



# Investor Presentation September 2024

See additional details in the appendix  
All figures in USD millions "m" unless otherwise stated  
All production in "bopd" or "mmbbls" unless otherwise stated





Introduction to **PetroTal**

# Corporate Summary

PetroTal Corp. engages in the development and exploration of oil and natural gas in Peru, South America.

Its flagship property is the Bretaña oil field located in the Marañon Basin of northern Peru. As an invested partner, we're working to help make Peru socially and economically stronger.





## Production

**16,500 – 17,500 bopd**

2024 guidance

**18,400<sup>1</sup> bopd**

First half production

**20 mmbbls**

Cumulative production since inception<sup>2</sup>

## Financial

**\$0.51/share USD**

Trading Price August 30, 2024

**914m**

Basic shares

**\$466m**

Market Cap

**\$50m**

Net Surplus<sup>3</sup>

**\$443m**

Enterprise Value Q2 2024

**1.9x**

EV/2024 Adjusted EBITDA<sup>4</sup>

## ESG<sup>5</sup>

**Social trust fund**

PetroTal created 2.5% social trust

**<30 acres**

Small field footprint

**6.4 kg/bbl**

Scope 1 emissions in 2023

**Zero spills on site**

Zero hydrocarbon oil spills in 2023, 2022 & 2021 in 2023

1. Average of first half 2024. / 2. As of July 2024 / 3. See footnotes and disclaimers for financial definitions. / 4. 2024 Adjusted EBITDA at \$200 to \$240 million. / 5. 2023 sustainability report



## Introduction

# PetroTal overview

PetroTal is a publicly-traded oil and gas company focused on the development of oil assets in Peru.

(TSX - TAL, AIM - PTAL, OTC - PTALF).

Deep experience developing oil fields in Northern Peru in a safe and cost-effective manner.

**\$1.80/share**

\$1.6 billion of 2P reserves (NPV10).

## Exploration Upside

Multiple owned prospects and leads from Blocks 107, 95 and 131<sup>1</sup> potentially able to triple reserves on an unrisks basis.

1. Block 131 transition currently in process of closing and is not yet part of PetroTal





## Introduction

# PetroTal overview

## PetroTal operating presence

Texas, USA



Houston

Peru, South America



Lima

1. F&D calculated as \$550 million remaining 2P investment / 100 mmbbls of 2P reserves



## 7th year of operation

**\$510m**

Invested since inception through Q2 2024

**20 mmbbls**

Produced since inception

**\$550m**

Remaining 2P investment

**100 mmbbls**

Remaining 2P reserves

**\$5.50/bbl F&D<sup>1</sup>**

Significant free cash flow potential until lease expiration



## Introduction to PetroTal

# Experienced leadership and governance

Senior Management team



### Manolo Zúñiga

**Director, President & Chief Executive Officer**

- Petroleum engineer with over 30 years of experience helping shape and promote oil investments in Peru
- Former CEO of BPZ Energy and leadership group at Occidental Petroleum



### Jose Contreras

**Executive Vice President & Chief Operating Officer**

- Petroleum engineer with over 25 years of experience in senior operational oil and gas roles
- Specializing in complex international technical environments



### Camilo Mc Allister

**Executive Vice President & Chief Financial Officer**

- Financial executive with over 30 years of experience in international energy companies
- Former CFO of Constellation and Frontera



### Sudan I. Maccio

**Chief Legal Counsel and Corporate Secretary**

- Legal executive with over 30 years of experience in global energy environments encompassing commercial, M&A, governance and risk matters
- Previously General Counsel and Corporate Secretary for Ecopetrol USA



## Introduction to PetroTal



# Experienced leadership and governance

### Board of Directors

- **Mark McComiskey**  
Non-Executive Director and  
Chairman
- **Felipe Arbelaez Hoyos**  
Non-Executive Director
- **Eleanor Barker**  
Non-Executive Director
- **Jon Harris**  
Non-Executive Director
- **Roger Tucker**  
Non-Executive Director
- **Emily Morris**  
Non-Executive Director
- **Gavin Wilson**  
Non-Executive Director
- **Manolo Zúñiga**  
Director, President & Chief  
Executive Officer



## Introduction to PetroTal

# Investor value proposition

- PetroTal is Peru's largest crude oil producer and has demonstrated a commitment to operational and financial excellence since inception.
- The Bretaña asset is a conventional oil reservoir with the ability to deliver long term profitability from a small environmental footprint.







Introduction to PetroTal

# Investor value proposition



Track record of Production  
and reserve growth



Experienced  
management team



Strong return of  
capital policy



Debt **free**



Leadership in  
ESG principles



Positioned  
to grow



## Introduction to PetroTal

# Peruvian landscape



### GOVERNMENT STRUCTURE

- President: Dina Boluarte
- Prime Minister: Gustavo Adrianzen
- Energy and Mines Minister: Rómulo Mucho
- Economy and Finance Minister: José Arista



### POLITICAL STABILITY

- Stable Legal Framework: Supreme decree-governed contracts ensure continuity across regime changes. (Oil and gas concessions are contract law)



### FAVORABLE FISCAL REGIME

- Competitive taxation and royalty structures designed to attract and retain foreign investment



### INTEREST IN OFFSHORE EXPLORATION

- Multinational companies interested in exploring Peruvian sea: Occidental and Total Energies



## Introduction to PetroTal

# Peruvian landscape



### PROVEN RESERVES

- Significant hydrocarbon reserves with ongoing exploration and production activities



### ECONOMIC REVIEW

- Peru is considered a leading emerging market with solid recent history of economic stability
- Average annual GDP growth: 4.2%, between 2000 – 2023 (EY 2024)



### PERUVIAN ECONOMY HAS STRONG MACROECONOMIC INDICATORS

- Implementation of a countercyclical macroeconomic policy and favorable external environment



### INFRASTRUCTURE DEVELOPMENT

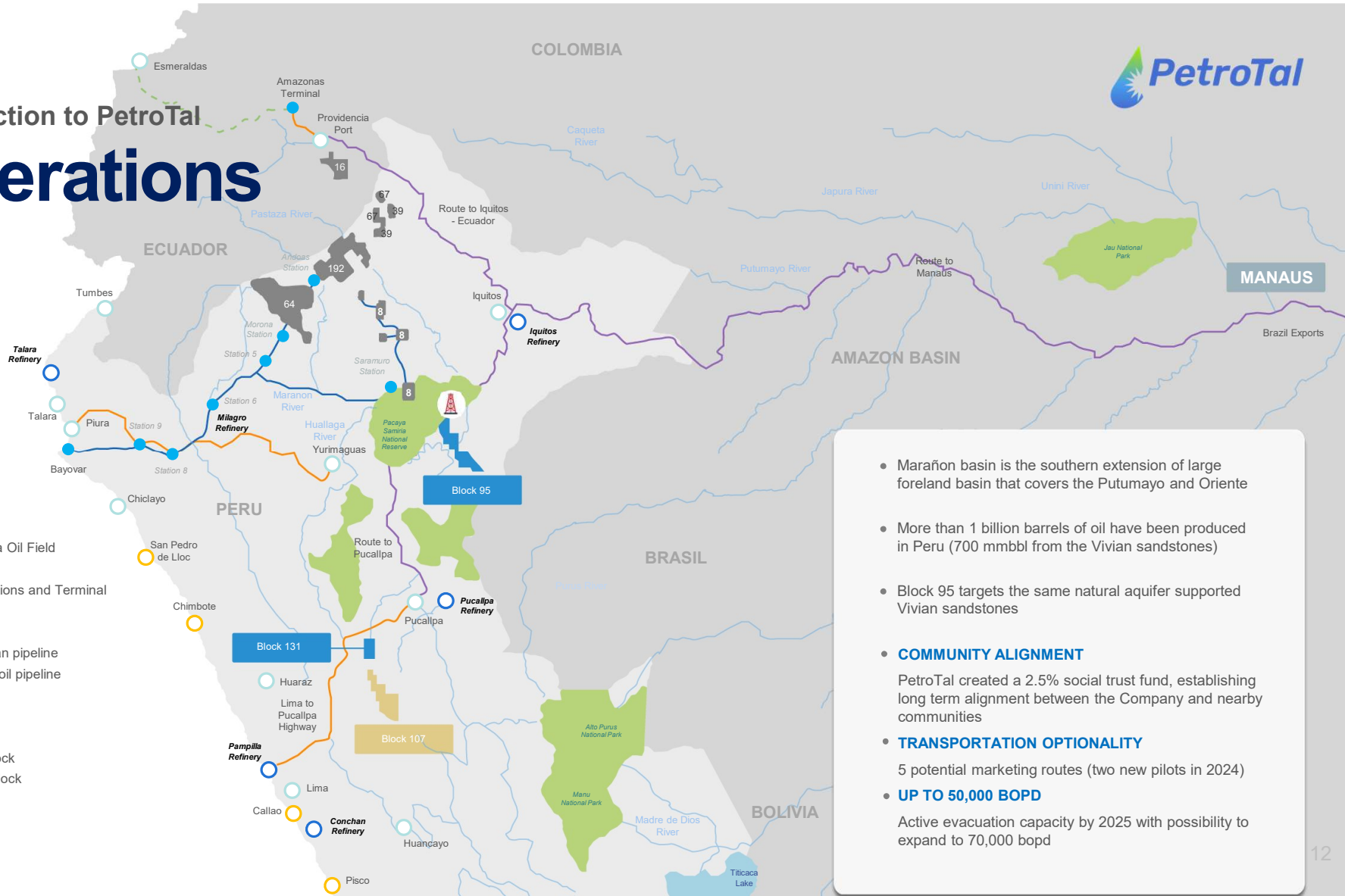
- Continuous improvements in infrastructure supporting oil and gas operations



# Introduction to PetroTal Operations

## Key

- North Breaña Oil Field
- Refineries
- Pumping Stations and Terminal
- Cities
- Ports
- North Peruvian pipeline
- Heavy crude oil pipeline
- Rivers
- River route
- Land route
- Producing block
- Exploration block
- Other blocks



- Marañón basin is the southern extension of large foreland basin that covers the Putumayo and Oriente
- More than 1 billion barrels of oil have been produced in Peru (700 mmbbl from the Vivian sandstones)
- Block 95 targets the same natural aquifer supported Vivian sandstones
- **COMMUNITY ALIGNMENT**  
PetroTal created a 2.5% social trust fund, establishing long term alignment between the Company and nearby communities
- **TRANSPORTATION OPTIONALITY**  
5 potential marketing routes (two new pilots in 2024)
- **UP TO 50,000 BOPD**  
Active evacuation capacity by 2025 with possibility to expand to 70,000 bopd

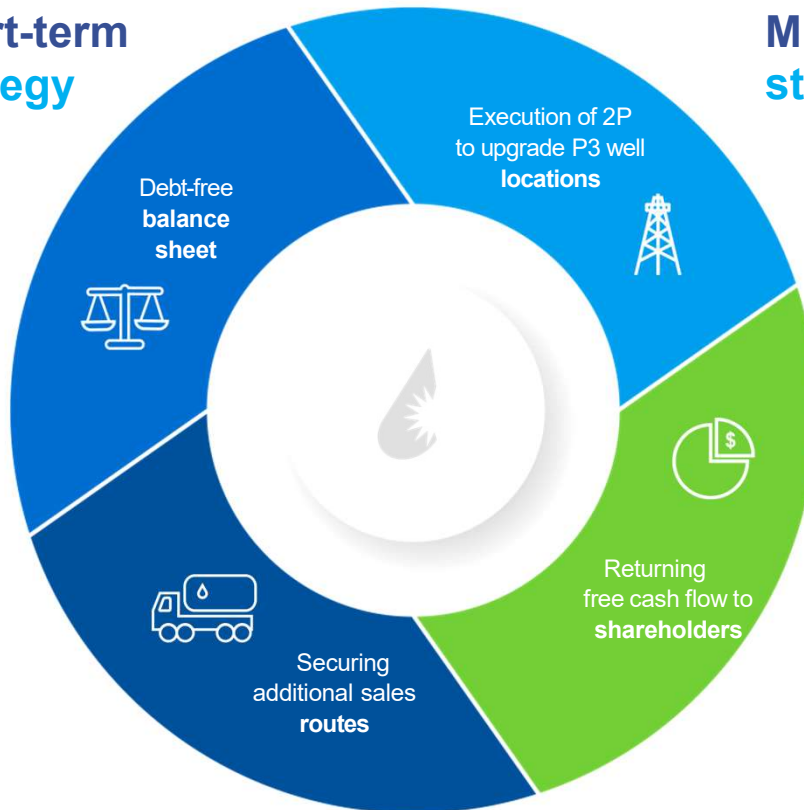


## Growth Strategy

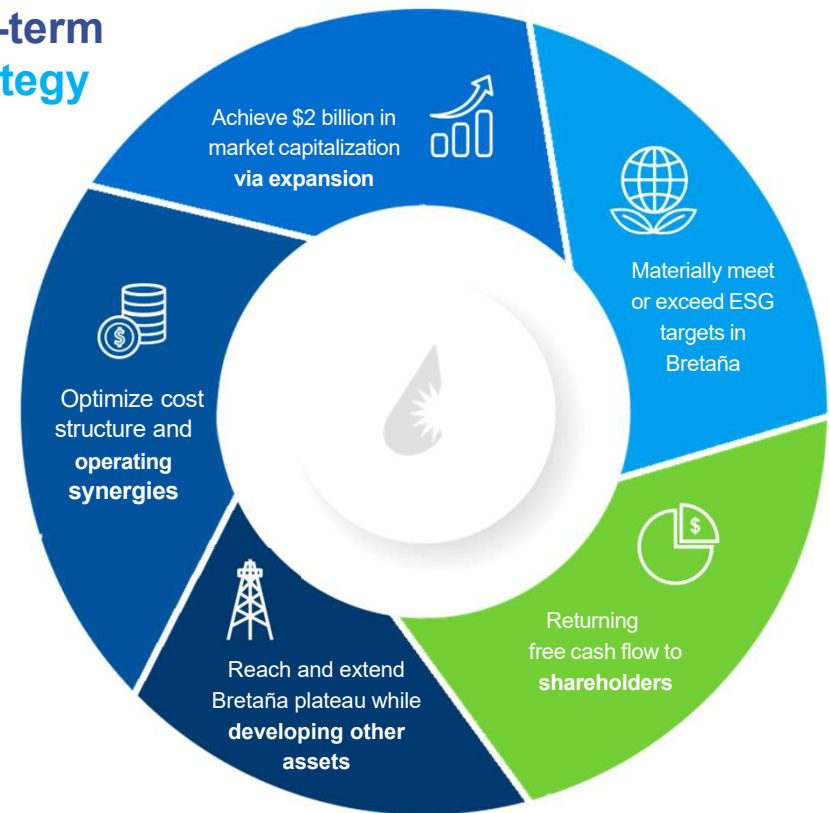


# Breña: core asset anchoring growth

### Short-term strategy



### Mid-term strategy





## Growth Strategy

# Track record of growth

## Bretaña 2024 guidance highlights

**16,500 - 17,500 bopd**

2024 Production guidance

**\$200 - \$240m**

Adjusted EBITDA

**\$150 - \$175m**

Capital invested

**Up to \$66**

Estimated return of capital

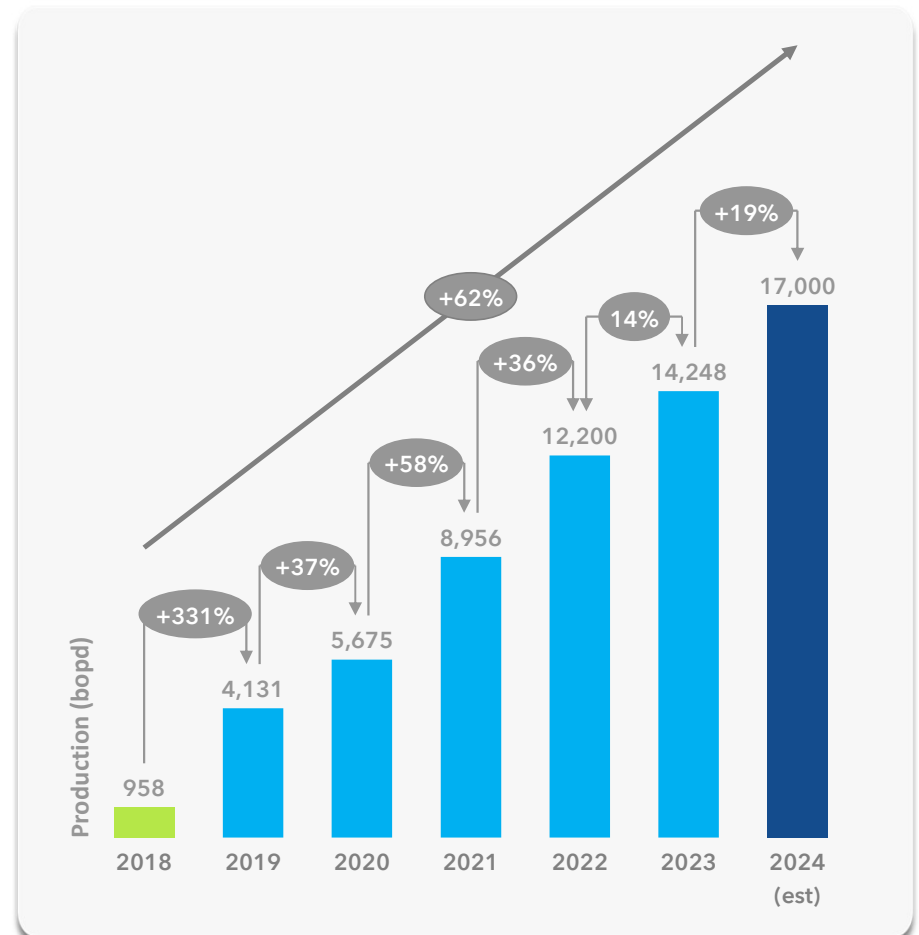
## Strong Reserve Replacement Ratios

1P 2 year average of 165%

2P 2 year average of 292%

## OCP & Yurimaguas / Conchán

2 new routes to market being piloted in 2024

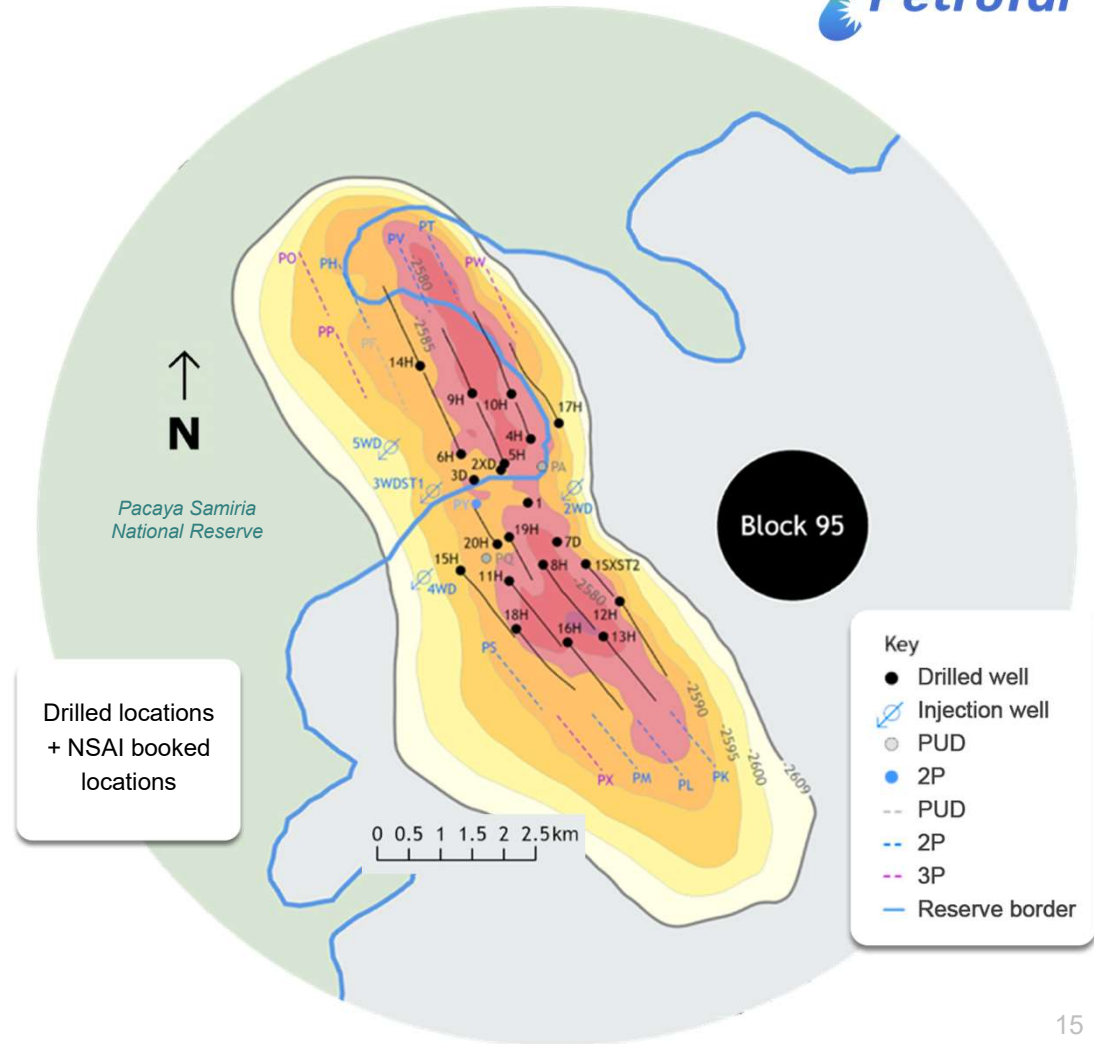




## Growth Strategy

# Development locations

- Vivian reservoir – Massive fluvial sands with excellent reservoir quality
- Strong aquifer support and water control using AICD technology assures pressure maintenance and high volumes of oil recovery
- Analogous fields have recovery factors of 22-42% vs Bretaña at 26%
- Recovery factor upside of 10-16%
- 20 drilled oil wells plus 3 PUD locations
- 2P and 3P reserves case have 32 and 36 producing wells. Potential exists for further infill drilling

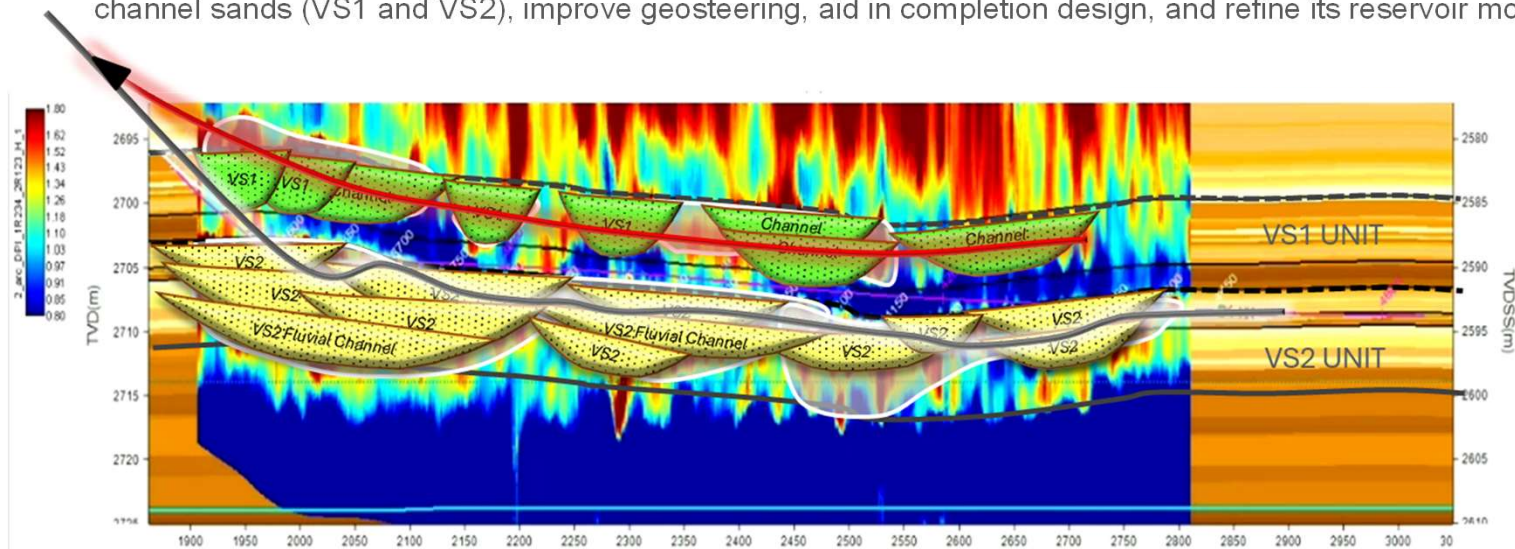




## Growth Strategy

# Development potential

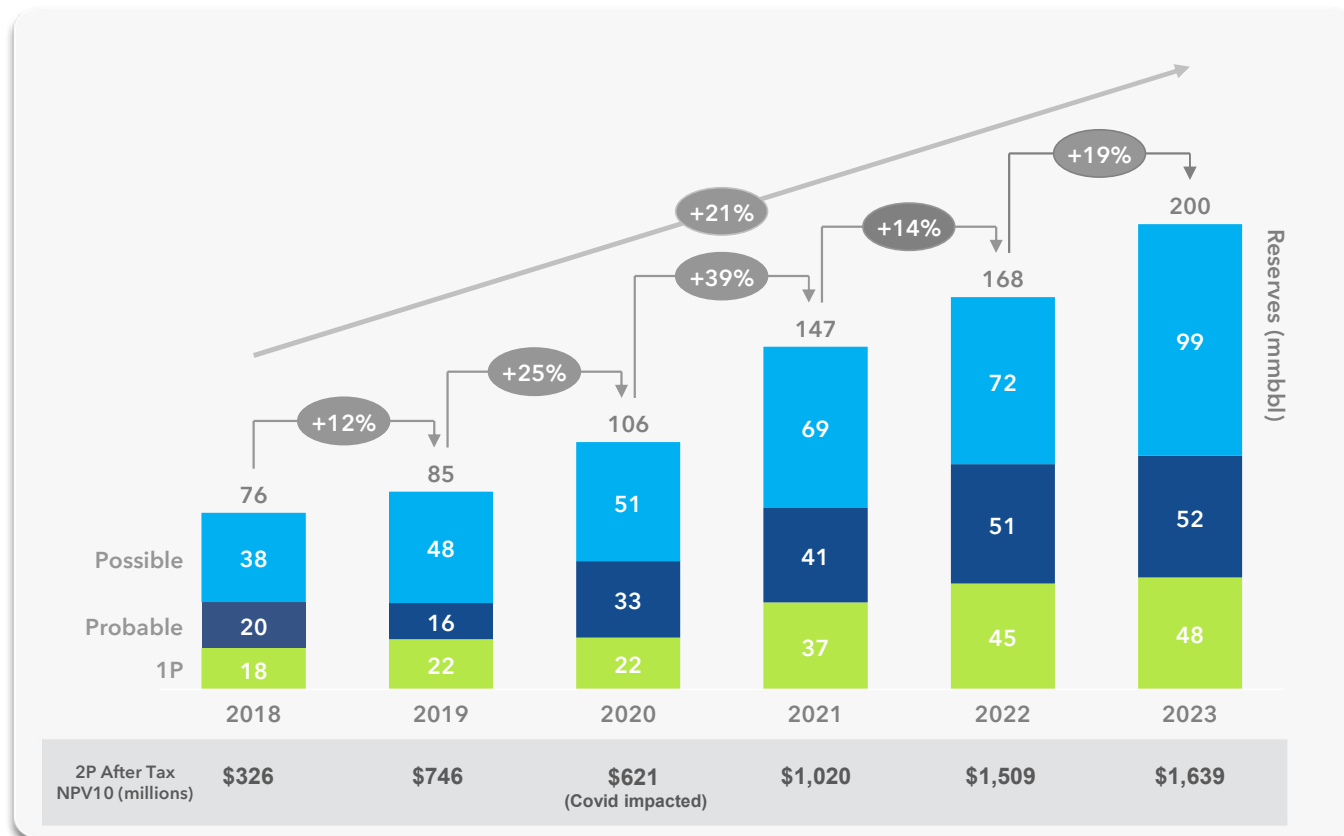
- VS1 Unit: for the first time at Bretaña, PetroTal used the 20H well to drill a lateral into the upper Vivian VS1 unit, where a brief production test in August 2024 flowed 320 bopd.
- Independent estimates allocated ~20% of Bretaña of OOIP at YE23 (442 MMBbl) to the VS1 unit, while 100% of booked 2P reserves were allocated to the VS2 unit.
- PetroTal has been using SLB's new Geosphere HD reservoir mapping-while-drilling technology to identify fluvial channel sands (VS1 and VS2), improve geosteering, aid in completion design, and refine its reservoir model.







# History of robust reserves growth



**26% and 34%**

2P and 3P recovery factors delivered in six years from zero production

**120 mmbbls**

2P reserves plus cuml. production

**\$1.6 Billion 2P**

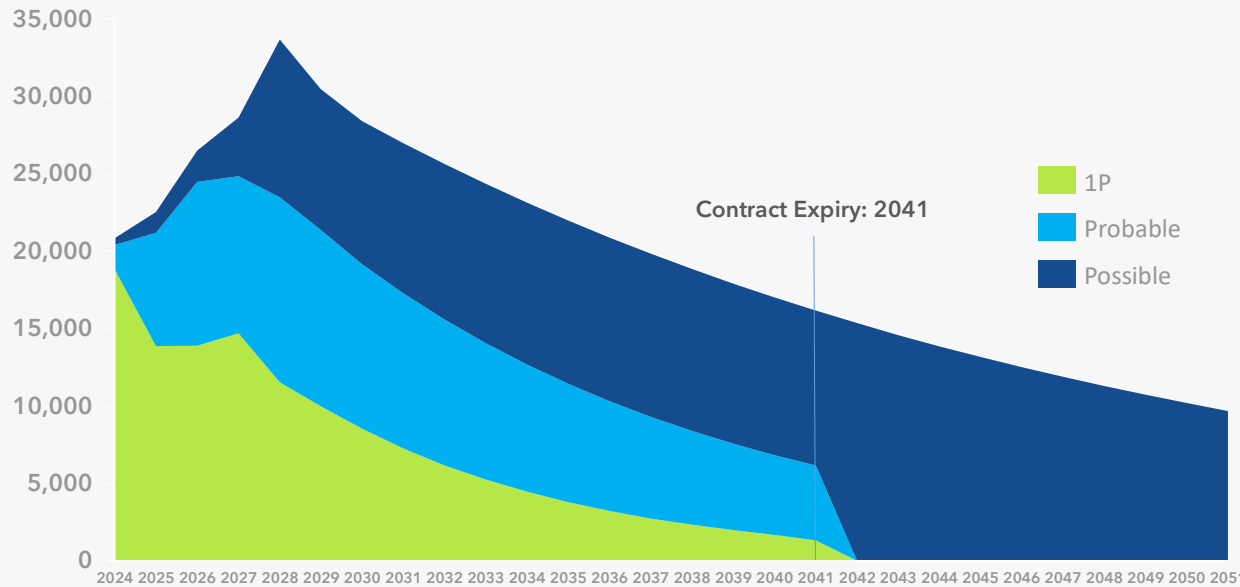
After tax PV10 valuation of \$1.80/share



## Growth Strategy

# Core asset production profile

Netherland Sewell (NSAI) Production Profile (bopd)



(1) Possible case assumes contract extension to 2051

**> 10,000 bopd**

Full reserve life, in 3P case

**34,000 bopd**

Possible peak production

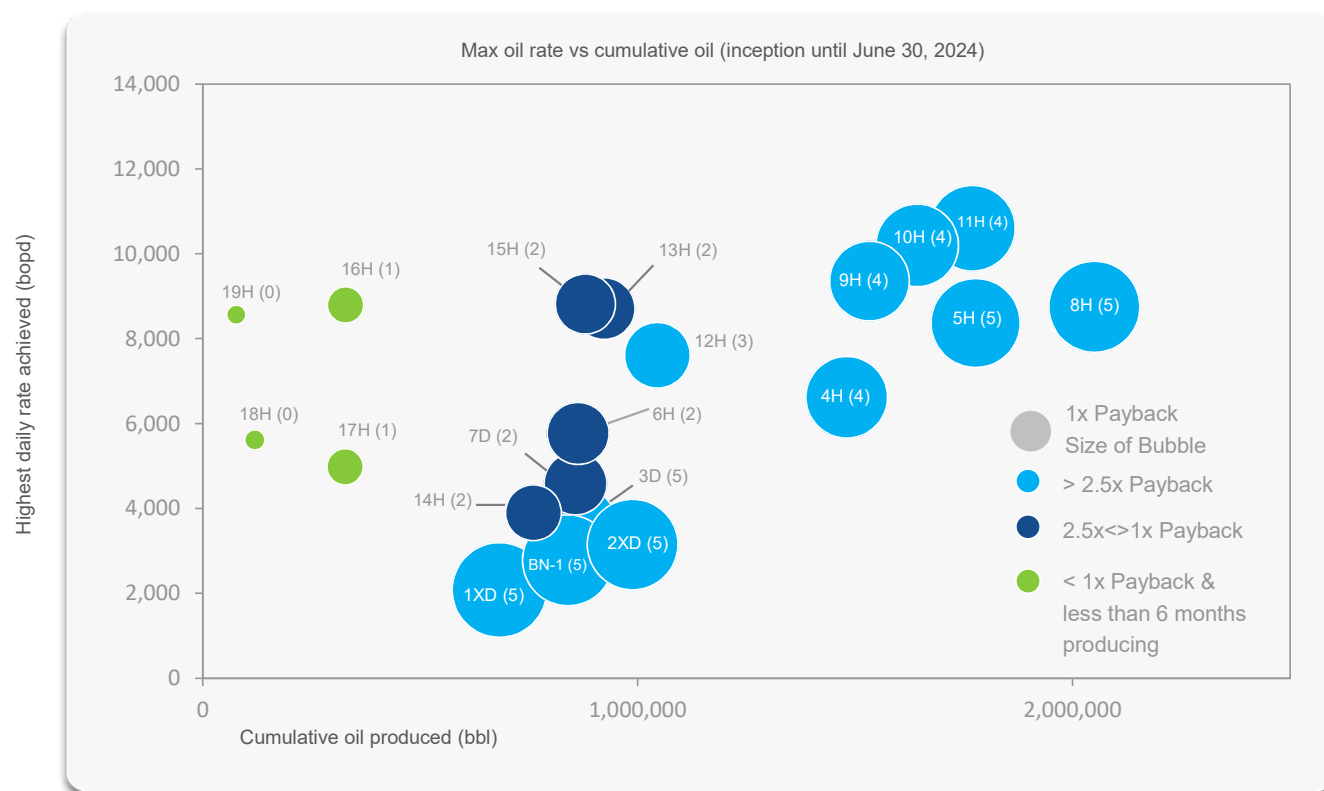
**20,000-25,000 bopd**

Ability to flatten peak production, into multi-year production profile



## Growth Strategy

# Short cycle well payouts



## Key highlights

**3.4x**

Average well payout for producing portfolio

**19.5 months**

Average time wells onstream

**~10 mmbbls**

Wells drilled since 5H have produced over 10 mmbbls of oil

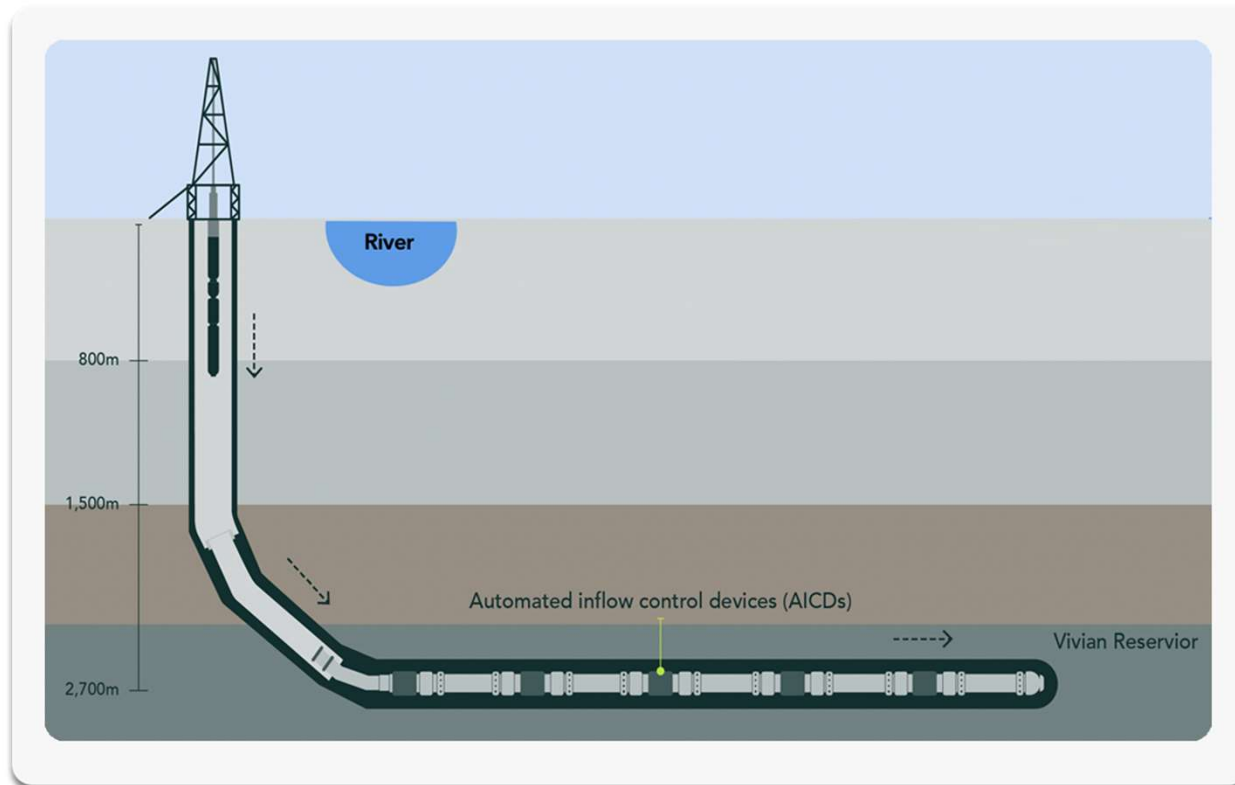
**~1 mmbbls**

Over first 20 months onstream



## Growth Strategy

# Long-range well drilling



## AICD technology

Less water intrusion via Automated Inflow Control Devices (AICDs)

## \$11 to \$16M

Wells costs range, depending on lateral length

## 40-50 days

Time range to drill and complete new wells

## 18.6 degrees

API

## 25scf/bbl

GOR

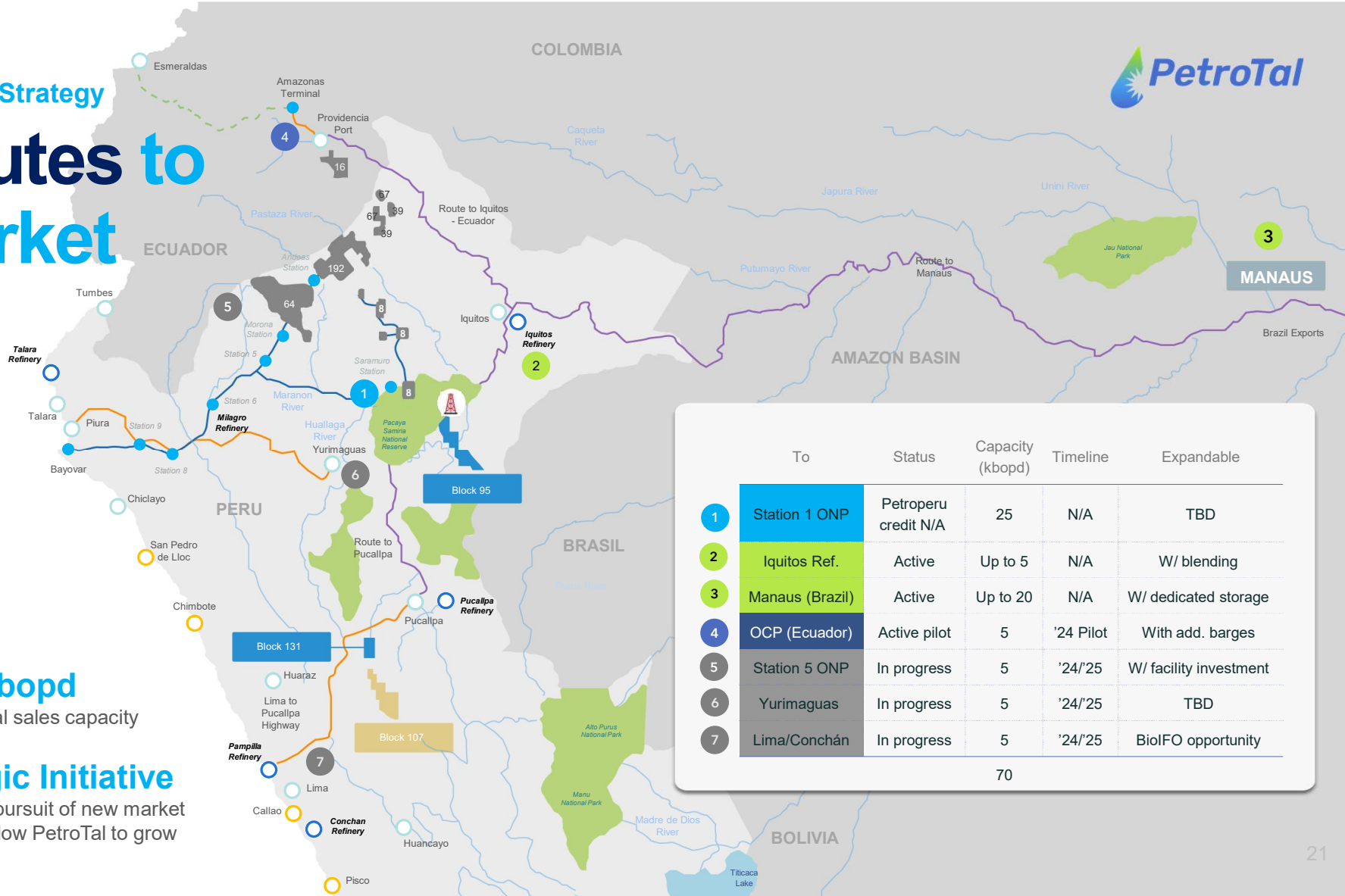
## 15,028 acres

Field size



### Growth Strategy

# Routes to market



**70,000 bopd**  
Total potential sales capacity

**Strategic Initiative**  
Continuous pursuit of new market routes will allow PetroTal to grow

	To	Status	Capacity (kbopd)	Timeline	Expandable
1	Station 1 ONP	Petroperu credit N/A	25	N/A	TBD
2	Iquitos Ref.	Active	Up to 5	N/A	W/ blending
3	Manaus (Brazil)	Active	Up to 20	N/A	W/ dedicated storage
4	OCP (Ecuador)	Active pilot	5	'24 Pilot	With add. barges
5	Station 5 ONP	In progress	5	'24/'25	W/ facility investment
6	Yurimaguas	In progress	5	'24/'25	TBD
7	Lima/Conchán	In progress	5	'24/'25	BioIFO opportunity
			70		



## Growth Strategy

# Existing infrastructure underpins growth

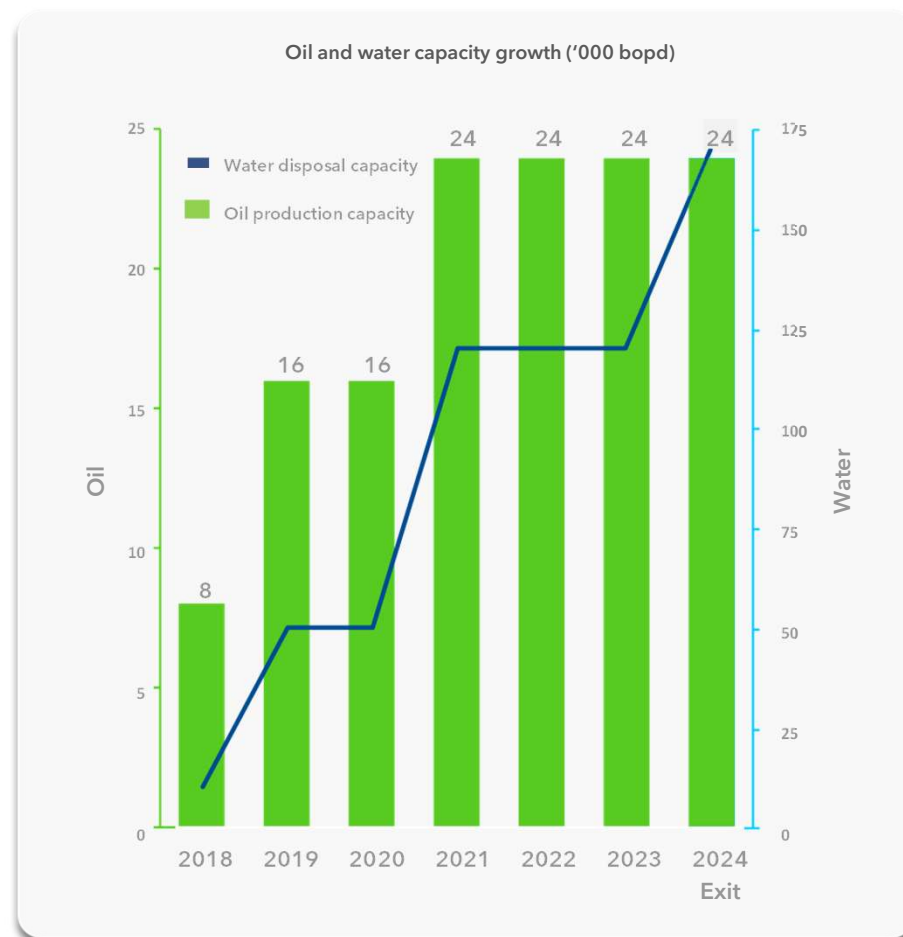
## Key highlights

### Infrastructure

Installed oil processing capacity of 24,000 bopd and water disposal of 170,000 bwpd by YE24

### Facility optionality

Current infrastructure allows alternative paced 2P development





## Growth Strategy

# Existing infrastructure underpins growth

## Erosion Control

Erosion control project estimated at \$65 to \$75 million and weighted to 2025

Five breakwaters being constructed – three (3) on the community side, and two (2) on the camp side

Project allocated 60% to Opex and 40% to Capex

Erosion control project



Existing problem

Example of completed project (La Pastora)



The solution (illustrative)



Growing **PetroTal**

# Growth opportunities

- Peru's Amazon jungle has been underexplored for hydrocarbons
- PetroTal aims to repeat Bretaña success in its other Peruvian assets
- Multiple prospects and leads from existing portfolio Blocks 95, 107 and 131



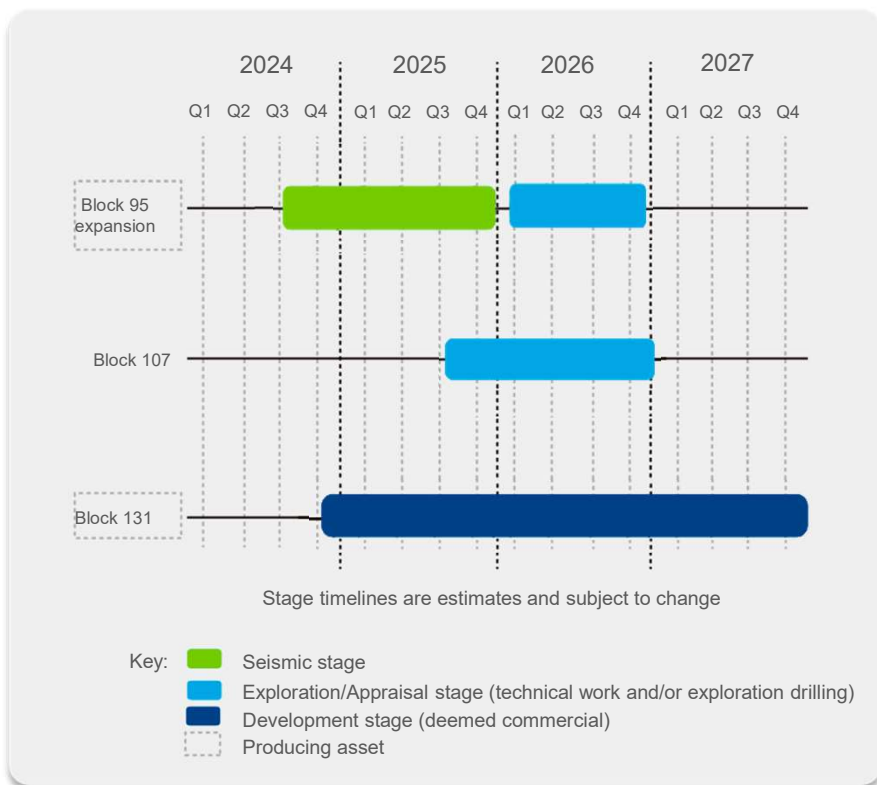




Growing PetroTal



# Growth opportunities



## Expansion Potential

### Community alignment

Continuation of social trust fund initiatives

### Tactical facilities approach

Utilize existing infrastructure for cost savings

### 2024/2025 seismic

Unlocking continued trends past Bretaña

### Block 107

Exploration upside based on reinterpreted seismic data

### Block 131 development

Adds near term production, cash flow, and upside



## Expansion

# Block 95






Expansion beyond Bretaña at Block 95

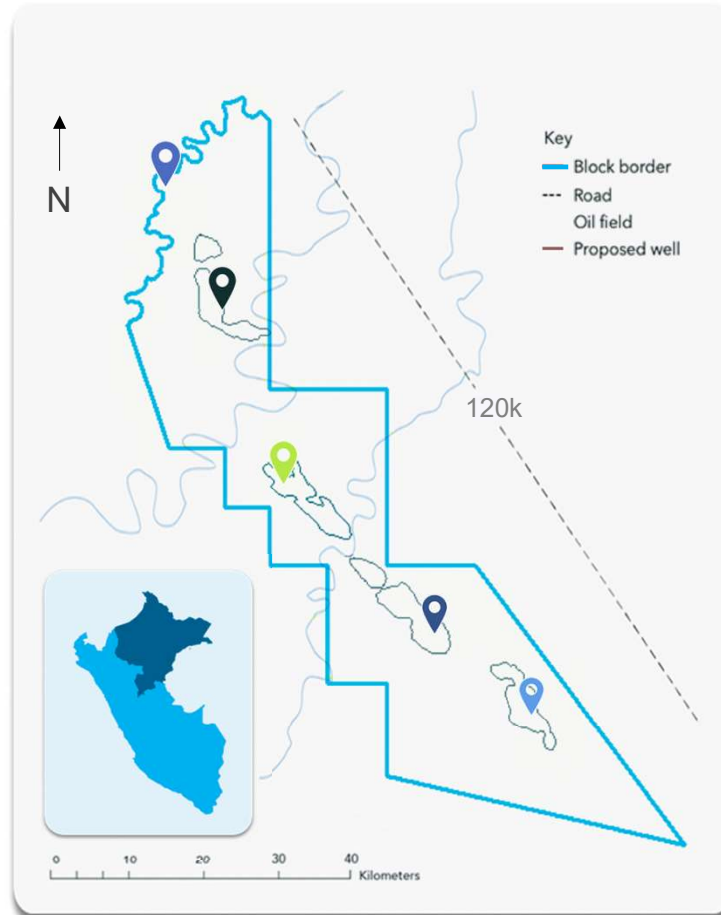
## Fiscal Terms

**5% - 20% royalty**

~7.5% at 20,000 bopd plus 2.5% social fund

**License contract until 2041**

-  Bretaña Field
-  Zapote
-  Iberia
-  Tapiche South
-  Lead E



## Key highlights

**\$50-\$70M**

Risked dry hole Capex ~\$50-\$70 million from 2024 - 2026 inclusive of seismic

**\$12M**

in 2024 (seismic)

**\$18M**

in 2025 (seismic)

**\$25-\$30M**

in 2026 (proposed drilling)

**\$10-\$12/bbl**

Total F&D costs if deemed commercial



## Expansion

# Block 107

Overview

## Fiscal Terms

- Block 107 is a prospect ready area with road access
- Exploration commitment to drill two exploration wells extended to 2026
- PetroTal will seek a farmout partner
- Gran Tierra with 20% back in option

📍 Osheki Prospect  
Unrisked mean / best estimate  
500 / 275 mmbbls prospective  
resource



## Key highlights

### 534 mmbbls

Mean estimate unrisked  
prospective that is over  
262,000 hectares

### Subsurface

Reinterpreted seismic shows  
two main structural culminations

### Updated technical

De-risked with new 3D Geologic  
Model supporting Cretaceous  
reservoirs with oil or gas charge  
from high quality Permian source  
rocks

### Dry hole NPV neutral

Tax synergies with Bretaña

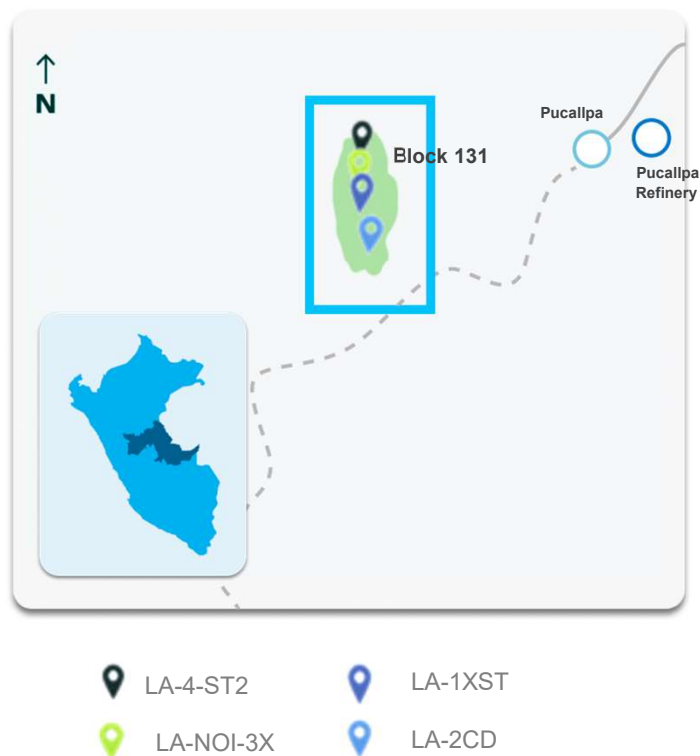


## Expansion

# Block 131

Overview<sup>1</sup>

- In May 2024, PetroTal signed an agreement to acquire Block 131 for \$5 million in cash
- Low risk conventional light oil reservoir in the Cushabatay sand
- Four-way closure composed of fluvial channels of uniform thickness, good porosity / permeability and clear OWC
- Diversified cash flowing asset from four producing wells



<sup>1</sup> Not included in 2024 guidance



## Key highlights

**900 bopd/40 API oil**

Current oil production

**25%**

Current recovery factor with 7.6 mmbbl of cuml. oil

## Infrastructure

Minimal to no infrastructure investments needed. Can accommodate up to 5,500 bopd

## Transaction approval

Approval into Peruvian supreme decree required (estimated Q4 2024)

## 2025 activity

Once transaction is closed, technical team is committed to enhance profitability



### Current operations

# Block 131 cont.

Continued growth in Peru

## Upside potential

**5,500 bopd**

Current oil handling capacity

## Bypassed oil

Horizontal well locations high on structure

## Voidage optimization

Lower opex with less chemical

## Blending synergies

At the Iquitos refinery

## Tax synergies

Future tax synergies with Bretaña may become available

## Upside potential

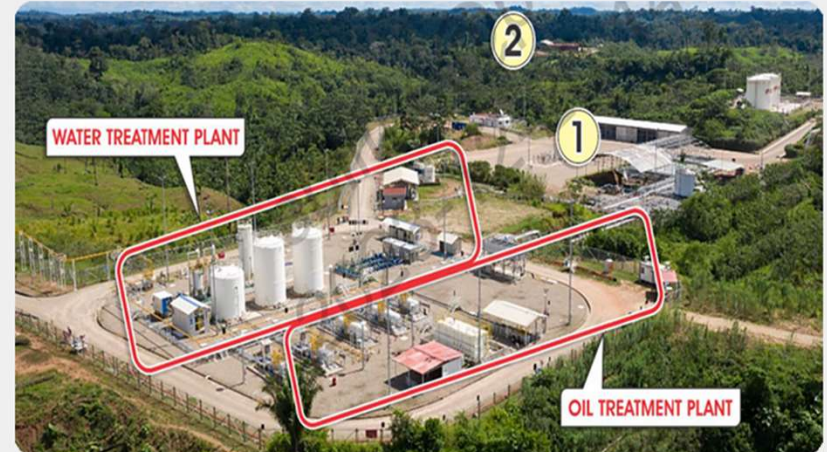
Deeper potential exists in the Copacabana zone which was previously tested for oil

## Fiscal Terms

**23.5% royalty rate**

Potential to renegotiate

**License contract until 2037**



- Included infrastructure:
- Oil treatment plant
  - Water treatment plant
  - Water injection plant

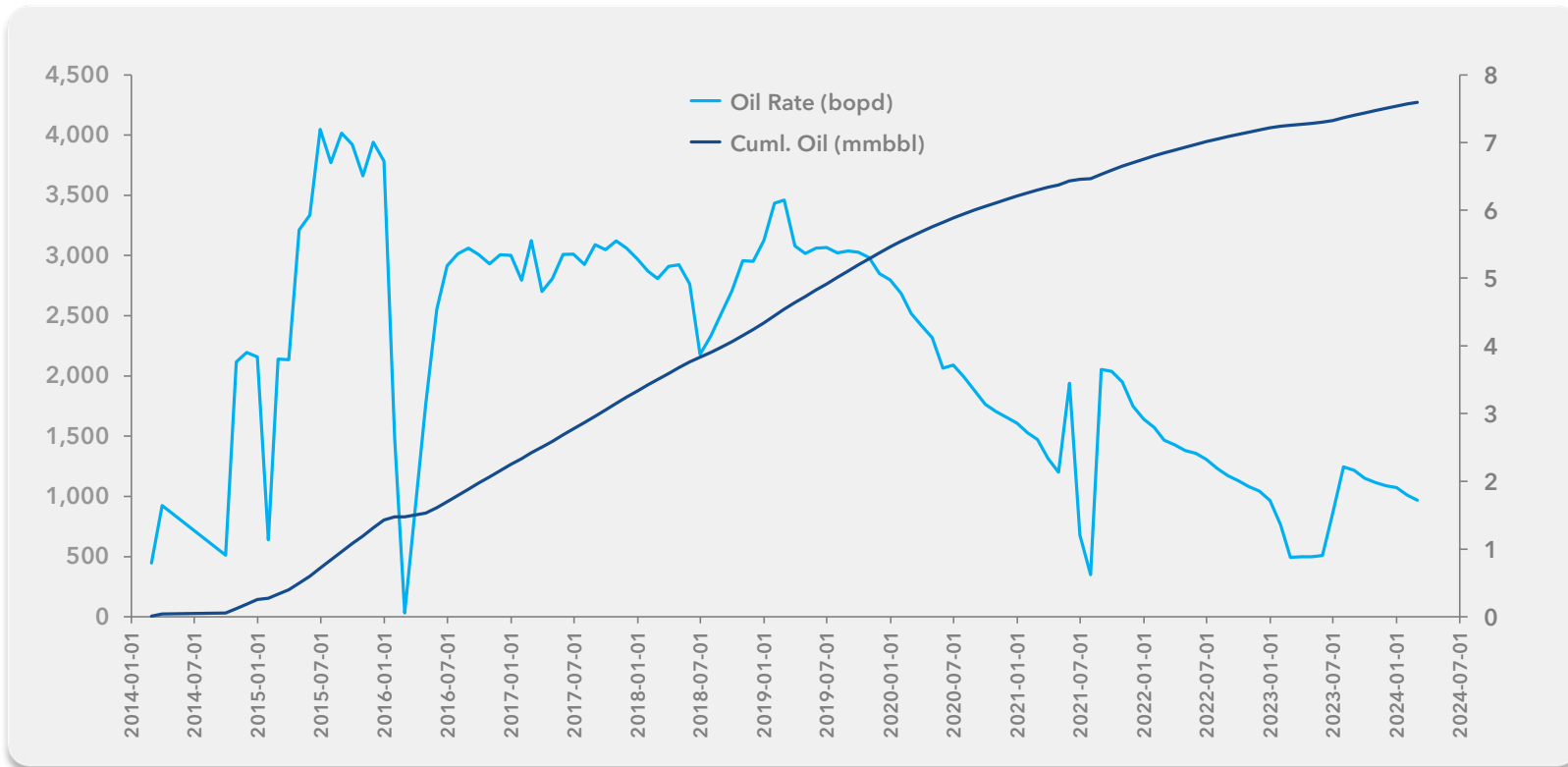


Current operations



# Block 131 cont.

Continued growth in Peru





## Performance

# 2024 financial and operational performance

## Key highlights

- Drill and complete seven new oil wells in 2024
- Piloting two new routes to markets (OCP/Yurimaguas)
- Investing an estimated \$150 to \$175 million in total Capex
- Initiating exploration programs in Blocks 95 and permit approvals for Block 107
- Generating up to ~\$55 million of additional adjusted free funds flow in addition to the \$90 million of unrestricted cash at Jan 1, 2024





## Summary (USD)



**Up to \$66M (13% yield)**

2024 dividends and buybacks

**\$230 - \$260M**

Net operating income<sup>1</sup>

**\$200 - \$240M**

Adjusted EBITDA<sup>1</sup>

**Up to \$55M**

2024 after tax adjusted free fund flow build (pre return of capital)

## Production (bopd)



**17,000**

2024 guidance

**18,518**

Q1 2024 (actuals)

**18,290**

Q2 2024 (actuals)

**13,000**

Q3 2024 (est)

**18,500**

Q4 2024 (est)

## CAPEX (USD)



**\$150 - \$175M**

2024 guidance

**\$30M**

Q1 2024 (actual)

**\$39M**

Q2 2024 (actual)

**\$41 - \$53M**

Q3 2024 (est)

**\$41 - \$53M**

Q4 2024 (est)

<sup>1</sup> Including Erosion Project





## Performance

# 2024 guidance

## 2024 free funds flow build

After tax adjusted free funds flow up to \$55 million pre return of capital

## Accelerated drilling

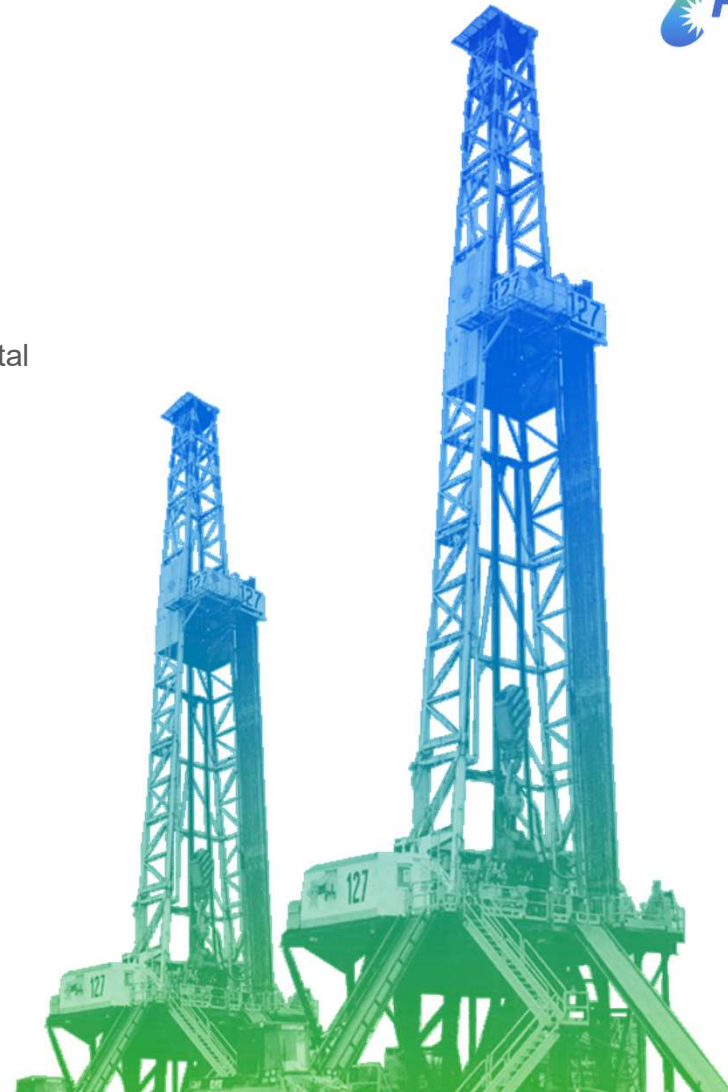
Drilling 7, completing 7 oil wells plus drilling one additional water disposal well in 2024

## Water disposal capacity

Exiting year with 170,000 bwpd disposal capacity

## Strong Brent year to date

Strong Brent prices have funded additional capex investments year to date 2024





Performance

# 2024 guidance



Summary in USD millions	2024
	(Aug 2024 guidance)
Production (bopd)	16,500–17,500
Brent (\$/bbl)	\$77 - \$83
Net operating income	\$250 - \$280
Erosion (opex portion)	(\$20)
G&A	(\$30) <sup>(1)</sup>
EBITDA <sup>(2)</sup>	\$200 - \$240
Capex	(\$150) – (\$175)
Accrued tax and finance expense <sup>(3)</sup>	(\$40)
After tax free funds flow	Up to \$40
Working capital / derivative true up	\$15
Adjusted after tax free funds flow	Up to \$55

(1) Includes \$4.2 million in social and community and \$2.8 million in non-cash G&A

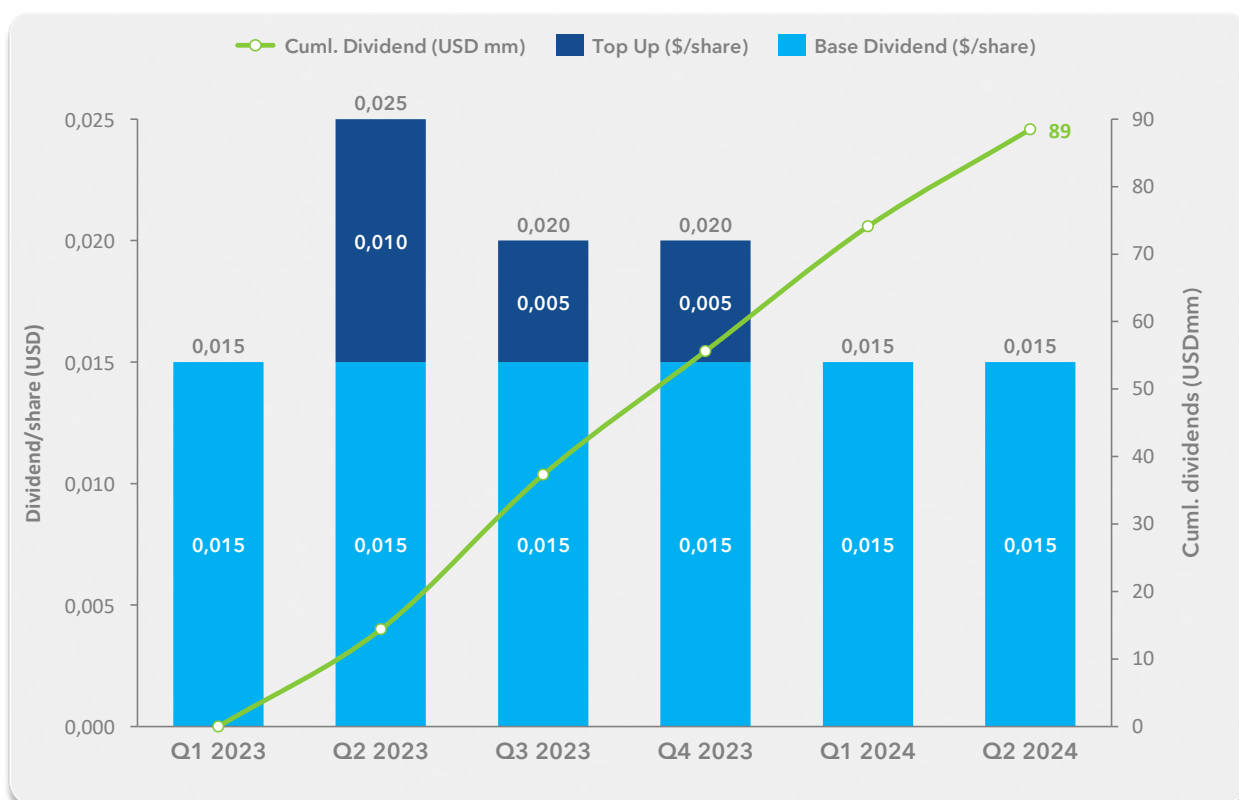
(2) See footnotes and non Gaap definitions

(3) Amount reflects estimated accrued taxes. Cash tax is approximately \$15 million in 2024



## Performance

# Return of capital overview



## Dividends: \$89 million paid (~\$0.10/share)

Returned through Jun. 30, 2024

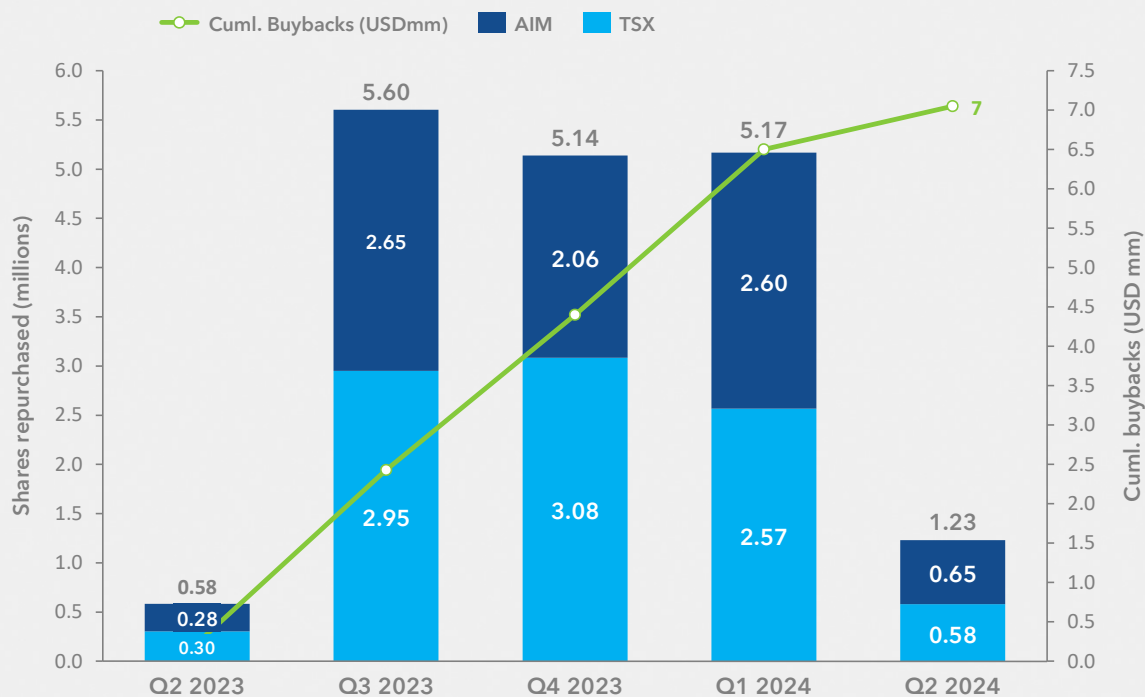
- Pay a quarterly \$0.015/share base dividend with top up optionality
- Liquidity is cash available at dividend approval date, adjusted by portions of unused credit capacity and or future capital/working capital needs



## Performance



# Return of capital overview



## Buybacks: \$7 million in shares purchased

Through Jun. 30, 2024

- Buyback approximately 10% of the Company's public float subject to volume and liquidity constraints
- Target up to \$3.0 million in buybacks per quarter



## Performance

# 2024 Bretaña cash flow profile

## 2024 free cash flow matrix (Production vs Brent price)

	15,000	17,000	19,000	21,000	21,000	25,000
\$100	\$88	\$118	\$145	\$171	\$197	\$222
\$90	\$56	\$81	\$104	\$127	\$150	\$172
\$80	\$23	\$44	\$64	\$83	\$102	\$121
\$70	(\$9)	\$7	\$23	\$39	\$55	\$71
\$60	(\$42)	(\$30)	(\$17)	(\$5)	\$7	\$20

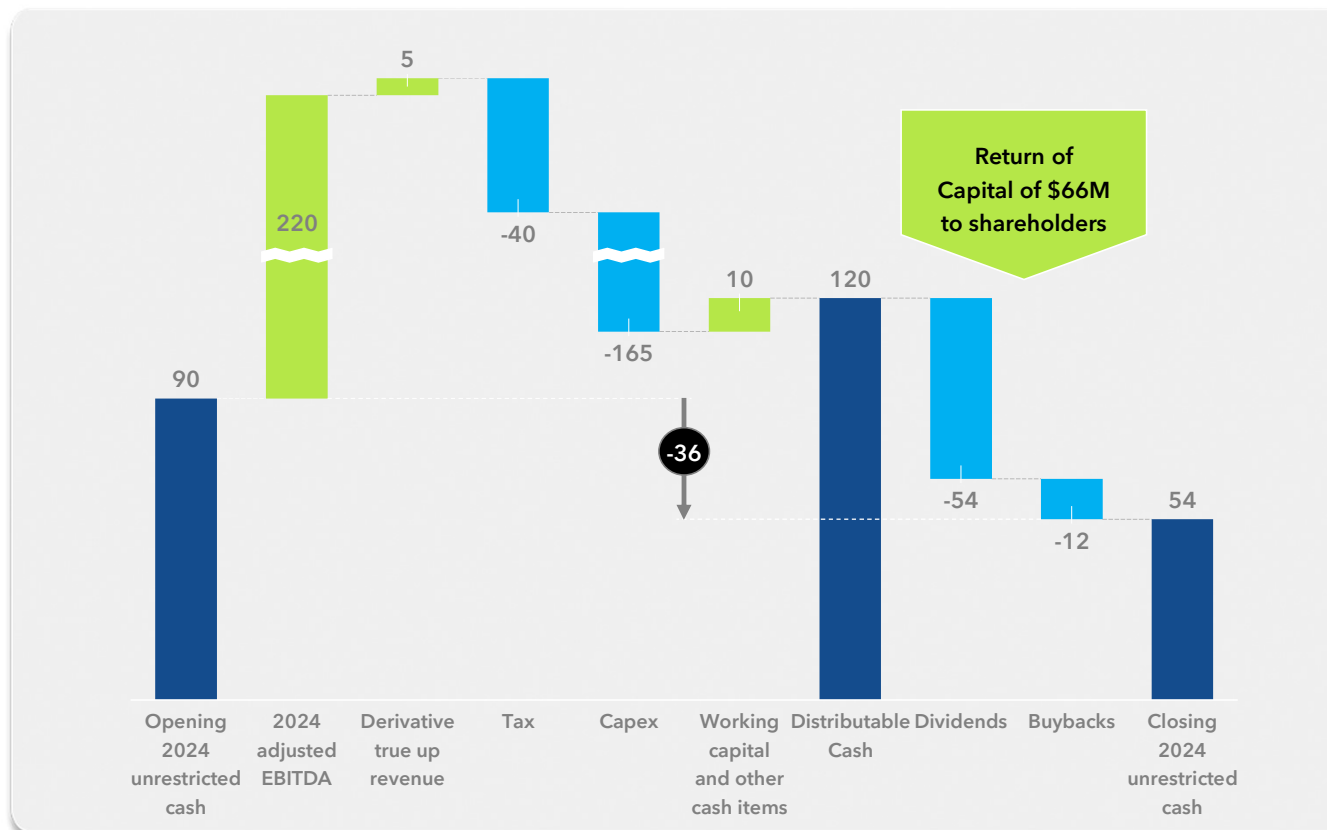
## Free cash flow matrix assumptions:

- Full-year production and pricing assumed
- Base G&A: Approximately \$30 million annually
- Cash tax: Estimated at \$15 million (based on \$40 million accrued in 2024, \$25 million paid in early 2025)
- Capex flexibility: Up to \$30 million can be deferred in certain scenarios
- Post-development: Annual maintenance capex of \$25 million
- Bretaña: \$151 million capex program, excluding seismic. Includes 5% employee tax, 32% corporate tax, and 2.5% social trust royalty



## Performance

# 2024 Bretaña cash flow profile



2024 Total Cash Waterfall (USD million)



# ESG overview



Environment



Safety



Shared Value



Governance





# ESG overview

## \$3.5 million

Funding for a 20-year monitoring study

## 2.5%

Of fiscalized production to a social trust fund

## Unified addendum

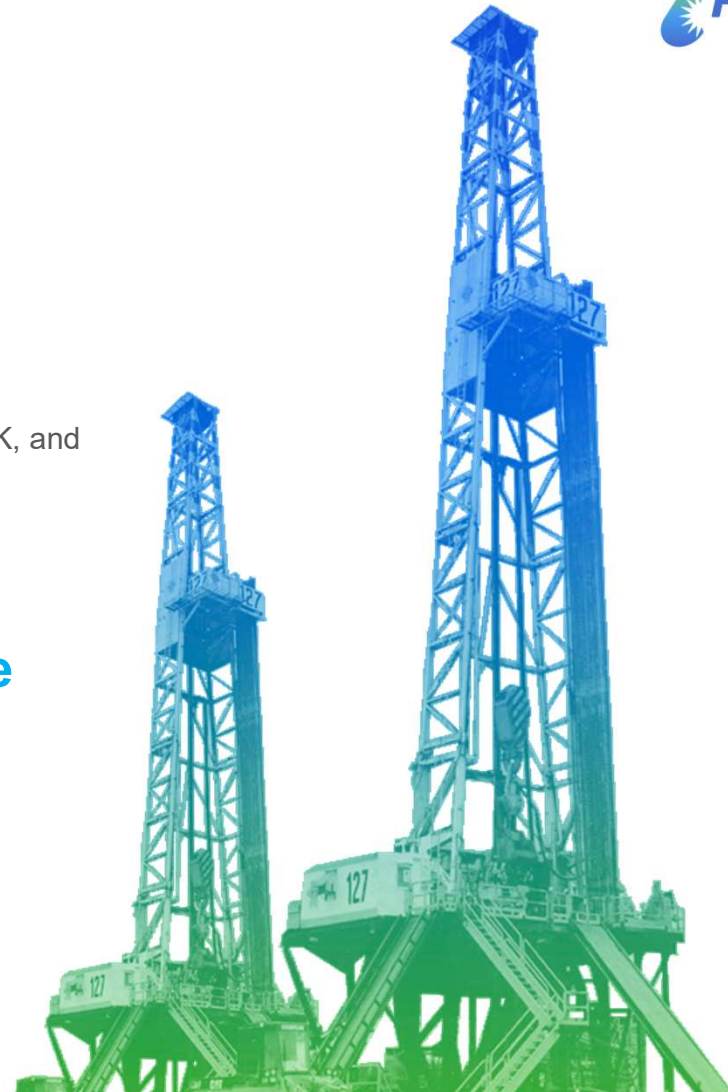
Signed aligning government, PetroTal, community

## Transparent ESG policy

Full compliance to Canadian, UK, and US standards

## Zero spills on site

Zero hydrocarbon oil spills in 2023, 2022 & 2021







# ESG overview

## Results



Alignment with community



Resource sharing mechanism accelerating the process for benefits



Fewer operational disruptions, quicker resolutions, and safer work environments



Management of the social trust by the trust administration committee





## ESG Overview

# PetroTal created social trust

## Initiation

In late 2021, PetroTal founded and initiated a social trust fund that created alignment between local communities and PetroTal.





## ESG Overview

# PetroTal created social trust



**2.5%**  
Of fiscalized production  
▼  
**~\$14.5 million**  
Contributions to date<sup>1</sup>

**Trust administration committee**  
(In region, comprised of community members)



1. Inception to June 30<sup>th</sup> 2024

Promoting savings for a sustainable fund



## ESG Overview



# Relevant ESG initiatives

Commitment through policies, projects and programs that have made PetroTal an ESG leader in the Peruvian energy sector





*We are energy that generates well-being*  
Somos energía que genera bienestar



# Appendix

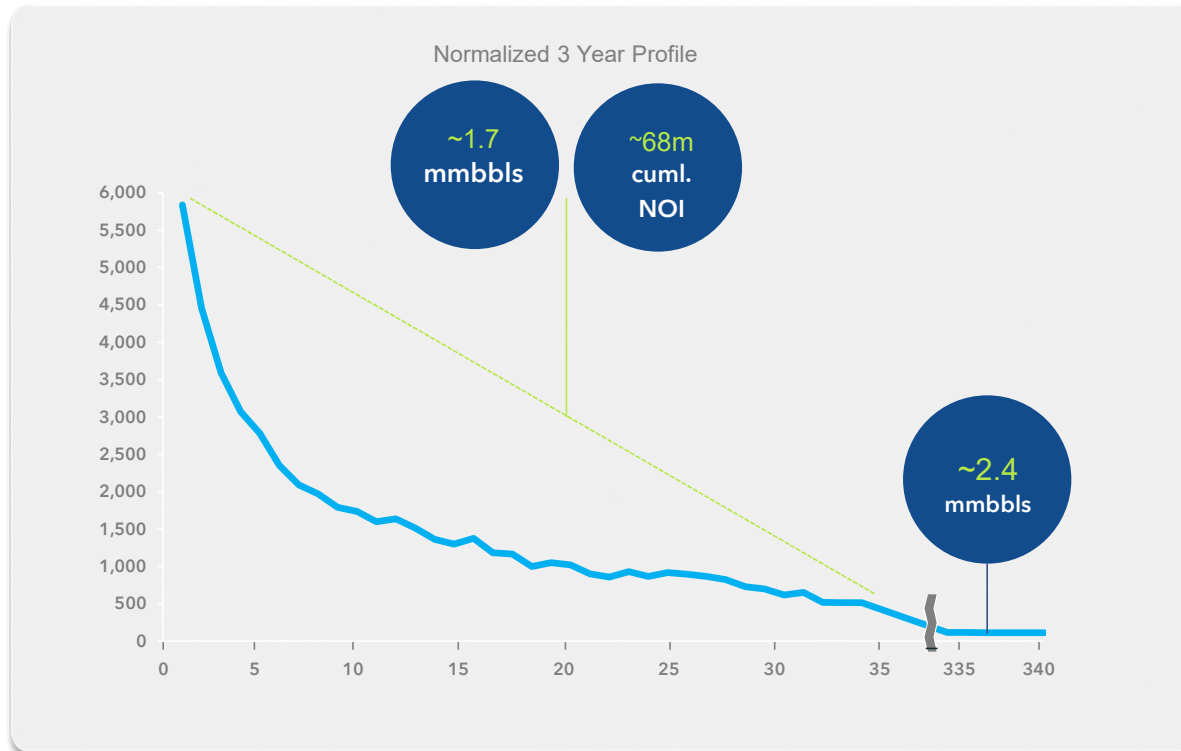




## Performance

# Robust type curve profile

Time Normalized Well Performance (Horizontal Well Portfolio + 7D)



### Notes

Actual portfolio average horizontal data would indicate over performance of NSAI 2P type curve. Horizontal portfolio has recycled back its investment 3.7x in ~12 months of normalized production time

Technical team to forecast production using near 2P performance with additional risks applied

Robust economics and payout ratios at current Brent levels to justify continued development of 2P/3P booked locations



### Horizontal

(based on actual data)

<b>4,900 bopd</b> IP 90	<b>\$4,200</b> Capital intensity (180 days)
<b>3,400 bopd</b> IP 180	<b>60-70 days</b> Payout (\$80 Brent)
<b>2,600 bopd</b> IP 365	<b>N/A</b> Profit to investment ratio
<b>N/A</b> EUR (mmbbl)	<b>N/A</b> Profit to investment ratio
<b>\$11 - \$15M</b> EUR (mmbbl)	

### Estimated 2P Avg

(NSAI)

<b>3,830 bopd</b> IP 90	<b>\$4,667</b> Capital intensity (180 days)
<b>3,000 bopd</b> IP 180	<b>170 days</b> Payout (\$80 Brent)
<b>2,290 bopd</b> IP 365	<b>&gt;5x</b> Profit to investment ratio
<b>4.5 mmbbls</b> EUR	
<b>\$14M</b> Capex	

### Deviated

(based on actual data)

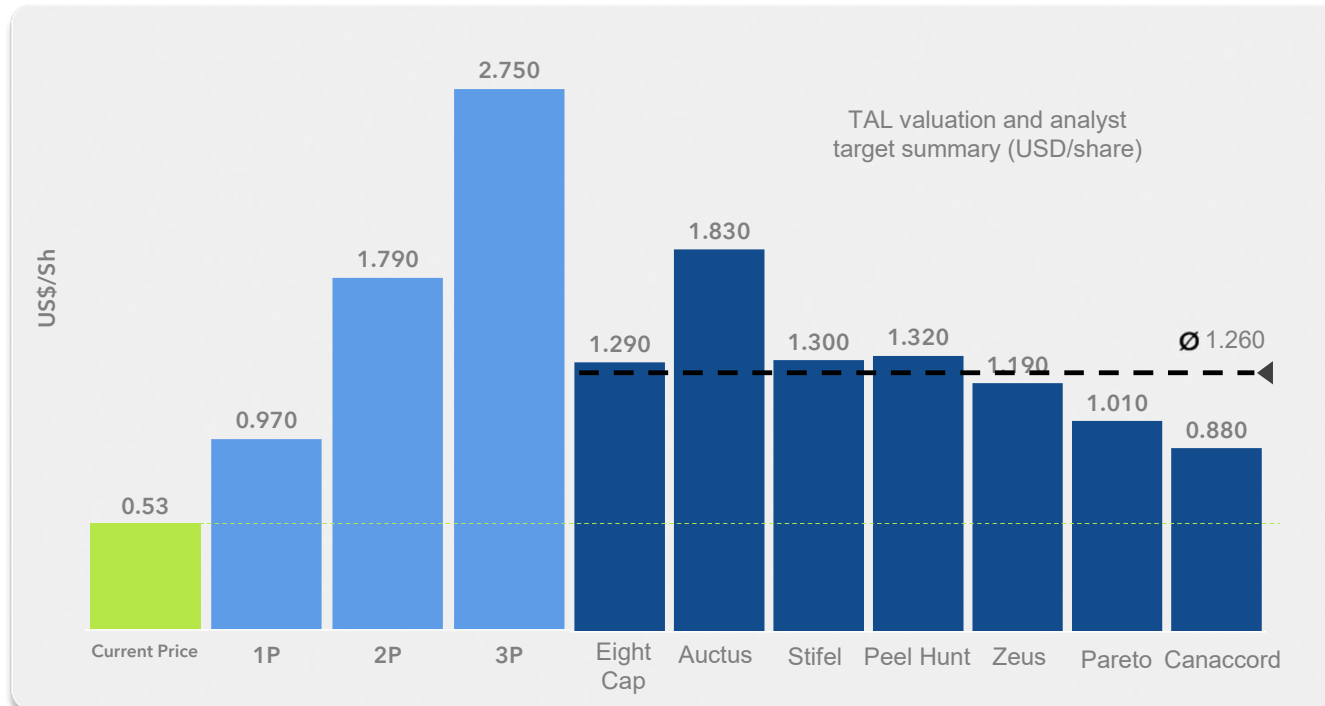
<b>2,019 bopd</b> IP 90	<b>\$5,400</b> Capital intensity (180 days)
<b>1,652 bopd</b> IP 180	<b>60 - 70 days</b> Payout (\$80 Brent)
<b>1,300 bopd</b> IP 365	<b>N/A</b> Profit to investment ratio
<b>N/A</b> EUR (mmbbl)	<b>N/A</b> Profit to investment ratio
<b>\$8 - \$10m</b> Capex	





## Performance

# Analyst coverage and relative target valuation



## Key Highlights

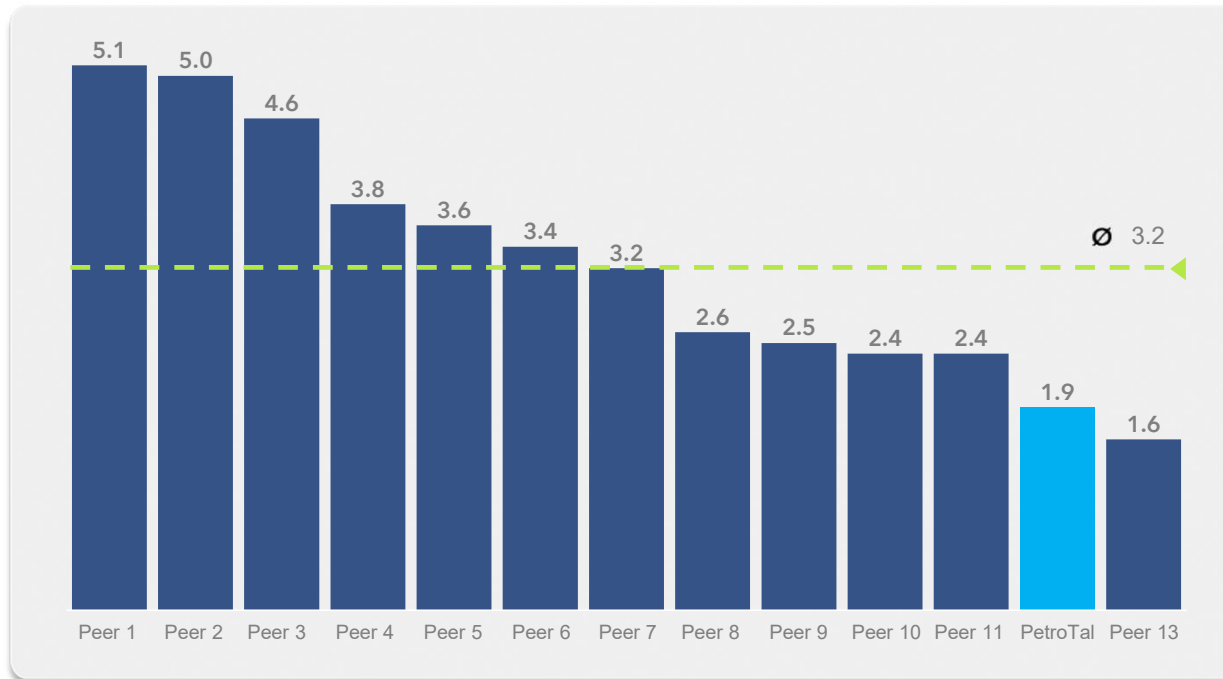
- Trading just over blowdown valuation (PDP valuation NPV10/share) per the Dec 31, 2023 year ended NSAI reserve report
- New investors can acquire shares at a significant discount to 1P reserves per share



## Performance

# Peer trading multipliers

Relative EV/EBITDA multiples below peer average



- Notes
- Peer group includes: Africa Oil, Amplify Energy, Berry Corp, Canacol, Frontera, Gran Tierra, International Petroleum, Riley Exploration, Ring Energy, Silver Bow, Vaalco Energy, Vitesse Energy
  - Factset and Stifel

## Key Highlights

Company will deliver:

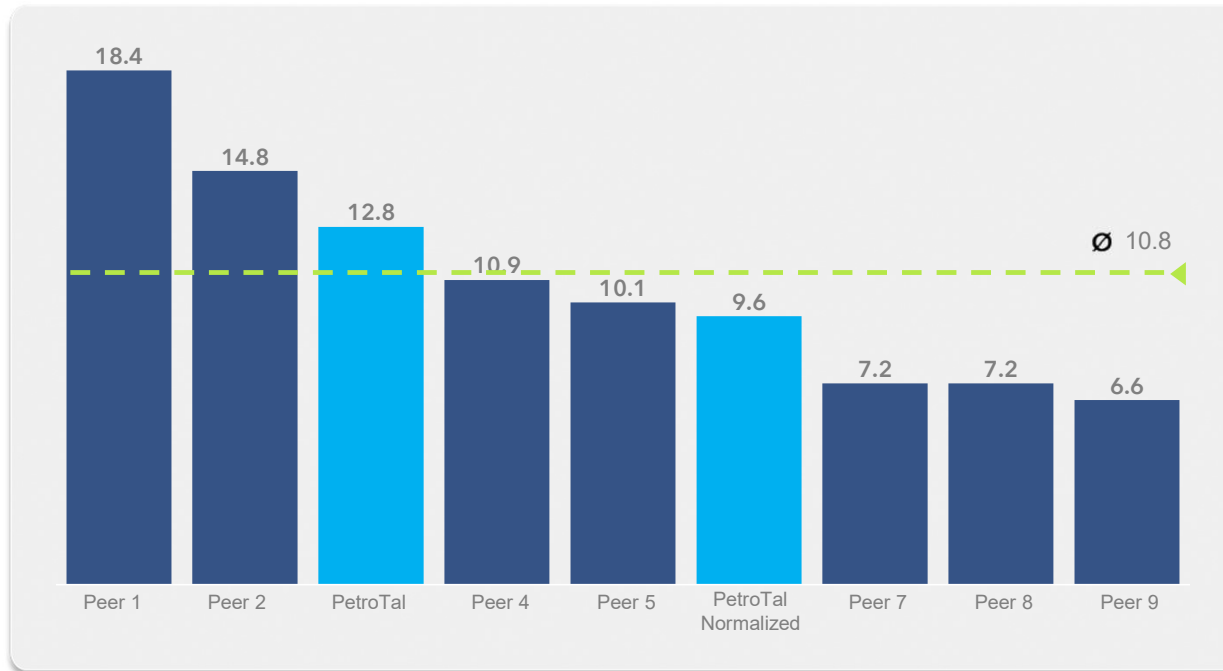
- Industry leading production and cash flow per share growth
- A 10% to 15% dividend yield and complimentary share buyback program
- Exploration and development upside
- Organic and inorganic production and cash flow diversification
- Additional oil evacuation routes to reduce dry season volatility and accommodate expansion



## Performance

# Peer trading multipliers

Relative EV/Free Cash Flow multiples



## Key Highlight

- Trading below peer average from a 2024 normalized free cash flow basis

### Notes

- Peer group includes: Africa Oil, Amplify Energy, Berry Corp, Canacol, Frontera, Gran Tierra, International Petroleum, Riley Exploration, Ring Energy, Silver Bow, Vaalco Energy, Vitesse Energy
- Factset and Stifel
- PetroTal normalized excludes 2024 erosion control capital of ~\$15 million



## Appendix cont.

# Footnotes

### Slide 2

1. Market capitalization as of August 30, 2024 using a 1.34 CAD/USD exchange rate
2. Reflects contracted offtake of 1,300-2,000 bopd
3. PetroTal also holds a 100% WI in the high impact exploration onshore Block 107
4. See disclaimers – Non Gaap financial measures

### Slide 3

1. NSAI Reserves statement effective date December 31, 2023
2. Amount invested refers to Capex

### Slide 7

1. Up to 50,000 bopd of active evacuation capacity includes an assumed 25,000 bopd through the ONP, which is active, but not in use by the Company

### Slide 9

1. Per the NSAI Reserves statement effective date 31 December 2023
2. AICD – Autonomous Inflow Control Devices
3. Analogous fields are other heavy oil fields near Block 95

### Slide 10

1. Historical reserve replacement ratios are not guaranteed to continue in the future
2. The Company has used the Yurimaguas route early in the Company's inception

### Slide 11/12

1. Per the NSAI Reserves statement effective date 31 December 2023
2. Production profile reflects NSAI's rollout. Management may elect to develop and or pace the asset differently. The production profile should not be interpreted to be the Company's yearly budget.

3. Recovery factors of 26% and 34% are calculated as reserves / original oil in place. (2P = 100 mmbbls / 442 mmbbls) (3P = 200 mmbbls / 595 mmbbls)

### Slide 13

1. Based on actual company data
2. Payback on each well uses average netback assumptions

### Slide 15

1. Achieving the total potential sales capacity is estimated and will be dependent on factors that management may not control

### Slide 16

1. Erosion control allocations and estimates are subject to change
2. Water disposal capacities are estimated

### Slide 17

1. Block 131, 95 expansions, and 107 are all subject to approval by the board of directors and subject to changes and or other approvals by Peruperu and Petroperu

### Slides 18-21

1. Locations and costs are estimated based on internal technical assumptions and are subject to changes

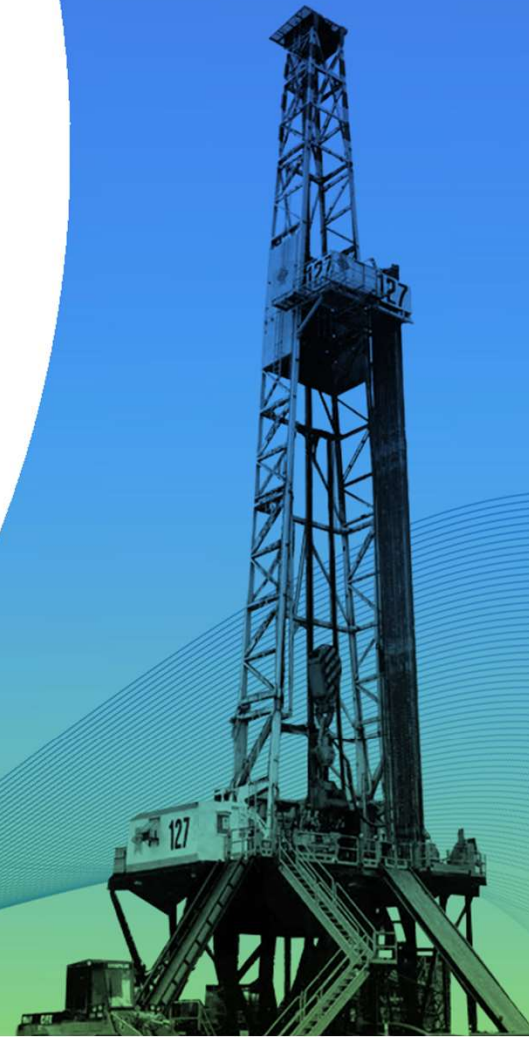
### Slide 30

1. First 30 months of type curve based on Company actual data. Remaining type curve depicts an estimated 2P well with 4.5 mmbbls of recoverable oil





# Disclaimers





# Disclaimer

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**FORWARD-LOOKING STATEMENTS:** This press release contains certain statements that may be deemed to be forward-looking statements. Such statements relate to possible future events. All statements other than statements of historical fact may be forward-looking statements. Forward-looking statements are often, but not always, identified by the use of words such as "anticipate", "believe", "expect", "plan", "estimate", "potential", "will", "should", "continue", "may", "objective" and similar expressions. Without limitation, this presentation contains forward-looking statements pertaining to: PetroTal's intention to continue to develop the Bretana asset; the targeted 20% growth rate from 2023; PetroTal's forecast 2024 funds flow; plans with respect to the Company's seismic program in the southern part of Block 95 including with respect to its intended duration and purposes; closing of the acquisition of Block 131; future tax synergies between the Bretana asset and Block 131; PetroTal's intentions to continue seeking a partner for co-investment for Block 107 and obtain development permits; the positioning of the Company in 2024; PetroTal's intentions with respect to its return of capital program (including that the program will continue to consist of dividends at \$0.015/share and target buybacks up to \$3.0 million/quarter in accordance with the Company's return of capital policy); PetroTal's plans to commercialize new sales routes through the OCP in Ecuador and through Yurimaguas to Bayovar and the anticipated benefits therefrom (including in respect of production estimates) and the timing thereof; PetroTal's expectations with respect to projects and key initiatives to be financed with contributions from the Social Trust Fund; PetroTal's plans to drill a water disposal well in 2024 and expectations regarding capacity within the Company's existing water disposal wells throughout 2024; estimated returns from the Company's 2024 dividend and buyback plan; drilling plans including with respect to the commencement and completion of drilling wells; estimated payback from wells and the timing thereof; PetroTal's plans to continue to allocate capital to its long term preventative erosion control program; PetroTal's 2024 budget for the erosion control project



and plans in respect thereof; the 2024 Capex budget; and PetroTal's expectations regarding 2024 operating costs. In addition, statements relating to expected production, reserves, recovery, replacement, costs and valuation are deemed to be forward-looking statements as they involve the implied assessment, based on certain estimates and assumptions that the reserves described can be profitably produced in the future. The forward-looking statements are based on management's current belief, based on currently available information, as to the outcome and timing of future events. The forward-looking statements are 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, the ability to obtain and maintain necessary permits and licenses, the ability of government groups to effectively achieve objectives in respect of reducing social conflict and collaborating towards continued investment in the energy sector, reservoir characteristics, recovery factor, exploration upside, prevailing commodity prices and the actual prices received for PetroTal's products, including pursuant to hedging arrangements, the availability and performance of drilling rigs, facilities, pipelines, other oilfield services and skilled labour, royalty regimes and exchange rates, the impact of inflation on costs, 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, future river water levels, the Company's growth strategy, general economic conditions and availability of required equipment and services. PetroTal cautions that forward-looking statements relating to PetroTal are subject to all of the risks, uncertainties and other factors, which may cause the actual results, performance, capital expenditures or achievements of the Company to differ materially from anticipated future results, performance, capital expenditures or achievement



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## Reader advisories

expressed or implied by such forward-looking statements. Factors that could cause actual results to differ materially from those set forth in the forward-looking statements include, but are not limited to, risks associated with the oil and gas industry in general (e.g., operational risks in development, exploration and production; delays or changes in plans with respect to exploration or development projects or capital expenditures; the uncertainty of reserve estimates; the uncertainty of estimates and projections relating to production, costs and expenses; and health, safety and environmental risks), business performance, legal and legislative developments including changes in tax laws and 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, credit ratings and risks, fluctuations in interest rates and currency values, changes in the financial landscape both domestically and abroad, including volatility in the stock market and financial system, wars (including Russia's war in Ukraine and the Israeli-Hamas conflict), regulatory developments, commodity price volatility, price differentials and the actual prices received for products, exchange rate fluctuations, 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; changes in the financial landscape both domestically and abroad (including volatility in the stock market and financial system) and the occurrence of weather-related and other natural catastrophes. Readers are cautioned that the foregoing list of factors is not exhaustive. Please refer to the risk factors identified in the Company's most recent annual information form and management's discussion and analysis (the "MD&A") which which can be accessed either on PetroTal's website at [www.petrotal-corp.com](http://www.petrotal-corp.com) or on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca). The forward-looking statements contained in this press release are made as of the date hereof and the Company undertakes no obligation to update publicly or revise any forward-looking statements or information, whether as a result of new



information, future events or otherwise, unless so required by applicable securities laws. Forward looking CAPEX and OPEX assumptions in this presentation are consistent with the NSAI Reserve Report as of Dec 31, 2023 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. Management may create and post alternative development cases at their discretion and label them internal.

**FOFI DISCLOSURE:** This presentation contains future-oriented financial information and financial outlook information (collectively, "FOFI") about PetroTal's prospective results of operations, and production results, 2024 drilling program and budget, well investment payback, cash position, liquidity and components thereof, all of which are subject to the same assumptions, risk factors, limitations and qualifications as set forth in the above paragraphs. FOFI contained in this presentation was approved by management as of the date of this presentation and was included for the purpose of providing further information about PetroTal's anticipated future business operations. PetroTal and its management believe that FOFI has been prepared on a reasonable basis, reflecting management's best estimates and judgments, and represent, to the best of management's knowledge and opinion, the Company's expected course of action. However, because this information is highly subjective, it should not be relied on as necessarily indicative of future results. 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. All FOFI contained in this presentation complies with the requirements of Canadian securities legislation, including NI 51-101.



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Changes in forecast commodity prices, differences in the timing of capital expenditures, and variances in average production estimates can have a significant impact on the key performance measures included in PetroTal's guidance. The Company's actual results may differ materially from these estimates.

**SPECIFIED FINANCIAL MEASURES, OIL AND GAS METRICS AND OTHER KEY PERFORMANCE INDICATORS:** This presentation includes various specified financial measures, including non-GAAP financial measures, non-GAAP financial ratios and capital management measures such as "Netback", "EBITDA", "Adjusted EBITDA", "Net Operating Income" and "free funds flow". These measures do not have a standardized meaning prescribed by generally accepted accounting principles ("GAAP") and, therefore, may not be comparable with the calculation of similar measures. In addition, this presentation contains metrics commonly used in the oil and natural gas industry and other key performance indicators, financial and non-financial, that do not have standardized meanings under the applicable securities legislation. Management uses these non-GAAP measures for its own performance measurement and to provide shareholders and investors with additional measurements of the Company's efficiency and its ability to fund a portion of its future capital expenditures. "Netback" (non-GAAP financial measure) equals total petroleum sales less quality discount, lifting costs, transportation costs and royalty payments calculated on a bbl basis. The Company considers netbacks to be a key measure as they demonstrate Company's profitability relative to current commodity prices. "EBITDA" (non-GAAP financial measure) is calculated as consolidated net income (loss) before interest and financing expenses, income taxes, depletion, depreciation and amortization and adjusted for G&A impacts and certain non-cash, extraordinary and non-recurring items primarily relating to unrealized gains and losses on financial instruments and impairment losses, including derivative true-up settlements.



PetroTal utilizes EBITDA as a measure of operational performance and cash flow generating capability. EBITDA impacts the level and extent of funding for capital projects investments. "Adjusted EBITDA" (non-GAAP financial measure) is calculated as consolidated net income (loss) before interest and financing expenses, income taxes, depletion, depreciation and amortization and adjusted for G&A impacts and certain non-cash, extraordinary and non-recurring items primarily relating to unrealized gains and losses on financial instruments and impairment losses, including derivative true-up settlements. PetroTal utilizes adjusted EBITDA as a measure of operational performance and cash flow generating capability. Adjusted EBITDA impacts the level and extent of funding for capital projects investments. Reference to EBITDA is calculated as net operating income less G&A. "Net Operating Income" (non-GAAP financial measure) is calculated as revenues less royalties, operating expenses, and direct transportation. The Company considers Net Operating Income measure as they demonstrate Company's profitability relative to current commodity prices. "Free funds flow" (non-GAAP financial measure) is calculated as net operating income less G&A less exploration and development capital expenditures less realized derivative gains/losses and is calculated prior to all debt service, taxes, lease payments, hedge costs, factoring, and lease payments. Management uses free funds flow to determine the amount of funds available to the Company for future capital allocation decisions. "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. "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. "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.





# Disclaimer

## Reader advisories

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. "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. "Free cash" or "free funds flow" defined as Adjusted EBITDA before minus CAPEX. "Yield" means free funds flow per year as a percentage of market capitalization. Please refer to the MD&A for additional information relating to specified financial measures.

## Oil and Gas Advisories

**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, 2023 (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, 2020 (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



# Disclaimer

## Oil and Gas Advisories

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. **MEAN ESTIMATE.** Represents the arithmetic average of the expected recoverable volume. It is the most accurate single point representation of the volume distribution.

**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.

**OIL REFERENCES:** All references to "oil" or "crude oil" production, revenue or sales in this press release mean "heavy crude oil" as defined in National Instrument 51-101 Standards of Disclosure for Oil and Gas Activities ("NI 51-101"). All references to "light oil" production, revenue or sales mean "light crude oil" as defined in NI 51-101. Brent refers to Intercontinental Exchange "ICE" Brent.

**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.



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## Oil and Gas Advisories

However, 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.

**SHORT TERM RESULTS:** References in this presentation to peak rates, initial production rates, current production rates, initial 14-day production rates, IP 90, IP 180, IP 365, test rates, flow rates, initial and/or final raw test or production rates, early production, test volumes and/or "flush" production rates and other short-term production rates are useful in confirming the presence of hydrocarbons, however such rates are not determinative of the rates at which such wells will commence production and decline thereafter and are not indicative of long-term performance or of ultimate recovery. Such rates may also include recovered "load" fluids used in well completion stimulation. While encouraging, readers are cautioned not to place reliance on such rates in calculating the aggregate production of PetroTal. The Company cautions that such results should be considered to be preliminary.

**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.

All figures in US dollars unless otherwise denoted.



# Disclaimer

## Abbreviations

### Bbl

Barrel

### Bopd

Barrel of oil per day

### k bopd / Thousand barrel of oil per day

### F&D

Finding and development cost

### NIBD

Net interest-bearing debt

### Mmbbl

Million barrels of oil

### NGL

Natural gas liquids

### Bbo

Billion barrels of oil

### 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

### Free Funds/ Cash Flow

Adjusted EBITDA less CAPEX or as defined in footnotes

### FFO

Funds flow from operations

### Adj. EBITDA

Earnings before interest, taxes, depreciation, amortization, and after realized derivative adjustments; EBITDA is Adj. EBITDA prior to derivative impacts

### 3P

Proved + Probable + Possible Reserves

### Adjusted free funds flow

Free funds flow adjusted by changes in non cash working capital

### Normalized EBITDA

EBITDA excluding material one time non-recurring expenses

### Ha

Hectares

### PDP

Proved Developed Producing Reserves

### 1P

Proved Reserves

### 2P

Proved + Probable Reserves

### 3P

Proved + Probable + Possible Reserves

### Net surplus

Net Surplus (Debt) = Total cash + all trade and net VAT receivables + short and long term net derivative balances – total current liabilities – long term debt – non current lease liabilities – net deferred tax – other long term obligations.



