

SierraCol Energy

Corporate presentation

September 2024



SierraCol – key value drivers

6M24 metrics



Largest independent oil producer in Colombia with high-quality assets and stable operations

10% of Colombia's production^{1,2}

• **44.7 kboed**

SBR production

2P: ~10 years; 1P: ~7 years

Reserves life²

>100% RRR for the last 7 years³



Structurally advantaged assets yielding industry-leading profitability: scale, high-quality oil, low costs

Two of Colombia's **giant fields** Caño Limón area & La Cira Infantas

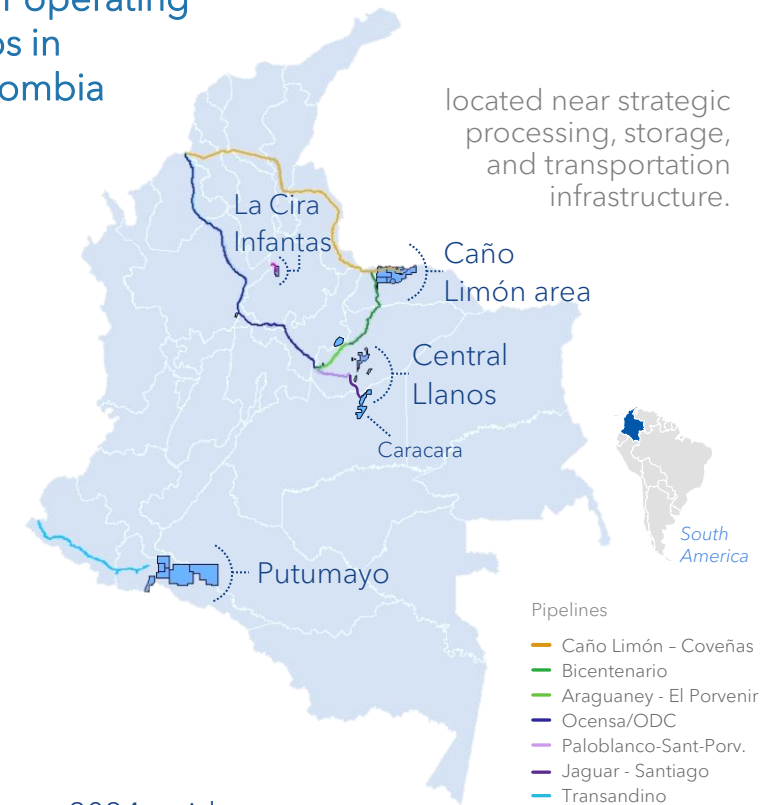
High-quality oil

driving a premium to Vasconia

Low transport cost

\$1/bbl for Caño Limón area and \$0.1/bbl for La Cira Infantas

Four operating hubs in Colombia



Strong cash flow generation from stable production and flexible capital

• **\$723m / 74%**

LTM Adj. EBITDAX / margin

• **\$172m**

LTM FCF

• **\$60.6/boe**

Adj. operating netback in 6M24 over a \$83/bbl Brent



Robust capital structure with active risk management

• **\$631m**

gross debt

• **0.8x**

net leverage

• **16x**

interest coverage

Hedged **51%** of production and **50%** of cash needs in COP

MOODY'S B1
Fitch B+
Stable outlook



Commitment to ESG excellence

47% net emissions reduction² vs 2020 baseline

Top-tier ESG rating

5th/ 320 in O&G companies by Sustainalytics

TRIR of **0.55**²

best performance in 5 years, in a downward trend

2024 guidance



44-46 kboed in SBR production
\$170-200m in capital & exploration expenses

Business acquisition



Central Llanos: Caracara and Llanos 22 acquisition, strengthening this operating hub

Largest independent oil producer in Colombia

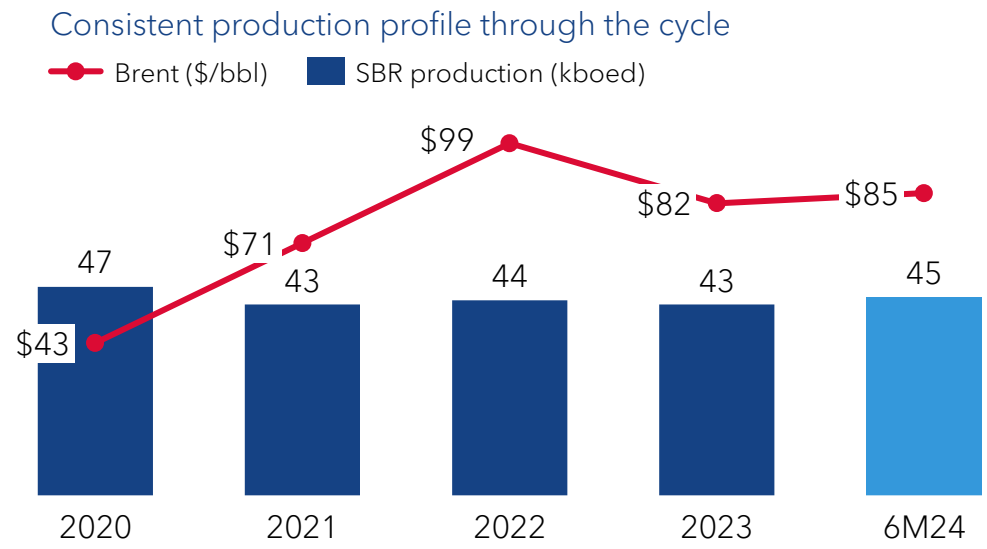
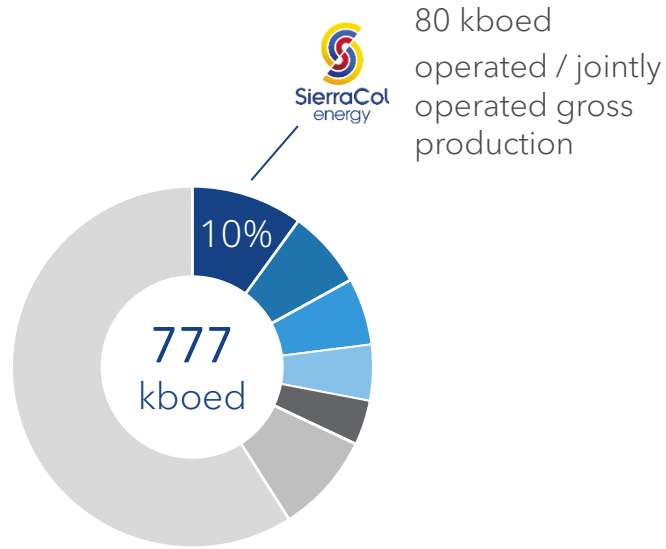


Largest independent oil producer in Colombia

With high-quality portfolio of well understood assets, low subsurface risk and successful track record of stable operation



Production share in Colombia¹



2024 Guidance



44-46 kboed SBR production



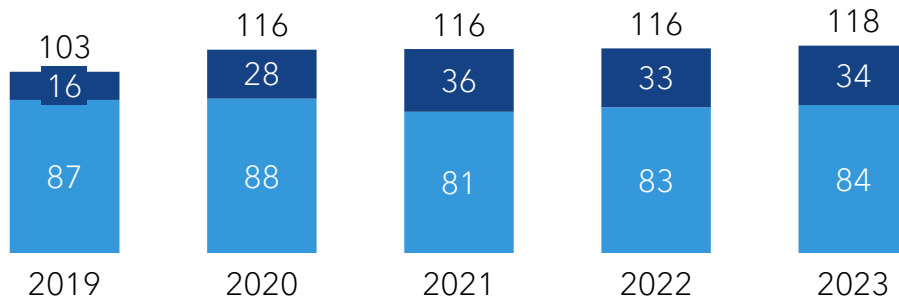
170-200 \$ million Capital and exploration expenditures

Robust reserve base with a healthy R/P ratio

Which enables a sustained production profile

2P reserves (million boe)

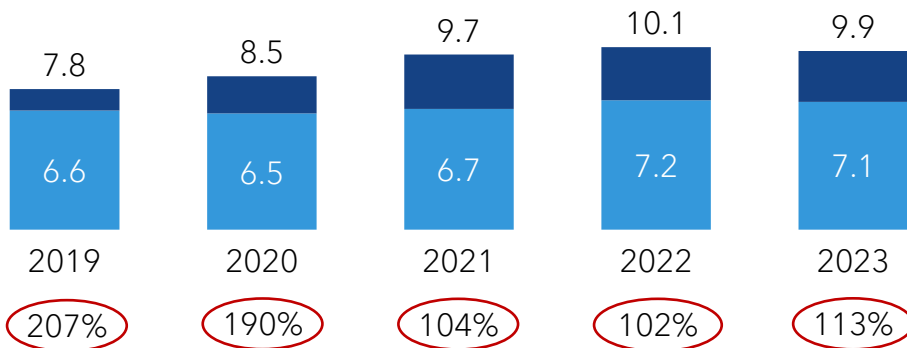
■ Proved (1P) ■ Probable (P2)



- Stable reserves base.
- Track record of over 100% 2P RRR.
- Extended 2P R/P ratio from 7.8 to 9.9 years in the last 5 years.

Rising R/P ratio & 2P RRR over 100%

■ 1P R/P ■ P2 R/P ○ 2P RRR



2023 reserves audit results

- 113% 2P RRR, achieving a replacement above 100% since 2017.
- Delivered a solid 110% 1P RRR.
- Maintaining essentially flat our R/P ratio of 9.9 years for 2P and 7.1 years for 1P.
- Net Present Value discounted by 10% after tax of 2P reserves of \$1.7 billion.



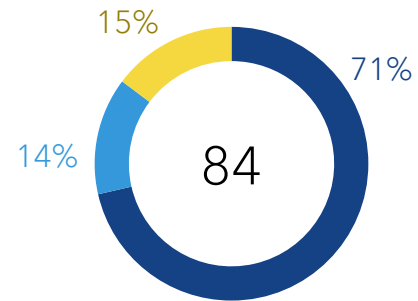
Low capital required to progress 1P reserves to production

With a high-quality crude oil reserve base



1P reserves 2023 (million boe)

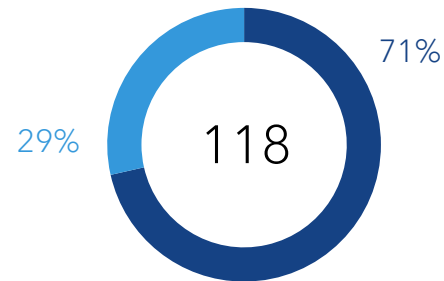
● PDP ● PDNP ● PUD



85% of SCE 1P reserves are Proved Developed (PD) reserves.

2P reserves 2023 (million boe)

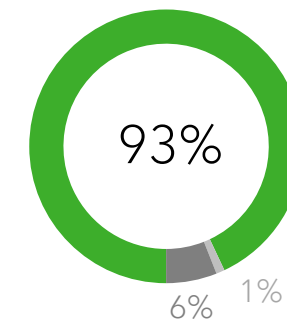
● 1P ● P2



71% of SCE 2P reserves are proved reserves.

2P reserves 2023 by type

● Light & M % L&M ● Heavy ● Gas



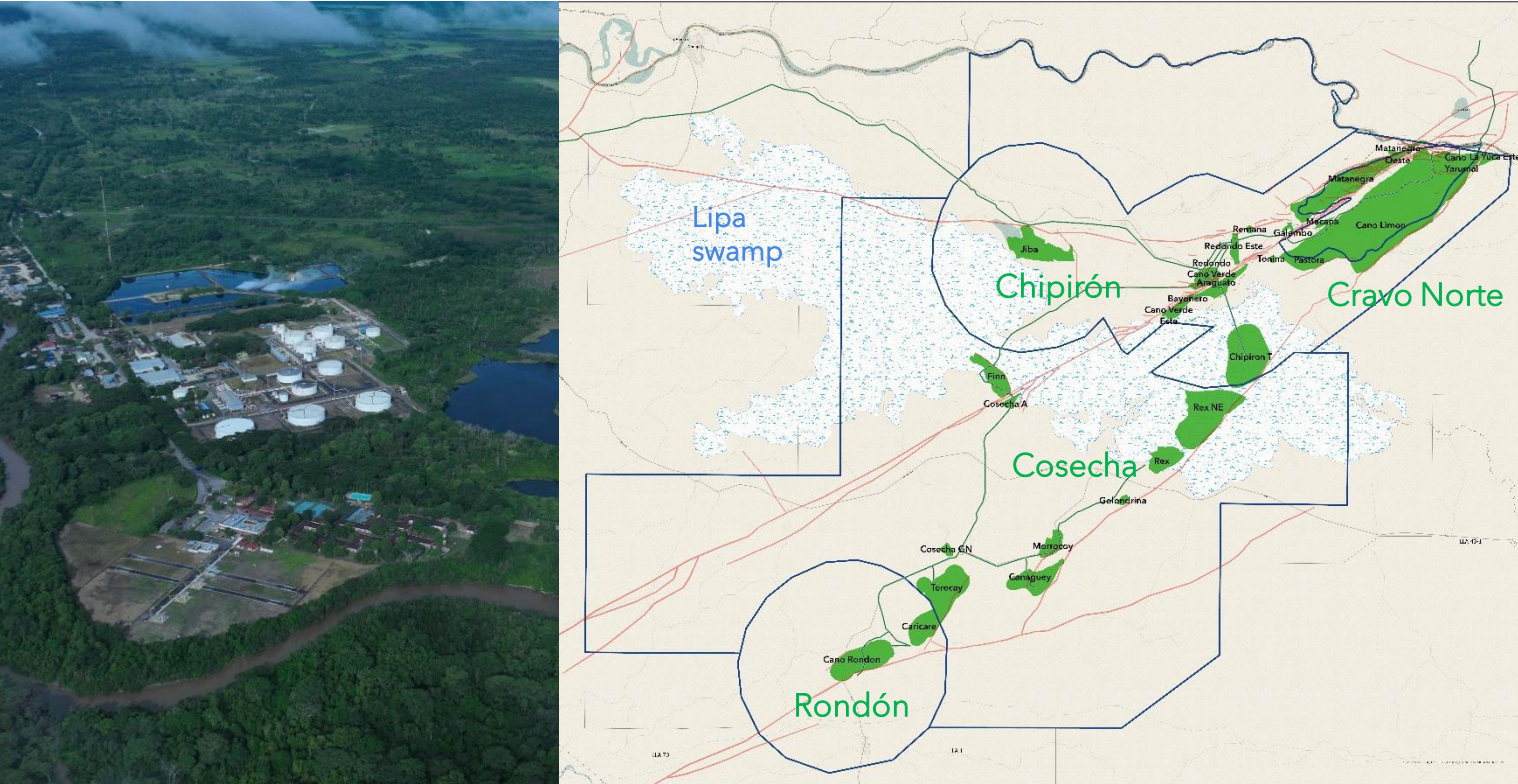
93% of SCE 2P reserves are light & medium crude oil.

Structurally advantaged assets



Caño Limón area

World-class reservoir with light and sweet oil and over 1.5 billion barrels produced



Key metrics of Caño Limón area



>2.3 billion barrels
Original Oil in Place (OOIP)



~50 kbod
Gross production flat over the last four years



~1 \$/bbl
Transport cost



Association contracts with Ecopetrol in the Llanos basin

SCE is the operator

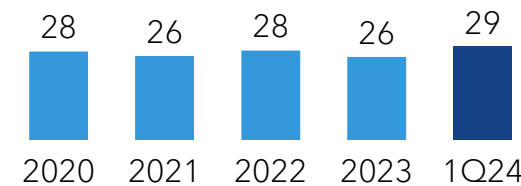
WI¹ | contractual limit

Chipirón, Cosecha - 70% | 2028/2030

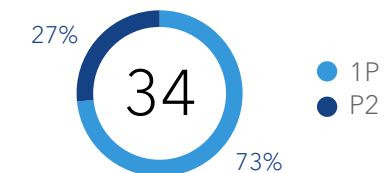
Cravo Norte - 45% | economic limit

Rondón - 35% | 2038

SBR production (kbod)



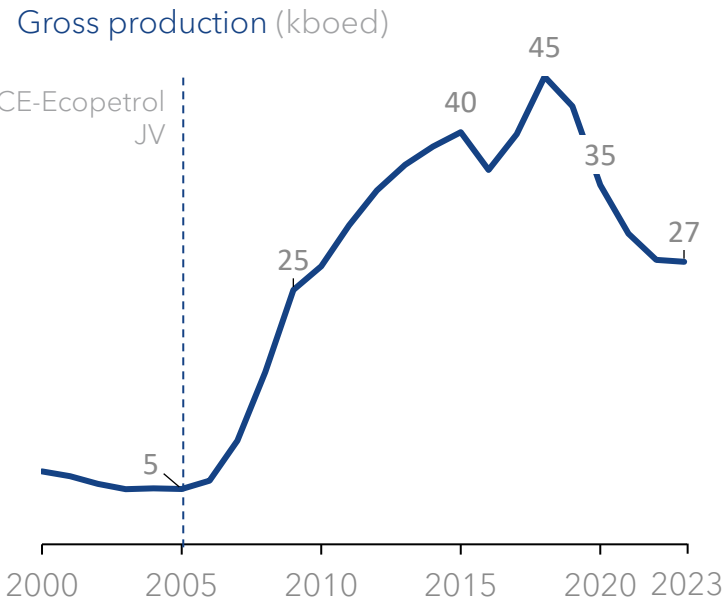
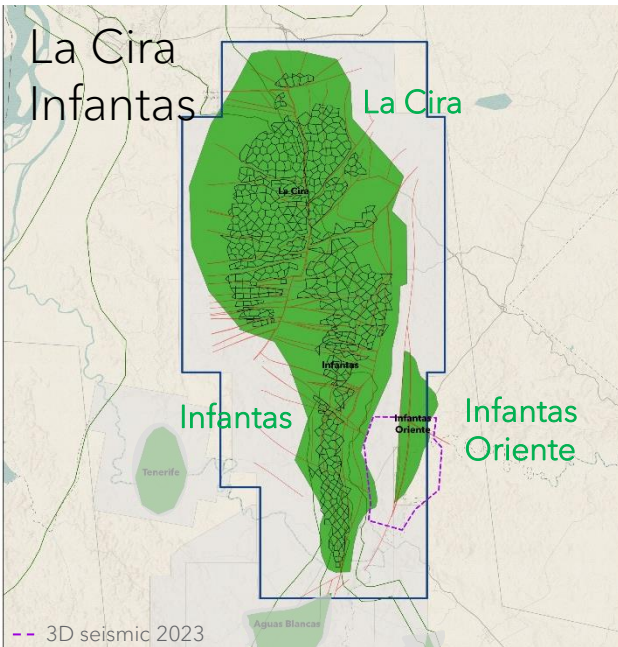
2P reserves 2023 (million bbl)



¹ Contractual working interest before price-related clauses impacting some fields

La Cira Infantas

Giant field in production since 1918 with over 900 million barrels produced. Waterflood development



Key metrics of La Cira Infantas



>6.0 billion barrels
Original Oil in Place (OOIP)



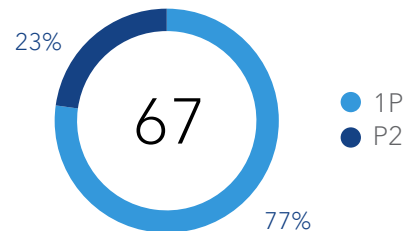
~27 kboed
Gross production currently



~0.1 \$/bbl
Transport cost



2P reserves 2023 (million boe)



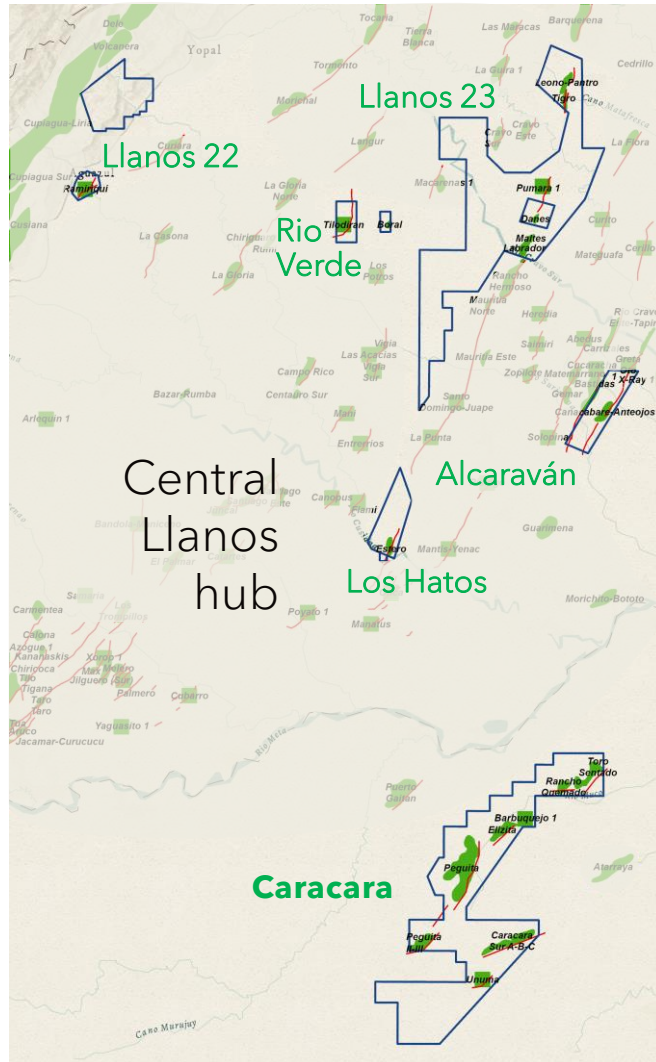
Joint venture contract with Ecopetrol in the Middle Magdalena basin

WI¹ | contractual limit
La Cira Infantas - 48% | economic limit
Teca - 40% | 2040
Bolívar - 100% | 2035



Central Llanos

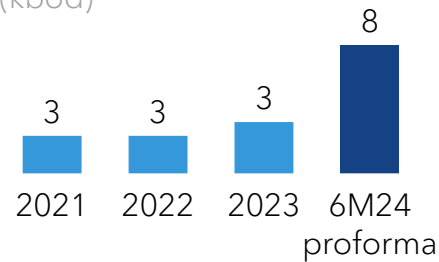
Caracara: main asset of the recent acquisition is a strategic fit for this operating hub



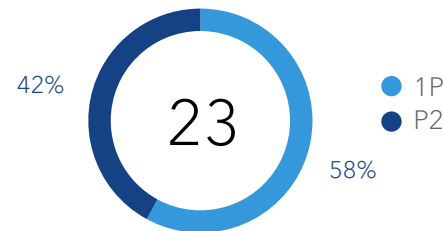
Association and E&P contracts with Ecopetrol and the ANH in the Llanos basin
SCE is the operator

WI¹ | contractual limit
Legacy assets - 100% | 2031-2044
Llanos 22 - 55% | 2039
Caracara - 70% | 2029

SBR production² (kboed)



2P reserves 2023 - proforma³ (million boe)



Business acquisition

- Working interest in the Caracara and Llanos 22 assets acquired in August 2024.
- Current offtake contract with Ecopetrol.
- Opportunity for synergies and efficiencies.
- High-quality oil of ~ 20 - 32° API.
- Limited near-term capex.

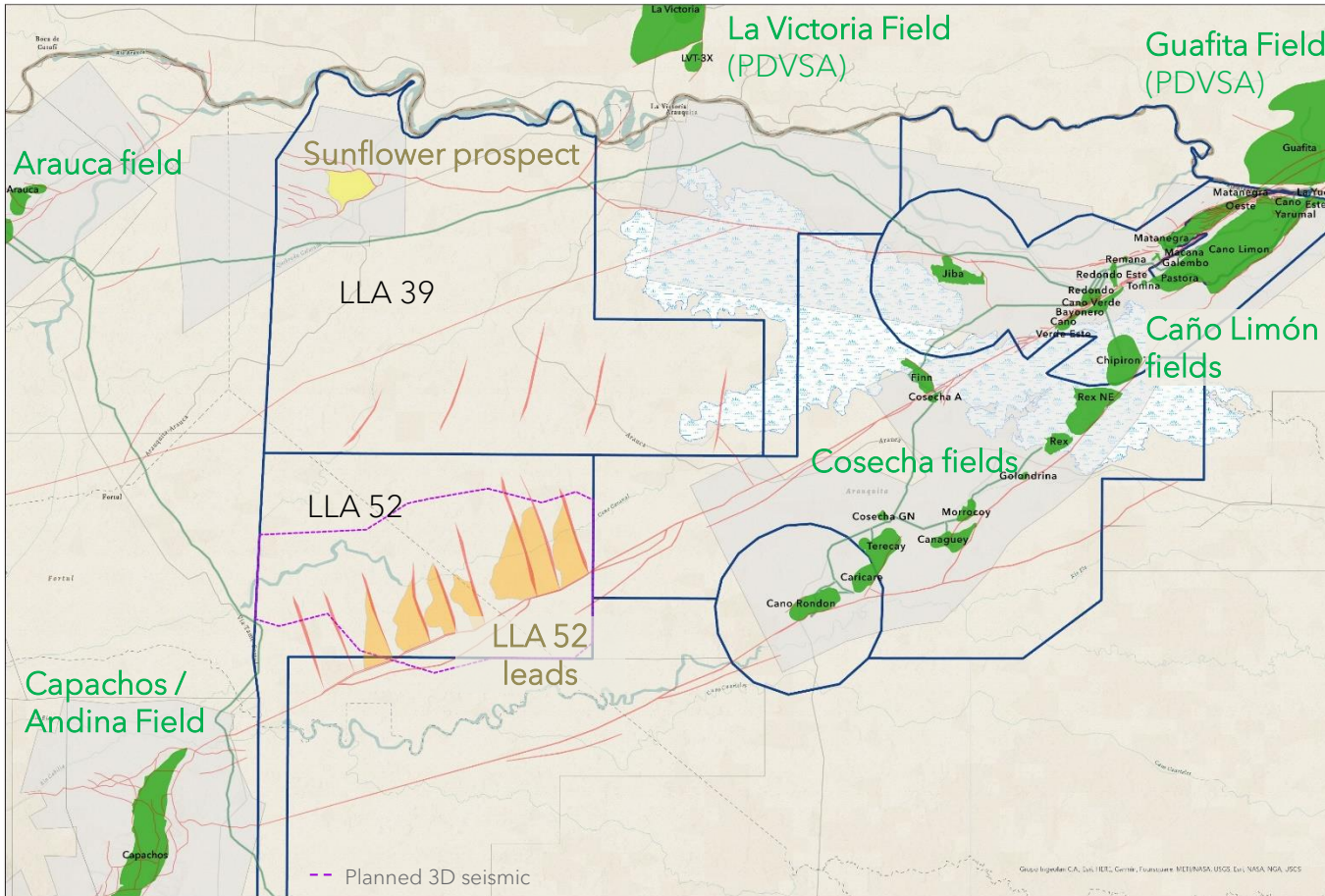
Key metrics of Central Llanos



¹ Contractual working interest before price-related clauses impacting some fields. | ² Proforma production figures include Llanos 22 | ³ Proforma figures as of 31 December 2023.

Exploration opportunity on trend with Caño Limón / Cosecha

LLA-52 & LLA-39 blocks



Association contracts with Ecopetrol in the Llanos basin

SCE is the operator

WI

LLA 52 - 48%

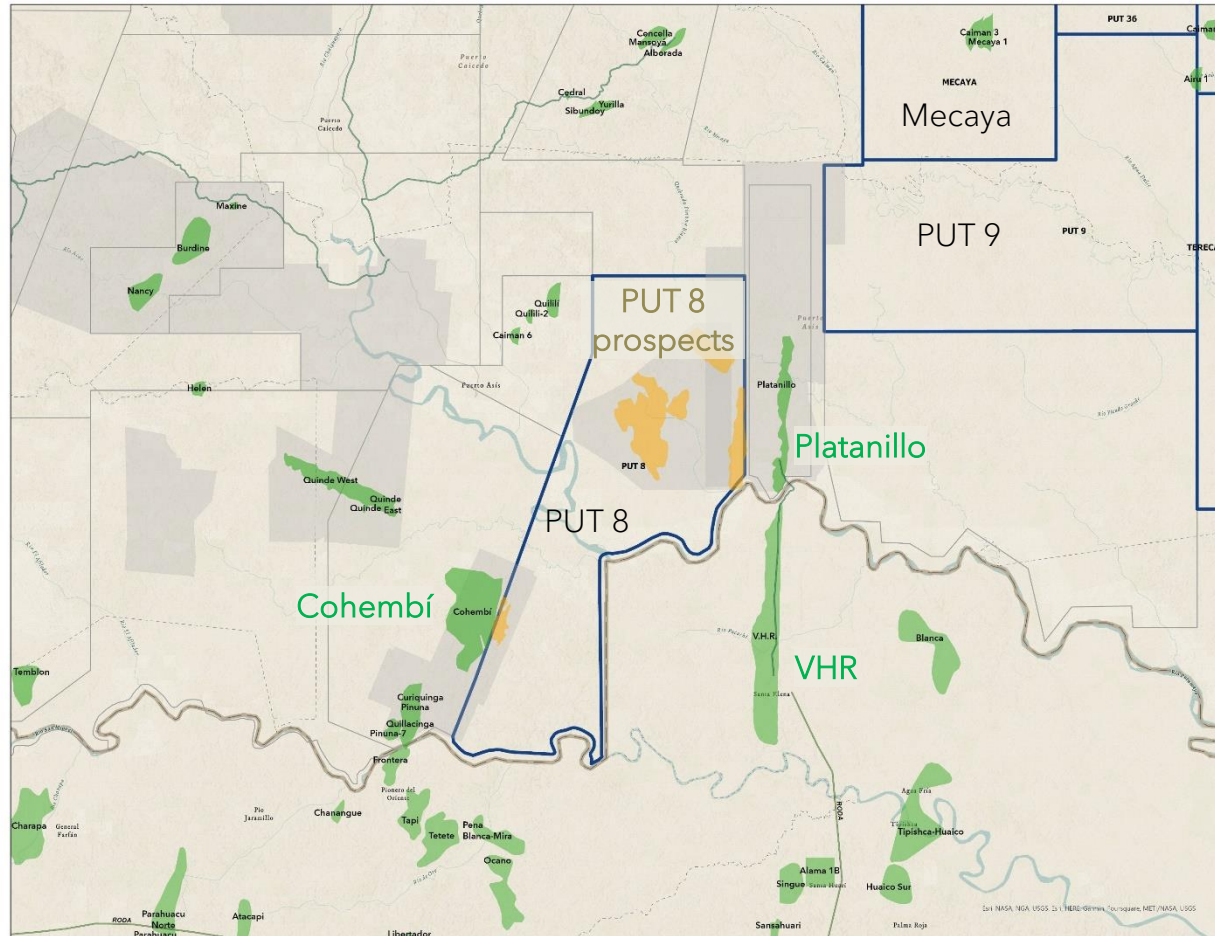
LLA 39 - 50%

- Prospective triangle on trend with world-class Caño Limón/Cosecha, Capachos & Arauca fields.
- Lightly-explored light-oil opportunities surrounded by four main fault systems.
- Environmental licensing underway in preparation for 3D seismic acquisition (210 km²) in the medium term.
- Close to key infrastructure - Bicentenario and Caño Limón pipelines, Banadia pump station, access to main roads.



Exploration opportunity in the Putumayo basin

Near-term, non-operated trend exploration focused on PUT 8 block



Six E&P contracts with GeoPark (operator) in the Putumayo basin

Near-term focus is on PUT 8 block

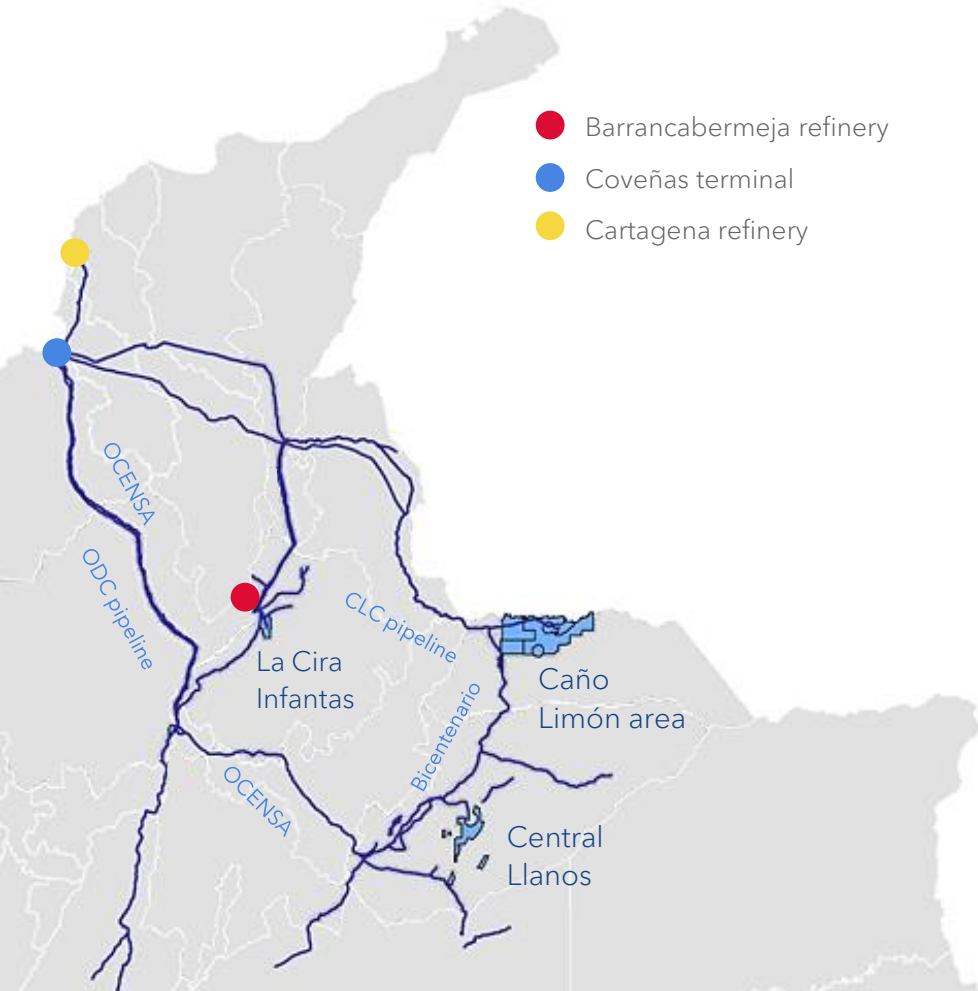
WI
PUT 8 - 50%

- Lightly-explored proven basin.
- Acquired 210 km² 3D seismic & confirmed 5 drill-ready prospects. Waiting on drilling environmental permits approvals.
- Trend exploration targeting diverse structural and stratigraphic traps with stacked reservoirs (already proven in nearby Platanillo, Cohembí & Ecuadorian fields).
- Ability to commercialise any discoveries through Platanillo field and via Ecuador pipeline system to Pacific export (Esmeraldas).



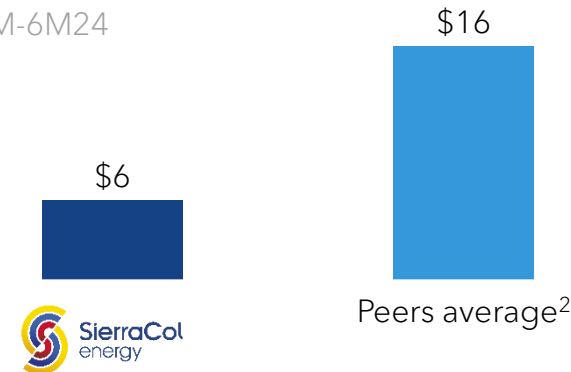
Low transport cost and lower discount to Brent

Competitive advantage derived from high quality oil and low transport costs



Discount to Brent + transport cost¹
(\$/boe)

LTM-6M24



- Low transport cost (\$0.9/bbl vs \$8.5/bbl regulated tariff³).
- SierraCol's high-quality sweet crude oil (25° - 35° API) drives a **premium** to Colombia's heavier Vasconia marker (21° API).



1 To normalize for delivery points. | 2 "Peers" are Latin American oil and gas companies that are focused on Colombia and are listed and/or rated by credit rating agencies. | 3 Includes tariffs as of June 2024 of routes to Coveñas terminal through main pipelines: Caño Limón-Covenas, OCEANSA, ODC, Bicentenario, OAM.

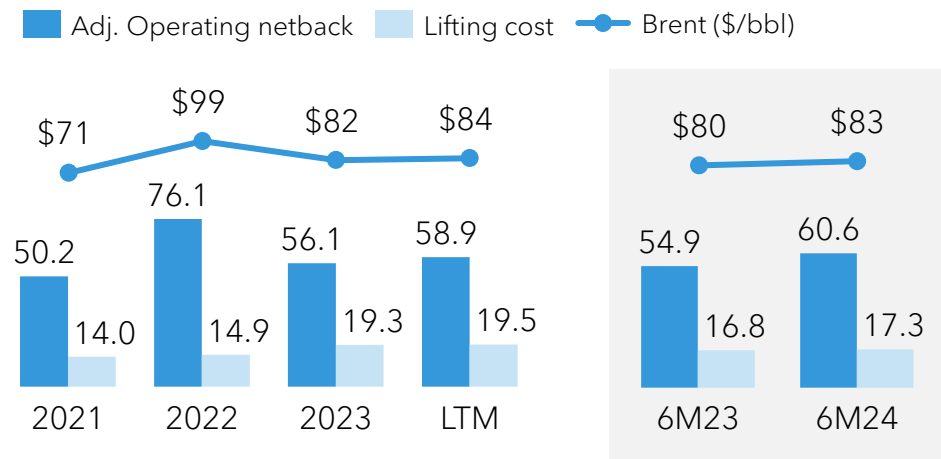
Strong cash flow generation



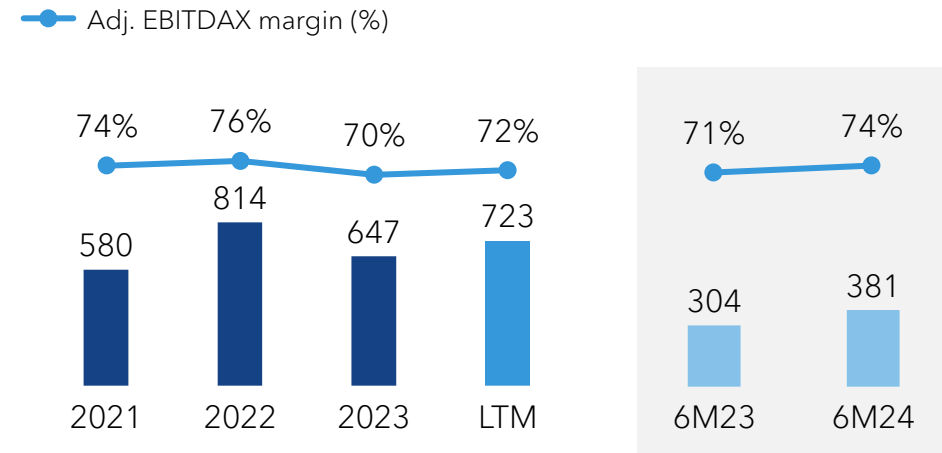
Strong financial performance

Underpinned by stable base production and cost and capital discipline

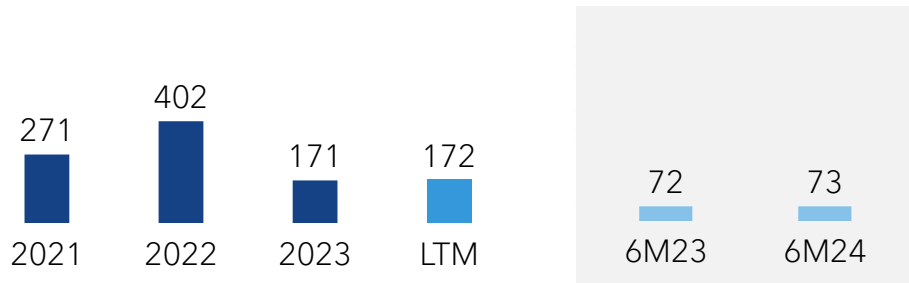
Industry-leading Adj operating netback¹ (\$/boe)



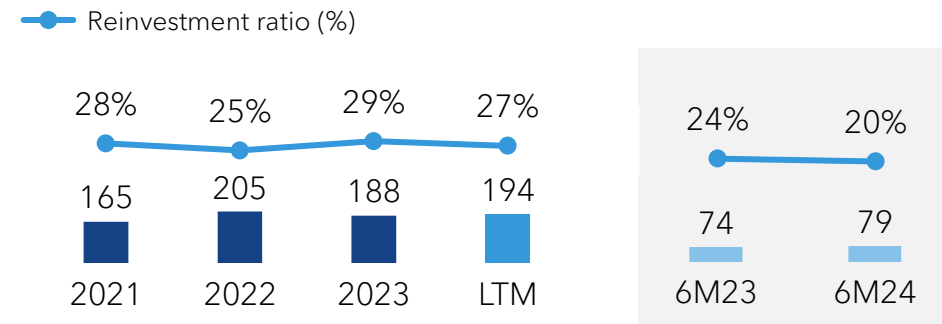
Strong Adjusted EBITDAX (\$ million)



Robust free cash flow generation² (\$ million)



Capex evolution (\$ million)



¹ Calculated as average realised price minus operating expenses (lifting and transport cost) per barrel of net sales. | ² Presented after tax payments and working capital changes.

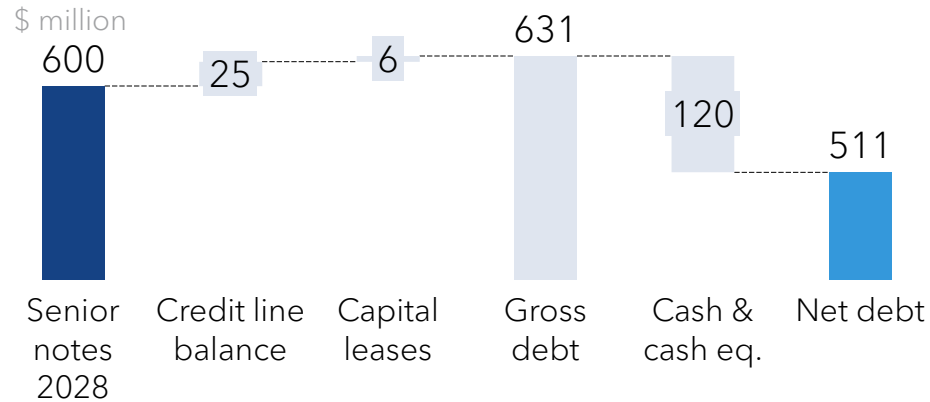
Robust capital structure



Capital structure and liquidity

Healthy credit metrics underpinned by strong financials

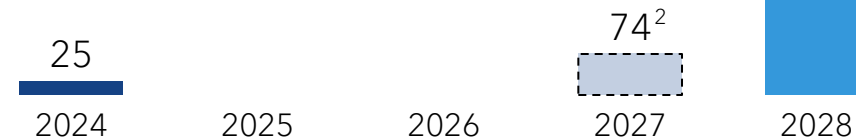
Net debt at 6M24



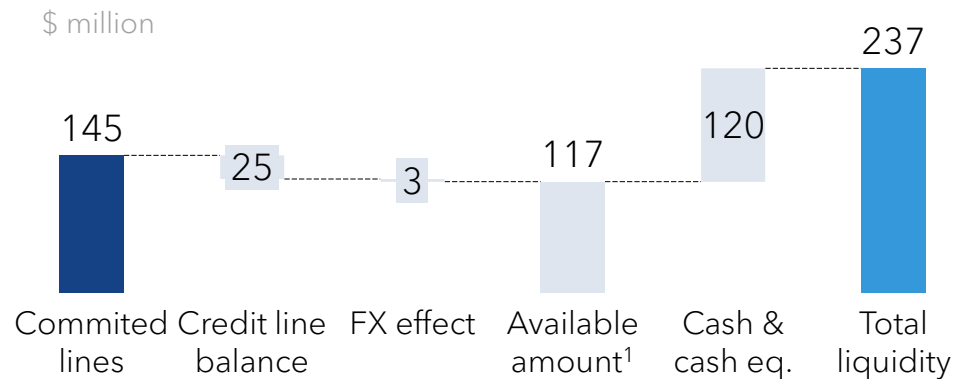
Debt profile

- Senior Notes: \$600 million
Maturity: June 2028
- Credit line balance: \$25 million
Expected to be repaid in 2024

Lease obligations: \$6 million
Multiple maturities

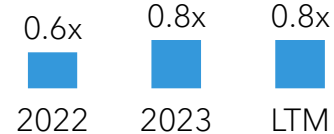


Liquidity at 1Q24

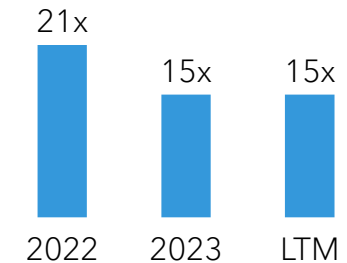


Credit ratios

Net leverage ratio



Interest coverage ratio

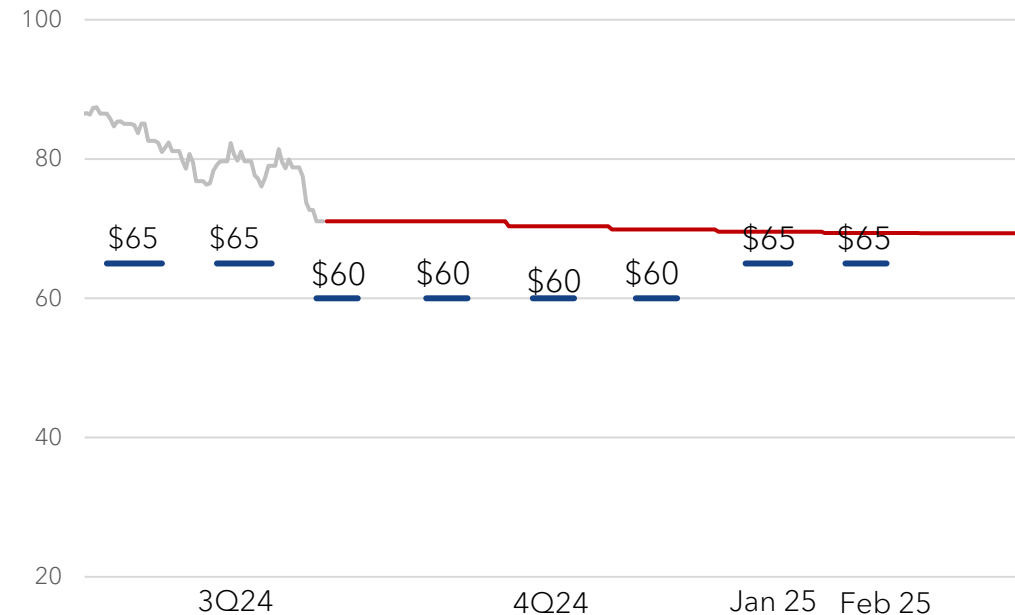


¹ Includes the available amount under the RCF as of 31 March 2024. | ² The \$74 million credit line drawn down after quarter end.

Risk management

Brent price hedging programme

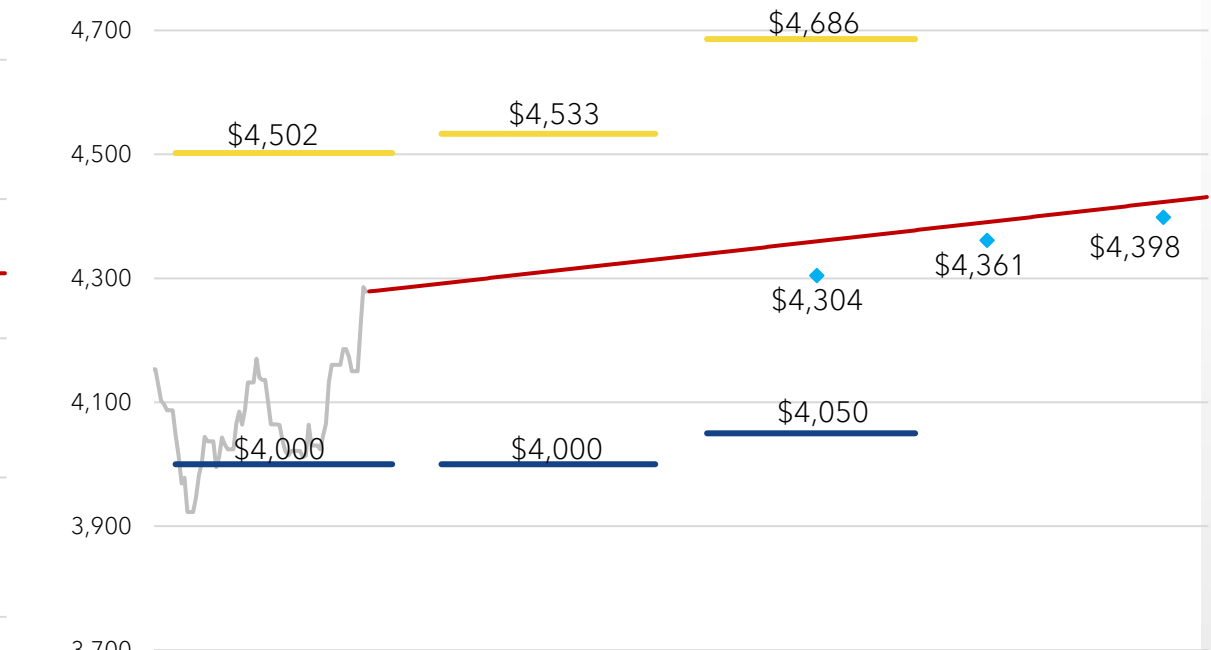
\$/bbl — Brent spot — Brent forward curve as of 12 Sep/24 — Long put — Short put



▶ Target: 40%-60% of hedgeable production, 6-12 months ahead

Currency hedging programme

Colombian peso spot — Forward curve as of 12 Sep/24 — Put — Call — Forward



(\$ million)	3Q24	4Q24	1Q25	2Q25
ZCC	\$19	\$45	\$30	\$-
Forward	\$-	\$-	\$3	\$16

▶ We currently have open currency hedging positions, hedging approximately 50% of the Company's cash needs in Colombian peso.



Commitment to ESG excellence



Our ESG strategy

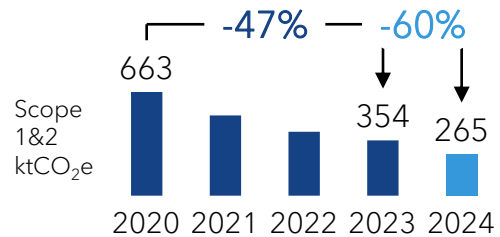
Key progress in 2023



Climate action

Our approach to decarbonization

47% reduction in net emissions vs 2020 baseline



Energy transition from crude-generation to hydro-based power

Energy efficiency projects to optimise power consumption

Routine gas flaring elimination

Methane emissions measurement and mitigation

Action for the planet

Our approach to environmental protection

Water management

- o Further improving produced water quality.
- o Optimising water consumption.
- o Water access and sanitation for communities.

Biodiversity protection

- o Protecting **76** hectares and rehabilitating **39** hectares of ecosystems.

Circular economy

- o **Reduced** conventional **waste**, initiated projects for recycling and composting.

Communities & society

\$4.7m in social investment

Flagship projects:

Improving quality of life

264 housing improvements

Infrastructure for development

Rural roads interventions benefiting **1,080** families.

Entrepreneurship and income generation

Enhanced agricultural and livestock **skills** for 97 producers and 198 families

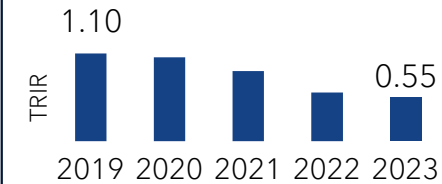
Education

Engaged **1,126** students in the Batuta music program and the Tecnoacademia digital program.

Operational excellence

Ensuring safety and preserving assets

Committed to health and safety



- o 5th year of sequential improvement in TRIR
- o Zero fatalities

Minimizing operational risks

- o No significant spills
- o No cybersecurity incidents
- o Achieved ISO 14001 and 45001 certifications

Solid governance

Top-tier global ESG rating

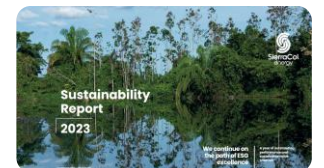
Rating from 27.3 to 20.3, ranked **5th** out of 320 global oil and gas companies.



ESG risk rating improvement highlighting strong ESG management.

Comprehensive ethics and compliance training.

Read our 2023 report:



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This Presentation should be read in conjunction with (i) the audited consolidated financial statements of SierraCol for the period ended 31 March 2024 and the notes thereto and (ii) the management discussion and analysis for such interim period.

Unless otherwise noted, all dollar amounts reflected in this presentation reflect U.S. dollars.

