FRONTERA ENERGY CORPORATION

ANNUAL INFORMATION FORM

FOR THE YEAR ENDED

DECEMBER 31, 2023

TABLE OF CONTENTS

NOTE TO READER	2
GLOSSARY OF TERMS AND ABBREVIATIONS	2
CORPORATE STRUCTURE	7
GENERAL DEVELOPMENT OF THE BUSINESS	8
DESCRIPTION OF THE BUSINESS	15
RISK FACTORS	26
RESERVES DATA AND OTHER INFORMATION	47
DIVIDENDS AND DISTRIBUTIONS	48
DESCRIPTION OF CAPITAL STRUCTURE	48
MARKET FOR SECURITIES	55
DIRECTORS AND OFFICERS	55
INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS	60
LEGAL PROCEEDINGS AND REGULATORY ACTIONS	60
TRANSFER AGENT AND REGISTRAR	62
MATERIAL CONTRACTS	62
INTERESTS OF EXPERTS	63
AUDIT COMMITTEE INFORMATION	63
ADDITIONAL INFORMATION	65
FORWARD-LOOKING INFORMATION	65
APPENDIX “A”	68

NOTE TO READER

The information in this Annual Information Form dated March 7, 2024 for the fiscal year ended December 31, 2023 (“**AIF**”) is stated as at December 31, 2023, unless otherwise indicated. All dollar amounts are expressed in U.S. dollars and references to “$” are to U.S. dollars unless otherwise indicated. References to “C$” are to Canadian dollars.

This AIF contains forward-looking information based on Frontera’s current expectations, assumptions and beliefs. Such information involves a number of known and unknown risks and uncertainties, including those discussed in this document in the “Risk Factors” section, and other factors that may cause the actual results, performance or achievements of the Company or industry results to be materially different from any future results, performance or achievements expressed or implied by such forward-looking information. See “Forward-Looking Information”.

Reference made in this AIF to other documents or information or documents available on a website does not constitute the incorporation by reference into this AIF of such other documents or such other information or documents available on such website, unless otherwise stated.

GLOSSARY OF TERMS AND ABBREVIATIONS

Capitalized terms used, but not otherwise defined in this AIF, have the meanings set out below. Words importing the singular, where the context requires, include the plural and vice versa and words importing any gender include all genders.

“**2022 Annual Financial Statements**” means the Company’s audited annual financial statements for the years ended December 31, 2022 and 2021, available on SEDAR+ at www.sedarplus.ca.

“**2023 Annual Financial Statements**” means the Company’s audited annual financial statements for the years ended December 31, 2023 and 2022, available on SEDAR+ at www.sedarplus.ca.

“**2023 JOA Amending Agreement**” has the meaning given to such term under the heading “General Development of the Business – Three Year History – Developments in 2023”.

“**2023 Unsecured Indenture**” means the indenture governing the 2023 Unsecured Notes.

“**2023 Unsecured Notes**” means the Company’s formerly outstanding $350 million unsecured notes issued pursuant to the 2023 Unsecured Indenture and due 2023, but which were fully redeemed on July 7, 2021.

“**2025 Puerto Bahia Debt**” means the debt facility in the principal amount of $370 million, dated October 4, 2013, between inter alia, Puerto Bahia, Itaú BBA Colombia S.A. and other lenders, which was repaid in full on March 31, 2023, with the proceeds from the PIL Loan Facility.

“**2028 Unsecured Indenture**” means the indenture governing the 2028 Unsecured Notes, as amended or supplemented from time to time.

“**2028 Unsecured Notes**” means the Company’s currently outstanding $400 million unsecured notes issued pursuant to the 2028 Unsecured Indenture and due on June 21, 2028.

“**Amended and Restated Rights Plan**” has the meaning given to such term under the heading “Description of Capital Structure – General Description of Capital Structure – Shareholder Rights Plan”.

“**ANH**” means the Agencia Nacional de Hidrocarburos, the governmental entity in Colombia responsible for the granting of exploration and exploitation agreements with respect to hydrocarbons.

“**Audit Committee**” means the audit committee of the Board.

“**Awards**” has the meaning given to such term under the heading “Description of Capital Structure – General Description of Capital Structure – Incentive Plan”.

“**Bancolombia**” has the meaning given to such term under the heading “General Development of the Business – Three Year History – Developments in 2023”.

“**Bancolombia Loan**” has the meaning given to such term under the heading “General Development of the Business – Three Year History – Developments in 2023”.

“**BCBCA**” means the Business Corporations Act (British Columbia), S.B.C. 2002, C. 57, as amended, including the regulations promulgated thereunder.

“**BIC Pipeline**” means the Oleoducto Bicentenario pipeline, a Colombian pipeline that connects the Araguaney Station in Casanare Department to the Banadia Station in Arauca Department.

“**Bicentenario**” means Oleoducto Bicentenario de Colombia S.A.S., owner of the BIC Pipeline.

“**Board**” means the board of directors of the Company.

“**BP**” means BP plc.

“**BTG Instrument**” has the meaning given to such term under the heading “Description of Capital Structure – Other Debt Facilities – Other Debt Instruments”.

“**Catalyst**” means The Catalyst Capital Group Inc., or any funds managed or administered by it or its affiliates.

"**CDO**” has the meaning given to it under the heading “Colombia and Ecuador Upstream Activities – Exploration and Production Activities – Colombia”.

“**CENIT**” means Cenit Transporte y Logística de Hidrocarburos S.A.S, a subsidiary of Ecopetrol and owner and operator of the CLC Pipeline.

“**CGR**” has the meaning given to such term under the heading “Legal Proceedings and Regulatory Actions – Contraloria (PTA9)”

“**CGX**” means CGX Energy Inc., a Canadian public company, listed on the TSX Venture Exchange (TSXV:OYL), a majority-owned subsidiary of the Company and part owner and operator of the Company’s Guyana blocks.

“**CGX Rights Offering**” has the meaning given to such term under the heading “General Development of the Business – Three Year History – Developments in 2021”.

“**Citibank Working Capital Loan**” has the meaning given to such term under the heading “General Development of the Business – Three Year History – Developments in 2023”.

“**CITT**” has the meaning given to such term under the heading “Legal Proceedings and Regulatory Actions – Puerto Bahia – Tank Construction Related Arbitration”.

“**CLC Pipeline**” means the Caño Limón-Coveñas pipeline, a Colombian pipeline that connects the Banadia Station in Arauca Department to the Coveñas terminal on Colombia’s Caribbean coastline in Sucre Department.

“**Common Shares**” means the common shares in the capital of the Company.

“**Company**” or “**Frontera**” means Frontera Energy Corporation, and includes, where the context dictates, its subsidiaries on a consolidated basis.

“**Compensation and Human Resources Committee**” means the compensation and human resources committee of the Board.

“**Copas**” has the meaning given to such term under the heading “Legal Proceedings and Regulatory Actions – ANH Copa Fields Unification at Cubiro Block”.

“**Conciliation Agreement**” means the conciliation agreement between Frontera, CENIT and Bicentenario resolving all disputes related to the BIC Pipeline and the CLC Pipeline.

“**COSO**” means the Committee of Sponsoring Organizations of the Treadway Commission.

“**Delegated Authority**” has the meaning given to such term under the heading “Audit Committee Information – Pre-Approval Policies and Procedures”.

“**Dividend Policy**” has the meaning given to such term under the heading “Dividends and Distributions”.

“**D&M**” means DeGolyer and MacNaughton Corp., an independent petroleum engineering consulting firm.

“**DRIP**” has the meaning given to such term under the heading “Dividends and Distributions”.

“**DSUs**” has the meaning given to such term under the heading “Description of Capital Structure – General Description of Capital Structure – Incentive Plan”.

“**E&P**” means exploration and production.

“**Ecopetrol**” means Ecopetrol S.A., the Colombian majority state-owned oil and gas company.

“**Equity Contribution Agreement**” has the meaning given to such term under the heading “Description of Capital Structure – Material Debt Facilities – Puerto Bahia Secured Syndicated Credit Loan”.

“**ERM**” means enterprise risk management.

“**EPC Contract**” has the meaning given to such term under the heading “Legal Proceedings and Regulatory Actions – Puerto Bahia – Tank Construction Related Arbitration”.

“**FECC**” means Frontera Energy Colombia AG, a company duly incorporated under the laws of Schaffhausen, Switzerland and a wholly-owned subsidiary of the Company.

“**Fitch**” has the meaning given to such term under the heading “Description of Capital Structure – Credit Ratings”.

“**Frontera Bahia**” means Frontera Bahia Holding Ltd. (formerly Pacinfra Holding Ltd.), a wholly-owned subsidiary of the Company which holds, directly and indirectly, part of the Company’s majority interest in Puerto Bahia.

“**GHG**” has the meaning given to such term under the heading “Risk Factors – General Risks – Climate change transition risks”.

“**Guyana Port Project**” has the meaning given to such term under the heading “Description of the Business – Infrastructure Activities (formerly Midstream Activities) – Guyana Port Project”.

“**IFC**” means International Finance Corporation.

“**IFRS**” means International Financial Reporting Standards as issued by the International Accounting Standards Board.

“**Incentive Plan**” has the meaning given to such term under the heading “Description of Capital Structure – General Description of Capital Structure – Incentive Plan”.

“**IRI**” has the meaning given to such term under the heading “Legal Proceedings and Regulatory Actions – IRI de Colombia S.A.S – Purchase Order Dispute”.

“**ISO**” means the International Organization for Standardization.

“**IVI**” means Infrastructure Ventures Inc., a majority-owned subsidiary of the Company which holds debt and equity interests in Puerto Bahia.

“**Joint Operating Agreement**” means the joint operating agreement in respect of the Corentyne block originally signed between a subsidiary of CGX and a subsidiary of Frontera on January 30, 2019, as amended from time to time.

“**Joint Venture**” has the meaning given to such term under the heading “General Development of the Business – Three Year History – Developments in 2023”.

“**LOC**” has the meaning given to such term under the heading “Legal Proceedings and Regulatory Actions – Puerto Bahia – Tank Construction Related Arbitration”.

“**M&P**” has the meaning given to such term under the heading “General Development of the Business – Three Year History – Developments in 2021”.

“**NCIB**” means normal course issuer bid.

“**NI 51-102**” means National Instrument 51-102 – Continuous Disclosure Obligations.

“**NobleCorp**” means Noble Corporation plc, the successor company to The Drilling Company of 1972 A/S, and the owner of the NobleCorp (formerly Maersk) Discoverer.

“**NobleCorp Discoverer**” means the semi-submersible drilling unit owned by NobleCorp.

“**OAM Pipeline**” means the Upper Magdalena Oil pipeline, a Colombian pipeline that connects the Tenay Station north of Neiva to the Vasconia Station in Boyacá Department.

“**Ocensa**” means the Oleoducto Central S.A., owner of the Ocensa Pipeline.

“**Ocensa Pipeline**” means the Colombian pipeline that connects the Cusiana and Cupiagua fields in Casanare Department to the Coveñas export terminal on Colombia’s Caribbean coastline in Sucre Department.

“**ODC Pipeline**” means the Oleoducto de Colombia pipeline, a Colombian pipeline that connects the Vasconia Station in Boyacá Department to the Coveñas terminal on Colombia’s Caribbean coastline in Sucre Department.

“**ODL**” means Oleoducto de los Llanos Orientales S.A., owner of the ODL Pipeline.

“**ODL Pipeline**” means Oleoducto de los Llanos pipeline, a Colombian pipeline that connects the Rubiales field to the Monterrey Station or Cusiana Station in Casanare Department.

“**OGD Pipeline**” means the Guaduas-La Dorada pipeline, a Colombian pipeline that connects the Guaduas Station in Cundinamarca Department to the La Dorada Station in Caldas Department.

“**OPEC**” means the Organization of Petroleum Exporting Countries.

“**Parex**” means Parex Resources Inc.

“**Perupetro**” means Perupetro S.A., the Peruvian governmental entity responsible for promoting, negotiating, underwriting and monitoring contracts for exploration and exploitation of hydrocarbons in Peru.

“**PetroSud**” means Petroleos Sud Americanos S.A., a wholly-owned subsidiary of the Company.

“**PetroSud Debt**” has the meaning given to such term under the heading “Description of Capital Structure – Other Debt Facilities – PetroSud Credit Loans”.

“**PIL**” means Pipeline Investment Ltd. (formerly ODL JV Limited, and prior to that, Pacific Midstream Ltd.), a wholly-owned subsidiary of the Company which holds a 35% equity interest in ODL.

“**PIL Loan Facility**” has the meaning given to such term under the heading “General Development of the Business – Three Year History – Developments in 2023".

“**Port Facility**” has the meaning given to such term under the heading “Description of the Business –Infrastructure Activities (formerly Midstream Activities) – Puerto Bahia”.

“**PPL**” means petroleum prospecting license.

“**Preferred Shares**” means preferred shares in the capital of the Company.

“**production**” means working interest production before royalties, and total volumes produced from service contracts.

“**Puerto Bahia**” means Sociedad Portuaria Puerto Bahia S.A., a partially-owned subsidiary of the Company that is the owner and operator of the Port Facility.

“**Reficar**” has the meaning given to such term under the heading “General Development of the Business – Three Year History – Developments in 2023”.

“**Resolution**” has the meaning given to such term under the heading “Legal Proceedings and Regulatory Actions – ANH Copa Fields Unification at Cubiro Block”.

“**Restructuring Plan**” has the meaning given to such term under the heading “General Development of the Business – Three Year History – Developments in 2023”.

“**Right**” has the meaning given to such term under the heading “Description of Capital Structure – General Description of Capital Structure – Shareholder Rights Plan”.

“**RSUs**” has the meaning given to such term under the heading “Description of Capital Structure – General Description of Capital Structure – Incentive Plan”.

“**Secured Loan**” has the meaning given to such term under the heading “General Development of the Business – Three Year History – Developments in 2022”

“**SEDAR+**” means the System for Electronic Document Analysis and Retrieval + at www.sedarplus.ca.

“**Shareholder**” means a holder of Common Shares.

“**SIB**” has the meaning given to such term under the heading “General Development of the Business – Three Year History – Developments in 2022”.

“**Solar Plant Debt**” has the meaning given to such term under the heading “Description of Capital Structure – Other Debt Facilities – CPE-6 Solar Plant Project Leasing Agreement”.

“**S&P**” has the meaning given to such term under the heading “Description of Capital Structure – Credit Ratings”.

“**TSX**” means the Toronto Stock Exchange.

“**Tutela**” has the meaning given to such term under the heading “Legal Proceedings and Regulatory Actions – ANH Copa Fields Unification at Cubiro Block".

"**Uncommitted LCs**" has the meaning given to such term under the heading "Description of Capital Structure – Other Debt Facilities – Other Debt Instruments".

"**U.S.**" means the United States of America.

"**W.I.**" means working interest.

Technical Terms

"**barrel**" means the volume unit of measure of liquid hydrocarbons equivalent to forty-two (42) U.S. gallons, corrected to standard conditions (a temperature of sixty degrees Fahrenheit (60ºF) and one (1) atmosphere of absolute pressure).

"**hydrocarbons**" means all the organic compounds mainly composed of the natural mixture of carbon and hydrogen, as well as of those substances that accompany them or are derived from them.

"**natural gas**" means the mixture of hydrocarbons in a gaseous state, under standard conditions (a temperature of sixty degrees Fahrenheit (60ºF) and one (1) atmosphere of absolute pressure), composed of the most volatile members of the paraffin series of hydrocarbons.

Abbreviations

The following is a list of abbreviations used in this AIF.

Oil and Natural Gas Liquids		Natural Gas	
bbl	barrels	Mcf	thousand cubic feet
bbl/d	barrels per day	MMcf/d	million cubic feet per day
MMbbl	million barrels		

Other	
boe	barrels of oil equivalent
boe/d	barrels of oil equivalent per day
bwpd	barrels of water per day
MMboe	million barrels of oil equivalent
WTI	West Texas Intermediate

BOE Conversion

The term "boe" is used in this AIF. Boe may be misleading, particularly if used in isolation. A boe conversion ratio of cubic feet to barrels is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead. In this AIF, boe has been expressed using the Colombian conversion standard of 5.7 Mcf to 1 bbl required by the Colombian Ministry of Mines and Energy. As the value ratio between natural gas and crude oil based on the current prices of natural gas and crude oil is significantly different from the energy equivalency of 5.7 to 1, utilizing a conversion on a 5.7 to 1 basis may be misleading as an indication of value.

CORPORATE STRUCTURE

General

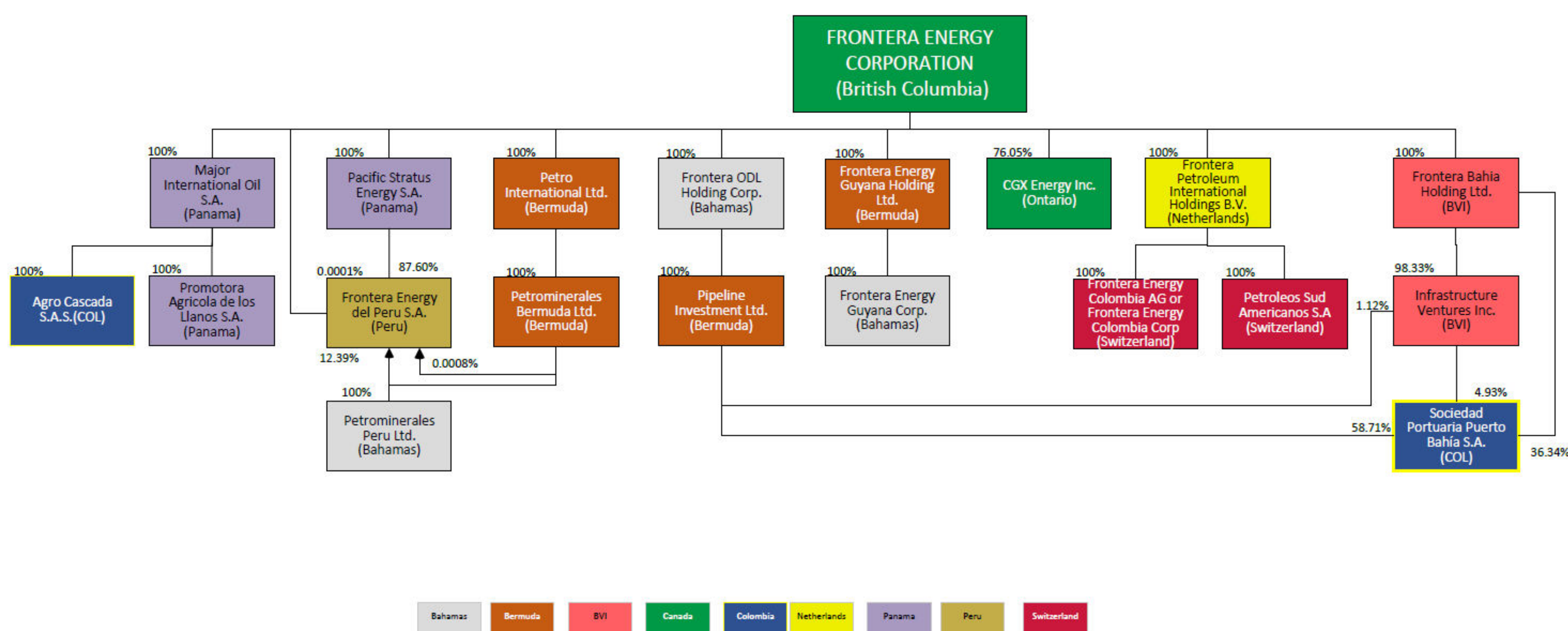
Frontera Energy Corporation was incorporated under the laws of the Province of British Columbia on April 10, 1985, pursuant to the Company Act (British Columbia). Subsequently, the Company was continued as a corporation of the Yukon Territories on May 22, 1996 and continued back into the Province of British Columbia on July 9, 2007 under the BCBCA. The Company's articles were amended and restated on May 20, 2020, to (a) reflect best practices including: (i) providing the Board with the authority to determine that a meeting of Shareholders be held entirely or in part by electronic or other communication mediums; (ii) permitting any vote at a meeting of Shareholders be held entirely or partially by means of electronic or other communication mediums; and (iii) setting the quorum necessary for the

transaction of the business of the directors at a meeting of the Board at the majority of directors; and (b) remove provisions of the Articles that, pursuant to the terms of the Articles, are no longer in effect.

The Company's head office is located at 2000, 222 – 3rd Avenue S.W., Calgary, Alberta, T2P 0B4, and its registered office is located at 1500 Royal Centre, 1055, West Georgia Street, P.O. Box 11117 Vancouver, British Columbia, V6E 4N7.

Intercorporate Relationships

The Company's organizational structure facilitates its business as a global company with operations primarily located in South America. The following chart illustrates certain subsidiaries of the Company, together with their respective jurisdictions of incorporation/formation and share ownership as at December 31, 2023. The chart does not include all of the subsidiaries of the Company. The assets and revenues of excluded subsidiaries did not individually exceed 10%, or in the aggregate exceed 20%, of the total consolidated assets or total consolidated revenues of the Company as at December 31, 2023.



Note:

1. *CGX is a Canadian-based oil and gas exploration company focused on the exploration for oil and gas in the Guyana-Suriname Basin and is listed on the TSX Venture Exchange. Frontera holds approximately 76.05% of the issued and outstanding common shares of CGX on a non-diluted basis.*

GENERAL DEVELOPMENT OF THE BUSINESS

Overview

Frontera is a Canadian public company involved in the exploration, development, production, transportation, storage and sale of oil and natural gas in South America, including related investments in both upstream and midstream facilities. The Company has a diversified portfolio of assets which consists of interests in 24 exploration and production blocks in Colombia, Ecuador and Guyana, and in pipeline and port facilities in Colombia. See "Description of the Business" for a description of Frontera's business.

The Company is committed to conducting its business safely and in a socially, environmentally and ethically accountable and responsible manner.

Frontera's corporate strategy remains focused on maximizing and realizing value through its strategic portfolio of energy and infrastructure related assets as captured by its 3 core businesses:

- **Colombian and Ecuador Upstream**: cash flow-focused production and reserves management from large onshore Colombia and Ecuador operations with a strong commitment to responsible and sustainable business practices;
- **Infrastructure Colombia (formerly Midstream Colombia)**: profitable and significant Colombian infrastructure footprint uniquely positioned to capture growth from emerging opportunities providing stable and long-term revenue streams; and
- **Guyana Exploration**: potentially transformational offshore Guyana opportunity for a Maastrichtian-based, stand-alone commercial development, with upside and future opportunities in the deeper zones.

To date, the Company's strategy has resulted in over $306 million capital returned to shareholders via dividends and share buybacks since 2018.

Three-Year History

The following tables highlight some of the key developments, transactions and events that have influenced the general development of the Company's business during the previous three financial years. See "Description of the Business" for more information on each of these initiatives, and see "Risk Factors" and "Forward-Looking Information" for more information on each of these initiatives and factors that could affect the development of projects that have not yet been completed.

Developments in 2023

Area/Activity	Description
Quifa And CPE-6 Blocks	On February 6, 2023, the Company along with different hydrocarbon companies operating in the department of Meta, Colombia announced that a blockade of the road that leads from Puerto Gaitán to the Rubiales village had interrupted production in the Quifa and CPE-6 blocks. During the blockade, the protesters denied the provision of food and supplies, in addition to the necessary fuels for the continuous operation of the Company. Consequently, the Company reached its on-site storage capacity at the Quifa and the CPE-6 blocks and had to temporarily shut-in approximately 11,500 boe/d of net production and suspended all of its construction and drilling activities in the area until the blockade was lifted on February 8.
Demerara and Berbice Block	On February 3, 2023, the Government of Guyana and ON Energy Inc. finalized a surrender deed to formalize the relinquishment of the Berbice block, and on February 27, 2023, the Government of Guyana and CGX finalized a surrender deed to formalize the relinquishment of the Demerara block.
Ethisphere	On March 13, 2023, the Company announced that it had been recognized by Ethisphere, a global leader in defining and advancing the standards of ethical business practices, as one of the World's Most Ethical Companies in 2023, for the third consecutive year.
PIL and Puerto Bahia	On March 27, 2023, the Company announced that PIL and a group of lenders led by Macquarie Group entered into a credit agreement through which the group of lenders will provide US$120 million loan facility to PIL, guaranteed by Puerto Bahia, Frontera Bahia, and Frontera ODL Holding Corp., the parent company of PIL (the "**PIL Loan Facility**"). The proceeds of the PIL Loan Facility were primarily used to repay in full the 2025 Puerto Bahia Debt, which had an outstanding balance plus accrued interest of $106.2 million. The PIL Loan Facility also includes an accordion feature for up to $30 million, which may be drawn by Puerto Bahia, subject to the lenders' consent, in order to fund additional investment opportunities, including potential liquids and dry terminal expansion projects.

2028 Unsecured Indenture	On April 11, 2023, the Company announced that it had designated Frontera Energy Guyana Holding Ltd. and Frontera Energy Guyana Corp. as unrestricted subsidiaries and released Frontera Energy Guyana Corp. as a note guarantor under the 2028 Unsecured Indenture. Following this designation, FECC shall remain as the sole guarantor of the 2028 Unsecured Notes.
Frontera Energy Off Shore Perú S.R.L	On June 1, 2023, the Company transferred to Z Mining Investments LLC and Offshore International Group, Inc.,100% of the shares of Frontera Energy Off Shore Perú S.R.L, which holds a 100% interest in the Z1 Block in Peru. As a result of this transaction, the Company derecognized the asset retirement obligation related to Block Z1 and generated a $37.4 million asset retirement obligation recovery. As a result of this transaction, the Company no longer holds an interest in any blocks in Peru.
Citibank Working Capital Loan	On June 5, 2023, the Company entered into a working capital loan agreement with Citibank NY, denominated in USD for an amount of $20.0 million (the "**Citibank Working Capital Loan**"), the proceeds of which were used for general corporate purposes. In October 2023, the outstanding balance under the Citibank Working Capital Loan of $12.0 million was repaid in full with the proceeds from the Bancolombia Loan. As of December 31, 2023, the Company has no obligation under the Citibank Working Capital Loan.
Corentyne Block (Wei-1)	On June 13, 2023, the Company announced that the joint venture with CGX (the "**Joint Venture**") in respect of the Corentyne block had successfully reached total depth on the Wei-1 exploration well. The original Wei-1 wellbore reached a depth of 19,142'. A bypass well (Wei-1BP1) was drilled from 18,757' to total depth and penetrated the primary Santonian targets of the well in the western complex in the northern portion of the Corentyne block. Prior to the bypass, the well encountered an aggregate of approximately 71 feet of net oil pay in the secondary target reservoirs in the Maastrichtian and Campanian.
Corentyne Block (Wei-1)	On June 28, 2023, the Company and CGX, announced that the Joint Venture had discovered 210 feet of hydrocarbon bearing sands in the Santonian horizon at the Wei-1 well. The Joint Venture successfully finished drilling operations without any safety incidents. The Joint Venture updated its previously announced discovery in the Maastrichtian and the Campanian intervals to 77 feet of net pay. Fluid samples were retrieved from the Campanian and Maastrichtian indicating the presence of light crude in the Campanian and sweet medium crude oil in the Maastrichtian.
Reficar Connection Agreement	On July 21, 2023, Puerto Bahia and Refinería de Cartagena S.A.S. ("**Reficar**") entered into a connection agreement to connect Puerto Bahia's port facility and the Cartagena refinery via a 6.8-kilometre, 18-inch bi-directional hydrocarbon flow line. Once in service, the connection shall enable the continuous transport of crude oil and other hydrocarbons between Puerto Bahia's port facility and the Cartagena Refinery.
2023 JOA Amending Agreement	On August 9, 2023, Frontera and CGX entered into an agreement (the "**2023 JOA Amending Agreement**") to amend the Joint Operating Agreement to cover the unexpected additional costs of the Wei-1 well due to delays associated with the late release of the rig by a third-party, costs associated with a lost sampling tool, and the drilling of the bypass well. In accordance with the 2023 JOA Amending Agreement, 4.7% of CGX's participating interest in the Corentyne block was initially assigned to Frontera (subject to government approval), in exchange for Frontera funding CGX's additional expected outstanding share of the Joint Venture's costs associated with the Wei-1 well for up to $16.5 million. After reviewing the funding amounts, and due to lower costs associated with the Wei-1 well, CGX and Frontera have agreed to reassign to CGX a portion of such 4.7% interest, resulting in CGX effectively assigning 4.52% of CGX's participating interest in the Corentyne block to Frontera.

Restructuring Plan	On October 10, 2023, the Board approved a restructuring plan that is designed to drive operational efficiencies, reduce operating costs and better align the Company's workforce with current business needs, top strategic priorities and key growth opportunities (collectively, the "**Restructuring Plan**"). The Restructuring Plan includes a reduction of the Company's workforce by approximately 16%.
Bancolombia Loan	On October 24, 2023, the Company entered into a one-year working capital loan agreement with Bancolombia S.A. ("**Bancolombia**"), denominated in COP for a principal amount of COP 75,000 million (approximately $18.0 million), maturing on October 29, 2024 (the "**Bancolombia Loan**"). The main purpose of the Bancolombia Loan is to fund general corporate purposes. In connection with the Bancolombia Loan, the Company entered into a foreign exchange forward on October 31, 2023, hedging the original loan amount, at a forward rate of COP 4,386.17, with a maturity date on October 29, 2024.
CR-1 and COR-24 Blocks	On October 31, 2023 the Company executed with the ANH the termination minutes for the CR-1 and the COR-24 blocks. The CR-1 and COR-24 blocks were terminated by mutual agreement of the parties due to force majeure conditions in the respective areas. These terminations imply a reduction in the exploration commitments of the Company by approximately $11 million.
Corentyne Block (Wei-1)	On November 9, 2023, the Company and CGX announced the discovery of a total of 114 feet (35 meters) of net pay at the Wei-1 well. Results further demonstrate the potential for a standalone shallow oil resource development across the Corentyne block. The Joint Venture has discovered total net pay of 342 feet (104 meters) to date on the Corentyne block. The Joint Venture also announced that Houlihan Lokey, a leading global investment bank and capital markets expert, is supporting active pursuit of strategic options for the Corentyne block, including a potential farm down.
NCIB	On November 16, 2023, the TSX accepted the Company's notice to initiate an NCIB for its Common Shares, permitting the Company to purchase up to 3,949,454 Common Shares, representing 10% of the Company's "public float" (calculated in accordance with the TSX rules) as of November 8, 2023, during the 12-month period commencing November 21, 2023 and ending November 20, 2024. During the year ended December 31, 2023, the Company had repurchased for cancellation approximately 741,700 Common Shares under the NCIB programs for approximately $5.9 million.

Developments in 2022	
Area/Activity	**Description**
Perico Block	On January 19, 2022, the Company announced a discovery at the Jandaya-1 exploration well on the Perico block, the Company's first operated well in Ecuador and the first well drilled on acreage awarded during Ecuador's 2019 Intracampos Bid Round. Subsequently, on March 24, 2022 and June 16, 2022, respectively, the Company announced discoveries at the Tui-1 and Yin-1 exploration wells on the Perico block.
Corentyne Block (Kawa-1) & Demerara Block	On January 31 and February 14, 2022, the Company and CGX announced a discovery at the Kawa-1 exploration well on the Corentyne block, off-shore Guyana, confirmed the Joint Venture's plans to focus on the Corentyne block, including its commitment to drill a second well on the Corentyne block using the NobleCorp Discoverer, and announced plans to take steps to relinquish the Demerara block, off-shore Guyana.
CGX Loan	On March 10, 2022, the Company entered into a $35 million convertible secured loan facility with CGX (the "**Secured Loan**") that enabled CGX to continue to finance its share of the cost related to the Corentyne and Berbice blocks, the Guyana Port Project and other budgeted costs as agreed by Frontera.

NCIB	On March 15, 2022, the TSX accepted the Company's notice to initiate an NCIB for its Common Shares, permitting the Company to purchase up to 4,787,976 Common Shares, representing 10% of the Company's "public float" (calculated in accordance with the TSX rules) as of March 7, 2022, during the 12-month period commencing March 17, 2022 and ending March 16, 2023. During the year ended December 31, 2022, the Company had repurchased for cancellation approximately 4.20 million Common Shares under the NCIB programs for approximately $40.2 million.
Ethisphere	On March 15, 2022, Frontera announced that it had been recognized by Ethisphere, a global leader in defining and advancing the standards of ethical business practices, as one of the World's Most Ethical Companies in 2022, for the second consecutive year.
El Dificil Block	On April 27, 2022, the Company acquired a 35% W.I. in Colombia's El Dificil block from PCR Investments S.A. for total cash consideration of US$13 million.
SIB	On August 11, 2022, the Company announced that it had completed a C$65 million (equivalent to US$50 million) substantial issuer bid ("SIB") pursuant to which the Company repurchased for cancellation 5,416,666 of its outstanding Common Shares from Shareholders at a price of $12.00 per share.
Acquisition of 40.07% of PIL	On September 15, 2022, the Company acquired the remaining 40.07% interest it did not already own in PIL for aggregate cash consideration of approximately $47.4 million, including $21 million immediately following closing of the transaction. As a result of this transaction, the Company now holds 100% of the shares of PIL and increased its direct participating interest in the ODL Pipeline to 35%.
Espejo Block	In the fourth quarter of 2022, test results on the Pashuri-1 well confirmed the existence of oil in the M1 and U sandstones in the Espejo block. Extended production tests on the Pashuri-1 well continue. The operator drilled the Caracara-1 exploration well in November 2022. Initial production tests after six days of testing showed traces of heavy and viscous oil in M1 sandstone from the Napo formation. The well has been temporarily suspended.
JOA Amendment	On December 1, 2022, Frontera and CGX announced that they had completed an amendment to the Joint Operating Agreement. Pursuant to the amendment, Frontera agreed to fund the Joint Venture's costs associated with the Wei-1 well on the Corentyne block for up to $130 million and up to an additional $29 million of certain Kawa-1 exploration well costs, Wei-1 exploration well pre-drill, and other costs. In addition, the outstanding principal amounts under (i) the US$19 million convertible loan from Frontera to CGX dated May 28, 2021, as amended, and (ii) the Secured Loan, as amended, were discharged and Frontera made a cash payment of US$3.8 million to CGX. As a result of the transaction, Frontera's holdings of CGX common shares decreased from approximately 79.59% (on a partially-diluted basis) to approximately 77.05% (on a partially diluted basis).
Corentyne Block (Wei-1)	On December 1, 2022, Frontera and CGX, as joint venture partners in respect of the Corentyne block, announced that they had agreed with the Government of Guyana that the Wei-1 well would be spudded no later than January 31, 2023.
CAG-5 and CAG-6 Blocks	On December 20, 2022, the Company requested that the ANH terminate the contracts for the CAG-5 and CAG-6 blocks due to social and security restrictions in the contracted areas pursuant to a recent regulation issued by the ANH (Acuerdo 01 of 2022). The CAG-5 and CAG-6 blocks have exploration commitments for a total of $101.8 million (the Company's net share of such commitment is $53.0 million).

Cubiro Block	On January 17, 2022, the Company filed a reconsideration recourse against the ANH's resolution (issued December 30, 2021) unifying Copa, Copa A, Copa B, Copa C and Copa D fields of the Cubiro block, located in the Llanos Basin in Colombia, in which the Company holds a 100% W.I. On April 12, 2022, the ANH issued a decision confirming the resolution. In October 2022, the Company filed an annulment action against the resolution, and on December 27, 2022, the Company filed an arbitration claim against the effects that unification would have on the contract. A final decision on the annulment action remains outstanding.
Puerto Bahia	On December 27, 2022, the Company increased its ownership in Puerto Bahia to 99.80%, through the conversion of certain debt held by the Company's subsidiaries, Frontera Bahia, IVI, and FECC into ordinary shares.

Developments in 2021

Area/Activity	Description
Ethisphere	On February 23, 2021, Frontera was recognized by Ethisphere, a global leader in defining and advancing the standards of ethical business practices, as one of the World's Most Ethical Companies in 2021.
Block 192	On February 5, 2021, the service contract for Block 192 expired per its terms and the Company returned operations on the block to Perupetro. The Company's remaining obligations on the block primarily relate to its share of environmental commitments and abandonment costs.
NCIB	On March 15, 2021, the TSX accepted the Company's notice to initiate an NCIB for its Common Shares, permitting the Company to purchase up to 5,197,612 Common Shares, representing 10% of the Company's "public float" (calculated in accordance with the TSX rules) as of March 11, 2021, during the 12-month period commencing March 17, 2021 and ending March 16, 2022. During the year ended December 31, 2021, the Company had repurchased for cancellation approximately 3.86 million Common Shares under the NCIB programs, representing approximately 7.4% of the public float, for approximately $21.5 million.
Quifa Block	At the end of the first quarter of 2021, the Company voluntarily and temporarily reduced production at Quifa as it sought to identify additional water disposal options in the block, increasing the management of water volumes from August 2021.
Corentyne Block	On April 22, 2021, the Company and CGX announced that CGX had entered into an agreement with Noble Corp. (formerly Maersk) for the provision of the NobleCorp Discoverer and associated services to drill the Kawa-1 well on the block. Frontera entered into a deed of guarantee with Maersk in relation to that agreement, up to a maximum of $25 million, on a sliding scale mechanism.
CGX Loan	On May 28, 2021, the Company entered into a $19 million convertible secured loan facility with CGX that enabled CGX to continue to finance its share of the cost related to the Corentyne, Demerara and Berbice blocks, the Guyana Port Project and other budgeted costs as agreed by Frontera.
CPE-6	In June 2021, the Company reached its on-site storage capacity and temporarily shut-in production at its CPE-6 operations due to community road blockades. The community resumed production by the end of the month. Also in June 2021, the ANH agreed to extend the CPE-6 boundary area by 115,869 net acres, bringing the Company's total acreage position to 645,626 net acres.

Puerto Bahia	Frontera Bahia advanced $11.4 million and $24.4 million to Puerto Bahia on June 9, 2021 and December 9, 2021, respectively, in accordance with the Equity Contribution Agreement. See “Description of Capital Structure - Material Debt Facilities - Puerto Bahia Secured Syndicated Credit Loan”. On December 23, 2021, the Company, through its subsidiaries FECC, Frontera Bahia and IVI, converted certain debt into preferred shares of Puerto Bahia, and as a result, the Company then held approximately 96.55% of the shares of Puerto Bahia.
Note Offering	The Company issued the 2028 Unsecured Notes on June 21, 2021, pursuant to the 2028 Unsecured Indenture, which mature in 2028 and bear interest at a rate of 7.875% per year. Certain proceeds from the offering were used to repurchase, at a premium, the Company’s previously issued 2023 Unsecured Notes pursuant to a tender offer. The remaining proceeds were used for general corporate purposes. The 2023 Unsecured Notes were fully redeemed on July 7, 2021. The refinancing transaction improved the Company’s debt covenants, extended the maturity and reduced the Company’s average cost of debt.
Corentyne Block	On August 22, 2021, the Company and CGX commenced drilling operations on the Kawa-1 exploration well, offshore Guyana, and CGX exercised its option to drill a second well with the NobleCorp Discoverer.
Sale of Maurel & Prom Colombia	On October 22, 2021, the Company transferred to Etablissement Maurel & Prom 49.999% of the shares of Maurel & Prom Colombia B.V. (“**M&P**”), which holds 100% interests in the COR-15 and Muisca blocks in Colombia, and committed to fund $1.6 million in Muisca cash calls, $0.2 million of operating cash of M&P, and $6 million in outstanding commitments at COR-15. Following the transaction, Etablissement Maurel & Prom and Frontera settled all mutual obligations and granted certain indemnities to M&P, and the Company’s exploration commitments decreased by $17.2 million. In addition, Frontera terminated a revolving loan agreement which required Frontera to support 100% of future development costs in the COR-15 license.
CGX Rights Offering	The Company acquired 45,083,314 additional common shares of CGX on November 1, 2021, pursuant to a rights offering by CGX (the “**CGX Rights Offering**”), and as consideration for providing a standby commitment in connection with the rights offering, the Company received five-year warrants to purchase up to 1,173,774 common shares of CGX. Following the CGX Rights Offering, the Company held approximately 76.98% of the common shares of CGX on a non-diluted basis (previously 73.58%).
Bicentenario and CENIT Conciliation Agreement	On November 11, 2021, the Administrative Tribunal of Cundinamarca approved the Conciliation Agreement, and the parties entered into all final formalities to complete the Conciliation Agreement, representing the final step in resolving all disputes between the parties related to the BIC Pipeline and the CLC Pipeline and terminating all pending arbitration proceedings related to such disputes. See “Legal Proceedings and Regulatory Actions”.
VIM-46	On December 16, 2021, the Company was awarded the VIM-46 block in Colombia pursuant to the 2021 Colombia Bid Round. The exploration and production contract for this block was entered into on January 18, 2022.
Cubiro Block	On December 30, 2021, the ANH issued a resolution unifying the Copa, Copa A, Copa B and Copa C oilfields in the Cubiro block, located in the Llanos Basin in Colombia, in which the Company holds a 100% W.I. See “General Development of the Business - Three-Year History - Developments in 2022” for further details.
Acquisition of PetroSud	On December 30, 2021, the Company acquired 100% of the shares of PetroSud, with operations in Colombia in El Dificil block (a 65% W.I.), and Entrerrios and Rio Meta blocks (a 100% W.I. on each block), for total cash consideration of US$9 million plus the assumption of approximately US$18 million in debt.

DESCRIPTION OF THE BUSINESS

Overview

Frontera is a Canadian public company involved in the exploration, development, production, transportation, storage and sale of oil and natural gas in South America, including strategic investments in both upstream and midstream facilities. The Company has a diversified portfolio of assets which consists of interests in 24 exploration and production blocks in Colombia, Ecuador and Guyana, and in pipeline and port facilities in Colombia. Frontera's Common Shares trade on the TSX under the ticker symbol "FEC". The Company is committed to conducting its business safely and in a socially, environmentally and ethically responsible manner.

The Company's three core businesses include: (i) its Colombia and Ecuador upstream onshore business; (ii) its infrastructure Colombia (formerly midstream Colombia) business; and (iii) its potentially transformational exploration business offshore Guyana.

Colombia and Ecuador Upstream Activities

Frontera is involved in the exploration, development and production of a diverse portfolio of oil and natural gas interests.

The Company is one of the largest independent oil and gas operators in Colombia in terms of both assets and production. Through its subsidiaries, the Company holds indirect interests in certain hydrocarbon properties in Colombia pursuant to contracts with Ecopetrol and the ANH. The Company's total production from Colombia includes 87% oil production (consisting of 62% of heavy crude oil and 25% of light crude oil and medium crude oil combined) and 13% gas production (8% of conventional natural gas production and 5% of natural gas liquids) during 2023.

In Colombia, the Company's diversified asset base includes 1.40 million net acres in the Llanos, Lower Magdalena Valley, Upper Magdalena Valley, Middle Magdalena Valley, Cesar Rancheria, Putumayo and Cordillera Oriental basins. The Company's Colombian assets are divided into working interests in 21 blocks, of which 5 of these blocks are in the exploration phase, 15 are in the production phase and one is in the exploration and production phase.

In Ecuador, the Company holds a 50% working interest in each of the Perico and Espejo exploration blocks located in the north-eastern part of Ecuador in the Oriente basin. The Company's total production from Ecuador consists of 100% of light and medium crude oil production.

Oil and Natural Gas Contracts and Properties

The following is a description of the Company's oil and gas properties in Colombia and Ecuador for the year ended December 31, 2023.

Property	Working Interest	Status	Gross Acres	Net Acres	Annual Production[1] (boe/d)[2]
Colombia – *Operated Properties*					
Abanico	25%	Production	25,659	6,415	77
Arrendajo	97.5%	Production	5,730	5,586	438
Cachicamo	100%	Production	10,091	10,091	438
Caguan-5[3]	50%	Exploration	919,321	459,661	—
Caguan-6[3]	60%	Exploration	119,048	71,429	—
Canaguaro	87.5%	Production	6,290	5,504	303
CPE-6	100%	Production	169,626	169,626	5,487
Corcel	100%	Production	11,188	11,188	652
Casimena	100%	Production	6,850	6,850	1,300
Cravoviejo	100%	Production	23,836	23,836	1,587

Cubiro	100%	Production	30,036	30,036	1,838
El Dificil	100%	Production	33,965	33,965	906
Entrerrios	100%	Production	14,920	14,920	161
Guatiquia	100%	Production	11,086	11,086	6,878
La Creciente[4]	100%	Production	16,711	16,711	—
Llanos-7[5]	100%	Exploration	152,675	152,675	—
Llanos-55[5]	100%	Exploration	102,800	102,800	—
Llanos-99	100%	Exploration	134,992	134,992	—
Llanos-119	100%	Exploration	26,956	26,956	—
Quifa	60%	Production	248,586	149,152	17,426
Rio Meta	100%	Production	26,381	26,381	—
Sabanero	100%	Production	67,897	67,897	445
VIM-22[6]	100%	Exploration	412,330	412,330	—
VIM-46	100%	Exploration	74,799	74,799	—
Colombia – *Non-Operated Properties*					
Neiva[7]	53.1%	Production	2,395	1,272	312
VIM-1	50%	Exploration & Production	142,047	71,024	1,740
Ecuador – *Operated Properties*					
Perico	50%	Exploration	17,718	8,859	861
Ecuador – *Non-Operated Properties*					
Espejo	50%	Exploration	15,652	7,826	70
TOTAL			2,829,585	2,113,867	40,919

Notes:

1. *Represents working interest production before royalties and total volumes produced from service contracts.*
2. *Boe has been expressed using the 5.7 to 1 Colombian Mcf to bbl conversion standard required by the Colombian Ministry of Mines and Energy.*
3. *The Company has requested that the ANH terminate the block and is awaiting a response.*
4. *In February 2023, the La Creciente block was closed after 15 years of declared commerciality, due to the natural decline and economics of the block. In September 2023, the contract of the La Creciente block was terminated and the block was relinquished.*
5. *On October 18, 2023, the ANH accepted that the commitments of the Llanos-7 and Llanos-55 blocks had been fulfilled by the execution of exploration activities in other blocks, therefore these blocks are in the process of relinquishment.*
6. *In May 2023, the Company drilled the commitment wells in the VIM-22 block without successful results and the block is in process of transferring the seismic commitment to the Llanos-99 block, therefore this block is in the process of relinquishment.*
7. *The Neiva block incremental production contract finalized on June 2023, due to the expiration of the contractual term.*

Exploration and Production Agreements – Colombia

The following is a summary of the Company's material oil and gas producing properties in Colombia.

Quifa Block

The Quifa block, located in the Llanos Basin in Colombia, is in the production phase. The Company has an association contract with Ecopetrol pursuant to which the Company holds a 60% working interest and is the operator of the block. Ecopetrol holds the remaining interest in the block. The Company is entitled to 60% of production less (i) applicable

legal royalties ranging from 6% to 25%; and (ii) any additional participation percentage attributable to Ecopetrol when accumulated gross production of a field exceeds 5 MMbbl and the price of WTI crude during any month exceeds the base price for crude oil in dollars set forth in the contract. The Quifa contract establishes that capital costs and operational expenses must be borne 70% by the Company and 30% by Ecopetrol. Upon termination of the Quifa contract in December 2031, any wells in production, any buildings and any other real estate possessions in the Quifa block will revert to Ecopetrol free of charge.

Within the Quifa block, the Company has developed three commercial fields, Quifa SW (with 256 producing wells), Cajua (with 33 producing wells) and Jaspe (with four wells drilled, not yet producing). Commerciality was declared on the Quifa SW field in 2010, on the Cajua field in 2012 and the Jaspe field in 2020. Production is currently sent by flow lines to water management facilities for fluid processing and storage and subsequently to the ODL Pipeline, which connects to the national pipeline system. The Company brought its new Battery 4 central processing facility on-line in October 2022, increasing water disposal capacity by 100,000 bwpd and in November 2022, increased pumping capacity at the Centro de Manejo de Agua water treatment facility by 50,000 bwpd. Combined, these two operational achievements increased Frontera's water handling capacity to approximately 1,550,000 bwpd.

CPE-6

The CPE-6 block, located in the Llanos Basin in Colombia, in which the Company holds a 100% working interest, is in the production phase. The CPE-6 exploration and production contract provides for a 24-year exploitation period, which began upon declaration of commerciality. This declaration occurred on January 30, 2018 for the Hamaca field. The Company is entitled to 100% of production less (i) applicable legal royalties ranging from 6.0% to 25%; (ii) any additional participation percentage attributable to ANH when accumulated gross production of a block exceeds 5 MMbbl and the price of WTI crude during any month exceeds the base price for crude oil in dollars set forth in the contract; and (iii) 2.0% of the produced volume after the applicable legal royalties. In addition, Talisman Colombia Oil & Gas Ltd. is entitled to the following, up to a maximum amount of $48 million: (i) a variable monthly payment equal to four percent (4%), multiplied by the monthly net total production and multiplied by the applicable price per barrel; and (ii) $5 million payable once the total accumulated gross production reaches 5 million, 10 million and 20 million boe, respectively. As at December 31, 2023, Frontera had paid Talisman Colombia Oil & Gas Ltd. a total of $18.2 million as part of this agreement.

In 2019, the Company submitted a request to the ANH to extend the Hamaca Field to the north of the current CPE-6 area. On June 3, 2021, an amendment to the contract was signed to formalize the approval to extend the area of the block by 115,869 acres to cover the complete area of the Hamaca discovery. As a condition to this extension, Frontera committed to drill one additional exploration well in the extended area within the 24-month period following the area extension. The Hamaca Norte-1 step out well was successfully drilled in November 2022, and confirmed the continuation of the Hamaca field to the north. The Company drilled the Hamaca-117D (Hamaca Sur) well in November 2022, the drilling objective of which was to acquire information on the geology to the southwest of Frontera's existing HAM-65 producer well cluster for efficient future development of the area. On April 25, 2023, the Hamaca Norte evaluation program ended, and therefore the CPE-6 block initiated its production phase on April 26, 2023.

Within the CPE-6 block, there are 63 heavy crude oil producing wells. Production is transported by truck to the Puerto Bahia terminal in the Cartagena bay. In 2023, the Company completed the installation of new facilities in the CPE-6 block which doubled water-handling capacity from 120,000 bwpd to 240,000 bwpd.

Guatiquia Block

The Company holds a 100% working interest in the Guatiquia block, located in the Llanos Basin of Colombia. The Guatiquia exploration and production agreement provides for an initial five-year and nine-month exploration period, extendable for up to four years, and a 24-year exploitation period, which begins upon a declaration of commerciality of the relevant field.

In 2019, the ANH approved the unification of the Ceibo/Avispa/Ardilla/Alligator fields. The exploitation period for the unified fields, named Ceibo, commenced in 2014. The exploitation periods for Yatay and Coralillo began on declarations

of commerciality in 2012 and 2018, respectively. On June 8, 2021, the ANH approved the unification of the Yatay and Coralillo fields.

The Company is entitled to 100% of production less (i) applicable legal royalties ranging from 6% to 25%; and (ii) any additional participation percentage attributable to ANH when accumulated gross production of a field exceeds 5 MMbbl and the price of WTI crude during any month exceeds the base price for crude oil in dollars set forth in the contract.

Within the Guatiquia block, there are currently 29 medium crude oil producing wells. Production is primarily transported first to the facilities at the Corcel block through pipelines and then to off-loading stations to enter the national pipeline system.

Cubiro Block

The Cubiro block, located in the Llanos Basin in Colombia, in which the Company holds a 100% working interest, is in the production phase. The Cubiro exploration and exploitation contract provides for a 24-year exploitation period, which begins upon a declaration of commerciality of the relevant field. This declaration occurred in 2008 for the Careto and Arauca fields, 2012 for the Barranquero field (which includes the Cernicalo and Tijereto Sur fields), 2013 for the Copa, Copa A, Copa B, Copa C, Copa D, Petirrojo and Petirrojo Sur fields and 2014 for the Yopo field. On December 30, 2021, the ANH issued a resolution unifying the Copa, Copa A, Copa B, and Copa C oilfields.

The Company filed a reconsideration recourse against that decision on January 17, 2022. On April 12, 2022, the ANH issued a decision confirming the resolution. In October 2022, the Company filed an annulment action against the resolution, and on December 27, 2022, the Company filed an arbitration claim against the effects that unification would have on the contract. A final decision on the annulment action remains outstanding.

The Company is entitled to 100% of production less (i) applicable legal royalties ranging from 6% to 25%; and (ii) any additional participation percentage attributable to ANH when accumulated gross production of a field exceeds 5 MMbbl and the price of WTI crude during any month exceeds the base price for crude oil in dollars set forth in the contract. In addition, the Company has granted a private royalty to Jache SAS equivalent to 3% of the sale price of the produced volumes.

Within the Cubiro block, there are 34 light crude oil producing wells. Production is primarily transported by truck to off-loading stations to enter the national pipeline system.

VIM-1

The VIM-1 block, located in the Lower Magdalena valley, in which the Company holds a 50% working interest, is in the exploration and production phase. Parex holds the remaining 50% working interest and is the operator of the block. The VIM-1 exploration and production contract provides for a six-year exploration period and a 24-year production period. On December 30, 2020, an amendment to the contract was signed to formalize the approval to extend the area of the block by 32,000 acres to include the complete area of the La Belleza-1 discovery. As a condition to this extension, Frontera and its joint venture partner, Parex, committed to drill one additional exploration well in the extended area, which was drilled during 2022 (La Belleza-2). The La Belleza-2 well was drilled as a horizontal well and encountered 2,000 feet of porous limestone in the CDO formation and then completed for natural flow production. The well is now in production. Based on the results of the La Belleza-1 and La Belleza-2 wells, Parex requested a 24-month extension of the evaluation area from the ANH, to perform evaluation activities and technical studies. The ANH granted such extension to December 31, 2024. In addition, Parex committed, on behalf of the joint venture, to drilling one additional exploration well as part of an additional exploration program, which allows the joint venture to retain exploration area until January 31, 2025.

Exploration and Production Agreements – Ecuador

The following is a summary of the Company's oil and gas properties in Ecuador.

The Perico and Espejo exploration blocks are located in Sucumbíos Province in the north-eastern part of Ecuador, in the Oriente basin. The blocks were acquired in Ecuador's Intracampos Bid Round that took place in the first quarter of 2019 under an initial four-year exploration period, with the option to extend the exploration period by an additional two

years to fulfill the minimum work commitments. The Company has a 50% working interest in both blocks through a consortium with GeoPark Limited.

Work commitments on the Perico block include drilling four wells and completing 72 kilometres^2 of 3D seismic reprocessing and 72 kilometres^2 of magnetometry and gravimetry. Work commitments on the Espejo block include drilling four wells and completing a 3D seismic acquisition program of 55 kilometres^2, 74 kilometres^2 of 3D seismic reprocessing and 63 kilometres^2 of magnetometry. Geochemical soil surveying over both blocks, initiated in 2019, and seismic processing in the Perico block has been completed.

In 2023, Frontera drilled and tested the Perico Centro-1 exploration well with successful results on the Perico block (Frontera 50% W.I. and operator, GeoPark Limited 50% W.I.). With this well, the Company has drilled all four wells required as part of its work commitment on the Perico block. Additionally, Frontera drilled the Yin-2 and Perico Norte-A4 appraisal wells, which were successful and are currently in production. The wells completed in 2023 confirmed the occurrence of oil in Lower U Sandstone, exhibiting good reservoir properties and more stable operating conditions compared to the wells that were developed on 2022. Additional prospects on the Perico block have been identified and are being analyzed for future drilling.

At the Espejo Block in Ecuador, (Frontera 50% W.I., non operator), the operator completed the processing of 63km^2 of 3D seismic. Interpretation of the new survey allowed the update of subsurface interpretation and prospectivity of the Espejo Block, which will be the basis for review with the operator for the two pending committed exploratory wells, to be drilled in 2024.

Guyana Offshore Exploration

In Guyana, as a result of the 2023 JOA Amending Agreement, the Company recognizes a 93.42% consolidated interest in the offshore Corentyne block, which would be held directly through its 72.52% recognized working interest and indirectly through its 76.05% equity interest in CGX.

Oil and Natural Gas Contracts and Properties – Guyana

The following is a description of the Company's oil and gas properties in Guyana for the year ended December 31, 2023.

Property	Working Interest	Status	Gross Acres	Net Acres	Annual Production (boe/d)
Guyana – *Non-Operated Properties*					
Corentyne	72.52%[(1)]	Exploration/Appraisal	245,735	178,207	—

Notes:

1. *As a result of the 2023 JOA Amending Agreement, the Company recognizes a 72.52% participating interest in the Corentyne block.*

Exploration and Production Agreements – Guyana

As at December 31, 2023, the Company had direct interests in one offshore block in Guyana, the Corentyne block, which is located in the Guyana-Suriname Basin.

Corentyne Block (Frontera 72.52% W.I. and non-operator)

As a result of the 2023 JOA Amending Agreement, 4.52% of CGX's participating interest in the Corentyne block has been assigned to Frontera, and accordingly, Frontera recognizes a 72.52% participating interest in the Corentyne block. CGX is the operator of the Corentyne block, and as a result of the 2023 JOA Amending Agreement, the Company recognizes a 93.42% consolidated working interest in the block held directly through its 72.52% recognized working interest in the block and indirectly through its 76.05% equity interest in CGX. Under the PPL covering the Corentyne block, the Joint Venture partners were required to drill one commitment exploration well on the block during phase one of the second renewal period, which was extended to November 26, 2021, from the initial expiry date of November 27,

2020. On August 22, 2021, the Company and CGX commenced drilling operations on the Kawa-1 exploration well, located in the northern region of the Corentyne block. The Kawa-1 well was drilled to a total depth of 21,578 feet (6,577) metres. Initial drilling results confirmed the presence of an active hydrocarbon system at the Kawa-1 location. Successful wireline logging runs confirmed net pay of approximately 228 feet (69 metres) within Maastrichtian, Campanian, Santonian and Coniacian horizons. Following completion of drilling activities at the Kawa-1 exploration well, the Joint Venture engaged an independent third-party to complete detailed studies, refined mapping and analyses to provide opinions on reservoir quality and hydrocarbon type. This integrated analysis provided further support for the Joint Venture's initial interpretations that results from the Santonian and Coniacian intervals indicate the presence of light oil and results from the Campanian and Maastrichtian intervals indicate the presence of gas condensate.

On January 31, 2022, the Company and CGX announced that CGX had exercised its option with NobleCorp to drill a second commitment well, called Wei-1, using the NobleCorp Discoverer. On January 23, 2023, the Joint Venture announced that it had spud the Wei-1 well, which is located approximately 14 kilometres northwest of the Kawa-1 exploration well in the Corentyne block, approximately 200 kilometres offshore from Georgetown, Guyana. The Wei-1 well is being drilled in water depth of approximately 1,912 feet (583 metres) to a targeted total depth of 20,500 (6,248 metres) and is targeting Maastrichtian, Campanian and Santonian aged stacked sands within channel and fan complexes in the northern section of the Corentyne block. In addition, the Joint Venture announced on January 23, 2023 that the Government of Guyana approved an appraisal plan for the northern section of the Corentyne block, which commenced with the Wei-1 well.

The Joint Venture has complied with its exploration commitments under the Corentyne PPL. On June 13, 2023, CGX and Frontera announced that the Joint Venture successfully reached total depth of 20,450 feet on the Wei-1 well, and that 71 feet of net pay had been encountered in the Maastrichtian and Campanian. On June 28, 2023, CGX and Frontera announced that the Joint Venture had discovered oil at the Wei-1 well, and that 210 feet of hydrocarbon bearing sands in the Santonian horizon were encountered; in addition to the pay previously announced in the Maastrichtian and Campanian, which was also upgraded from 71 feet to 77 feet. On November 9, 2023, CGX and Frontera announced that the Joint Venture had discovered, in total, 114 feet of combined net pay at the Wei-1 well in the Maastrichtian, Campanian and Santonian intervals. The Wei-1 well was drilled without any safety incidents.

During the Wei-1 well drilling operations, Frontera and CGX entered into the 2023 JOA Amending Agreement to cover the unexpected additional costs of the Wei-1 well due to delays associated with the late release of the rig by a third-party, costs associated with a lost sampling tool, and the drilling of the bypass well.

In accordance with the 2023 JOA Amending Agreement, 4.7% of CGX's participating interest in the Corentyne block was initially assigned to Frontera (subject to government approval), in exchange for Frontera funding CGX's additional expected outstanding share of the Joint Venture's costs associated with the Wei-1 well for up to $16.5 million. After reviewing the funding amounts, and due to lower costs associated with the Wei-1 well, CGX and Frontera have agreed to reassign to CGX a portion of such 4.7% interest, resulting in CGX effectively assigning 4.52% of CGX's participating interest in the Corentyne block to Frontera.

Infrastructure Activities (formerly Midstream Activities)

The Company has investments in certain infrastructure and midstream assets, which includes pipelines, storage and other facilities relating to the transport and sale of crude oil produced in Colombia, as well as a general dry cargo terminal for cargo handling, storage and shore base operations. Also, the Company has an indirect interest in an infrastructure project in Guyana which consists of a port concession that is currently under construction.

Puerto Bahia

The Company holds approximately 99.97% of the issued and outstanding shares of Puerto Bahia (36.34% through its wholly-owned subsidiary Frontera Bahia, 58.71% through its wholly-owned subsidiary PIL and 4.93% through IVI (98.33% owned by Frontera Bahia)).

Puerto Bahia operates a multipurpose port facility (the "**Port Facility**") in the Bay of Cartagena, one of the largest trade hubs in Latin America. The port is adjacent to the Bocachica access channel of the Cartagena Bay and is strategically

located near the Cartagena Refinery, the Panama Canal and the Dique Channel/Magdalena River, Colombia's main river route.

The Port Facility consists of two terminals: a liquid bulk terminal for handling clean products and crude oil, storage and dispatch and a general cargo terminal for dry cargo handling and storage including vehicles and high and heavy cargo, livestock, metal and steel, and shore base operations. Existing facilities at the liquid bulk terminal and dry cargo terminal offer deep-water capability with a natural depth of approximately 20.5 metres and 16.5 metres respectively, which makes the Port Facility the only multi-purpose terminal in Colombia capable of receiving Panamax ships (large cargo vessels) and Suezmax tankers (liquid purpose vessels) simultaneously.

The liquid bulk terminal has an operational capacity of 2.6 MMbbl, distributed amongst eight storage tanks with blending functionalities, each of which is capable of storing up to 330,000 bbl of oil. Three of the tanks have the ability to store heavy fuel oil and have heating capabilities between 30ºC - 60ºC and the remaining tanks store crude oil. The terminal also includes a barge platform with four berths, a tanker truck station that is interconnected with the storage tanks and provides eight loading and unloading stations and a liquid jetty with two docking positions for vessels with up to 1 million barrels of capacity.

The general cargo terminal has a berthing platform that is 290 metres long and 44 metres wide. The facilities have a total area of 16 hectares (40 acres) with covered and uncovered storage capacity and equipment for cargo handling.

During the third quarter of 2023, Puerto Bahia and Reficar entered into a connection agreement to connect Puerto Bahia's port facility and the Cartagena refinery via a 6.8-kilometre, 18-inch bi-directional hydrocarbon flow line. Once in service, the connection shall enable the continuous transport of crude oil and other hydrocarbons between Puerto Bahia's port facility and the Cartagena Refinery. The connection will be built, operated and maintained by Puerto Bahia and will have a capacity of up to 84,000 barrels per day. The connection will be capable of handling imported and domestically produced crude. Work on the connection started during the fourth quarter of 2023 with an investment of $1.1 million mainly related to technical, environmental and social matters. Frontera anticipates breaking ground on the connection construction during the first quarter of 2024 and connection start-up by the end of 2024. Frontera has secured an additional $30 million in committed funding, subject to certain conditions precedent, in connection with this project from its existing group of lenders led by Macquarie Group.

Oleoducto de los Llanos Orientales S.A.

ODL owns a 260-kilometer onshore pipeline co-owned by Frontera's subsidiary, PIL (35%) and Ecopetrol (65%) connecting Colombia's largest oil-producing fields in the Llanos region with the Ocensa pipeline. Key customers include include Ecopetrol, Frontera, GeoPark, Parex, and Hocol. During the last twelve months, ODL has transported approximately 243,600 barrels of oil per day, or approximately 31% of Colombia's total daily oil production.

On September 15, 2022, the Company acquired the remaining 40.07% interest it did not already own in PIL for aggregate cash consideration of approximately $47.4 million, including $21 million immediately following closing of the transaction. As a result of this transaction, the Company now holds 100% of the shares of PIL, which has a 35% equity interest in ODL. ODL owns the ODL Pipeline, which connects the Rubiales, Quifa and Llanos-34 blocks to the Monterrey Station or Cusiana Station in the Casanare Department. The Company has four representatives on ODL's board of directors.

The Company entered into a transportation agreement with ODL on December 20, 2013, which initially provided the Company with transportation rights for up to 27,643 bbl/d, and a ship-or-pay commitment up to July 31, 2020 and after that date, to continue on a ship-and-pay basis until its scheduled expiration on December 31, 2020. On July 6, 2020, ODL and the Company amended the payment terms of the transportation agreement, and as a consequence, the term of agreement was extended on a ship-and-pay basis until December 31, 2021. On November 16, 2020 the Company, in connection with the Conciliation Agreement entered into a new transportation agreement with ODL on a ship-or-pay basis for 10,000 bbls/day for approximately 3.8 years at a current tariff of $4.0/bbl. The Company initiated services under the new transportation agreement with ODL on December 1, 2021.

For additional details regarding Frontera's transportation contracts with ODL see "Legal Proceedings and Regulatory Actions – Bicentenario and CENIT Transportation Dispute – Conciliation Agreement". For details of the Company's

transactions with ODL see “Note 17. Investments in Associates” and “27. Commitments and Contingencies" of the 2021 Annual Financial Statements.

Pipelines Operations

The Company has an integrated transportation and trading team, responsible for transporting, blending, storing and exporting the Company’s oil and gas production and associated sales. The Company’s transportation and trading strategy is to optimize the price and costs associated with selling oil and gas produced, including developing oil blends to meet market demand, and optimizing storage opportunities.

The following table provides a summary of the main pipelines in which the Company has an interest.

Pipeline	Product Transported	Km	Pipeline Capacity (bbl/d)	Origin	Destination	Interest
OAM Pipeline	Crude Oil	391.4	100,000[(1)]	Tenay	Vasconia	5.45% W.I. pursuant to a construction and operation contract
ODC Pipeline	Crude Oil	483	236,000[(2)]	Vasconia	Coveñas	1.00% W.I. through an equity interest in Oleoducto de Colombia S.A.
ODL Pipeline	Crude Oil	260	300,000	Rubiales	Cusiana/Monterrey	35% indirect ownership interest through a 100% equity interest in PIL
OGD Pipeline	Crude Oil	63.7	40,000[(3)]	Guaduas	La Dorada	90.6% W.I. pursuant to a joint venture agreement with Cimarrona LLC

Notes:

1. *The Company has transportation rights up to 5,450 bbl/d and additional capacity of up to 30,000 bbl/d, subject to available capacity from the other owners.*
2. *The Company has transportation rights of up to 2,000 bbl/d and additional capacity subject to available capacity from the other owners.*
3. *The Company has the right to use all available capacity.*

Guyana Port Project

CGX, the majority-owned subsidiary and joint venture partner of the Company, has commenced construction activities on a multifunctional port facility adjacent to Crab Island on the Eastern Bank of the Berbice River in Guyana, 4.8 kilometres from the Atlantic Ocean, called the Berbice Deep Water Port, which is intended to serve as an offshore supply base and a multi-purpose terminal with containerized and specialized cargo handling and agricultural import/export operations (the “**Guyana Port Project**”). The land for the Guyana Port Project was leased until year 2060, renewable for an additional term of 50 years. For the year ended December 31, 2023, CGX had invested $1.9 million in the Guyana Port Project.

Other Transportation Rights

As part of a project to expand the Ocensa Pipeline, project P-135, the Company entered into two crude oil transport agreements with Ocensa for future transport capacity for up to 30,000 bbl/d. The transport agreements expire on June 30, 2025. As part of these agreements, the Company is required to maintain a minimum credit rating of BB- (Fitch Ratings Inc.) and Ba3 (Moody’s Investors Service, Inc.), or to provide evidence of compliance with the net assets and working capital tests included in such agreements, or to provide a letter of credit for a value equivalent to one year of service (approximately $79,000,000). On April 29, 2020, Ocensa agreed to replace these requirements with a pledge agreement, pursuant to which the Company guaranteed payment to Ocensa through a pledge of the crude oil transported in the Ocensa Pipeline. The pledge agreement was valid until April 30, 2022. In May 2022, a new ship-or-

pay contract with Bicentenario and Cenit entered into force, and as a result, the pledged inventory crude oil is stored in Cenit's terminal of Coveñas (TLU-3) instead of Ocensa's terminal. On March 31, 2022, the Company signed a new pledge agreement with Cenit and Ocensa, which guarantees the payment obligations of both contracts, up to $30.0 million, and $6.0 million, respectively. The term of the pledge agreement was amended and extended for the period from May 1, 2022, to March 31, 2023, with Ocensa, and for the period from May 1, 2022, to April 30, 2023, with Cenit. On July 5, 2023, the term of the pledge agreement was further extended to March 31, 2024, with Ocensa, and to April 30, 2024, with Cenit.

Other Information Relating to Frontera's Business

Specialized Skill and Knowledge

The Company's operations in the oil and natural gas industry require professionals with skills and knowledge in diverse fields of expertise. In the course of its exploration, development and production operations, the Company uses the expertise of drilling engineers, exploration geophysicists and geologists, petrophysicists, petroleum engineers, petroleum geologists and production and completion engineers. The Company relies heavily on its personnel and works hard to meet the challenges inherent in attracting and retaining the professionals and experts required for its operations. See "Risk Factors – General Risks – Reliance on Key Personnel".

Competitive Conditions

All aspects of the energy industry are highly competitive. There is considerable competition in the global oil and natural gas industry, including South America where the Company's assets and operations are located. Nonetheless, management of the Company believes that it is competitive with other local and foreign oil and gas companies in South America. See "Risk Factors – Risks Related to the Company Conducting Business in the Oil and Natural Gas Industry – Competition".

Business Cycles

The oil and natural gas business is subject to commodity price cycles. The Company's operations and ability to market its oil and gas are sensitive to the market price of oil and natural gas. These prices fluctuate widely and are affected by numerous factors such as global supply, demand, inflation, exchange rates, interest rates, forward selling by producers, production, global or regional political, economic or financial situations and other factors beyond the control of the Company. See "Risk Factors – Risks Related to the Company conducting business in the Oil and Natural Gas Industry".

Sustainable Business

Overview

The Company is committed to conducting its business safely and in a socially, environmentally and ethically responsible manner and recognizes the importance of creating environmental, social, and economic value in the short, medium, and long term, following a strong governance framework to manage the associated risks in a timely manner.

In 2020, Frontera revisited its commitment and ownership of sustainability issues, with the goal to strengthen its culture of sustainable operations through the implementation of a comprehensive sustainability strategy. As a result of this process, in May 2021, the Company released a new strategy called "*Building a Sustainable Future*". Its main objectives are to work toward a greener and cleaner future, generate prosperity for all and position the Company as an influencer of integrity. The Company's new sustainability strategy requires business leadership to focus not only on "*what we do*", but on "*how we do it*", and to evaluate and manage the Company's commitment to creating long-term sustainable value and manage risks associated with environmental, social and governance matters in a timely manner.

The Company has been aligning and integrating its sustainability framework into the Company's corporate documents, policies, vision, processes, and day-to-day operations, creating a top down commitment from management that flows through the entire organization.

Environmental Protection, Health and Safety

The oil and natural gas industry in Colombia, Peru, Ecuador and Guyana is subject to environmental laws and regulations. Prior to commencing exploration and production activities, the Company must obtain requisite

environmental licenses and permits. Compliance with environmental obligations and requirements can require significant expenditures and impose constraints on the Company's operations in the applicable jurisdiction. The Company is exposed to potential environmental liability in connection with its operations. See "Risk Factors – Risks Relating to the Company conducting Business in the Oil and Natural Gas Industry – Environmental Regulations and Risks".

The Company has implemented guidelines and management systems to ensure compliance with all applicable laws.

In 2023, as part of its environmental strategy, the Company contributed with 1,000 hectares for the creation of the *Serranía del Manacacías* Natural Park. This contribution reflects the integrity of the Company's sustainability strategy and the efforts that are executed with the purpose of mitigating climate-related risks and other issues that may impact value generation.

In 2022, Frontera received the Honoris Esmerelda recognition from the Colombian Safety Council, which highlights its management in occupational health and safety and environmental protection. In addition, in 2022, Frontera's Ecuador operations received certification of its integrated management system under ISO 9001, ISO 14001 and ISO 45001 standards, which certify that the Company has successfully implemented the requirements related to quality, environmental, health and safety of the management systems, and are valid until November 28, 2025. Frontera's Colombia operations received recertification of its integrated management system under (i) ISO 9001 and ISO 14001, which are valid until October 4, 2024; (ii) ISO 45001, which is valid until September 27, 2024; and (iii) ISO 39001, which is valid until December 8, 2025. In 2023, Frontera's Colombia operations received the certification ISO 27001, which is valid until January 2026.

In 2023, Frontera received the Bronze seal from the district secretary of mobility of Bogota, first place in the Leader Honoris recognition of leadership in health and safety from the Colombian Safety Council, the recognition of Cultural Honoris from the Colombian Safety Council, and the recognition of best practices in road safety from the Colombian Safety Council.

The Company has implemented environmental management programs that help address the environmental impact caused by operations. These programs aim to measure, prevent, correct, mitigate and compensate the impact in environmental aspects such as: emissions, water and soil quality, and waste. In Colombia, regulatory investments for compensation are established by the environmental authority, due to consumption of water and soil impact during exploration and production projects. To execute Frontera's commitment to make a positive impact in the areas in which we operate, Frontera is implementing projects involving conservation, restoration, reforestation and sustainable land use.

In 2020, the Company started implementing a multi-year climate change strategy to improve its carbon footprint. The strategy includes enhancing measurement and reporting practices, neutralizing carbon emissions and investing in energy efficiency projects and initiatives.

Community and Stakeholder Relations

The Company continues to implement its social investment framework in a manner that encourages local community engagement and involvement. Based on the identification of socio-economic indicators and basic needs in areas where the Company operates, the Company updated its social investment framework, focusing its efforts on the design and implementation of projects related to education, economic development, and quality of life. Frontera's social investment framework is aligned to support the Company's progress towards the UN Sustainable Development Goals.

Currently, the Company is designing projects which can be implemented through collaborative efforts with peers and international organizations. In 2023, the Company implemented projects to support communities in the development of economic activities that enabled their own economic and sustainable development. Frontera joined efforts with peers and other entities for the expansion of the electrical grid in the village of Puerto Triunfo, in the municipality of Puerto Gaitán in the Department of Meta in Colombia, through the delivery of electrical transformers to the local power company, among other projects that comply with the outlined social investment framework. Through its social investment lines, Frontera invested approximately $5.5 million, benefiting 94,875 people close to the operations in Colombia and Ecuador.

Social investment is grounded in the understanding of the needs of the Company’s areas of influence, contributing to the development, competitiveness, and sustainability of the local communities and helping to close historical poverty gaps.

In 2021, Frontera defined a new social strategy called “*Generating Empathy with our Areas of Influence 2022-2024, Genpathy*”, which incorporates a series of strategic actions to be undertaken by key Company personnel, and the pursuit of a cross-company cultural engagement mindset.

Genpathy relies on the permanent monitoring of the areas of influence that will permit the Company to transform its approach to act proactively and in a preventive manner. The strategy aims to protect production and the development of the Company's activities, achieving closeness with external stakeholders and introducing throughout the Company a cultural model of community development and engagement, thus improving Frontera´s reputation in the territories where it operates. Genpathy and all social investment efforts help mitigate community risks by managing community relations appropriately and avoiding social incidents that affect operations and reduce associated operational delays.

The Company has adopted an Inclusion and Diversity Policy which guarantees an inclusive and diverse work environment for all Frontera employees. Its objective is to promote respect for the human rights of employees, contractors and external stakeholders, and to implement initiatives to avoid any type of discrimination.

On November 24, 2021, the Colombian Ministry of Labour and the Presidential Council for Equity for Women, with technical support from the United Nations Development Program (UNDP), awarded Frontera the EQUIPARES Gold Seal acknowledging the Company’s commitment and efforts to close gender gaps in the workplace and in the communities where it operates. The Gold Seal is the highest recognition of the program and Frontera is the first oil and gas company to receive this recognition. This award was valid for two years, until November 24, 2023, and the Company is now pursuing the re-certification of the EQUIPARES Gold Seal during 2024. Previously, Frontera had maintained the EQUIPARES Silver Seal certification since 2016, and was the first oil company in Colombia (and South America) to achieve that certification. In October 2022, Frontera was recognized by the Society of Petroleum Engineers Win Awards for its commitment to sustainability. The awards highlight leading corporate and individual practices in the hydrocarbons sector. Frontera was recognized in the "Equity, Diversity and Inclusion" and "Sustainability" categories and two Frontera women were also recognized in the "Leadership" category. On December, 2022, and successively on September, 2023, Frontera was recognized as one of the best places to work in Colombia by Great Place to Work.

In support of the social actions of its sustainability strategy, Frontera is focused on hiring and promoting women, seeking a better balance between work and personal life, as well as achieving a balance in professional development areas and leadership positions. As an example, the Company is promoting the training of women in the community within its oil and gas technical program - *Crece con Frontera*. In September 2023, the first group of 24 women trained in the *Crece con Frontera* program graduated as Oil and Gas Operators from the SENA – Colombia’s technical and vocational training institute. Of the 24 women who graduated, 15 are already employed by Frontera and industry peers. A second group of 20 trainees was launched in February 2023. Frontera arranged with industry peers for the practice internship to be provided by Frontera, Ecopetrol and Tecpetrol, in order to expand the program’s impact in the region.

Frontera is also currently working on a broader diversity strategy, which guarantees inclusion regardless of gender, sexual preferences, race, age, culture and other factors. On December 16, 2022, Frontera received the inclusion and diversity inclusion certification as a Friendly Biz organization, which endorses and certifies that Frontera is a friendly business with the LGBT community. This recognition allows Frontera to keep working toward the goal of creating a more diverse, equitable and inclusive society along with the Chamber of LGBT Merchants, an institution in charge of certifying companies in Colombia. This seal is recognized by 15 chambers of LGBT merchants around the world.

The Company designs and executes multiple social projects pursuant to local regulations in each country where the company operates for the benefit of the communities near the areas where the Company operates. Every project is developed jointly with the communities, the local governments and in some cases national entities, and is designed to address the needs and requirements of the communities.

The Company remains committed to the promotion and protection of human rights including, among other things, freedom of association, eradication of child and forced labour, security, and the economic, social and cultural rights of

local communities. See “Risk Factors – Risk Related to Operations in Colombia and the Company’s other Markets” and “Risk Factors – Risks Related to the Company Conducting Business in the Oil and Natural Gas Industry”.

Governance

The Board currently consists of six directors, five of whom are independent. See “Directors and Officers”. The Board has three standing committees: the Audit Committee, the Compensation and Human Resources Committee and the Corporate Governance, Nominating and Sustainability Committee.

The Board, directly and through its standing committees, works with management to develop fundamental policies and establish strategic objectives that preserve and enhance the sustainability of the business and value of the Company. The Board has oversight of environmental, social, governance, and health and safety matters including the responsibility to review programs and strategies and identify critical issues and risks.

Frontera is committed to upholding the values set out in its Code of Business Conduct and Ethics and conducting business fairly, with integrity and in compliance with applicable laws. It has a corporate integrity system that includes an Anti-Bribery and Anti-Corruption Policy to reinforce the Code of Business Conduct and Ethics with additional guidance (conflict of interest policy, gifts and invitations policy, ethics complaint protocols, among others), regarding applicable anti-bribery and anti-corruption laws. Likewise, the Company has an Anti-Asset Laundering and Terrorist Financing Policy, and a complementary policy on the Financing of the Proliferation of Weapons of Mass Destruction, aimed at the prevention of money laundering and related risks. Further, the Company applies data protection regulations in all of its processes. All officers and employees, including temporary and contract staff, are expected to observe the highest standards of honesty, integrity, diligence and fairness in all business activities. The Company’s selection and oversight of third parties involves a careful due diligence process segmented by risk factors and a contractual requirement for vendors and clients to observe analogous due diligence processes in their own operations (as well as in that of subcontractors) and to certify to Frontera such compliance.

In 2023, the company has strengthened its commitment to the promotion and protection of human rights by establishing a Human Rights Corporate Policy.

Employees

As at December 31, 2023, the Company had 767 employees in total, of which 6 employees are located in Canada, 738 employees are located in Colombia, 6 employees are located in Peru and 17 employees are located in Ecuador. As at December 31, 2023, CGX had 2 employees in Canada, 13 employees in the United States and 51 employees in Guyana, and Puerto Bahia had 274 employees located in Colombia. The Company also uses the services of professionals on a contract or consulting basis, as required from time to time.

Foreign Operations

The Company’s hydrocarbon production and sales activities are presently located in Colombia and Ecuador and therefore all of the Company’s revenues are generated from operations located outside of Canada.

Renegotiation or Termination of Contracts

As at the date hereof, the Company does not anticipate that any aspect of its business will be materially affected in the remainder of 2024 by the renegotiation or termination of contracts or subcontracts. See “Risk Factors – Risks Related to the Company Conducting Business in the Oil and Natural Gas Industry – Expiration of Contracts”.

RISK FACTORS

An investment in the securities of the Company involves a high degree of risk due to the nature of the Company’s business of the exploration and production of oil and natural gas. The Company considers the risks set out below to be the most significant to potential investors in the Company, but this list does not contain all of the risks associated with an investment in the securities of the Company. The Company is committed to a proactive program of enterprise risk management and has implemented an ERM internal control system based on the ISO31000 and the 2013 COSO risk management frameworks intended to enable decision-making through consistent identification and assessment of risks

inherent to its assets, activities and operations. The Company's ERM framework involves: (i) the identification of strategic and macro process risks; (ii) the assessment of risks and their allocation into various categories (environmental, social, compliance, safety, security, business continuity and others); (iii) the definition of key mitigation plans and controls; and (iv) an ongoing evaluation and monitoring of risks and risk mitigation plans and controls. There can be no assurances that the Company's enterprise risk management system will avoid future loss due to the occurrence of the risks listed below or other unforeseen risks.

Some of the risks listed below are common to operations in the oil and gas industry as a whole, while some are unique to Frontera. The realization of any of these risks or other possible additional risks and uncertainties of which the Company is currently unaware, or which the Company considers not to be currently material in relation to the Company's business, could have a material and adverse effect on the Company's business, business prospects, assets, liabilities, financial condition, reserves and results of operations (including future results of operations). In such circumstances, the price of the Common Shares may decline and investors may lose all or part of their investment.

Investors should carefully consider the risk factors set out below and all other information contained in this AIF and in the Company's other public filings before making an investment decision. An investment in the Common Shares is speculative and involves a high degree of risk due to the nature of the Company's business. It is recommended that investors consult with their own professional advisors before investing in the Common Shares.

General Risks

Risks related to the Common Shares

The trading price of the Common Shares may be subject to large fluctuations, which may result in losses to investors. The trading price of the Common Shares may increase or decrease in response to a number of events and factors, including, but not limited to: the COVID-19 pandemic; the price of oil and natural gas; the Company's financial condition, financial performance and future prospects; the public's reaction to the Company's news releases, other public announcements and the Company's filings with the various securities regulatory authorities; changes in earnings estimates or recommendations by research analysts who track the Common Shares or the securities of other companies in the oil and natural gas sector; changes in general economic conditions and the overall condition of the financial markets; the number of Common Shares that are publicly traded; the arrival or departure of key personnel; and acquisitions, strategic alliances or joint ventures involving the Company or its competitors.

In addition, an active public market for the Common Shares may not exist or be sustained. If an active public market does not exist, the liquidity of the Common Shares may be limited and the value of the Common Shares may decline.

Changing investor sentiment about the oil and gas industry

A number of factors, including the concerns of the impact of oil and gas operations on the environment, CO2 emissions, and hydrocarbon production and concerns about indigenous rights, have affected certain investors' sentiments towards investing in the oil and natural gas industry. As a result of these concerns, some institutional, retail and public investors have announced that they are no longer willing to fund or invest in oil and gas properties or companies or are reducing the amount of their investment over time. In addition, certain institutional investors are requesting that issuers develop and implement more robust social, environmental and governance policies and practices. Developing and implementing such policies and practices can involve significant costs and require a significant time commitment from the Board, management and employees of the Company. Failing to implement the policies and practices as requested by institutional investors may result in such investors reducing their investment in the Company or not investing in the Company at all. Any reduction in the investor base interested or willing to invest in the oil and gas industry and, more specifically, the Company, may result in limitations on the Company's access to capital, an increase in the cost of capital and/or a decrease in the price or liquidity of the Common Shares.

Reputational risk

The Company's business, operations, and financial condition could decline due to negative public opinion or sentiment towards the Company's reputation with stakeholders, special interest groups, political leadership, the media, and other entities. The media and special interest groups may influence this negative public perception of the oil and gas industry.

Reputational harm could result in delays, interruptions in operations, legal and regulatory challenges, blockades, increased governmental oversight, termination or non-issuance of permits and licenses, as well as increased costs. Moreover, the Company's reputation could be damaged by the actions of other oil and gas companies over which the Company has no control. Dangerous operations by the Company resulting in loss of life or injury and environmental harm could also damage the Company's reputation. Damage to the Company's reputation could increase negative investor sentiment, affecting the price and liquidity of the Company's securities.

Pandemic risk

Pandemics, epidemics or outbreaks of an infectious disease in Colombia, Canada or worldwide, including the recent COVID-19 pandemic or any other similar illness, and related government responses, could have a negative impact on the Company's financial condition, results of operations, projects and cash flows through (i) the disruption of local supply chains or the loss of manpower resulting from quarantines that affect the Company's labour pools in local communities or that are instituted by local health authorities as a precautionary measure, any of which may require the Company to temporarily reduce or shut down its operations depending on the extent and severity of a potential outbreak and the areas or operations impacted; (ii) impact on the health and safety of the Company's employees and contractors; (iii) the creation of operational restrictions; (iv) delay in the completion or deferral of growth and expansion projects; (v) the creation of counterparty credit risk; (vi) volatility in financial and commodity markets, including fluctuations in the price of oil and natural gas products. The extent, effect and duration of such events, if they were to occur, on the Company's business, financial condition and results of operations will depend on future developments, which are highly uncertain and cannot be predicted with any degree of confidence. Such events could have a material adverse effect on the Company's business, financial condition and results of operations and may also have the effect of heightening various risks set forth herein.

Russia-Ukraine conflict

In February 2022, Russian military forces invaded Ukraine. In response, Ukrainian military personnel and civilians are actively resisting the invasion. The outcome of the conflict continues to be uncertain and is having wide-ranging impacts on the world economy. In addition, certain countries, including Canada and the United States, have imposed strict financial and trade sanctions against Russia, which are having far reaching effects on the global economy. Russia is a major exporter of oil and natural gas. Disruption of supplies of oil and natural gas from Russia is creating a significant worldwide supply shortage of oil and natural gas and have led to sustained high worldwide prices of oil and natural gas. A lack of supply and high prices of oil and natural gas is having a significant adverse impact on the world economy, including record high inflation levels. In addition, many Russian companies that provide goods and services for oil exploration and production may have been or may eventually become in the near future, subject to sanctions, or impacted by logistical and financial difficulties, which in turn may result in temporary shortages of certain materials/equipment needed for the oil and natural gas exploration and production. To date, these events have not impacted the Company's ability to carry on business, there have been no significant delays or direct security issues affecting the Company's operations, offices or personnel, and the enacted sanctions have not affected the Company's business. The long-term impacts of the conflict and the sanctions imposed on Russia remain uncertain and the Company continues to monitor the evolving situation.

Israel-Hamas conflict

On October 7, 2023, Hamas terrorists infiltrated Israel's southern border from the Gaza Strip and conducted a series of attacks on civilian and military targets. Hamas also launched extensive rocket attacks on Israeli population and industrial centers located along Israel's border with the Gaza Strip and in other areas within the State of Israel. Following the attack, Israel's security cabinet declared war against Hamas and a military campaign against these terrorist organizations and has launched a series of responding attacks in Palestine. The outcome of the conflict continues to be uncertain and has the potential to have wide-ranging consequences on the world economy. Global oil prices have remained highly volatile since the beginning of the Israel-Palestine conflict. While neither Israel nor the Gaza Strip are significant oil producers, there is a risk that the conflict could lead to wider regional instability in the Middle East, home to some of the world's biggest oil producers. To date, these events have not impacted the Company's ability to carry on business, and there have been no significant delays or direct security issues affecting the Company's operations, offices

or personnel. The long-term impacts of the conflict remain uncertain, and the Company continues to monitor the evolving situation.

Global financial conditions

In recent years, global financial conditions have been subject to increased volatility. Market event conditions, including global excess oil and natural gas supply, actions taken by the OPEC, the Russia-Ukraine conflict, market volatility and sanctions imposed on certain oil producing nations by other countries have caused a significant decrease in the valuation of oil and gas companies, affected equity investor sentiment and decreased market confidence in the oil and natural gas industry in general. If these conditions continue and commodity prices remain volatile, this may have an adverse effect on the Company's Common Shares, business, financial condition or results of operations.

Liquidity and financial risks

The Company expects that its current cash and working capital balances, cash flow from operations and available debt and credit facilities will be sufficient to fund the necessary level of working capital, and that revenues generated will be sufficient to fund its operational development strategy. Certain long-term abandonment obligations and legal contingencies also require that the Company post cash collateral or provide letters of credit to support such commitments.

There is no assurance that the Company will be able to obtain adequate financing or lines of credit in the future, refinance or replace its existing debt, or that such financing will be on terms advantageous to the Company. The Company's ability to arrange such financing in the future will depend in part upon the prevailing capital market conditions as well as its business performance. Economic uncertainty and liquidity in capital markets may increase the risk that additional financing will only be available on terms and conditions unacceptable to the Company, or not at all.

The Company may require additional capital to continue to operate its business, to expand its exploration and production programs to additional properties (including meeting minimum exploration requirements under the Company's contracts and licences) and to undertake future acquisitions, if any. Failure to obtain such financing on a timely basis could cause the Company to forfeit its interests in certain properties, miss certain business opportunities and reduce or terminate its operations or contracts.

Material debt facilities risks

The Company's material debt facilities, including the 2028 Unsecured Indenture, impose certain operating and financial restrictions, and obligations on the Company. These restrictions limit the Company's ability to, among other things, incur additional indebtedness, make investments, sell assets, incur liens, enter into certain agreements, enter into transactions with affiliates, pay dividends, buy-back shares and consolidate or merge or sell substantially all of the Company's assets. In addition, obligations may be imposed on the Company as a result of actions not within its control, including as a result of a change of control.

These restrictions could limit the Company's ability to seize attractive opportunities for its business or otherwise engage in activities that may be in the Company's long-term best interests that are currently unforeseeable.

The failure of the Company to comply with these restrictions and obligations could result in an event of default that, if not cured or waived, could result in the acceleration of substantially all amounts outstanding under its material debt facilities. The Company may not have sufficient working capital to satisfy such debt obligations in the event of an acceleration of all or a significant portion of the Company's outstanding indebtedness which could have a material adverse effect on the Company's business, financial condition and results of operations.

Default on obligations to pay material debt facilities

The Company may incur additional indebtedness subject to certain limitations. If the Company is unable to generate sufficient cash flow or is otherwise unable to obtain funds necessary to meet required payments of principal, premium, if any, and interest on the Company's indebtedness, or if the Company otherwise fails to comply with the various covenants in the instruments governing its indebtedness, the Company could be in default under the terms of the agreements governing this indebtedness. In this event, the holders of such indebtedness could elect to declare all the funds borrowed thereunder to be due and payable, together with accrued and unpaid interest; the lenders could elect

to terminate their commitments, cease making further loans and institute foreclosure proceedings against the Company's assets; and the Company could be forced into bankruptcy or liquidation. If the Company's operating performance declines, it may need to obtain waivers from the required lenders to avoid being in default. If the Company breaches these covenants and seeks a waiver from the required lenders, it may not be able to obtain it. If this occurs, the Company would be in default under its indebtedness, the lenders could exercise their rights, as described above, and the Company could be forced into bankruptcy or liquidation.

Issuance of debt

The Company may become party to transactions financed in some portion or entirely with debt, increasing the Company's debt levels to above industry standards for crude oil and natural gas companies of similar size. Increased debt levels could impair the Company's ability to obtain financing or result in missed business opportunities.

Third party credit risk

The Company may be exposed to third party credit risk through its contractual arrangements with its current or future joint venture partners, service providers and other parties. In addition, the Company may be exposed to third party credit risk from operators of properties where the Company has a working or royalty interest, or is party to an asset disposition transaction with the Company. If such third parties fail to meet their contractual obligations to the Company, such failures could materially and adversely affect the Company's business, financial condition, and results of operations and future prospects. Furthermore, poor credit conditions in the industry may affect a joint venture partner's willingness or ability to participate in the Company's ongoing exploration and production activities. This could delay capital investment in an asset until the Company joins with a suitable alternative partner, or require the Company to finance such activities itself. Further, to the extent that any such third parties go bankrupt, become insolvent or make a proposal or institute any such bankruptcy and insolvency proceedings, this could result in the Company being unable to collect the money owing from these parties. Any such factors could materially and adversely affect the Company's financial and operational results.

Ratings downgrade

Rating agencies regularly evaluate the Company. These ratings are based on a number of factors, including the Company's financial strength, as well as factors not entirely within its control, including conditions affecting the oil and natural gas industry generally, and the wider state of the economy. Credit ratings are important to the Company's borrowing costs and ability to raise funds. Rating downgrades could potentially affect existing agreements of the Company, (such as triggering the collateralization requirements related to financial instrument and midstream service providers), result in higher financing costs, reduce access to capital markets, suppliers or counterparties, impair the Company's ability to enter certain transactions, including hedging agreements, decrease the Company's market share price and increase borrowing costs under credit facilities, all of which may have a material adverse effect on the Company. See "Description of Capital Structures – Credit Ratings."

Control environment

Effective internal controls are necessary for the Company to provide reliable financial reports and to help prevent fraud. The Company has procedures in place to ensure the reliability of its financial reports, including those imposed on it under Canadian securities laws. However, the Company cannot be certain that such measures will ensure that the Company will maintain adequate control over financial processes and reporting. Failure to implement required new or improved controls, or difficulties encountered in their implementation, could harm the Company's results of operations or cause it to fail to meet its reporting obligations. If the Company or its independent auditors discover a material weakness, the disclosure of that fact, even if quickly remedied, could reduce the market's confidence in the Company's financial statements and harm the trading price of the Common Shares.

Reliance on key personnel

The Company's success depends in large measure on the ability, expertise and judgment of the Company's executive leadership team. The Company also has an experienced management team supporting its operations. There is a risk that the loss of any of the Company's executive leadership or key employees could adversely impact the Company's

business. The Company's Board and senior management regularly consider and assess succession plans and contingencies in order to ensure that the Company has the right expertise within its leadership team and to attempt to mitigate the impact of any management changes.

The Company's success is also dependent on the availability of suitably qualified staff. The number of persons skilled in the acquisition, exploration, development and operation of oil and gas properties in the jurisdictions the Company operates is limited, and competition for such persons is intense; it is not guaranteed that the Company can attract and retain all such qualified personnel. The Company also employs senior personnel who have institutional knowledge that requires transference to incoming employees. If the Company cannot retain their employees, transfer institutional knowledge to new employees, or attract new employees with the necessary skills and training, the Company could experience negative impacts, as well as increased costs to recruit skilled professionals.

Management changes

As the Company's business evolves, the Board and senior management regularly consider and assess the composition and qualification of its management team. In addition contingencies and succession plans are regularly considered in order to attempt to successfully adapt to any management changes and to mitigate any adverse impact of any such changes. The Company cannot make assurances, however, that its management and operations will not be adversely affected by changes in management.

Conflicts of interest

The directors and officers of the Company may be directors or officers of entities which are in competition with the Company or certain entities in which the Company holds an equity investment. As such, they may develop conflicts of interest. Conflicts of interest are governed by applicable corporate laws, which may require disclosure of a material interest, or directors to refrain from voting on any matter related to a material contract.

Dividends

Payment of dividends on Common Shares, if any, in accordance with the Dividend Policy, will be subject to the discretion of the Board and may vary depending on, among other things, oil prices, the Company's financial condition, results of operations, cash flow, foreign exchange rates, need for funds to finance ongoing operations, covenants and conditions under the Company's material debt facility, legislative requirements and liquidity and solvency tests imposed by applicable corporate law for the declaration and payment of dividends. Based on these and other factors, many of which are beyond the Company's control, there can be no assurance that the Company will pay dividends in the future. See "Dividends and Distributions".

In addition, the provisions of the 2028 Unsecured Indenture and the BTG Instrument restrict the Company's ability to declare and pay dividends to the Shareholders under certain circumstances and, if such restrictions apply, they may in turn have an impact on the Company's ability to declare and pay dividends.

Certain Shareholders hold a significant portion of the Common Shares

While the Company is a widely held public company listed on the TSX, based on current public filings, Catalyst currently holds approximately 41% of the Company's issued and outstanding Common Shares. As a result, Catalyst could have the ability to exercise substantial influence over the policies and management of the Company, which could prove to be contrary to the interests of the other stakeholders of the Company.

It cannot be assumed that Catalyst or other large shareholders will remain as shareholders for the long-term. Catalyst may be interested in disposing of its interest in its Common Shares in the near- or medium-term and may therefore be unwilling to pursue certain long-term policies to the extent they may have short-term goals. In addition, if Catalyst decides to dispose all of its Common Shares, and such disposition results in the decrease of the 2028 Unsecured Notes rating, this event may trigger change of control provisions under the 2028 Unsecured Indenture, at which point the Company may have an obligation to offer to redeem the 2028 Unsecured Notes at 101% of the principal amount thereof plus accrued, unpaid interest and Additional Amounts (as defined in the 2028 Unsecured Indenture).

If, as a result of a disposition of Common Shares by Catalyst, a controlling shareholder is created, a controlling shareholder could have a different vision and strategy for the Company's business, which the Company cannot predict, but which may be adverse to the interests of other stakeholders of the Company.

Reduction of costs through corporate initiatives

The Company continues to implement a series of initiatives intended to streamline operations, improve efficiencies and reduce costs across the organization. In the first half of 2020, with the historic drop in oil prices, the Company accelerated its cost savings initiatives to reduce its capital expenditures, operating costs, and overhead costs. The resulting adjustments to operations, technologies and personnel as part of these initiatives may result in unanticipated operational problems, expenses and liabilities, among others.

While the Company's cost reduction efforts have reduced the Company's operating costs and improved efficiencies, the Company cannot be certain that all efforts will be successful or sustainable and that the Company will not be required to implement additional actions to structure its business to operate in a cost-effective manner in the future.

Restructuring Plan

The Company may encounter challenges in the execution of its Restructuring Plan that could prevent it from recognizing the intended benefits of the Restructuring Plan or otherwise adversely affect its business, results of operations and financial condition. As a result of the Restructuring Plan, the Company has incurred and may continue to incur additional costs in the short term, including cash expenditures for employee transition, notice period and severance payments, employee benefits and related costs. These additional expenditures could have the effect of reducing our operating margins. The Restructuring Plan may result in other unintended consequences. If the Company experiences any of these adverse consequences, the Restructuring Plan may not achieve or sustain its intended benefits, or the benefits, even if achieved, may not be adequate to meet the Company's long-term profitability and operational expectations, which could adversely affect the Company's business, results of operations and financial condition.

Enforcement of civil liabilities

Substantially all of the assets of the Company are located outside of Canada, and certain directors and officers of the Company are residents outside of Canada. As a result, it may be difficult or impossible to enforce judgments granted by a court in Canada against the assets of the Company or the directors and officers of the Company residing outside of Canada.

Managing growth

Frontera's corporate strategy remains focused on maximizing and realizing value through its strategic portfolio of energy and infrastructure related assets as captured by its 3 core businesses:

- Colombian and Ecuador Upstream: cash flow-focused production and reserves management from large onshore Colombia and Ecuador operations with a strong commitment to responsible and sustainable business practices;
- Infrastructure Colombia (formerly Midstream Colombia): profitable and significant Colombian infrastructure footprint uniquely positioned to capture growth from emerging opportunities providing stable and long-term revenue streams; and
- Guyana Exploration: potentially transformational offshore Guyana opportunity for a Maastrichtian-based, stand-alone commercial development, with upside and future opportunities in the deeper zones.

If the Company fails to effectively manage its growth, its financial results could be adversely affected. Growth may place a strain on the Company's management systems and resources. The Company must continue to refine and expand its business development capabilities, systems and processes and access to financing sources. As the Company grows, it must continue to hire, train, supervise and manage new employees. The Company cannot assure that it will be able to:

- expand its systems effectively, efficiently or in a timely manner;
- allocate its human resources optimally;

- identify and hire qualified employees or retain valued employees; or
- incorporate effectively the components of any business that the Company may acquire in the Company's effort to achieve growth.

If the Company is unable to manage its growth and operations, its financial results could be adversely affected by inefficiency, which could diminish profitability.

The Company may consider acquisitions and dispositions in the ordinary course of business. The identification and integration of acquisition and award opportunities may require significant effort, time and management resources and there is no assurance that the Company will be successful in acquiring or being awarded new properties and, if acquired or awarded, that such properties will result in commercial quantities of oil and natural gas.

In addition, the Company cannot guarantee that it will be able to successfully dispose of its non-core assets or that, if disposed of, the Company will receive the full carrying amount. Should the Company reach agreements to divest certain non-core assets, some agreements may include specific conditions to closing that may delay or inhibit the disposition and there can be no assurances that the Company will be able to meet these conditions and therefore close such transactions. Failure of the Company to close any disposition transaction may have an adverse effect of the Company's business, financial condition or results of operations.

Management assumptions and contingencies

Actual results may differ materially from management estimates and assumptions. In preparing consolidated financial statements in conformity with IFRS, estimates and assumptions are used by management in determining the reported amounts of assets and liabilities, revenues and expenses recognized during the periods presented and disclosures of contingent assets and liabilities known to exist as of the date of the financial statements. These estimates and assumptions must be made because certain information that is used in the preparation of such financial statements is dependent on future events, and cannot be calculated with a high degree of certainty from information available and the Company must exercise significant judgment in applying its accounting policies, estimates and assumptions about the future.

Estimates may be used in management's assessment of items such as fair values, income taxes, royalties, net operating earnings or loss, contingent liabilities and reported amount of assets. Actual results for all estimates could differ materially from the estimates and assumptions used by the Company, which may have a material adverse effect on the Company's business, financial condition, results from operations and business prospects.

In addition, the presentation of financial information in accordance with IFRS requires that management apply certain accounting policies and make certain estimates and assumptions that affect reported amounts in the Company's consolidated financial statements. The accounting policies may result in non-cash charges to net income and write-downs of net assets in the consolidated financial statements. Such non-cash charges and write-downs may be viewed unfavourably by the market and may result in an inability to borrow funds and/or may result in a decline in the Common Share price.

Lower oil and gas prices may result in a write-down of the Company's oil and gas properties, plant and equipment and deferred tax assets. Under IFRS, oil and gas assets are aggregated into groups known as Cash Generation Units ("**CGUs**") for impairment testing. CGUs are reviewed for indicators that the carrying value of the CGU may exceed its recoverable amount. If an indication of impairment exists, the CGUs' recoverable amount is then estimated. If the carrying amount exceeds its recoverable amount, an impairment loss is recorded in the period to reduce the carrying value of the CGU to its recoverable amount.

Breaches of confidentiality

The Company may disclose confidential information relating to its business, operations or affairs when discussing business relationships or other potential transactions with third parties. Before the disclosure of such confidential information, the Company endeavours to have third parties execute confidentiality agreements. A breach of a confidentiality agreement or disclosure of confidential information could put the Company at a competitive disadvantage and cause damage to its business. Such harm cannot be easily be quantified and may not be compensable through

damages. The Company cannot assure investors that if there was a breach of confidentiality, a court of competent jurisdiction would provide equitable relief in a timely manner, if at all.

Risks Related to the Company Conducting Business in the Oil and Natural Gas Industry

Fluctuating prices and markets

Substantially all of the Company's revenues are derived from the extraction and sale of oil and natural gas. Oil and gas prices have been and are expected to remain volatile as a result of the market uncertainties over supply and demand and other factors, all of which are beyond the Company's control. These factors can include, among other things, global supply and demand factors, political conditions in oil and gas exporting nations, the actions of the OPEC, oil demand growth from emerging markets, inflation expectations, currency exchange rate fluctuations, supply disruption, the availability of, and demand for, alternative fuel sources, circumstantial effects of climate change and meteorological phenomena, changes in trade policies and agreements, and threat of terrorism.

The Company is significantly vulnerable when oil and natural gas prices decline below the necessary levels to fund its operating costs and general and administrative expenses, planned non-discretionary capital programs, taxes and debt service. Any substantial decline in the prices of oil and natural gas could have a material adverse effect on the Company's earnings. Any substantial and prolonged decline in prices of crude oil or natural gas would have an adverse effect on the carrying value of the Company's reserves, borrowing capacity, exploration and development programs, revenues, profitability and funds flow from operations and may have a material adverse effect on the Company's business, financial condition, results from operations and business prospects.

In addition, bank borrowings that are likely to be available to the Company in the future (to the extent the Company could avail itself of such borrowing under the 2028 Unsecured Indenture) are usually determined by the Company's borrowing base. A sustained material decline in prices of oil or natural gas from historical average prices could reduce such borrowing base, therefore reducing the bank credit available.

The Company periodically enters into hedging transactions with respect to a portion of its expected future production to offset the risk of revenue losses if commodity prices decline. However, the Company's hedging arrangements may expose it to the risk of financial loss in certain circumstances, including instances in which production falls short of the hedged volumes; oil prices become significantly lower than projected; the counterparties to the hedging arrangements or other price risk management contracts fail to perform under those arrangements. There is no assurance that the Company will always be able to enter into hedging agreements or reduce the risk or minimize the effect of any future decline in oil or natural gas prices.

Exploration

Oil and natural gas exploration involves a high degree of risk, which even a combination of experience, knowledge and careful evaluation may not be able to overcome. The commercial viability of a new hydrocarbon pool is dependent upon a number of factors that are inherent to reserves, such as the content and the proximity of infrastructure, as well as prevailing oil and natural gas prices that are subject to considerable volatility, regulatory issues, such as price regulation, taxes, royalties, land tax, import and export of oil and natural gas, and labour and environmental protection issues.

It is also difficult to estimate the costs of implementing an exploratory drilling program due to the inherent uncertainties of the drilling process, the costs associated with encountering various adverse drilling conditions, such as over-pressured zones and tools lost in the drill hole, and changes in drilling plans and locations as a result of prior exploratory wells or additional seismic data and interpretations thereof. The individual impact generated by these factors cannot be predicted with any certainty and, once combined, may result in non-economical reserves.

If the Company's operations and/or investments in Colombia, Ecuador or Guyana are disrupted and/or the economic integrity of these projects is threatened for unexpected reasons, the Company's business may experience a setback. These unexpected events may be due to technical difficulties, operational difficulties which impact the production, transportation or sale of the Company's products, geographic and weather conditions, business reasons or otherwise.

In addition, the Company will remain subject to the normal risks inherent to the oil and natural gas industry, such as unusual and unexpected geological changes in the parameters and variables of the petroleum system and operations.

If exploration costs exceed the Company's estimates, or if the Company's exploration efforts do not produce results which meet the Company's expectations, the Company's future exploration efforts may not be commercially successful, which could adversely impact its ability to generate future revenues from the Company's operations.

Production

The Company's operations are subject to risks that could impact oil and gas production. Changes to actual or projected production levels can be the result of capital expenditure levels and management decisions to shut-in production. The Company seeks to minimize the financial impact of such risks by managing capex programs to focus on economic production and focusing on maintaining reservoir management as fields are brought back online.

The Company may experience declines in the average daily total oil and gas production from fields as they continue to mature. In an effort to maintain production rates at these fields, development and production costs (including workover costs and transportation costs), marketing costs and costs required to comply with regulations may increase, thus having a significant effect on the Company's ability to generate future revenues from its operations.

Future oil and natural gas exploration may involve unprofitable efforts, not only from dry wells, but also from wells that are productive but do not produce sufficient net revenues to return a profit after drilling, operating and other costs. Completion of a well does not assure a profit on the investment or recovery of drilling, completion and operating costs. In addition, drilling hazards or environmental damage could greatly increase the cost of operations, and various field operating conditions may adversely affect the production from successful wells.

In addition, the Company's production levels could be impacted by delays in obtaining governmental approvals or consents, shutdowns of connected wells resulting from extreme weather conditions, problems in storage and distribution and adverse geological and mechanical conditions, community blockades, human health issues (poisoning, virus outbreak) and delays in critical suppliers. These risks could generate impacts on the revenue generation (deferral losses) and reputational damage related to non-compliance with the market and stakeholders' expectations. As part of the risk mitigation, the Company monitors the operational risks, social environment and community engagement, to manage any impacts to changes in total production.

Reserves growth

The long-term commercial success of the Company depends on its ability to find, acquire, develop and commercially produce oil and natural gas. Without the continual addition of new reserves through exploration, acquisition or development activities, the Company's existing reserves and production therefrom will decline over time as such reserves are exploited. A future increase in the Company's reserves will depend on both the ability of the Company to explore and develop its existing properties and its ability to select, acquire or be awarded prospective or producing properties. There is no assurance that the Company will be able to continue to explore and develop its existing properties or find satisfactory properties to acquire or participate in. Moreover, management of the Company may determine that current markets, terms of acquisition, participation or pricing conditions make potential acquisitions or participation uneconomic. There is also no assurance that the Company will discover or acquire further commercial quantities of oil and natural gas.

Royalty regimes

There is no assurance that governments in jurisdictions where the Company has assets will not adopt new royalty regimes, or modify existing regimes. If such a change were to occur, this could impact the economics and costs of the Company's projects. An increase in royalties could reduce the Company's earnings.

Health, safety and environmental

Given the operational and technical complexity associated with the oil and gas industry, the Company is subject to health, safety and environment risk. The Company's operations are subject to normal hazards and risks related to the exploration, development and production of natural resources, any of which could result in work stoppages, damage to persons or property and possible environmental damage. If any of these risks should materialize, the Company could incur legal defense costs and remedial costs and could suffer substantial losses due to injury or loss of life; human health risks; severe damage to or destruction of oil and gas wells, formations, production facilities or other properties;

natural resources and equipment; pollution or other environmental damage; unplanned production outage; cleanup responsibilities; regulatory investigation and penalties; increased public interest in the Company's operational performance; and suspension of operations.

Oil and natural gas drilling and producing operations are subject to many operating hazards and risks, including the risk of fire; explosions; mechanical failure; pipe or well cement failure; well casing collapse; abnormal pressure in formations; chemical and other spills; unauthorized access to hydrocarbons; accidental flows of oil and/or gas; natural gas or well fluids; sour gas releases; contamination of oil and gas; vessel collision; structural failure; storms; earthquakes; hurricanes; floods or other adverse weather conditions and other occurrences. The Company's operations are also subject to the hazards and risks normally incidental to exploration, development and production of natural resources, any of which could result in work stoppages, damage to persons or property and possible environmental damage. The Company seeks to minimize these risks by measuring and monitoring health, safety and environmental standards on a continuous basis and conducting its operations in a safe and reliable manner in accordance with high safety standards. Emergency preparedness, enhanced safety protocols, business continuity and security policies and programs are in place for all operating areas and are adhered to on an ongoing basis.

Insurance

The Company is not fully insured against all risks, nor are all risks insurable. While the Company obtains insurance in an amount consistent with industry standards, the nature of the risks facing the oil and gas industry is such that liabilities might exceed policy limits, the liabilities and hazards might not be insurable, or the Company might not elect to insure itself against such liabilities due to high premium costs or other reasons, and the Company could incur significant costs that could have a material adverse effect upon its financial condition. A loss not fully covered by insurance, or the solvency of an insurer, could have a material adverse effect on the Company's financial position. The insurance coverage that the Company maintains may not be sufficient to cover every claim made against the Company in the future. In addition, a major incident could impact the Company's reputation in such a way that it could have a material adverse effect on the Company's business, financial condition or results of operations.

Pending or future litigation, arbitration and other regulatory proceedings

From time to time the Company is involved in litigation and arbitration relating to, among other things, labour, health and safety matters; environmental matters; regulatory, tax and administrative proceedings; governmental investigations; arbitration; and contractual claims and disputes. In addition, in some cases, the Company requires governmental authorities to approve certain settlements which are not in its control. Litigation is inherently costly and unpredictable, making it difficult to accurately estimate the outcome, among other matters. Although the Company has established financial provisions and contingencies which it believes are individually appropriate, there is a risk that on a cumulative basis adverse decisions in such matters could materially affect the Company's financial condition or results of operations if such contingencies vary significantly from any amounts actually paid. In addition, if the Company were to receive an unfavourable decision through such proceedings, the Company may suffer reputational damage as a result, which could have an adverse effect on the Company's business and its ability to grow. For additional information see "Legal Proceedings and Regulatory Actions."

Contractual contingent obligations

The Company is subject to certain contractual contingencies, which, if they were to occur, could have an impact on the Company's business, financial condition or results of operations.

Certain of the Company's commercial agreements include provisions that require the Company, upon the occurrence of certain specific events, to contribute capital, repurchase shares from the Company's partners, suffer dilution or provide financial guarantees. If these contingencies were to occur the Company may not have the ability to raise the funds necessary to finance such contingent obligations.

Cybersecurity, data management and information security

Cyberattacks are an increasing threat applicable to companies of any size, operating in any region and across industries, the results of which may include compromising confidential or personal information, failures in information

and operation systems, operation outages, a negative impact on a company's reputation, environmental incidents, legal sanctions, and, in extreme cases, risks to people’s physical safety. In addition, information systems could be damaged or interrupted by natural disasters, force majeure events, telecommunications failures, power loss, acts of war or terrorism, computer viruses, malicious code, physical or electronic security breaches, intentional or inadvertent user misuse or error, or similar events or disruptions. Any of these or other events could cause interruptions, delays, loss of critical or sensitive data, or similar effects, which could have a material adverse impact on the protection of intellectual property, confidential and proprietary information, and on the Company’s business, financial condition and results of operations.

The Company is dependent on the use of technology to properly operate its business and relies on various information technology systems to manage reserves and production, process financial data, administer contracts and communicate with employees and third parties. For several years, Frontera has had a robust cybersecurity program in place to assist the organization in facing cybersecurity challenges, which is reviewed regularly and is based on the ISO 27001, the ISO 27005 and the National Institute of Standards and Technology (NIST) for best practices. The Company's cybersecurity program includes a requirement to provide quarterly updates to the Board quarterly and focuses the Company's efforts on: (i) creating an information security culture through a training and awareness program; (ii) a risk management process that includes vulnerability management, ethical hacking exercises, risk assessments and protection of critical company information; (iii) adopting practices that allow the Company to identify, respond and mitigate incidents while becoming more resilient against future incidents; (iv) implementing assurance and monitoring processes, such as the extension of IT network controls to OT network controls, to minimize the probability and impact of cyberattacks on the Company's critical infrastructure; (v) strengthening its capabilities for monitoring and detecting cyberattacks, with a combination of experts and technologies based on machine learning and artificial intelligence to prevent incidents from materializing; and (vi) ensuring regulatory compliance with respect to data privacy in every region the Company operates.

The Company’s cybersecurity program is designed to help protect its information technology systems, and the Company has not been the subject of a material cyber attack incident to date. However, in this challenging and evolving cyber risk environment, the Company’s mitigation strategy cannot guarantee absolute security and the Company may still be vulnerable to cyber-attacks or data security incidents in the future. To help mitigate this risk, the Company has a specific insurance policy for cyber risks in place.

Reserves and resources estimates

There are numerous uncertainties inherent in estimating reserves and resources and cash flows to be derived therefrom, including many factors beyond the control of the Company. The Company prepares these reserves and resources estimates using various factors and assumptions, including historical production in the area compared with production rates from analogous producing areas; initial production rates; production decline rates; ultimate recovery of reserves; success of future development activities; timing and amount of capital expenditures; marketability of production; royalty rates, effects of regulations by government agencies (including levies imposed over the life of the reserves); and future operating costs (all of which could materially vary from actual results).

Some of these assumptions are inherently subjective, and the accuracy of the Company’s reserves and resources estimates relies in part on the ability of its management team, engineers and other advisors to make accurate assumptions. Economic factors beyond the Company’s control, such as oil prices, interest rates and exchange rates, will also impact the value of its reserves and resources. As a result, the Company’s reserves and resources estimates will be inherently imprecise. The reserves and resources disclosed by the Company should not be interpreted as assurances of property life or of the profitability of current or future operations. Actual future production; oil and natural gas prices; revenues, taxes; development expenditures; operating expenses and quantities of recoverable oil and gas reserves may vary substantially from those the Company estimates. If actual production results vary substantially from the Company’s estimates, this could materially reduce its revenues and result in the impairment of its oil and natural gas interests.

Exploration commitments

Government contracts such as exploration and production agreements require that minimum investments be made as a condition to maintaining the rights under the agreements. As of December 31, 2023, the Company has certain minimum work program commitments for 2024 and beyond. If the Company fails to satisfy the minimum investments required by its exploration and production agreements, the Company could be subject to significant monetary penalties of up to 100% of the minimum work program commitment, among other penalties or sanctions (including forfeiture of a block) which could have a material adverse effect on the Company's business, financial condition and results of operations.

Transportation and distribution costs

To sell the oil and natural gas that the Company produces, it must make arrangements for transportation, storage and distribution to the market. The industry depends on trucking, ocean-going vessels, pipeline facilities, ports, and barge transportation to deliver shipments, and transportation costs are a significant component of the total cost of supplying oil and natural gas to the market. Disruptions of these transportation services because of weather-related problems, strikes, lockouts, delays, terrorist acts or other events could temporarily impair, and have in the past temporarily impaired, its ability to supply oil and natural gas to the Company's customers and may result in lost sales. In addition, increases in transportation costs, or changes in transportation costs for oil and natural gas produced by competitors, could adversely affect the Company's profitability. To the extent such increases are sustained, the Company could experience losses and may decide to discontinue certain operations, forcing the Company to incur closures and/or care and maintenance costs, as the case may be. Additionally, lack of access to transportation may hinder the expansion of production at some of the Company's properties and the Company may be required to use more expensive transportation alternatives.

Furthermore, future instability in the countries in which the Company operates and may operate in the future, weather conditions or natural disasters, actions by companies doing business in those countries, labour disputes, terrorist acts or actions taken by the international community may impair the transportation and distribution of oil and/or natural gas and in turn, diminish the Company's financial condition or ability to maintain its operations. In addition, attacks on Colombian pipelines by insurgents have previously led to increases in the Company's transportation costs.

Decommissioning costs

The Company may become responsible for costs associated with abandoning and reclaiming wells, facilities and pipelines that it uses for production of oil and gas reserves. Abandonment and reclamation of these facilities and the costs associated therewith is often referred to as "decommissioning". If decommissioning is required before economic depletion of the Company's properties, or if the Company's estimates of the costs of decommissioning exceed the value of the reserves remaining at any particular time, it may have to draw on funds from other sources to satisfy such costs. The use of other funds to satisfy such decommissioning costs could impair the Company's ability to focus capital in other areas of its business.

Permits and licences

The Company's interests in its properties are held in the form of licences, contracts and leases and working interests in licences, contracts and leases held by others. If the specific requirements of a licence, contract or lease are not met by either the Company or the holder of such licence, contract or lease, it may be terminated or expire. There can be no assurance that any of the obligations required to maintain each licence, contract or lease will be met. The termination or expiration of licences, contracts or leases or the working interests relating thereto could have a material adverse effect on the business, financial condition, results of operations and prospects of the Company.

The Company's exploration, development and production activities may require licences and permits from governmental authorities, and as such operations are and will be governed by laws and regulations governing exploration, development and production, labour standards, occupational health, waste disposal, toxic substances, land use, environmental protection, safety and other matters. Companies engaged in exploration activities generally experience increased costs and delays as a result of the need to comply with applicable laws, regulations and permits. There can be no assurance that all licences and permits that the Company may require to carry out exploration and

development of its projects will be obtained on reasonable terms or on a timely basis, or that such laws and regulations would not have an adverse effect on any project that the Company may undertake.

In the recent past, the Company and other oil and gas companies operating in South America have experienced significant delays from regional and national authorities with respect to the issuance of such licences. Unanticipated licensing delays can result in significant delays and cost overruns in the exploration and development of blocks and could affect the Company's financial condition and results of operations. The Company cannot assure that these delays will not continue or worsen in the future.

Labour disruptions

The Company operates in countries that have large state-sponsored or owned oil and gas companies that have traditionally employed unionized personnel. From time to time, the unions attempt or threaten to disrupt the field operations and crude oil transportation activities of their employers which may directly or indirectly affect the operations of the Company. The Company has previously experienced significant labour unrest that resulted in higher operating costs, although it did not have a significant impact on the Company's production output. The Company cannot provide any assurances that it will not face labour disruptions in the future, or that any agreement reached with workers would not result in a material increase to the Company's labour costs, all of which may have a material adverse effect on the Company's operations.

Environmental regulations and risk

All phases of the oil and natural gas business present environmental risks and hazards and are subject to environmental regulation pursuant to a variety of international conventions and national, provincial and municipal laws and regulations. Prior to conducting projects, the Company must procure the licenses and environmental permits required by regulators. Environmental legislation provides for, among other things, restrictions and prohibitions on spills, releases or emissions of various substances produced in association with oil and gas operations. The legislation also imposes compensation and investment obligations and requires that wells and facility sites be operated, maintained, abandoned and reclaimed to the satisfaction of competent regulatory authorities. Compliance with such legislation can require significant expenditures, and a breach may result in revocation or suspension of environmental licenses and permits, civil liability for damages, remediation costs, and the imposition of fines and penalties, some of which may be material. While the Company endeavours to meet all of its environmental obligations, it cannot guarantee that it has been and will be in compliance at all times. Environmental legislation is evolving in a manner the Company expects may result in stricter standards and enforcement, larger fines and liability and potentially increased capital expenditures and operating costs. The discharge of oil, natural gas or other pollutants into the air, soil or water may give rise to liabilities and may require the Company to incur costs to remedy such discharge. The application of environmental laws to the Company's business may cause the Company to curtail its production or increase the costs of its production, development or exploration activities.

In addition, the Company's exploration, development and production activities will require the previous obtainment of certain permits and licenses from various governmental authorities, and such operations are and will be governed by laws and regulations concerning exploration, development and production, labour standards, occupational health, waste disposal, toxic substances, land use, environmental protection, safety and other matters. Companies engaged in exploration activities generally experience increased costs and delays because of the need to comply with applicable laws, regulations and permits. There can be no assurance that all licenses and permits that the Company may require to carry out exploration and development of the Company's projects will be obtainable on reasonable terms or on a timely basis, or that such laws and regulations or amendments thereof would not have an adverse effect on any project that the Company may undertake.

As of December 31, 2023, Colombia, Ecuador and Guyana have ratified the Regional Agreement on Access to Information, Public Participation and Justice in Environmental Matters in Latin America and the Caribbean (the "**Escazu Agreement**"). The Company cannot predict with any certainty at this time the impacts to the Company that implementation of the Escazu Agreement may entail, as no details are yet available regarding the ways in which implementation will be carried out for the countries that have ratified it. However, it is anticipated that the Escazu Agreement will increase the participation of communities and the demand for access to information, which could affect

the processes for obtaining environmental licenses, permits and authorizations applicable to the Company, may result in the incurrence of additional unanticipated costs, and could create friction with the communities, among other risks.

Climate change transition risks

Public support for climate change action is growing across the world. There has been a significant increase in focus on the timing and pace of the transition to a lower-carbon economy and climate change policy is continually evolving. The 2015 United Nations Climate Change Conference adopted by consensus the 2015 Paris Climate Agreement, which came into force on November 4, 2016. The agreement established greenhouse gas ("**GHG**") emission reduction measures, targets to limit global temperature increases and requires countries to review and "represent a progression" in their intended nationally determined contributions, which set emissions reduction goals every five years, beginning in 2020. The 2021 United Nations Climate Change Conference was the first since the 2015 Paris Climate Agreement that expected parties to make enhanced commitments toward mitigating climate change, and on November 13, 2021, the parties agreed to a new deal, the Glasgow Climate Pact, which aims at staving off climate change and for the first time makes reference to fossil fuels explicitly. In Colombia, the government passed Law 1931 in 2018, which establishes guidelines for the management of climate change. The purpose of this law is to promote the development of actions to mitigate GHGs.

International treaties together with increased public awareness related to climate change may result in increased regulation to reduce or mitigate GHG emissions. Compliance with legal and regulatory changes relating to climate change, including those resulting from the implementation of international treaties, may in the future increase the Company's costs to (i) operate and maintain the Company's facilities, (ii) install new emission controls on the Company's facilities and (iii) administer and manage any GHG emissions program. Revenue generation and strategic growth opportunities may also be adversely affected.

Although the Company has initiated a carbon footprint management strategy to reduce emissions, the GHG emissions of the Company may increase as the Company continues to manage declining fields and pursues a growth strategy.

Additional factors, such as the price and availability of new technologies, including renewable energy and unconventional oil and gas extraction methods, and the global geopolitical climate and other relevant conditions, have an indirect impact on oil demand and oil prices. There can be no assurances that these factors, in combination with others, will not result in a prolonged or further decline in oil prices, which may continue to have an adverse effect on revenues. Any long-term material adverse effect on the oil and gas industry could adversely affect the financial and operational aspects of the Company's business, which the Company cannot predict with certainty at this time and which are beyond the Company's control. Revenue generation and strategic growth opportunities may also be adversely affected which in the long-term may reduce the demand for oil and natural gas production, resulting in a decrease in the Company's financial and operating results.

The changing sentiment regarding climate change, and the increasingly stringent regulation of GHG, including regulations resulting from the implementation of international treaties, are expected to increase the Company's costs. In the long-term, regulation of GHG may also reduce demand for oil and natural gas production, resulting in a decrease in the Company's profitability and a reduction in the value of its assets or requiring asset impairments for financial statement purposes. The direct or indirect costs of compliance with GHG-related legislation or initiatives – such as adopting new sustainable technologies to reduce the Company's carbon footprint – may have a material adverse effect on the Company's business, financial condition, results of operations and prospects including, but not limited to increased costs to: (i) operate and maintain its facilities; (ii) install new emission controls on its facilities; and (iii) administer and manage any GHG emissions program. Additionally, there is a risk of third parties initiating litigation against the Company related to the GHG emissions and its impact on the climate.

Physical risks of climate change

The potential physical risks resulting from climate change are long-term in nature and contain a high degree of uncertainty of when such risks will occur, their scope, and their severity of impact. The Company does not conduct scientific research into climate change, but does stay abreast of scientific literature on the topic. Many experts believe climate change could increase extreme variability in weather patterns such as more frequent bouts of severe weather,

rising mean sea temperatures and levels, and long-term changes in precipitation patterns. Extreme hot weather, heavy rain, and wildfires may limit the Company's ability to access its assets and cause operational difficulties, including damage to equipment and infrastructure. Moreover, extreme weather could increase the likelihood of personnel injury due to dangerous working conditions and could cause disruption to the production and transportation of its products, or slow the delivery of goods and services in its supply chain. These potential changes to the physical environment in which the Company operates may require the Company to incur greater costs in order to remedy its operations and obtain insurance.

The Company's operations may be disrupted by natural disasters made more severe and frequent as a result of climate change. The Company's ability to limit the impacts of these unexpected events depends on its rigorous preparedness and response planning, as well as business continuity plans.

Critical habitats

Although none of the Company's operations overlap with legally protected areas, the Company has exploration, production and development operations in sensitive eco-regions, which may impact areas of high conservation value or critical habitat even if not under legally protected status. These impacts could result in civil society campaigns targeting the Company, community/stakeholder opposition and negative news. To address issues of biodiversity concern, the Company is working on a strategy, the purpose of which is to protect and conserve areas in environmentally strategic zones through connectivity corridors and specific actions within the Company's areas of operation. The activities that are executed within this strategy include the purchase of land, reforestation, ecological restoration, agroforestry, sustainable cattle ranching and beekeeping, among others, all of which are executed through the Company's 1% investment and offsetting commitments. To date, the Company has accumulated 5,737 hectares for protection and conservation.

Expiration of contracts

The Company may be unable to find alternative revenue sources to replace the revenue that it has lost upon the expiration of certain exploration and exploitation contracts. Although the Company may want to extend its exploration and production contracts beyond their original expiration date, there is no assurance that such extension would be agreed to or, if so agreed, that the counterparties to such contracts would agree to terms that are acceptable to the Company. If any such contracts are terminated, any wells in production, buildings and other real estate possessions related to the fields subject to such contracts will revert without any additional compensation to the Company.

Reliance on foreign subsidiaries

The Company conducts all of its operations through foreign subsidiaries and foreign branches. Therefore, the Company is dependent on the flow of funds from operations of these subsidiaries and branches to meet its obligations, excluding any additional equity or debt the Company may issue from time to time. The ability of its subsidiaries to make payments and transfer cash to the Company may be constrained by, among other things: the level of taxation, particularly corporate profits and withholding taxes, in the jurisdictions in which it operates; changes in government approvals and the introduction of foreign exchange and/or currency controls or repatriation restrictions, or the availability of hard currency to be repatriated. Furthermore, if a dispute arises in foreign jurisdictions, the Company may be subject to the exclusive jurisdiction of a foreign court, and have no ability to ensure foreign persons attorn to the jurisdiction of the courts within Canada.

The implementation of a restrictive exchange control policy, including the imposition of restrictions on the repatriation of earnings to foreign entities, could affect the Company's ability to engage in foreign exchange activities and could also have a material adverse effect on its business, financial condition and results of operations.

In particular, Colombian law provides that the Central Bank of Colombia may intervene in the foreign exchange market if the Colombian peso experiences significant volatility. The Company cannot provide assurance that the Central Bank of Colombia will not intervene in the future, and the Company may be temporarily unable to convert Colombian pesos to dollars.

Strategic relationships

To develop the Company's business, the Company may use business relationships to enter into strategic relationships, which may take the form of joint ventures with other private parties, with local government bodies or contractual arrangements with other oil and gas companies, including those that supply equipment and other resources that the Company uses in its business. The Company may not be able to establish these strategic relationships or, if established, the Company may not be able to maintain them. If the Company's strategic relationships are not established or maintained, its business prospects may be limited, which could diminish the Company's ability to conduct its operations.

Conflicting interest with joint venture partners

In the development of the Company's business, the Company has entered into various joint venture activities to explore for or develop certain hydrocarbon or infrastructure assets. The success and timing of the Company's activities that are developed through these joint venture arrangements depend on a number of factors that are outside the Company's control, including the approval of other participants on major decisions concerning the direction and operation of the assets and the development of certain projects, the timing and amount of capital expenditures to meet minimum work commitments, and the objectives and interests of other participants. Failure to satisfactorily meet demands or expectations by all of the parties may affect the Company's participation in the operation of a joint venture asset and may result in the Company losing the contractual right to the asset or project. As a result, the Company may assume significant additional costs that it would not otherwise be inclined to undertake to fulfill the obligations to meet certain work commitments to maintain its contractual rights for certain hydrocarbon or infrastructure assets that are considered material to the Company's business and operations.

Health hazards and personal safety incidents

The employees and contractor personnel involved in exploration and production activities and operations of the Company are subject to many inherent health and safety risks and hazards, which could result in occupational illness or health issues, personal injury and loss of life, facility quarantine or facility and personnel evacuation. To address these risks, the Company has implemented monitoring and reporting programs for environment, health and safety performance in day-to-day operations, as well as inspections and assessments, designed to ensure that environmental and regulatory standards are met including complying with COVID-19 procedures.

No assurance of title

The acquisition of title to oil and natural gas properties in the jurisdictions the Company operates is a detailed and time-consuming process. Title to oil and natural gas interests is often not capable of conclusive determination without incurring substantial expense. The Company's properties may be subject to unforeseen title claims, including, among others, claims by indigenous communities. While the Company intends to make appropriate inquiries into the title of properties and other development rights it acquires, title defects may exist. If title defects do exist, it is possible that the Company may lose all or a portion of its right, title and interest in and to the properties that the title defects relate.

Foreign currency exchange rates

The Company mainly sells the oil it produces in the international markets under agreements that are denominated in U.S. dollars and foreign currencies. Many of the operational and other expenses the Company incurs are paid in the local currency of the countries where the Company conducts its operations. As a result, the Company may be exposed to translation risk when local currency financial statements are translated to U.S. dollars, the Company's functional currency.

Exchange rates between the Colombian peso and U.S. dollar have fluctuated significantly in the past and may fluctuate in the future. As currency exchange rates fluctuate, translation of the statements of income of international businesses into dollars will affect comparability of revenues and expenses between periods.

Corruption

The Company is subject to laws that prohibit bribery and other forms of corruption in Canada and Colombia and other jurisdictions where it operates and may be subject to similar laws in jurisdictions where it may operate in the future. In

conducting its operations in South America and carrying out its social investment and environmental compensation requirements, the Company may be at risk of public corruption.

The Company has policies and procedures to detect and prevent bribery and corruption in any form. Such policies and controls include employee training, enforcement of policies prohibiting the giving or accepting of money or gifts in certain circumstances and an annual conflict of interest declaration from each employee confirming that such employee has disclosed actual, perceived or eventual conflicts, and confirming that such employee has not violated any applicable anti-corruption or bribery legislation. In addition, employees are required to annually acknowledge their compliance with the Company's Code of Business Conduct and Ethics and its Conflict of Interest Policy. Despite these policies and procedures, the Company cannot be certain that such measures will prevent fraud and ensure compliance with anti-corruption and anti-bribery legislation. It is possible that the Company, or its employees or contractors, could be charged with bribery or other forms of corruption as a result of the unauthorized actions of its employees or contractors. If the Company is found guilty of such a violation, the Company could be subject to onerous criminal or civil sanctions or other penalties as well as reputational damage. An investigation itself could lead to significant corporate disruption, high legal costs and forced settlements (such as the imposition of an internal monitor). In addition, such allegations or convictions could impair the Company's ability to work with governments or non-governmental organizations, including the formal exclusion of the Company from a country or area, national or international lawsuits, government sanctions or fines, project suspension or delays, reduced market capitalization and increased investor concern.

Money laundering and other illegal and improper activities

Given the large number of contracts that the Company is a party to in Colombia and abroad with local and foreign suppliers and contractors, the geographic distribution of the Company's operations and the significant number of third parties that the Company interacts within the course of business, the Company is subject to the risk that its employees, suppliers, contractors, or any person with whom the Company has a relationship may misappropriate the Company's assets, manipulate the Company's assets or information, make improper payments or engage in money laundering or the financing of terrorism, for such person's personal or business advantage.

The Company is required to comply with applicable anti-money laundering laws, anti-terrorism financing laws and other regulations in Colombia and the countries where the Company operates. The Company has made significant investments in modern compliance and internal audit programs and improved upon its policies and procedures aimed at detecting and preventing money laundering, and other illegal activities by terrorists, terrorist-related organizations and individuals. Nevertheless, such policies and procedures may not completely eliminate instances of money laundering and other illegal or improper activities. In addition, the Company's systems for identifying and monitoring these risks may not be effective to fully mitigate them in all situations. If the Company fails to fully comply with such applicable laws and regulations, the relevant government authorities of the countries where the Company operates have the power and authority to impose fines and other penalties. In addition, any such acts may result in material financial losses or reputational harm to the Company which could in turn have an adverse effect on the Company's business, financial condition and results of operation.

Technology

The Company relies on technology, including geologic and seismic interpretation and economic models, to develop its reserve estimates and to guide its exploration, development and production activities. The Company is required to continually enhance and update its technology to maintain its efficacy and to avoid obsolescence. The costs of doing so may be substantial and may be higher than the costs that the Company anticipates. If the Company is unable to maintain the efficacy of its technology, its ability to manage its business and to compete may be impaired, in which case the Company may incur higher operating costs than it would if the Company's technology was more efficient. Conversely, implementing new technology may not provide the same results as originally delivered during a test or simulation period. As such, there can be no assurance of successfully integrating new technology into a project.

Competition

The oil and gas industry is highly competitive in all of its phases. Other oil and gas companies will compete with the Company by bidding for exploration and production licenses and other properties and services that the Company will

need to operate the Company's business in the countries in which it operates. Additionally, other companies engaged in the Company's line of business may compete with the Company from time to time in obtaining capital from investors. Competitors include larger, foreign-owned companies, which may have access to greater resources than Frontera, may be more successful in the recruitment and retention of qualified employees and may conduct their own refining and petroleum marketing operations, which may give them a competitive advantage. In addition, actual or potential competitors may be strengthened through the acquisition of additional assets and interests. The Company's ability to increase the Company's interests in the future will depend not only on the Company's ability to explore and develop present properties, but also on the Company's ability to select, acquire and develop suitable properties or prospects.

Risks Related to Operations in Colombia and the Company's Other Markets

Economic and political developments

The Company has current projects located in emerging market countries, including Colombia, Ecuador and Guyana, and continuing obligations in Peru as the Company transitions out of the country. Consequently, the Company is dependent upon these countries' respective economic and political developments. As a result, the Company's business, financial position and results of operations may be affected by factors which are outside of its control, including, but not limited to, the general conditions of these economies, economic instabilities, price instabilities, currency fluctuations, inflation, interest rates, taxation, regulation and policy changes, changes to drilling, development and abandonment obligations, expropriation of property without fair compensation, termination of existing contracts, political unrest, administrative or process changes, social instabilities, and other developments in or affecting these countries, over which the Company has no control. Although the Company does not have operations in the Middle East, political instability and conflicts in the region may also cause disruptions to the global supply of oil that ultimately affects the price of commodities, oil, and natural gas.

There can be no assurance that the governments of the countries where the Company operates and has investments will continue to pursue business-friendly and open market economic policies or policies that stimulate economic growth and social stability. Any changes in the economy or the respective governments' economic policies in the countries where the Company operates, in particular as they relate to the oil and gas industries, may have a negative impact on the Company's business, financial condition and results of operations. Any of these factors, as well as volatility in the markets, may adversely affect the value of the securities of the Company.

In order to reduce its exposure to political risks, the Company has established a government stakeholder engagement plan, created a legislative activity plan and continues to build a balanced, diversified portfolio in the region.

Social risks

The Company's activities are subject to social risks, including protests or blockades by groups located near some of the Company's operations. Despite the fact that the Company is committed to operating in a socially responsible manner, the Company may face opposition from local communities and non-governmental organizations with respect to its current and future projects, which could adversely affect the Company's business, results of operations and financial condition. No certainty can be given that the Company will be able to reach an agreement with the different communities or special interest groups, such as environmentalists and ethnic communities. Reaching such an agreement may also incur unanticipated costs. The Company could also be exposed to similar delays due to opposition from local communities in other countries where the Company carries out its activities.

The Company currently carries out and plans to carry out activities in areas classified by the Colombian government as indigenous reserves (resguardos) and Afro-Colombian lands (territorios colectivos). To undertake these activities, the Company must first comply with the previous consultation process, set forth by Colombian law. These consultation processes are required for obtaining environmental licenses to start the Company's projects, works or activities in areas of direct influence of ethnic communities. In addition, consultations are considered a right that ethnic communities have to be involved in the decision-making process of developing any projects that may impact them and their territories, including extracting industry and infrastructure projects. Generally, these consultation processes take between six months to one year to complete depending on certain factors, including the number of communities to be consulted, each community's expectations and the availability of the Ministry of Internal Affairs – Office of the National Authority of

Prior Consultation to coordinate the consultations, but may be significantly delayed if the Company cannot reach an agreement with the communities. The Company strives to be respectful of the Colombian constitution and laws and the autonomy of indigenous and Afro-descendant communities, and the Company therefore does not enter their territories until it has reached an agreement with them through the previous consultation process.

The Company's activities are subject to opposition, including protests by various communities, and even in areas in which the previous consultation processes do not apply. Recently, through popular consultation, which is a participation mechanism for non-ethnic communities, some communities have voted against the development of extractive industry projects. Any such similar situation may affect the Company's future projects.

In recent years, indigenous communities have claimed their ancestral territories and have requested recognition on previously closed consultation processes. The Company has been, and may in the future be, exposed to operational restrictions as a result of the opposition of these communities.

No certainty can be given that the Company will be able to reach an agreement with the different communities opposed to the Company's operations or that such communities will participate in consultation processes if requested. The Company may be exposed to similar delays due to opposition from local communities in other countries where it carry out activities.

The Company also recognizes that the previous consultation process in Colombia and other countries in which it operates do not align in terminology with the Free, Prior and Informed Consent (FPIC) concept set out by the IFC Performance Standards. This discrepancy may raise concerns from communities, stakeholders and investors of gaps with international norms and inconsistent application of indigenous rights standards across different geographies; however, it is noted that the Colombian previous consultation process functions in practice in a similar manner as the IFC's FPIC requirement, as both require that an agreement is reached between indigenous stakeholders and potential developers prior to project construction of continued operations.

Internally, the Company may be exposed to shareholder activism seeking to limit the operations of the Company, or restrict the exploration and development of oil and natural gas production. Such shareholder activists may also propose conservation efforts and the use of alternative energy sources.

Dependence on third party service providers

The successful operation of the Company's business relies on third party service providers, including commodity transport (pipelines, rails, trucking, marine), and utilities such as electricity and water. A disruption in such third party services could impede the Company's operations and growth.

Security risk, guerrilla activity and illegal armed groups

The Company's operations may be adversely affected by security incidents, guerrilla activity or illegal armed groups that are not within the control of the Company. In addition, terrorist activity in Colombia may disrupt supply chains and discourage qualified individuals from being involved with the Company's operations.

In Colombia, Ecuador and Peru, the Company has security protocols and plans with strategies included in place to enable contingency plans to prevent damage to its infrastructure or to avoid its production from being compromised. The Colombian and Ecuadorian public forces are developing territorial control and have military bases that support security in the region and the binational oil operation, and the Company has agreements with them to supervise the areas of operation and private security forces that seek to protect the Company's installations. The Company also has whistleblower intelligence mechanisms in place so that community members can report in advance if they obtain knowledge about possible criminal activities against the Company's assets.

There can be no assurance that continuing attempts to reduce or prevent security incidents will be successful or that guerrilla activity will not disrupt the Company's operations in the future. There can also be no assurance that the Company can maintain the safety of its operations and personnel in Colombia, Ecuador, and Peru or other jurisdictions where the Company operates or that this violence will not affect the Company's operations in the future. Continued or heightened security concerns in these countries could also result in a significant loss to the Company, particularly if security costs increase.

Income tax

The Company (including its subsidiaries) files all required income tax returns and is of the view that it is in material compliance with all applicable tax laws. However, such tax returns are subject to reassessment by the applicable jurisdictional tax authorities and the Company has been subject to such reassessments from time to time. In the event of a reassessment of the Company's tax returns, such reassessment may have an impact on current and future taxes payable.

Legislative changes may also have an adverse impact on the Company's operations and performance. Changes in tax-related laws and regulations, and interpretations thereof, can affect tax burdens by increasing tax rates and fees, creating new taxes, limiting tax deductions, and eliminating tax-based incentives. In addition, jurisdictional tax authorities or courts may interpret tax regulations differently than the Company does, which could result in tax litigation and additional costs and penalties. Such legislative changes may have an adverse impact on the Company's business, financial condition and results from operations. For additional information, see "Note 10 - Income Taxes" of the 2023 Annual Financial Statements.

Exchange controls

The Company's operations outside of Canada may require funding if their cash requirements exceed operating cash flow. To the extent that funding is required, there may be exchange controls limiting such funding or adverse tax consequences associated with such funding. In addition, taxes and exchange controls may affect the dividends that the Company receives from its foreign subsidiaries or branch offices of non-Canadian subsidiaries. Exchange controls may prevent the Company from transferring funds abroad.

There can be no assurance that the governmental authorities of the countries where the Company operates will not require prior authorization or will grant such authorization, or impose other restrictions, for the Company's non-Canadian subsidiaries or branch offices of non-Canadian subsidiaries to make dividend payments to the Company and the Company cannot make assurances that there will not be a tax imposed with respect to the expatriation of the proceeds from the Company's non-Canadian subsidiaries or branch offices of non-Canadian subsidiaries. The implementation of a restrictive exchange control policy, including the imposition of restrictions on the repatriation of earnings to foreign entities, could affect the Company's ability to engage in foreign exchange activities, and could also have a material adverse effect on the Company's business, financial condition and results of operations.

Local legal and regulatory systems

The oil and natural gas industry in the countries where the Company operates and/or invests is subject to extensive controls and regulations imposed by various levels of government. All current legislation is a matter of public record and the Company will be unable to predict what additional legislation or amendments may be enacted. Amendments to current laws, regulations and permits governing operations and activities of oil and natural gas companies, including environmental laws and regulations that are evolving in these countries, or more stringent implementation thereof, could have a material adverse impact on the Company and cause increases in expenditures and costs, affect the Company's ability to expand or transfer existing operations or require the Company to abandon or delay the development of new oil and natural gas properties.

The Company exists under the laws of the Province of British Columbia and is subject to Canadian laws and regulations. The jurisdictions in which the Company operates its exploration, development and production activities may have different legal systems than Canada or the United States, which may result in risks such as: (i) effective legal redress in the courts of such jurisdictions, whether in respect of a breach of law or regulation, or, in an ownership dispute, being more difficult to obtain; (ii) a higher degree of discretion on the part of governmental authorities; (iii) the lack of judicial or administrative guidance on interpreting applicable rules and regulations; (iv) inconsistencies or conflicts between and within various laws, regulations, decrees, orders and resolutions; and (v) relative inexperience of the judiciary and courts in such matters.

In certain jurisdictions, the commitment of local business people, government officials and agencies and the judicial systems to abide by legal requirements and negotiated agreements may be more uncertain, creating particular concerns with respect to licences, agreements and permits required for the Company's business. These licences,

agreements and permits may be susceptible to revision or cancellation and legal redress may be uncertain or delayed. There can be no assurances that joint ventures, licences, licence applications or other legal arrangements will not be adversely affected by the actions of government authorities or others.

Concentrated geographic area

The majority of the Company's producing properties and leases are geographically concentrated in the Llanos Basin in eastern Colombia. As a result of this concentration, the Company may be disproportionately exposed to the impact of delays or interruptions of production from these wells caused by significant governmental regulation, processing or transportation capacity constraints, curtailments of production, natural disasters, interruption of transportation of gas produced from the wells in these basins, guerrilla activities, organized crime or other events that impact this area.

Oil and natural gas exploration and production activities are dependent on the availability of drilling and related equipment, transportation, power and technical support in the particular areas where these activities will be conducted, and the Company's access to these facilities may be limited. Demand for such limited equipment and other facilities or access restrictions may affect the availability of such equipment to the Company and may delay exploration and production activities. The quality and reliability of necessary facilities may also be unpredictable, and the Company may be required to make efforts to standardize its facilities, which may entail unanticipated costs and delays. Shortages or the unavailability of necessary equipment or other facilities will impair the Company's activities, either by delaying its activities, increasing its costs, or otherwise.

International relations between the United States and Colombia

Colombia is among several nations subject to annual certification by the President of the United States of America based on the progress it has made in respect to halting the production and transit of illegal drugs. Although Colombia has received a current certification, there can be no assurance that, in the future, Colombia will continue to receive certification or a national interest waiver. The failure to receive certification or a national interest waiver may result in any of the following: all bilateral aid, except anti-narcotics and humanitarian aid, would be suspended; the Export-Import Bank of the United States and the Overseas Private Investment Corporation would not approve financing for new projects in Colombia; United States representatives at multilateral lending institutions would be required to vote against all loan requests from Colombia, although such votes would not constitute vetoes; and the President of the United States and Congress would retain the right to apply future trade sanctions.

Any sanctions imposed on Colombia by the United States government could threaten the Company's ability to obtain any necessary financing to develop its Colombian properties. There can be no assurance that the United States will not impose sanctions on Colombia in the future, nor can the effect in Colombia that these sanctions might cause be predicted. In addition, any changes in the holders of significant government offices, including its regulatory bodies such as the ANH, could have an adverse effect on the Company's operations and business.

Seizure or expropriation of assets

Pursuant to Article 58 of the Colombian Constitution, the Colombian government can, through a judicial order and prior compensation for damages, expropriate the Company's private property in the event such action is required to protect public interests. In such cases, the Company would be entitled to fair compensation for the expropriated assets. As a general rule (with the exception of expropriation for reasons of war, in which case compensation may be quantified and paid later), compensation must be paid before the asset is effectively expropriated. However, compensation may be paid in some cases years after the asset is effectively expropriated and the indemnification may be lower than the price for which the expropriated asset could be sold in a free market sale or the value of the asset as part of an ongoing business.

In the other countries where the Company operates or has investments, the state can also generally exercise eminent domain powers in respect of the Company's assets based on principles somewhat similar to those that apply in Colombia.

RESERVES DATA AND OTHER INFORMATION

The Company's reserves were evaluated by D&M, effective as of December 31, 2023, in accordance with National Instrument 51-101 – Standards of Disclosure for Oil and Gas Activities. D&M is an independent, qualified reserves evaluator appointed pursuant to such National Instrument.

Concurrent with the filing of this AIF, the Company filed the following: (i) the Statement of Reserves Data and Other Oil and Gas Information on Form 51-101F1; (ii) the Report on Reserves Data by Independent Qualified Reserves Evaluator on Form 51-101F2 by D&M; and (iii) the Report of Management and Directors on Oil and Gas Disclosure on Form 51-101F3. These reports are filed on SEDAR+ at www.sedarplus.ca and are incorporated by reference into this AIF.

DIVIDENDS AND DISTRIBUTIONS

During the first quarter of 2020, the Company suspended its quarterly dividend due to the decline in global demand for oil and the subsequent oil price decline. On February 15, 2024, the Company announced that the Board has adopted a new dividend policy to pay a dividend of CAD$0.0625 per share quarterly (the "**Dividend Policy**"), following the release of year-end 2023 results. Dividend payments will be subject to quarterly review and approval by the Board and the determination to pay such dividends will be based on, among other things, the Company's view of prevailing and prospective macroeconomic conditions and business performance. Each dividend, if declared by the Board, is intended to be payable to Shareholders of record at the close of business on the second trading day of the first calendar quarter following the date of declaration. The Company will review the Dividend Policy on an ongoing basis and may amend the Dividend Policy at any time in light of the Company's then current financial position, profitability, cash flow, debt covenant compliance, legal requirements and other factors considered relevant.

The provisions of the Company's material debt facilities, including the 2028 Unsecured Indenture, contain certain restrictions and covenants that, subject to certain exceptions, limit the Company's ability to pay dividends. Additionally, the BTG Instrument contains certain restrictions and covenants that limit the Company's ability to pay dividends, see "Other Debt Instruments" below. In addition, the payment of dividends by the Company is governed by the liquidity and solvency tests described in the BCBCA, pursuant to which the Board shall not declare and the Company shall not pay a dividend if there are reasonable grounds for believing that the Company is insolvent or that the payment of the dividend would render the Company insolvent. See "Risk Factors – General Risks – Dividends".

No dividends were declared payable during the years ended December 31, 2021, 2022 or 2023.

On March 7, 2024, Frontera's Board approved a regular quarterly dividend of C$0.0625 per share to be paid on April 16, 2024, to Shareholders of record on April 2, 2024. This quarterly dividend payment to Shareholders is designated as an "eligible dividend" for purposes of the *Income Tax Act* (Canada).

The Company has a dividend reinvestment plan ("**DRIP**") that allows Shareholders resident in Canada to automatically reinvest their dividends in new Common Shares at a price equal to the volume weighted average trading price on the TSX for the last five trading days on which at least one hundred Common Shares traded immediately preceding a dividend payment date, less a discount of up to 5% (if any). The DRIP became effective on December 17, 2018. In 2023, no Common Shares were issued to Shareholders enrolled in the DRIP as no dividends were declared payable during the year.

The declaration of dividends is subject to the approval of the Board in its sole discretion. The Company remains committed to unlocking value and enhancing Shareholder returns and will continue to consider future Shareholder value enhancement initiatives in 2024, including potential additional dividends, distributions, or bond buybacks, based on the overall results of its businesses and the Company's strategic goals.

DESCRIPTION OF CAPITAL STRUCTURE

General Description of Capital Structure

Common Shares

The Company is authorized to issue an unlimited number of Common Shares without nominal or par value. As at December 31, 2023, 85,151,216 Common Shares were issued and outstanding and as at March 7, 2024, 84,807,116

Common Shares were issued and outstanding. The holders of the Common Shares are entitled to receive notice of, and to vote at, every meeting of the Shareholders and are entitled to one vote for each Common Share held. Subject to the rights, privileges, restrictions and conditions attached to the Preferred Shares, the holders of the Common Shares are (i) entitled to receive dividends, if and when declared by the Board, and (ii) in the event of liquidation, dissolution or winding-up of the Company or upon any distribution of the assets of the Company among Shareholders being made (other than by way of dividend out of the monies properly applicable to the payment of dividends), entitled to share equally.

Preferred Shares

The Company is authorized to issue an unlimited number of Preferred Shares without nominal or par value. As of December 31, 2023 and March 7, 2024, no Preferred Shares were issued or outstanding. The Preferred Shares may be issued from time to time in one or more series, each series consisting of a number of Preferred Shares as determined by the Board. The Preferred Shares of each series shall, with respect to dividends, if any, and the distribution of assets in the event of liquidation, dissolution or winding-up of the Company, whether voluntary or involuntary, or any other distribution of the assets of the Company among its shareholders for the purpose of winding-up its affairs, be entitled to preference over holders of Common Shares and the shares of any other class ranking junior to the Preferred Shares, and on parity with the Preferred Shares of every other series. At this time, the Company has no plans to issue any Preferred Shares.

Shareholder Rights Plan

The Company adopted a shareholder rights plan and entered into a shareholder rights plan agreement dated effective November 2, 2016 with Computershare Investor Services Inc., as rights agent, which was subsequently amended and restated on November 20, 2017, April 23, 2019, May 15, 2019 and March 29, 2022 (the "**Amended and Restated Rights Plan**").

Pursuant to the Amended and Restated Rights Plan, one right ("**Right**") is attached to each voting share (which as defined under the Amended and Restated Rights Plan includes Common Shares). The Rights will separate from the voting shares to which they are attached and will become exercisable upon the occurrence of certain events in accordance with the Amended and Restated Rights Plan. Pursuant to the terms of the Amended and Restated Rights Plan, any bid that meets certain criteria intended to protect interests of all Shareholders will be deemed to be a "permitted bid" and will not trigger the Amended and Restated Rights Plan. In the event of a take-over bid that does not meet the permitted bid requirements of the Amended and Restated Rights Plan, the Rights issued under the Amended and Restated Rights Plan will entitle Shareholders, other than any Shareholder involved in the take-over bid, to purchase additional Common Shares at a discount to the market price.

Catalyst, which currently owns approximately 41% of the Common Shares, is grandfathered under the Amended and Restated Rights Plan and will not, under the terms of the Amended and Restated Rights Plan, be restricted from acquiring additional Common Shares in any manner. A copy of the Amended and Restated Rights Plan is available on SEDAR+ at www.sedarplus.ca.

Incentive Plan

On November 2, 2016, the Company approved and implemented a security-based compensation plan (the "**Incentive Plan**"), which was amended on March 14, 2017, April 24, 2020 and March 29, 2022. The Incentive Plan allows for the issuance of stock options, restricted stock units ("**RSUs**") and deferred stock units ("**DSUs**" and collectively with stock options and RSUs, the "**Awards**"). The aggregate number of Common Shares reserved for issuance in respect of which Awards may be granted shall not exceed 8,000,300. Common Shares subject to any Award (or any portion thereof) that have expired or are forfeited, surrendered, cancelled or otherwise terminated prior to the issuance or transfer of such Common Shares will again be available for grant under the Incentive Plan. Notwithstanding the foregoing, treasury Common Shares subject to an Award (or any portion thereof) that is settled in cash in lieu of settlement in treasury Common Shares shall reduce the number of Common Shares available for grant under the Incentive Plan.

Stock Options

Stock options allow holders to receive Common Shares at a future date. Stock options are granted with vesting conditions (typically based on continued service or achievement of personal or corporate objectives). The exercise price per Common Share for stock options is fixed by the Compensation and Human Resources Committee, but under no circumstance can the exercise price at the time of grant be less than the fair market value (as defined in the Incentive Plan) of the Common Shares. Vesting of stock options is determined by the Compensation and Human Resources Committee in its sole discretion and specified in the Award agreement pursuant to which the stock option is granted. Directors are not entitled to receive stock options.

As of December 31, 2023, no stock options were issued or outstanding.

Restricted Stock Units

RSUs are granted with vesting conditions (typically based on continued service or achievement of personal or corporate objectives). The value of an RSU increases or decreases as the price of the Common Shares increases or decreases, thereby promoting alignment of interests of an RSU holder with Shareholders. Settlement may be made, in the sole discretion of the Compensation and Human Resources Committee, in Common Shares, cash or a combination thereof. Vesting of RSUs is determined by the Compensation and Human Resources Committee in its sole discretion and specified in the Award agreement pursuant to which the RSU is granted. If and when the Company declares a dividend, a dividend equivalent payment will be awarded in respect of RSUs held by a participant on the same basis as dividends declared and paid on Common Shares as if the participant was a Shareholder of record on the relevant record date.

As of December 31, 2023, the Company had 1,850,688 RSUs issued and outstanding.

Deferred Stock Units

DSUs represent a future right to receive Common Shares (or the cash equivalent) at the time of the holder's retirement, death, or the holder otherwise ceasing to provide services to the Company. Each DSU awarded by the Company is initially equal to the fair market value of a Common Share at the time the DSU is awarded. The value of a DSU increases or decreases as the price of the Common Shares increases or decreases, thereby promoting alignment of interests of a DSU holder with Shareholders. DSU settlements may be made, in the sole discretion of the Compensation and Human Resources Committee, in Common Shares, cash or a combination thereof. Only directors are entitled to receive DSUs. If and when the Company declares a dividend, a dividend equivalent payment will be awarded in respect of DSUs held by a participant on the same basis as dividends declared and paid on Common Shares as if the participant was a Shareholder of record on the relevant record date.

As of December 31, 2023, the Company had 912,493 DSUs issued and outstanding.

NCIB

On November 16, 2023, the TSX approved the Company´s notice to initiate an NCIB, for its Common Shares. Pursuant to the NCIB, the Company may purchase for cancellation up to 3,949,454 of its Common Shares, representing approximately 10% of the Company's "public float" (as calculated in accordance with TSX rules), during the 12-month period commencing November 21, 2023 and ending November 20, 2024. Purchases subject to the NCIB are carried out pursuant to open market transactions through the facilities of the TSX or alternative trading systems, if eligible, by BMO Nesbitt Burns Inc., on behalf of Frontera, in accordance with the Company's automatic share purchase plan and applicable regulatory requirements. As at December 31, 2023, the Company had repurchased for cancellation a total of 280,500 Common Shares under this NCIB at a volume weighted average price of C$8.15 per share (or approximately C$2.3 million). As at March 7, 2024, the Company had repurchased for cancellation a total of 624,600 Common Shares under its NCIB for approximately $3.7 million, with an additional 3,324,854 Common Shares remaining available for repurchase under the NCIB. Under the prior NCIB that expired on March 16, 2023, the Company repurchased for cancellation during the twelve-month term a total of 4,270,100 Common Shares for approximately C$53.2 million.

SIB

On June 24, 2022, the Company launched the SIB, pursuant to which the Company offered to purchase from Shareholders for cancellation up to C$65.0 million of its outstanding Common Shares. The SIB proceeded by way of a

"modified Dutch auction" procedure, with a tender price range from C$11.00 to C$13.00 per Common Share. The SIB expired on August 8, 2022.

On August 11, 2022, the Company announced that, in accordance with the terms and conditions of the SIB, the Company took up for cancellation 5,416,666 Common Shares at a price of C$12.00 per Common Share, for a total cost of $51.2 million (funded by cash, representing an aggregate purchase price of C$65 million plus transaction costs). The Common Shares taken up for cancellation under the SIB represented approximately 5.84% of the total number of the Company's issued and outstanding Common Shares as of August 8, 2022.

Material Debt Facilities

2028 Unsecured Notes

On June 21, 2021, the Company closed the offering of the 2028 Unsecured Notes. The 2028 Unsecured Notes bear interest at a rate of 7.875% per year and will mature in June 2028, unless earlier redeemed or repurchased. Concurrent with the offering, the net proceeds of the 2028 Unsecured Notes were partially used to repurchase, at a premium and including accrued interest, the total obligation under the Company's previously issued 2023 Unsecured Notes, which were set to mature in 2023. The 2028 Unsecured Notes rank equal in right of payment with all of the existing and future senior unsecured debt and were guaranteed by Frontera Energy Colombia AG and Frontera Energy Guyana Corp. On July 7, 2021, the Company redeemed all of the remaining 2023 Unsecured Notes. The Company's long-term borrowing of $350.0 million of 2023 Unsecured Notes was completely discharged on July 7, 2021. On April 11, 2023, the Company designated Frontera Energy Guyana Holding Ltd. and Frontera Energy Guyana Corp. as unrestricted subsidiaries and released Frontera Energy Guyana Corp. as a note guarantor under the 2028 Unsecured Indenture. Frontera Energy Colombia AG remains the sole guarantor of the 2028 Unsecured Notes.

Under the terms of the 2028 Unsecured Indenture, the Company may, among other things, incur indebtedness provided that the consolidated net debt to consolidated adjusted EBITDA ratio is less than or equal to 3.25:1.0 and the consolidated fixed charge ratio is greater than or equal to 2.25:1.0. In the event that the said financial tests are not met, the Company may still incur indebtedness under certain permitted baskets, including an aggregate amount that does not exceed the higher of $100.0 million and 10% of consolidated net tangible assets. In addition, guarantors under the 2028 Unsecured Indenture must comprise of a minimum of 85% of the Company's Consolidated Adjusted EBITDA (excluding unrestricted subsidiaries, as calculated under the terms of the 2028 Unsecured Indenture) and as such, additional subsidiaries may be added or removed as guarantors from time to time to meet this requirement. As at December 31, 2023, the Company is in compliance with such covenants.

Additional information on the calculation of the financial covenants can be found in the 2023 Annual Financial Statements and management's discussion and analysis for the year ended December 31, 2023. Copies of the 2028 Unsecured Indenture and the supplemental indenture to the 2028 Unsecured Indenture dated April 11, 2023 are also available on SEDAR+ at www.sedarplus.ca.

Puerto Bahia Secured Syndicated Credit Loan

In October 2013, Puerto Bahia entered into a credit agreement with a syndicate of lenders for a $370 million debt facility, which matures in June 2025, to fund the construction and development of the Port Facility. The 2025 Puerto Bahia Debt had an interest rate of 6-month LIBOR plus 5% payable semi–annually. The 2025 Puerto Bahia Debt was secured by substantially all the assets and shares of Puerto Bahia and was non-recourse to the Company and it has no impacts on the Company's financial covenants under the 2028 Unsecured Notes.

As part of the agreements for the 2025 Puerto Bahia Debt, Frontera Bahia, IVI, Puerto Bahia and Wilmington Trust, National Association (as administrative and collateral agent) entered into an equity contribution agreement (the "**Equity Contribution Agreement**") dated October 4, 2013. Under the Equity Contribution Agreement, the Company and IVI agreed jointly and severally to cause contributions (via debt or equity) to Puerto Bahia up to the aggregate amount of $130 million whenever Puerto Bahia had a deficiency in the reserve account supporting its bank loan. Pursuant to the terms of the Equity Contribution Agreement, Frontera had from time to time made loans to Puerto Bahia that were subordinated to the 2025 Puerto Bahia Debt. These loans gave Frontera a direct claim against Puerto Bahia that is

senior in priority to IVI's equity interest in Puerto Bahia, and thus indirectly senior in priority to the claims of the remaining minority shareholders of IVI.

Frontera Bahia fully disbursed the $130 million under the Equity Contribution Agreement. For details of the Company's transactions with IVI, see "Note 4 –Acquisition of Infrastructure Ventures Inc.", "Note 16 – Investments in Associates," "Note 17 – Other Assets" and "Note 25 – Related-Party Transactions" of the 2022 Annual Financial Statements.

On March 31, 2023, the 2025 Puerto Bahia Debt outstanding amount of $103.1 million plus accrued interest of $3.1 million was fully repaid with the funds provided by the PIL Loan Facility. As at December 31, 2023, Puerto Bahia and Frontera have no obligation under the 2025 Puerto Bahia Debt.

PIL Loan Facility

On March 27, 2023, PIL entered into the PIL Loan Facility, secured by substantially all the assets and shares of PIL, the shares of Puerto Bahia held by the Company and assets related to Puerto Bahia's liquids terminal, and guaranteed by Frontera Bahia Holding Ltd. and Frontera ODL Holding Corp., the parent company of PIL. The PIL Loan Facility is a 5-year credit facility, which matures in December 2027, pays semi-annually and amortizes during the term of the loan with a scheduled $45.0 million payment due upon maturity. The PIL Loan Facility has two tranches: a $100.0 million amortizing tranche that pays a SOFR 6-month term plus margin of 7.25% per annum and a $20.0 million bullet maturity tranche that pays a fixed rate of 11.00% per annum. The conditions precedent to the PIL Loan Facility were fully satisfied and both tranches of the facility were funded on March 31, 2023. As at December 31, 2023, the carrying value of PIL Loan Facility was $95.6 million.

The PIL Loan Facility was recognized net of an original issue discount of $5.1 million, and directly attributable transaction costs of $1.1 million, primarily related to underwriter fees, legal fees, registration fees, and other professional fees.

The proceeds of the PIL Loan Facility were used to repay in full the 2025 Puerto Bahia Debt, which had an outstanding balance plus accrued interest of $106.2 million, pay transaction fees and expenses, and fund a 6-month debt service reserve account. The PIL Loan Facility has no impact on the Company's financial covenant calculations under the 2028 Unsecured Notes.

Other Debt Facilities

PetroSud Loans

On December 30, 2021, the Company acquired 100% of the issued and outstanding shares of PetroSud (for further information refer to Note 4 of the 2022 Annual Financial Statements).

On March 15, 2019 and December 20, 2021, PetroSud entered into two credit agreements with Banco Davivienda S.A. ("**Banco Davivienda**") for a principal amount of $22.0 million and $2.8 million, respectively (the "**PetroSud Debt**"). Both agreements originally had a maturity date in December 2023. In September 2023, Banco Davivienda approved an extension for the original $22.0 million loan, with an outstanding balance of $5.9 million as of September 30, 2023, extending the maturity date to June 2024. On December 13, 2023, Banco Davivienda approved an extension for the original $2.8 million loan, with an outstanding balance of $2.8 million as of December 31, 2023, extending the maturity date to June 2024. The PetroSud Debt bears interest at 3-month SOFR plus 5.30%, payable quarterly. The PetroSud Debt is secured by a trust agreement that receives 100% of PetroSud's sales and contemplates a debt service account for an amount equal to 100% of the next scheduled debt service, and a debt service reserve account for an amount of $2.9 million. As at December 31, 2023, the outstanding amount under the PetroSud Debt was $8.7 million. The PetroSud Debt is subject to certain covenants that require PetroSud to maintain a financial debt to EBITDA ratio of less than or equal to 3.50:1.0 and an operating free cash flow plus the debt reserve account balance to debt service ratio that is greater than or equal to 1.20:1.0. As of December 31, 2023, PetroSud was in compliance with all such covenants.

CPE-6 Solar Plant Project Leasing Agreement

During the fourth quarter of 2022, the Company entered into a leasing agreement with Bancolombia to finance the construction and commissioning of a solar plant project at the CPE-6 block (the "**Solar Plant Debt**"). The financing is denominated in COP equivalent to US$6.7 million as at December 31, 2023 with a maturity date that is 72 months

following the date conditions precedent to the financing are satisfied. The Solar Plant Debt bears interest equivalent to IBR + 5.75%, payable monthly over the disbursed amount outstanding. As of December 31, 2023, Bancolombia disbursed $6.7 million of the Solar Plant Debt to Enel Colombia S.A. ESP, the developer of the CPE-6 solar plant project. In addition, during 2023 the Company paid availability fees of $0.2 million to Bancolombia. As at December 31, 2023, the Company recognized this obligation as a lease liability.

CPE-6 Battery Energy Storage System Leasing Agreement

During the fourth quarter of 2023, the Company entered into a leasing agreement with Bancolombia to finance the Battery Energy Storage System at the CPE-6 block (the "**BESS Project**"). The financing is denominated in COP, for an amount equivalent to $1.0 million as at December 31, 2023, and a maturity date that is 60 months following the date conditions precedent to the financing are satisfied. The BESS Project debt bears interest equivalent to IBR + 5.10%, payable monthly. As of December 31, 2023, the Company has drawn $Nil million. The Company expects to initiate disbursement in 2024.

Other Debt Instruments

On June 5, 2023, the Company entered into the Citibank Working Capital Loan, denominated in USD, for an amount of $20.0 million, and a maturity date of December 7, 2023. The Citibank Working Capital Loan bears interest equivalent to SOFR +4.25%, payable monthly, and amortizes in five equal installments from August to December 2023. Proceeds from this loan were used for general corporate purposes. In October 2023, the outstanding balance under the Citibank Working Capital Loan was repaid in full with proceeds from the Bancolombia Loan. As of December 31, 2023, the Company has no obligation under the Citibank Working Capital Loan.

On October 24, 2023, the Company entered into the Bancolombia Loan, denominated in COP, with a principal amount of COP 75,000 million (approximately $18.2 million), maturing on October 29, 2024 with an interest rate of IBR(1) + 4.00%, payable quarterly. On October 30, 2023, Bancolombia disbursed the total amount of the loan. The main purposes of the Bancolombia Loan is to fund general corporate purposes. In connection to the Bancolombia Loan, the Company entered into a foreign exchange forward on October 31, 2023, hedging the original loan amount, at a forward rate of COP 4,386.17, and with a maturity date on October 29, 2024.

The Company has various uncommitted bilateral letter of credit lines (the "**Uncommitted LCs**"). In addition, the Company has a master agreement for the issuance of standby letters of credit up to a maximum amount of $50 million (uncommitted) entered into with BTG Pactual S.A. (the "**BTG Instrument**"). Under the terms of the BTG Instrument, the issuer has the right to demand the return and cancellation of the letters of credit, or require the Company to deposit an equivalent amount if it breaches certain covenants, including receiving a credit rating downgrade two notches or more by any rating agency. In addition, certain covenants in the BTG Instrument limit the Company's ability to make distributions to Shareholders, repurchase Common Shares, and reduce the Company's share capital. As of December 31, 2023, the Company was in compliance with all such covenants.

As of December 31, 2023, the Company had $86.7 million of issued and outstanding Uncommitted LCs for exploratory commitments and abandonment funds in Colombia and Ecuador.

Credit Ratings

This section provides a summary of the Company's credit ratings as it relates to the Company's cost of funds and liquidity. Specifically, credit ratings can impact the Company's ability to obtain short- and long-term financing and the cost of such financing. See "Risk Factors – General Risks – Ratings Downgrade" for additional further information.

The following table shows the ratings issued for the Company by Fitch Ratings Inc. ("**Fitch**") and S&P Global Ratings ("**S&P**"). Credit ratings are intended to provide an independent measure of the credit quality of an issuer of securities. The credit ratings assigned by the ratings agencies are not a recommendation to buy, sell or hold securities of the Company, nor do they comment on market price or suitability for a particular investor. A rating may not remain in effect for any given period or may be revised or withdrawn entirely by a rating agency in the future if, in its judgment, circumstances so warrant.

	Fitch	S&P
Issuer Default Rating / Issuer Credit Rating	B	B+
2028 Unsecured Notes	B/RR4	B+
Outlook	Stable	Stable

On November 16, 2023, Fitch Ratings affirmed Frontera's long-term foreign and local currency issuer default ratings (IDRs) at 'B'. Fitch also affirmed the 2028 Unsecured Notes at 'B/RR4'. The rating outlook is 'Stable'.

Fitch's issuer default ratings are on a rating scale that ranges from AAA (highest) to D (lowest). The ratings from AA to CCC may be modified by the addition of a plus (+) or minus (-) sign to show the relative standing within the major rating categories. A rating of B by Fitch is the sixth highest of 11 categories and indicates that material default risk is present, but a limited margin of safety remains. Financial commitments are currently being met; however, capacity for continued payment is vulnerable to deterioration in the business and economic environment.

Fitch's individual securities ratings are on a rating scale that ranges from AAA (highest) to C (lowest). The addition of a plus (+) or minus (-) designation after the rating indicates the relative standing within the major rating categories. A rating of B is within the sixth highest of nine categories and indicates that material credit risk is present. The recovery ratings are on a scale that ranges from RR1 (outstanding recovery prospects given default) to RR6 (poor recovery prospects given default). RR4 (average recovery prospects given default) rated securities have characteristics consistent with historically recovering 31%-50% of current principal and related interest.

A Fitch rating outlook indicates the direction a rating is likely to move over a one to two-year period, with rating outlooks falling into four categories: "Positive," "Negative," "Stable" or "Evolving". Rating outlooks reflect financial or other trends that have not yet reached the level that would trigger a rating action, but which may do so if such trends continue. A "Negative" outlook signals a negative trend on the rating scale. Positive or Negative rating outlooks do not imply that a rating change is inevitable, and similarly, ratings with stable outlooks can be raised or lowered without a prior revision to the outlook.

On September 22, 2022, S&P upgraded its outlook for Frontera from 'Stable' to 'Positive' and affirmed its global scale long-term issuer credit rating on the Company and issue-level rating on the Company's 2028 Unsecured Notes at 'B+'.

On September 27, 2023, S&P reaffirmed its global scale long-term issuer credit rating on the Company and issue-level rating on the Company's 2028 Unsecured Notes at 'B+'. The rating outlook is 'Stable'.

S&P's issuer credit ratings are on a rating scale that ranges from AAA (highest) to SD and D (lowest). The ratings from AA to CCC may be modified by the addition of a plus (+) or a minus (-) sign to show relative standing within the rating categories. According to the S&P rating system, obligations rated "BB," "B," "CCC," "CC" and "C" are regarded as having significant speculative characteristics. A rating of BB by S&P is the fifth highest of 10 categories and is considered less vulnerable in the near-term than other lower-rated obligors. However, it faces major ongoing uncertainties and exposure to adverse business, financial or economic conditions that could lead to the obligator's inadequate capacity to meet its financial commitments.

S&P's long-term issue credit rating of individual securities are on a rating scale of AAA (highest) to D (lowest). The ratings from AA to CCC may be modified by the addition of a plus (+) or a minus (-) sign to show relative standing within the rating categories. A long-term credit rating of BB is within the fifth highest of 10 categories and is considered less vulnerable to non-payment in the near-term than other speculative grade investments but faces major ongoing uncertainties and exposure to adverse business, financial and economic conditions that could lead to the obligor's inadequate capacity to meet its financial commitments on the obligation.

S&P outlook assesses the potential direction of a long-term credit rating over the intermediate term (typically six months to two years), with ratings outlooks falling into five categories: "Positive," "Negative," "Stable," "Developing" and "N.M." In determining a rating outlook, consideration is given to any changes in economic and/or fundamental business conditions. A "Positive" outlook means that a rating may be raised. Positive or Negative rating outlooks do not imply

that a rating change is inevitable, and similarly, ratings with stable outlooks can be raised or lowered without a prior revision to the outlook.

The Company paid Fitch and S&P their customary fees in connection with the provision of the above ratings. The Company has not made any payments to Fitch and S&P in the past two years for services unrelated to the provision of such ratings.

MARKET FOR SECURITIES

Common Shares

Frontera's Common Shares are listed on the TSX under the trading symbol "FEC". The closing price of the Common Shares on the TSX on March 7, 2024 was C$7.99. The following table sets out the high and low trading prices of the Common Shares for the periods indicated, as reported by the TSX. The trading history below should not be used as an indication of the trading prices or volume of the Common Shares in the future.

Period (2023)	High (C$)	Low (C$)	Total Trading Volume (Shares)
December	8.64	8.29	3,746,796
November	12.45	8.06	2,002,178
October	12.05	9.14	1,267,951
September	10.99	9.99	1,065,293
August	10.96	9.80	1,284,587
July	11.45	10.36	879,530
June	12.35	10.09	1,657,892
May	12.84	10.00	1,869,958
April	14.30	11.88	1,733,275
March	13.48	11.14	2,009,025
February	12.45	11.41	1,331,196
January	13.16	11.60	1,515,022

2028 Unsecured Notes

The 2028 Unsecured Notes are listed on the Official List of the Luxembourg Stock Exchange and trade on its Euro MTF Market with the ISIN number US35905BAC19 and USC35898AB82 and commenced trading on June 21, 2021.

The trading activity for the 2028 Unsecured Notes, as reported by the Luxembourg Stock Exchange, is insufficient to provide meaningful trading data for the purposes of this AIF.

Unlisted Securities

During the financial year ended December 31, 2023, Frontera did not issue any class of securities not listed or quoted on a marketplace.

DIRECTORS AND OFFICERS

Directors and Officers of the Company

The following table sets forth the name, country of residence, position with the Company, and principal occupation for the five preceding years of each director and officer of the Company, and in the case of directors, the period each has served as a director of the Company. Such information is based upon information furnished by the person concerned.

Name, Residence and Position with the Company	Director Since[1]	Principal Occupation for the Past Five Years
Gabriel de Alba[2],[3] Florida, United States Chairman, Director	November 2, 2016	Gabriel de Alba is a Managing Director and Partner of The Catalyst Capital Group Inc. Mr. de Alba's responsibilities at Catalyst have included acting as a director or senior officer of various Catalyst portfolio companies. Mr. de Alba is the Founder and Managing Partner of GDA Luma Capital Management. Mr. de Alba is currently the Chairman of the Board of Directors of Evolve Biopharma Inc., Gateway Casinos & Entertainment, a director and Co-Chairman of CGX, and Co-Chairman of the Cirque du Soleil. Prior to joining Catalyst at its inception in 2002, Mr. de Alba worked at AT&T Latin America. Mr. de Alba was a founding member of the Bank of America International Merchant Banking Group and, prior to that, worked in Bankers Trust's New York Merchant Banking Group. Mr. de Alba is fluent in five languages and holds a double B.S. in Finance and Economics from the NYU Stern School of Business, an M.B.A. from Columbia University and has completed graduate courses in Mathematics, Information Technology and Computer Sciences at Harvard University.
Luis F. Alarcón Mantilla[4],[5] Bogotá, Colombia Director	November 2, 2016	Luis F. Alarcón Mantilla is a corporate director and former senior executive with a long record in the Colombian business environment. He currently serves as chairman of the board of directors of Almacenes Exito, the largest retailer in Colombia, a position he has held since 2015, and is a member of the boards of directors of Edemco SAS, an electric power infrastructure construction company, Transer S.A., a land transportation company, and Fundacion Plan, a non-profit Colombian civil society organization. He previously served as Chairman of the board of directors and member of the Audit Committee of Grupo Sura, the largest Colombian financial conglomerate (2015 to 2020). From 2007 through 2015, Mr. Alarcón served as Chief Executive Officer of Interconexión Eléctrica S.A. E.S.P., a Colombian energy transmission, telecommunications and toll roads company.
W. Ellis Armstrong[4],[5] London, United Kingdom Director	November 2, 2016	Ellis Armstrong is a corporate director and former senior executive. He served as an independent director of Lloyds Register Group Limited, a leading international risk assurance firm, from 2013 to 2022, Lamprell plc, a Dubai-based engineering and construction company, from 2013 to 2018, and InterOil Corporation, a Canadian oil and gas exploration company, from 2014 to 2018. From 1981 through 2013, he held various senior strategy, commercial, technical and operational roles with BP, a multinational oil and gas company, and was also the Chief Financial Officer for the group's global exploration and production business.

Russell Ford[(3),(5)] Texas, United States Director	November 2, 2016	Russell Ford is a corporate director and former senior business executive. He served as Chairman of the board of directors of Aera Energy, one of the largest oil and gas producers in California, from 2012 to 2015. He led global supply chain activities for Shell, a multinational energy and petrochemical company, as Executive Vice President of Contracting and Procurement from 2013 to 2015. He was the Executive Vice President Onshore from 2009 to 2012 and prior to that from 2005 to 2009 was Vice President Technical, overseeing Shell's upstream development operations in the Western Hemisphere. Since 2015, Mr. Ford has advised companies and financial institutions on project-specific matters.
Veronique Giry[(3),(4)] Alberta, Canada Director	November 7, 2018	Veronique Giry is currently a director and the Vice President and Chief Operating Officer of ISH Energy Limited, a private oil and gas exploration and production company based in Calgary, Canada, a position she has held since November 2017. From 2016 through 2017, Ms. Giry was Vice President, Industry Operations at the Alberta Energy Regulator and between 2015 and 2016 she was the Principal Consultant of Giry O&G Advisors. Prior to that role, she worked at TotalEnergies, a French multinational integrated oil and gas company, where she has held various roles in France, Latin America, Canada, Europe and the UK; the most recent, being Vice President, Thermal Assets and Exploration Leases in Calgary, Canada.
Orlando Cabrales Segovia Bogotá, Colombia Chief Executive Officer and a Director	November 7, 2018	Orlando Cabrales Segovia was appointed Chief Executive Officer of the Company on March 3, 2021, and has served on the Board since November 7, 2018. Prior to his appointment as Chief Executive Officer, he was the President of Naturgas, the Colombian natural gas trade association, a position he held from 2016 to 2021. Previously, he served as Vice Minister of Energy of the Ministry of Mines and Energy in Colombia between 2013 and 2014 and as the President of the ANH from 2011 to 2013. Mr. Cabrales Segovia has held senior roles at BP in Latin America and has been on the boards of numerous companies in Colombia, including Tuscany Drilling, CENIT and ISA. He currently serves as an independent director on the boards of directors of Isagen S.A., an electric power generation company, and Constructora Conconcreto S.A., an engineering and construction company.

René Burgos Díaz New York, United States and Bogotá, Colombia Chief Financial Officer	N/A	René Burgos Díaz was appointed Chief Financial Officer of the Company on June 3, 2022, and until that time, served on the Board since December 4, 2019. He is a financial markets executive with over 20 years of experience in investment management, leveraged financing, restructuring and financial advisory across multiple industries and geographies, specifically Latin America. In his previous role, he was the Head of USD Private Credit for Latin America for Compass Group LLC, a Latin American-based asset management firm, a position he held since January 2020. Prior to joining Compass Group, Mr. Burgos Díaz held the position of Director in the Emerging Markets team at CarVal Investors from 2015 to 2019. Mr. Burgos Díaz also held roles at Deutsche Bank and Bank of America, including the role of Director within Deutsche Bank's Emerging Markets Structured Credit Trading team. Mr. Burgos Díaz currently serves on the boards of directors of Puerto Bahia and ODL.
Alejandra Bonilla Bogotá, Colombia General Counsel & Secretary	N/A	Alejandra Bonilla has more than 20 years of experience in the oil and gas industry, and previously worked in the Company from 2011 to 2020, where she served as Corporate Vice President, Legal and Head of Legal Colombia since December 2017. From April 2020 to March 2021, she was appointed partner of the energy practice at Dentons Cardenas & Cardenas, an international law firm. In March 2021, Mrs. Bonilla rejoined the Company at which time she was appointed General Counsel & Secretary.
Ivan Arevalo Bogotá, Colombia Corporate Vice President, Operations	N/A	Ivan Arevalo has more than 30 years of experience in the oil and gas industry. Mr. Arevalo has been with the Company for more than 17 years, and in his current role since July 1, 2020. Prior thereto, he was Country Manager for Frontera branches in Peru and Ecuador for four years, and before that, held a number of positions with the Company in Colombia, managing Heavy oil assets.
Renata Campagnaro Bogotá, Colombia Corporate Vice President, Marketing, Logistics & Business Sustainability	N/A	Renata Campagnaro has over 40 years of experience in the oil and gas industry. Ms. Campagnaro has been with the Company since 2010, and in her current role since December 14, 2016. Prior to her current role, she held several positions with the Company, including Corporate Vice President of Supply, Transport and Trading and Executive Vice President of Supply and Transport.
Victor Vega Bogotá, Colombia Corporate Vice President, Field Development, Reservoir Management & Exploration	N/A	Victor Vega has over 30 years of oil and gas exploration and development experience. Prior to joining the Company on October 1, 2021, Mr. Vega was Regional Exploration Manager Caribbean/South America at Shell, a multinational energy and petrochemical company, from January 2019 to September 2021 and prior thereto, Exploration Business Development Manager - Americas at Shell from March 2016 to December 2018.

Notes:

1. *Each director will hold office until the Company's next annual meeting or until his or her successor is appointed or elected.*
2. *Mr. de Alba is the Managing Director and Partner of Catalyst.*
3. *Member of the Compensation and Human Resources Committee.*
4. *Member of the Corporate Governance, Nominating and Sustainability Committee.*
5. *Member of the Audit Committee.*

Share Ownership by Directors and Executive Officers

As of December 31, 2023, the directors and executive officers of the Company (as a group) owned, or exerted direction or control over, a total of 156,526 Common Shares, representing less than 1% of the Company's total issued and outstanding Common Shares.

On a partially-diluted basis, assuming the exercise of all RSUs and DSUs, the directors and executive officers of the Company, as a group beneficially owned, or exercised control or direction over, directly or indirectly, an aggregate of 1,839,984 Common Shares, representing approximately 2.16% of the Company's issued and outstanding Common Shares as of December 31, 2023.

Corporate Cease Trade Orders

No director or executive officer of the Company, is, or within the 10 years prior to the date hereof, has been a director, chief executive officer or chief financial officer of any company that was the subject of a cease trade order or similar order or an order that denied the relevant company access to any exemptions under securities legislation for a period of more than 30 consecutive days while such director or executive officer was acting in the capacity as director, chief executive officer or chief financial officer of the company being the subject of such order, or that was issued after the director or executive officer ceased to be a director, chief executive officer or chief financial officer in the company being the subject of such order and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer of the subject company.

Corporate Bankruptcies

Except as disclosed herein, no director or executive officer, or a shareholder holding a sufficient number of securities in the capital of the Company to affect materially the control of the Company, is or within 10 years prior to the date hereof, has been a director or executive officer of any company, that while that person was acting in that capacity or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets.

Ivan Arevalo and Renata Campagnaro were officers of the Company prior to or during the recapitalization and financing transaction, respectively, which was implemented during 2016 pursuant to a proceeding under the *Companies' Creditors Arrangement Act* (Canada).

Penalties or Sanctions

No director or executive officer of the Company, and no shareholder holding a sufficient number of securities of the Company to affect materially the control of the Company, has been subject to any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority, or any other penalties or sanctions imposed by a court or regulatory body that would be likely to be considered important to a reasonable investor making an investment decision.

Personal Bankruptcies

No director or executive officer of the Company, and no shareholder holding a sufficient number of securities of the Company to affect materially the control of the Company, nor any personal holding company of any such person, has, during the 10 years prior to the date hereof, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or has been subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold his, her or its assets.

Conflicts of Interest

There may be potential conflicts of interest to which the directors or officers of the Company may be subject in connection with the operations of the Company. Conflicts of interest, if any, will be subject to the procedures and remedies as provided under the BCBCA, which require a director or officer of a corporation who is a party to, or is a director or an officer of, or has a material interest in any person who is a party to, a material contract or proposed

material contract with the Company, to disclose his or her interest and in the case of directors, to refrain from voting on any matter in respect of such contract unless otherwise permitted under the BCBCA.

INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

Except as otherwise disclosed herein, there were no material interests, direct or indirect, of directors or executive officers of the Company, of any shareholder who beneficially owns, directly or indirectly, or exercises control or direction over more than 10% of the outstanding voting securities of the Company, or any other Informed Person (as defined in *NI 51-102*) or any known associate or affiliate of such persons, in any transaction within the three most recently completed financial years or during the current financial year that has materially affected or would materially affect the Company or any of its subsidiaries.

LEGAL PROCEEDINGS AND REGULATORY ACTIONS

From time to time, the Company is the subject of litigation arising out of the Company's operations. Damages claimed under such litigation may be material or may be indeterminate, and the outcome of such litigation may materially impact the Company's financial condition or results of operations. While the Company assesses the merits of each lawsuit and defends itself accordingly, the Company may be required to incur significant expenses or devote significant resources to defend itself against such litigation.

Except as disclosed herein or elsewhere in this AIF, there are no legal proceedings or regulatory actions pending or known by the Company to which it is a party or in respect of which any of the properties of the Company are subject that are anticipated to be material to the Company and its subsidiaries taken as a whole. In the summary provided below, the Company has provided the estimates with respect to each claim where such an estimate is available; however, the estimates provided are not indicative of the probability of the final outcome.

Bicentenario and CENIT Transportation Dispute

New Transportation Agreements

In connection with the closing of the settlement of the Conciliation Agreement, Frontera entered into a new transportation contract with CENIT and Bicentenario, and a new transportation contract with ODL.

In May 2022, the new ship-or-pay contract with Bicentenario and CENIT entered into force, and as a result, the pledged inventory crude oil is stored in CENIT's terminal of Coveñas (TLU-3) instead of Ocensa's terminal. On March 31, 2022, the Company signed a new pledge agreement with CENIT and Ocensa, which guarantees the payment obligations of both contracts, up to $30.0 million and $6.0 million, respectively. The term of the pledge agreement has been amended and extended for the period from May 1, 2022 to March 31, 2024, with Ocensa, and for the period from May 1, 2022, to April 30, 2024, with Cenit.

The new ODL transportation contract provides for a ship or pay commitment of 10,000 bbls/day for approximately 46 months (3.8 years) at a $3.00/bbl tariff. With the current tariff of $4.3826/bbl and larger volumes already transported, the ship or pay commitment has been reduced to 36 months.

The new Bicentenario and Caño Limon-Coveñas settlement transportation contract provides for a ship or pay commitment of 2,740 bbls/day for 60 months (5 years) at a $11.79/bbl tariff. With the current tariff of $12.52/bbl and larger volumes already transported, the ship or pay commitment has been reduced to 57 months.

For further information on the Conciliation Agreement, see "Note 26. Commitments and Contingencies" of the 2022 Annual Financial Statements.

IRI de Colombia S.A.S – Purchase Order Dispute

On August 3, 2020, Importaciones y Representaciones de Colombia S.A.S. and IRI de Colombia ZF S.A.S. (collectively, "**IRI**"), a pipe supplier up until 2017, filed an arbitral lawsuit against the Company for approximately $185.5 million claiming payment of alleged amounts owed to them as per cancelled orders of goods and services, unperformed contracts, and reimbursement of warehouse costs of pipes. The monetary value of the Company's contractual relationship with IRI was far less than the amount claimed and the Company believes that this claim is without merit.

During the first quarter of 2021, neither of the parties paid its share of the fees of the local arbitral tribunal. Therefore, the arbitral tribunal ceased to exist, and the arbitration agreement executed along with IRI was no longer in effect (for the specific claim filed before that arbitral tribunal). On July 16, 2021, Frontera received an invitation to participate in a conciliation hearing requested by IRI, as a procedural step to file their claim once again, in this case before the national courts. On August 9, 2021, such hearing took place and no settlement was achieved.

On June 2022, IRI filed a lawsuit before Colombian courts claiming payment by Frontera of approximately $232.2 million. On April 28, 2023, the claim was admitted, and on May 10, 2023, Frontera challenged the decision. As a result, a final decision regarding the admission of the lawsuit is pending. Without prejudice to what is resolved regarding the admission of the lawsuit, in August 2023, Frontera filed its answer to the lawsuit, a counterclaim and a new lawsuit against IRI for approximately $26.7 million.

Puerto Bahia – Tank Construction Related Arbitration

In the course of building its port facility, Puerto Bahia retained the services of Isolux Ingeniería S.A., Tradeco Industrial S.A. de C.V., Tradeco Infraestructura S.A. de C.V ("**CITT**") for the construction of the Hydrocarbons' Terminal, including eight storage tanks and other facilities (the "**EPC Contract**"). CITT failed to comply with the terms of the EPC Contract, including the timely delivery of the work contracted which caused damages to Puerto Bahia, among other contract breaches. As a result, Puerto Bahia proceeded to draw upon a letter of credit in the amount of $17.0 million granted by CITT as a guarantee of the EPC Contract (the "**LOC**"). On June 11, 2015, CITT initiated arbitration proceedings under the regulations of the International Chamber of Commerce of Paris, claiming, among other things: (i) the return of the money from the LOC; (ii) recognition of costs incurred during the execution of the EPC Contract due to the stand-by; (iii) the right to extend the contract term as per the changes requested by Puerto Bahia; and (iv) unlawful termination of the EPC Contract. On August 21, 2015, Puerto Bahia filed a counterclaim against CITT for failure to comply with its contractual obligations under the EPC Contract that led it to breach the delivery dates and the agreed schedules, generating over costs, damages, and losses to Puerto Bahia.

On March 1, 2023, the arbitral tribunal issued the arbitral award which (i) denied CITT's claim for an award of $68.4 million for the return of the LOC amount (including interests); (ii) rejected CITT's claim for damages of $14.9 million; (iii) confirmed that Puerto Bahia was entitled to terminate the EPC Contract, enforce the LOC, and charge penalties to CITT; (iv) granted Puerto Bahia a remedy of $24.7 million (i.e., special penalties of $14.4 million plus the termination penalty clause of $10.3 million); and (v) ruled to offset the $17.0 million LOC and $5.6 million awarded by the Tribunal to CITT as compensation for, among others, accepted invoices and procurement services rendered through June 5, 2015, for a final balance of $2.0 million in favour of Puerto Bahia, payable by any CITT member at an annual interest rate of 4%.

In September 2023, CITT filed a constitutional action (tutela) against the award rendered on March 1, 2023. However, on September 29, 2023, Colombian Supreme Court issued a first instance ruling dismissing the constitutional action indicating that CITT cannot use it as a replacement of the annulment action which was not timely exercised. On October 4, 2023, CITT filed an appeal against the tutela decision.

In December 2023, the Colombian Supreme Court confirmed the tutela decision, however, it may eventually be selected for review by the Colombian Constitutional Court.

Ecopetrol – Rubiales Field Disagreement

Since 2018, Frontera and Ecopetrol have initiated claims against each other before local courts due to disagreements related to the expiration of the Rubiales and Piriri exploration and production contracts.

To settle certain differences under dispute, on December 13, 2023, Frontera and Ecopetrol entered into an agreement which closed 21 (out of 57) disagreements between the parties. As a result, the Company recorded a reversal of a liability provision of $5.9 million recognized during 2016, 2017, 2020, 2021, 2022, and 2023, a reversal of net liabilities with Ecopetrol of $0.5 million and paid to Ecopetrol $4.2 million pursuant to the settlement agreement. Also, as a result of the settlement, Ecopetrol amended the amount of its first lawsuit from $45.0 million to $32.0 million and Frontera withdrew one of the lawsuits filed against Ecopetrol and amended the amount of another one from $9.0 million to $2.6 million.

Water Injection Collective Action

A popular action (a type of collective action that seeks injunctions to prevent damages caused by activities that may be damaging to collective rights) was filed in March 2016 by claimants against a predecessor of Frontera, and other parties such as Ecopetrol, the objective of which is to suspend water injection in affected areas. The claim states that water injection is causing increased seismic activity in the areas surrounding the Quifa block. On December 19, 2019, a ruling was issued by the Court ordering Frontera and the other respondents to perform a study in order to assess the effects of water injection in Quifa. Such decision was appealed by the claimants and the court of appeal's ruling is pending.

Contraloría (PTA-9)

The Contraloría General de la República (the Colombian Comptroller General or Contraloría Delegada Intersectorial No. 8 Unidad de Investigaciones Especiales contra la Corrupción, the "**CGR**") initiated an investigation against Frontera for alleged fiscal liability for damages caused to Ecopetrol as a consequence of the acquisition of a Package Water Treatment Plant (PTA-9) in the Rubiales field. The CGR considers that such investment did not benefit Ecopetrol in any manner.

On March 24 2022, the CGR issued an order against Frontera for approximately $1.5 million. On June 7 2022, Frontera filed its defense. In November 2022, the CGR rejected Frontera's defense, ordering Frontera to pay approximately $1.5 million to Ecopetrol. Frontera challenged the decision, and on March 29, 2023, the CGR revoked the appealed decision and declared FEC's absence of fiscal responsibility, thus concluding the administrative action and archiving the case.

ANH Copa Fields Unification at Cubiro Block

On December 30, 2021, the ANH issued a resolution unifying Copa, Copa A, Copa B, Copa C and Copa D fields (together, the "**Copas**") of the Cubiro block (the "**Resolution**"). On January 17, 2022, Frontera filed a reconsideration motion against the Resolution. On April 12, 2022, the ANH issued a decision confirming the Resolution.

Frontera claims that the ANH is arbitrarily forcing the Company to unify Copa's exploitation areas which increases PAP payments (an additional $0.4 million per month). The unification would not have any effect on royalty payments.

Frontera filed a constitutional action (a "**Tutela**") against the Resolution which was decided on August 8, 2022. On August 8, 2022 the first instance court denied the Tutela at first instance and on October 27, 2022, the second instance court confirmed that decision. Selection to review the Tutela by the Colombian Constitutional Court is pending. Additionally, Frontera filed an annulment action against the Resolution in October 2022. On October 19, 2022, Frontera received a communication from the ANH confirming the unification of Copa's oilfields, and Frontera filed a reconsideration motion against this communication in November 2022. This reconsideration motion is pending decision by the ANH.

On December 27, 2022, Frontera filed an arbitration claim against the effects the unification would have on the petroleum agreement for the Cubiro block.

TRANSFER AGENT AND REGISTRAR

The registrar and transfer agent for the Common Shares is Computershare Trust Company of Canada through its offices in Toronto, Ontario.

The trustee, security registrar and paying agent for the 2028 Unsecured Notes is The Bank of New York Mellon.

MATERIAL CONTRACTS

The following are the only material contracts, other than contracts entered into in the ordinary course of business not otherwise required to be disclosed, that have been entered into by the Company within the most recently completed fiscal year or before the most recently completed fiscal year but still in effect:

1. the 2028 Unsecured Indenture (as amended, restated, supplemented or otherwise modified) (see "Description of Capital Structure – Material Debt Facilities – 2028 Unsecured Notes");

2. the Amended and Restated Rights Plan between the Company and Computershare Investor Services Inc. (see “Description of Capital Structure – General Description of Capital Structure – Shareholder Rights Plan”); and
3. the PIL Loan Facility (as amended, restated, supplemented or otherwise modified) (see “Description of Capital Structure – Material Debt Facilities – PIL Loan Facility").

The foregoing agreements are available on SEDAR+ at www.sedarplus.ca.

INTERESTS OF EXPERTS

There is no person or company whose profession or business gives authority to a statement made by such person or company and who is named as having prepared or certified a statement, report or valuation described or included in a filing, or referred to in a filing, made under *NI 51-102* by the Company other than D&M, the Company’s independent reserves evaluators, and Ernst & Young LLP, Chartered Professional Accountants, the Company’s auditor. To management’s knowledge, as of the date hereof, neither D&M nor the designated professionals of D&M, directly or indirectly owned any of the outstanding Common Shares or other securities of the Company. No director, officer or employee of D&M is to be or has been elected, appointed or employed as a director, officer or employee of the Company. Ernst & Young LLP is independent within the meaning of the CPA Code of Professional Conduct of the Chartered Professional Accountants of Ontario.

AUDIT COMMITTEE INFORMATION

The Audit Committee’s Charter

The full text of the Company’s Audit Committee Charter is appended hereto as Appendix “A”.

Composition of the Audit Committee and Relevant Education and Experience

The members of the Audit Committee are Ellis Armstrong (Chair), Luis F. Alarcón Mantilla and Russell Ford. All members of the Audit Committee are independent and financially literate in accordance with National Instrument 52-110 – Audit Committees.

Financial literacy can be generally defined as the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of issues that can reasonably be expected to be raised by the issuer’s financial statements. In assessing an individual’s financial literacy, the Board evaluates the totality of the individual’s education and experience, including: (i) the level of the person’s accounting or financial education, including whether the person has earned an advanced degree in finance or accounting; (ii) whether the person is a professional accountant, or the equivalent, in good standing, and the length of time that the person actively has practiced as a professional accountant, or the equivalent; (iii) whether the person is certified or otherwise identified as having accounting or financial experience by a recognized private body that establishes and administers standards in respect of such expertise, whether that person is in good standing with the recognized private body, and the length of time that the person has been actively certified or identified as having this expertise; (iv) whether the person has served as a principal financial officer, controller or principal accounting officer of a company that, at the time the person held such position, was required to file reports pursuant to securities laws and, if so, for how long; (v) the person’s specific duties while serving as a public accountant, auditor, principal financial officer, controller, principal accounting officer or position involving the performance of similar functions; (vi) the person’s level of familiarity and experience with all applicable laws and regulations regarding the preparation of financial statements that must be included in reports filed under securities laws; (vii) the level and amount of the person’s direct experience reviewing, preparing, auditing or analyzing financial statements that must be included in reports filed under provisions of securities laws; (viii) the person’s past or current membership on one or more audit committees of companies that, at the time the person held such membership, were required to file reports pursuant to provisions of securities laws; (ix) the person’s level of familiarity and experience with the use and analysis of financial statements of public companies; and (x) whether the person has any other relevant qualifications or experience that would assist him or her in understanding and evaluating the company’s financial statements and other financial

information and to make knowledgeable and thorough inquiries whether the financial statements fairly present the financial condition, results of operations and cash flows of the company in accordance with generally accepted accounting principles, and whether the financial statements and other financial information, taken together, fairly present the financial condition, results of operations and cash flows of the company.

The education and experience of each member that has led to the determination of financial literacy is described below.

Ellis Armstrong is a chartered engineer with over 35 years of international oil and gas industry experience with BP in Argentina, Colombia, Venezuela, Trinidad, Alaska and the North Sea. He held senior strategy, commercial, technical and operational roles with BP and was also the Chief Financial Officer for the group's global exploration and production business. Dr. Armstrong served as an independent director of Lloyds Register Group Limited, a leading international risk assurance firm, from 2013 to 2022, Lamprell plc, a Dubai-based engineering and construction company, from 2013 to 2018, and InterOil Corporation, a Canadian oil and gas exploration company, from 2014 to 2018. Dr. Armstrong has a BSc and PhD in Civil Engineering from Imperial College, and a Master's degree in Business Administration from Stanford Business School.

Luis F. Alarcón Mantilla is a corporate director and former senior executive with a long record in the Colombian business environment. In his early career he was General Director-Budget (1985-1986), Deputy Minister (1986-1987) and Minister of Finance (1987-1990) in Colombia. He currently serves as chairman of the board of directors and member of the Audit Committee of Almacenes Exito, the largest retailer in Colombia, a position he has held since 2015, and is a member of the boards of directors of Edemco SAS, an electric power infrastructure construction company, Transer S.A., a land transportation company, and Fundacion Plan, a non-profit Colombian civil society organization. He previously served as Chairman of the board of directors and member of the Audit Committee of Grupo Sura, the largest Colombian financial conglomerate (2015 to 2020). From 2007 through 2015, Mr. Alarcón served as Chief Executive Officer of Interconexión Eléctrica S.A. E.S.P., a Colombian energy transmission, telecommunications and toll roads company, operating in most of South America. Mr. Alarcón is a Civil Engineer from Universidad de los Andes in Bogotá, and has a M.S. in Civil Engineering from MIT. He participated in the Advanced Management Program at Oxford University.

Russell Ford is a senior executive with more than 35 years of experience within the global oil and gas industry. He started his career at Shell's E&P business in 1981 as a production engineer working in upstream. Afterwards, he served in a series of technical, operational and leadership roles across a number of onshore and deep-water assets, in upstream research, and as head of M&A for North America. More recently, he led Royal Dutch Shell Group's global supply chain activities as Executive Vice President of Contracting and Procurement (2013–2015). Prior to that he was Executive Vice President Onshore (2009–2012) with responsibility for drilling, development, and producing operations for the North American onshore unconventional/shale portfolio. This followed assignments as a Vice President over upstream onshore and offshore development in the Western Hemisphere (2005–2009), Private Assistant to Shell's Chief Executive (2004–2005), and Head of EP Strategy and Portfolio (2003–2004). Mr. Ford has a BS in Mechanical Engineering from the University of Michigan and an MBA from California State University. He served as Chairman of the board of directors of Aera Energy from 2012 until 2015. Since retiring from Shell in June 2015, he has advised companies and financial institutions on project-specific matters.

Pre-Approval Policies and Procedures

The Audit Committee has adopted policies and procedures with respect to the pre-approval of permitted non-audit services by Ernst & Young LLP. The Audit Committee has established a budget for the provision of a specified list of permitted non-audit services that the Audit Committee believes to be typical, recurring or otherwise likely to be provided by Ernst & Young LLP. The budget generally covers the period between the adoption of the budget and the next meeting of the Audit Committee, but at the option of the Audit Committee it may cover a longer or shorter period. The list of services is sufficiently detailed as to the particular services to be provided to ensure that: (i) the Audit Committee knows precisely what services it is being asked to pre-approve; and (ii) it is not necessary for any member of management to make a judgment as to whether a proposed service fits within the pre-approved services.

The Audit Committee has delegated authority to the Chair of the Audit Committee (or if the Chair is unavailable, any other member of the Audit Committee) to pre-approve the provision of permitted non-audit services by Ernst & Young LLP that have not otherwise been pre-approved by the Audit Committee, including the fees and terms of the proposed

services ("**Delegated Authority**"). All pre-approvals granted pursuant to Delegated Authority must be presented by the member(s) who granted the pre-approvals to the full Audit Committee at its next meeting.

All proposed services, or the fees payable in connection with such permitted non-audit services, that have not already been pre-approved must be pre-approved by either the Audit Committee or pursuant to Delegated Authority. Prohibited services may not be pre-approved by the Audit Committee or pursuant to Delegated Authority.

External Auditor Service Fees (By Category)

The following are the aggregate fees incurred by the Company for services provided by Ernst & Young LLP during fiscal years 2023 and 2022. Canadian, Colombian, Ecuadorian, Peruvian and Swiss fees have been converted to $ using the average exchange rate for each year.

	2023 ($ in thousands)	**2022 ($ in thousands)**
Audit Fees [1]	1,634	1,450
Audit-Related Fees [2]	140	130
Tax Fees [3]	63	70
All Other Fees [4]	—	12
Total	1,837	1,662

Notes:

1. *"Audit Fees" include fees necessary to perform the annual audit and quarterly reviews of the Company's consolidated financial statements. This category includes fees for audit or other attest services required by legislation including statutory audits.*
2. *"Audit-Related Fees" include fees billed for statutory audit and related services by Ernst & Young LLP but not supporting the Company's opinion, and which are not disclosed in the "Audit Fees" row.*
3. *"Tax Fees" include fees for tax compliance, tax planning, foreign exchange and transfer pricing.*
4. *"All Other Fees" includes the aggregate fees billed in each of the last two fiscal years for products and services provided by Ernst & Young LLP, other than the services reported under Audit Fees, Audit-Related Fees and Tax Fees, and for 2022, includes fees related to an information security and cybersecurity benchmarking report.*

ADDITIONAL INFORMATION

Additional financial information is provided in the 2023 Annual Financial Statements and management's discussion and analysis for the year ended December 31, 2023. Additional information, including directors' and officers' remuneration and indebtedness, principal holders of the Company's securities and securities authorized for issuance under its Incentive Plan, among other things, is contained in the Company's information circular for its most recent annual meeting of Shareholders that involved the election of directors. This information and other pertinent information regarding the Company can be found on SEDAR+ at www.sedarplus.ca.

FORWARD-LOOKING INFORMATION

This AIF contains certain statements that constitute "forward-looking information" within the meaning of applicable Canadian securities legislation (collectively, "forward-looking information"). Forward-looking information is typically identified by words such as "anticipate", "continue", "estimate", "expect", "may", "will", "project", "should", "plan", "intend", "believe", and similar words or expressions, including the negatives or variations thereof. All statements other than statements of historical fact contained in this document are forward-looking information, including, without limitation, statements regarding:

- business strategy, anticipated growth and plans of management;
- performance characteristics of the Company's oil and natural gas properties;

- the Company's oil and natural gas production levels;
- supply and demand for oil and natural gas;
- fluctuating oil prices and markets;
- the Company's future drilling activities and capital expenditures and the anticipated timing thereof;
- expectations regarding the ability to continually add to reserves through acquisitions, exploration and development;
- budgets, including future capital, operating or other expenditures and projected costs;
- the Restructuring Plan;
- expected costs, in-service dates and schedules for capital projects (including projects under construction/development);
- the Company's expectations and plans with respect to any contractual contingencies and current litigation, arbitration and regulatory proceedings;
- the expected impact of measures that the Company has taken and continues to take or may take in response to pandemics;
- the potential impacts of the Russia-Ukraine conflict and the Israel-Hamas conflict;
- treatment under governmental regulatory regimes, labour, environmental and tax laws;
- the operation and effectiveness of risk management programs;
- limitations on the Company's access to sources of financing or competitive terms and compliance with covenants; and
- the payment of any future dividends.

All forward-looking information reflects the Company's beliefs and assumptions based on information available at the time the applicable forward-looking information is made and in light of the Company's current expectations with respect to such things as the outlook for general economic trends, industry trends, commodity prices, the Company's access to the capital markets and the costs of raising capital, the integrity and reliability of the Company's assets, and the governmental, regulatory and legal environment. For all construction projects, estimated completion times and costs assume that construction proceeds as planned on schedule and on budget and that, where required, all regulatory approvals and other third-party approvals or consents are received on a timely basis. In some instances, this AIF may also contain forward-looking information attributed to third parties. Forward-looking information does not guarantee future performance. Management believes that its assumptions and expectations reflected in the forward-looking information contained herein are reasonable based on the information available on the date such information is provided and the process used to prepare the information. However, it cannot assure readers that these expectations will prove to be correct.

All forward-looking information is subject to known and unknown risks, uncertainties and other factors that may cause actual results, events, levels of activity and achievements to differ materially from those anticipated in the forward-looking information. Such risks, uncertainties and other factors include, without limitation, the following:

- expectations regarding the Company's ability to implement its strategic priorities and business plan and achieve the expected benefits, including its ability to raise capital and to continually add to reserves through acquisitions and development;
- volatility in market prices for oil and natural gas;
- uncertainties associated with estimating and establishing oil and natural gas reserves;
- liabilities inherent with the exploration, development, exploitation and reclamation of oil and natural gas;

- uncertainty of estimates of capital and operating costs, production estimates and estimated economic return;
- operational hazards and performance;
- global health crises, such as pandemics and epidemics;
- increases or changes to transportation costs;
- political developments in the countries where the Company operates;
- the outcome of litigation, arbitration and regulatory proceedings;
- fluctuations in foreign exchange or interest rates and stock market volatility;
- delays in obtaining required environmental and other licences and permits;
- the effectiveness of the Company's risk management programs;
- competition;
- climate change risks, including the effects of unusual weather and natural catastrophes;
- climate change effects and regulatory and market compliance and other costs associated with climate change;
- reputational risks;
- reliance on key personnel and third parties;
- relationships with external stakeholders;
- technology, security and cybersecurity risks;
- uninsured and underinsured losses;
- changes in credit ratings;
- the possibility that actual circumstances will differ from estimates and assumptions;
- changes in laws and regulations;
- the effectiveness, results and consequences of the Restructuring Plan;
- actions by governmental authorities;

and other risks, uncertainties and other factors, many of which are beyond the control of the Company, and some of which are discussed under "Risk Factors" in this AIF. Further, because there is interconnectivity between many of the risks the Company faces, it is possible that different constellations of risk could materialize which could result in unanticipated outcomes or consequences.

Information relating to "reserves" contained, among other places, in the "Statement of Reserves Data and Other Oil and Gas Information", which is incorporated by reference into this AIF, is by its nature forward-looking information, as it involves the implied assessment of such assets based on certain estimates and assumptions. The reserves information that is incorporated in this AIF are estimates only. In general, estimates of economically recoverable crude oil and natural gas reserves and the future net cash flows therefrom are based upon a number of variable factors and assumptions, such as historical production from the properties, production rates, ultimate reserve recovery, timing and amount of capital expenditures, ability to transport production, marketability of oil and natural gas, royalty rates, the assumed effects of regulation by governmental agencies and future operating costs, all of which may vary materially. For those reasons, estimates of the economically recoverable crude oil and natural gas reserves attributable to any particular group of properties, classification of such reserves based on risk of recovery and estimates of future net revenues associated with reserves prepared by different engineers, or by the same engineers at different times, may vary.

The Company's actual production, revenues, taxes and development and operating expenditures with respect to its reserves will vary from estimates thereof and such variations could be material. All evaluations and reviews of future

net revenue are stated prior to any provisions for interest costs or general and administrative costs and after the deduction of estimated future capital expenditures for wells to which reserves have been assigned.

Readers are cautioned that the foregoing list of important factors is not exhaustive and they should not unduly rely on the forward-looking information included in this AIF. Further, readers are cautioned that the forward-looking information contained herein is made as of the date of this AIF. The Company does not intend and does not assume any obligation to update or revise it to reflect new events or circumstances, other than as required by applicable securities laws. All forward-looking information contained in this AIF is expressly qualified by this cautionary statement. Further information about the factors affecting forward-looking information and management's assumptions and analysis thereof, is available in filings made by the Company with Canadian provincial securities commissions available on SEDAR+ at www.sedarplus.ca.

APPENDIX "A"

FRONTERA ENERGY CORPORATION

AUDIT COMMITTEE CHARTER

GENERAL

The purpose of this Charter is to set forth the composition, authority and responsibilities of the Audit Committee (the "**Committee**") of the board of directors (the "**Board**") of Frontera Energy Corporation (the "**Corporation**").

COMPOSITION

The members of the Committee are designated by the Board in accordance with the Corporation's Articles, and serve at the discretion of the Board. The Board appoints one member of the Committee as Chair of the Committee.

The Committee consists of at least three members, all of whom must be independent[1] and be "financially literate"[2]. No member of the Committee may simultaneously serve on the audit committees of more than three other publicly traded companies, unless service on any such additional audit committee is approved by the Board upon recommendation of the Corporate Governance, Nominating and Sustainability Committee. No member of the Committee will have participated in the preparation of the financial statements of the Corporation or any of its subsidiaries (as such term is defined in the Code of Business Conduct and Ethics) at any time during the three year period prior to becoming a member.

AUTHORITY AND RESPONSIBILITIES

General. The general purpose of the Committee is to assist the Board in fulfilling its oversight responsibilities with respect to:

1. the Corporation's financial reporting, including the audits of the Corporation's financial statements and the integrity of the Corporation's financial statements and internal controls;
2. the qualifications and independence of the Corporation's independent auditor (including the Committee's direct responsibility for the engagement of the independent auditor);

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[1] A member is "independent" if he or she would be independent for the purposes of Sections 1.4 and 1.5 of National Instrument 52-110 – Audit Committees.

[2] A "financially literate" individual is an individual who has the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Corporation's financial statements.

3. the performance of the Corporation's internal audit function and independent auditor;
4. the Corporation's compliance activities relating to accounting and financial reporting;
5. the Corporation's Ethics and Compliance Program;
6. the qualifications and independence of the Corporation's reserves evaluator(s) or auditor(s); and
7. the Corporation's oil and natural gas reserves and resources data.

To carry out this purpose, the Committee must serve as a focal point for communication among the Board, the independent auditor, the Corporation's internal audit department, the Corporation's qualified reserves evaluator(s) or auditor(s), the Corporation's Ethics & Compliance Department and the Corporation's management, as their respective duties relate to accounting, financial reporting, internal controls, and compliance with *National Instrument 51-101 – Standards of Disclosure for Oil and Gas Activities* ("**NI 51-101**"), *National Instrument 52-110 – Audit Committees* ("**NI 52-110**") and all related Canadian Securities Administrators instruments, policies and rules. In particular, the independent auditor, members of the internal audit department, the Chief Financial Officer, the Senior Manager of Financial Reporting, the General Counsel, and the Ethics & Compliance Officer will have unrestricted access to the Committee or its members, other directors or the entire Board, as needed.

Financial Statement and Disclosure Matters. The Committee will:

1. Meet to review and discuss with management and the independent auditor the Corporation's annual audited financial statements and financial and other data to be filed on an annual basis under *National Instrument 51-102 – Continuous Disclosure* ("**NI 51-102**"), including reviewing the specific disclosures made in the "Management's Discussion and Analysis" and the results of the independent auditor's audit of such financial statements, and recommending to the Board whether the audited financial statements should be approved for filing.
2. Meet to review and discuss with management and the independent auditor the Corporation's quarterly financial statements and financial and other data to be filed on a quarterly basis under NI 51-102, including reviewing the specific disclosures made in the "Management's Discussion and Analysis", and the results of the independent auditor's review of such financial statements and approve for filing.
3. Meet to review and discuss with management and the independent auditor the Corporation's annual information form and the financial and other data contained therein to be filed on an annual basis under NI 51-102.
4. Review and discuss with management and the independent auditor the following:
    1. any major issues regarding accounting principles and financial statement presentations, including any significant changes in the Corporation's selection or application of accounting principles, and analyses prepared by management and/or the independent auditor setting forth significant financial reporting issues and judgments made in connection with the preparation of the Corporation's financial statements, including analyses of the effects on the financial statements of alternative methods under International Financial Reporting Standards ("**IFRS**");
    2. any major issues as to the adequacy of the Corporation's internal controls, and any steps adopted in light of any material weakness or significant deficiencies; and
    3. management's annual evaluation of internal controls over financial reporting and quarterly evaluation of any material changes in such controls, and the internal auditor's annual review of the effectiveness of internal control over financial reporting.
5. Review and discuss in a timely manner (but at least annually) reports from the independent auditor regarding:
    1. all critical accounting policies and practices to be used;

2. all alternative treatments of financial information within IFRS that have been discussed with management, ramifications of the use of such alternative treatments and related disclosures, and the treatment preferred by the independent auditor; and
3. all other material written communications between the independent auditor and management, such as any management letter or schedule of unadjusted audit differences.

6. Generally review and discuss with management the type and presentation of information to be disclosed in the Corporation's earnings press releases, including the use of pro forma or "adjusted" non-IFRS information, as well as the type and presentation of financial information and earnings guidance to be provided to analysts and rating agencies; such discussions may be of a general nature and need not cover the specific information or presentations to be given.
7. Review and discuss with management and the independent auditor the effect of regulatory and accounting initiatives, as well as off-balance sheet structures, on the Corporation's financial statements.
8. Discuss with the independent auditor the conduct of the audit, including any difficulties encountered in the course of the audit work, any restrictions on the scope of activities or access to requested information, and any significant disagreements with management.
9. Review disclosures made to the Committee by the Corporation's Chief Executive Officer and Chief Financial Officer in connection with their certification process under *National Instrument 52-109 – Certification of Disclosure in Issuers' Annual and Interim Filings* ("**NI 52-109**") regarding any significant deficiencies or material weaknesses in the design or operation of internal controls, or any fraud involving management or other employees having a significant role in the Corporation's internal controls.
10. Review related party transactions.

Oversight of Independent Auditor. The Committee has the sole authority to appoint or replace the independent auditor; provided, however, that this is performed in compliance with NI 51-102. The Committee will be directly responsible for the compensation and oversight of the independent auditor (including the resolution of any disagreements between management and the independent auditor) and the Committee will review and assess the effectiveness of the independent auditor on an annual basis. The independent auditor will report directly to the Committee.

In addition, the Committee will:

1. Review and evaluate the lead partner of the independent auditor team.
2. Obtain on an annual basis a formal written statement from the independent auditor delineating all relationships between the independent auditor and the Corporation and review and discuss with the independent auditor any disclosed relationships or services that may impact the independent auditor's objectivity and independence.
3. Consider whether the independent auditor's provision of permissible non-audit services is consistent with the auditor's independence. As necessary, pre-approve non-audit services to be provided by the independent auditor, as further described in "Delegation of Authority" below.
4. Take appropriate action to oversee the independence of the independent auditor.
5. Obtain and review a report from the independent auditor at least annually regarding the independent auditor's internal quality control procedures.
6. Evaluate and report to the Board on its conclusions as to the qualifications, performance and independence of the independent auditor, including considering whether the auditor's quality controls are adequate and whether the provision of permitted non-audit services is compatible with maintaining the auditor's independence, taking into account the opinions of management and the internal audit department.
7. Ensure the regular rotation of the lead (or coordinating) audit partner having primary responsibility for the audit and the audit partner responsible for reviewing the audit.

8. Establish clear policies regarding the Corporation's hiring of employees or former employees of the independent auditor.
9. Meet with the independent auditor to discuss the planning and staffing of the audit.
10. Obtain acknowledgment from the independent auditor that it will inform the Committee if the independent auditor detects or becomes aware of any illegal act.

Oversight of Internal Audit Department. The Committee has adopted the Institute of Internal Auditors' definition of Internal Auditing as follows:

Internal auditing is an independent, objective assurance and consulting activity designed to add value and improve an organization's operations. It helps an organization accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control and governance processes.

The Committee will engage in general oversight with respect to the internal audit department. The head of Internal Audit will report directly to the Chair of the Committee and administratively to the Corporation's General Counsel. The Chair of the Committee will be involved in the hiring, termination and performance evaluation linked to the remuneration of the head of Internal Audit. In addition, the Committee will:

1. Monitor and examine the organization and performance of the internal audit department.
2. Approve the internal audit strategic plan and the annual risk-based audit plan (including budget, staff and resources) and material changes thereto.
3. Receive periodic reports from the head of Internal Audit regarding the status of the audit plan, audit results, management's responses, status of corrective actions defined by management, as well as, any significant difficulties or disagreements with management, and any scope restrictions encountered in the course of the function's work.
4. Periodically review the internal audit charter and approve any changes.

Oversight of Compliance Activities Relating to Accounting and Financial Reporting. The Committee will assist the Board in fulfilling its oversight responsibilities with respect to the Corporation's compliance activities relating to accounting and financial reporting.

The Committee will also establish, maintain and periodically review procedures for the receipt, retention and proper treatment of complaints regarding accounting, internal controls (including internal accounting controls) or auditing matters, which procedures will include provision for the confidential, anonymous submission of reports or complaints concerning potential violations of law or other misconduct and concerns regarding accounting, auditing or internal control matters.

Committee Report. The Committee will prepare the audit committee report required by NI 51-102 to be included in the Corporation's annual information circular.

Oversight of Ethics and Compliance Program. The Committee will assist the Board in fulfilling its oversight responsibilities with respect to the Corporation's Ethics and Compliance program, including the Corporation's compliance with legal and regulatory requirements.

In particular, the Committee will:

1. Oversee the activities of the Ethics and Compliance function. The Ethics & Compliance Officer will report directly to the General Counsel (unless the Ethics & Compliance Officer is also the General Counsel).
2. Oversee the adoption and maintenance of procedures to ensure that all compliance and ethics matters receive prompt review by or under the authority of the Ethics & Compliance Officer and the Chair of the Committee.
3. Oversee the establishment and maintenance of a comprehensive compliance and ethics program, including an ethics and compliance training program for all employees and the establishment and operation of the Ethics Committee comprising certain members of management.

4. Monitor the process for communicating to employees the Corporation's Code of Business Conduct and Ethics and Conflicts of Interest Policy and the importance of compliance therewith, including: (a) the maintenance and periodic review of the Code of Business Conduct and Ethics and Conflicts of Interest Policy; (b) assuring employees that no retaliation or other negative action will be taken against any employee because that employee submits any report or complaint under (but subject to the provisions of) the Whistle Blower Policy concerning potential violations of law or other misconduct and concerns regarding accounting, auditing or internal control matters; and (c) conducting reviews of complaints and investigations made pursuant to the Whistle Blower Policy.

The General Counsel and the Ethics & Compliance Officer will at all times have unrestricted access to the Chair of the Committee or any other member of the Committee or the Board for any purpose he or she deems appropriate.

To help ensure that the Ethics & Compliance Officer preserves the requisite, ongoing authority and independence to maintain an effective compliance program, the Chair of the Committee will be involved in any action to appoint, replace, reassign or terminate the Ethics & Compliance Officer.

Oversight of the Corporation's Reserves and Resources Reporting Process. The Committee will assist the Board in fulfilling its oversight responsibility to review and approve the Corporation's externally disclosed oil and gas reserves estimates, and any material changes to such reserves estimates, in accordance with NI 51-101, including reviewing the procedures used by the qualified reserves evaluator(s) or auditor(s) responsible for evaluating the Corporation's reserves and resources. In particular, the Committee will:

1. Consult with the Corporation's senior reserves evaluation personnel, and consider, review and report to the Board in respect of the following:
    1. appointment of, or any changes to, qualified reserves evaluator(s) or auditor(s); and
    2. determination of reasons for any proposed change in appointment of the qualified reserves evaluator(s) or auditor(s) and, in particular, in the event there is a change of qualified reserves evaluator(s) or auditor(s), whether there have been any disputes between the qualified reserves evaluator(s) or auditor(s) and the Corporation's management.
2. Consider and review, with reasonable frequency, the Corporation's internal procedures relating to the disclosure of reserves and resources, with special attention given to the following:
    1. the adequacy of such procedures for fulfillment of applicable regulatory and disclosure requirements and restrictions;
    2. the Corporation's procedures for providing information to the qualified reserves evaluator(s) or auditor(s), and whether any restrictions affect the ability of the qualified reserves evaluator(s) or auditor(s) to report without reservation; and
    3. the scope of the annual evaluation of reserves by the qualified reserves evaluator(s) or auditor(s) having regard to applicable securities legislation, regulations and related requirements.
3. Annually review, assess, and approve the fees for any qualified reserves evaluator(s) or auditor(s).
4. Review all reserve audit reports prepared by the Corporation's reserves evaluation personnel or any qualified reserves evaluator(s) or auditor(s) for the Corporation.
5. Meet with the Corporation's management and, if deemed necessary, the qualified reserves evaluator(s) and auditor(s), prior to approval and filing of reserves or resources data and the report of the qualified reserves evaluator(s) or auditor(s) thereon, to review the Corporation's reserves and resources data, including the following:
    1. review the scope of work of the qualified reserves evaluator(s) or auditor(s);

2. review the reserves or resources estimates of the qualified reserves evaluator(s) or auditor(s) thereon; and

3. determine whether any restrictions affected the ability of the qualified reserves evaluator(s) or auditor(s) to report on the Corporation's reserves or resources data without reservation.

6. Meet with the Corporation's management and the qualified reserves evaluator(s) and auditor(s), as may be required, to address matters of mutual concern in respect of the Corporation's evaluation of reserves and resources. However, in the normal course, the Corporation's Chief Executive Officer and Corporate Vice-President of Operations, Exploration and Development & Reservoir Management, or such other persons as the Committee may, from time to time, designate, shall be the Committee's liaison with the qualified reserves evaluator(s) or auditor(s).

7. Receive timely reports from management on the status of the Corporation's response to matters of concern raised in reports prepared by the Corporation's senior reserves evaluation personnel or any qualified reserves evaluator(s) or auditor(s) for the Corporation.

8. Meet with the Corporation's management, prior to public disclosure of the Corporation's annual reserves data, to review and provide recommendations regarding approval of the content and filing of information as required under applicable securities legislation, regulations and related requirements, including the following:

    1. the content and filing of the statement of reserves data and related information;

    2. the filing of the report of the qualified reserves evaluator(s) or auditor(s); and

    3. the content and filing of the related report of management and the Board.

DELEGATION OF AUTHORITY

The Committee may delegate authority to one or more members or subcommittees when deemed appropriate, provided that the actions of any such members or subcommittees must be reported to the full Committee no later than at its next scheduled meeting. In addition, the Chair of the Committee is authorized to approve fees for the performance of all audit, audit-related and other services; however, in respect of tax-related services, the Chair of the Committee is authorized to approve fees of up to $100,000 and fees over this amount must be approved by the full Committee. The foregoing approval of fees for audit, audit-related, tax-related and other services shall be reported to the full Committee at its next scheduled meeting.

COUNSEL AND OTHER DELEGATION OF AUTHORITY; CORPORATION FUNDING OBLIGATIONS

The Committee has the authority, to the extent it deems necessary or appropriate, to retain and terminate independent legal counsel or other advisors to assist the Committee in carrying out its responsibilities. The Corporation will provide for appropriate funding, as determined by the Committee, to pay any such counsel or other advisors retained by the Committee and to pay ordinary administrative expenses of the Committee that are necessary or appropriate in carrying out its duties.

MEETINGS; IN CAMERA SESSIONS

The Committee meets as often as it deems necessary, but no less frequently than quarterly. The Committee meets periodically and separately with management, the internal auditors, and the independent auditor. Each regularly scheduled Committee meeting may include an in camera session of the members of the Committee. In addition, the Committee may request any officer or other employee of the Corporation, counsel to the Corporation, or any representative of the independent auditor, to meet with the Committee, with one or more members of the Committee, or with counsel or another advisor to the Committee. Meeting agendas will be prepared and provided in advance to the Committee Chair for his review and approval. Briefing materials will be provided to the Committee in advance of the meeting.

The quorum for meetings shall be a majority of the members of the Committee, present in person or by telephone or other telecommunication device that permits all persons participating in the meeting to speak to and to hear each other.

No business may be transacted by the Committee except at a meeting of its members at which a quorum of the Committee is present.

REPORTS TO THE BOARD; MINUTES

The Committee will make regular reports to the Board regarding the Committee's activities, including issues that arise with respect to the quality or integrity of the Corporation's financial statements, the Corporation's compliance with legal or regulatory requirements relating to accounting and financial reporting, the performance and independence of the independent auditor, the performance of the internal audit function, ethics and compliance matters and the Committee's work relating to the oversight of the reserves and resources reporting process. Minutes of the meetings and other actions of the Committee will be prepared and submitted for approval by the Committee and will be furnished to the Board at regular intervals.

COMMITTEE SELF-ASSESSMENT

The Committee will conduct an annual self-assessment of its performance with respect to its purposes and the authority and responsibilities set forth in this Charter. The results of the self-assessment will be reported to the Board.

COMMITTEE CHARTER

This Charter is subject to review and approval by the Board. The Committee will review this Charter annually and adopt any changes deemed appropriate, subject to approval by the Board.

LIMITATION OF COMMITTEE'S ROLE

Each member of the Committee shall be entitled, to the fullest extent permitted by law, to rely on the integrity of those persons and organizations within and outside the Corporation from whom he or she receives information, and the accuracy of the information provided to the Corporation by such other persons or organizations. While the Committee has the responsibilities and powers set forth in this Charter, it is not the duty of the Committee to plan or conduct audits or to determine that the Corporation's financial statements and disclosures are complete and accurate and in accordance with IFRS and applicable rules and regulations, each of which is the responsibility of management and the Corporation's external auditors.

CURRENCY OF CHARTER

This Charter was last revised effective December 5, 2023.