Report, the Directors' Report, and the Financial Statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with International Financial Reporting Standards ("IFRSs") as adopted by the European Union and applicable law. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and the Group and of the profit or loss of the Company and the Group for that period.

In preparing these financial statements the directors are required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgements and accounting estimates that are reasonable and prudent;
- State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and to disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities. They are further responsible for ensuring that the Strategic Report, the Directors' Report, other information included in the Annual Report and Financial Statements are prepared in accordance with applicable laws in the United Kingdom. The maintenance and integrity of the Company's website is the responsibility of the directors: the work carried out by the auditor does not involve the consideration of these matters and accordingly, the auditor accepts no responsibility for any changes that may have occurred in the accounts since they were initially presented on the website. Legislation in the United Kingdom governing the preparation and dissemination of the accounts and the other information included in the Annual Report may differ from legislation in other jurisdictions.

We confirm to the best of our knowledge:

- The Financial Statements, prepared in accordance with the relevant financial reporting framework, give a true and fair view of the assets, liabilities, financial position and profit or loss of the Company and the undertaking included in the consolidation taken as a whole.
- The Strategic Report includes a fair review of the development and performance of the business and the position of the Company and the undertakings included in the consolidation taken as a whole, together with a description of the principal risks and uncertainties that they face.

The Annual Report and Financial Statements, taken as a whole, are fair, balanced, understandable and provide the information necessary for shareholders to assess the Company's performance, business model and strategy.

Martin Hull
Chief Executive Officer

Auditor's Report

Opinion

We have audited the financial statements of Echo Energy Plc (the "Parent Company") and its subsidiaries (the "Group") for the year ended 31 December 2020, which comprise:

- the Group statement of comprehensive income for the year ended 31 December 2020;
- the Group and Parent Company statements of financial position as at 31 December 2020;
- the Group and Parent Company statements of changes in equity for the year then ended;
- the Group and Parent Company statements of cash flows for the year then ended; and
- the notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

The financial reporting framework that has been applied in the preparation of the Group and Parent Company financial statements is applicable law and International Financial Reporting Standards ("IFRSs") as adopted by the European Union and, as regards the Parent Company financial statements, as applied in accordance with the provisions of the Companies Act 2006.

In our opinion:

- the financial statements give a true and fair view of the state of the Group's and of the Parent Company's affairs as at 31 December 2020 and of the Group's loss for the period then ended;
- the Group's financial statements have been properly prepared in accordance with IFRSs as adopted by the European Union;
- the Parent Company financial statements have been properly prepared in accordance with IFRSs as adopted by the European Union as applied in accordance with the provisions of the Companies Act 2006; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions Relating to Going Concern.

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate. Our evaluation of the directors' assessment of the company's ability to continue to adopt the going concern basis of accounting included the following:

- reviewed and challenged management's going concern assessment and assumptions used covering a minimum of 12 months from the date of approval of these financial statements;
- tested mathematical accuracy of the models used by management in their assessment;
- discussed with management and evaluated their assessment of the group and the company's liquidity requirement;
- assessed the reasonableness of management's budget/forecasts, including comparison to actual results achieved in the year and the evaluation of downside sensitivities; and
- challenged the recoverability of the outstanding VAT from the Argentinian tax authorities.

Based on the work we have performed, we have not identified any material uncertainties relating to events of conditions that, individually or collectively, may cast significant doubt on the group or parent company's ability to continue to as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Overview of Our Audit Approach

Materiality

In planning and performing our audit we applied the concept of materiality. An item is considered material if it could reasonably be expected to change the economic decisions of a user of the financial statements. We used the concept of materiality to both focus our testing and to evaluate the impact of misstatements identified.

Based on our professional judgement, we determined overall materiality for the Group financial statements as a whole to be US$215,000 (FY19: US$300,000), which represents 1.1% of the Group's total assets which we have considered to be the appropriate benchmark for an exploration company.

We use a different level of materiality ('performance materiality') to determine the extent of our testing for the audit of the financial statements. Performance materiality is set based on the audit materiality as adjusted for the judgements made as to the entity risk and our evaluation of the specific risk of each audit area having regard to the internal control environment.

Where considered appropriate performance materiality may be reduced to a lower level, such as, for related party transactions and directors' remuneration.

We agreed with the Audit Committee to report to it all identified errors in excess of US$7,000. Errors below that threshold would also be reported to it if, in our opinion as auditor, disclosure was required on qualitative grounds.

Overview of the Scope of Our Audit

The Group and its subsidiaries are accounted for from one central operating location in the UK until national lockdown where all staff worked remotely. Our audit was conducted remotely this year, due to the travel restriction imposed by the COVID-19 pandemic, with all group companies being within the scope of our audit testing. We also engaged local specialist to assist us with review on Argentinian tax matters.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) that we identified. These matters included those which had the greatest effect on: the overall audit strategy, the allocation of resources in the audit; and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

In addition to the matter described in the 'Conclusion relating to going concern' section, we have determined the following key audit matters. This is not a complete list of all risks identified by our audit.

Key audit matter	How the scope of our audit addressed the key audit matter
Revenue recognition Revenue consists of oil and gas sales from Argentina. We considered the risk that revenue was recognised in an incorrect accounting period or prior to delivery being made to the customer.	Our work focussed on validating whether revenue has been recognised in accordance with the accounting policy. We reviewed the compliance of the accounting policy, along with the disclosures, per the requirements of IFRS 15. We have agreed a sample of sales to underlying documentation to confirm revenue was being recognised in accordance with the policies. We also reviewed cut off to ensure revenue is recognised in the correct period.
Carrying value of O&G Properties and Exploration and Evaluation expenditure Echo owns both exploration and evaluation assets and producing assets, we have considered the risk that these assets are impaired.	We have reviewed management's assessment which included their internal model which concluded that there are no facts or circumstances that suggest the carrying amount of the asset exceeds the recoverable amount. This includes: • Challenging management's inputs and assumptions in the valuation model to available market data and other sources of evidence; and • Assessed the application of discount rate, market price and reserves.

Auditor's Report continued

Key audit matter	How the scope of our audit addressed the key audit matter
	In addition we have considered the following sources of evidence for potential indications of impairment: • Board minutes and budgets setting out the group's plans for the continued commercial appraisal of the exploration assets; and • Discussing plans and intentions with management.
Carrying value of Interest in subsidiary undertakings and Amounts receivable from Group undertakings (Company only) We have considered the risk that Interest in subsidiary undertakings and Amounts receivable from Group undertakings assets are impaired.	The 'Interest in subsidiary undertakings' and 'Amounts receivable from Group undertakings' in relation to the companies with operations in Argentina recoverability is supported by the internal model prepared to support the carrying value of exploration assets and so are considered and discussed within the 'Carrying value of O&G Properties and Exploration and Evaluation expenditure' above. In respect of the Bolivian company we have considered management's assessment of recoverability and have considered the following sources of evidence for potential indications of impairment: • Board minutes and budgets setting out the group's plans for the continued commercial appraisal; and • Discussing plans and intentions with management.

Our audit procedures in relation to these matters were designed in the context of our audit opinion as a whole. They were not designed to enable us to express an opinion on these matters individually and we express no such opinion.

Other Information

The directors are responsible for the other information contained within the annual report. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinion on Other Matter Prescribed by the Companies Act 2006

In our opinion based on the work undertaken in the course of our audit

- the information given in the Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Directors' Report have been prepared in accordance with applicable legal requirements.

Matters on Which We are Required to Report by Exception

In light of the knowledge and understanding of the group and the parent company and their environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Directors' Report.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the Parent Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the Parent Company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of the Directors for the Financial Statements

As explained more fully in the directors' responsibilities statement set out on page 36, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Group's and Parent Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the group or the parent company or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We obtained an understanding of the legal and regulatory frameworks within which the company operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006, UK and Argentinian taxation legislation, health & safety law and environmental agency legislation.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be the override of controls by management and judgement surrounding the capitalisation of exploration & evaluation assets. Our audit procedures to respond to these risks included enquiries of management about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals and reviewing accounting estimates for biases. Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

These inherent limitations are particularly significant in the case of misstatement resulting from fraud as this may involve sophisticated schemes designed to avoid detection, including deliberate failure to record transactions, collusion or the provision of intentional misrepresentations.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Auditor's Report continued

Use of Our Report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

M Stallabrass

Matthew Stallabrass
(Senior Statutory Auditor)
for and on behalf of
Crowe U.K. LLP
Statutory Auditor
London
5 May 2021

Consolidated Statement of Comprehensive Income

Year ended 31 December 2020

	Notes	Year to 31 December 2020 US $	Year to 31 December 2019 US $
Continuing operations			
Revenue	4	**11,126,520**	2,586,069
Cost of sales	5	**(13,437,010)**	(3,127,542)
Gross profit		**(2,310,490)**	(541,473)
Exploration expenses		**(215,512)**	(647,546)
Administrative expenses		**(3,240,934)**	(3,797,861)
Impairment of intangible assets		**–**	–
Impairment of property, plant and equipment		**–**	–
Operating loss	6	**(5,766,936)**	(4,986,880)
Financial income	8	**7,142**	92,445
Financial expense	9	**(10,174,047)**	(5,475,616)
Derivative financial gain/(loss)	10	**666,306**	339,219
Loss before tax		**(15,267,535)**	(10,030,832)
Taxation	13	**–**	–
Loss from continuing operations		**(15,267,535)**	(10,030,832)
Discontinued operations			
Profit/(loss) after taxation for the year from discontinued operations	11	**(10,724,108)**	(3,441,230)
Loss for the year		**(25,991,643)**	(13,472,062)
Other comprehensive income:			
Other comprehensive income to be reclassified to profit or loss in subsequent periods (net of tax)			
Exchange difference on translating foreign operations		**(1,041,955)**	182,478
Total comprehensive loss for the year		**(27,033,598)**	(13,289,584)
Loss attributable to:			
Owners of the parent		**(27,033,598)**	(13,472,062)
Total comprehensive loss attributable to:			
Owners of the parent		**(27,033,598)**	(13,289,584)
Loss per share (cents)	14		
Basic		**(3.38)**	(2.61)
Diluted		**(3.38)**	(2.61)
Loss per share (cents) for continuing operations			
Basic		**(1.99)**	(1.94)
Diluted		**(1.99)**	(1.94)

The notes on pages 50-78 form an integral part of these financial statements

Consolidated Statement of Financial Position

Year ended 31 December 2020

	Notes	31 December 2020 US $	31 December 2019 US $
Non-current assets			
Property, plant and equipment	16	**2,552,693**	1,101,210
Other intangibles	17	**8,511,622**	20,573,586
		11,064,315	21,674,796
Current Assets			
Inventories	19	**541,230**	420,844
Other receivables	20	**7,229,263**	8,677,279
Cash and cash equivalents	21	**682,159**	1,698,012
		8,452,652	10,796,135
Current Liabilities			
Trade and other payables	23	**(13,249,146)**	(7,022,255)
Derivative financial liabilities	24	**(62,477)**	(728,783)
		(13,311,623)	(7,751,038)
Net current assets		**(4,858,970)**	3,045,097
Total assets less current liabilities		**6,205,345**	24,719,893
Non-current liabilities			
Loans due in over one year	27	**(27,276,015)**	(20,604,302)
Provisions	28	**(2,979,956)**	(2,940,000)
Right of use liability	29	**–**	–
		(30,255,971)	(23,544,302)
Total Liabilities		**(43,567,594)**	(31,295,340)
Net (Liability)/Assets		**(24,050,627)**	1,175,591
Equity attributable to equity holders of the parent			
Share capital	25	**6,288,019**	5,190,877
Share premium	26	**64,961,905**	64,817,662
Warrant reserve		**11,373,966**	11,142,290
Share option reserve		**1,417,285**	1,159,580
Foreign currency translation reserve		**(3,319,767)**	(2,277,812)
Retained earnings		**(104,772,035)**	(78,857,006)
Total Equity		**(24,050,627)**	1,175,591

These financial statements were authorised for issue and approved by the board of directors on 5 May 2021

Martin Hull

Company registration number 05483127

The notes on pages 50-78 form an integral part of these financial statements.

Company Statement of Financial Position

Year ended 31 December 2020

	Notes	31 December 2020 US $	31 December 2019 US $
Non-current assets			
Property, plant and equipment	16	**8,039**	121,710
Other intangible assets	17	**326,869**	362,001
Interest in subsidiary undertakings	18	**16,005,044**	16,005,058
Amounts receivable from Group undertakings	30	**12,504,108**	12,023,086
		28,844,060	28,511,855
Current assets			
Other receivables	20	**156,034**	243,674
Cash and cash equivalents	21	**437,230**	1,259,468
		593,264	1,503,142
Current liabilities			
Trade and other payables	23	**(3,306,206)**	(1,651,179)
Derivative financial liabilities	24	**(62,477)**	(728,783)
		(3,368,684)	(2,379,962)
Net current assets		**(2,775,420)**	(876,820)
		26,068,640	27,635,035
Non-current liabilities			
Loans due in over one year	27	**(27,276,015)**	(20,604,302)
Right of use liability	29	**–**	–
		(27,276,015)	(20,604,302)
Total Liabilities		**(30,644,699)**	(22,984,264)
Net (Liability)/Assets		**(1,207,374)**	7,030,733
Equity			
Share capital	25	**6,288,019**	5,190,877
Share premium	26	**64,961,905**	64,817,662
Warrant reserve		**11,373,966**	11,142,290
Share option reserve		**1,417,285**	1,159,580
Foreign currency translation reserve		**(2,255,402)**	(2,255,402)
Retained earnings		**(82,993,147)**	(73,024,274)
Equity Shareholders' Funds		**(1,207,374)**	7,030,733

These financial statements were authorised for issue and approved by the board of directors on 5 May 2021.

The Company has not presented its own profit and loss account. Its loss for the year was US $10,045,487 (2019: US $8,263,607).

Martin Hull

Company registration number 05483127

The notes on pages 50-78 form an integral part of these financial statements.

Consolidated Statement of Changes in Equity

Year ended 31 December 2020

	Retained earnings US $	Share capital US $	Share premium US $	Warrant reserve US $	Share option reserve US $	Foreign currency translation reserve US $	Total equity US $
1 January 2019	(65,964,357)	4,444,999	58,329,880	11,142,290	1,195,106	(2,095,334)	7,052,584
Loss for the year	(10,030,832)	–	–	–	–	–	(10,030,832)
Discontinued operations	(3,441,230)	–	–	–	–	–	(3,441,230)
Exchange Reserve	182,478	–	–	–	–	(182,478)	–
Total comprehensive loss for the year	(13,289,584)	–	–	–	–	(182,478)	(13,472,062)
New shares issued	–	745,878	6,924,246	–	–	–	7,670,124
Share issue costs	–	–	(436,464)	–	–	–	(436,464)
Share options lapsed	396,935	–	–	–	(396,935)	–	–
Share-based payments	–	–	–	–	361,409	–	361,409
31 December 2019	(78,857,006)	5,190,877	64,817,662	11,142,290	1,159,580	(2,277,812)	1,175,591
1 January 2020	**(78,857,006)**	**5,190,877**	**64,817,662**	**11,142,290**	**1,159,580**	**(2,277,812)**	**1,175,591**
Loss for the year	**(15,267,535)**	**–**	**–**	**–**	**–**	**–**	**(15,267,535)**
Discontinued operations	**(10,724,108)**	**–**	**–**	**–**	**–**	**–**	**(10,724,108)**
Exchange Reserve	**–**	**–**	**–**	**–**	**–**	**(1,041,955)**	**(1,041,955)**
Total comprehensive loss for the year	**(25,991,643)**	**–**	**–**	**–**	**–**	**(1,041,955)**	**(27,033,598)**
New shares issued	**–**	**1,097,142**	**467,935**	**–**	**–**	**–**	**1,565,077**
Warrants	**–**	**–**	**(231,676)**	**231,676**	**–**	**–**	**–**
Share issue costs	**–**	**–**	**(92,016)**	**–**	**–**	**–**	**(92,016)**
Share options lapsed	**76,614**	**–**	**–**	**–**	**(76,614)**	**–**	**–**
Share-based payments	**–**	**–**	**–**	**–**	**334,319**	**–**	**334,319**
31 December 2020	**(104,772,035)**	**6,288,019**	**64,961,905**	**11,373,966**	**1,417,285**	**(3,319,767)**	**(24,050,627)**

The notes on pages 50-78 form an integral part of these financial statements.

Company Statement of Changes in Equity

Year ended 31 December 2020

	Retained earnings US $	Share capital US $	Share Premium US $	Warrant reserve US $	Share option reserve US $	Foreign currency translation reserve US $	Total equity US $
1 January 2019	(65,157,602)	4,444,999	58,329,880	11,142,290	1,195,106	(2,255,402)	7,699,271
Loss for the year	(7,252,983)	–	–	–	–	–	(7,252,983)
Discontinued operations	(1,010,624)	–	–	–	–	–	(1,010,624)
Total comprehensive loss for the year	(8,263,607)	–	–	–	–	–	(8,263,607)
New shares issued	–	745,878	6,924,246	–	–	–	7,670,124
Share issue costs	–	–	(436,464)	–	–	–	(436,464)
Share options lapsed	396,935	–	–	–	(396,935)	–	–
Share-based payments	–	–	–	–	361,409	–	361,409
31 December 2019	(73,024,274)	5,190,877	64,817,662	11,142,290	1,159,580	(2,255,402)	7,030,733
1 January 2020	**(73,024,274)**	**5,190,877**	**64,817,662**	**11,142,290**	**1,159,580**	**(2,255,402)**	**7,030,733**
Loss for the year	**(10,045,487)**	**–**	**–**	**–**	**–**	**–**	**(10,045,487)**
Discontinued operations	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Total comprehensive loss for the year	**(10,045,487)**	**–**	**–**	**–**	**–**	**–**	**(10,045,487)**
New shares issued	**–**	**1,097,142**	**467,935**	**–**	**–**	**–**	**1,565,077**
Warrants issued	**–**	**–**	**(231,676)**	**231,676**	**–**	**–**	**–**
Share issue costs	**–**	**–**	**(92,016)**	**–**	**–**	**–**	**(92,016)**
Share options lapsed	**76,614**	**–**	**–**	**–**	**(76,614)**	**–**	**–**
Share-based payments	**–**	**–**	**–**	**–**	**334,319**	**–**	**334,319**
31 December 2020	**(82,993,147)**	**6,288,019**	**64,961,905**	**11,373,966**	**1,417,285**	**(2,255,402)**	**(1,207,374)**

Share premium reserves represents the amounts subscribed for share capital in excess of the nominal value of the shares issued, net of cost of issue. Deferred shares are a separate class of share capital.

Shares to be issued represents the fair value of shares to be issued upon satisfaction of certain criteria in respect of services received.

Warrant reserve represents the cumulative fair value of share warrants granted.

Share options reserve represents the cumulative fair value of share options granted.

Foreign currency translation reserve arises on the retranslation of the prior period results and financial position of foreign operations into presentation currency.

Retained earnings represents the cumulative net gains and losses recognised in the consolidated income statement.

The notes on pages 50-78 form an integral part of these financial statements.

Consolidated Statement of Cash Flows

Year ended 31 December 2020

	Year to 31 December 2020 US $	Year to 31 December 2019 US $
Cash flows from operating activities		
Loss from continuing operations	**(15,267,535)**	(10,030,832)
Loss from discontinued operations	**(10,724,108)**	(3,441,230)
	(25,991,643)	(13,472,062)
Adjustments for:		
Depreciation and depletion of property, plant and equipment	**182,211**	190,383
Depreciation and depletion of intangible assets	**1,874,810**	369,874
Loss on disposal of property, plant and equipment	**10,822**	22,040
Impairment of intangible assets and goodwill	**10,383,461**	2,802,239
Impairment of property, plant and equipment	**–**	–
Share–based payments	**334,319**	361,409
Right of use liability	**(64,180)**	–
Financial income	**(7,142)**	(352,579)
Financial expense	**10,174,047**	5,738,338
Exchange differences	**(2,265,180)**	–
Derivative financial gain	**(666,306)**	(339,219)
	19,956,862	8,792,485
Decrease/(Increase) in inventory	**(120,386)**	381,341
Decrease/(Increase) in other receivables	**311,275**	(3,359,213)
(Decrease)/increase in trade and other payables	**5,844,002**	3,753,130
Cash used in operations	**6,034,891**	9,567,743
Net cash used in operating activities	**112**	(3,904,319)
Cash flows from investing activities		
Purchase of intangible assets	**(470,637)**	(19,245,768)
Purchase of property, plant and equipment	**(1,644,516)**	(979,164)
Net cash used in investing activities	**(2,115,153)**	(20,224,932)
Cash flows from financing activities		
Proceeds from debt	**–**	5,434,727
Debt issue costs	**–**	(388,852)
Interest received	**7,142**	180,648
Interest paid	**–**	(2,085,954)
Bank fees and other finance costs	**(189,520)**	–
Repayment of right of use liability	**–**	(156,269)
Issue of share capital	**1,565,077**	7,670,124
Share issue costs	**(92,016)**	(436,464)
Net cash from financing activities	**1,290,682**	10,217,960
Net (decrease)/increase in cash and cash equivalents	**(824,360)**	(13,911,291)
Cash and cash equivalents at 1 January 2020	**1,698,012**	15,609,303
Foreign exchange gains/(losses) on cash and cash equivalents	**(191,493)**	–
Cash and cash equivalents at 31 December 2020	**682,159**	1,698,012

The notes on pages 50-78 form an integral part of these financial statements.

Company Statement of Cash Flows

Year ended 31 December 2020

	Year to 31 December 2020 US $	Year to 31 December 2019 US $
Cash flows from operating activities		
Loss from continuing operations	**(9,721,880)**	(7,252,983)
Loss from discontinued operations	**(323,607)**	(1,010,624)
Loss before taxation	**(10,045,487)**	(8,263,607)
Adjustments for:		
Provision against amounts owing by subsidiary undertakings	**13**	870,268
Depreciation of property, plant and equipment	**104,552**	189,111
(Gain)/Loss on disposal of property, plant and equipment	**9,119**	2,566
Impairment of intangible assets and goodwill	**323,607**	140,356
Share–based payments	**334,319**	361,409
Right of use liability	**(64,180)**	–
Financial income	**(1,847)**	(311,663)
Financial expense	**7,673,678**	4,112,123
Derivative financial gain	**(666,306)**	(339,219)
	7,712,955	5,024,951
Decrease/(increase) in other receivables	**87,640**	317,888
(Decrease)/increase in trade and other payables	**711,533**	(48,897)
Investment in subsidiaries	**–**	(11,117,531)
(Increase) in amounts owing by subsidiary undertakings	**(481,022)**	(8,938,493)
Cash used in operations	**318,151**	(14,762,082)
Net cash used in operating activities	**(2,014,381)**	(23,025,689)
Cash flows from investing activities		
Purchase of intangible assets	**(288,475)**	(410,469)
Purchase of property, plant and equipment		–
Net cash (used in)/from investing activities	**(288,475)**	(410,469)
Cash flows from financing activities		
Proceeds from debt	**–**	5,434,727
Debt issue costs	**–**	(388,852)
Interest received	**1,847**	139,732
Interest paid	**–**	(2,007,356)
Repayment of right of use liability	**–**	(156,269)
Issue of share capital	**1,565,076**	7,670,124
Share issue costs	**(92,016)**	(436,464)
Net cash from financing activities	**1,474,907**	10,255,642
Net (decease)/increase in cash and cash equivalents	**(827,949)**	(13,180,516)
Cash and cash equivalents at 1 January 2020	**1,259,468**	14,439,984
Foreign exchange gains/(losses) on cash and cash equivalents	**5,711**	–
Cash and cash equivalents at 31 December 2020	**437,230**	1,259,468

The notes on pages 50-78 form an integral part of these financial statements.

Notes to the Financial Statements

Year ended 31 December 2020

1. Accounting Policies

General Information

These financial statements are for Echo Energy plc ("the Company") and subsidiary undertakings ("the Group"). The Company is registered, and domiciled, in England and Wales and incorporated under the Companies Act 2006. The nature of the Company's operations and its principal activities are set out in the Directors' Report on page 34.

The Company's functional currency is the United States dollar (US $). Transactions arising in currencies other than the US $ are translated at average exchange rates for the relevant accounting period, with material transactions being accounted at the rate of exchange on the date of the transaction.

The Group presents its financial information in US $. Transactions relating to subsidiary undertakings that have a different functional currency to US $ are treated as follows:

- Assets and liabilities for each financial reporting date presented (including comparatives) are translated at the closing rate of that financial reporting period.
- Income and expenses for each income statement (including comparatives) is translated at exchange rates at the dates of transactions. For practical reasons, the Company applies average exchange rates for the period.
- All resulting changes are recognised as a separate component of equity.
- Equity items are translated at exchange rates at the dates of transactions.

The principal accounting policies are summarised below:

(a) Basis of preparation

The financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as adopted by the European Union. These financial statements are for the year 1 January 2020 to 31 December 2020. The comparatives shown are for the year 1 January 2019 to 31 December 2019.

New standards and interpretations not applied

At the date of authorisation of these financial statements, a number of standards and interpretations were in issue but not yet effective. The directors do not anticipate that the adoption of these standards and interpretations, or any amendments to existing standards as a result of the annual improvements cycle, will have a material effect on the financial statements in the year of initial application.

(b) Basis of consolidation

The Group financial statements consolidate the financial statements of the Company and its subsidiaries under the acquisition method. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date control ceases. Control is achieved where the Company has the power to govern the financial and operating policies of an investee entity so as to obtain benefits from its activities.

(c) Joint arrangements

A joint arrangement is one in which two or more parties have joint control. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control. Certain of the Group's licence interests are held jointly with others. Accordingly, the Group accounts for its share of assets, liabilities, income and expenditure of these joint operations, classified in the appropriate statement of financial position and income statement headings.

(d) Revenue

Revenue comprises the invoice value of goods and services supplied by the Group, net of value added taxes and trade discounts. Revenue is recognised in the case of oil and gas sales when goods are delivered and title has passed to the customer. This generally occurs when the product is physically transferred into a pipeline or vessel. Echo recognised revenue in accordance with IFRS 15. Our joint venture partner markets gas and crude oil on our behalf. Gas is transferred via a metered pipeline into the regional gas transportation system, which is part of national transportation system, control of the gas passes at the point at which the gas enters this network, this is the point at which gas revenue would be recognised. Gas prices vary from month to month based on seasonal demand from customer segments and, production in the market as a whole. Our partner agrees pricing with their portfolio of gas clients based on agreed pricing mechanisms in multiple contracts. Some pricing is regulated by government such as domestic supply. Oil shipments are priced in advance of a cargo and revenue is recognised at the point at which cargoes are loaded onto shipping vessel at terminal.

(e) Property, plant and equipment

Property, plant and equipment is stated at cost, or deemed cost less accumulated depreciation, and any recognised impairment loss. Land is stated at cost and is not depreciated. Depreciation is charged so as to write off the cost or valuation of assets less any residual value over their estimated useful lives, using the straight- line method, on the following bases:

Fixtures & fittings	12% to 33.3% straight-line
Motor vehicles	25% straight-line

1. Accounting Policies (continued)

Oil and gas properties are depleted on a unit of production basis commencing at the start of commercial production or depreciated on a straight-line basis over the relevant asset's estimated useful life. Expenditure is depreciated on a unit of production basis; the depletion charge is calculated according to the proportion that production bears to the recoverable reserves for each property. Depreciation will not be charged on an asset in the course of construction, depreciation commences when the asset is brought into use and will be depleted according to the proportion that production bears to the recoverable reserves for each property.

(f) Property right of use asset

The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right of use lease is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before commencement date plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset. The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date discounted using the incremental borrowing rate of the individual Company which is the lessee.

(g) Other intangible assets - exploration and evaluation costs

Exploration and evaluation (E&E) expenditure comprises costs which are directly attributable to researching and analysing exploration data. It also includes the costs incurred in acquiring mineral rights, the entry premiums paid to gain access to areas of interest and amounts payable to third parties to acquire interests in existing projects. When it has been established that a mineral deposit has development potential, all costs (direct and applicable overhead) incurred in connection with the exploration and development of the mineral deposits are capitalised until either production commences or the project is not considered economically viable. In the event of production commencing, the capitalised costs are amortised over the expected life of the mineral reserves on a unit of production basis. Other pre-trading expenses are written off as incurred. Where a project is abandoned or is considered to be of no further interest, the related costs are written off.

(h) Impairment of tangible and intangible assets excluding goodwill

At the date of each statement of financial position, the Group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit ("CGU") to which the asset belongs.

The recoverable amount is the higher of fair value less costs to sell or value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects the current market assessments of the time value of money and the risks specific to the asset. If the recoverable amount of an asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (CGU) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a re-valued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

(i) Taxation

Current taxation

Current tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from, or paid to, the tax authorities. The tax rates and the tax laws used to compute the amount are those that are enacted, or substantively enacted, by the balance sheet date.

Deferred taxation

Deferred tax is the tax expected to be payable or recoverable on differences between the current year amounts of assets and liabilities in the financial statements and the corresponding tax basis used in the computation of taxable profit.

Notes to the Financial Statements continued

1. Accounting Policies (continued)

Deferred tax assets are recognised to the extent the temporary difference will reverse in the foreseeable future and it is probable that future taxable profit will be available against which the asset can be utilised.

Deferred tax is recognised for all deductible temporary differences arising from investments in subsidiaries, branches and associates, and interests in joint ventures, to the extent it is probable that the temporary difference will reverse in the foreseeable future.

(j) Conversion of foreign currency

Foreign currency transactions are translated at the average exchange rates over the year, material transactions are recorded at the exchange rate ruling on the date of the transaction. Assets and liabilities are translated at the rates prevailing at the balance sheet date. The Group has significant transactions and balances denominated in Euros and GBP. The year-end exchange rate to USD was US $1 to GBP £0.7319 and US $1 to €0.8178 (2019: US $1 to GBP £0.7649, US $1 to €0.8906) US $1 to ARS $86.250 and the average exchange rate during 2020 was US $1 to GBP £0.7793 (2019: US $1 to GBP £0.7822).

In the Company financial statements, the income and expenses of foreign operations are translated at the exchange rates ruling at the dates of the transactions. The assets and liabilities of foreign operations, both monetary and non-monetary, are translated at exchange rates ruling at the balance sheet date. The reporting currency of the Company and group is United Stated Dollars (US $).

(k) Share-based payments

The fair value of equity instruments granted to employees is charged to the income statement, with a corresponding increase in equity. The fair value of share options is measured at grant date, using the binomial option pricing model or Black-Scholes pricing model were considered more appropriate, and spread over the period during which the employee becomes unconditionally entitled to the award. The charge is adjusted to reflect the number of shares or options that vest, except where forfeiture is due to market-based criteria.

(l) Financial instruments

Financial assets and financial liabilities are recognised on the Group's balance sheet when the Group becomes a party to the contractual provisions of the instrument.

Trade and other receivables

Trade and other receivables are initially measured at fair value and are subsequently reassessed at the end of each accounting period.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value.

Financial liabilities and equity

Financial liabilities and equity instruments issued by the Group are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument. An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities. The accounting policies adopted for specific financial liabilities and equity instruments are set out below.

Trade payables

Trade payables are initially measured at fair value and are subsequently measured at amortised cost, using the effective interest rate method.

(l) Financial instruments

Equity instruments

Financial instruments issued by the Group are treated as equity only to the extent that they meet the following two conditions, in accordance with IAS 32:

- They include no contractual obligations upon the Group to deliver cash or other financial assets or to exchange financial assets or financial liabilities with another party under conditions that are potentially unfavourable to the Group; and
- Where the instrument will or may be settled in the Group's own equity instruments, it is either a non-derivative that includes no obligation to deliver a variable number of the Group's own equity instruments or is a derivative that will be settled by the Group exchanging a fixed amount of cash or other financial assets for a fixed number of its own equity instruments.

To the extent that this definition is not met, the financial instrument is classified as a financial liability.

(m) Borrowings

Borrowings are recognised initially at the fair value of the proceeds received which is determined using a discount rate which reflects the cost of borrowing to the Group. In subsequent periods borrowings are recognised at amortised costs, using an effective interest rate method. Any difference between the fair value of the proceeds costs and the redemption amount is recognised as a finance cost over the period of the borrowings.

1. Accounting Policies (continued)

(n) Inventory

Echo has chosen to value crude oil inventories, a commodity product, at net realisable value, the value is based on a discounted observable year-end market price. Other inventory items are valued at the lower of net realisable value and cost.

(o) Going Concern

The financial information has been prepared assuming the Group will continue as a going concern. Please see note 2 Accounting Estimates and Judgements for an extended disclosure on this issue.

(p) Government assistance grants

Government assistance grants such as the Coronavirus Job Retention Scheme (CJRS) which relates to staff who have been furloughed due to COVID-19 are recognised as income and have been shown in the consolidated statement of comprehensive income as other income. During 2020, the Group received grants totalling US $45,503 for furloughed staff.

2. Accounting Estimates and Judgements

Going concern

The financial information has been prepared assuming the Group will continue as a going concern. Under the going concern assumption, an entity is ordinarily viewed as continuing in business for the foreseeable future with neither the intention nor the necessity of liquidation, ceasing trading or seeking protection from creditors pursuant to laws or regulations.

Despite the consolidated statement of financial position showing a negative net asset position at 31 December 2020, the outlook for the Group has materially changed post period.

The business market took a positive upturn from early 2021, with oil prices increasing by a significant 30% by the end of Q1 2021, in comparison to the end of Q4 2020. In January 2021. The Company achieved a key customer gas sales contract at a premium to prevailing spot market rates, and more significantly, Q2 2021 saw the conclusion of the Company's unlisted debt restructuring, materially changing Echo's business position. This restructuring reduced cash loan payment cash commitments to only £250k for 2021, allowing increased cashflow optionality. Post period, the Group is investing in its asset facility upgrades, maturing its portfolio to a level that is opportunistic to higher commodity prices and revenue growth. Due to easing of COVID-19 restrictions in Argentina, Q1 2021 saw the recommencement of VAT repayment process, with a portion of the outstanding VAT scheduled for payment in Q2 2021.

Considering these factors, the Company is in a materially more robust position post period. The Company confirms that operations at the SCS assets are predicted to be cash flow positive at prevailing oil and gas price levels, and have considered the impact of a fall in commodity prices or an unexpected increase in costs.

Use of estimate and judgements

The preparation of financial statements in conforming with adopted IFRSs requires management to make judgements, estimates and assumptions that affect the reported amounts of assets and liabilities as well as the disclosure of contingent assets and liabilities as at the balance sheet date and the reported amount of revenues and expenses during the period. Actual outcomes may differ from those estimates. The key sources of uncertainty in estimates that have a significant risk of causing material adjustment to the carrying amounts of assets and liabilities, within the next financial year, are the impairment of assets and the Group's going concern assessment.

Amounts capitalised to the consolidated statement of financial position

In accordance with the Group policy, expenditures are capitalised only where the Group holds a licence interest in an area. All expenditure relating to the Bolivian company has been expensed to the statement of comprehensive income, as the Group has not yet been assigned any licence interests in the country. The Group has capitalised its participation in the SCS assets. The assignment of Echo´s participation in these Argentine licences is still subject to the authorisation of the Executive Branch of Santa Cruz Province, Echo are supported in this process by their joint venture partners Interoil & IAG in the SCS assets, and the process of title transfer is proceeding as anticipated, however due to the COVID-19 pandemic, this process has been delayed.

Valuation of assets

Expenditures recognised as exploration and evaluation ("E&E") assets are tested for impairment whenever facts and circumstances suggest that they may be impaired, which includes when a licence is approaching the end of its term and is not expected to be renewed, or there are no substantive plans for continued exploration or evaluation of an area, or whilst development of a licence is still likely to proceed in an area but there are indications that the E&E assets are unlikely to be recovered in full.

2. Accounting Estimates and Judgements (continued)

When considering whether E&E assets are impaired the Group first considers the IFRS 6 indicators. IFRS 6 requires an entity to assess whether E&E assets require impairment when facts and circumstance suggest that the carrying amount of the assets may exceed their recoverable amount, these include:

- The period for which the entity has the right to explore in the specific area has expired during the period or will expire in the near future and is not expected to be renewed;
- Substantive expenditure on further exploration for and evaluation of mineral resources in the specific area is neither budgeted nor planned;
- Exploration for and evaluation of mineral resources in the specific area have not led to the discovery of commercially viable quantities of mineral resources and the entity has decided to discontinue such activities in the specific area;
- Sufficient data exists to indicate that, although a development in the specific area is likely to proceed, the carrying amount of the E&E assets is unlikely to be recovered in full from successful development or by sale.

In 2020 the Tapi Aike assets were written down, as Echo decided to leave the license and impaired the balance sheet values as at the end of 2020, the cost of subsequent licence activity was impaired in the current accounting period. The determination of recoverable amounts in any resulting impairment test requires judgement around key assumptions, such as future costs, both capital and operating. There are no indications of impairment on the SCS assets.

Included within receivables are amounts due in respect of VAT of US $ 2.0 million, which span Tax reclaim amounts for the period of 2020 and 2019 and current operational tax movements. The claims all comply with local tax law and are at various stages of approval and awaiting payment. The processing of these tax credits have been hindered in the past due to COVID-19 Pandemic delays, with the government tax office being officially closed since March 2020. There is no reason as to why the Group believes it will not receive the tax credits, and therefore no impairment provision required. The speed at which the tax credits are being processed is increasing, with AFIP (Argentine tax authority) notifying Echo that a portion of the owed tax will be paid in Q2 2021, and therefore the remaining credits are expected to be paid in the very near future.

Determination of discount rates

Determination of derivative financial liabilities

Judgement is requirement when determining the classification of financial instruments in terms of liability or equity. These judgements include an assessment of whether the financial instrument include any embedded derivative features, whether they include contractual obligations upon the Group to deliver cash or other financial assets or to exchange financial assets or financial liabilities with another party, and whether that obligation will be settled by the Company exchanging a fixed amount of cash or other financial assets for a fixed number of its own equity instruments.

Valuation of derivative financial liabilities

The Group has issued warrants over ordinary shares as fundraising commission in respect of debt fundraisings during the year which can be converted to share capital at the option of the holder. These warrants are accounted for as an embedded derivative which is recognised at fair value through profit or loss. The Directors estimated the fair value of the derivative component using the Black Scholes option pricing model, as described in note 24. This required making certain estimates on the share price volatility of the Group which inevitably involved a degree of judgement and the actual outcome may vary.

Inter-group balances

In determining whether parent company investments in subsidiaries have been impaired, we review subsidiary assets and liabilities to determine whether Group investment is recoverable. The only entity where an impairment trigger might be recognised was the Bolivian entity where the Group holds no licence assets. A determination was made that because of ongoing negotiations and Company strategic intent, investment would ultimately still be recoverable.

However, the Group recognises that in order to pursue organic and inorganic growth opportunities and fund on-going operations it may require additional funding. This funding may be sourced through debt finance, joint venture equity or share issues.

In the prior year management reported a material uncertainty in respect of going concern. Based on the post year end debt restructuring, the current level of revenue and cash generation and the sensitivities considered in respect of the cashflow forecasts to December 2022, and the mitigating actions that could be taken to conserve cash in a worse- case scenario, management do not consider there to be a material uncertainty in the current year.

2. Accounting Estimates and Judgements (continued)

The directors have formed a judgement based on Echo's proven success in raising capital and a review of the strategic options available to the Group, that the going concern basis should be adopted in preparing the financial statements.

3. Business Segments

The Group has adopted IFRS 8 Operating Segments. Per IFRS 8, operating segments are regularly reviewed and used by the board of directors being the chief operating decision maker for strategic decision-making and resources allocation, in order to allocate resources to the segment and assess its performance. The Group's reportable operating segments are as follow:

a. Corporate and Administrative

b. Santa Cruz Sur

c. Tapi Aike (discontinued)

d. Bolivia

Performance is based on assessing progress made on projects and the management of resources used. Segment assets and liabilities are presented inclusive of inter-segment balances. Reportable segments are based around licence activity, although the reportable segments are reflected in legal entities, certain corporate cost costs collate data across legal entities and the segmental analysis reflects this.

Information regarding each of the operations of each reportable segment within continuing operations is included in the following table.

All revenue, which represents turnover, arises within Argentina and relates to external parties:

	Corporate & Administrative US $	Santa Cruz Sur US $	Tapi Aike US $	Bolivia US $	Total US $
Year to 31 December 2020					
Revenues	45,503	11,081,017	–	–	11,126,520
Cost of sales	–	(13,437,010)	–	–	(13,437,010)
Exploration expense	(215,512)	–	–	–	(215,512)
Administration expense	(3,036,478)	–	–	(204,456)	(3,240,934)
Financial income	1,771	5,371	–	–	7,142
Financial expense	(8,801,106)	(1,372,978)	–	37	(10,174,047)
Derivative financial gain	666,306	–	–	–	666,306
Depreciation	*(101,151)*	*(1,936,878)*	–	*(1,031)*	*(2,039,060)*
Income tax	–	–	–	–	–
Loss before tax	(11,339,516)	(3,723,600)	–	(204,419)	(15,267,535)
Non-current assets	383,790	11,053,602	–	(373,077)	11,064,315
Assets	3,994,325	15,858,507	–	(335,865)	19,516,967
Liabilities	(30,791,002)	(12,732,808)	–	(43,784)	(43,567,594)

Notes to the Financial Statements continued

3. Business Segments (continued)

	Corporate & Administrative US $	Santa Cruz Sur US $	Tapi Aike US $	Bolivia US $	Total US $
Year to 31 December 2019					
Revenues	–	2,586,069	–	–	2,586,069
Cost of sales	–	(3,127,542)	–	–	(3,127,542)
Exploration expense	(587,640)	–	(40,043)	(19,863)	(647,546)
Administration expense	(3,545,328)	–	–	(252,533)	(3,797,861)
Financial income	92,445	–	–	–	92,445
Financial expense	(5,475,203)	–	–	(413)	(5,475,616)
Derivative financial gain	339,219	–	–	–	339,219
Depreciation	*175,798*	*373,212*	–	*(15,822)*	*(564,832)*
Income tax	–	–	–	–	–
Loss before tax	(9,176,507)	(541,473)	(40,043)	(272,809)	(10,030,832)
Non-current assets	233,174	10,871,059	10,566,890	3,673	21,674,796
Assets	6,943,503	14,154,248	11,328,060	45,120	32,470,931
Liabilities	(23,142,362)	(7,205,500)	(905,979)	(41,499)	(31,295,340)

The geographical split of non-current assets arises as follows:

	United Kingdom US $	South America US $	Total US $
31 December 2020			
Property, plant and equipment	**8,039**	**2,544,654**	**2,552,693**
Other intangible assets	**326,869**	**8,184,753**	**8,511,622**
31 December 2019			
Property, plant and equipment	121,710	979,500	1,101,210
Other intangible assets	362,001	20,211,585	20,573,586

Revenue arising from operations in the Tapi Aike licences has been reclassified as part of discontinued operations.

4. Revenue

	Year to 31 December 2020 US $	Year to 31 December 2019 US $
Oil revenue	**2,784,248**	1,395,356
Gas revenue	**8,279,416**	1,190,713
Other income	**62,856**	–
Total Revenue	**11,126,520**	**2,586,069**

5. Cost of Sales

	Year to 31 December 2020 US $	Year to 31 December 2019 US $
Production costs	**10,021,578**	2,794,339
Selling and distribution costs	**1,567,963**	311,161
Movement in stock of crude oil	**(89,410)**	(351,170)
Depletion	**1,936,879**	373,212
Total Costs	**13,437,010**	3,127,542

Cost of sales arising from operations in the Tapi Aike licences has been reclassified as part of discontinued operations.

6. Expenses and Auditor's Remuneration

	Year to 31 December 2020 US $	Year to 31 December 2019 US $
The operating loss is stated after charging the following amounts:		
Depreciation of property, plant and equipment – owned	**182,211**	190,383
Loss/(Gain) on disposal of property, plant and equipment	**–**	12,120
Fees payable to the Company's auditor for the audit of the Company's annual accounts	**61,007**	54,998
Fees payable to the overseas auditor and its associates for other services:		
– Corporate finance services	**9,370**	–
– Audit and subsidiaries	**23,400**	2,579
Share based payments	**334,319**	361,409

7. Staff Costs and Numbers

The average number of persons employed by the Group during the year including executive directors is analysed below:

	Year to 31 December 2020	Year to 31 December 2019
Administration	9	15

Group employment costs – all employees including executive directors:

	Year to 31 December 2020 US $	Year to 31 December 2019 US $
Wages and salaries	**1,770,037**	1,952,797
Social security costs	**221,908**	261,169
Pension contributions	**51,557**	54,730
Share-based payments – equity-settled	**334,319**	361,409
Total	**2,377,821**	2,630,105

Directors' remuneration is set out in the Directors Remuneration Report on page 33 of this report.

Remuneration of Key Personnel is set out in the table below.

	Year to 31 December 2020 US $	Year to 31 December 2019 US $
Wages and salaries	**828,420**	1,075,128
Bonus	**313,706**	52,424
Pension Contributions	**25,787**	22,614
Private Health Insurance	**13,293**	11,912
Share Based Payments	**274,834**	280,475
Total	**1,456,040**	1,442,553

Notes to the Financial Statements continued

8. Financial Income

	Year to 31 December 2020 US $	Year to 31 December 2019 US $
Interest income	**7,142**	92,445
Net foreign exchange loss	**–**	–
Total	**7,142**	92,445

9. Financial Expense

	Year to 31 December 2020 US $	Year to 31 December 2019 US $
Interest payable	**1,991,535**	1,940,527
Net foreign exchange losses	**4,409,732**	1,247,936
Unwinding of discount on long term loan	**2,936,831**	1,688,536
Amortisation of loan fees	**614,913**	464,283
Accretion of right of use liabilities	**2,293**	17,401
Unwinding of abandonment provision	**39,956**	–
Finance cost of holding bonds	**11,971**	–
Bank fees and overseas transaction tax	**166,816**	116,933
Total	**10,174,047**	5,475,616

10. Derivative Financial Gain/Loss

	Year to 31 December 2020 US $	Year to 31 December 2019 US $
Fair value gain	**666,306**	339,219
Total	**666,306**	339,219

Represents fair value gain on valuation of derivatives instruments at period end.

11. Discontinued Operations

On 22 December 2020 the Company announced that it had allowed the lapse of the option to re enter the Tapi Aike asset. This resulted in Echo finally withdrawing its interests and liabilities under the Tapi Aike concessions prior to the drilling of the next exploration well in the Tapi Aike Western cube.

The results of the discontinued operations, are presented below:

	Year to 31 December 2020 US $	Year to 31 December 2019 US $
Revenue	–	2,838,880
Operating expenses	–	(3,478,991)
Operating loss before impairment	–	(640,111)
Administrative Expenses	–	–
Impairment of the historic cost and carrying value of intangible assets	**(10,724,108)**	(2,802,239)
Impairment of the historic cost and carrying value of PPE	–	–
Net current assets receivable	–	–
Loss on disposal of foreign subsidiary	–	1,120
Operating (loss)/gain after liquidation	**(10,724,108)**	(3,441,230)
Financial income	–	–
Financial expense	–	–
(Loss)/Gain on ordinary activities before taxation	**(10,724,108)**	(3,441,230)
Taxation	–	–
(Loss)/Gain for the year from discontinued operations	**(10,724,108)**	(3,441,230)

The cash flows associated with the discontinued operations are:

	Year to 31 December 2020 US $	Year to 31 December 2019 US $
Operations	–	(640,111)
Investing	–	–
Financing	–	–
Net cash out flow	–	(640,111)

12. Joint Arrangements

As described in both the strategic and governance reports, in particular in the Financial Review, Echo has joint arrangements within the SCS concessions. The Group accounts for its share of assets, liabilities, income and expenditure of these joint operations in accordance with its equity interest in each. Echo holds 70% of the SCS working interest Our joint venture assets and liabilities are separately disclosed throughout the financial statements.

13. Taxation

	Year to 31 December 2020 US $	Year to 31 December 2019 US $
Tax on profit on ordinary activities		
Taxation charged based on profits for the period	**–**	–
UK corporation tax based on the results for the period	**–**	–
Total tax expense in income statement	**–**	–

Reconciliation of the tax expense

The tax assessed for the year is different from the standard rate of corporation tax in the UK of 19% (2019: 19%). The references are explained below:

	Year to 31 December 2020 US $	Year to 31 December 2019 US $
Loss on ordinary activities before taxation	**(15,267,535)**	(10,030,832)
Loss from discontinued operations	**(10,724,108)**	(3,441,230)
Loss for the year before tax	**(25,991,643)**	(13,472,062)
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 19%	**(4,938,412)**	(2,559,692)
Effects of:		
Expenses disallowed for tax purposes	**76,404**	346,664
Deferred tax not provided – tax losses carried forward	**4,862,008**	2,213,028
Total current tax	**–**	–

The parent entity has tax losses available to be carried forward, and further tax losses are available in certain subsidiaries. With anticipated substantial lead times for the Group's projects, and the possibility that these may expire before their use, it is not considered appropriate to anticipate an asset value for them. The amount of tax losses carried forward for which a deferred tax asset has not been recognised is US $36,729,760 (2019: US $11,140,244)

No amounts have been recognised within tax on the results of the equity-accounted joint ventures.

14. Loss Per Share

The calculation of basic and diluted loss per share at 31 December 2020 was based on the loss attributable to ordinary shareholders. The weighted average number of ordinary shares outstanding during the year ending 31 December 2020 and the effect of the potentially dilutive ordinary shares to be issued are shown below.

	Year to 31 December 2020	Year to 31 December 2019
Net loss for the year (US $)	**(25,991,643)**	(13,472,062)
Basic weighted average ordinary shares in issue during the year	**768,598,277**	515,840,359
Diluted weighted average ordinary shares in issue during the year	**768,598,277**	515,840,359
Loss per share (cents)		
Basic	**(3.38)**	(2.61)
Diluted	**(3.38)**	(2.61)

In accordance with IAS 33 and as the entity is loss making, including potentially dilutive share options in the calculation would be anti-dilutive.

Deferred shares have been excluded from the calculation of loss per share due to their nature. Please see Note 25 for details of their rights.

15. Loss of the Parent Company

The parent company is not required to produce its own profit and loss account (or IFRS equivalent) because of the exemption provision in Section 408 of the Companies Act 2006.

16. Property, Plant and Equipment (Group)

	PPE – O&G Properties US $	CDL Licence Areas Discontinued US $	Fixtures & Fittings US $	Property Right-of-Use Assets US $	Total US $
31 DECEMBER 2020					
Cost					
1 January 2020	**979,164**	**–**	**131,122**	**309,804**	**1,420,090**
Exchange differences					
Additions	**1,644,460**	**–**	**56**		**1,644,516**
Disposals	**(1,703)**	**–**	**(33,923)**	**(309,804)**	**(345,430)**
31 December 2020	**2,621,921**	**–**	**97,255**	**–**	**2,719,176**
Depreciation					
1 January 2020	**3,338**	**–**	**91,366**	**224,176**	**318,880**
Exchange differences					
Charge for the year	**76,603**	**–**	**19,980**	**85,628**	**182,211**
Impairment charge	**–**	**–**	**–**	**–**	**–**
Disposals	**–**	**–**	**(24,804)**	**(309,804)**	**(334,608)**
31 December 2020	**79,941**	**–**	**86,542**	**–**	**166,483**
Carrying amount					
31 December 2020	**2,541,980**	**–**	**10,713**	**–**	**2,552,693**
31 December 2019	**975,826**	**–**	**39,756**	**85,628**	**1,101,210**
31 DECEMBER 2019					
Cost					
1 January 2019	–	1,270,832	156,554	334,625	1,762,011
Exchange differences	–	–	–	–	–
Additions	979,164	–	–	–	979,164
Disposals	–	(1,270,832)	(25,432)	(24,821)	(1,321,085)
31 December 2019	979,164	–	131,122	309,804	1,420,090
Depreciation					
1 January 2019	–	1,270,832	66,400	89,167	1,426,399
Exchange differences	–	–	–	–	–
Charge for the year	3,338	–	38,279	148,766	190,383
Impairment charge	–	–	–	–	–
Disposals	–	(1,270,832)	(13,313)	(13,757)	(1,297,902)
31 December 2019	3,338	–	91,366	224,176	318,880
Carrying amount					
31 December 2019	975,826	–	39,756	85,628	1,101,210
31 December 2018	–	–	90,155	245,458	335,612

Included within property, plant and equipment are amounts of US $745,279 (2019: US $942,976) in relation to assets in construction and as a result are not depreciation on the unit of production basis, this will commence when they are available for use.

16. Property, Plant and Equipment (Company) (continued)

	Fixtures & Fittings US $	Property Right-of-Use Assets US $	Total US $
31 DECEMBER 2020			
Cost			
1 January 2020	**126,826**	**309,804**	**436,630**
Additions	**–**	**–**	**–**
Disposals	**(33,923)**	**(309,804)**	**(343,727)**
31 December 2020	**92,903**	**–**	**92,903**
Depreciation			
1 January 2020	**90,744**	**224,176**	**314,920**
Charge for the year	**18,924**	**85,628**	**104,552**
Disposals	**(24,804)**	**(309,804)**	**(334,608)**
Exchange	**–**	**–**	**–**
31 December 2020	**84,864**	**–**	**84,864**
Carrying amount			
31 December 2020	**8,039**	**–**	**8,039**
31 December 2019	36,082	85,628	121,710
31 DECEMBER 2019			
Cost			
1 January 2019	142,704	309,804	452,508
Additions	–	–	–
Disposals	(15,878)	–	(15,878)
31 December 2019	126,826	309,804	436,630
Depreciation			
1 January 2019	63,712	75,410	139,122
Charge for the year	40,343	148,765	189,109
Disposals	(13,313)	–	(13,313)
Exchange	–	–	–
31 December 2019	90,744	224,176	314,920
Carrying amount			
31 December 2019	36,082	85,628	121,710
31 December 2018	78,992	234,394	313,386

17. Other Intangible Assets (Group)

	SCS Production Assets US $	TA License Areas Discontinued US $	CDL Licence Areas Discontinued US $	Ksar Hadada Exploration Acreage US $	Total US $
31 DECEMBER 2020					
Cost					
1 January 2020	**10,802,524**	**10,140,936**	**–**	**–**	**20,943,460**
Additions	**228,112**	**242,525**	**–**	**–**	**470,637**
Disposals	**–**	**(10,383,461)**	**–**	**–**	**(10,383,341)**
Decommissioning Asset	**–**	**–**	**–**	**–**	**–**
Transfers	**(274,330)**	**–**	**–**	**–**	**(274,330)**
31 December 2020	**10,756,306**	**–**	**–**	**–**	**10,756,306**
Impairment and depletion					
1 January 2020	**369,874**	**–**	**–**	**–**	**369,874**
Disposals	**–**	**(10,383,461)**	**–**	**–**	**(10,383,461)**
Depletion	**1,752,310**	**–**	**–**	**–**	**1,752,310**
Depreciation decommissioning assets	**122,500**	**–**	**–**	**–**	**122,500**
Impairment charge for the year	**–**	**10,383,461**	**–**	**–**	**10,383,461**
31 December 2020	**2,244,684**	**–**	**–**	**–**	**2,244,684**
Carrying amount					
31 December 2020	**8,511,622**	**–**	**–**	**–**	**8,511,622**
31 December 2019	20,573,586	–	–	–	20,573,586
31 DECEMBER 2019					
Cost					
1 January 2019	1,559,930	–	14,148,371	2,043,430	17,751,731
Additions	16,443,530	–	2,802,239	–	19,245,769
Disposals	–	–	(16,950,610)	(2,043,430)	(18,994,040)
Decommissioning Asset	2,940,000	–	–	–	2,940,000
31 December 2019	20,943,460	–	–	–	20,943,460
Impairment and depletion					
1 January 2019	–	–	14,148,371	2,043,430	16,191,801
Disposals	–	–	(16,950,610)	(2,043,430)	(18,994,040)
Depletion	369,874	–	–	–	369,874
Impairment charge for the year	–	–	2,802,239	–	2,802,239
31 December 2019	369,874	–	–	–	369,874
Carrying amount					
31 December 2019	20,573,586	–	–	–	20,573,586
31 December 2018	1,559,931	–	–	–	1,559,931

All intangible assets relate to oil & gas activities. The Group's oil and gas assets were assessed for impairment at 31 December 2020. One CGU's is recognised: the SCS licence concession.

Impairment assessments are prepared on the basis of comparing the present value of discounted cash flows with the carrying value of the assets.

17. Other Intangible Assets (Company) (continued)

Exploration and Evaluation

	Argentina Production assets US $	Total US $
31 DECEMBER 2020		
Cost		
1 January 2020	**362,001**	**362,001**
Additions	**288,475**	**288,475**
Disposals	**(323,607)**	**(323,607)**
31 December 2020	**326,869**	**326,869**
Impairment		
1 January 2020	**–**	**–**
Impairment charge for the year	**323,607**	**323,607**
Disposals	**(323,607)**	**(323,607)**
31 December 2020	**–**	**–**
Carrying amount		
31 December 2020	**326,869**	**326,869**
31 December 2019	362,001	362,001
31 DECEMBER 2019		
Cost		
1 January 2019	792,424	792,424
Additions	410,469	410,469
Disposals	(840,892)	(840,892)
31 December 2019	362,001	362,001
Impairment		
1 January 2019	700,536	700,536
Impairment charge for the year	140,356	140,356
Disposals	(840,892)	(840,892)
31 December 2019	–	–
Carrying amount		
31 December 2019	362,001	362,001
31 December 2018	91,888	91,888

18. Interest in Subsidiary Undertakings

	Year to 31 December 2020 US $	Year to 31 December 2019 US $
Cost		
1 January	**30,521,648**	19,404,113
Additions in year	**–**	11,117,535
31 December	**30,521,648**	30,521,648
Impairment		
1 January	**14,516,590**	14,516,586
Impairment	**14**	4
31 December	**14,516,604**	14,516,590
Carrying amount		
31 December 2020	**16,005,044**	
31 December 2019		16,005,058
31 December 2018/2017		4,887,527

In the prior year additional capital was injected into Eco Energy CDL Op Limited and Eco Energy TA Op Limited.

Details of the subsidiaries are as follows:

Subsidiary	Class of Share	% Owned	Country of Registration	Nature of Business
Echo Energy Holdings (UK) Limited	Ordinary	100%	England & Wales	Holding company
Echo Energy Argentina Holdings Limited	Ordinary	100%	England & Wales	Holding company
Echo Energy Tapi Aike Limited	Ordinary	100%	England & Wales	Holding company
Eco Energy TA Op Limited	Ordinary	100%	England & Wales	Holder of Argentinian branch assets
Echo Energy C D & LLC Limited	Ordinary	100%	England & Wales	Holding company
Eco Energy CDL Op Limited	Ordinary	100%	England & Wales	Holder of Argentinian branch assets
Echo Energy Bolivia (Hold Co 1) Limited	Ordinary	100%	England & Wales	Holding company
Echo Energy Bolivia (Op Co 1) Limited	Ordinary	100%	England & Wales	Holder of Bolivian branch assets
Echo Energy Bolivia (Hold Co 2) Limited	Ordinary	100%	England & Wales	Holding company
Echo Energy Bolivia (Op Co 2) Limited	Ordinary	100%	England & Wales	Dormant

The registered address for all of the above subsidiaries is: 85 Great Portland Street, London, W1W 7LT

Notes to the Financial Statements continued

19. Inventories

	31 December 2020		31 December 2019	
	Group US $	Company US $	Group US $	Company US $
Crude oil	**510,254**	**–**	420,844	–
Parts and supplies	**30,976**	**–**	–	–
Total	**541,230**	**–**	420,844	–

Crude oil inventories are measured at Net Realisable Value, other inventory items are measured at the lower of cost and net realisable value. These crude oil inventories are held in the SCS asset.

20. Other Receivables

	31 December 2020		31 December 2019	
	Group US $	Company US $	Group US $	Company US $
Non-current				
Amounts owing by subsidiary undertakings	**–**	**12,504,108**	–	12,893,354
Amounts provided against	**–**	**–**	–	(870,268)
Total	**–**	**12,504,108**	–	12,023,086
Current				
Trade receivables	**1,218,350**	**–**	1,002,295	–
Accrued income	**573,842**	**–**	1,181,838	–
Other receivables	**5,163,981**	**84,791**	6,056,470	142,910
Prepayments	**273,090**	**71,243**	436,676	100,764
Total	**7,229,263**	**156,034**	8,677,279	243,674

Other receivables in the Group and the Company principally comprise recoverable Value Added Tax and joint venture receivables. The directors consider that the carrying amount of trade and other receivables approximated their fair value.

21. Cash and Cash Equivalents

	31 December 2020		31 December 2019	
	Group US $	Company US $	Group US $	Company US $
Cash held by joint venture partners	**27,479**	**–**	300,746	–
Cash and cash equivalents	**654,680**	**437,230**	1,397,266	1,259,468
Total	**682,159**	**437,230**	1,698,012	1,259,468

Echo have advanced cash to our joint venture partners; this cash is held by our partners in a ring-fenced account. We recognise our equity share of the balance held.

22. Financial Instruments and Treasury Risk Management

Fair value of financial assets and liabilities

The carrying values of financial assets and liabilities are considered to be material equivalent to their fair values.

Treasury risk management

The Group manages a variety of market risks, including the effects of changes in foreign exchange rates, liquidity and counterparty risk.

Credit risk

The Group's principal financial assets are bank balances and cash and other receivables.

The credit risk on liquid funds is limited because the counterparties are UK, Argentine and Bolivian banks with high credit ratings. The Group operates with positive cash and cash equivalents as a result of issuing share capital in anticipation of future funding requirements. The Group's policy is therefore one of achieving high returns with minimal risks. In order to provide a degree of certainty, the Group primarily invests in short-term fixed-interest treasury deposits giving a low risk profile to these assets.

In Echo's SCS assets, acquired in November 2019, operating partner Interoil markets our hydrocarbon, primarily to well established utilities. Echo carries a marginally higher credit risk exposure as Echo deals directly with counterparties for payment, however as the Group's principle customers are substantial oil and gas utility companies and refiners, as such credit risk is considered to be low. There is no history of credit loss, non-payment or default by the inherited counterparties and the calculated amount of the potential 12-month credit risk loss is not material. The Company has low credit risk in respect of receivables as a result of supplying reputable oil and gas purchasers. All receivables have been recovered in full since 1 January 2020. The group has applied the expected credit loss model as required by the adoption of IFRS 9. Given current contractual arrangements where pricing has already been determined at the point where receivables from hydrocarbon sales are recognised as revenue, and the fact that contract counterparties are large corporate entities or utilities no provision was made for losses as any potential losses would be immaterial.

The maximum exposure due to credit risk for the Group on other receivables and amounts due from equity accounted joint operations during the year was US $3,253,335 (2019: US $6,928,450). No collateral is held in respect of these amounts.

The maximum exposure due to credit risk for the Company on intercompany receivables and other receivables during the year was US $28,509,152 (2019: US $28,028,144). No collateral is held in respect of these amounts. Intergroup funding is assessed for indications of impairment on a periodic basis. Investments and subsidiaries and intergroup loans in the amount of US $14,516,604 (2019: US $14,516,586) are considered to be impaired and have been provided against in full. All other amounts are expected to be received in full.

Currency risk

The Group's operations are primarily located in the South America, and the United Kingdom, with the main exchange risk being between the US Dollar and the Argentine Peso. The Argentine Peso has devalued by approximately 9% (2019: 37%) over the year. The Group addressed this risk by minimising exposure to the currency. The majority of Group revenues for the year were denominated in US Dollars but certain liabilities and revenues were denominated in Argentine Pesos. In certain instances the counterparty for settlement of pesos income and expenditure was the same. In these instances pesos balances were offset. Balances were held in dollars until settlement was due, and where short-term pesos balances were held these were placed on overnight deposit.

The Group does hold substantial receivable VAT balances denominated in pesos and have sought to expedite recovery to mitigate devaluation losses.

22. Financial Instruments and Treasury Risk Management (continued)

At year end the Group held the following cash and cash equivalent balances:

	31 December 2020 US $	31 December 2019 US $
US Dollars	**5,835**	731,351
GBP Sterling	**435,986**	393,637
Euro	**–**	181,742
Argentine Peso	**237,776**	384,470
Bolivian Boliviano	**2,562**	6,812
Total	**682,159**	1,698,012

The consolidated statement of comprehensive income would be affected by US $43,599 (2019: US $44,730) if the exchange rate between US $ and GBP changed by 10%. If the exchange rate between the US $ and the Euro changed by 10% there would be a profit or loss of US $nil (2019: US $30,972). There would be a loss of US $21,617 if the exchange rate between the Argentine Peso to the US Dollar weakened by 10%.

The Group has exposure to the Euro, Echo hold €25million bond notes, the Group held Euro denominated funds at the beginning of the period to cover servicing of debt during the accounting year. The primary source of funds for the Group in the period was equity raised in GBP, these funds were immediately translated into USD to fund exploration and acquisition activity in Argentina. No hedging products were used during this accounting period, but management actively review currency requirements to assess the suitability of hedging products. The Group consolidated statement of income would be affected by approximately US $2,692,605 (2019: US $2,318,139) by a reasonably possible 10 percentage points fluctuation in the exchange rate between US Dollars and Euros.

The VAT regime in Argentina differs from international practise as VAT investment activities are not immediately recoverable but must be offset against revenue streams. The Company made substantial investments in Argentina in 2018,2019 and 2020 and has accordingly built up a material VAT receivable balance. A new mechanism has been approved by government through Law No. 27430 and Decree 813/2018. The mechanism will allow Technical VAT credits associated with the purchase of capital assets from 1 January 2018 to be recovered through application if the Company has not been able to recover the VAT within six months. Echo submitted an application for the recovery of historic VAT balances as soon as the legislation permitted.

The Group used Blue Chip Swaps during the year to repatriate funds from Argentina to the UK. A Blue-Chip Swap is when a domestic investor purchases a foreign asset and then transfers the purchased asset to an offshore entity. The Group's Argentine subsidiary purchased shares in highly stable and liquid companies that are traded on both domestic and offshore stock exchanges. These shares were held for a fixed period in accordance with Argentinian regulation. Following the end of the fixed period the shares were sold offshore and the resulting funds were then repatriated to the parent company. This type of transaction is therefore exposed to stock price volatility during the hold period and incurs transaction fees. During the year, the Group swapped 12,259,250 Pesos into $70,851 net of transaction fees and forex losses.

Interest rate risk

The Group holds debt instruments that were issued at a fixed rate. As part of the Group's policy to maximise returns on cash held cash held in placed in interest bearing accounts where possible. During the course of 2020, Echo invested cash into operations and did not hold significant cash balances for prolonged periods of time. The consolidated statement of comprehensive income would be affected by US $71 (2019: US $925) by a 1% point change floating interest rate on a full-year basis.

The Group's actively manages its working capital to ensure the Group has sufficient funds for operations and planned activities. Operational cash flow represents receipts from revenue, together with on-going direct operational support costs, exploration, appraisal, administration and business development costs. The Group manages its liquidity requirements by the use of both short-term and long-term cash flow forecasts. The Group's policy is to ensure facilities are available as required, to issue equity share capital and form strategic alliances in accordance with long-term cash flow forecasts. The Group currently has no undrawn committed facilities as at 31 December 2020.

The Group's financial liabilities are primarily obligations under joint operations, trade payables and operational costs. All amounts are due for payment in accordance with agreed settlement terms with suppliers or statutory deadlines and all within one year.

22. Financial Instruments and Treasury Risk Management (continued)

Liquidity risk

The Group holds Euro denominated long-term debt. See Note 27.

The Group does not currently use derivative financial instruments to hedge currency and commodity price risk as it is not considered necessary. Should the Group identify a requirement for the future use of such financial instruments, a comprehensive set of policies and systems as approved by the directors will be implemented.

In accordance with IFRS 9, "Financial instruments: recognition and measurement", the Group has reviewed all contracts for embedded derivatives that are required to be separately accounted for if they meet specific requirements set out in the standard.

Commodity price risk

The Group is now exposed to the risk of fluctuations on prevailing commodity market prices. The Group does not use commodity forward contracts and futures to hedge against price risk in commodities as current volumes and market conditions mean they are not yet appropriate for Echo.

A 10% increase in the price of Gas would have increased revenue by approximately US $827,942.

A 10% increase in the price of Oil would have increased revenue by approximately US $278,425.

Capital management

The Group's legacy strategy has led to its capital structure being a mixture of debt and equity. The directors will reassess the future capital structure when projects under development are sufficiently advanced and restructure accordingly.

The Group's financial strategy is to utilise its resources to further appraise and test the Group's projects, forming strategic alliances for specific projects where appropriate together with assessing target acquisitions. The Group keeps investors and the market informed of its progress with its projects through regular announcements and raises additional equity finance at appropriate times.

Categories of financial instruments

All of the Group's financial assets are carried at amortised cost. The Group's embedded derivative is classified at fair value through profit or loss, the remaining Group's financial liabilities are classified as financial liabilities at amortised cost.

23. Trade and Other Payables

	31 December 2020		31 December 2019	
	Group US $	Company US $	Group US $	Company US $
Trade payables	**398,121**	**329,216**	398,216	112,701
Taxation and social security costs	**354,308**	**246,549**	253,439	128,834
Non-trade payables	**362,878**	**362,878**	9,156	–
Accruals	**108,223**	**68,925**	92,386	54,501
Right of Use Liability	**–**	**–**	64,180	64,180
Other loans	**2,298,638**	**2,298,638**	1,290,963	1,290,963
Joint venture payables	**9,726,978**	**–**	4,913,915	–
Total	**13,249,146**	**3,306,206**	7,022,255	1,651,179

Notes to the Financial Statements continued

24. Derivative Financial Liabilities

	31 December 2020 US $	31 December 2019 US $
Embedded derivative	**62,477**	728,783
Total	**62,477**	728,783

The embedded derivative represents the warrants issued along with the convertible debt facility with Lombard Odier Asset Management (Europe) Ltd (Note 27). It is recognised at fair value through profit or loss. On conversion to Company's shares, the fair value of the embedded derivative is transferred to equity.

Warrants	31 December 2020	31 December 2019	12 November 2019
Market stock price	**0.55p**	**2.3p**	**2.9p**
Option strike price	**3p**	**3.0p**	**3.0p**
Volatility	**99%**	**67.29%**	**65.55%**
Expiration of the option	**1.9 years**	**2.9 years**	**3 years**
Risk-free rate	**0.02%**	**0.79%**	**0.79%**

An increase of 10% in the volatility measure would result in an increase in the year end fair value of US $38,925 with a reduction in the gain.

Level 3 fair value measurements

Warrants instruments are deemed to be Level 3 liabilities under the fair value hierarchy as fair value measures of these liabilities are not based on observable market data. The movement in their fair values is shown in the table below:

	31 December 2020 US $	31 December 2019 US $
At 1 January	**728,783**	–
New issue of warrants	**–**	1,068,002
Fair value movements recognised through profit or loss	**(666,306)**	(339,219)
Total	**62,477**	728,783

25. Share Capital

	31 December 2020		31 December 2019	
	Group US $	Company US $	Group US $	Company US $
Issued, Called Up and Fully Paid				
1,040,050,920 0.32¢ (2019:711,717,587 0.32¢) ordinary shares				
1 January	**5,190,877**	**5,190,877**	4,444,999	4,444,999
Equity shares issued	**1,097,142**	**1,097,142**	745,878	745,878
31 December	**6,288,019**	**6,288,019**	5,190,877	5,190,877

The holders of 0.32¢ (0.25p) ordinary shares are entitled to receive dividends from time to time and are entitled to one vote per share at meetings of the Company.

On 10 August 2020, Echo issued 95,000,000 ordinary shares at 0.5p per share to raise gross proceeds of £475,000 (US$621,266). The funds will be used to advance SCS operations and will enable acceleration of prioritised activities, and for general working capital.

25. Share Capital (continued)

On 4 December 2020, Echo issued 233,333,333 ordinary shares at 0.3p per share to raise gross proceeds of £700,000 (US$943,810). The funds will be applied towards a range of near term E&P growth projects within the existing portfolio designed to deliver production uplift.

No further shares options were issued in the year, however a combination of warrants were issued in relation to fund raises and debt renegotiation.

Further shares issued during the year was as follows:

	Date	Shares	Price (p)	Prices (¢)
1 January 2020		711,717,587		
Shares issued @ .25p Placing	10/08/2020	95,000,000	0.50	0.65
Shares issued @ .25p Subscription	30/11/2020	233,333,333	0.30	0.40
31 December 2020		1,040,050,920		

26. Share Premium Account

	31 December 2020		31 December 2019	
	Group US $	Company US $	Group US $	Company US $
1 January	**64,817,662**	**64,817,662**	58,329,880	58,329,880
Premium arising on issue of equity shares	**467,934**	**467,934**	6,924,246	6,924,246
Warrants issued	**(231,675)**	**(231,675)**	–	–
Transaction costs	**(92,016)**	**(92,016)**	(436,464)	(436,464)
31 December	**64,961,905**	**64,961,905**	64,817,662	64,817,662

(A) Share Options

The Group has a share option scheme established to reward and incentivise the executive management team and staff for delivering share price growth. The share option scheme is administered by the remuneration committee. The expected life of the options is based on the expected time through to exercise and is not necessarily indicative of exercise patterns.

Share options are valued using the stochastic Black-Scholes model. The inputs to the model are the market price at date of grant, the exercise price set out in the option agreement, expected life, the risk-free rate of return and the expected volatility. A 10-year gilt rate is used as an equivalent to risk free rate and the expected volatility was determined with reference to the Company's share price.

The expected life used in the model has been adjusted, based on management's best estimate, for the effects of non-transferability, exercise restrictions and behavioural considerations. The cost of options is amortised to the statement of comprehensive income over the service period of the option.

Details of the tranches of share options outstanding at the year end are as follows:

Share Options	Number 31/12/2020	WAEP* (¢) 31/12/2020	Number 31/12/2019	WAEP* (¢) 31/12/2019
Outstanding as at 1 January	**102,218,073**	**5**	54,882,803	7
Granted during the year	**–**	**–**	57,085,270	5
Expired during the year	**–**	**–**	–	–
Forfeited during the period	**(6,726,966)**	**7**	(9,750,000)	19
Exercised during the year	**–**	**–**	–	–
Options outstanding as at 31 December	**95,491,106**	**5**	102,218,073	5
Exercisable at 31 December	**41,010,000**	**3**	10,000	100

*Weighted Average Exercise Price (WAEP)

26. Share Premium Account (continued)

The fair values on the grant date and each reporting date were determined using the Black Scholes option pricing model. The following key assumptions were used in determining the derivative's fair value at the reporting date:

The weighted average outstanding life of vested share options is 1.3 years. The weighted average price for outstanding options ranges between 2.2¢ and 102¢ (1.6p and 75.0p). The outstanding share options are not subject to any share performance-related vesting conditions, but vesting is conditional upon continuity of service.

The Group recognises total expenses of US $334,319 (2019: US $361,409) related to equity-settled, are share-based payment transactions during the year.

A deferred taxation asset has not been recognised in relation to the charge for share-based payments due to the availability of tax losses to be carried forward.

(B) Warrants over ordinary shares

The Company issued warrants over ordinary shares to subscribers of new ordinary shares and as fundraising commission in respect of debt fundraisings completed during the years to 31 December 2020.

Details of the tranches of warrants outstanding at the year-end are as follows:

Warrants	Number 2020	WAEP* (¢) 2020	Number 2019	WAEP* (¢) 2019
Outstanding as at 1 January	**355,951,093**	**14**	281,751,093	16
Granted during the year	**104,271,428**	**1**	74,200,000	4
Forfeited during the period	**–**	**–**	–	–
Exercised during the year	**–**	**–**	–	–
Outstanding as at 31 December	**460,222,521**	**10**	355,951,093	14

*Weighted Average Exercise Price (WAEP)

Warrants values are calculated using the Black Scholes option pricing model using the following inputs.

Warrants	9 March 2020	10 August 2020	10 August 2020
Market stock price	**0.7p**	**0.5p**	**0.5p**
Option strike price	**1.4p**	**0.8p**	**1.0p**
Volatility	**97.05%**	**96.81%**	**96.81%**
Expiration of the option	**2 years**	**1.96 years**	**1.96 years**
Risk-free rate	**0.086%**	**-0.101%**	**-0.101%**

The weighted average price for outstanding warrants as at 31 December 2020 ranges between 1.1¢ and 22.2¢ (0.8p and 16.2p). The residual weighted average contractual life for the warrants is 1.49 years.

27. Loans Due in Over One Year

	31 December 2020 US $	31 December 2019 US $
Five-year secured bonds	**(22,167,419)**	(16,388.586)
Additional net funding	**(5,766,544)**	(4,215,716)
Other loans	**(1,640,693)**	–
Total	**(29,574,656)**	(20,604,302)

27. Loans Due in Over One Year (continued)

	Balance as at 31 December 2019 US $	Reclassified from short term loans US $	Amortised finance charges US $	Exchange adjustments US $	31 December 2020 US $
€20 million five-year secured bonds	17,396,519	–	3,682,625	1,757,001	**22,836,146**
€5 million Lombard Odier secured convertible debt facility	4,583,289	–	943,434	461,078	**5,987,801**
Other loans	–	1,290,963	293,867	55,863	**1,640,693**
Loan fees	(1,007,933)	–	443,650	(104,443)	**(668,726)**
Incremental loan fees	(367,573)	–	171,263	(24,947)	**(221,257)**
Total	20,604,302	1,290,963	5,534,839	2,144,552	**29,574,656**

US$27,276,018 of the total loan balance is shown in non-current liabilities and US $2,298,638 is shown in current liabilities (see Note 23)

In March 2020, to ensure the business is robustly positioned in the event of continued downward pressure on oil demand and prices driven by recent global events, and as part of its programme to conserve cash, the Company announced that it would enter negotiations with holders of its debt to extend the loans or defer all cash interest during 2020.

€20 million five-year secured bonds

On 22 May 2017 the Company announced that Nusakan plc ("Nusakan") subscribed for five-year non-amortising secured bonds with an aggregate issue value of €20million ("€20m Bond"). Alongside the €20m Bond, the Company issued 169,402,469 warrants to subscribe for new ordinary shares in the Company at an exercise price of 15.1875 pence per ordinary share and an exercise period of approximately five years, concurrent with the terms of the €20m Bond to Nusakan ("the Warrants"). The €20m Bond are secured over the share capital of Echo Energy Limited. The €20m Bond have an 8% coupon and were issued at a 20% discount to par value. A total cash fee of GBP £1.7 million (€2 million) was payable by the Company.

The Warrants were recorded within equity at fair value on the date of issuance and the proceeds of the notes net of issue costs were recorded as non-current liability. The coupon rate for the Bonds ensures that the Company's on-going cash out-flow on interest payments remains low, conserving the Company's cash resources. The effective interest rate is approximately 21.55%. The five-year secured Bonds are due in May 2022.

Debt renegotiation

On 22 May 2020, the Company announced that at a meeting of the holders of the €20m Bond (the "Noteholders"), the Noteholders gave their consent to waive the event of default in relation to the non-payment by the Company of the quarterly interest due on 31 March 2020. Furthermore, the Company obtained consent to defer quarterly interest payments which would otherwise be due on 31 March 2020, 30 June 2020, 30 September 2020 and 31 December 2020 (the "2020 Interest Payments") such that the 2020 Interest Payments will be payable by the Company on maturity of the bonds in May 2022. The Company will continue to be required to make quarterly interest payments on the €20m Bond in 2021 and 2022. In addition, the Company granted security in the form of a share charge over 100% of the shares in Echo Argentina Holdings Limited. Such security will be shared pari passu between the Noteholders and Lombard Odier in its capacity as lender under the Company's €5m Loan. Further restructuring of these Bonds occurred post period. Please refer to note 33.

€5 million Lombard Odier secured convertible debt facility

As part of the acquisition of the SCS assets, the Company announced on 21 October 2019 that it had entered into a secured convertible debt facility with Lombard Odier Asset Management (Europe) Ltd ("Lombard Odier") for a five-year non-amortising €5.0 million 8.0% secured convertible debt facility (the "€5m Loan") maturing in 2022. Of the €5million received, as described in Note 27, €0.97m (US $1.1m) has been allocated to the warrants which were issued alongside the €5m Loan and are recorded as a financial liability and held at fair value through the profit or loss.

27. Loans Due in Over One Year (continued)

Debt renegotiation

The terms of the €5m Loan were amended in 2020. In order to provide parties with the time to conclude an amendment to the €5m Loan, the holder Lombard Odier waived default rights under the €5m Loan for non-payment of the 31 March 2020 interest. On 1 December 2020 the Company concluded an agreement (subject to conditions that were subsequently met post period see note 33) with Lombard Odier to:

- Extend the maturity by 3 years such that the debt facility will mature on the last business day of April 2025.
- Make no more cash interest payments until the maturity date. Interest will be rolled up and added to the then outstanding debt facility principle.

Other loans

On 6 March 2020, Echo announced that it had agreed a two-year extension of the Company's existing £1.0m Loan originally provided to the Company in March 2017 and now held by Spartan Class O, a sub fund of Spartan Fund Limited SAC ("Spartan"). The interest rate of the £1m Loan remains unchanged.

The Company agreed that the extended Loan will now be repayable as follows: (a) £100,000 on 30 November 2020; (b) four quarterly instalments of £50,000 on the last business day of the relevant month commencing in March 2021; and (c) the balance of £700,000 on 8 March 2022. In connection with the extension of the Loan, Spartan was issued with 3,571,428 warrants to subscribe for new ordinary shares in the Company at a price of 1.4 pence per new share and with an expiry date of 9 March 2022.

On 1 April 2020, the Company further announced entry of an amendment to the Company's £1m Loan facility such that interest payment due 31 March 2020 was postponed and no interest payments were required prior to 31 March 2021. With effect from 1 January 2020, interest on the £1m Loan will now accrue at an unchanged annual interest rate of 12.0% and, at the end of each quarterly interest period, be added to the aggregate principal amount owing under the £1m Loan, for payment on maturity. The Company agreed that, as amended, the £1m Loan will now be repayable as follows: (a) £100,000 in March 2021; (b) three quarterly instalments of £50,000 on the last business day of the relevant month commencing in June 2021; and (c) the balance of £750,000, together with accrued interest, on 8 March 2022. The other terms of the £1m Loan remain unchanged.

Maturity analysis

Contractual undiscounted cash flows:

	31 December 2020 US $	31 December 2019 US $
Amounts due within one year	**2,293,290**	1,396,157
Amounts due between one and five years	**35,628,948**	33,291,406
Amounts due over five years	**–**	–
	37,922,238	34,687,563

28. Provisions

	31 December 2020 US $	31 December 2019 US $
		–
Assessment of decommissioning provision	**2,979,956**	2,940,000
	2,979,956	2,940,000

28. Provisions (continued)

Provision has been made for the discounted future cost of abandoning wells and restoring sites to a condition acceptable to the relevant authorities. It is likely that some abandonments will occur in 2021. The provisions are based on Operators' internal estimate at 31 December 2020, and the movement from the prior year relates to the unwinding of the provision. Assumptions are based on the current experience from decommissioning wells. The estimates are reviewed regularly to take account of any material changes to the assumptions. Actual decommissioning costs will ultimately depend upon future costs for decommissioning which will reflect market conditions and regulations at that time. Furthermore, the timing of decommissioning is uncertain and is likely to depend on when the fields cease to produce at economically viable rates. This, in turn, will depend on factors such as future oil and gas prices, which are inherently uncertain.

29. Right-of-use Liability

The Group's right-of-use asset comprises the lease of its London office (See Note 16).

These liabilities are included in the statement of financial position:

	31 December 2020	31 December 2019
	US $	US $
Amounts due within one year	–	64,180
Amounts due after more than one year	–	–
	–	64,180

Amounts recognised in the statement of comprehensive income:

	31 December 2020	31 December 2019
	US $	US $
Interest on leasehold liabilities	**2,293**	17,402

Amounts recognised in the statement of cash flows:

	31 December 2020	31 December 2019
	US $	US $
Repayment of lease liabilities	**74,046**	156,269

During 2019 the office in Bolivia exited its leasehold premise resulting in the unwinding of the right of use liability. The London office lease was exited in May 2020 and resulted in the unwinding of the right of use liability. Interest on the financing amount was imputed as that of bond financing at 20%.

Maturity analysis

Contractual undiscounted cash flows:

	31 December 2020	31 December 2019
	US $	US $
Amounts due within one year	–	64,180
Amounts due after more than one year	–	–
	–	64,180

30. Related Party Transactions

Inter-group balances

In order for individual subsidiary companies to carry out the objectives of the Group, amounts are loaned to them on an unsecured basis. At the year end the following amounts were outstanding:

	31 December 2020	31 December 2019
	US $	US $
Amounts owed to Echo Energy plc from:		
Echo Energy Bolivia Op Co 1	**380,941**	176,773
Eco Energy CDL Op Limited	**2,488,765**	2,816,915
Eco Energy TA Op Limited	**9,634,401**	9,029,398
Independent Resources (Ksar Hadada) Limited	**–**	–
	12,504,108	12,023,086

Lombard Odier and Nusakan (formerly Greenberry plc) are significant shareholder in the Company. Please refer to Note 27 for details of the debt transactions which relate to these counterparties.

Phoenix Global Resources plc from whom Echo acquired the SCS assets in late 2019 is also a significant shareholder in the Company following the issue by the Company of consideration shares to Phoenix Global Resources plc in respect of the Company's acquisition of the SCS assets.

31. Controlling Party

The directors do not consider there to be a controlling party.

32. Commitments

Echo has no committed expenditure in relation to capital projects in the SCS asset at the end of 31 December 2020. It will continue to pay operational costs as cash called by the Joint venture partner.

33. Subsequent Events

New gas contract at premium to prevailing spot pricing

On 6 January 2021, the Company secured a further gas sales contract at a premium to prevailing spot market rates, supplying a key customer with approximately 1.4MMscf/d gross (1.0 MMscf net to Echo) of natural gas. The price negotiated represented a significant 28% premium to the prevailing local spot price of Q4 2020.

On 28 January 2021, the Company granted 35,750,000 options to its employees as part of an initiative to retain and incentivise staff, with all options issued with a price of 0.66 pence per Ordinary share. 24,000,000 of the options have been awarded to Martin Hull, the Company's Chief Executive Officer. The options awarded to Martin Hull will vest in three equal tranches on the first, second and third anniversaries of grant, conditional upon the Echo Remuneration Committee being satisfied that vesting of each tranche is warranted, based on the Chief Executives performance and/or share price growth over the year prior to vesting. These director options will be exercisable anytime thereafter until expiry on the fifth anniversary date on which the options were granted. The options issued to employees will vest on the third anniversary of the date of grant, and will be exercisable anytime thereafter until expiry on the fifth anniversary on which the options were granted.

On 24 March 2021, Echo secured two new sales contracts at significant premium to both prevailing spot market rates (39%) and 2020 contracted rates (126%).

Issue of shares in relation to 22 December 2020 fund raise

On 11 January 2021, 167,842,138 shares at 0.51p issued to satisfy the £856,00 gross proceeds fund raise announced on the 22 December 2020. In addition, 167,843,138 warrants were issued, with half of these exercisable at 0.7p and the remainder at 0.75p. Of these, 50% were issued on admission, and the other 50% conditional on the necessary issuance authorities at the Company's 2021 annual general meeting.

33. Subsequent Events (continued)

Bolivia: cooperation agreement and exclusivity

On 8 January 2021, the Company announced that it has signed a cooperation agreement with GTLI, a majority owned subsidiary of the Bolivian company UruboCorp focused on energy production and supply in Bolivia and with interests in both the hydrocarbon and renewables sectors.

Echo and GTLI will collaborate to jointly promote their business development initiatives in Bolivia, through joint efforts to identify and assess new business development opportunities across the full energy spectrum, in relation to which the parties have granted each other a six-month period of exclusivity. The cooperation agreement will enable a portfolio of opportunities to be matured in a cost-effective way across the Bolivian energy space.

GTLI is a leading Bolivian Energy Operator and holds the El Palmar operational hydrocarbon contract with the Government of Bolivia and is a subsidiary within a larger investment group known as UruboCorp that includes mining (gold), real estate and energy, and with interests in both the hydrocarbon and renewables sectors.

Cooperation between the Company and GTLI on any specific projects identified remains subject to, inter alia, the negotiation and entry of binding agreements and Echo will focus on any opportunities that meet its stringent profitability and positive cashflow criteria. The grant of a period of Exclusivity is the only binding term of the Cooperation Agreement. The Cooperation Agreement has an initial term of 5 years and may be terminated by either party without penalty on providing 6 months' notice.

Bond restructuring

On 22 February 2021, Echo announced further to the Company's announcement of 1 December 2020, its proposals in respect of a restructuring of the Company's Bonds, It proposed to

- Extend the maturity of the Bonds by three years to 15 May 2025 (the "Maturity Date"); and
- Remove all cash interest payments on the Notes prior to the Maturity Date.

On approval, all interest on the Bonds accruing from 31 December 2019 shall be paid in cash on the Maturity Date save that Noteholders will be provided with the ability, from 30 September 2021, to elect to receive Bond interest payments in respect of the immediately preceding quarter in new ordinary Shares in the Company ("Elections"), subject inter alia to the Company having the required share issuance authorities in place from time to time to satisfy elections and to Noteholders holding at least 50 per cent of the Bonds having made Elections in respect of the relevant quarter. Any new ordinary shares issued as a result of elections would be issued at an effective issue price equal to the volume weighted average price of an Echo ordinary share for the 10 Business Days before the relevant interest conversion date.

As part of the Proposals, the Company agreed, subject to Bondholder approval of the Proposals at the Noteholder Meeting, that it will not, without the prior consent of Noteholders by way of a simple majority of those Noteholders then voting, drill an exploration well with a budgeted cost to the Company of in excess of EUR 5.0 million for so long as the Bonds are outstanding and that it will not, in the last 18 months prior to the Maturity Date, make an acquisition of an interest in an oil and gas property, lease or licence if the cash consideration for such acquisition exceeds EUR 10.0 million.

A payment of EUR 100,000, payable to Bondholders voting in favour of the Proposals at the Bondholder Meeting pro rata to votes cast at the Noteholder Meeting, will be satisfied by the issue of new ordinary shares in the Company at an issue price equal to the average mid-market closing price per Echo ordinary share for the five days ending, and including, 18 February 2021.

Subsequently on 30 March 2021, a requisite majority of Bondholders approved the Debt restructuring proposals. Echo issued a total of 11,473,929 new ordinary shares in the Company (representing c.0.9% of the Company's current issued ordinary share capital) to Bondholders.

33. Subsequent Events (continued)

Facilities upgrade

On 24 February 2021, Echo announced agreement with the SCS partners to upgrade existing liquid pipelines in the SCS assets.

Capital expenditure net to Echo's 70% working interest of around US$ 275,000 will be injected by the Company to replace and upgrade parts of the infrastructure primarily in the Chorillos, Campo Molino and Cerro Convento fields with installation expected to take approximately 45 days from conclusion of successful procurement. Ten individual upgrade projects will be completed to enable the upgrade of around 23 km of pipeline.

It is anticipated that once the pipelines are fully operational, gross daily liquids production will be restored to levels of between 480 bopd - 600 bopd (336 - 420 bopd net Echo).

Exercise of warrants

On 12 April 2021, the Company received notice for the exercise of 74,200,000 warrants to subscribe for new ordinary shares in the Company at an exercise price of 0.3 pence per share. As a result, an application has been made for 74,200,000 new ordinary shares in the Company (to be admitted to trading on AIM.

The admission of the new ordinary shares, rank pari passu with the Company's existing ordinary shares. Following Admission on the 16 April, the Company's issued ordinary share capital will comprise 1,293,567,987.

Shareholder Information

AIM Rule 26 information

Dealing Information

Country of incorporation
England & Wales (Registered Number 5483127)

Main country of operation

Argentina

Trading information

Shares in Echo Energy plc are only traded on AIM, a market operated by the London Stock Exchange plc, and the Company has not applied or agreed to have any of its securities admitted or traded to any other exchange or platform.

There are no restrictions on the transfer of ordinary shares.

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Glossary

AAPG	American Association of Petroleum Geologists
AIM	Alternative Investment Market
API	American Petroleum Institute
AVO	amplitude versus offset
bbl(s)	barrel(s)
bbl(s)/d	barrel(s) per day
Bcf	billion cubic feet
Board	the Board of Directors of Echo Energy plc
boe	barrel(s) of oil equivalent
boepd	barrel(s) of oil equivalent per day
bopd	barrels(s) of oil per day
capex	capital expenditure
CDL	Fracción C, Fracción D, and laguna De Los Capones licences
CGC	Compañia General de Combustibles S.A.
CGU	Cash Generating Unit
Company	Echo Energy plc
E&E	exploration and evaluation
E&P	exploration and production
FRC	Financial Reporting Council
G&A	general and administration expenses
GIIP	gas initially in place
Group	the Company and its subsidiaries
HSE	health, safety and environment
IAPG	International Association of Petroleum Geologists
IAS	International Accounting Standards
IFRS	International Financial Reporting Standards as adopted by the European Union
IMF-WEO	International Monetary Fund – World Economic Outlook
ISAs (UK)	International Standards on Auditing
JEA	joint evaluation agreement
JV	joint venture
KPI	key performance indicators
LNG	liquid natural gas
MMbbls	million barrels
MMBOE	million barrels of oil equivalent
mmbtu	million British thermal units
MMscf/d	million standard cubic feet per day
NAV	net asset value
NOMAD	nominated advisor
OPEC+	OPEC countries and high exporting non-members like Russia and Kazakhstan
opex	operations expenditure
PETSA	Petrolera El Trebol S.A.
Pmean	mean case
ppm	parts per million
pulling job	low cost well intervention to restart/improve production
P10	high case (value with a 10% chance of being equalled or exceeded)
P50	moderate case (value with a 50% chance of being equalled or exceeded)
P90	low case (value with a 90% chance of being equalled or exceeded)
QCA Code	Quoted Companies Alliance Corporate Governance Code
SCS	Santa Cruz Sur
SPE	Society of Petroleum Engineers
SPEE	Society of Petroleum Evaluation Engineers
spud	to commence drilling a well
Tcf	trillion cubic feet
TD	total depth
TVD	true vertical depth
TEA	technical evaluation agreement
UGA	UGA Seismic S.A.
WAEP	Weighted Average Exercise Price
Workover	an invasive well intervention involving a rig
WPC	World Petroleum Council
WTI	West Texas Intermediary
1C	low estimate of contingent resources
2C	best estimate of contingent resources
3C	high estimate of contingent resources
2P	proven plus probable
$ / US $	United States Dollar

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