SierraCol announces its fourth-quarter and full-year operational and reserves update, and provides 2025 guidance

- 4Q24 Share Before Royalties ("SBR") production of 46.8 kboed, a 9% increase q/q, driven by higher production in the Caño Limón area and production from the recently Acquired Assets[1].
- FY24 SBR production averaged 44.8 kboed, up 4% y/y and within the 44 – 46 kboed guidance.
- Achieved a 176% 2P Reserves Replacement Ratio ("RRR"), maintaining a replacement rate above 100% for the last 8 years. Delivered a robust 134% 1P RRR.
- Reported 2P reserves of 128 million boe and 1P reserves of 89 million boe, effectively maintaining our reserves life with a Reserves-to-Production ("R/P") ratio of 9.7 and 6.7 years, respectively.
- SierraCol has been included in Sustainalytics' Industry ESG Top-Rated Companies List for the third consecutive year. We are currently ranked 5th out of over 300 O&G companies worldwide.
- Total Recordable Incident Rate ("TRIR") was 0.33 in 2024, continuing a downward trend since 2019.
- Achieved a 59% net reduction in CO_2e emissions compared to the 2020 baseline.
- 2025 guidance for SBR production is 44 – 47 kboed and $200 – $230 million for capital and exploration expenditures.
- After year-end, a wholly owned subsidiary of the Company signed a Sale and Purchase Agreement ("SPA") to acquire Repsol's 25% stake in SierraCol Energy Arauca LLC ("Arauca"). Completion is expected during 1Q25 pending regulatory approvals. The acquisition was funded through a combination of cash and a loan facility of $40 million provided by Davivienda at SOFR 6M + 2.2%, with a maturity of two years.
- Exploration begins in Putumayo: The Bienparado Norte-1 well in the PUT-8 block reached total depth in early January, with completion planned for 1Q25.

London, UK, 6 February 2025, SierraCol Energy Limited (the "Company", "SierraCol", "SCE" or "we"), the direct parent of SierraCol Energy Andina, LLC, announced today its operational update for the fourth quarter 2024 ("4Q24") and full year 2024 ("FY24"), along with the results of its annual independent reserves assessment, certified by DeGolyer and McNaughton ("D&M"), as of 31 December 2024, prepared in accordance with the Petroleum Resources Management System ("PRMS"). The Company also provided its 2025 guidance.

A conference call and webcast for bondholders and analysts will be held on Thursday, 6 March 2025 at 10:00 a.m. Eastern Time to discuss the FY24 financial and operating results.

Production performance

Production is presented as Share Before Royalties ("SBR") and the result for the period is as follows:

4Q24: SBR production was 46.8 kboed, 9% higher than the previous quarter. This increase is mainly explained by higher production in the Caño Limón area, after restoring production affected by 3Q24's pipeline availability issues, and production from recently Acquired Assets.

[1] Acquired Assets refers to the acquisition, in August 2024, of Cepsa Colombia S.A. (Cepsa)'s working interest in the Caracara and Llanos 22 contracts in Colombia, and the subsequent acquisition, in October 2024, of Cepsa's working interest in the Rio Paez and San Jacinto contracts.

Two active rigs during the quarter drilled and completed three new wells in the Caño Limón area and 9 new wells in La Cira Infantas. The workover campaign included 25 jobs in the Caño Limón area, 6 in La Cira Infantas and 1 in the Central Llanos area.

Compared to 4Q23, SBR production increased by 7% mainly due to additional production from the recently Acquired Assets.

FY24: SBR production was 44.8 kboed, 4% higher than the previous year. This increase is mainly explained by i) production from the recently Acquired Assets and, ii) higher production in the Caño Limón area, driven by the success of the REX-NE North exploratory well and the positive outcome of the development drilling and workover campaigns. This was partially offset by lower production in La Cira Infantas, driven by the impact of a planned maintenance activity during 1Q24.

Production by area:

kboed	4Q24	3Q24	4Q23	Δ q/q	Δ y/y	FY24	FY23	Δ y/y
SBR production								
Caño Limón area	26.3	24.1	26.8	9%	-2%	26.8	26.0	3%
Middle Magdalena	13.4	12.9	13.3	3%	1%	13.0	13.6	-4%
Central Llanos[1]	7.1	5.8	3.8	22%	85%	5.0	3.4	46%
SBR production	46.8	42.8	43.9	9%	7%	44.8	43.0	4%

[1] Includes production from the Acquired Assets (4Q24: 4.9 kboed, FY24: 2.0 kboed)

Reserves audit results for year-end 2024

For FY24, SierraCol achieved a 2P RRR of 176%, the highest since 2020, and an R/P ratio of 9.7 years, maintaining a healthy reserves life.

Reserves are presented as the Company's working interest after royalties.

Certified 2P reserves stand at 128 million boe, 99% oil, with an R/P ratio of 9.7 years, essentially maintaining the reserve life vs 2023 (9.9 years), and an RRR of 176%. Certified 1P reserves stand at 89 million boe, with an R/P ratio of 6.7 years and an RRR of 134%.

	PDP Proved developed producing	PD Proved developed	1P Proved reserves	2P Proved plus probable	3P Proved plus probable plus possible
million boe	65.0	80.3	88.8	127.9	156.5
R/P ratio (years)	4.9	6.1	6.7	9.7	11.9

- 90% of SierraCol's 1P reserves are proved developed (PD) reserves.
- 69% of SierraCol's 2P reserves are proved (1P) reserves.

The following table provides a reconciliation of SCE’s 1P and 2P reserves:

million boe	1P	2P
31 December 2023	84.3	118.0
Production	-13.2	-13.2
Net additions	17.7	23.2
31 December 2024	88.8	127.9

R/P (years)	6.7	9.7
RRR (%)	134%	176%

The following table provides an overview of SCE's 1P and 2P reserves as of 31 December 2024 by area:

	2024		2023	
million boe	1P	2P	1P	2P
Caño Limón area	25.7	39.3	24.9	33.9
Middle Magdalena	52.5	67.6	52.1	67.5
Central Llanos[1]	10.6	21.0	7.3	16.6
SCE	88.8	127.9	84.3	118.0

[1] The Acquired Assets contribute 5.0 million boe to 1P reserves and 6.2 million boe to 2P reserves.

The following table shows the net present value discounted at 10% ("NPV10") after tax for 1P and 2P reserves:

As of 31 December 2024	1P	2P
Reserves (million boe)	88.8	127.9
NPV10 after tax ($ million)	1,290	1,736

The following table shows the Brent forecast used to estimate the reserves and NPV10 under PRMS:

	2025	2026	2027	2028
Brent ($/bbl)	76.0	75.0	78.0	79.5

For 2029 forward prices were escalated 2% per year, as well as the costs.

Industry ESG Top-Rated company

SierraCol has been included in Sustainalytics’ 2025 Industry ESG Top-Rated Companies List, a recognition awarded for the third consecutive year. We are currently ranked 5th out of over 300 O&G companies worldwide. Sustainalytics’ assessment recognises our dedication to transparent ESG disclosures and effective management of key sustainability issues.

We remain committed to ensuring safe operations and achieved a Total Recordable Incident Rate (TRIR) of 0.33 in 2024, continuing a downward trend since 2019.

SierraCol also achieved a 59% net reduction in CO_2e emissions compared to the 2020 baseline of 657 kTonCO_2e. Including the recently Acquired Assets, we managed a 53% net reduction.

2025 Guidance

The Company issues its 2025 production guidance as well as the capital and exploration expenditures guidance:

	2025 guidance
SBR production (kboed)	44 – 47
Capital and exploration expenditures ($ million)	$200 – $230

Guidance includes development and exploration capex plus exploration expenses.

Capital and exploration expenditure guidance includes $18 million allocated to further develop the Acquired Assets.

Business Update

Acquisition of Repsol's interests in Arauca

After year-end, a wholly owned subsidiary of the Company signed a Sale and Purchase Agreement ("SPA") to acquire Repsol's 25% stake in SierraCol Energy Arauca LLC ("Arauca"). Completion is expected during 1Q25 pending regulatory approvals. The acquisition was funded through a combination of cash and a loan facility of $40 million provided by Davivienda at SOFR 6M + 2.2%, with a maturity of two years.

Following completion, Arauca will become a wholly owned subsidiary of the Company.

Exploration programme started in the Putumayo basin

The first exploration well in our licences in this basin, Bienparado Norte-1 in the PUT-8 block, was spudded in December 2024 and reached total depth (TD) in early January. Completion is planned for the first quarter of 2025. Additionally, preparations are underway for the Bienparado Sur-1 well, which licence was approved in late December 2024. Drilling is expected to commence during the first quarter of 2025. SierraCol holds a 50% non-operating interest in the block, with the remaining 50% owned by GeoPark.

Contracts update

In late December, the San Jacinto Association Contract, where the Company held a non-operated interest, expired in accordance with its terms. The Company's participating interest in this contract represented less than 100 barrels of daily SBR production.

4Q24 and FY24 results release, conference call and webcast

SierraCol will report its fourth quarter and full year 2024 financial and operational results on Wednesday, 5 March 2025. A conference call and webcast for bondholders and analysts will be held on Thursday, 6 March 2025 at 10:00 a.m. Eastern Time.

Bondholders and analysts are invited to participate in the call or webcast using the following dial-in numbers or links:

Participant dial-in numbers	Toll Free (US/Canada): 1-800-267-6316 Toll/International: 1-203-518-9783 Call me™
Webcast link	https://viavid.webcasts.com/starthere.jsp?ei=1705823&tp_key=0caf5c6e4f

Add event to calendar:

Outlook/iCal Google Calendar

For further information, please contact us: ir@sierracol.com

Forward-looking statements

This notice contains forward-looking statements, which involve significant risk factors, uncertainties and assumptions that could or could not materialize. Statements relating to reserves are by their nature forward-looking statements. The reserves information provided in this notice are estimates only, and there is no guarantee that the estimated reserves will be recovered. Actual reserves may eventually prove to be greater than, or less than, the estimates provided herein.

The Company's actual results and performance could differ from those expressed in, or implied by, this notice and the forward-looking statements. These forward-looking statements are made as of the date of this document and the Company disclaims any intent or obligation to update them.

Certain amounts and percentages included in this document have been rounded for ease of presentation. Accordingly, figures shown as totals or percentage changes between periods may not be the arithmetic result of their inputs as presented in this document.

About SierraCol

SierraCol Energy is the largest independent E&P Company in Colombia based on gross operated and jointly operated production, with full life-cycle capabilities across exploration, development and production. The Company, headquartered in Bogotá, Colombia, manages a high-quality portfolio with resilient free cash flow generation and is advised by The Carlyle Group.

Further background information is available on the corporate website: www.sierracolenergy.com