



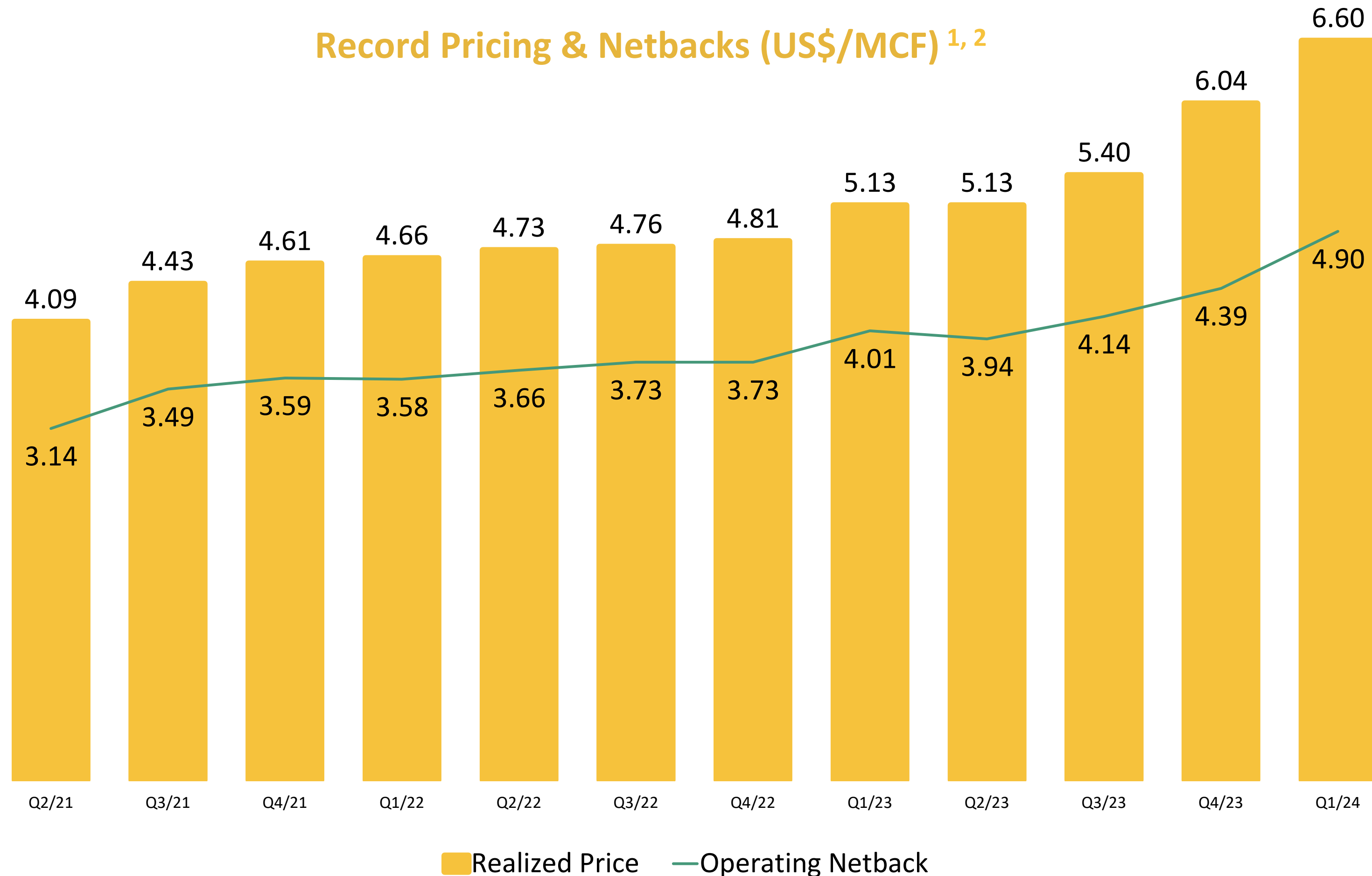
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## 1Q 2024 Results Conference Call Presentation

May 2024

# 1Q 2024 Highlights

## Record Pricing & Netbacks (US\$/MCF) <sup>1, 2</sup>



1Q 2024 natural gas prices were **29%** higher than the same period in 2023, and **9%** higher than the previous quarter



1) Realized Price shown is net of transportation costs.  
 2) Netbacks are non-IFRS measures, calculated as follows for gas operations only for the purposes of this slide. Operating Netback is calculated as revenue, net of transportation expense, less royalties, less operating expenses, calculated on a per unit basis of sales volumes.

# 1Q 2024 Highlights

## Realized Natural Gas Sales (MMcf/d):

Growing production capacity with successful drilling results

2024 Sales Guidance:	<b>160 - 177 mmscfd</b>
• 1Q Realized Sales:	150 mmscfd
• April exit rate	169 mmscfd
• Current production potential:	~177 mmscfd

## Drilling Activities 100% success rate

### 1Q 2024:

- Clarinete 10 (VIM-5)  
Successful development well
- Pomelo 1 (VIM-21)  
Successful exploration well

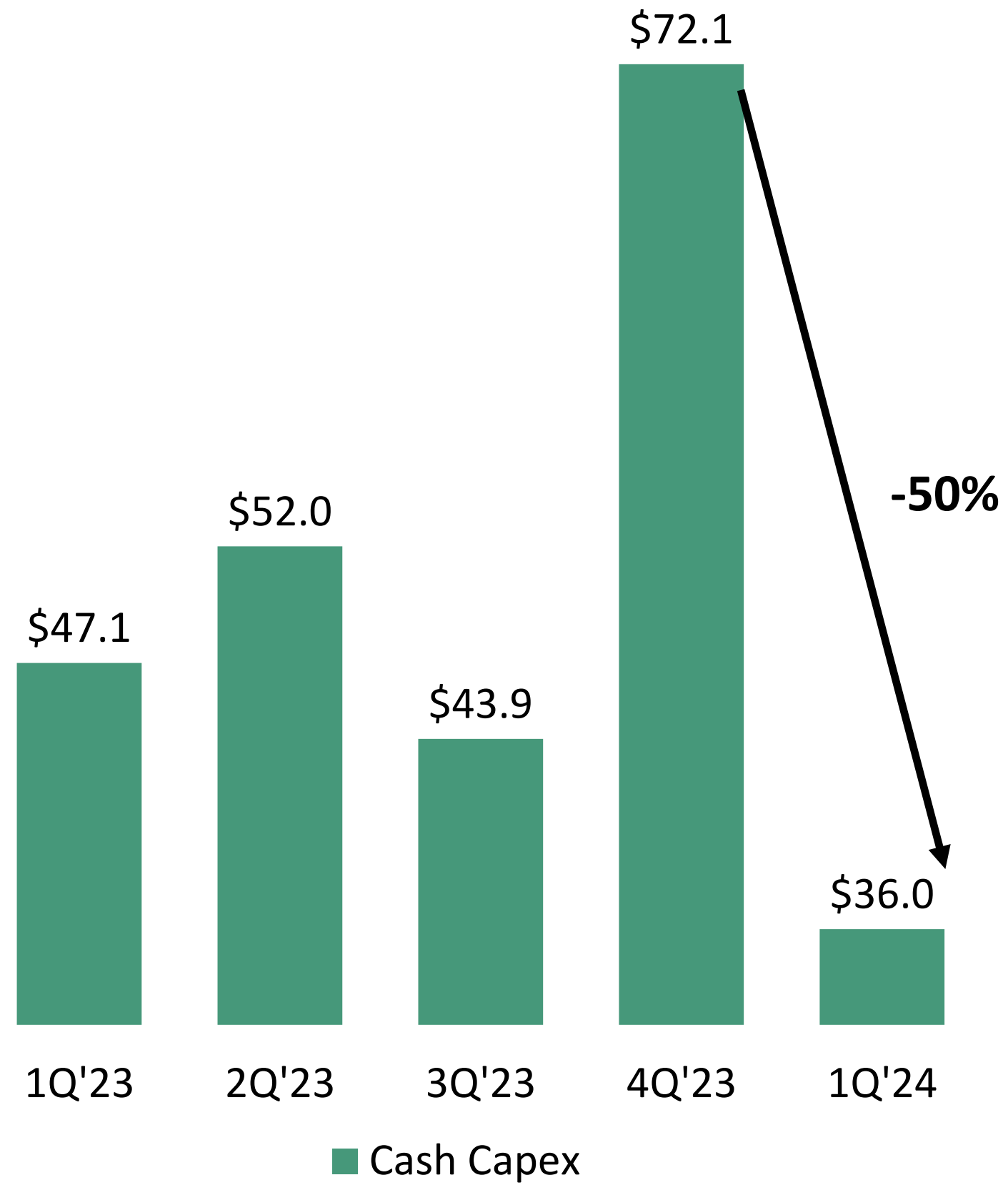
### Since March 31<sup>st</sup>:

- Chontaduro 1 (VIM-21)  
Successful exploration well
- Chontaduro 2 (VIM-21)  
Successful appraisal well



# 1Q 2024 Highlights

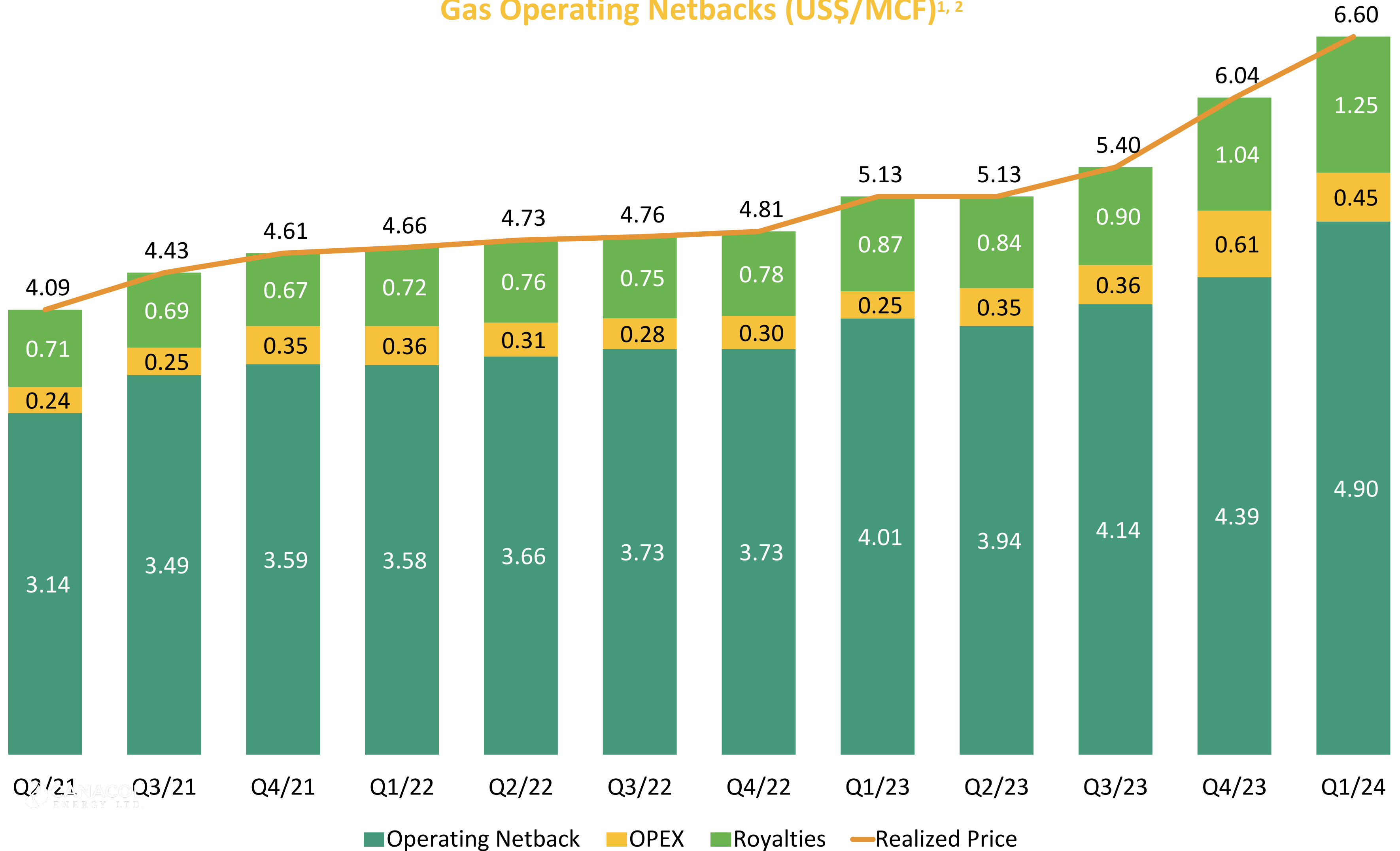
## Capex Efficiency



Enhancing efficiencies to reduce capital expenditures

# High Prices = High Netbacks<sup>2</sup>

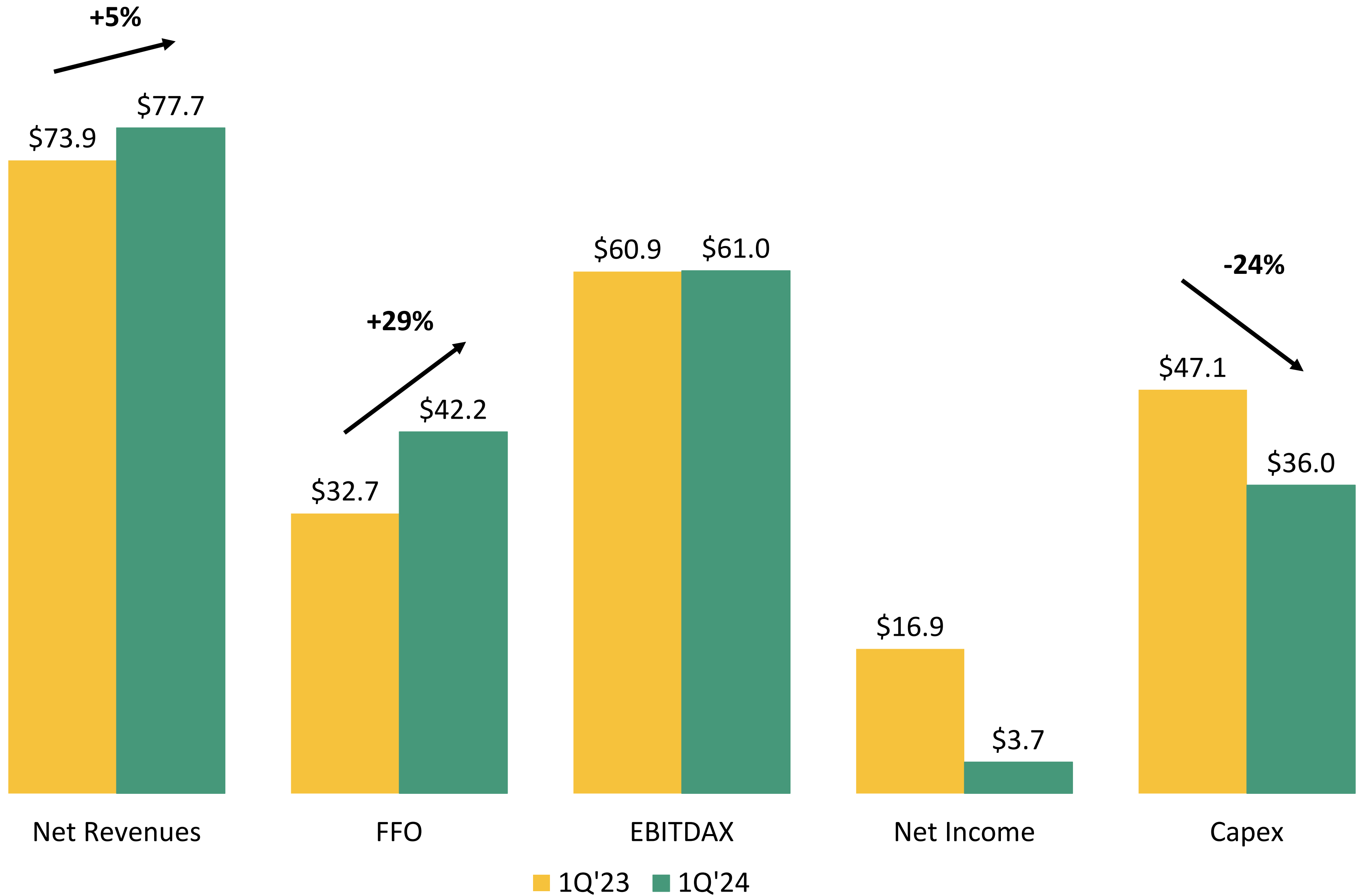
## Gas Operating Netbacks (US\$/MCF)<sup>1, 2</sup>



1) Realized Price shown is net of transportation costs.

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# Growing Revenues and EBITDAX



(1) Net revenues are defined as Natural gas, LNG and Crude Oil Revenues, Net of Royalties and Transportation Expenses, plus Take-or-Pay Income, including standby revenue.

(2) See non-IFRS Advisories

# Ample liquidity to meet future obligations

Cash as of March 31<sup>st</sup> \$25 million

Cash as of April 30<sup>th</sup> \$30 million (NOT including Arrow share sale proceeds)

\$43 million including Arrow share sale proceeds

## Arrow Exploration Corp. Share Sales:

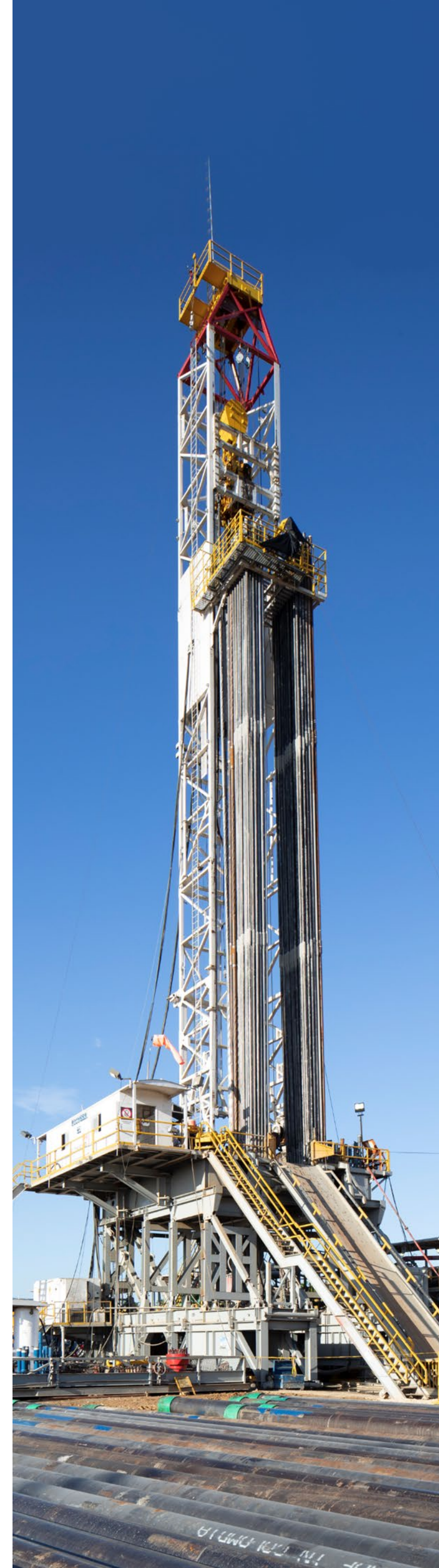
Date of sale: April 26, 2024

No. Shares: 60 million

Price: £0.185 / share

Total proceeds: \$13.3 million (net of fees)

Settlement date: May 3, 2024

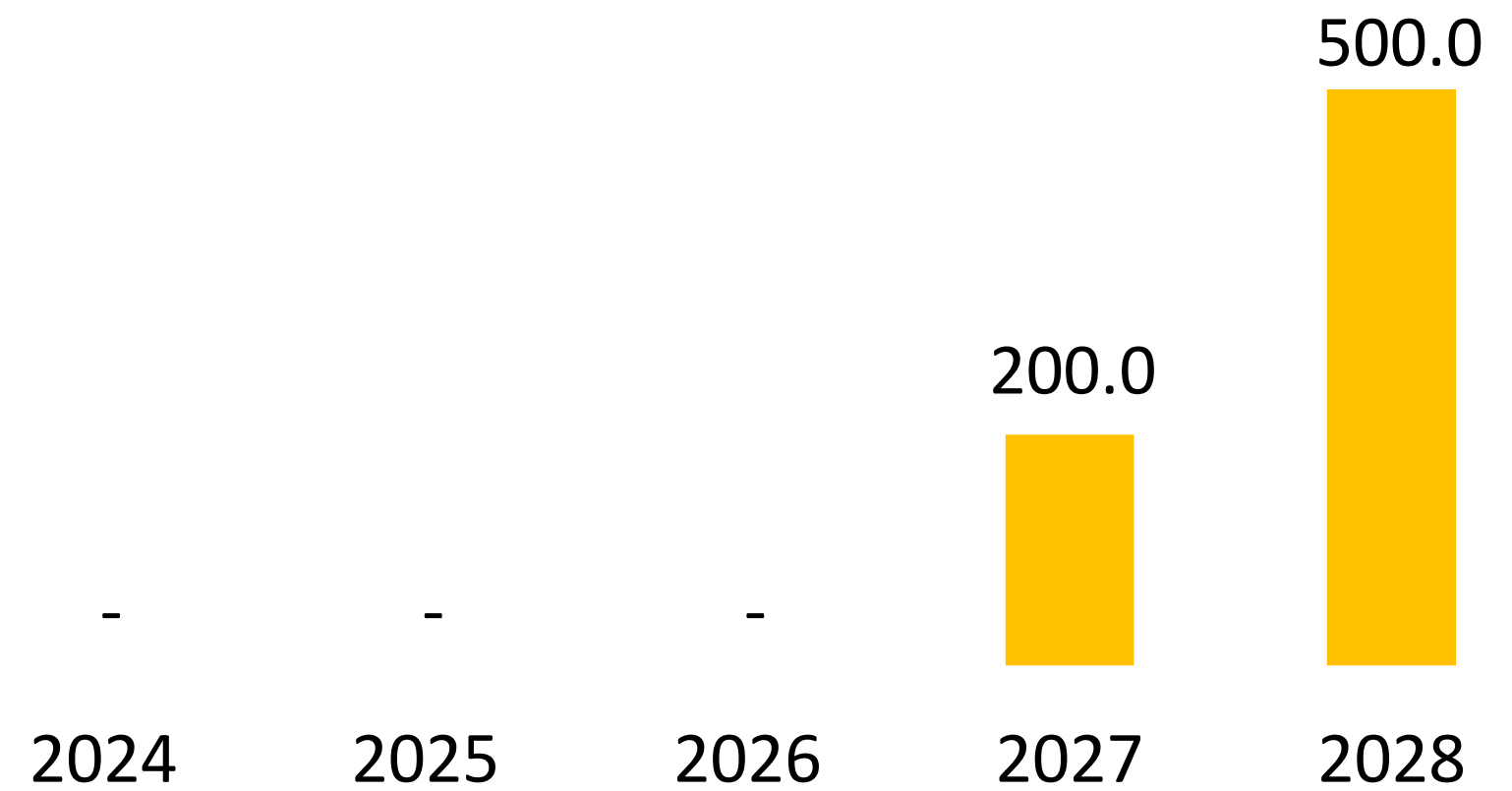


# Debt Profile

## Debt Profile<sup>1</sup>:

- Senior Notes: \$500 million  
Maturity: Nov 2028,  
Interest Rate: 5.75%
- Revolving Credit Facility: \$200 million  
\$200 million drawn  
Maturity: Feb 2027  
Interest Rate: SOFR + 4.5% on drawn amounts
- Lease Obligations: \$13.4 million  
Multiple Interest Rates, Maturities, and  
Currency Denominations

## Principal Maturities (US\$mm)



Cash as of April 30, 2024: \$30 mm  
+  
Arrow Proceeds: \$13.3 mm

## Consolidated Leverage Ratio<sup>1</sup>

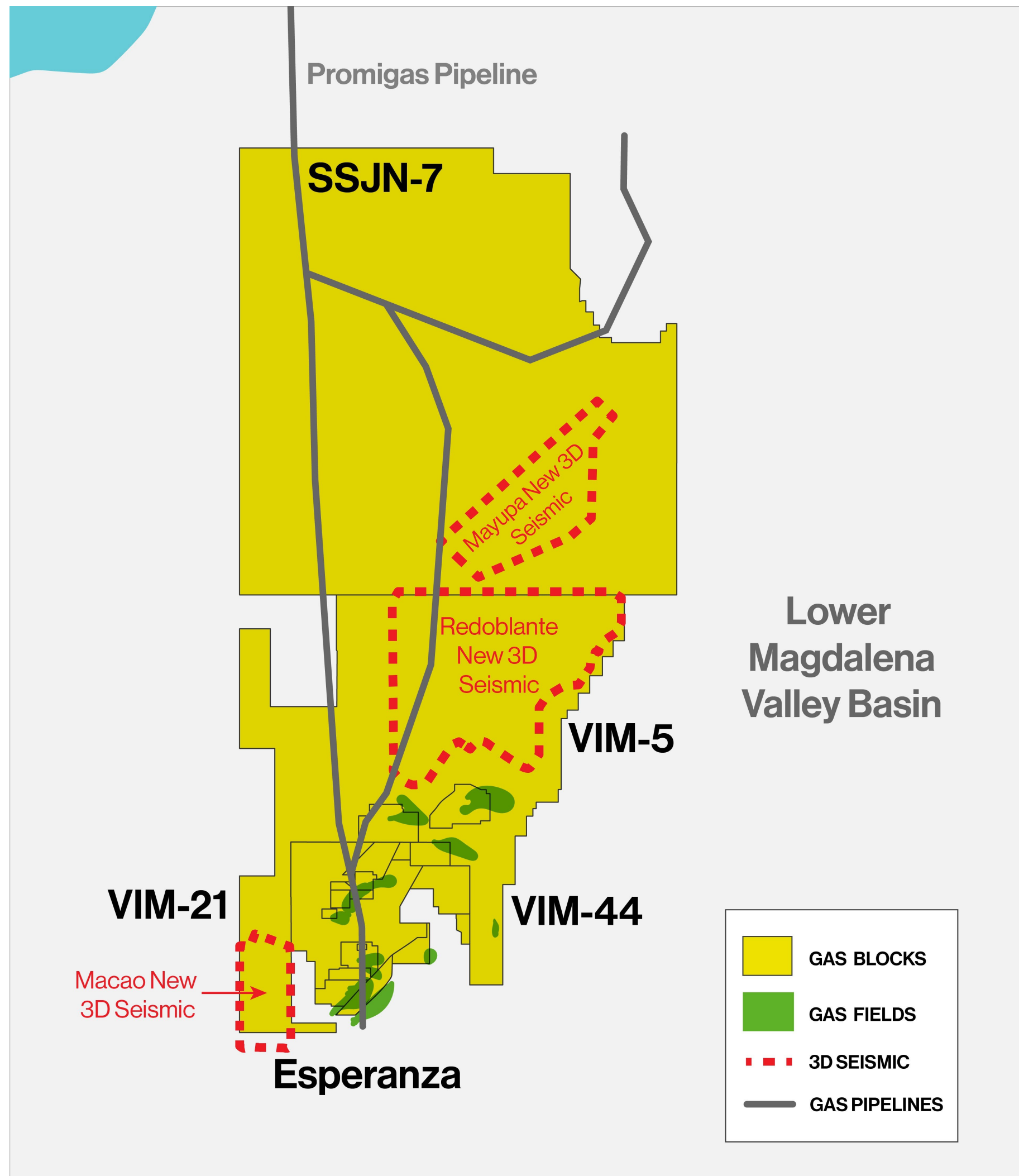
2.9x

## Interest Coverage Ratio<sup>1</sup>

4.65x



# Drilling new exploration areas in the Lower Magdalena



## Exploration Activity in 2024

- Successful low-risk exploration in 1Q 2024: 2 discoveries Pomelo & Chontaduro. Increased production potential to ~177mmscfd.
- New portfolio of exploration prospects identified in three new 3D seismic programs.
- Plan to drill the first exploration well off the newly acquired Redoblante 3D seismic:

Cardamomo-1 high impact exploration well.  
Mid-summer 2024.

## In Summary 2024 objectives:

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### 1. Maintain & Grow Reserves and Production in our Lower Magdalena Assets

- Drill up to 5 development wells & 4 exploration wells
- Install new compression & processing facilities
- Workover operations

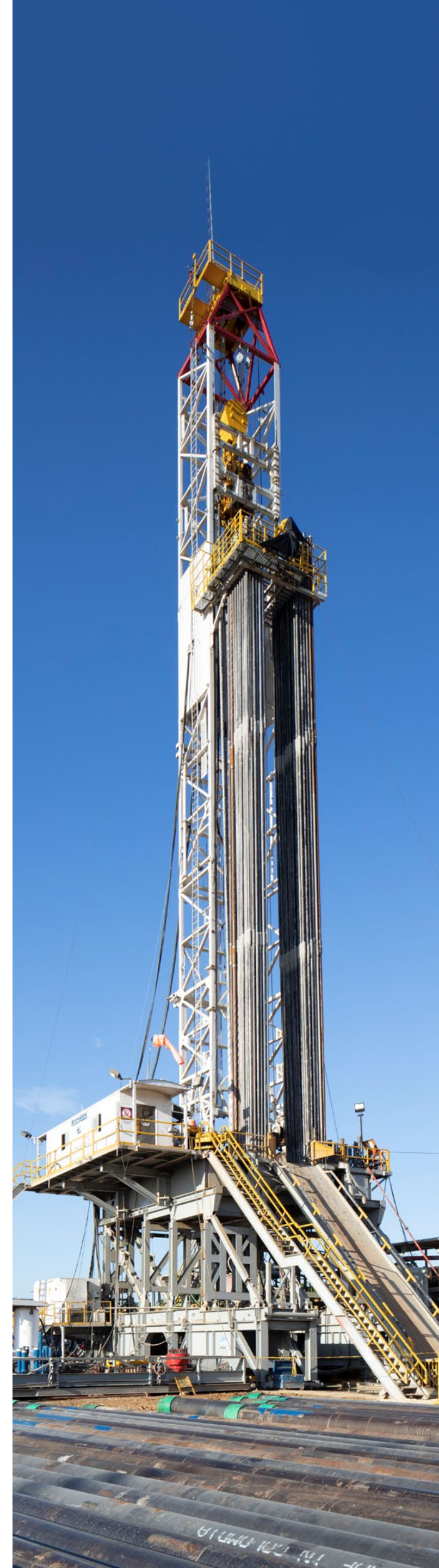
To date: 2 successful development wells & 2 successful exploration wells  
Current gas production potential ~177 mmscfd

Coming: High impact exploration well Cardamomo-1

### 2. Maintain low cost of capital, cash liquidity & balance sheet flexibility to invest for the long term

### 3. Bolivia: approval of the fourth E&P Contract

### 4. Continue with the Corporation's commitment to its environmental, social and governance strategy



# Committed with our ESG Strategy

We are proud to be part of the S&P Global  
**Sustainability Yearbook 2024**

*Orgullosos de ser miembros del Anuario de  
Sostenibilidad de S&P Global 2024*

Canacol Energy Ltd  
Oil & Gas Upstream & Integrated Industry

**Sustainability  
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S&P Global Corporate Sustainability  
Assessment (CSA) Score 2023

S&P Global CSA Score 2023: 69/100  
Score date: February 7, 2024  
The S&P Global Corporate Sustainability Assessment (CSA) Score is the S&P  
Global ESG Score without the inclusion of any modelling approaches.  
Position and scores are industry specific and reflect exclusion screening criteria.  
Learn more at <https://www.spglobal.com/esg/csa/yearbook/methodology/>

**S&P Global** 

Canacol Energy Ltd  
Oil & Gas Upstream & Integrated Industry

**Top 10%**

S&P Global Corporate Sustainability  
Assessment (CSA) Score 2023

S&P Global CSA Score 2023: 69/100  
Score date: February 7, 2024  
The S&P Global Corporate Sustainability Assessment (CSA) Score is the S&P  
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Learn more at <https://www.spglobal.com/esg/csa/yearbook/methodology/>

**S&P Global** 

**2023 Sustainability Report to be released in May 2024**



Q&A

# Advisories

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## Financial Information

### Non-IFRS measures

Canacol uses various measures to evaluate its performance that do not have a standardized meaning prescribed under International Financial Reporting Standards ("IFRS").

- Adjusted Funds from operations represents cash flow (used) provided by operating activities before the settlement of decommissioning obligations, payment of a litigation settlement liability and changes in non-cash working capital.
- EBITDAX is calculated on a rolling 12-month basis and is defined as net income (loss) and comprehensive income (loss) adjusted for interest, income taxes, depreciation, depletion, amortization, exploration expenses and other similar non-recurring or non-cash charges.

Canacol considers these measures as key measures to demonstrate its ability to generate the cash flow necessary to fund future growth through capital investment, pay dividend and to repay its debt. These measures should not be considered as an alternative to, or more meaningful than, cash provided by operating activities or net income (loss) and comprehensive income (loss) as determined in accordance with IFRS as an indicator of the Corporation's performance. The Corporation's determination of these measures may not be comparable to that reported by other companies. The Corporation also presents funds from operations per share, whereby per share amounts are calculated using weighted average shares outstanding consistent with the calculation of net income (loss) and comprehensive income (loss) per share.

In addition to the above, management uses working capital and operating netback measures.

- Working capital is calculated as current assets less current liabilities, excluding current portion of long-term obligations, and is used to evaluate the Corporation's financial leverage.
- Net debt is defined as the principal amount of its outstanding long-term obligations less working capital, as defined above.
- Operating netback is a benchmark common in the oil and gas industry and is calculated as revenue, net of transportation expense, less royalties, less operating expenses, calculated on a per unit basis of sales volumes. Operating netback is an important measure in evaluating operational performance as it demonstrates profitability relative to current commodity prices.

Working capital and operating netback as presented do not have any standardized meaning prescribed by IFRS and therefore may not be comparable with the calculation of similar measures for other entities.