



Criterium Energy Provides Operational Update on Workover Program, Highlighted by Increased Production and Reduced Operating Costs

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June 25, 2024 - Calgary, Alberta - **Criterium Energy Ltd.** ("**Criterium**" or the "**Company**") (**TSXV: CEQ**), an independent upstream energy development and production company focused on energizing growth for Southeast Asia and its shareholders, is pleased to provide an operational update as it relates to optimization activities in the Company's 100% owned and operated Tungkal PSC Indonesia (the "**Tungkal PSC**").

Intervention and Workover Activities Exceed Expectations and Drive Reduced Operating Costs

A key focus area for Criterium has been increasing production in the Tungkal PSC through the execution of low-cost well interventions and workovers in the Mengoepeh Field ("**MGH**"). The workovers utilize existing wellbores to target reperforation of the reservoir or seek to perforate bypassed pay zones that have been identified on well-logs.

Since commencing the optimization program in March 2024, Criterium has executed a total of six workovers which have added an estimated 180 bbl/d¹ of production to date, which represents average incremental volumes of approximately 30 bbl/d per workover, a 50% increase over the initial forecast rate of 20 bbl/d². These low-cost activities have increased total production to approximately 900 bbl/d¹, a more than 12% increase over the Company's Q1/24 average, on spending of only US\$359,000. Overall, Criterium's program costs are on budget, producing at an estimated 50% above the projected type curve, and demonstrating the Company can bring on incremental volumes at less than US\$2,000 per flowing barrel. The six workovers completed to date will collectively reach pre-tax payout by the end of June.

Notable Workover Results

- **MGH-16** – Currently producing approximately 80 bbl/d from the previously untested GH sand. Pre-tax payback from this workover was approximately 15 days, and as such, Criterium is assessing additional potential in the GH sand which will be targeted in future workovers.
- **MGH-07** - Gas production has been routed to the MGH Central Processing Facility where it is being used as fuel for power generation, directly reducing diesel consumption and resulting in an annualized operating cost savings of approximately US\$250,000¹ and reducing emissions associated with Criterium's operations at the same time. Criterium is assessing opportunities to further reduce diesel consumption by utilizing gas contained in the MGH field

Summary of workovers conducted to date

Well / Workover	Date	Current Production ¹ (volume impact of workover)	Total Cost ¹ (USD)	Payback ³ (Pre-Tax)	Comments
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MGH-16	May 2024	80 bbl/d (+77 bbl/d)	\$54k	~15 days	New zone discovered, GH Sand. Currently optimizing pump speed.
MGH-01	June 2024	35 bbl/d (+35 bbl/d)	\$46k	~35 days	Results as expected – currently producing above ‘high case’ profile.
MGH-07	May 2024	7 bbl/d + 40 Mscfd (+40 Mscfd)	\$38k	~50 days	Gas produced has resulted in annualized costs savings of \$250k.
MGH-14	May 2024	30 bbl/d (+20 bbl/d)	\$75k	~75 days	Results as expected – currently producing at ‘base case’ profile.
MGH-31	March 2024	25 bbl/d (+20 bbl/d)	\$83k	~85 days	Results as expected – currently producing at ‘base case’ profile.
MGH-13	April 2024	5 bbl/d (+ 0 bbl/d)	\$63k	N/A	Low-quality sand was tested, has not performed.
Total (Average) on 6 workovers		182 bbl/d (30 bbl/d)	\$359k (\$60k)		Overall program is on budget and producing 50% above projected type curve.

Cost variations in the workovers are representative of total length of perforations conducted and the use of specific chemicals to achieve fluid flow increase into the wellbore.

A workover was attempted on MGH-12 in April 2024, however, due to an obstruction down-hole, it was not successfully completed. The Company intends to revisit this well in Q3 2024 to identify and remove the obstruction and complete the workover.

Upcoming workover activities

- Criterium remains on track to execute 12-15 workovers in 2024 (six completed to date), with the next set of workovers scheduled for July 2024.
- Assessing the future potential of the GH sand, which was successful in MGH-16. High-graded opportunities will be prioritized for near-term workovers.
- Optimizing gas production from the MGH field to further reduce operating costs. In addition to MGH-07, which is currently producing gas, Criterium has identified follow-on workovers targeting gas zones within the field to ensure gas production can support power generation needs.

Q3 2024 Drilling Program Update – On Track and On Budget

Criterium has continued to prepare for the upcoming two well drilling program at MGH and has recently procured long leads items for delivery in August 2024. The Company has commenced construction activities on the well-pads required to facilitate the additional wells. All environmental and regulatory permits are in place and the program remains on track to be completed in Q3 2024.



Re-affirming 2024 guidance

Based on the initial success of the MGH workovers and its on-budget drilling campaign, Criterium is pleased to reaffirm 2024 guidance as previously outlined in the Company's [April 2, 2024](#) press release and summarized below.

<u>2024 Metric</u>	<u>Guidance Range</u>	<u>Details</u>
Capital	US\$4.8 - \$5.5MM	Allocated to the two well drilling program at MGH, along with 12-15 workovers (six of which have been completed to date).
Annual Average Production	1,000 - 1,100 bbl/d	Midpoint represents a 22% increase over 2023 production.
Exit Production	1,200 – 1,300 bbl/d	Increase of 70-85% over exit 2023 production rate of 700bbl/d ¹ (June 2024 average production is approximately 900 bbl/d ¹)

Bulu Divestment Update

On May 21, 2024, Criterium announced the signing of a binding Sale and Purchase Agreement for the arm's length divestment of its wholly owned subsidiary which holds a 42.5% non-operated working interest in the Bulu Production Sharing Contract ("Bulu PSC"). The transaction continues to advance and is ongoing, working towards a targeted close on or about August 31, 2024.

Stay Connected to Criterium

Shareholders and other interested parties who would like to learn more about the Criterium opportunity are encouraged to visit the Company's [website](#) and review a recent [corporate presentation](#), and to follow the Company on X (formerly Twitter) at <https://x.com/CriteriumEnergy> and on LinkedIn at <https://www.linkedin.com/company/criterium-energy/> for ongoing corporate updates and relevant international oil and gas industry information.

About Criterium Energy Ltd.

Criterium Energy Ltd. (TSXV: CEQ) is Canadian-based upstream energy company focused on the consolidation and sustainable development of assets in Southeast Asia that can deliver scalable growth and cash flow generation. This region is expected to house a population approaching 800 million people within the next 25 years, driving world-leading economic growth and record energy demand. With international operating expertise and a local presence, Criterium intends to contribute responsible, safe and secure sources of energy to help meet this demand. The Company is committed to maximizing total shareholder return by executing across three strategic pillars that include (1) fostering a successful and sustainable reputation; (2) leveraging innovation and technology arbitrage; and (3) achieving operational excellence with an unwavering commitment to safety. For further information please visit our website (www.criteriumenergy.com) or contact:

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Investors are cautioned that, except as disclosed in the management information circular or filing statement to be prepared in connection with the Acquisition, any information released or received with respect to the Acquisition may not be accurate or complete and should not be relied upon. Trading in the securities of Criterium should be considered highly speculative.

Neither the TSXV nor its Regulation Services Provider (as that term is defined in the policies of the TSXV) accepts responsibility for the adequacy or accuracy of this release.

Notes

¹ Field estimate, based on most recent production and cost data.

² Management estimate based on previously disclosed 'Mont D'Or Venture Limited YE Evaluation' reserve and resource report, effective December 31, 2022. This report was conducted by an independent qualified reserves evaluator or auditor in accordance with the COGE Handbook.

³ Calculated assuming US\$80/bbl brent and field estimates of operating costs

Cautionary Note Regarding Forward-Looking Statements

This press release contains certain forward-looking information and statements that are based on expectations, estimates, projections, and interpretations as at the date of this news release. The use of any of the words "expect", "anticipate", "continue", "estimate", "may", "will", "project", "should", "believe", "plans", "intends", "seek", "aims" and similar expressions are intended to identify forward-looking information or statements.

This press release contains statements of forward-looking information including, without limitation, statements with respect to intended use of net proceeds of the Offering.

Factors that could cause actual results to vary from forward-looking statements or may affect the operations, performance, development and results of Criterium's businesses include, among other things: risks and assumptions associated with operations; risks inherent in Criterium's future operations; increases in maintenance, operating or financing costs; the availability and price of labour, equipment and materials; competitive factors, including competition from third parties in the areas in which Criterium intends to operate, pricing pressures and supply and demand in the oil and gas industry; fluctuations in currency and interest rates; inflation; risks of war, hostilities, civil insurrection, pandemics (including COVID-19), instability and political and economic conditions in or affecting Indonesia or other countries in which Criterium intends to operate (including the ongoing Russian-Ukrainian conflict); severe weather conditions and risks related to climate change; terrorist threats; risks associated with technology; changes in laws and regulations, including environmental, regulatory and taxation laws, and the interpretation of such changes to Criterium future business; availability of adequate levels of insurance; difficulty in obtaining necessary regulatory approvals and the maintenance of such approvals; general economic and business conditions and markets; and such other similar risks and uncertainties. The impact of any one assumption, risk, uncertainty or other factor on a forward-looking statement cannot be determined with certainty, as these are interdependent and the Company's future course of action depends on the assessment of all information available at the relevant time. Such forward looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements.

With respect to forward-looking statements contained in this press release, Criterium has made assumptions regarding, among other things: the COVID-19 pandemic and the duration and impact thereof; future exchange and interest rates; supply of and demand for commodities; inflation; the availability of capital on satisfactory terms; the availability and price of labour and materials; the impact of increasing competition; conditions in general economic and financial markets; access to capital; the receipt and timing of regulatory and other required approvals; the ability of Criterium to implement its business strategies; the continuance of existing and proposed tax regimes; and effects of regulation by governmental agencies.



The forward-looking statements contained in this press release are made as of the date hereof and the parties do not undertake any obligation to update 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.