

Investor Presentation

March 2021
(In USD)



Ticker TSXV: TAL AIM: PTAL



Investment highlights

Large producing oil field with robust cash flow

- 100% WI in the Bretaña field in Peru with 2P reserves¹ of 51 mmbbl with a before tax 2P NPV(10%) of \$830 million
- 11,500 bopd of run rate production generates annual EBITDA of ~\$141 million² at Brent \$65/bbl
- Resilient to oil price volatility - operating break even³ Brent price of ~\$27/bbl including G&A and active hedging program to reduce downside

Management and technical team with proven track record

- First oil in H1 2018 reached five months ahead of schedule and significantly below budget
- Increased Bretaña production from 1,000 bopd to 13,300 bopd in 18 months from mid-2018 at industry leading capital efficiencies
- Drilled six wells on budget and on time, with better than expected performance

Conservative 2P bookings with low risk production growth ahead

- Drilling of eight additional wells expected to lift production to ~20,000 bopd in 2022
- Horizontal wells with initial production capacity of > 5,000 bopd
- Conservative 2P bookings vs. analogous surrounding fields, indicate potential to double 2P reserves⁴

Solid balance sheet and fully funded capex program

- Solid balance sheet with estimated \$60 million⁵ of pro forma December 2020 net debt post bond financing
- Fully funded \$100 million 2021 development program
- Proven access to equity and debt markets, with \$18 million equity raised in June 2020 and a \$100 million bond in February 2021

1) NSAI Reserves Report effective date December 31, 2020

2) \$141 million represents the annualized EBITDA generated using a \$33.60/bbl EBITDA netback with 11,500 bop/d of oil production, which is the midpoint of the 2021 estimated average production range

3) Operating break-even details on slide 19

4) 3P reserves at 106 mmbbls and includes 5 additional wells in addition to the 15 in the 2P reserves case

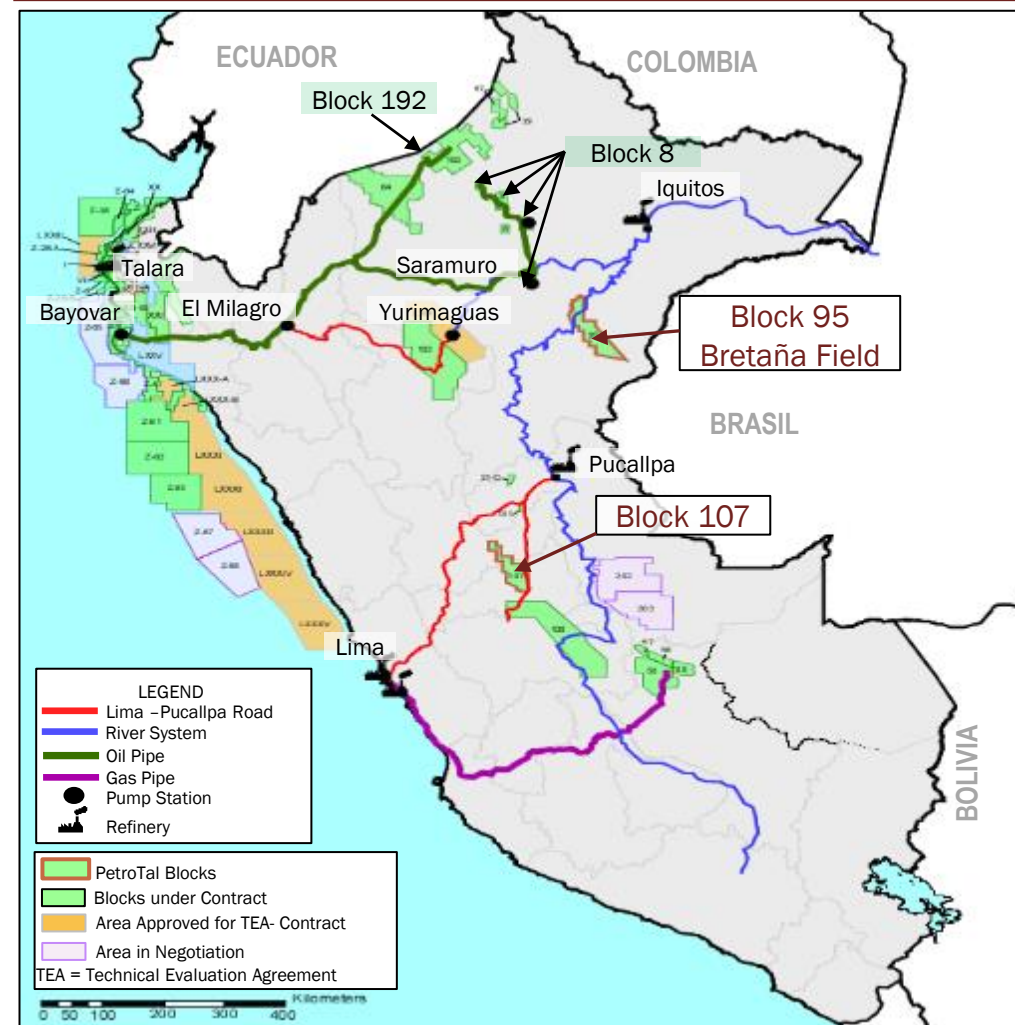
5) Estimated net debt = net bond financing \$100 million + net accounts receivable/payable \$45 million - cash and cash equivalents \$86 million

PetroTal – Firmly established as a significant Peruvian oil producer

PetroTal in brief

- **Pure-play onshore Peru focused E&P independent**
 - Incorporated in Canada (Alberta), with offices in Houston and Calgary
 - Listed on the TSX-V and AIM, with a market capitalization of \$199 million¹
- **100% WI of the Bretaña heavy oil field, one of the largest producing fields in Peru²**
 - 2P reserves of 51 mmbbl³ with expected average 2021 and average Q4 2021 production of 11,500 bopd and 16,500 bopd respectively
 - Located in the Marañón Basin in northern Peru, 800 km northeast of Lima
 - Majority⁴ of crude oil exported through Petroperu's ONP pipeline, a pipeline offering significant offtake capacity, with alternative export route via Brazil demonstrated by December 2020 pilot
 - Strong cash flow generation – up to \$90 million under a conservative \$50/bbl flat Brent from March 2021 forward, with upside to ~\$140 million at \$65/bbl Brent
- **Management with proven track record of operational success and production growth**
 - Increased production from 1,000 to 13,300 bopd in 18 months from mid 2018
 - Constructed processing capability of 16,000 bopd with future expansion to 24,000 bopd in 2021
 - Drilled six wells on budget, on time, with better than expected performance
 - Deployed an estimated \$154 million in capex during 2018-20 the industry leading flowing barrel capital efficiencies

Asset and refinery locations



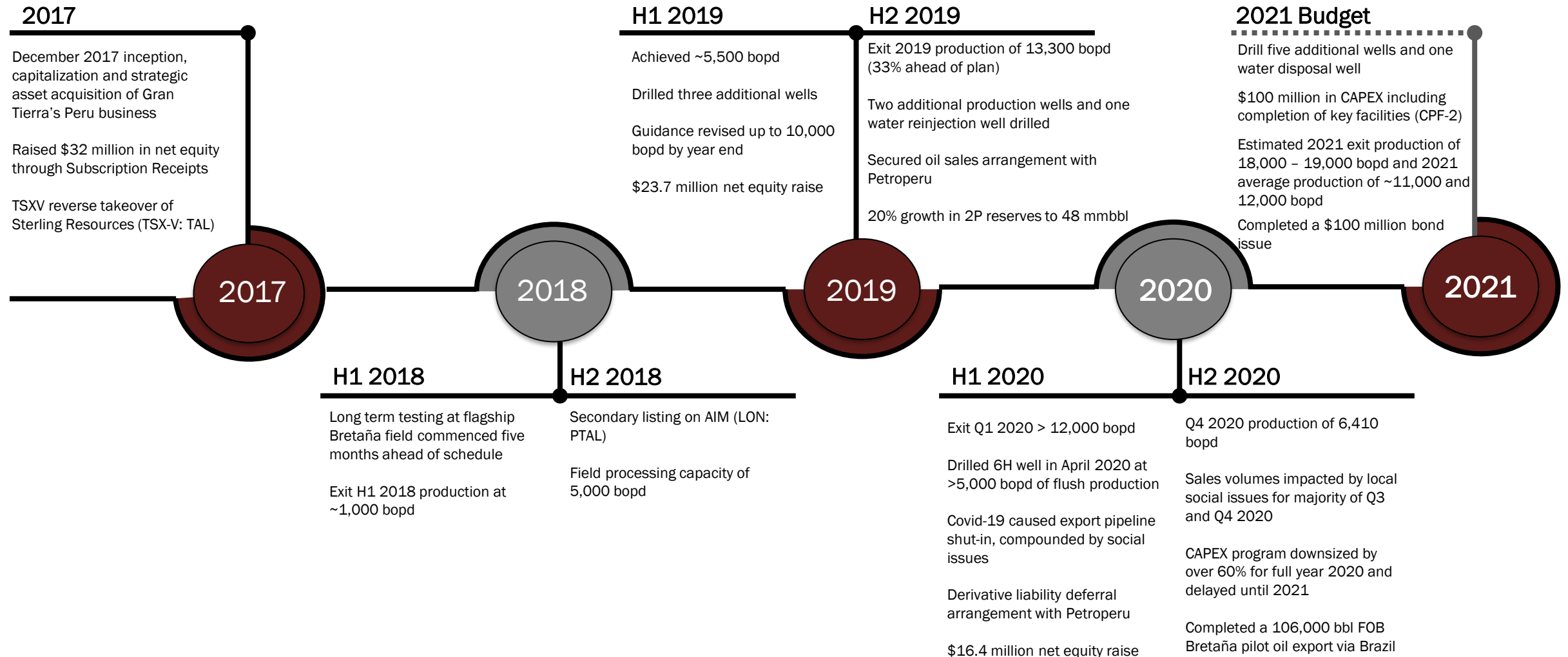
1) Market capitalization as at February 26, 2021 using 1.27 CAD/USD exchange rate

2) PetroTal also holds a 100% WI in the high impact exploration onshore Block 107

3) NSAI Reserves statement effective date December 31, 2020

4) 1,300-2,000 bopd sold to nearby Iquitos refinery

History and outlook



Strategy dedicated to low cost production growth from proven reserve base

Strategy and key principles



Production growth to 20,000 bopd

Clear path to 20,000 bopd through operational excellence



Continued efficient reserves growth at Bretaña

Optimum field development to maximize ultimate recovery like analogue fields



Leadership in ESG practices

Rigid ESG approach key to operational and financial success and ensures government alignment and support



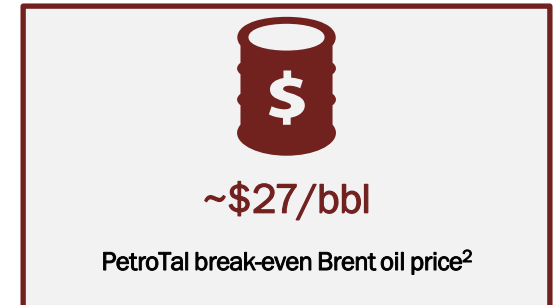
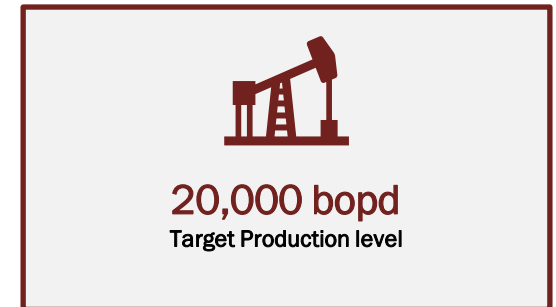
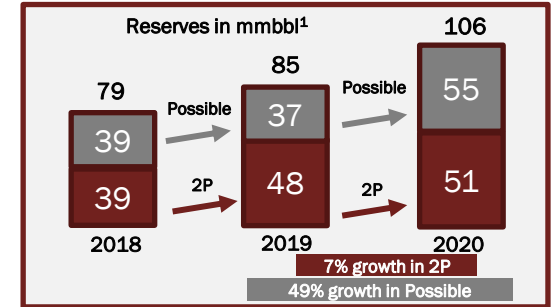
Synergistic M&A growth

Leverage balance sheet strength and favorable cost position enabling pursuit of synergistic production led acquisitions



Managing exploration risk and exposure

Prudently unlocking future development areas with limited committed exploration spending in both block 107 & 95³



1) Per NSAI Reserves statement effective dates December 31, 2018 - 2020

2) Inclusive of G&A

3) Committed exploration spend in Block 107 of \$1.5 million during 2021 and \$1.5 million in 2022 payable to the government in the event no exploration drilling is completed

Environmental, social and governance

Empowering local communities and promoting sustainable development



ENVIRONMENTAL

- Breteña pad – single well pad and no encroachment on primary rainforest
- Land cleared in 2012, direct access from river
- No spills or pollution
- Multiple programmes to preserve local bio-diversity as well as flora and fauna
 - Block 95: Agreement with SERNANP ³ for Pacaya-Samiria National Reserve
 - Block 107: Preservation efforts at San Carlos and Oxampampa-Ashaninka forest reserves



SOCIAL

- Projects to encourage and mentor sustainable local development
 - \$1 million annual budget dedicated to social efforts
 - Continuing COVID support to community
 - Agriculture and aquaculture training to over 300 local families
- Significant local employment
 - Created over 150 local jobs in 2020
- Working with a network of NGOs, producers, and local and central government organizations
- Helping indigenous communities and organizations



GOVERNANCE

- Six full time CSR¹ employees, five full time HSE² employees, and four full time environmental and permits employees
- One manager of Government relations and manager of communications
- HSE and CSR team with +200 years of combined experience
- Active and consistent social and environmental investment programme, focused on empowering the local communities
- Claims and response system implemented to address any issues with the local communities



1) CSR - Community and Social Responsibility
2) HSE - Health and Safety and Environmental
3) SERNANP is Peru's agency responsible for protection of natural areas

Peru – country and fiscal overview

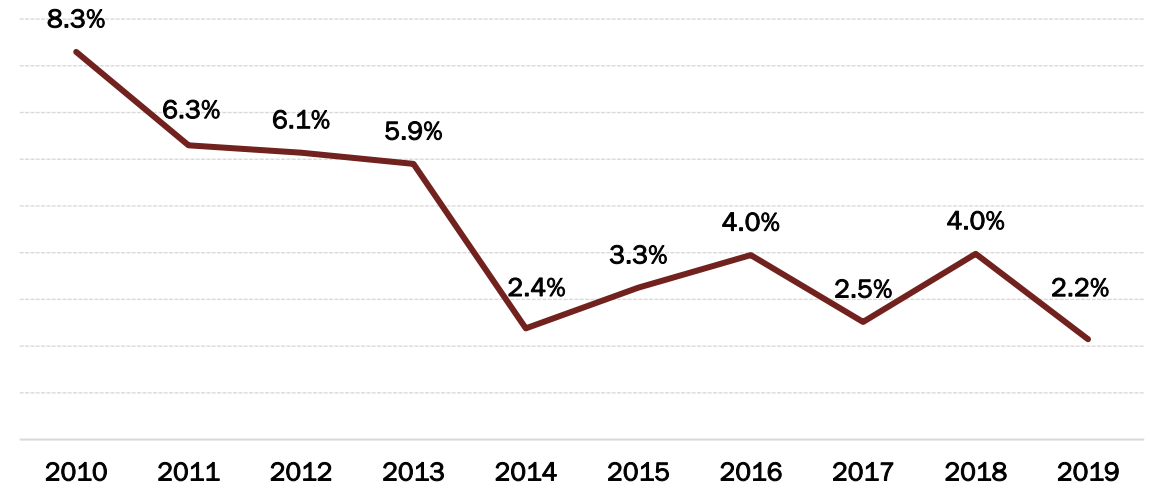
Peru offers a stable, low risk investment environment

- Peru has averaged 4.7%/yr in GDP growth since 1998
- Investment grade stable/positive outlook: A3 (Moody's)/BBB+ (S&P and Fitch)
- Second lowest country risk in LatAm with a rating of 163 vs average of 548¹
- Natural resource related revenues are an important contributor to Peru's fiscal budget generating > \$700 million in 2018¹
- Standardized concession contracts signed into law by supreme decree
- On November 23, 2020, the Peruvian govt. issued \$4 billion in new notes with a tenor of 12, 40 and 100 years (100 years notes priced at LIBOR+170bps)
- The Peruvian govt. recently announced a \$1.7 billion six-year plan to benefit local communities in northeast Peru (see slide 30 for further details)

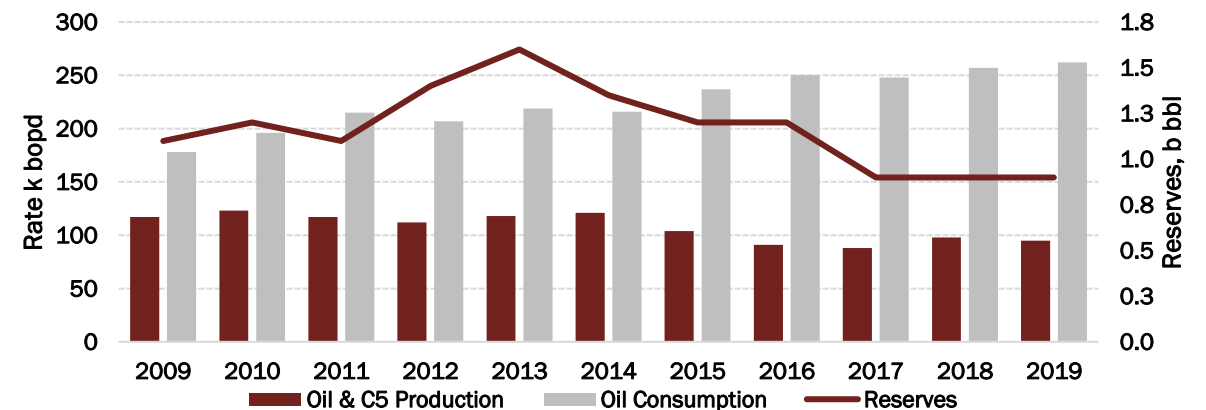
Peru's oil and gas industry

- Industry leading fiscal terms for the intermediate producer
 - Royalties of 5-20% depending on production levels (6-8% is expected when 20,000 bopd is reached)
 - Corporate tax rate of 32%²
- Leading international oil & gas and oil service companies with strong presence
 - Shell, Anadarko, Occidental, Tullow, Cepsa and Perenco
 - Baker Hughes, Halliburton, Petrex (Saipem), Schlumberger, Sertecpet
 - The Petroperu \$3 billion refinery expansion (doubling processing capacity to 95,000 bopd from 50,000 bopd) further increasing demand for Peru based production

Peru's GDP growth rate³



Peru's historical oil production and consumption⁴



1) 2020 E&Y Peru Investment Guide. (Chile 159, Colombia 211, Brazil 266 country risk ratings)

2) PetroTal has over \$300 million of tax loss carry forwards

3) www.macrotrends.net

4) 2020 BP Statistical Review

Bretaña Field

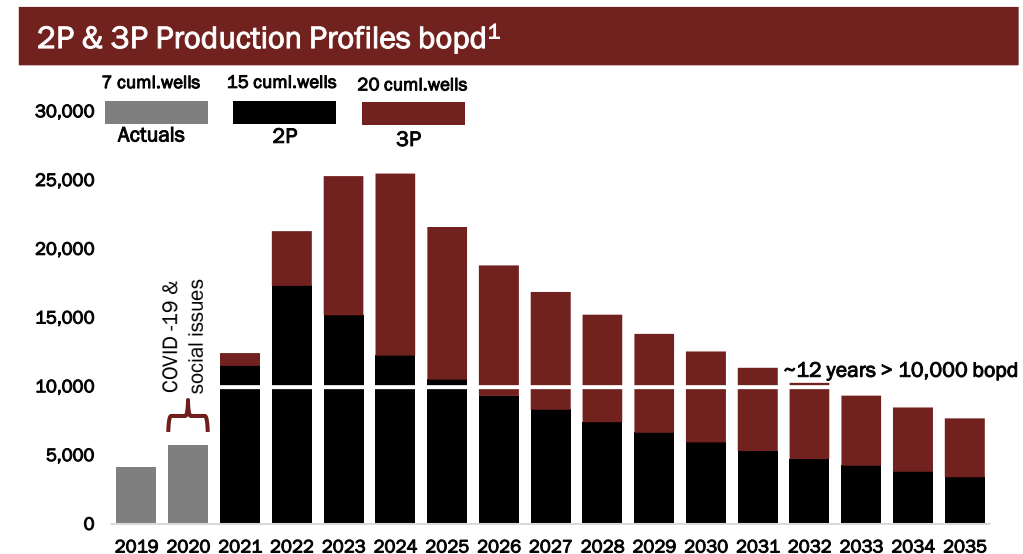
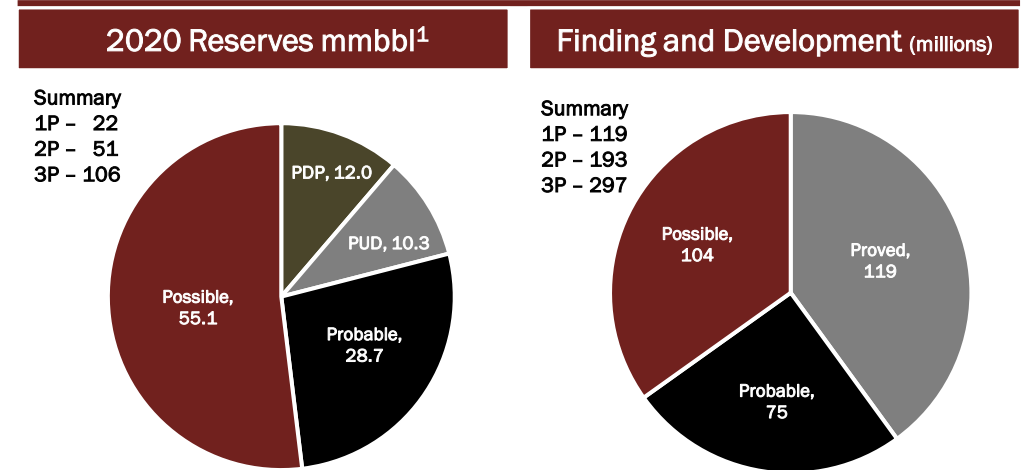
Large producing and growing reserve base

Bretaña (Block 95, 100% WI) - growing production base

- Located in the Marañón Basin of northern Peru
- 2020 2P reserves at 51 mmbbl¹ (7% growth vs 2019)
 - 19° API heavy oil with no gas
 - Significant upside through increased recovery, supported by analogue fields in Blocks 8 and 192, which have achieved recoveries >20%
 - Average future well recoveries of 3.4 mmbbls per remaining booked well (8)
- 3P reserves to 106.1 mmbbls¹ (25% growth vs 2019)
 - 48% increase in possible reserve with positive technical revisions based on well performance
 - Horizontal wells with initial production capacity of > 5,000 bopd offering best in class capital efficiencies and quick investment paybacks

Category	OOIP (mmbbl)	Reserves (mmbbl)	Recovery Factor	B-tax NPV(10%) (millions) ²	B-tax NPV(10%) (\$/bbl)	F&D (millions)	F&D (\$/bbl)
1P	235	22	11.1%	\$317	\$14.21	119	\$11.52
2P	364	51	15.0%	\$830	\$16.27	193	\$4.96
3P	579	106	19.0%	\$1,721	\$16.24	297	\$3.16

Reserves and production overview

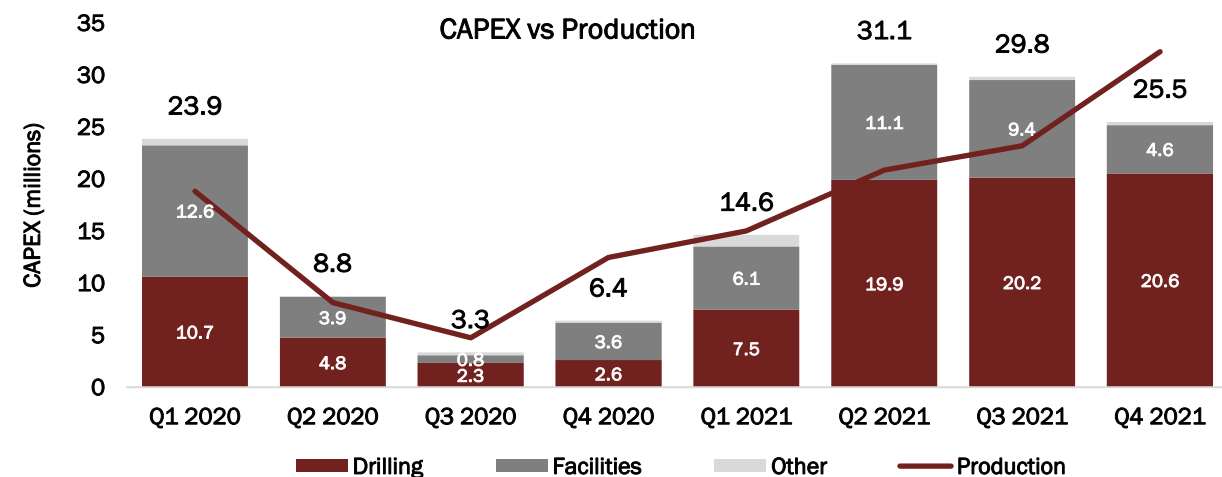
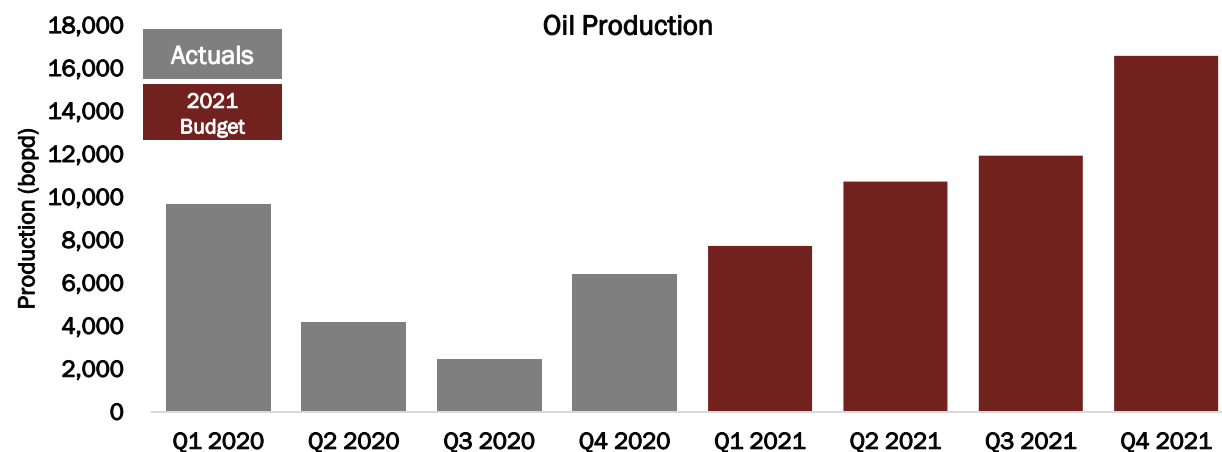


1) NSAI Reserves statement effective date December 31, 2020, gross including oil used in the field in each category

2) Using the December 31, 2019 NSAI price deck on the December 31, 2020 NSAI reserves, holding all other assumptions constant, the year-end net present values (before tax) discounted at 10% would increase by the following approximate amounts: 1P - \$250 million, 2P - \$480 million, 3P - \$780 million surpassing the December 31, 2019 before tax net present values

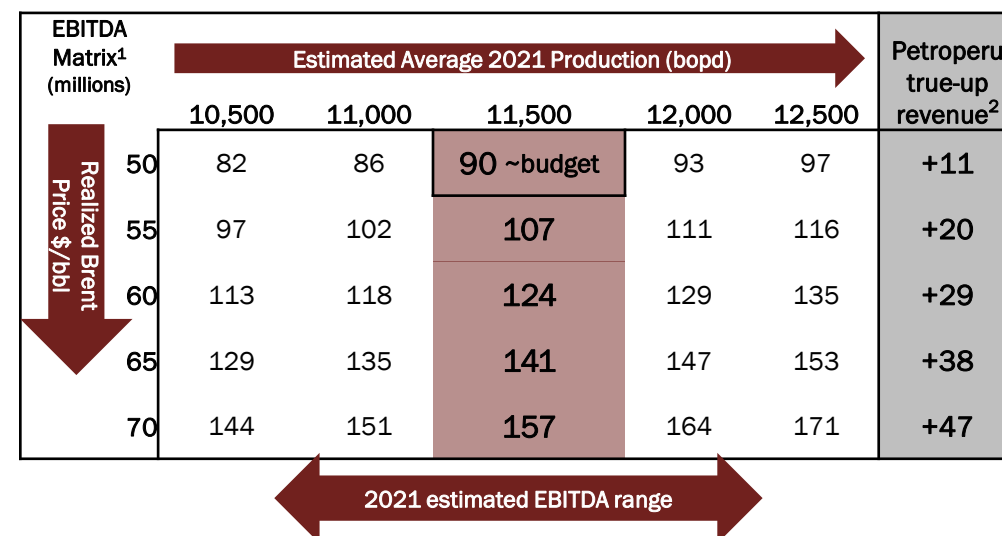
2021 approved budget

Development focused with completion of scalable infrastructure



2021 budget summary and EBITDA heat map

- Planning to drill 4 new horizontals, 1 deviated, and 1 water disposal well in 2021
- 4 new wells expected on production in 2021 (11 total producing wells)
- Completion of CPF-2
- Fully funded by internal cash flow and the new bond issuance
- Program fundable down to \$42/bbl Brent
- Program pace flexible should extreme commodity pricing cycles occur

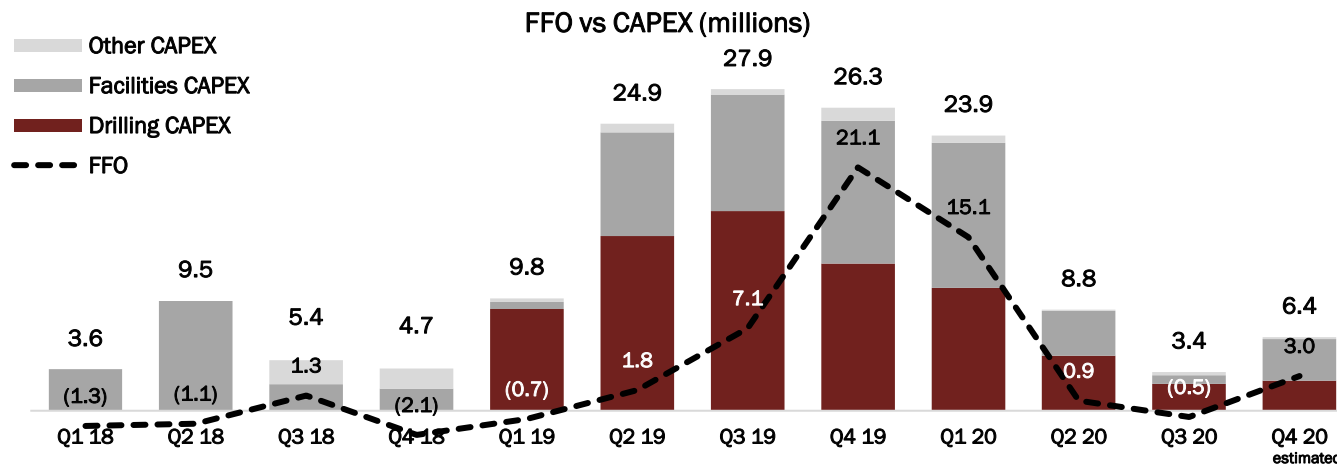
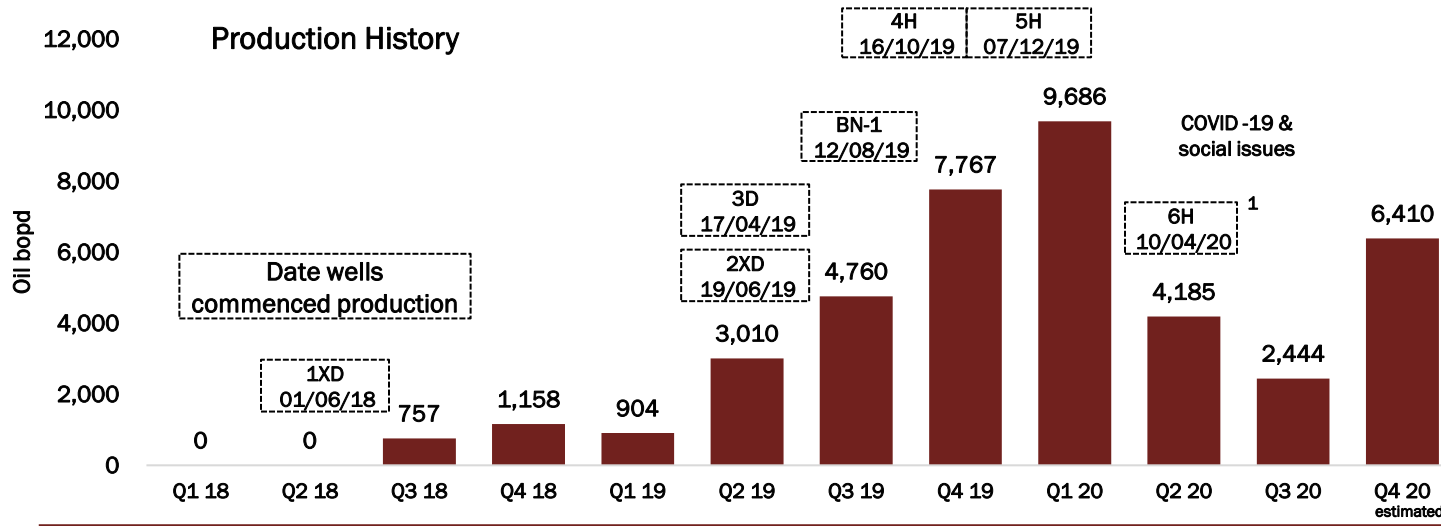


1) Assumes netbacks depicted on slide 19 and ~\$3/bbl G&A and does not include any true-up revenue from derivative asset

2) Petroperu true-up revenue refers to additional revenue that will be realized when approximately 1.8 million bbls reach their final market through the ONP as referenced in the Petroperu restructuring agreement. The true-up revenue will not be subject to royalties.

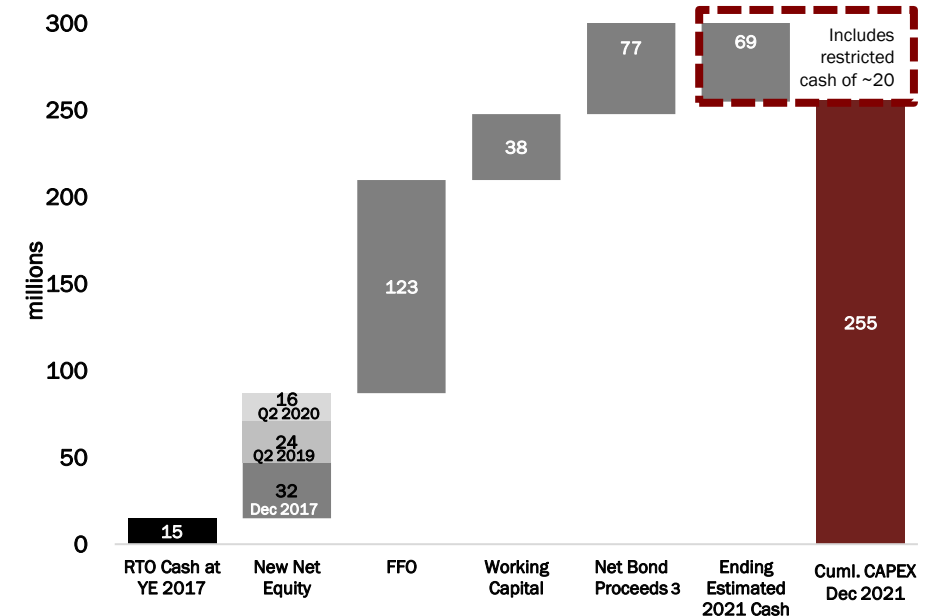
Strong production growth since inception

Bretaña production and wells to date^{1, 2} - strong production and FFO growth



Estimated CAPEX funding sources

- Estimated \$154 million capex spent from inception until Q4 2020 to reach a peak production of 13,300 bopd in ~two years (YE 2019) with industry leading full cycle capital efficiencies of \$11,600 per flowing bbl
- Strong relationships exist with critical oil service companies ensure attractive payment schedule and working capital flexibility
- Balanced capital funding to date including the 2021 budget at \$50/bbl Brent



1) The field was shut in on May 7, 2020; for the 37 producing days in Q2 2020 production averaged 11,500 bopd. 6H (latest well) initially flowed at >5,000 bopd and produced 150,000 bbls in 35 days pre COVID-19 shutdown

2) Bretaña production and export pipeline halted in early August due to social unrest in the area to protest the Peruvian government's COVID19 response. PetroTal was nevertheless able to continue producing at reduced rates and has sourced an additional export option outlined on slide 15. At January 3, 2021, the social issues have been resolved and deliveries have recommenced into the ONP with field production back at 10,000 bopd

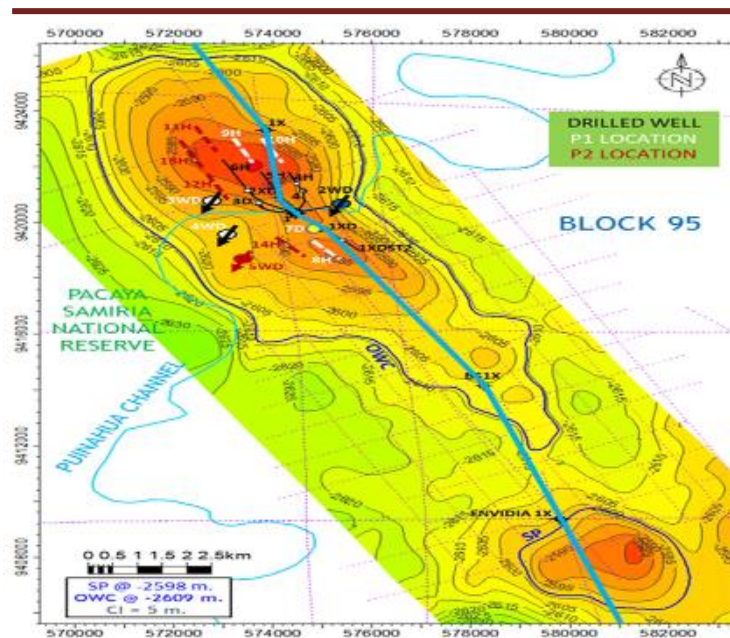
3) Net bond proceeds are net of the Petroperu liability repayment, Reactiva liability repayment, and structuring/legal fees associated with the bond

2P reserves based on highly conservative recovery factor vs analogue fields

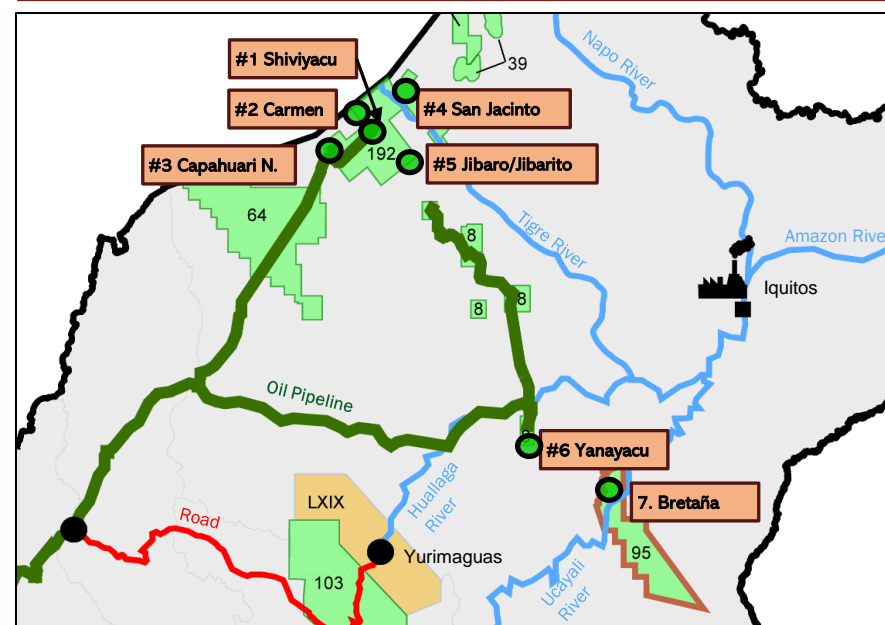
Block 95 technical characteristics and analogue field recovery factors

- Well defined four-way structure bounded by a reverse fault to the east – a geologic trap system that is very prolific and productive in both Peru and Ecuador
- Vivian reservoir - Massive fluvial sands with excellent reservoir quality
 - Accountable for almost 70% of the oil production in the Marañón Basin in Peru
 - Strong aquifer support and water control using AICDs² technology assures pressure maintenance and high volumes of oil recovery
- Analogous fields in the basin have recovery factors of 22-42% vs Bretaña at 15% - possible Bretaña upside recovery factor of incremental 10-25%
- 3P reserves case has 20 producing wells. Potential exists for further infill drilling in the future¹

Block 95



Analogue field recovery factors



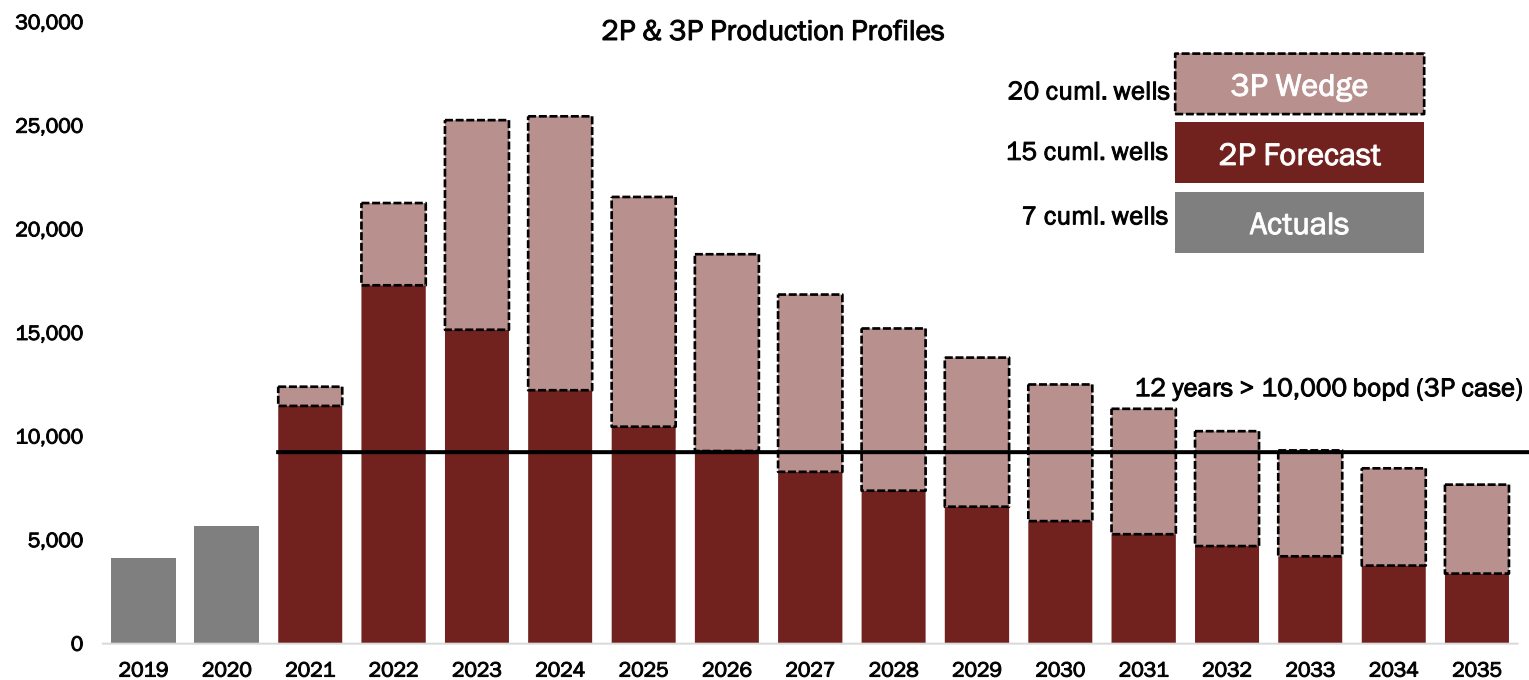
Field	API	OOIP (mmbbl)	EUR (mmbbl)	Rec. Factor (%)
1. Shiviayacu	20	331	121	37%
2. Carmen	20	45	14	30%
3. Capahuari N.	35	48	20	42%
4. San Jacinto	13	209	46	22%
5. Jibaro/Jibarito	11	414	108	25%
6. Yanayacu	19	65	24	37%
7. Bretaña	19	364	51	15%

1) Per the NSAI Reserves statement effective date 31 December 2020

2) AICD – Autonomous Inflow Control Devices

Long Term development scope and schedule

Meaningful production levels for up to 12 years



Key highlights

- Low risk path to 20,000 bopd
 - \$154 million in CAPEX spent through 2020 with an additional estimated \$152 million through 2023 in the 2P case and ~\$250 million in the 3P case
- Processing capacity increased to >24,000 bopd by mid-2021
- Average future recovery of 3.4 mmbbl per well¹
- Average new wells expected to pay out in eight months at \$40/bbl
- Scope to increase reserves more than 2x - 10-20% recovery factor upside based on, analogous fields
- The 2P EBITDA generated between \$55/bbl and \$60/bbl Brent fully funds the 3P CAPEX development and full debt service



Free cash flow positive ✓

Debt service fully funded ✓

Covenant compliant ✓

1) Average of the eight remaining drills estimated future recovery

Extensive infrastructure in place to facilitate production increases

Existing facilities allow increased production

- PetroTal investment of approximately ~\$94 million achieves processing capacity of ~24,000 bopd¹
- Continued ability to rapidly increase production with completion of CPF-2 in H2 2021
- Full field Environmental Impact Assessment (EIA) approved for continued development
 - Common well pad minimizes footprint (11 hectares) and increases efficiencies
 - Facility riverside location simplifies logistics
- Bulk of facility investment behind the company



Capacity Stage	Incremental Oil bopd	Incremental Water bwpd ³	Complete
Long-Term Testing Facility	8,000	9,000	Dec. 2018
Central Processing Facility #1	8,000	41,000	Dec. 2019
Central Processing Facility #2	8,000	50,000	H2 2021
Total	24,000	100,000	

Facility Asset Listing	CPF-1	CPF-2 ²
Oil Tanks	4 x 50k bbls	2 x 40k bbls
Water Tanks	2 x 25k bbls	2 x 25k bbls
Diluent Tanks	9 x 14k bbls	N/A
Separators	3 x 60k bopd	N/A
Treaters	2 x 16k bopd	1 x 8k bopd
Desalters	2 x 16k bopd	1 x 8k bopd
Exchangers	4 x 16k bopd	2 x 16k bopd
Camp Footprint	3.7 ha	0.8 ha

1) Includes associated infrastructure spending to CPF-2, such as power generation using crude oil as feedstock that helps lower lifting costs
 2) CPF-2 facilities such as heater treater, desalter, and heat exchanger are already on their way to Bretaña and should be installed in early Q2 2021
 3) When considering the Dec 31, 2020 3P volumes in the reserve report, additional injection capacity equipment is required

Export routes

Multiple export routes preserving pricing optionality

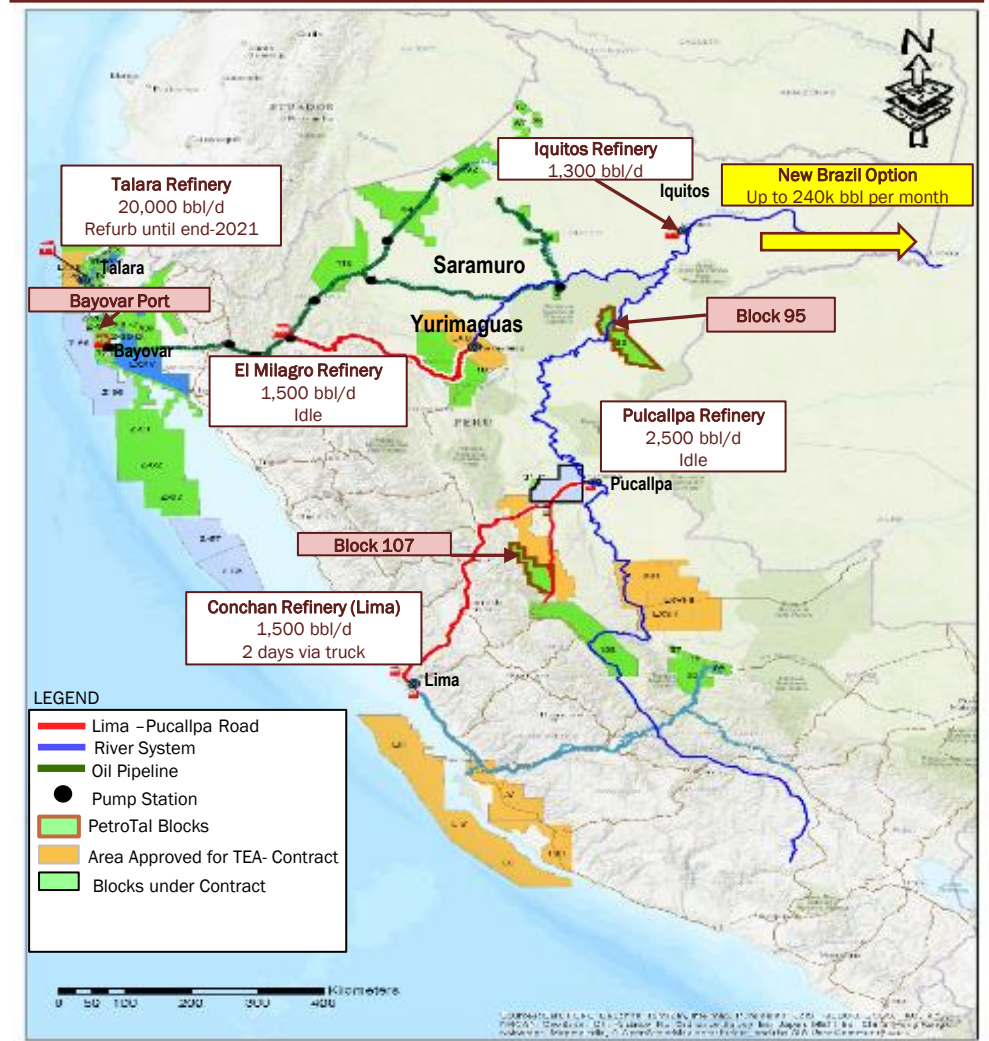
Current export routes

- **First 1,300 bopd sold to Petroperu's 10,000 bopd Iquitos refinery**
 - Shortest route to market and potential for increase sales by improving our residual viscosity through blending or chemicals
 - Oil transported on barges at a cost of \$2.40/bbl with 18.6% differential to Brent
- **Remaining production barged to pump station #1 at Saramuro and piped to Bayovar on west coast, providing access to local and international markets**
 - Barging costs of \$3.40/bbl
 - Northern Oil Pipeline ("ONP") tariff of \$6.50 - \$8/bbl (at Brent price of \$30 - \$65/bbl)
 - Differential estimated at \$4/bbl with recent sale at \$1.40/bbl
- **Sales contract signed with Petroperu in December 2019¹ ensuring cash flow from oil sales is realized at time of oil delivery**
 - Petroperu agrees on sale when oil enters ONP, with the final price adjustment when Petroperu sells the crude oil to the final consumer
 - Stable monthly cash collections via low cost factoring arrangements and hedge program
 - Three-year contract until December 2022
 - Oil is currently being exported, but once the 95,000 bopd Talara refinery modernization is completed, this will be an attractive marketing option as ONP tariffs are expected to drop

Alternative export routes

- **Brazil: export via Amazonas to Atlantic Ocean**
 - Successful pilot shipment of 106k bbl sold FOB Bretaña route to Itacoatiara port in Dec 2020
- **Peru: Multiple alternative routes available²**
 - PetroTal has tested alternative routes delivering oil to Conchan Refinery and Bayovar Port

Export optionality



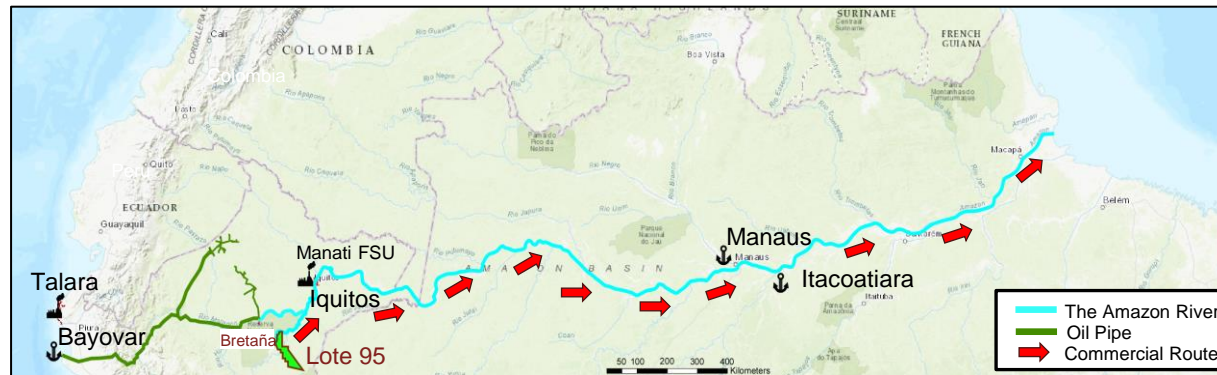
1) Extended in June 2020

2) PetroTal has delivered Bretaña crude oil to Bayovar through Yurimaguas port with subsequent trucking to Bayovar of 4,000 bopd. Also an additional 2,500 bopd delivery option to Conchan Refinery exists with subsequent barging to Pucallpa and trucking to Lima. Both options require access to the rivers

Alternative offtake option – up to 240k bbl export shipments via Brazil

Offtake option via Itacoatiara Brazil

- Oil sold FOB Bretaña and transported with barges to Brazilian ports along Amazonas, reducing dependency on Peruvian infrastructure
- Offtake route confirmed through two pilot exports, 106k bbls and ~200k bbls, with offtake contracts provided by an experienced Houston-based trader
 - First export pilot of 106k bbls was carried out in December 2020, achieving a netback of \$19/bbl at \$49/bbl Brent¹⁻²
 - Optimizing from first pilot, second contracted export pilot of 200k bbls has been carried out in February 2021, with an expected netback of \$31/bbl at \$61/bbl Brent¹⁻²
- Subsequent shipments of up to 240k bbls³ estimated to commence in Q2 2021 could allow further cost scaling and increased netbacks of up to \$3/bbl¹⁻², offering other cost savings benefits compared to the current ONP export route, such as:
 - Instantaneous price realization vs ONP pipeline route, avoiding hedging and factoring costs, and reducing logistic and market risks



11 days from Bretaña to Itacoatiara

Bretaña Field

- 50k bbl storage capacity at Bretaña, increasing to 90k bbl with CPF-2 enabling PetroTal to sell FOB Bretaña



Transport by Convoys

- 240k bbl transported together in four convoys
- Each convoy consists of three 20k bbl barges
- Eleven days from Bretaña to Itacoatiara, east of Manaus



Itacoatiara Port





- Oil transfer from barges to tanker takes approximately fifteen to twenty days
- Itacoatiara port used by Petroperu to import fuels to Iquitos – currently barges are returning empty allowing for reduced barge rates for Bretaña crude oil





1) Royalty rate of 5% at 5,000 bopd; 5.8% at 10,000 bopd, and 6.6% at 15,000 bopd
 2) Estimated lifting costs of \$4.50/bbl for first and second pilots
 3) Subsequent Brazilian export shipments are expected to increase to 240k bbls by using the lessons learned from the first two pilots, with expected improvements in the barging fleet and access to tanks at the terminal

Significant storage capacity and multiple offtake options mitigate ONP risk

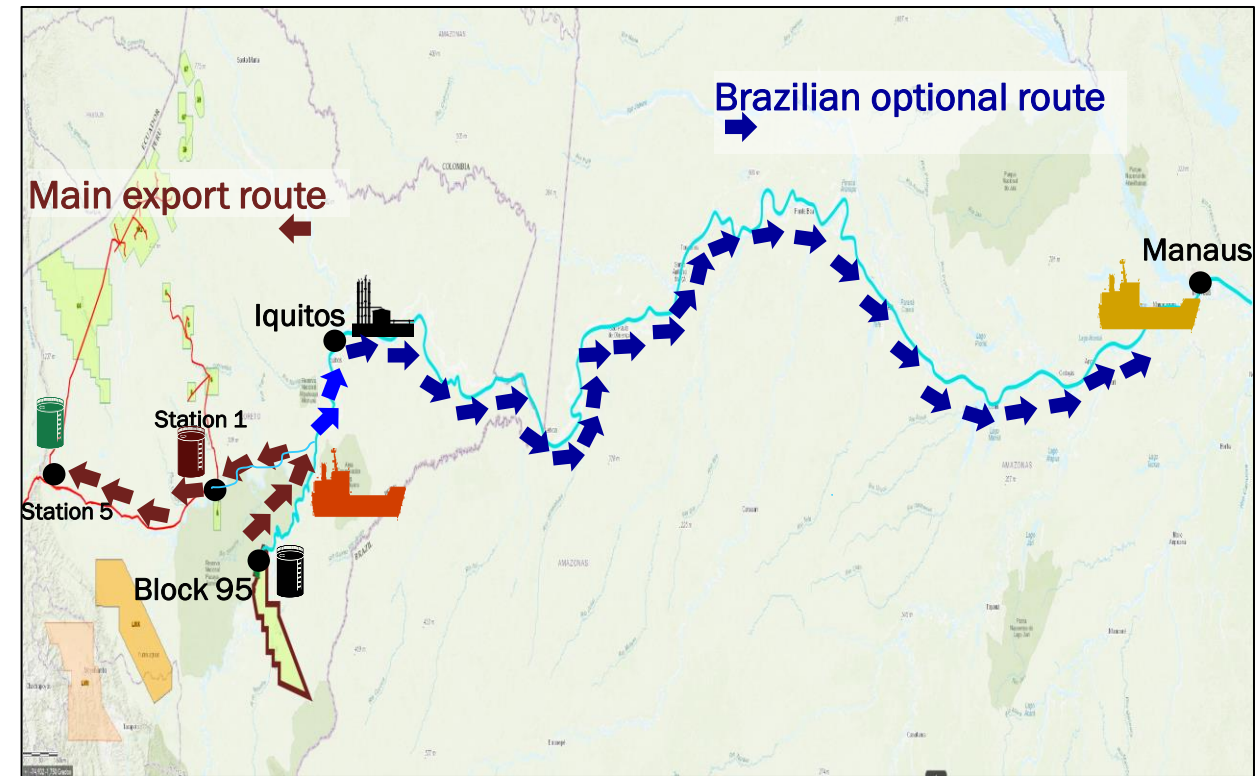
~700k bbls storage capacity¹⁻³

Access to:	Storage k bbl	# of days @ 12k bopd	Cuml. # of days @ 12k bopd
Breña Field	90 ²	7.5 	7.5
ONP Barges	132 ³	11.0 	18.5
PS No. 1	240	20.0 	38.5
PS No. 5	240	20.0 	58.5
Total	702	58.5 days 12.0k bopd	

280k bbls /mo export markets for 9.3k bopd average sales^{1,3}

Access to:	Offtake k bbls p.m.	Equivalent k bopd	Combined k bopd
Iquitos Market	40 ⁴	1.3 	13.3
Brazil Offtake	240 ⁴	8.0 	21.3
Total	280	9.3	

Multi-option offtake



- Under normal conditions, and after drilling remaining oil wells, Breña could produce more than 20,000 bopd
- Should ONP be unavailable, Breña could maintain 20,000 bopd for ~60 days by using current available storage capacity of ~650k bbls, later increasing to ~700k bbls²
- Should ONP be unavailable for more than 60 days, it could maintain minimum of 9,300 bopd thanks to monthly export capacity outside ONP of ~280k bbls⁴

1) Produced approximately 590k bbls in Q4 2020 with ONP shut down and doing first 106k bbl export via Brazil in December 2020

2) With CPF-2, Breña will increase its total storage capacity from 40k bbl to 90k bbl

3) Nine barges available between 10k and 30k bbls capacity to supply ONP and Iquitos Refinery

4) Iquitos and Brazil markets are on a monthly basis, thus allowing for minimum recurring sales of 9,300 bopd of average production assuming no issues at the Puinahua Channel or in the field

Financial Highlights

Financial summary

Historical financial summary

	Units	2018	2019	Q1-3 2020
Production (gross)	bopd	958	4,131	5,438
Bbls sold	bbls	177,465	1,472,042	1,582,858
Revenue	millions	10	77	59
Royalties	"	-	3	2
Operating expenses	"	4	14	11
Transportation	"	1	18	23
G&A	"	8	11	6
EBITDA	millions	-3	31	17
Operating cash flow	"	5	41	15
Investing cash flow	"	-23	-88	-39

Key balance sheet items

	Units	2018	2019	Q3 2020
Cash	millions	26	21	10
Accounts Receivable	"	7	13	5
Total Assets	"	96	194	206
Accounts Payable/Accruals	"	7	54	40
Derivatives ¹	"	-	-	17
Decommissioning	"	11	17	18
Share Capital	"	85	109	125
Total Liabilities and Equity	"	96	194	206
Working Capital³	"	27	-13	-18
Interest bearing debt	"	-	-	-
Total equity	"	78	121	126
Equity ratio	%	82%	63%	61%

1) The derivative liability to Petroperu is now extinguished using proceeds from bond issue. PetroTal will now receive future true-up revenue payments equal to the difference in realized price when the barrels clear the ONP vs the fixed price when the transfer of ownership first occurred.

2) Brent strip as at February 24, 2021

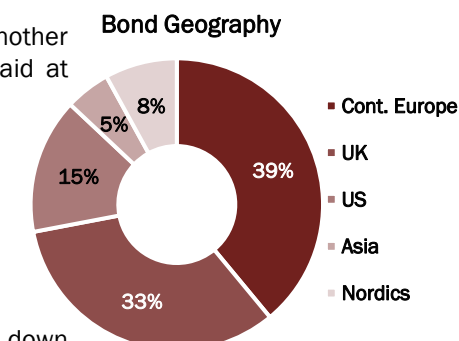
3) Working capital (WC) defined as Cash, Accounts Receivable, VAT Receivable less Accounts Payable

Financial highlights

- Since first oil in June 2018, production has grown to 13,300 bopd (exit rate 2019)
- 2020 YE cash of \$10 million
- Payable run rates at \$40 million comprised of production drilling and facilities expansion related payables as at year end 2020
- Petroperu true-up revenue valued at almost \$40 million using current Brent strip^{1,2}

Summary key bond terms

- Completed \$100 million three-year bond financing in February 2021
 - Only material debt of the company with \$20 million included for acquisitions
 - 12% coupon paid semi-annually
 - Amortization – 25% repaid after 24 months and another 25% at 30 months with the remaining amount repaid at maturity
 - Call option – Make whole first 18 months
 - Covenants:
 - Minimum liquidity of 1 year forward interest
 - Equity Ratio of 40%
 - Leverage Ratio < 3.0x first 12 months with step down after first year



Bretaña offers strong netbacks

Netbacks and netback sensitivity with three offtake options⁵

Bretaña illustrative netbacks with Brent at \$50/bbl		
Netback Detail ~11,500 bopd	Iquitos (Max 1,300 bopd)	Saramuro (ONP)
Brent (\$/bbl)	50.0	50.0
Differential ¹	(9.3)	(4.0)
Royalty ²	(2.4)	(2.4)
Commercial/Tariff		(9.6)
Realized Price \$/bbl	38.3	34.0
Lifting ³	(5.0)	(5.0)
Transportation ⁴	(4.4)	(4.4)
Financial		(0.3)
Netback \$/bbl	34.0	24.3

Bretaña netback sensitivity	
Brent (\$/bbl)	Netback (\$/bbl) at 11,500 bopd
45	20.2
50	24.3
55	28.4
60	32.5
65	36.6
70	40.5

Netback highlights

- Break even oil price (Brent) of \$24/bbl pre G&A (\$27/bbl post G&A)
 - G&A run rate at \$3/bbl
- Estimated annualized EBITDA of \$141 million using a production run rate of 11,500 bopd and \$65/bbl Brent
- Netbacks are sensitive to the oil price, a \$1/bbl increase in the Brent oil price results in ~\$0.80–\$0.85/bbl increase in the netback (oil price scaling factor of 80-85%)

1) Assumes a conservative \$4/bbl differential for the Saramuro option

2) Royalty rate of 5% at 5,000 bopd; 5.8% at 10,000 bopd, and 6.6% at 15,000 bopd

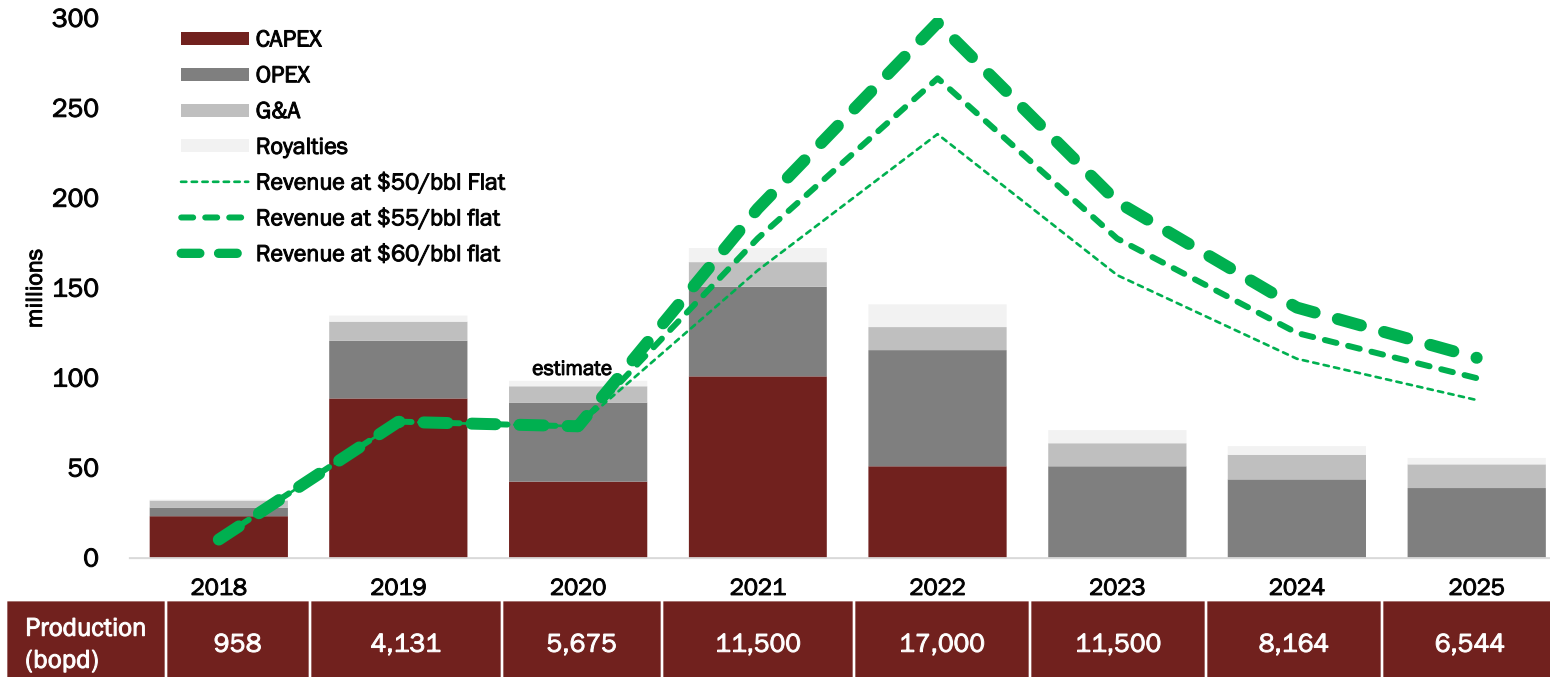
3) Lifting costs are fixed at approximately at \$1.7 million per month and have step change increases should production change materially

4) ONP tariff and commercial fee are netted with gross revenue in certain financial statement tables

5) The Brazil offtake option currently offers an oil netback of approximately \$2/bbl less than Saramuro, however, future shipments to Brazil in larger batches may create transportation synergies of up to +\$3/bbl

Strong 2P free cash flow generation

Free cash flow profile pre debt service¹



Financial projection highlights

- Significant free cash flow at current strip Brent prices with material downside buffer should oil prices soften from current levels
- Flexible and fully funded CAPEX profile with adjustable pace
- Royalties that average 5-6% of revenue together with a highly fixed operating cost structure that generates significant netback to oil price and volume increases
- Prudent risk management and hedging
- Petroperu true-up revenue will add to cash flow profile should Brent stay above \$45/bbl. This additional revenue will be received throughout 2021 based on the realized Brent price when approximately 1.8 mmbbls of past oil sales cycle through the ONP



Summary (millions)	\$45/bbl flat	Jan 7, 2021 strip	Current strip ³
Estimated Petroperu true-up revenue	\$2	\$21	\$39

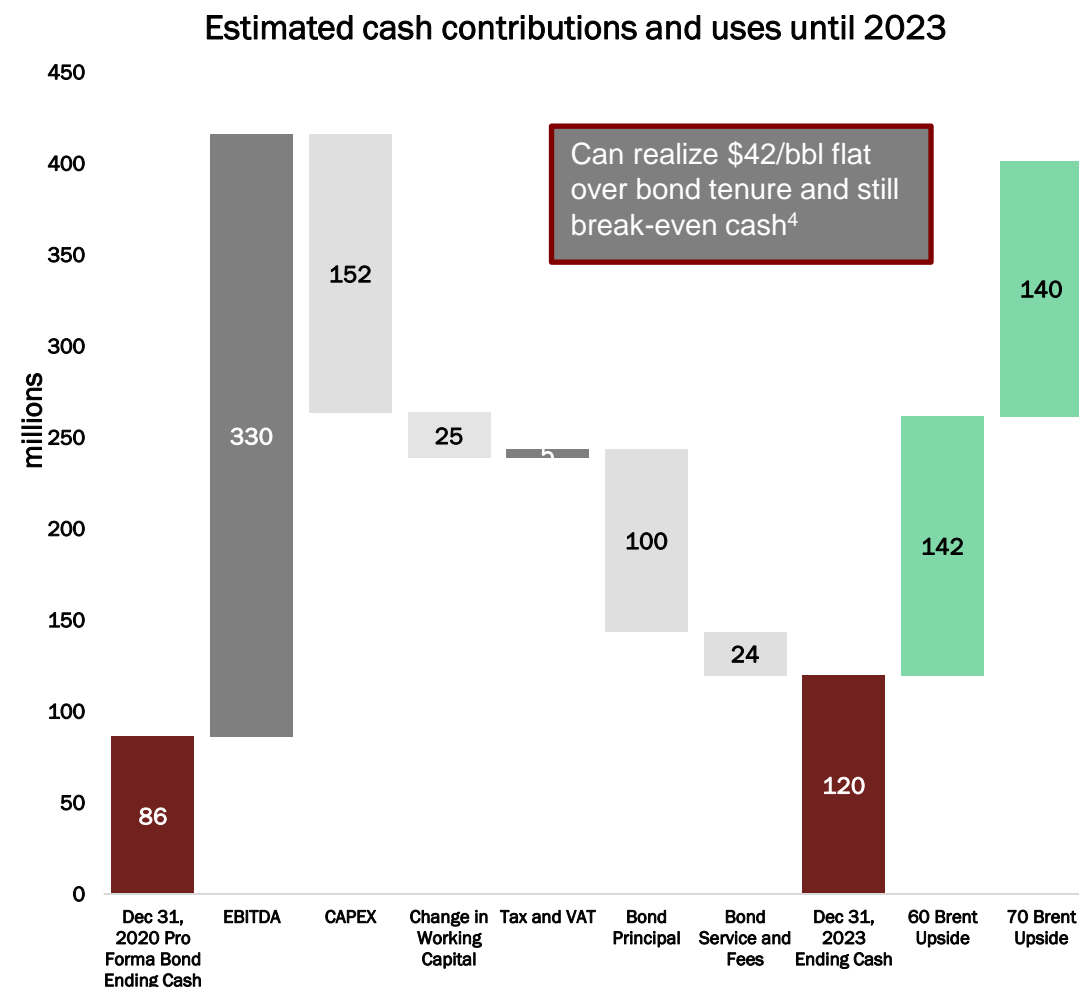
1) Internal management forecast with 2P reserves calibration and does not include Petroperu true-up revenue
 2) Free cash flow ("FCF") defined as EBITDA less capex
 3) Current strip as at February 24, 2021

Solid cash flow upside

Strong financial position

- Bond refinancing has repaid the Petroperu facility and will finance further development of the producing Bretaña field
 - Will provide funds to develop Bretaña without capital restrictions, unlocking value potential and increasing the company cash flow
- Bond financing proceeds combined with strong operating cash flow ensure comfortable funding situation
 - PetroTal fully funded to realize targeted growth to 20,000 bopd in 2022
- Limited capital commitments and strong free cash flow enables pursuit of low risk, complimentary, inorganic growth
 - Commitment to growth and scale via the approved 2021 \$100 million CAPEX program
 - Financial commitments outside Bretaña limited to \$3 million related to Block 107 if two wells are not drilled (\$1.5 million if one well is not drilled)
- Up to \$15 million of cash¹ to be used to purchase hedges and/or as collateral with hedge counterparty to implement a hedging program
 - Brent swaps to be implemented to support 2021 drilling program and manage potential price declines to \$40/bbl

Material free cash generated at \$50/bbl^{2,3}



1) Provides for \$15 million of bond financing proceeds reserved for cash collateral and margin calls

2) EBITDA includes a 50% production hedge impact for 12 months post bond financing close using Brent strip as at January 6, 2021

3) Assumes \$20 million of bond financing, related to acquisitions, is repaid after 12 months. Pro forma figures as of end December 2020

4) Per the Petroperu restructuring agreement, the forthcoming Petroperu hedging policy and associated true-up revenue, will lower the three year PetroTal cash break even Brent price into the \$30/bbl range

Corporate highlights

Proven ability to execute

- First oil in H1 2018 reached five months ahead of time and significantly below budget
- Increased Bretaña production from 1,000 bopd to 13,300 bopd in 18 months from mid-2018
- Drilled six wells on budget and on time, consistently with better than expected performance

Strong cash flow and resilient to lower oil prices

- 11,500 bopd of run rate production generates annualized EBITDA of ~\$141 million¹ at Brent \$65/bbl
- Significant free cash flow at \$50 – \$60/bbl flat Brent
- Resilient to oil price volatility – operating break-even Brent price of \$27/bbl including G&A

Solid balance sheet with strong credit metrics

- \$100 million bond is the only interest bearing debt – December 31, 2020 pro forma net debt post bond financing of \$60 million²
- Mitigated exposure to oil prices through active hedging program
- Highly conservative leverage ratio

Fully funded capex program

- Operatorship provides high flexibility to pace investments as needed
- Robust 2021 CAPEX program with emphasis on development drilling and completion exiting year between 18,000 and 19,000 bopd
- 2021 program funded down to \$30/bbl Brent³

Continued production growth and optimisation

- Continued operational improvements have reduced fixed opex down to < \$6/bbl
- Scope for increased production to 20,000 bopd, additional processing capacity up to 24,000 bopd and near doubling of 2P reserves through recovery increases
- Netback of \$36.60/bbl at \$65/bbl based on production of ~11,500 bopd

1) Using EBITDA netback of \$33.60/bbl

2) Estimated net debt = Bond financing \$100 million + net accounts receivable/payable \$45 million - unrestricted cash \$86 million.

3) Including approximately \$40 million of Petroperu true-up revenue

Exploration Upside

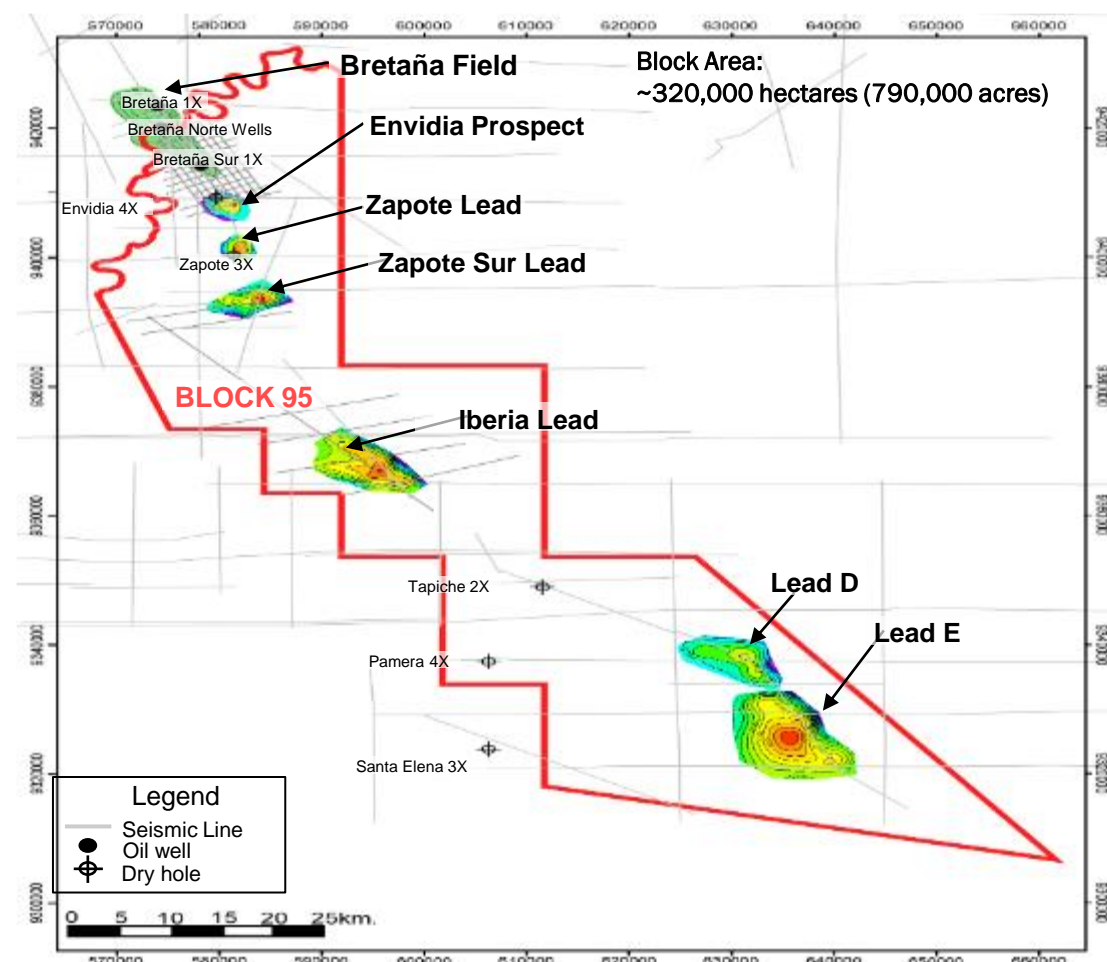
Block 95 – further growth opportunities

Key highlights

- Several prospects and leads identified, most on trend with Bretaña Field totaling
- Leads are very similar to Bretaña and other producing fields in the basin which follow the same geological pattern observed in the block. Acquisition of 2D seismic will materially reduce the risk of these features
- An estimated \$25 million seismic program has been designed to upgrade leads to drillable prospects and is expected to commence in early 2023 based on permitting approvals, which the company is now pursuing
- Mean prospective resources >2x current 2P reserves on Bretaña Field
- Four wells drilled within the block (mid 70's) based on very limited seismic data and most likely not drilled in the optimal position. The new seismic program will reduce the structure risk so that proper well planning can be achieved

Unrisked prospects ¹	Best estimate (mmbbl)	Mean (mmbbl)
Envidia	5.3	5.6
Unrisked leads ¹	Best estimate (mmbbl)	Mean (mmbbl)
Zapote	2.5	3.3
Zapote Sur	6.4	13.3
Iberia	10.8	24.7
Lead D	7.9	22.8
Lead E	12.1	45.0
Total	45.0	114.7

Prospects and leads diagram



1) Best and Mean estimates per NSAI Resource Assessment, effective date of June 2020

Block 107 – significant exploration opportunity

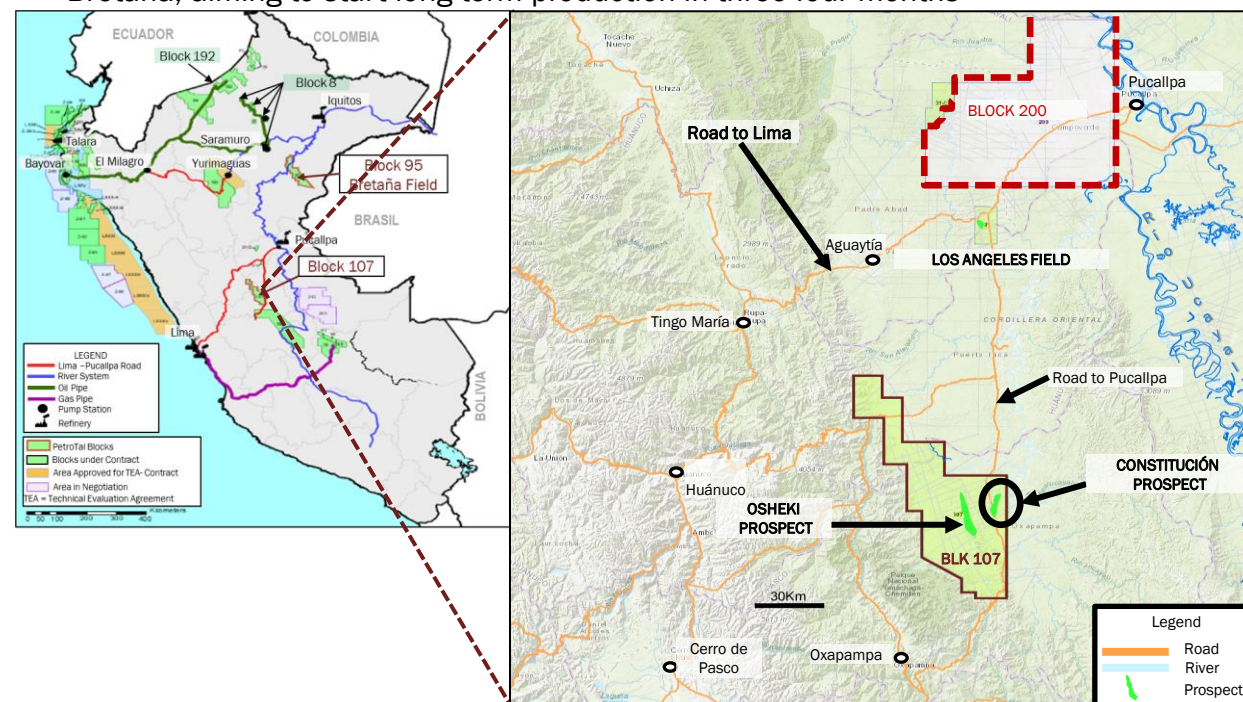
Block 107

- 100% owned and operated block with >252 million hectares, located in the Ucayali basin
- Significant exploration potential identified in a sub-thrust play similar to the Cusiana complex (Llanos Foothills of Colombia)
- 3D geologic model supports Cretaceous reservoirs with oil charge from high quality Permian source rocks
- Two drillable prospects identified on 2-D seismic
 - Large Osheki prospect - drilling permits for Osheki approved
 - Lower risk Constitución Sur prospect
- Exploration commitment to drill two exploration wells extended to Q4 22
- Farm out process underway targeting partners that can carry PetroTal through the first well

Unrisked prospects ¹	Best estimate (mmbbl)	Mean (mmbbl)
Osheki	278.4	534.2
Constitución Sur	31.6	68.5
Unrisked leads ¹	Best estimate (mmbbl)	Mean (mmbbl)
Bajo Pozuzo	259.0	1,016.5
Lead A	20.1	39.0
San Juan	72.9	147.4
Total	662.0	1,805.6

Constitución prospect

- Due to location adjacent to a new road, drilling cost is estimated to \$20 million, well below the \$40 million estimated for the larger Osheki prospect
- Constitución is also a lower risk well, making it a likely initial target to de-risk Block 107
- Constitución structure looks very similar to the Los Angeles field, located ~60 miles north, and has expectations to discover 40-45 API oil which can be produced
- If successful, PetroTal could move the early production facilities originally installed at Breñaña, aiming to start long-term production in three-four months



1) Mean estimate NSAI Resource Assessment, effective date of June 2020

2) Best estimate NSAI Resource Assessment, effective date of June 2020

Appendix

Senior management

Experienced and seasoned management team



Manolo Zúñiga – Director, *President & Chief Executive Officer*

- Native Peruvian with >30 years of experience in petroleum engineering
- Started career with Occidental Petroleum Corp (“Occidental”) in Bakersfield & Block 192 in Peru
- Founder and former CEO of BPZ Energy
- Helped shape policies promoting oil investments in Peru, including the current long-term test regulation



Doug Urch – Executive Vice President & Chief Financial Officer

- Previously Executive Vice President, Finance and Chief Financial Officer of Bankers Petroleum Ltd
- Chartered Professional Accountant (CPA) and a designated member of the Institute of Corporate Directors (ICD)
- Director of PetroTal since inception and was Chairman of the Board from June 2018 until November 2019



Estuardo Alvarez-Calderon – Vice President, *Exploration and Development*

- Over 40 years of Peruvian oil and gas experience with focus on designing and executing exploration & production programs including bringing new discoveries to initial production
- Multiple senior management level roles with Occidental, focussed on developing and exploring assets across Latin America
- Former VP of Exploration and Production at BPZ Energy

Board of directors

Highly experienced governance¹

Mark McComiskey – *(Non-Executive Director and Chairman)*

- Founding Partner of Vanwall Capital and Managing Partner of Prostar Capital
- Former Principal of Clayton, Dubilier & Rice, Inc. and an associate at the law firm of Debevoise & Plimpton, LLP

Gary Guidry – *(Non-Executive Director)*

- President & CEO of Gran Tierra with >35 years as a Engineer with APEGA
- Former President & CEO of Caracal Energy, Orion O&G, Tanganyika Oil
- Senior op. roles at Occidental in Nigeria/West Africa, Yemen and Venezuela

Ryan Ellson – *(Non-Executive Director)*

- CFO of Gran Tierra and >15 years experience as a Chartered Accountant
- Former Head of Finance at Glencore E&P Canada and VP Finance at Caracal Energy

Gavin Wilson – *(Non-Executive Director)*

- Investment Manager for Meridian
- Former founder & manager of RAB Energy & RAB Octane listed investment funds

Eleanor Barker – *(Non-Executive Director)*

- President of Barker Oil Strategies since 2017
- Formerly worked in industry for Esso and Gulf Canada
- Former Oil and Gas Investment Analyst for over 30 years

Roger Tucker – *(Non-Executive Director)*

- Over 30 years working as a senior executive in the Energy Sector
- Work history in multinational major oil and gas companies, independent E&Ps and private equity investing

1) Manolo Zúñiga, President and Chief Executive Officer, is also a director of the company with his bio referenced on slide 27

Hedging considerations and strategy

Overview

- PetroTal plans to implement a hedge program for the next 12 months with a focus on i) protecting the \$100 million capital program for 2021 and ii) ensure compliance with covenants should Brent drop materially below \$45/bbl
- Next 12 months hedging plan expected to include¹:
 - Initial hedging program utilizing up to \$15 million of bond financing proceeds to support credit requirements with hedge counterparty – such hedging will be in addition to the hedging undertaken by Petroperu for PetroTal under the Petroperu Restructuring Agreement
 - Hedging through swaps to secure a minimum commodity price
 - Swaps to be implemented at strip prices to establish a guaranteed price for a portion of production, PetroTal will receive fixed, and pay floating Brent prices
 - Hedge program will be implemented with creditworthy hedge counterparties and any gains/losses will be settled and offset monthly
 - Puts and collars could be considered under favourable market conditions
 - Initial hedging in the order of 50% of next twelve months production
- Going forward, PetroTal will actively manage the hedging program to ensure adequate protection against a decline in crude oil prices and hedges will continuously be added for 2022 and 2023 to ensure compliance with bond financing covenants and debt repayment obligations, under low crude oil pricing conditions
- Besides an active hedging program, the company's liquidity position is protected through a fully discretionary capital expansion program during the bond term
 - As demonstrated in 2020, PetroTal has the ability to quickly adjust the capital expansion pace and intensity based on the crude oil price environment

1) Final hedging volumes and term to be based on market conditions at the time of implementation

Government long-term solution to Covid-19 and related social unrest issues

Export pipeline and production shut-in

- Export pipeline shut-in from early May 2020 due to Covid-19 measures creating temporary halt of Breaña production – restrictions put in place by the Peruvian government
 - As a result, Breaña production temporary halted from May 7, 2020 until July 15, 2020 (see Slide 31 for details of PetroTal’s Covid-19 protocol)
- Breaña production and export pipeline halted in early August due to social unrest in the area
 - Operations halted due to ongoing protest related to the government’s poor management of the Covid-19 crisis, particularly in the isolated indigenous communities
 - Breaña production restarted September 28, 2020
 - Export pipeline operational as of January 3, 2021
 - Ample storage capacity and access to other export markets allowed PetroTal to produce 614k bbls since September 28, 2020 (see slide 15-16 for further details)
- Production shut-ins have been unrelated to PetroTal as operator and not driven by lack of good standing
 - PetroTal is involved in multiple projects to benefit the local population (see slides 32 and 33 for further details) and enjoys strong support both locally and from the government

Government long-term solution to related social unrest issues

- During the past five months the Government made five important announcements solving the related social issues which follows the philosophy of empowering the local communities that PetroTal promotes
 1. Supreme Decree N° 145-2020-PCM¹: establishing a six-year investment plan of \$1.7 billion² to bridge the income gap among the poor indigenous communities (the Plan de Cierres de Brechas (“PCB”))
 2. Ministerial Resolution N° 268-2020-PCM³: setting up working groups that will decide the projects under the PCB and who would manage them
 3. Decree of Urgency N° 114-2020⁴ allocating close to \$20 million⁵ to the Loreto Region where Block 95 is located
 4. Decrees of Urgency N° 126-2020⁶ allocating close to \$40 million to the Loreto Region where Block 95 is located
 - Decrees 3 and 4 ensure that all the allocated funds are properly deployed to maximize employment throughout all the communities
 5. Supreme Resolution N° 238-2020⁷ creating a Multisectoral Commission to prepare the technical report for the development of the local communities of the districts of Manseriche and Morona located in the province of Datem del Marañón where the ONP’s pump stations No. 4 and 5 are located

1) <https://cdn.www.gob.pe/uploads/document/file/1268888/DS%20N%C2%B0%20145-2020-PCM.pdf>

2) Related news article found at <https://andina.pe/agencia/noticia-gobierno-destinara-6-mil-millones-soles-para-cerrar-brechas-la-amazonia-811705.aspx>.

3) <https://cdn.www.gob.pe/uploads/document/file/1308319/RM%20N%C2%B0268-2020-PCM.pdf>

4) <https://cdn.www.gob.pe/uploads/document/file/1317730/DECRETO%20DE%20URGENCIA%20N%C2%B0%20114-2020.pdf>

5) <https://cdn.www.gob.pe/uploads/document/file/1317749/ANEXOS%20DU%20N%C2%B0114-2020.pdf>

6) <https://www.gob.pe/institucion/mtpe/normas-legales/1305362-126-2020>

7) <https://cdn.www.gob.pe/uploads/document/file/1486046/R.S.%20N%C2%B0%20238-2020-PCM.pdf.pdf>

COVID-19 surveillance and control plan

Key highlights

- **Rapid Testing Pre and Post Camp Entrance**
 - Multiple COVID-19 tests required one week and one day prior to entering camp
 - 146 workers are continuously tested every five days
 - Numerous body temperature readings per day
 - Data registered with health authorities
 - 18,000 COVID-19 test kits available
- **Revamped Working Conditions to Ensure Safety**
 - Team sizes reduced to 50% or less
 - Social distancing (> 1.5 meter, national norm: 1 meter)
 - PPE required. All workers use disposable surgical masks - medical personnel use N95 masks
 - Virtual communication when possible – all HSSE Induction & Training by video conference
 - Affidavit statements from all staff – signed by employees and employers
 - Additional fumigation and cleaning
- **Prudent Protocol in Case of Outbreak**
 - Positive tested patients are immediately isolated and transferred
 - Two dedicated boats always available
 - Service companies required to have backup staff
- **Infrastructure In Place**
 - PetroTal Medical Unit in camp (one doctor + two nurses) - with availability of medicine for treatment (Category I-3)
- **Other**
 - Travel and rotation restrictions (42 days rotation)
 - Camp isolation including fumigation and cleaning of areas more frequently
 - Signed cooperation agreement with local health centers to improve medical services for Puinahua's population

Proactive approaches to COVID 19 mitigation



Empowering the communities

Key highlights

- **Sustainable local economic development: key for the communities not to depend on oil industry**
 - Construction of the Bretaña community dock that was promised by the previous operator
 - Development of sustainable fishing projects
 - Help developing the Concerted Development Plan for the Puinahua district
 - Trained 65 women to make and sell natural fiber products
 - Trained and certified a total of 28 local workers at the SENATI and SENCICO technical institutes
 - Built a communal nursery project benefiting 33 Bretaña families
 - Our camp only buys excess produce from the local communities to avoid increasing local prices
 - Project with 20 Senior Citizens to “Rescue the Collective Memory of Puinahua”
 - Install eight aquaculture cages that helped formalized the eight AREL SATI Fishing Projects
 - Supporting 320 families to improve the value chain of their farm products
 - Installed six underwater breakwaters to mitigate the impact of the riverbank line (Erosion Control Project)
- **Education is the future**
 - Currently sponsor 11 students with partial or complete scholarships
 - Summer programs for 423 elementary school children
 - Installed a photovoltaic electric system to supply power to 33 laptops for Bretaña’s high school
- **Promoting health and a healthy environment**
 - Supporting the local Bretaña clinic with systems for x-ray, odontology, maternity, vision, and lab
 - Sponsored a project to recycle 1.5 tons of plastic
- **Supporting local employment and local suppliers**
 - More than four hundred temporary local jobs created since July 2018 for the Puinahua district that have strengthened the local economy providing workers with a salary above the local minimum wage

Empowering the community



Before the new dock: Unloading with low water level during dry season



\$0.5 million Bretaña dock built by PetroTal will help empower the Bretaña municipality



Protecting the Taricaya that some believe brings them good luck, and is also a source of sustainable income

Transparency, responsibility and empowerment

Key highlights

- **Sharing Information to build trust and responsibility to become fully empowered**
 - Training of the Bretaña Municipality to properly manage the cash provided by the CANON¹
 - Training 21 local leaders to be able to properly audit the Bretaña municipality programs
 - By showing that the local communities can manage their share of the CANON they should over time, receive a larger share of it. The following projects PetroTal is sponsoring will help achieve that:
 - Construction and maintenance of the Bretaña library
 - Upkeep of daycare sponsored by PetroTal under the well regarded CUNAMAS government program.
 - Maintenance of network of solar panels for Bretaña
 - Improvement and expansion of potable water and/or sewage systems for the native communities
- **PetroTal shows transparency via citizen environmental and safety surveillance (PROMOSAC)**
 - The PROMOSAC program is managed by an independent consulting company responsible for training all the monitors and provide monthly training updates
 - The 21 safety and environmental monitors, from the local communities and the town of Bretaña, are responsible for monitoring the riverways with regards to all barging transport and their travel speed, as well as the oilfield operations with regards to safety and any spills
 - One of the monitors stays at the camp on a rotation basis, to ensure they have full knowledge of the operations. Besides their daily monitoring, they also participate in taking the samples for the biotic and abiotic monitoring
 - The communities receive a monthly newsletter prepared by them, where input from all monitors is evaluated for them to reach alignment of what will be reported, including which pictures to include

Empowering the community



Workers are trained and certified so they may get good paying jobs in the future



Funding bridge construction and labour to access schools



Protecting the Paiche, one of the largest freshwater fish that is a source of sustainable income for the locals

1) CANON is equivalent to 18.75% of the value of the production - an average of 0.34% goes to the Bretaña municipality

DISCLAIMERS

Forward-Looking Information

Certain information included in this presentation constitutes forward-looking information under applicable securities legislation. Forward-looking information typically contains statements with words such as “anticipate”, “believe”, “expect”, “plan”, “intend”, “estimate”, “propose”, “project” or similar words suggesting future outcomes or statements regarding an outlook. Forward-looking information in this presentation may include, but is not limited, statements about: the Company’s corporate strategy, objectives, strengths and focus; \$100 million bond financing, including use of proceeds; the Company’s ability to operate in accordance with developing public health efforts to contain COVID-19; potential exploration and development opportunities, including drilling four additional wells and one water disposal well; processing capacity, including pursuant to a proposed expansion of central processing facilities (CPF#2); expectations and assumptions concerning the success of future drilling, development, transportation and marketing activities; access to diversified markets, including pursuant to multiple export routes; intention of engaging joint venture partners to drill the Osheki prospect; the performance, economics and payouts of new and existing wells; decline rates; recovery factors; the successful application of technology and the geological characteristics of properties; capital program and capital budgets; future production levels and growth, including 20,000 bopd by 2022; cash flow; debt; primary and secondary recovery potentials and implementation thereof; potential acquisitions; regulatory processes; drilling, completion and operating costs; commodity prices and netbacks; realization of anticipated benefits of acquisitions; hedging program; NPV-10 valuations; the performance of the management team and board; and ESG and CSR activities and commitments. Statements relating to “reserves” and “prospective resources” are also deemed to be forward looking statements, as they involve the implied assessment, based on certain estimates and assumptions, that the reserves or prospective resources described exist in the quantities predicted or estimated and that the reserves or prospective resources can be profitably produced in the future.

The forward-looking information is based on certain key expectations and assumptions made by the Company, including, but not limited to, expectations and assumptions concerning the ability of existing infrastructure to deliver production and the anticipated capital expenditures associated therewith, reservoir characteristics, recovery factor, exploration upside, prevailing commodity prices and the actual prices received for PetroTal’s products, the availability and performance of drilling rigs, facilities, pipelines, equipment, other oilfield services and skilled labor, royalty regimes and exchange rates, the application of regulatory and licensing requirements, the accuracy of PetroTal’s geological interpretation of its drilling and land opportunities, current legislation, receipt of required regulatory approval, the success of future drilling and development activities, the performance of new wells, the Company’s growth strategy, general economic conditions, and prevailing commodity prices. Although the Company believes that the expectations and assumptions on which the forward-looking statements are based are reasonable, undue reliance should not be placed on the forward-looking statements because the Company can give no assurance that they will prove to be correct. Readers are cautioned that the foregoing list is not exhaustive of all factors and assumptions which have been used.

Since forward-looking statements address future events and conditions, by their very nature they involve inherent risks and uncertainties. Actual results could differ materially from those currently anticipated due to a number of factors and risks. These include, but are not limited to, stock market volatility, risks associated with the oil and gas industry in general (e.g., operational risks in development, exploration, production and transportation; delays or changes in plans with respect to exploration or development projects or capital expenditures; the uncertainty of reserve and resource estimates; the uncertainty of estimates and projections relating to production, costs and expenses, and health, safety, environmental and regulatory risks), commodity price and exchange rate fluctuations, actions of OPEC and OPEC+ members, legal, political and economic instability in Peru, access to transportation routes and markets for the Company’s production, changes in legislation affecting the oil and gas industry, and uncertainties resulting from potential delays or changes in plans with respect to exploration or development projects or capital expenditures. In addition, the Company cautions that current global uncertainty with respect to the spread of the COVID-19 virus and its effect on the broader global economy may have a significant negative effect on the Company. While the precise impact of the COVID-19 virus on the Company remains unknown, rapid spread of the COVID-19 virus may continue to have a material adverse effect on global economic activity, and may continue to result in volatility and disruption to global supply chains, operations, mobility of people and the financial markets, which could affect interest rates, credit ratings, credit risk, inflation, business, financial conditions, results of operations and other factors relevant to the Company. Please refer to the risk factors identified in the Company’s most recent annual information form and management’s discussion and analysis which are available on SEDAR at www.sedar.com. Forward-looking information is based on current expectations, estimates and projections that involve a number of risks and uncertainties which could cause actual results to differ materially from those anticipated by the Company and described in the forward-looking information. The forward-looking information contained in this presentation is made as of the date hereof and the Company undertakes no obligation to update publicly or revise any forward-looking information, whether as a result of new information, future events or otherwise, unless required by applicable securities laws. The forward-looking information contained in this presentation is expressly qualified by this cautionary statement.

Financial Outlook

This presentation contains future-oriented financial information and financial outlook information (collectively, “FOFI”) about PetroTal’s prospective results of operations, production, enterprise value, payout of wells, CAPEX, net debt, cash flow, capital efficiency, balance sheet strength, netbacks, EBITDA, NPV-10, EUR, operating costs, royalties, corporate tax, tax pools and components thereof, including pro forma the completion of the bond financing, all of which are subject to the same assumptions, risk factors, limitations and qualifications as set forth in the above paragraphs and the assumption outlined in the Non-GAAP measures section below. FOFI contained in this presentation was approved by management as of the date of this presentation and was provided for the purpose of providing further information about PetroTal’s anticipated future business operations. PetroTal disclaims any intention or obligation to update or revise any FOFI contained in this presentation, whether as a result of new information, future events or otherwise, unless required pursuant to applicable law. Readers are cautioned that the FOFI contained in this presentation should not be used for purposes other than for which it is disclosed herein.

Forward looking CAPEX and OPEX assumptions in this presentation are consistent with the NSAI Reserve Report as at Dec 31, 2019 and current historical operating results to date, however, the timing and pace of the development plan has been adjusted from the NSAI Report to align with management’s internal view on commodity price and liquidity. The development plan in this presentation includes liquidity of \$100m from the bond financing at current market conditions and is subject to change at management’s discretion.

DISCLAIMERS (CONTINUED)

Oil and Gas Advisories

Crude Oil. All references to “oil” or “crude oil” production, revenue or sales mean “heavy crude oil” as defined in National Instrument 51-101 – Standards of Disclosure for Oil and Gas Activities (“NI 51-101”).

Reserves Disclosure. The reserve estimates contained herein were derived from a reserves assessment and evaluation prepared by Netherland Sewell & Associates, Inc. (“NSAI”), a qualified independent reserves evaluator, with an effective date of December 31, 2019 (the “NSAI Reserves Report”). The NSAI Reserves Report has been prepared in accordance with definitions, standards and procedures contained in NI 51-101 and the Canadian Oil and Gas Evaluation Handbook (the “COGE Handbook”). The reserve estimates contained herein are estimates only and there is no guarantee that the estimated reserves will be recovered. Volumes of reserves have been presented based on a company interest. Readers should give attention to the estimates of individual classes of reserves and appreciate the differing probabilities of recovery associated with each category as explained herein. The estimates of reserves for individual properties may not reflect the same confidence level as estimates of reserves for all properties, due to the effects of aggregation.

Resources Disclosure. The prospective resource estimates contained herein were derived from a resource assessment and evaluation prepared by NSAI, a qualified independent reserves evaluator, with an effective date of June 30, 2018 (the “NSAI Resources Report”). The NSAI Resources Report has been prepared in accordance with definitions, standards and procedures contained in NI 51-101 and the COGE Handbook. Prospective resources are the quantities of petroleum estimated, as of a given date, to be potentially recoverable from undiscovered accumulations by application of future development projects. All of the prospective resources have been classified as light oil with a gravity of 46 degrees API. There is uncertainty that it will be commercially viable to produce any portion of the resources in the event that it is discovered. “Unrisked Prospective Resources” are 100% of the volumes estimated to be recoverable from the field in the event that it is discovered and developed. NSAI has determined that a 16% chance of discovery is appropriate for the prospective resources based on an assessment of a number of criteria. The estimates of prospective resources provided in this presentation are estimates only and there is no guarantee that the estimated prospective resources will be discovered. If discovered, there is no certainty that it will be commercially viable to produce any portion of the prospective resources evaluated. Not only are such prospective resources estimates based on that information which is currently available, but such estimates are also subject to uncertainties inherent in the application of judgmental factors in interpreting such information. Prospective resources should not be confused with those quantities that are associated with contingent resources or reserves due to the additional risks involved. Because of the uncertainty of commerciality and the lack of sufficient exploration drilling, the prospective resources estimated herein cannot be classified as contingent resources or reserves. The quantities that might actually be recovered, should they be discovered and developed, may differ significantly from the estimates herein. The prospective resources estimates that are referred to herein are risked as to chance of discovery. Risks that could impact the chance of discovery include, without limitation, geological uncertainty, political and social issues, and availability of capital. In general, the significant factors that may change the prospective resources estimates include further delineation drilling, which could change the estimates either positively or negatively, future technology improvements, which would positively affect the estimates, and additional processing capacity that could affect the volumes recoverable or type of production. Additional facility design work, development plans, reservoir studies and delineation drilling is expected to be completed by PetroTal in accordance with its long-term resource development plan.

Reserve Categories. Reserves are classified according to the degree of certainty associated with the estimates. Proved reserves (1P) are those reserves that can be estimated with a high degree of certainty to be recoverable. It is likely that the actual remaining quantities recovered will exceed the estimated proved reserves. Probable reserves (2P) are those additional reserves that are less certain to be recovered than proved reserves. It is equally likely that the actual remaining quantities recovered will be greater or less than the sum of the estimated proved plus probable reserves. Possible reserves (3P) are those additional reserves that are less certain to be recovered than probable reserves. It is unlikely that the actual remaining quantities recovered will exceed the sum of the estimated proved plus probable plus possible reserves.

Resource Categories. Prospective resources are classified according to the degree of certainty associated with the estimates. The following classification of prospective resources used in the presentation: Low Estimate (or 1C) means there is at least a 90 percent probability (P90) that the quantities actually recovered will equal or exceed the low estimate. Best Estimate (or 2C) means there is at least a 50 percent probability (P50) that the quantities actually recovered will equal or exceed the best estimate. High Estimate (or 3C) means there is at least a 10 percent probability (P10) that the quantities actually recovered will equal or exceed the high estimate.

BOE Disclosure. The term barrels of oil equivalent (“BOE”) may be misleading, particularly if used in isolation. A BOE conversion ratio of six thousand cubic feet per barrel (6Mcf/bbl) of natural gas to barrels of oil equivalence is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead. All BOE conversions in the report are derived from converting gas to oil in the ratio mix of six thousand cubic feet of gas to one barrel of oil.

DISCLAIMERS (CONTINUED)

Analogous Information. Certain information in this document may constitute "analogous information" as defined in NI 51-101, including, but not limited to, information relating to areas, wells and/or operations that are in geographical proximity to or on-trend with lands held by PetroTal and production information related to wells that are believed to be on trend with PetroTal's properties. Such information has been obtained from government sources, regulatory agencies or other industry participants. Management of PetroTal believes the information may be relevant to help define the reservoir characteristics in which PetroTal may hold an interest and such information has been presented to help demonstrate the basis for PetroTal's business plans and strategies.

However, to PetroTal's knowledge, such analogous information has not been prepared in accordance with NI 51-101 and the COGE Handbook and PetroTal is unable to confirm that the analogous information was prepared by a qualified reserves evaluator or auditor. PetroTal has no way of verifying the accuracy of such information. There is no certainty that the results of the analogous information or inferred thereby will be achieved by PetroTal and such information should not be construed as an estimate of future production levels. Such information is also not an estimate of the reserves or resources attributable to lands held or to be held by PetroTal and there is no certainty that the reservoir data and economics information for the lands held or to be held by PetroTal will be similar to the information presented herein. The reader is cautioned that the data relied upon by PetroTal may be in error and/or may not be analogous to such lands to be held by PetroTal.

Initial Production Rates. Any references in this document to test rates, flow rates, initial and/or final raw test or production rates, early production, test volumes and/or "flush" production rates are useful in confirming the presence of hydrocarbons, however, such rates are not necessarily indicative of long-term performance or of ultimate recovery. Such rates may also include recovered "load" fluids used in well completion stimulation. Readers are cautioned not to place reliance on such rates in calculating the aggregate production for PetroTal. In addition, the resource play which may be subject to high initial decline rates. Such rates may be estimated based on other third party estimates or limited data available at this time and are not determinative of the rates at which such wells will continue production and decline thereafter.

Type Curves. Certain type curves disclosure presented herein represent estimates of the production decline and ultimate volumes expected to be recovered from wells over the life of the well. The type curves represent what management thinks an average well will achieve. Individual wells may be higher or lower but over a larger number of wells, management expects the average to come out to the type curve. Over time type curves can and will change based on achieving more production history on older wells or more recent completion information on newer wells.

OOIP Disclosure. The term original-oil-in-place ("OOIP") is equivalent to total petroleum initially-in-place ("TPIIP"). TPIIP, as defined in the COGE Handbook, is that quantity of petroleum that is estimated to exist in naturally occurring accumulations. It includes that quantity of petroleum that is estimated, as of a given date, to be contained in known accumulations, prior to production, plus those estimated quantities in accumulations yet to be discovered. A portion of the TPIIP is considered undiscovered and there is no certainty that any portion of such undiscovered resources will be discovered. If discovered, there is no certainty that it will be commercially viable to produce any portion of such undiscovered resources. With respect to the portion of the TPIIP that is considered discovered resources, there is no certainty that it will be commercially viable to produce any portion of such discovered resources. A significant portion of the estimated volumes of TPIIP will never be recovered.

US Disclaimer. This presentation is not an offer of the securities for sale in the United States. The securities have not been registered under the U.S. Securities Act of 1933, as amended, and may not be offered or sold in the United States absent registration or an exemption from registration. This presentation shall not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of the securities in any state in which such offer, solicitation or sale would be unlawful.

Mean Estimate. Represents the arithmetic average of the expected recoverable volume. It is the most accurate single point representation of the volume distribution.

All figures in US dollars unless otherwise denoted.

DISCLAIMERS (CONTINUED)

Non-GAAP Financial Measures, Oil and Gas Metrics and Other Key Performance Indicators

This presentation contains certain financial measures, as described below, which do not have standardized meanings prescribed by generally accepted accounting principles (“GAAP”). In addition, this presentation contains metrics commonly used in the oil and natural gas industry and other key performance indicators (“KPI”), financial and non-financial, that do not have standardized meanings under the applicable securities legislation. As these non-GAAP financial measures and KPI are commonly used in the oil and gas industry, the Company believes that their inclusion is useful to investors. The reader is cautioned that these amounts may not be directly comparable to measures for other companies where similar terminology is used. It should not be assumed that the future net revenues estimated by PetroTal’s independent reserves evaluators represent the fair market value of the reserves, nor should it be assumed that PetroTal’s internally estimated value of its undeveloped land holdings or any estimates referred to herein from third parties represent the fair market value of the lands. These terms have been calculated by management and do not have a standardized meaning and may not be comparable to similar measures presented by other companies, and therefore should not be used to make such comparisons. Management uses these oil and gas metrics for its own performance measurements and to provide shareholders with measures to compare PetroTal’s operations over time. Readers are cautioned that the information provided by these metrics, or that can be derived from the metrics presented in this presentation, should not be relied upon for investment or other purposes. “Operating netback” is calculated by dividing net operating income by barrels sold in the corresponding period. The Company considers operating netbacks to be a key measure as they demonstrate Company’s profitability relative to current commodity prices. “NPV-10” or similar expressions represents the net present value (net of capex) of net income discounted at 10%, with net income reflecting the indicated oil, liquids and natural gas prices and IP rate, less internal estimates of operating costs and royalties. “Net debt” means accounts payable plus derivative obligation less cash and trade receivables. “Enterprise value” is calculated as the market capitalization of the Company plus net debt, where market capitalization is defined as the total number of shares outstanding multiplied by the price per share at a given point in time. “EBITDA” means operating cash flow less G&A. “CAPEX” means capital expenditures. “IP” means the initial production from a well for a set unit of time. “Capital efficiency” is CAPEX divided by production rate (bopd). “EUR” means estimated ultimate recovery, an approximation of the quantity of oil or gas that is potentially recoverable or has already been recovered from a reserve or well. EUR is not a defined term within the COGE Handbook and therefore any reference to EUR in this presentation is not deemed to be reported under the requirements of NI 51-101. Readers are cautioned that there is no certainty that the Company will ultimately recover the estimated quantity of oil or gas from such reserves or wells. “FDC” means future development costs. “F&D” means finding and development costs, calculated as the sum of capital expenditures incurred in the period and the change in FDC required to develop reserves. “Operating cash flow” is revenue less royalties less field operating expenses (field netback). “Free cash” or “free cash flow” is funds flow from operations less CAPEX. “Yield” means free cash flow per year as a percentage of market capitalization. “Half-cycle” means CAPEX related to drilling, completion, and equipping. “Mid-cycle” means half-cycle CAPEX plus costs to acquire land/leases. “IRR” is the internal rate of return, the discount rate required to arrive at an NPV equal to zero. Rates of return set forth in this presentation are for illustrative purposes. There is no guarantee that such rates of return will be achieved in the future. “Recycle ratio” is calculated as operating netback divided by F&D and is a measure for evaluating the effectiveness of the Company’s re-investment program. “Sustaining CAPEX” is the estimated capital required to bring on new production which offsets the natural decline of the existing production and keeps the year-over-year production flat.

Abbreviations

Bbl	Barrel	API	an indication of the specific gravity of crude oil measured on the American Petroleum Institute gravity scale. Liquid petroleum with a specified gravity of 28° API or higher is generally referred to as light crude oil
bopd	barrel of oil per day	Free Cash Flow	EBITDA less CAPEX
k bopd	Thousand barrel of oil per day	FFO	Funds flow from operations
F&D	Finding and development costs	EBITDA	Earnings before interest, taxes, depreciation, amortization
NIBD	Net interest bearing debt	Ha	Hectares
		PDP	Proved Developed Producing Reserves
Mmbbl	Million barrels of oil	1P	Proved Reserves
NGL	Natural gas liquids	2P	Proved + Probable Reserves
bbo	Billion barrels of oil	3P	Proved + Probable + Possible Reserves



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