

PetroTal Announces Q1 2026 Financial and Operating Results

Calgary, Alberta and Houston, Texas--(Newsfile Corp. - May 7, 2026) - PetroTal Corp. (TSX: TAL) (AIM: PTAL) (OTCQX: PTALF) ("PetroTal" or the "Company") is pleased to report its operating and financial results for the three months ended March 31, 2026. All amounts herein are in United States dollars unless stated otherwise.

Selected financial and operational information outlined above should be read in conjunction with the Company's unaudited consolidated financial statements and management's discussion and analysis ("MD&A") for the three months ended March 31, 2026, which are available on SEDAR+ at www.sedarplus.ca and on the Company's website at www.PetroTal-Corp.com.

Key Highlights

- Average Q1 2026 sales and production of 14,350 and 14,907 barrels of oil per day ("bopd"), respectively;
- Adjusted EBITDA(1) of \$35.1 million (\$27.22/bbl) represents a 90% increase relative to the prior quarter;
- Free Funds Flow(1) of \$25.7 million in Q1 2026, compared to \$3.3 million in Q4 2025;
- Total cash of \$128.3 million as of March 31, 2026, compared to \$113.6 million in March 2025;
- 2026 Adjusted EBITDA guidance range increases to \$110-120 million, from \$30-40 million previously;
- Executed contract with third-party drilling service provider, ahead of planned resumption of development drilling in October 2026.

(1) Non-GAAP (defined below) measure that does not have any standardized meaning prescribed by GAAP and therefore may not be comparable with the calculation of similar measures presented by other entities. See "Selected Financial Measures" section.

Manuel Pablo Zuniga-Pflucker, President and Chief Executive Officer, commented:

"Our first quarter results reflect a continued focus on maintaining production at Bretana and positioning the Company for a return to growth, while also highlighting the positive impact of improving crude oil prices. Stronger realized pricing in March contributed to a 90% increase in Adjusted EBITDA compared to the prior quarter, despite lower production volumes in the period. This result demonstrates the Company's operating leverage and ability to generate meaningful cash flow even at lower production levels.

"At Bretana, we remain focused on preparing the field for its next phase of growth. During the quarter and into April, we advanced key infrastructure initiatives, including stimulation work on water injection wells to increase injection capacity and help stabilize production ahead of our upcoming drilling campaign. We are already seeing the benefit of this work, with year-to-date sales volumes tracking slightly ahead of expectations as we approach the midpoint of the second quarter.

"In parallel, we have made good progress towards resuming our development drilling program. We recently signed a contract with a third-party drilling company and are advancing plans to mobilize the rig to the field, with drilling expected to begin in October 2026. We also plan to carry out pulling jobs in three wells in the third quarter, which we have scheduled ahead of the resumption of our drilling campaign, to help optimize performance and reduce the potential for production disruptions

later in the year.

"Looking ahead, our priorities remain clear: sustain and build production at Bretana, execute our capital program, and position the Company to return to growth. We believe the steps we are taking today will improve operational reliability, support efficient capital deployment, and create long-term value for our shareholders."

Selected Financial Highlights

	Three Months Ended					
	Q1-2026		Q4-2025		Q1-2025	
	\$/bbl	\$(000's)	\$/bbl	\$(000's)	\$/bbl	\$(000's)
Average Production (bopd)		14,907		15,258		23,281
Average Sales (bopd)		14,350		15,059		23,286
Total Sales (bbls)		1,291,473		1,385,460		2,095,714
Average Brent Price	\$74.65		\$62.46		\$73.96	
Contracted Sales Price, Gross	\$74.50		\$62.49		\$73.89	
Tariffs, Fees and Differentials	-\$23.43		-\$22.82		-\$21.43	
Realized Sales Price, Net	\$51.07		\$39.67		\$52.46	
Oil Revenue	\$51.07	\$65,950	\$39.67	\$54,959	\$52.46	\$109,951
Royalties	\$4.92	\$6,351	\$6.32	\$8,759	\$5.84	\$12,241
Operating Expenses	\$8.46	\$10,928	\$14.35	\$19,883	\$6.31	\$13,227
Direct Transportation						
Diluent	\$0.00	\$0	\$0.00	\$0	\$0.00	\$0
Barging	\$0.48	\$626	\$0.48	\$670	\$0.79	\$1,664
Diesel	\$0.00	\$0	\$0.00	\$0	\$0.00	\$0
Storage	\$0.00	\$0	\$0.22	\$301	\$0.30	\$636
Total Transportation	\$0.48	\$626	\$0.70	\$971	\$1.09	\$2,300
Net Operating Income	\$37.21	\$48,045	\$18.30	\$25,346	\$39.22	\$82,183
Erosion Control	\$3.15	\$4,070	\$2.95	\$4,083	\$0.87	\$1,816
G&A	\$6.75	\$8,712	\$3.52	\$4,877	\$4.57	\$9,579
EBITDA	\$27.34	\$35,313	\$11.83	\$16,386	\$33.78	\$70,788
Adjusted EBITDA	\$27.22	\$35,148	\$13.38	\$18,543	\$34.29	\$71,860
Net Income	\$11.84	\$15,297	-\$5.61	-\$7,777	\$14.72	\$30,852
Basic Shares Outstanding ('000)		920,328		915,930		915,930
Market Capitalization		\$362,885		\$256,460		\$435,754
Net Income/Share (\$/sh)		\$0.01		-\$0.01		\$0.03
Capex		\$7,622		\$15,286		\$23,624
Free Funds Flow		\$25,728		\$3,257		\$48,236
Total Cash		\$128,327		\$139,124		\$113,565
Available Cash		\$104,347		\$112,400		\$102,650E

1. Approximately 98% of Q1 2026 sales were through the Brazilian route vs 88% in Q4 2025.
2. Royalties include the impact of the 2.5% community social trust.
3. Non-GAAP (defined below) measure that does not have any standardized meaning prescribed by GAAP and therefore may not be comparable with the calculation of similar measures presented by other entities. See "Selected Financial Measures" section.
4. Net operating income represents revenues less royalties, operating expenses, and direct transportation.
5. Adjusted EBITDA is net operating income less general and administrative ("G&A") and plus/minus realized derivative impacts.
6. Market capitalization for Q1 2026, Q4 2024 and Q1 2025 assume share prices of \$0.3943, \$0.2757 and \$0.4758 respectively on the last trading day of the period.
7. Free funds flow is defined as adjusted EBITDA less capital expenditures. See "Selected Financial Measures" section.
8. Includes restricted cash balances.

Additional financial and operational updates during and subsequent to the quarter ending March 31, 2026:

Operations Update

PetroTal continues to advance key operational initiatives at the Bretana field, positioning the Company to resume development drilling in October 2026. The Company has executed a contract with a third-party drilling service provider, whose rig is currently completing operations in Colombia. Following demobilization, the rig is expected to be transported to Peru by road and river, similar to prior equipment moves. Infrastructure work to position the drilling rig, along with the electromechanical activities required to tie in new wells to existing facilities, is progressing as planned. The operations team is also preparing to facilitate the rapid connection of the new wells, optimizing early production rates.

In April 2026, PetroTal conducted stimulation work on three of the four water injection wells at the Bretana field. The program was designed to increase formation water disposal capacity from the first quarter 2026 average of approximately 170,000 barrels of water per day ("bwpd"), to help support oil production ahead of the resumption of development drilling later this year. Bretana field production averaged approximately 12,850 bopd in April, reflecting brief, planned shut-ins of producing wells during the stimulation work. Since completing the program, production has increased, averaging approximately 13,050 bopd in the first week of May, while water injection capacity has risen to just over 180,000 bwpd.

In Q3 2026, PetroTal plans to carry out pulling jobs in three producing wells at Bretana, in keeping with expectations outlined in the Company's 2026 budget guidance. This work is being advanced ahead of the planned restart of development drilling later this year.

Erosion Control Project

PetroTal expensed \$4.1 million for erosion control in Q1 2026, consistent with the prior quarter, bringing total cumulative investment in the project to \$36.8 million as of March 31, 2026. As disclosed previously, PetroTal terminated the erosion control project contract with the prior construction consortium in March 2026 and has initiated a procurement process to secure new contractors to complete the project. The tender process is underway and PetroTal expects to award a new contract by the end of June 2026. The Company will provide additional updates on the erosion control project as necessary.

Cash and Liquidity Update

PetroTal ended Q1 2026 with a total cash position of \$128.1 million, of which \$104.2 million was unrestricted. This compares to total cash of \$139.1 million at the end of Q4 2025 and \$113.6 million at the end of Q1 2025. The decrease in cash relative to the prior quarter is primarily due to the settlement of annual cash taxes, which amounted to approximately \$10 million in Q1 2026. PetroTal's trade receivables increased by \$23.4 million relative to the prior quarter, as the Company benefited from stronger realized pricing in the month of March.

PetroTal has not initiated any new production hedges since the end of March 2026. In line with previous disclosure, the Company maintains hedges on approximately 0.9 million barrels over the remainder of 2026. The costless collars have an average Brent floor price of \$60.00/bbl and a ceiling of \$80.50/bbl, with a cap of \$100.50/bbl. As of April 21, PetroTal's production hedges had a fair value of negative \$11 million.

Guidance Update

PetroTal's original 2026 guidance, released on January 20, 2026, was based on an assumed annual Brent oil price of \$60.00/bbl and contemplated Adjusted EBITDA of \$30-40 million for the full year. Supported by an average dated Brent oil price of \$74.65/bbl during the first quarter of 2026, the Company generated approximately that level of Adjusted EBITDA during Q1 alone.

Incorporating first quarter actual results and updating the forecast for recent Brent strip pricing, PetroTal now expects to generate Adjusted EBITDA of approximately \$110-120 million for full-year 2026.

This updated guidance is driven solely by changes in the Company's oil price assumptions. PetroTal is not currently anticipating any material changes to its previously disclosed production outlook, major operating cost assumptions, or 2026 capital expenditure budget.

Corporate Presentation Update

The Company has updated its Corporate Presentation, available for download or viewing at https://petrotalcorp.com/investors/Q1_2026

Webcast Link for May 7, 2026

PetroTal's management team will host a webcast to discuss Q1 2026 results on May 7, 2026 at 9:00am CT (Houston) and 3:00pm BST (London). Please see the link below to register.

https://brrmedia.news/PTAL_Q1_26

ABOUT PETROTAL

PetroTal is a publicly traded, tri-quoted (TSX: TAL) (AIM: PTAL) (OTCQX: PTALF) oil and gas development and production Company domiciled in Calgary, Alberta, focused on the development of oil assets in Peru. PetroTal's flagship asset is its 100% working interest in the Bretaña Norte oil field in Peru's Block 95, where oil production was initiated in June 2018. In early 2022, PetroTal became the largest crude oil producer in Peru. The Company's management team has significant experience in developing and exploring for oil in Peru and is led by a Board of Directors that is focused on safely and cost effectively developing the Bretaña oil field. It is actively building new initiatives to champion community sensitive energy production, benefiting all stakeholders. For further information, please see the Company's website at www.petrotal-corp.com, the Company's filed documents at www.sedarplus.ca, or below:

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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, including, but not limited to: oil production levels and production capacity; PetroTal's drilling, completions and other activities; the ability of the Company to access alternate export routes, including the Oleoducto Norperuano, and the consistent reliability of those options; the timing of filing the Annual Information Form. In addition, statements relating to expected production, reserves, recovery, 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. 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", "intend" and similar expressions. The forward-looking statements provided in this press release 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 newwells, 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 achievements 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 annual information form for the year ended December 31, 2025 and the management's discussion and analysis for the three months ended December 31, 2025 for additional risk factors relating to PetroTal, which can be accessed either on PetroTal's website at www.petrotal-corp.com or under the Company's profile on 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.

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").

SHORT TERM RESULTS: References in this press release to peak rates, initial production rates, current production rates, 30-day 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. 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.

FOFI DISCLOSURE: This press release contains future-oriented financial information and financial outlook information (collectively, "FOFI") about PetroTal's prospective results of operations and production results, 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 press release was approved by management as of the date of this press release 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 press release, 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 press release should not be used for purposes other than for which it is disclosed herein. All FOFI contained in this press release complies with the requirements of Canadian securities legislation, including NI 51-101. 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.



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