Item 2. *Management's Discussion and Analysis of Financial Condition and Results of Operations*

The following discussion of our financial condition and results of operations should be read in conjunction with the "Financial Statements" as set out in Part I, Item 1 of this Quarterly Report on Form 10-Q, as well as "Management's Discussion and Analysis of Financial Condition and Results of Operations" and the "Financial Statements and Supplementary Data" included in Part II, Items 7 and 8, respectively, of our 2025 Annual Report on Form 10-K. Please see the cautionary language at the beginning of this Quarterly Report on Form 10-Q regarding the identification of and risks relating to forward-looking statements and the risk factors described in Part II, Item 1A "Risk Factors" of this Quarterly Report on Form 10-Q, as well as Part I, Item 1A "Risk Factors" in our 2025 Annual Report on Form 10-K.

Financial and Operational Highlights

Key Highlights for the first quarter of 2026

- Net loss for the first quarter of 2026 was $119.2 million or $3.38 per share basic and diluted, compared to a net loss of $19.3 million or $0.54 per share basic and diluted for the first quarter of 2025 and a net loss of $141.1 million for the prior quarter. The following non-cash items were the main contributors to net loss for the first quarter of 2026: $77.3 million unrealized mark-to-market hedging loss, $19.7 million stock-based compensation remeasurement, $11.3 million amortization of deferred financing fees and $4.5 million oil prepayment interest
- Loss before income taxes for the first quarter of 2026 was $145.8 million, compared to loss before income taxes of $15.7 million for the first quarter of 2025 and loss before income taxes of $177.8 million for the prior quarter
- Brent oil price averaged $78.38 per bbl during the quarter, an increase of 5% from the comparative period of 2025, and a 24% increase from the prior quarter. Castilla, Vasconia and Oriente differentials averaged $9.67, $5.91 and $8.17 per bbl during the quarter, an increase of 81%, 160% and 7% from the comparable period of 2025, and an increase of 49%, 73% for Castilla and Vasconia differentials and 3% decrease for Oriente differential from the prior quarter, respectively
- Adjusted EBITDA(2) was $73.9 million for the first quarter of 2026, a decrease from $85.2 million in the first quarter of 2025, and an increase from $52.5 million in the prior quarter
- Funds flow from operations(2) decreased to $42.8 million compared to $55.3 million in the first quarter of 2025, and increased from $26.8 million in the prior quarter
- NAR production for the first quarter of 2026 decreased by 2% to 37,741 BOEPD, compared to 38,563 BOEPD in the first quarter of 2025, and decreased by 4% from 39,464 BOEPD in the prior quarter
- NAR Sales volumes for the first quarter of 2026 increased by 3% to 40,267 BOEPD, compared to 39,024 BOEPD in the first quarter of 2025 and increased by 12% from 35,984 BOEPD in the prior quarter
- Oil, natural gas and NGL sales for the first quarter of 2026 increased by 2% to $172.1 million, compared to the first quarter of 2025, due to higher sales volumes driven by selling production from the newly acquired Perico Block in Ecuador and increase in Brent price, offset by higher quality and transportation discounts in Colombia. Higher quality and transportation discounts incurred due to using alternative transportation route associated with Putumayo production which was significantly more expensive and resulted in approximately $4.1 million for the current quarter. Oil, natural gas and NGL sales increased by 32% from $129.9 million in the prior quarter due to higher oil prices, and increase in sales volumes, partially offset by higher differentials. During the first quarter, we had two liftings in Ecuador compared to one in the prior quarter. The sales price in Ecuador is the average Brent price less discounts for the month prior to lifting (M-1). During the current quarter, we sold our January 2026 production in Ecuador at the average Brent price of December 2025 and March production at the average Brent price of February 2026
- Operating expenses decreased by 1% or $0.85 per boe to $66.1 million or $18.25 per boe when compared to the first quarter of 2025, due to lower workover activities, lower power generation and field personnel costs associated with head-count optimization partially offset by inventory fluctuations due to the sale of oil inventory accumulated at the end of the previous quarter. Operating expenses increased by 16% or by $0.98 per boe from $57.2 million or $17.27 per boe in the prior quarter primarily a result of inventory fluctuations due to the sale of oil inventory accumulated at the end of the previous quarter partially offset by lower workover activities and lower operating costs across various categories
- Transportation expenses increased by 17% when compared to the first quarter of 2025 and increased by 44% compared to the prior quarter primarily due to higher sales volumes transported in Ecuador during the current quarter
- Gross profit increased to $36.7 million compared to $28.1 million in first quarter of 2025 and $0.9 million in the prior quarter
- Operating netback(2) was $100.6 million compared to $96.5 million in the first quarter of 2025 and $69.1 million in the prior quarter

- Quality and transportation discounts per boe in South America increased for the first quarter of 2026 to $19.04 compared to $11.58 in the first quarter of 2025 and $12.30 in the prior quarter, due to higher differentials and transportation discounts. Higher transportation discounts were incurred due to utilizing alternative transportation route associated with Putumayo production in Colombia which was significantly more expensive and resulted in approximately $4.1 million for the current quarter
- Quality and transportation discounts for oil per boe in Canada increased for the first quarter of 2026 to $9.64 compared to $7.48 in the first quarter of 2025 due to higher pipeline tariffs related to new wells drilled and decreased from $10.35 in the prior quarter
- General and administrative ("G&A") expenses before stock-based compensation for the first quarter of 2026 increased to $15.1 million compared to $11.9 million in the first quarter of 2025 due to higher consulting costs attributable to optimization projects and decreased from $16.8 million in the prior quarter due to headcount optimization measures implemented during the current quarter
- Capital expenditures for the first quarter of 2026 were $45.4 million compared to $94.7 million in the first quarter of 2025 and $53.0 million in the prior quarter
- During the first quarter, we entered into a strategic partnership with Ecopetrol S.A. to earn, subject to regulatory approvals and conditions precedent, a 49% WI in the Tisquirama Block in Colombia
- During the first quarter of 2026, we completed the disposition of our entire working interest and associated title rights in the Simonette Montney area in Canada
- During the first quarter of 2026 we entered into an exploration, development and production sharing agreement with the State Oil Company of the Republic of Azerbaijan, for the onshore Guba–Khazaryani region in Azerbaijan, expanding our international exploration portfolio

(Thousands of U.S. Dollars, unless otherwise indicated)	Three Months Ended March 31,			Three Months Ended December 31,
	2026	2025	% Change	2025
Average Daily Volumes (BOEPD)				
Consolidated				
Working Interest ("WI") Production Before Royalties	**45,497**	46,647	(2)	46,344
Royalties	**(7,756)**	(8,084)	(4)	(6,880)
Production NAR	**37,741**	38,563	(2)	39,464
Decrease (increase) in Inventory	**2,526**	461	448	(3,480)
Sales(1)	**40,267**	39,024	3	35,984
Net Loss	**$ (119,172)**	$ (19,280)	518	$ (141,148)
Operating Netback				
Gross Profit	**$ 36,697**	$ 28,101	31	$ 851
Depletion and Accretion	**$ 63,908**	$ 68,431	(7)	68,236
Operating Netback(2)	**$ 100,605**	$ 96,532	4	$ 69,087
G&A Expenses before Stock-Based Compensation	**$ 15,149**	$ 11,926	27	$ 16,817
G&A Stock-Based Compensation Expense (Recovery)	**19,676**	(517)	3,906	3,042
G&A Expenses, including Stock-Based Compensation	**$ 34,825**	$ 11,409	205	$ 19,859
Adjusted EBITDA(2)	**$ 73,935**	$ 85,162	(13)	$ 52,473
Funds Flow from Operations(2)	**$ 42,823**	$ 55,344	(23)	$ 26,827
Capital Expenditures (before changes in working capital)	**$ 45,359**	$ 94,727	(52)	$ 53,040

(1) Sales volumes represent production NAR adjusted for inventory changes.

(2) Non-GAAP measures.

Gross profit is derived from oil, gas and NGL sales, less operating and transportation expenses, and depletion and accretion related to producing assets. Gross profit does not include depreciation of administrative assets, asset impairment, general and administrative expenses, interest, taxes or other non-operating items.

Operating netback, EBITDA, adjusted EBITDA, and funds flow from operations are non-GAAP measures which do not have any standardized meaning prescribed under GAAP. Management views these measures as financial performance measures. Investors are cautioned that these measures should not be construed as alternatives to oil sales, net income (loss) or other measures of financial performance as determined in accordance with GAAP. Our method of calculating these measures may differ from other companies and, accordingly, may not be comparable to similar measures used by other companies. Disclosure of each non-GAAP financial measure is preceded by the corresponding GAAP measure so as not to imply that more emphasis should be placed on the non-GAAP measure.

Operating netback, as presented, is defined as gross profit adjusted for depletion and accretion related to producing assets. Management believes that operating netback is a useful supplemental measure for management and investors to analyze financial performance and provides an indication of the results generated by our principal business activities prior to the consideration of other income and expenses. A reconciliation from gross profit to operating netback is provided in the table below.

Colombia	Three Months Ended March 31,		Three Months Ended December 31,
(Thousands of U.S. Dollars)	2026	2025	2025
Gross Profit (Loss)	**$ 24,377**	$ 26,948	$ (2,865)
Adjustments to reconcile gross profit to operating netback			
Depletion and accretion (*)	**40,633**	44,999	49,383
Operating netback (non-GAAP)	**$ 65,010**	$ 71,947	$ 46,518

(*) Calculated as DD&A expenses for the three months ended March 31, 2026 and 2025 of $46.4 million and $48.7 million less depreciation of administrative assets of $5.7 million and $3.7 million, respectively. For the prior quarter, calculated as DD&A expenses of $53.3 million, less depreciation of administrative assets of $3.9 million.

Ecuador	Three Months Ended March 31,		Three Months Ended December 31,
(Thousands of U.S. Dollars)	2026	2025	2025
Gross Profit	**$ 6,378**	$ 1,361	$ 3,678
Adjustments to reconcile gross profit to operating netback			
Depletion and accretion (*)	**15,861**	10,496	5,258
Operating netback (non-GAAP)	**$ 22,239**	$ 11,857	$ 8,936

(*) Calculated as DD&A expenses for the three months ended March 31, 2026 and 2025 of $16.0 million and $10.5 million less depreciation of administrative assets of $0.1 million and nil, respectively. For the prior quarter, calculated as DD&A expenses of $5.5 million, less depreciation of administrative assets of $0.3 million.

Canada	Three Months Ended March 31,		Three Months Ended December 31,
(Thousands of U.S. Dollars)	2026	2025	2025
Gross Profit (Loss)	**$ 5,942**	$ (208)	$ 38
Adjustments to reconcile gross profit to operating netback			
Depletion and accretion (*)	**7,414**	12,936	13,595
Operating netback (non-GAAP)	**$ 13,356**	$ 12,728	$ 13,633

(*) Same as DD&A expenses for the three months ended March 31, 2026 and 2025 and the prior quarter.

Total Consolidated	Three Months Ended March 31,		Three Months Ended December 31,
(Thousands of U.S. Dollars)	2026	2025	2025
Gross Profit	**$ 36,697**	$ 28,101	$ 851
Adjustments to reconcile gross profit to operating netback			
Depletion and accretion (*)	**63,908**	68,431	68,236
Operating netback (non-GAAP)	**$ 100,605**	$ 96,532	$ 69,087

(*) Calculated as DD&A expenses for the three months ended March 31, 2026 and 2025 of $69.9 million and $72.2 million less depreciation of administrative assets of $6.0 million and $3.8 million, respectively. For the prior quarter, calculated as DD&A expenses of $72.5 million, less depreciation of administrative assets of $4.3 million.

EBITDA, as presented, is defined as net income (loss) adjusted for depletion, depreciation and accretion (“DD&A”) expenses, interest expense, and income tax expense or recovery. Adjusted EBITDA, as presented, is defined as EBITDA adjusted for asset impairment, severance expense, non-cash lease expense, lease payments, foreign exchange gains or losses, stock-based compensation expense or recovery, other non-cash gains or losses and unrealized derivative instruments gains or losses. Management uses this supplemental measure to analyze performance and income generated by our principal business activities prior to the consideration of how non-cash items affect that income and believes that this financial measure is a useful supplemental information for investors to analyze our performance and financial results. A reconciliation from net income (loss) to EBITDA and adjusted EBITDA is as follows:

(Thousands of U.S. Dollars)	Three Months Ended March 31, 2026	Three Months Ended March 31, 2025	Three Months Ended December 31, 2025
Net loss	**$ (119,172)**	$ (19,280)	$ (141,148)
Adjustments to reconcile net loss to EBITDA and Adjusted EBITDA			
DD&A expenses	**69,874**	72,202	72,535
Interest expense	**49,878**	23,235	28,261
Income tax (recovery) expense	**(26,595)**	3,553	(36,678)
EBITDA (non-GAAP)	**$ (26,015)**	$ 79,710	$ (77,030)
Asset impairment	**—**	—	136,261
Severance	**2,468**	—	—
Non-cash lease expense	**1,468**	1,736	1,173
Lease payments	**(1,687)**	(1,567)	(1,287)
Foreign exchange loss	**1,425**	3,838	896
Stock-based compensation expense (recovery)	**19,676**	(517)	3,042
Other non-cash (gain) loss	**(728)**	52	(2,913)
Unrealized derivative instruments loss (gain)	**77,328**	1,910	(7,669)
Adjusted EBITDA (non-GAAP)	**$ 73,935**	$ 85,162	$ 52,473

Funds flow from operations, as presented, is defined as net loss adjusted for DD&A expenses, asset impairment, deferred income tax expense or recovery, stock-based compensation expense or recovery, amortization of debt issuance costs, Senior Notes exchange fees, non-cash interest, non-cash lease expense, lease payments, unrealized foreign exchange gain or loss, unrealized derivative instruments gains or loss and other non-cash gains or losses. Management uses this financial measure to analyze performance and income generated by our principal business activities prior to the consideration of how non-cash items affect that income and believes that this financial measure is also useful supplemental information for investors to analyze performance and our financial results. A reconciliation from net loss to funds flow from operations is as follows:

(Thousands of U.S. Dollars)	Three Months Ended March 31, 2026	Three Months Ended March 31, 2025	Three Months Ended December 31, 2025
Net loss	**$ (119,172)**	$ (19,280)	$ (141,148)
Adjustments to reconcile net loss to funds flow from operations			
DD&A expenses	**69,874**	72,202	72,535
Asset impairment	**—**	—	136,261
Deferred income tax recovery	**(32,445)**	(4,712)	(38,055)
Stock-based compensation expense (recovery)	**19,676**	(517)	3,042
Amortization of debt issuance costs	**11,293**	3,833	4,759
Senior Notes exchange fees	**12,903**	—	—
Non-cash interest	**4,513**	—	2,025
Non-cash lease expense	**1,468**	1,736	1,173
Lease payments	**(1,687)**	(1,567)	(1,287)
Unrealized foreign exchange (gain) loss	**(200)**	1,687	(1,896)
Unrealized derivative instruments loss (gain)	**77,328**	1,910	(7,669)
Other non-cash (gain) loss	**(728)**	52	(2,913)
Funds flow from operations (non-GAAP)	**$ 42,823**	$ 55,344	$ 26,827

Additional Operational Results

(Thousands of U.S. Dollars)	Three Months Ended March 31, 2026	2025	% Change	Three Months Ended December 31, 2025
Oil, natural gas and NGL sales	**$ 172,057**	$ 168,173	2	$ 129,929
Operating expenses	**66,149**	67,090	(1)	57,160
Transportation expenses	**5,303**	4,551	17	3,682
Operating netback(1)	**100,605**	96,532	4	69,087
Other taxes	**1,041**	481	116	657
DD&A expenses	**69,874**	72,202	(3)	72,535
Asset impairment	**—**	—	—	136,261
Derivative instruments loss (gain)	**88,410**	1,467	5,927	(8,426)
G&A expenses before stock-based compensation	**15,149**	11,926	27	16,817
G&A stock-based compensation expense (recovery)	**19,676**	(517)	3,906	3,042
Severance	**2,468**	—	100	—
Foreign exchange loss	**1,425**	3,838	(63)	896
Interest expense	**49,878**	23,235	115	28,261
	247,921	112,632	120	250,043
Other gain (loss)	**1,148**	(52)	(2,308)	2,913
Interest income	**401**	425	(6)	217
Loss before income taxes	**(145,767)**	(15,727)	827	(177,826)
Current income tax expense	**5,850**	8,265	(29)	1,377
Deferred income tax recovery	**(32,445)**	(4,712)	589	(38,055)
Total income tax (recovery) expense	**(26,595)**	3,553	(849)	(36,678)
Net loss	**$ (119,172)**	$ (19,280)	518	$ (141,148)
Sales Volumes (NAR)				
Total sales volumes, BOEPD	**40,267**	39,024	3	35,984
Brent Price per bbl	**$ 78.38**	$ 74.98	5	$ 63.08
WTI Price per bbl	**$ 72.73**	$ 71.47	2	$ 59.24
AECO Price C$ per GJ	**1.91**	2.05	(7)	2.11
Consolidated Results of Operations per boe Sales Volumes NAR				
Oil, natural gas and NGL sales	**$ 47.48**	$ 47.88	(1)	$ 39.25
Operating expenses	**18.25**	19.10	(4)	17.27
Transportation expenses	**1.46**	1.30	12	1.11
Operating netback(1)	**27.77**	27.48	1	20.87
Other taxes	**0.29**	0.14	110	0.20
DD&A expenses	**19.28**	20.56	(6)	21.91

Asset impairment	—	—	—	41.16
Derivative instruments loss (gain)	**24.40**	0.42	5,741	(2.55)
G&A expenses before stock-based compensation	**4.18**	3.40	23	5.08
G&A stock-based compensation expense (recovery)	**5.43**	(0.15)	3,789	0.92
Severance	**0.68**	—	100	—
Foreign exchange loss	**0.39**	1.09	(64)	0.27
Interest expense	**13.76**	6.62	108	8.54
	68.41	32.07	113	75.53
Other gain (loss)	**0.32**	(0.01)	(2,240)	0.88
Interest income	**0.11**	0.12	(9)	0.07
Loss before income taxes	**(40.21)**	(4.48)	798	(53.71)
Current income tax expense	**1.61**	2.35	(31)	0.42
Deferred income tax recovery	**(8.95)**	(1.34)	567	(11.50)
Total income tax (recovery) expense	**(7.34)**	1.01	(827)	(11.08)
Net loss	**$ (32.87)**	$ (5.49)	499	$ (42.63)

(1) Operating netback is a non-GAAP measure that does not have any standardized meaning prescribed under GAAP. Refer to note 2 "Non-GAAP measures" in "Financial and Operational Highlights" for a definition of this measure.

Oil, Natural Gas and NGL Production and Sales Volumes, BOEPD

	Three Months Ended March 31,		Three Months Ended December 31,
Average Daily Volumes (BOEPD) - Colombia	**2026**	**2025**	**2025**
WI production before royalties	**21,319**	25,652	23,259
Royalties	**(3,230)**	(4,420)	(3,013)
Production NAR	**18,089**	21,232	20,246
Decrease (increase) in inventory	**799**	(379)	(908)
Sales	**18,888**	20,853	19,338
Royalties, % of working interest production before royalties	**15 %**	17 %	13 %

	Three Months Ended March 31,		Three Months Ended December 31,
Average Daily Volumes (BOEPD) - Ecuador	**2026**	**2025**	**2025**
WI production before royalties	**8,759**	4,034	6,898
Royalties	**(2,584)**	(1,424)	(1,925)
Production NAR	**6,175**	2,610	4,973
Decrease (increase) in inventory	**1,727**	840	(2,572)
Sales	**7,902**	3,450	2,401
Royalties, % of working interest production before royalties	**30 %**	35 %	28 %

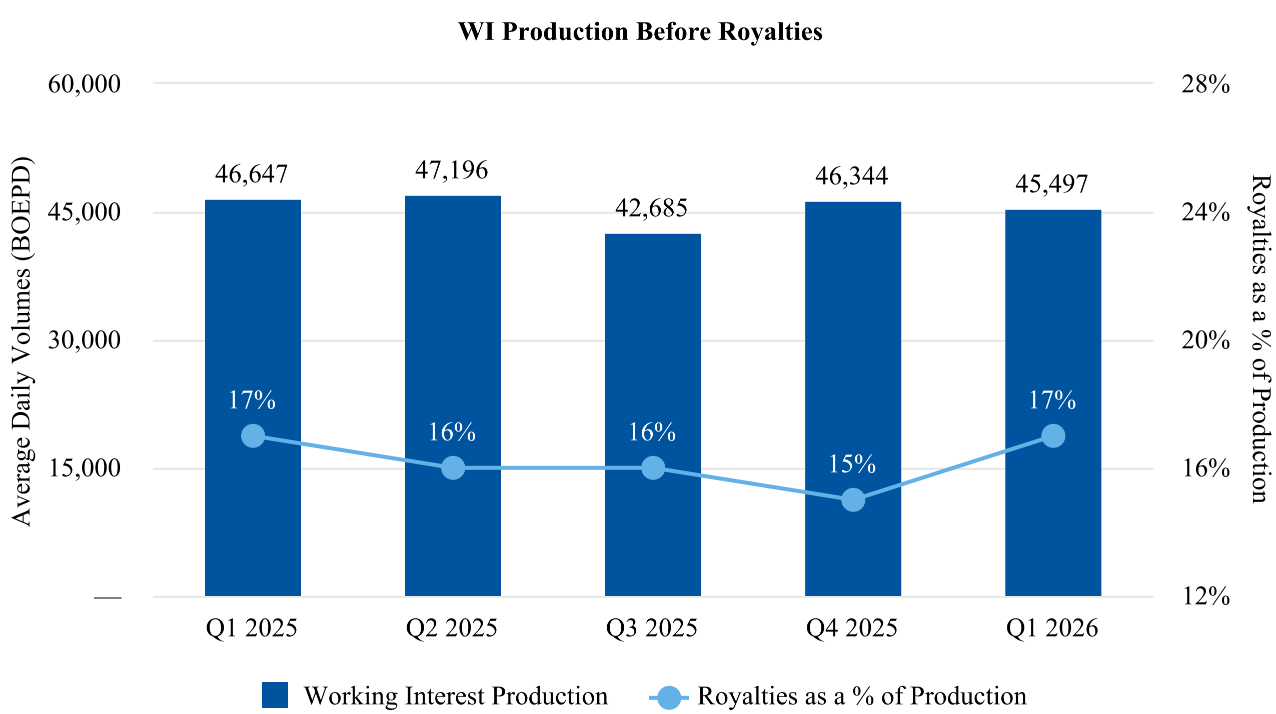
	Three Months Ended March 31,		Three Months Ended December 31,
Average Daily Volumes (BOEPD) - Canada	**2026**	**2025**	**2025**

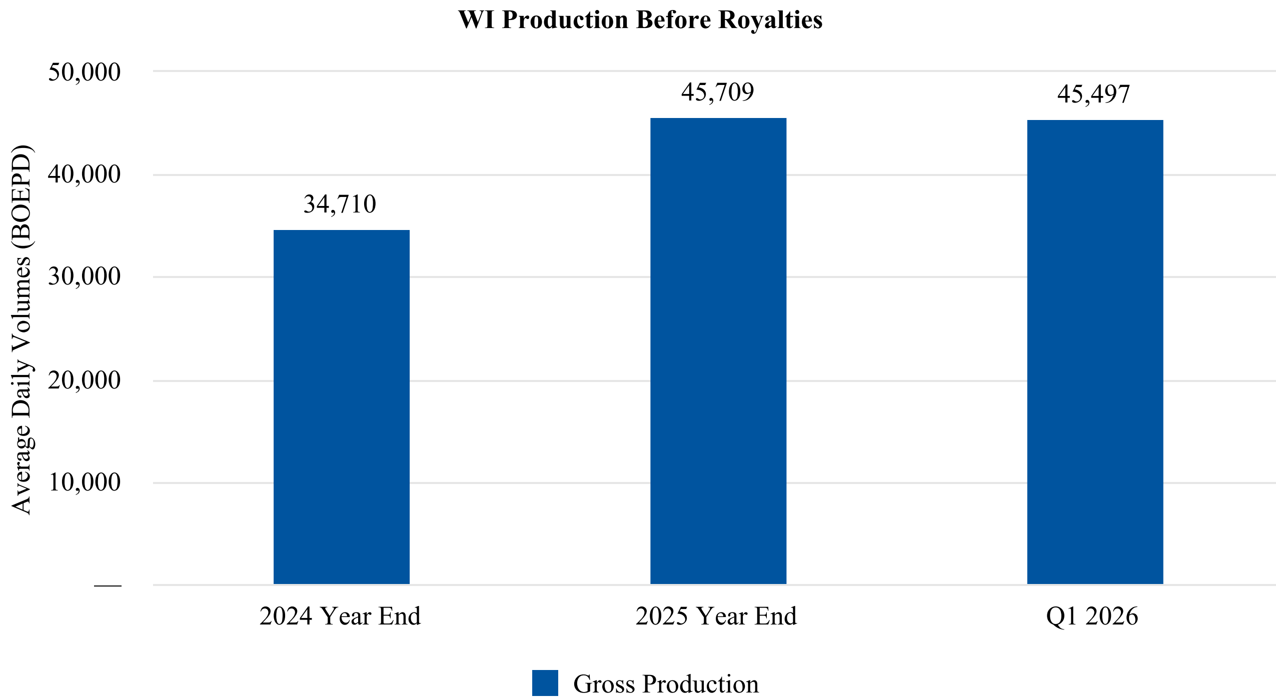
WI production before royalties	**15,419**	16,961	16,187
Royalties	**(1,942)**	(2,240)	(1,942)
Production NAR	**13,477**	14,721	14,245
Sales	**13,477**	14,721	14,245
Royalties, % of working interest production before royalties	**13 %**	13 %	12 %

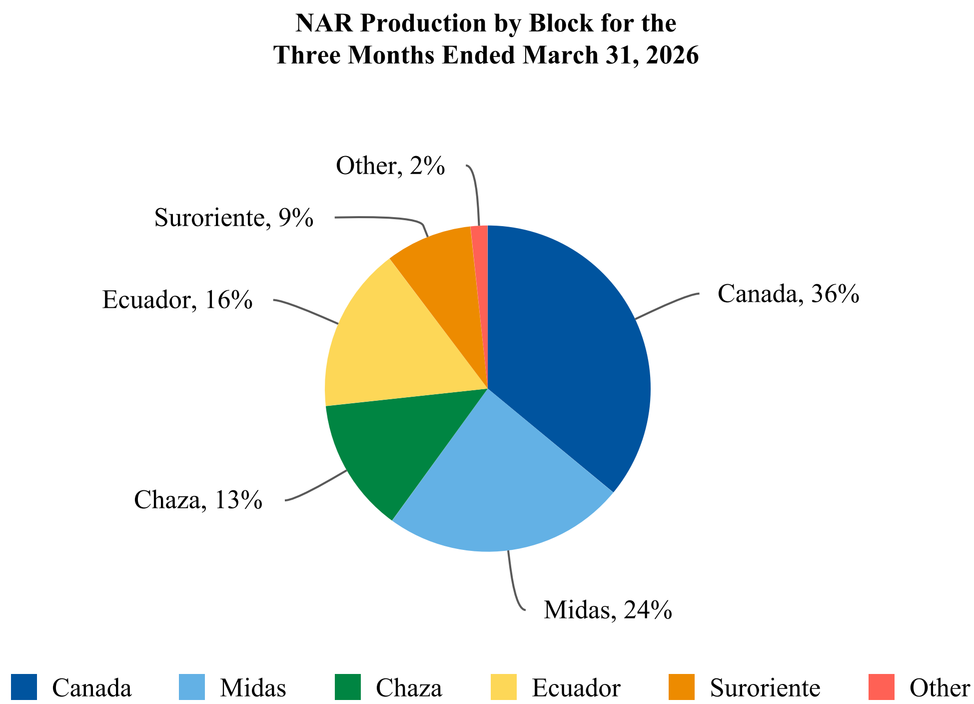
	Three Months Ended March 31,		Three Months Ended December 31,
Average Daily Volumes (BOEPD) - Total Company	**2026**	**2025**	**2025**
WI production before royalties	**45,497**	46,647	46,344
Royalties	**(7,756)**	(8,084)	(6,880)
Production NAR	**37,741**	38,563	39,464
Decrease (increase) in inventory	**2,526**	461	(3,480)
Sales	**40,267**	39,024	35,984
Royalties, % of working interest production before royalties	**17 %**	17 %	15 %

Oil, natural gas and NGL production NAR for the three months ended March 31, 2026, decreased by 2% to 37,741 BOEPD compared to the corresponding period of 2025 due to lower production in Acordionero field in Colombia and the sale of Simonette area in Canada, partially offset by higher than anticipated production results from Conejo-1 well in Charapa Block and additional production from Perico Block in Ecuador acquired in December 2025. Oil, natural gas and NGL production NAR decreased by 4% compared to the prior quarter for the same reason mentioned above.

Royalties as a percentage of production for the three months ended March 31, 2026 were comparable to the corresponding period of 2025. Royalties as a percentage of production increased 2% compared to the prior quarter commensurate with the increase in benchmark oil prices and the price sensitive royalty regime in Colombia, Ecuador, and Canada.







The Midas Block includes the Acordionero field, the Suroriente Block includes the Cohembi field, and the Chaza Block includes the Costayaco and Moqueta fields. Ecuador includes the Charapa, Iguana, Chanangue and Perico Blocks. Canada includes several areas in the Western Canadian Sedimentary Basin with the majority of production in Alberta, Canada.

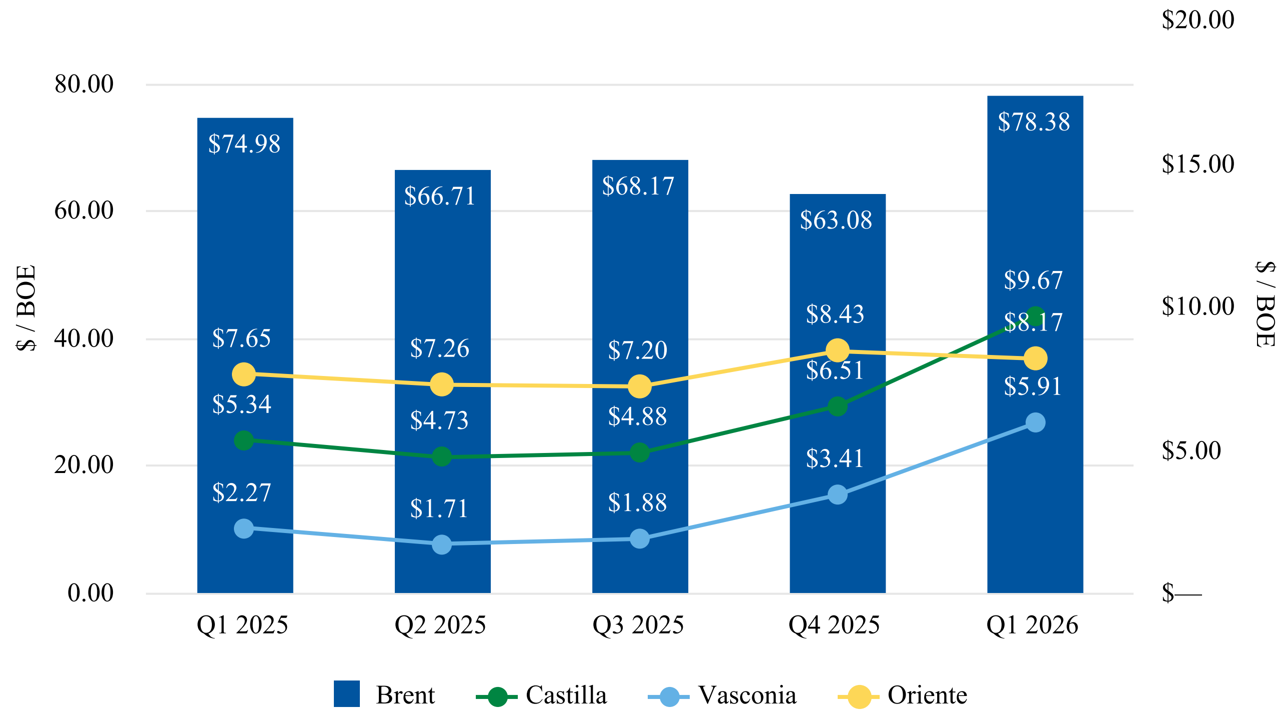
Commodity prices:

Colombia and Ecuador

Brent - For the three months ended March 31, 2026, Brent increased 5% from the corresponding period of 2025 and increased 24% from the prior quarter. For the three months ended March 31, 2026, Castilla, Vasconia and Oriente differentials per boe increased to $9.67, $5.91 and $8.17 compared to $5.34, $2.27 and $7.65, respectively, in the corresponding period of 2025. Additionally, the realized price for South America was effected by higher transportation discounts. Higher transportation discounts were incurred due to utilizing alternative transportation route associated with Putumayo production in Colombia which was significantly more expensive and resulted in approximately $4.1 million for the current quarter.

During the three months ended March 31, 2026, 100% of sales from South America was priced against Brent.

Brent and Discounts



Canada

WTI - For the three months ended March 31, 2026, WTI increased 2% from the corresponding period of 2025 and increased 23% from the prior quarter. During the first quarter of 2026, 25% of NAR production in Canada was oil, compared to 21% for the comparable period of 2025, and 26% for the prior quarter.

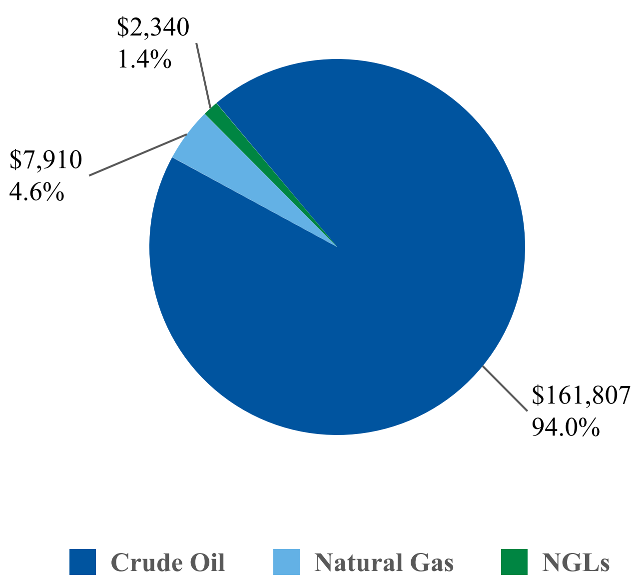
NGLs - For the three months ended March 31, 2026, the weighted average NGL price received was 10% of WTI compared to 14% percent of WTI in the comparable period of 2025 and 22% percent of WTI in the prior quarter. During the first quarter of 2026, 26% of production in Canada were NGLs, compared to 27% from the comparable period of 2025 and 24% in the prior quarter.

AECO - For the three months ended March 31, 2026, AECO price decreased 7% and 9% from the comparable period of 2025 and from prior quarter, respectively. During the first quarter of 2026, 49% of production in Canada was natural gas, compared to 52% from the comparable period of 2025 and 50% in the prior quarter.

Oil, natural gas and NGL sales for the three months ended March 31, 2026, increased by 2% to $172.1 million compared to the corresponding period of 2025 due to 3% higher sales volumes driven by selling production from newly acquired Perico Block in Ecuador and 5% increase in Brent price, offset by higher quality and transportation discounts in Colombia. Higher quality and transportation discounts incurred due to using alternative transportation route associated with Putumayo production which was significantly more expensive and resulted in approximately $4.1 million for the current quarter.

Compared to the prior quarter, oil, natural gas and NGL sales increased by 32%, primarily due to a 24% increase in Brent price, and a 12% increase in sales volumes as a result of higher sales volumes in Ecuador partially offset by higher differentials. During the first quarter, we had two liftings in Ecuador compared to one in prior quarter. The sales price in Ecuador is the average Brent price less discounts for the month prior to lifting (M-1). During the three months ended March 31, 2026, we sold our January 2026 production for the average Brent price of December 2025 and the March 2026 production at the average Brent price of February 2026.

Oil, Natural Gas and NGL Sales
Three months ended March 31, 2026



The following table shows the effect of changes in realized price and sale volumes on our oil sales for the three months ended March 31, 2026, compared to the prior quarter and the corresponding period of 2025:

(Thousands of U.S. Dollars)	Three Months Ended March 31, 2026, Compared with Three Months Ended December 31, 2025	Three Months Ended March 31, 2026, Compared with Three Months Ended March 31, 2025
Oil, natural gas and NGL sales for the comparative period	$ 129,929	$ 168,173
Realized sales price increase (decrease) effect	29,822	(1,471)
Sales volumes increase effect	12,306	5,355
Oil, natural gas and NGL sales for the three months ended March 31, 2026	**$ 172,057**	**$ 172,057**

Gross Profit

Colombia	Three Months Ended March 31,		Three Months Ended December 31,
(Thousands of U.S. Dollars)	2026	2025	2025
Revenue	**$ 102,324**	$ 117,648	$ 89,072
Operating expenses	**35,042**	42,490	39,897
Transportation expenses	**2,272**	3,211	2,657
Depletion and accretion(*)	**40,633**	44,999	49,383
Gross profit (loss)	**$ 24,377**	$ 26,948	$ (2,865)

(*) Calculated as DD&A expenses for the three months ended March 31, 2026 and 2025 of $46.4 million and $48.7 million less depreciation of administrative assets of $5.7 million and $3.7 million, respectively. For the prior quarter, calculated as DD&A expenses of $53.3 million, less depreciation of administrative assets of $3.9 million.

Colombia	Three Months Ended March 31,		Three Months Ended December 31,
(U.S. Dollars per boe Sales NAR)	2026	2025	2025
Revenue	**$ 60.19**	$ 62.69	$ 50.07
Operating expenses	**20.61**	22.64	22.43
Transportation expenses	**1.34**	1.71	1.49
Depletion and accretion	**23.90**	23.98	27.76
Gross profit (loss)	**$ 14.34**	$ 14.36	$ (1.61)

Ecuador	Three Months Ended March 31,		Three Months Ended December 31,
(Thousands of U.S. Dollars)	2026	2025	2025
Revenue	**$ 40,745**	$ 21,023	$ 12,486
Operating expenses	**15,952**	8,073	2,918
Transportation expenses	**2,554**	1,093	632
Depletion and accretion(*)	**15,861**	10,496	5,258
Gross profit	**$ 6,378**	$ 1,361	$ 3,678

(*) Calculated as DD&A expenses for the three months ended March 31, 2026 and 2025 of $16.0 million and $10.5 million less depreciation of administrative assets of $0.1 million and nil, respectively. For the prior quarter, calculated as DD&A expenses of $5.5 million, less depreciation of administrative assets of $0.3 million.

Ecuador	Three Months Ended March 31,		Three Months Ended December 31,
(U.S. Dollars per boe Sales NAR)	2026	2025	2025
Revenue	**$ 57.30**	$ 67.71	$ 56.52
Operating expenses	**22.43**	26.00	13.21
Transportation expenses	**3.59**	3.52	2.86
Depletion and accretion	**22.30**	33.81	23.80
Gross profit	**$ 8.98**	$ 4.38	$ 16.65

Canada (Thousands of U.S. Dollars)	Three Months Ended March 31, 2026	 2025	Three Months Ended December 31, 2025
Revenue	**$ 28,988**	$ 29,502	$ 28,371
Operating expenses	**15,155**	16,527	14,345
Transportation expenses	**477**	247	393
Depletion and accretion(*)	**7,414**	12,936	13,595
Gross profit (loss)	**$ 5,942**	$ (208)	$ 38

(*) Same as DD&A expenses for the three months ended March 31, 2026 and 2025 and the prior quarter.

Canada (U.S. Dollars per boe Sales NAR)	Three Months Ended March 31, 2026	 2025	Three Months Ended December 31, 2025
Revenue	**$ 23.90**	$ 22.27	$ 21.65
Operating expenses	**12.49**	12.47	10.95
Transportation expenses	**0.39**	0.19	0.30
Depletion and accretion	**6.11**	9.76	10.37
Gross profit (loss)	**$ 4.91**	$ (0.15)	$ 0.03

Total Company (Thousands of U.S. Dollars)	Three Months Ended March 31, 2026	 2025	Three Months Ended December 31, 2025
Revenue	**$ 172,057**	$ 168,173	$ 129,929
Operating expenses	**66,149**	67,090	57,160
Transportation expenses	**5,303**	4,551	3,682
Depletion and accretion(*)	**63,908**	68,431	68,236
Gross profit	**$ 36,697**	$ 28,101	$ 851

(*) Calculated as DD&A expenses for the three months ended March 31, 2026 and 2025 of $69.9 million and $72.2 million less depreciation of administrative assets of $6.0 million and $3.8 million, respectively. For the prior quarter, calculated as DD&A expenses of $72.5 million, less depreciation of administrative assets of $4.3 million.

Total Company (U.S. Dollars per boe Sales NAR)	Three Months Ended March 31, 2026	 2025	Three Months Ended December 31, 2025
Revenue	**$ 47.48**	$ 47.88	$ 39.25
Operating expenses	**18.25**	19.10	17.27
Transportation expenses	**1.46**	1.30	1.11
Depletion and accretion	**17.63**	19.48	20.61
Gross profit	**$ 10.14**	$ 8.00	$ 0.26

Operating Netback

Colombia (Thousands of U.S. Dollars)	Three Months Ended March 31, 2026	Three Months Ended March 31, 2025	Three Months Ended December 31, 2025
Oil, natural gas and NGL sales	**$ 102,324**	$ 117,648	$ 89,072
Transportation expenses	**(2,272)**	(3,211)	(2,657)
	100,052	114,437	86,415
Operating expenses	**(35,042)**	(42,490)	(39,897)
Operating netback[(1)]	**$ 65,010**	$ 71,947	$ 46,518
(U.S. Dollars Per boe Sales Volumes NAR)			
Brent	**$ 78.38**	$ 74.98	$ 63.08
Quality and transportation discounts	**(18.19)**	(12.29)	(13.01)
Average realized price	**60.19**	62.69	50.07
Transportation expenses	**(1.34)**	(1.71)	(1.49)
Average realized price net of transportation expenses	**58.85**	60.98	48.58
Operating expenses	**(20.61)**	(22.64)	(22.43)
Operating netback[(1)]	**$ 38.24**	$ 38.34	$ 26.15

Ecuador (Thousands of U.S. Dollars)	Three Months Ended March 31, 2026	Three Months Ended March 31, 2025	Three Months Ended December 31, 2025
Oil, natural gas and NGL sales	**$ 40,745**	$ 21,023	$ 12,486
Transportation expenses	**(2,554)**	(1,093)	(632)
	38,191	19,930	11,854
Operating expenses	**(15,952)**	(8,073)	(2,918)
Operating netback[(1)]	**$ 22,239**	$ 11,857	$ 8,936
(U.S. Dollars Per boe Sales Volumes NAR)			
Brent (M-1 Pricing)	**$ 65.12**	$ 75.53	$ 65.09
Quality and transportation discounts	**(7.82)**	(7.82)	(8.57)
Average realized price	**57.30**	67.71	56.52
Transportation expenses	**(3.59)**	(3.52)	(2.86)
Average realized price net of transportation expenses	**53.71**	64.19	53.66
Operating expenses	**(22.43)**	(26.00)	(13.21)
Operating netback[(1)]	**$ 31.28**	$ 38.19	$ 40.45

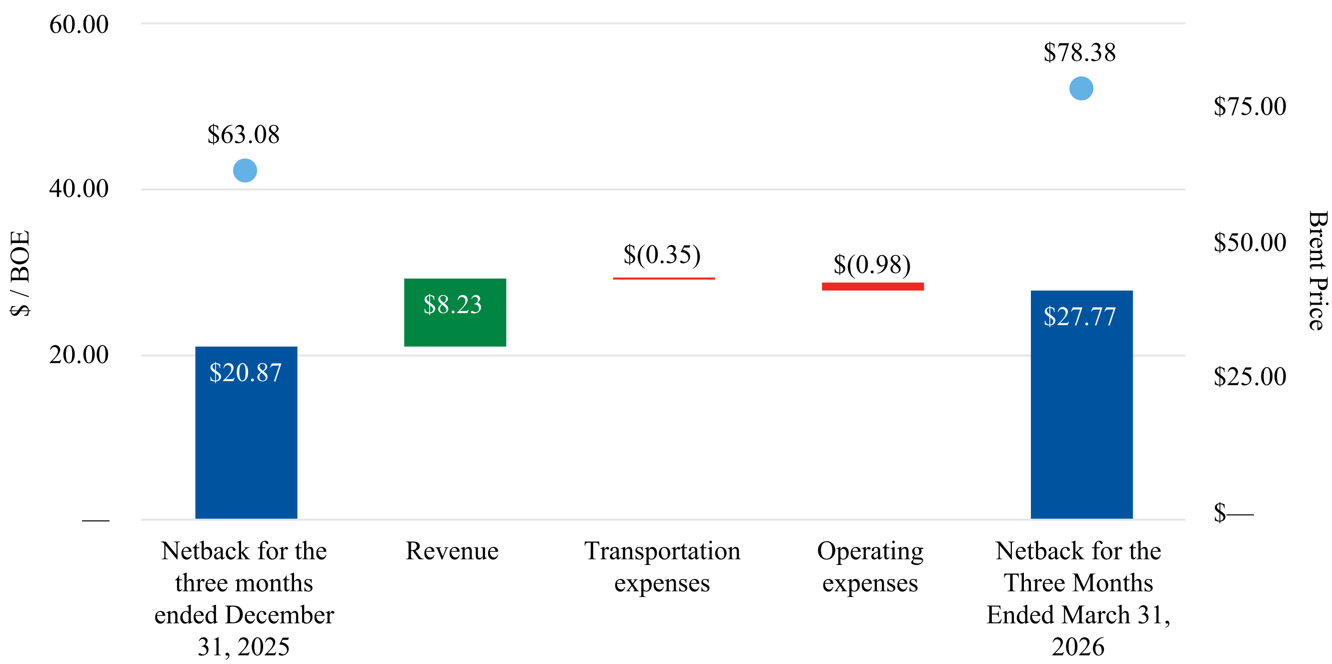
Canada	Three Months Ended March 31,		Three Months Ended December 31,
(Thousands of U.S. Dollars)	2026	2025	2025
Oil, natural gas and NGL sales	**$ 28,988**	$ 29,502	$ 28,371
Transportation expenses	**(477)**	(247)	(393)
	28,511	29,255	27,978
Operating expenses	**(15,155)**	(16,527)	(14,345)
Operating netback[1]	**$ 13,356**	$ 12,728	$ 13,633
(U.S. Dollars Per boe Sales Volumes NAR)			
WTI Price per bbl	**$ 72.73**	$ 71.47	$ 59.24
AECO Price C$ per GJ	**1.91**	2.05	2.11
Average realized price	**23.90**	22.27	21.65
Transportation expenses	**(0.39)**	(0.19)	(0.30)
Average realized price net of transportation expenses	**23.51**	22.08	21.35
Operating expenses	**(12.49)**	(12.47)	(10.95)
Operating netback[1]	**$ 11.02**	$ 9.61	$ 10.40

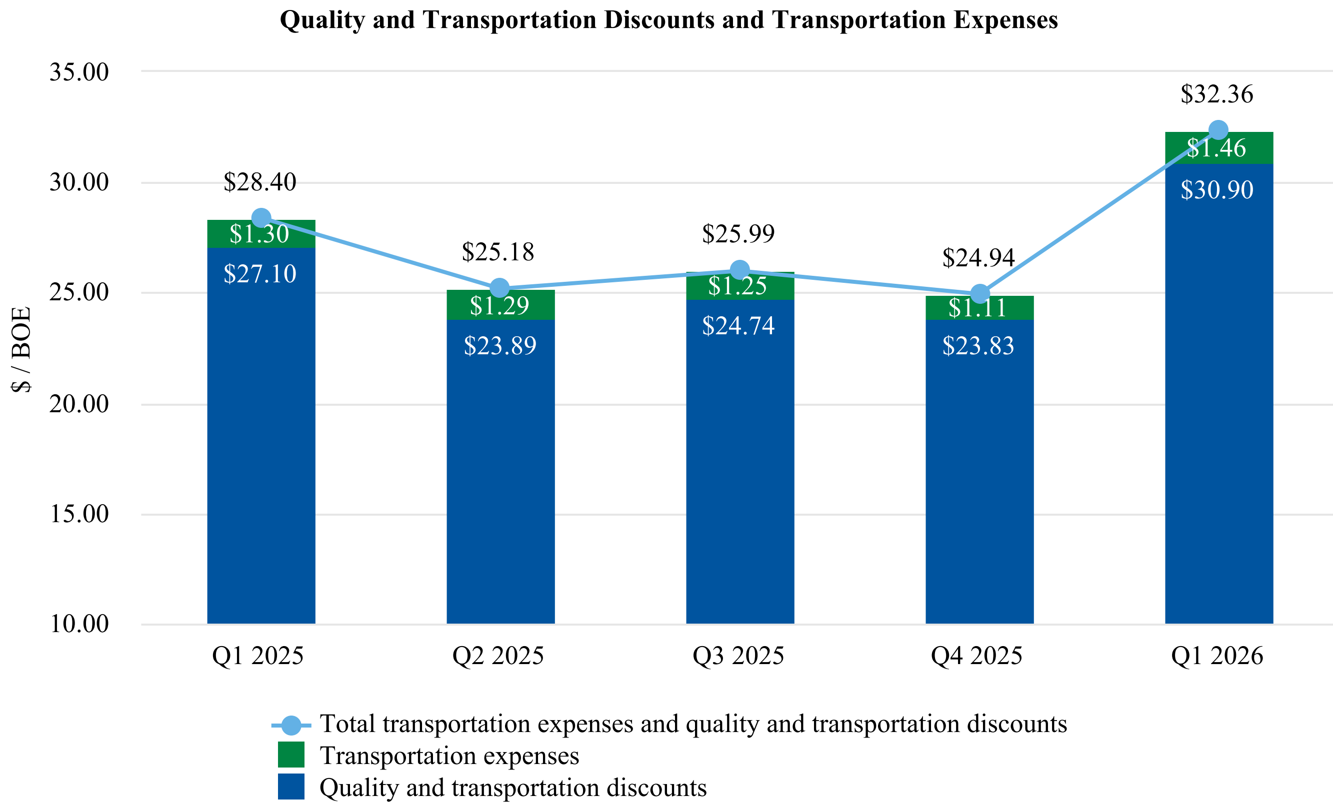
Total Company	Three Months Ended March 31,		Three Months Ended December 31,
(Thousands of U.S. Dollars)	2026	2025	2025
Oil, natural gas and NGL sales	**$ 172,057**	$ 168,173	$ 129,929
Transportation expenses	**(5,303)**	(4,551)	(3,682)
	166,754	163,622	126,247
Operating expenses	**(66,149)**	(67,090)	(57,160)
Operating netback[1]	**$ 100,605**	$ 96,532	$ 69,087
(U.S. Dollars Per boe Sales Volumes NAR)			
Average realized price	**47.48**	47.88	39.25
Transportation expenses	**(1.46)**	(1.30)	(1.11)
Average realized price net of transportation expenses	**46.02**	46.58	38.14
Operating expenses	**(18.25)**	(19.10)	(17.27)
Operating netback[1]	**$ 27.77**	$ 27.48	$ 20.87

[1] Operating netback is a non-GAAP measure that does not have any standardized meaning prescribed under GAAP. Refer to note 2 “Non-GAAP measures” in “Financial and Operational Highlights” for a definition and reconciliation of this measure.

Change in Operating Netback from Q1 2025 to Q1 2026

Change in Operating Netback from Q4 2025 to Q1 2026





Operating expenses for the three months ended March 31, 2026, decreased by 1% to $66.1 million compared to the corresponding period of 2025 due to lower workover activities, lower power generation and field personnel costs associated with head count optimization partially offset by higher inventory fluctuations due to the sale of oil inventory accumulated at the end of the previous quarter.

On a per boe basis, operating expenses decreased by $0.85 to $18.25 compared to the corresponding period of 2025, primarily due to $1.14 per boe lower workover activities which were partially offset by $0.21 per boe higher lifting costs associated with inventory fluctuations.

Compared to the prior quarter, operating expenses increased by 16% from $57.2 million or by $0.98 from $17.27 on a per boe basis primarily a result of inventory fluctuations due to the sale of oil inventory accumulated at the end of the previous quarter partially offset by lower workover activities and lower operating costs across various categories.

Transportation expenses

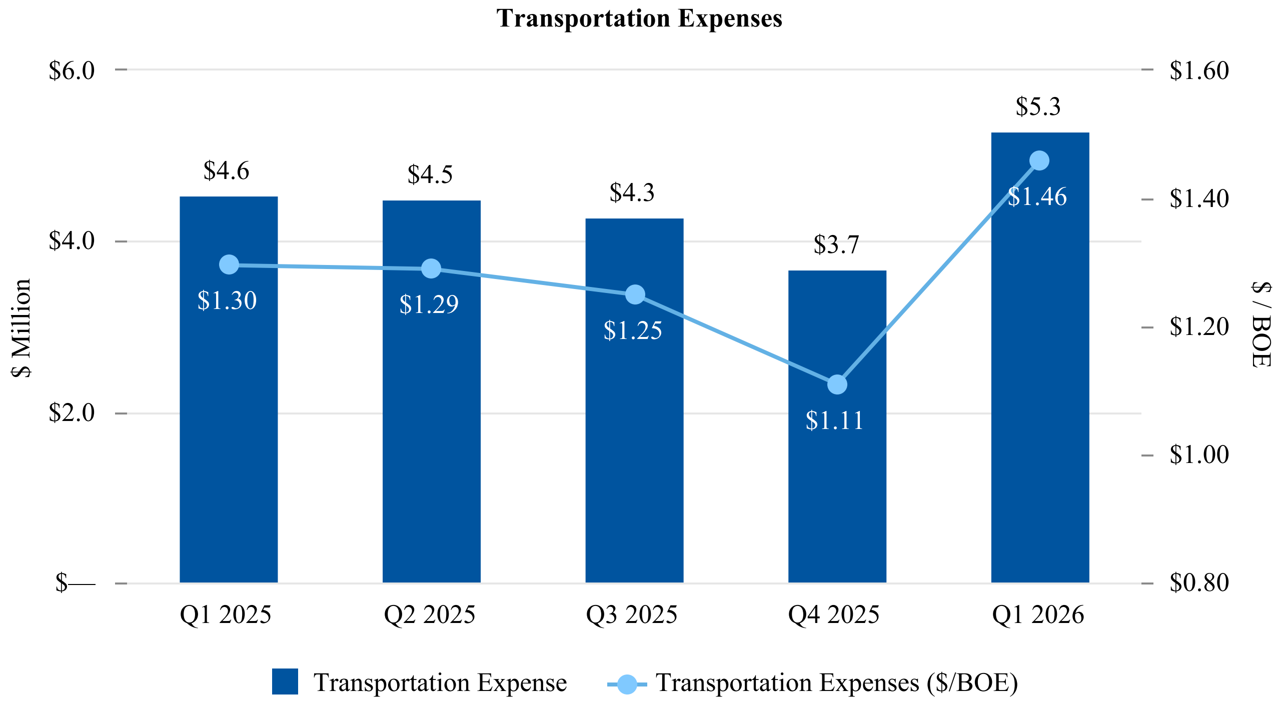
We have options to sell our oil through multiple pipelines and various trucking routes. Each option has varying effects on realized sales price and transportation expenses. The following table shows the percentage of oil, natural gas and NGL volumes we sold in Canada, Colombia and Ecuador using each option for the three months ended March 31, 2026 and 2025, and the prior quarter:

	Three Months Ended March 31,		**Three Months Ended December 31,**
	2026	**2025**	**2025**
Volume transported through pipeline	**54 %**	46 %	46 %
Volume sold at wellhead	**24 %**	25 %	28 %
Volume transported via truck to sales point	**22 %**	29 %	26 %
	100 %	100 %	100 %

Volumes transported through pipeline or via truck receive a higher realized price but incur higher transportation expenses. Conversely, volumes sold at the wellhead have the opposite effect of a lower realized price, offset by lower transportation expenses.

Transportation expenses for the three months ended March 31, 2026, increased by 17% to $5.3 million or $0.16 to $1.46 per boe, compared to the corresponding period of 2025, due to higher sales volumes transported in Ecuador during the current quarter.

Transportation expenses increased by 44% or $0.35 per boe from $3.7 million or $1.11 per boe in the prior quarter for the same reason mentioned above.



Colombia **(U.S. Dollars per boe Sales Volumes NAR)**	**Three Months Ended March 31, 2026, Compared with Three Months Ended December 31, 2025**	**Three Months Ended March 31, 2026, Compared with Three Months Ended March 31, 2025**
Average Brent price	**$ 78.38**	$ 78.38
Average realized price, net of transportation expenses for the comparative period	**$ 48.58**	$ 60.98
Increase in benchmark prices	**15.30**	3.40
Increase in quality and transportation discounts	**(5.18)**	(5.90)
Decrease in transportation expense	**0.15**	0.37
Average realized price, net of transportation expenses for the period	**$ 58.85**	$ 58.85
Average realized price, net of transportation expenses as a % of Brent	**75 %**	75 %

Ecuador	Three Months Ended March 31, 2026, Compared with Three Months Ended December 31, 2025	Three Months Ended March 31, 2026, Compared with Three Months Ended March 31, 2025
(U.S. Dollars per boe Sales Volumes NAR)		
Average Brent price (M-1 Pricing)	**$ 65.12**	$ 65.12
Average realized price, net of transportation expenses for the comparative period	**$ 53.66**	$ 64.19
Increase (decrease) in benchmark prices	**0.03**	(10.41)
Decrease in quality and transportation discounts	**0.75**	—
Increase in transportation expense	**(0.73)**	(0.07)
Average realized price, net of transportation expenses for the period	**$ 53.71**	$ 53.71
Average realized price, net of transportation expenses as a % of Brent	**82 %**	82 %

Canada	Three Months Ended March 31, 2026, Compared with Three Months Ended December 31, 2025	Three Months Ended March 31, 2026, Compared with Three Months Ended March 31, 2025
(U.S. Dollars per boe Sales Volumes NAR)		
Average WTI price	**$ 72.73**	$ 72.73
Average AECO price	**$ 1.91**	$ 1.91
Average realized price, net of transportation expenses for the comparative period	**$ 21.35**	$ 22.08
Increase in benchmark prices	**13.49**	1.26
(Increase) decrease in quality and transportation discounts	**(11.24)**	0.37
Increase in transportation expense	**(0.09)**	(0.20)
Average realized price, net of transportation expenses for the period	**$ 23.51**	$ 23.51
Average realized price, net of transportation expenses as a % of WTI	**32 %**	32 %

Total Company	Three Months Ended March 31, 2026, Compared with Three Months Ended December 31, 2025	Three Months Ended March 31, 2026, Compared with Three Months Ended March 31, 2025
(U.S. Dollars per boe Sales Volumes NAR)		
Average Brent price	**$ 78.38**	$ 78.38
Average realized price, net of transportation expenses for the comparative period	**$ 38.14**	$ 46.58
Increase in benchmark prices	**15.30**	3.40
Increase in quality and transportation discounts	**(7.07)**	(3.80)
Increase in transportation expense	**(0.35)**	(0.16)
Average realized price, net of transportation expenses for the period	**$ 46.02**	$ 46.02
Average realized price, net of transportation expenses as a % of Brent	**59 %**	59 %

DD&A Expenses

	Three Months Ended March 31,		Three Months Ended December 31,
	2026	2025	2025
DD&A Expenses, thousands of U.S. Dollars	**$ 69,874**	$ 72,202	$ 72,535
DD&A Expenses, U.S. Dollars per boe	**19.28**	20.56	21.91

	Three Months Ended March 31, 2026		Three Months Ended March 31, 2025		Three Months Ended December 31, 2025	
	DD&A expenses, thousands of U.S. Dollars	DD&A expenses, U.S. Dollars Per Boe	DD&A expenses, thousands of U.S. Dollars	DD&A expenses, U.S. Dollars Per Boe	DD&A expenses, thousands of U.S. Dollars	DD&A expenses, U.S. Dollars Per Boe
Colombia	**$ 46,378**	**$ 27.28**	$ 48,651	$ 25.92	$ 53,290	$ 29.95
Ecuador	**15,964**	**22.45**	10,498	33.81	5,534	25.05
Canada	**7,419**	**6.12**	12,941	9.77	13,600	10.38
Corporate	**113**	**—**	112	—	111	—
	$ 69,874	**$ 19.28**	$ 72,202	$ 20.56	$ 72,535	$ 21.91

DD&A expenses for the three months ended March 31, 2026, decreased by 3% or by $1.28 on a per boe basis, due to lower costs in the depletable base for Canadian operations as a result of Simonette field disposition and higher proved reserves in Ecuador, compared to the corresponding period of 2025.

DD&A expenses decreased by 4% from $72.5 million or by $2.63 on a per boe basis when compared to the prior quarter for the same reason mentioned above.

Asset Impairment

For the three months ended March 31, 2026 and 2025, we had no ceiling test impairment losses. We used a 12-month unweighted average of the first-day-of the month prices prior to the ending date of the period ended March 31, 2026 as follows: Brent Crude $67.58 per boe, Edmonton Light Crude of C$83.04 per boe, Alberta AECO spot price of C$1.99 per MMBtu Edmonton Propane C$28.38 per boe, Edmonton Butane C$36.04 per boe and Edmonton Condensate C$85.94 and for the period ended three months ended March 31, 2025 Brent Crude of $78.90 per boe, Edmonton Light Crude of C$98.11 per boe, Alberta AECO spot price of C$1.51 per MMBtu Edmonton Propane C$32.53 per boe, Edmonton Butane C$48.81 per boe and Edmonton Condensate C$101.71.

G&A Expenses

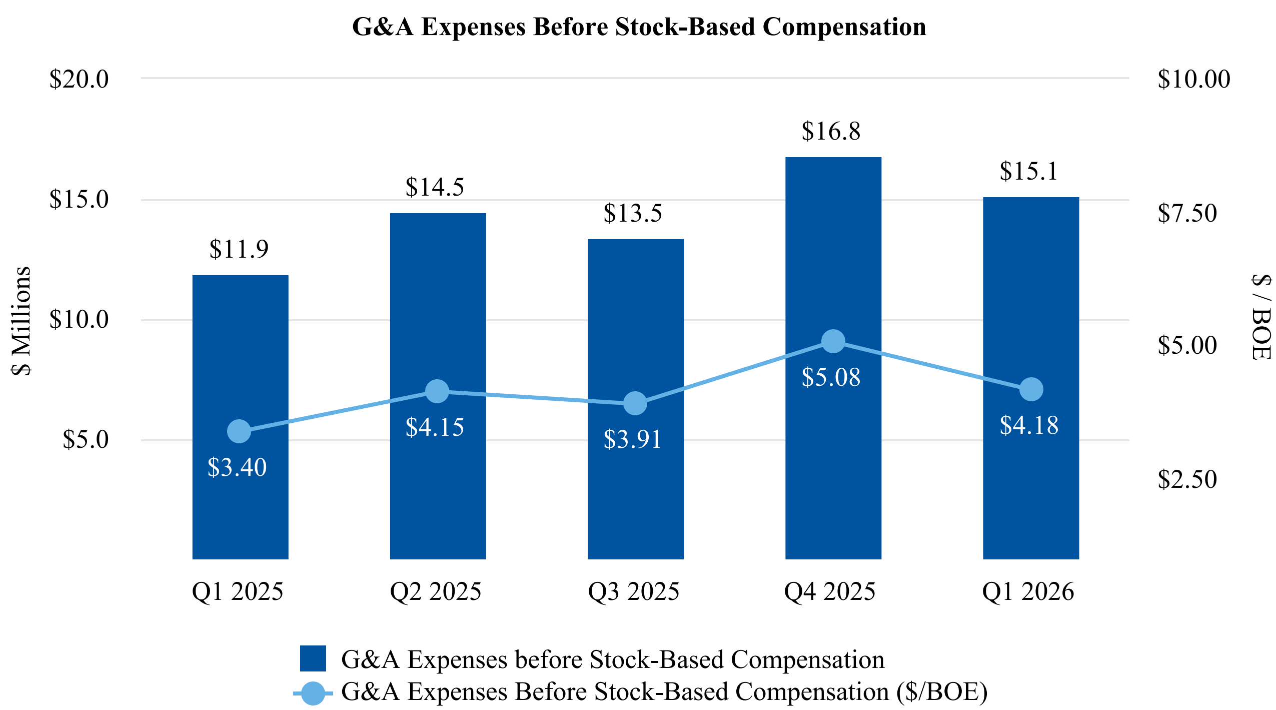
	Three Months Ended March 31,			Three Months Ended December 31,
(Thousands of U.S. Dollars)	2026	2025	% Change	2025
G&A Expenses before Stock-Based Compensation	**$ 15,149**	$ 11,926	27	$ 16,817
G&A Stock-Based Compensation Expense (Recovery)	**19,676**	(517)	3,906	3,042
G&A Expenses, including Stock-Based Compensation	**$ 34,825**	$ 11,409	205	$ 19,859
(U.S. Dollars Per boe Sales Volumes NAR)				
G&A Expenses before Stock-Based Compensation	**$ 4.18**	$ 3.40	23	$ 5.08
G&A Stock-Based Compensation Expense (Recovery)	**5.43**	(0.15)	3,789	0.92
G&A Expenses, including Stock-Based Compensation	**$ 9.61**	$ 3.25	196	$ 6.00

G&A expenses before stock-based compensation for the three months ended March 31, 2026, increased by 27% to $15.1 million or by $0.78 to $4.18 per boe compared to the corresponding period of 2025, primarily due to higher consulting costs attributable to optimization projects.

Compared to the prior quarter, G&A expenses before stock-based compensation decreased by 10% or $0.90 per boe due to headcount optimization and higher sales volumes.

G&A expenses after stock-based compensation for the three months ended March 31, 2026, increased by 205% or $6.36 per boe, compared to the corresponding period of 2025, due to higher stock-based compensation cost attributed to a higher share price during the current quarter.

Compared to the prior quarter, G&A expenses after stock-based compensation increased by 75% or $3.61 per boe for the same reason mentioned above.



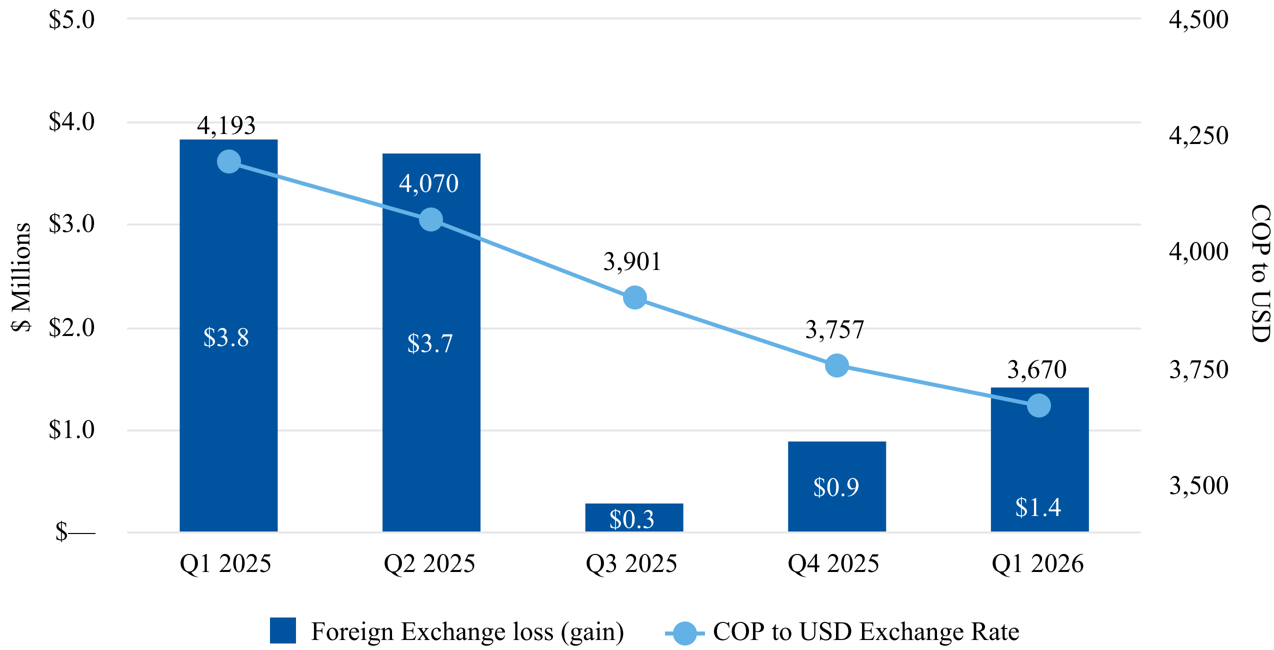
Severance Expenses

For the three months ended March 31, 2026, severance expenses were $2.5 million, compared to nil for the corresponding period of 2025 and the prior quarter, respectively due to headcount optimization.

Foreign Exchange Gains and Losses

For the three months ended March 31, 2026, we had a $1.4 million loss on foreign exchange compared to a $3.8 million loss on foreign exchange in the corresponding period of 2025, and a $0.9 million loss on foreign exchange in the prior quarter. Accounts payable, taxes receivable and payable and deferred income taxes are considered monetary items and require translation from local currencies to U.S. dollar functional currency at each balance sheet date. This translation was the primary source of the foreign exchange gains and losses in the periods.

Foreign exchange



The following table presents the change in the U.S. dollar against the Colombian peso and Canadian dollar for the three months ended March 31, 2026 and 2025 and the prior quarter:

	Three Months Ended March 31,		Three Months Ended December 31,
	2026	**2025**	**2025**
Change in the U.S. dollar against the Colombian peso	**weakened by 2%**	weakened by 5%	weakened by 4%
Change in the U.S. dollar against the Canadian dollar	**strengthened by 1%**	weakened by —%	weakened by 1%

Financial Instruments Gains or Losses

The following table presents the nature of our financial instruments gains or losses three months ended March 31, 2026 and 2025, and the prior quarter:

	Three Months Ended March 31,		Three Months Ended December 31,
(Thousands of U.S. Dollars)	**2026**	**2025**	**2025**
Commodity price derivative loss (gain)	**$ 88,618**	$ 1,467	$ (8,482)
Foreign currency derivative gain	**(208)**	—	—
Electricity price derivative loss	**—**	—	56
Derivative instruments loss (gain)	**$ 88,410**	$ 1,467	$ (8,426)

Income Tax Expense

(Thousands of U.S. Dollars)	Three Months Ended March 31, 2026	2025
Loss before income tax	**$ (145,767)**	$ (15,727)
Current income tax expense	**$ 5,850**	$ 8,265
Deferred income tax recovery	**(32,445)**	(4,712)
Income tax (recovery) expense	**$ (26,595)**	$ 3,553
Effective tax rate	**18 %**	(23)%

Current income tax expense was $5.9 million for the three months ended March 31, 2026, compared to $8.3 million in the corresponding period of 2025, primarily due to lower taxable income.

The deferred tax for the three months ended March 31, 2026, was a recovery of $32.4 million mainly due to an increase in deductible temporary differences arising from tax losses generated during the period and accruals. These were partially offset by higher tax depreciation relative to accounting depreciation.

The deferred income tax for the three months ended March 31, 2025, was a recovery of $4.7 million mainly due to the use of a higher enacted tax rate on Colombia tax losses. These were partially offset by higher tax depreciation relative to accounting depreciation.

For the three months ended March 31, 2026, the difference between the effective tax rate of 18% and the 21% statutory tax rate was primarily due to an increase in the non-deductible foreign translation adjustments and other permanent differences. This was partially offset by an increase in the impact of foreign taxes.

For the three months ended March 31, 2025, the difference between the effective tax rate of negative 23% and the 21% statutory tax rate was primarily due to an increase in the non-deductible foreign translation adjustments, other permanent differences and valuation allowance. This was partially offset by an increase in the impact of foreign taxes.

Net (Loss) Income and Funds Flow from Operations (a Non-GAAP Measure)

(Thousands of U.S. Dollars)	Three Months Ended March 31, 2026, Compared with Three Months Ended December 31, 2025	% change	Three Months Ended March 31, 2026, Compared with Three Months Ended March 31, 2025	% change
Net loss for the comparative period	**$ (141,148)**		**$ (19,280)**	
Increase (decrease) due to:				
Sales price	29,822		(1,471)	
Sales volumes	12,306		5,355	
Expenses:				
Cash operating expenses	(8,989)		941	
Transportation	(1,621)		(752)	
Other taxes	(384)		(560)	
Cash G&A, excluding stock-based compensation expense	1,668		(3,223)	
Net lease payments	(105)		(388)	
Severance	(2,468)		(2,468)	
Interest, excluding amortization of deferred financing fees	308		(1,767)	

Realized foreign exchange loss	1,167		526	
Other gain	420		420	
Cash settlement on derivative instruments	(11,839)		(11,525)	
Current taxes	(4,473)		2,415	
Interest income	184		(24)	
Net change in funds flow from operations(1) from comparative period	**15,996**		**(12,521)**	
Expenses:				
Depletion, depreciation and accretion	2,661		2,328	
Asset impairment	136,261		—	
Deferred tax	(5,610)		27,733	
Amortization of debt issuance costs	(6,534)		(7,460)	
Stock-based compensation	(16,634)		(20,193)	
Senior Notes exchange fees	(12,903)		(12,903)	
Non-cash interest	(2,488)		(4,513)	
Financial instruments loss, net of financial instruments settlements	(84,997)		(75,418)	
Unrealized foreign exchange (loss) gain	(1,696)		1,887	
Other non-cash (loss) gain	(2,185)		780	
Net lease payments	105		388	
Net change in net loss	**21,976**		**(99,892)**	
Net loss for the current period	**$ (119,172)**	**16%**	**$ (119,172)**	**(518)%**

(1) Funds flow from operations is a non-GAAP measure that does not have any standardized meaning prescribed under GAAP. Refer to note 2 "Non-GAAP measures" in "Financial and Operational Highlights" for a definition and reconciliation of this measure.

Capital expenditures during the three months ended March 31, 2026, were $45.4 million.

(Millions of U.S. Dollars)	Colombia	Ecuador	Canada	Total
Exploration:				
Drilling and Completions	$ 0.5	$ 0.8	$ —	$ 1.3
Civil Works	0.2	$ —	—	0.2
Other	2.5	1.4	—	3.9
Total Exploration	**$ 3.2**	**$ 2.2**	**$ —**	**$ 5.4**
Development:				
Drilling and Completions	$ 13.8	$ 0.2	$ 4.0	$ 18.0
Facilities	7.6	0.8	—	8.4
Civil Works	2.0	—	1.4	3.4
Other	8.2	2.0	—	10.2
Total Development	**$ 31.6**	**$ 3.0**	**$ 5.4**	**$ 40.0**
Total Company	**$ 34.8**	**$ 5.2**	**$ 5.4**	**$ 45.4**

During the three months ended March 31, 2026, we drilled the following wells:

	Number of wells (Gross)	Number of wells (Net)
Development - Colombia	3	1.4
Development - Canada	3	1.5
Total Company	6	2.9

During the three months ended March 31, 2026, we spud three development wells in Colombia and three in Canada. As of March 31, 2026, two development wells drilled in Colombia were producing and one well was in-progress. The wells drilled in Canada were in Simonette area, which was disposed during the three months ended March 31, 2026.

Liquidity and Capital Resources

	As at		
(Thousands of U.S. Dollars)	**March 31, 2026**	**% Change**	**December 31, 2025**
Cash and Cash Equivalents	**$ 124,752**	50	$ 82,931
7.75% Senior Notes due 2027	**$ 24,201**	—	$ 24,201
9.50% Senior Notes due 2029	**$ 87,639**	(88)	$ 716,340
9.75% Senior Notes due 2031	**$ 494,353**	100	$ —

We believe that our capital resources, including cash on hand and cash generated from operations will provide us with sufficient liquidity to meet our strategic objectives and planned capital program for the next 12 months, given the current oil price trends and production levels. We may also access capital markets to pursue financing, including for the re-purchase of common stock or the repayment of debt in the future. In accordance with our investment policy, available cash balances are held in our primary cash management banks or may be invested in U.S. or Canadian government-backed federal, provincial or state securities or other money market instruments with high credit ratings and short-term liquidity. We believe that our current financial position provides us with the flexibility to respond to both internal growth opportunities and those available through acquisitions. We intend to pursue growth opportunities and acquisitions from time to time, which may require significant capital to be located in basins or countries beyond our current operations, involve joint ventures, or be sizable compared to our current assets and operations.

Senior Notes

During the three months ended March 31, 2026, we issued $503.6 million in aggregate principal amount of its 9.75% Senior Secured Amortizing Notes due 2031 (the “9.75% Senior Notes”), and paid $125.0 million in cash consideration in exchange for $628.7 million aggregate principal amount of its 9.50% Senior Secured Amortizing Notes due 2029 (the “9.50% Senior Notes”). The exchange was accounted for as debt modification.

The 9.75% Senior Notes will mature on April 15, 2031, unless earlier redeemed or re-purchased. The principal amount of 9.75% Senior Notes is to be repaid as follows: (i) October 15, 2029 - 15% of the principal amount; (ii) October 15, 2030 - 15% of the principal amount; (iii) April 15, 2031 - the remainder of the principal amount. We are required to complete mandatory redemption of $30.0 million aggregate principal amount of 9.75% Senior Notes less any re-purchases in the open market during the year ended December 31, 2026.

At any time, prior to April 15, 2028, we may redeem up to 0.35 of the aggregate principal amount of 9.75% Senior Notes at a redemption price equal to 1.0975 of the principal amount. Additionally, we may redeem all or a portion of the 9.75% Senior Notes on or after 2028 at the following redemption prices: 2028 - 1.04875; 2029 - 1.02438; 2030 and thereafter - 1.

Under the terms of the 9.75% Senior Notes agreement, we are required to maintain compliance with the following financial covenants:

i. consolidated interest coverage ratio of not less than 2.50; and
ii. consolidated net debt (total debt excluding deferred financing fees debt less cash equivalents) to consolidated adjusted earnings before interest, taxes and DD&A (“EBITDA”) of not more than 3.00.

During the three months ended March 31, 2026, we re-purchased $9.2 million of 9.75% Senior Notes for cash consideration of $8.1 million resulting in a $0.6 million gain on purchase, which included the write-off of deferred financing fees of $0.5 million.

As at March 31, 2026, we were in compliance with all applicable covenants related to Senior Notes.

Credit Facility

As at March 31, 2026, we, through our wholly owned subsidiary Gran Tierra Canada Ltd., had a revolving credit facility with National Bank of Canada with a borrowing base of C$100.0 million (US$71.9 million) and the available commitment of a C$75.0 million (US$54.0 million) revolving credit facility comprised of C$60.0 million (US$43.2 million) syndicated facility and C$15.0 million (US$10.8 million) of operating facility. The drawn down amounts under the revolving credit facility can either be in Canadian or U.S. dollars and bear interest rates equal to either the Canadian prime rate or U.S. Base Rate plus a margin ranging from 2.00% to 4.00% per annum or for CORRA loans and SOFR loans plus a margin ranging from 3.00% to 5.00% per annum. Undrawn amounts under the revolving credit facility bear standby fee ranging from 0.75% to 1.25% per annum. In each case, the margin or standby fee, as applicable is based on Net Debt to EBITDA ratio of Gran Tierra Canada Ltd. The revolving credit facility matures on October 30, 2027. As of March 31, 2026, the revolving credit facility remained undrawn.

Prepayment agreements

During the three months ended March 31, 2026, we amended our existing prepayment agreement with Trafigura, entering into a new oil prepayment agreement that covers both our Ecuadorian and Colombian oil production. The amended agreement provides for a total prepayments of up to $350.0 million, including $325.0 million available immediately and additional $25.0 million available at Trafigura's sole discretion. The term of the amended prepayment agreement is 48 months.

Amounts drawn on this prepayment agreement are to be repaid through future oil deliveries. Shortfalls in crude oil deliveries in any given repayment period can be delivered during the next repayment period within three calendar months or paid in cash thereafter. Amounts under the prepayment facility are subject to interest based on SOFR risk-free rate plus a margin of 4.45% per annum. Under the terms of the prepayment agreement, we can repay the outstanding balance of the advance payment at any time without penalty. We were granted a six-month grace period for repayment of the principal amount drawn under the prepayment agreement with first re-payment starting April 2026.

Pursuant to the amended and restated prepayment agreement, proceeds from the new advance are required to be used exclusively to finance the repurchase or exchange of Senior Notes and to pay fees and expenses associated with the amended agreement.

We are required to maintain compliance with the following financial covenants related to amounts drawn under the prepayment agreement semi-annually, calculated on March 31 and September 30 of each year:

i. Asset Coverage Ratio of at least 150%, calculated using the net present value of the consolidated future cash flows of certain wholly owned subsidiaries of the Company that sell crude oil, projected through the final maturity date and discounted at 10% over the outstanding principal and the interest payable amount on the prepayment agreement at each reporting period. The net present value of the consolidated future cash flows of the Company is required to be based on 90% of the prevailing ICE Brent forward strip.

ii. Debt Service Coverage Ratio of at least 200%, calculated using the estimated crude oil to be delivered by the Company from any relevant time up to the final maturity date based on 80% of the prevailing ICE Brent forward strip and adjusted for quality differential and transportation discount over the outstanding principal amount under the prepayment agreement.

As at March 31, 2026, there was $316.5 million outstanding under the oil prepayment agreement. Of this amount, $86.3 million was classified as a current portion and included in accounts payable and accrued liabilities balance on the Company's Condensed Consolidated Balance Sheet.

Disposition of Simonette area

During the three months ended March 31, 2026, we disposed of the entire working interest and associated title rights in the Simonette Montney area in Canada effective January 1, 2026, for total cash consideration of C$66.3 million (US$48.6 million). The consideration comprised of C$50.0 million (US$36.6 million) attributable to the sale of crude oil and natural gas rights, C$12.5 million (US$9.2 million) related to the sale of tangible assets and seismic data and economic rights adjustment to effective date of (US$2.8 million). No gain or loss was recognized in the statement of operations because the disposal did not materially change the relationship between capital costs and the proved reserves of oil and natural gas assets.

Partnership with Ecopetrol S.A.

During the first quarter, we entered into a strategic partnership with Ecopetrol S.A. to earn, subject to regulatory approvals and conditions precedent, a 49% WI in the Tisquirama Block in Colombia. Under the terms of the agreement, we have committed to fund approximately $47.1 million of a $92.4 million gross capital program over 40 months, including a minimum Phase 1 investment of $15.0 million. Upon completion of Phase 1, we will be entitled to 49% of production and is expected to assume operatorship. The effective date of the Contract is subject to regulatory approval.

Production sharing agreement ("PSA")

During the first quarter, we, through our wholly owned subsidiary, Gran Tierra Energy (Azerbaijan) GmbH, entered into an exploration, development and PSA with the State Oil Company of Azerbaijan Republic ("SOCAR"), providing for a 65% participating interest to us and a 35% participating interest to SOCAR. The PSA provides for a five-year exploration phase and, in the event of a commercial crude oil discovery, a 25-year development phase, with minimum work commitments during the exploration period to be completed within 36 months. These commitments include, among others, the acquisition of 250 square kilometers of 3D seismic data, the drilling of two exploration wells, and the conduct of geological and environmental impact studies. We have the right to relinquish the entire contract area during the exploration phase upon fulfillment of its exploration commitments, subject to 90 days' prior notice to SOCAR.

Derivative positions

As at March 31, 2026, we had outstanding commodity price derivative positions as follows:

Oil

Type of Instrument	Start Period	End Period	Volume bbl/d	Reference	Sold Put (C$/bbl or $/bbl Weighted Average)	Purchased Put (C$/bbl or $/bbl Weighted Average)	Sold Call (C$/bbl or $/bbl Weighted Average)	Premium (C$/bbl or $/bbl Weighted Average)
3 Way	April 01, 2026	June 30, 2026	11,500	Brent	48.26	58.48	72.03	—
Collar	April 01, 2026	June 30, 2026	1,000	Brent	—	60.00	76.75	—
3 Way	April 01, 2026	June 30, 2026	1,000	WTI CMA	C$ 62.50	C$ 72.50	C$ 103.70	C$ 0.95
Collar	April 01, 2026	June 30, 2026	500	WTI CMA	—	C$ 75.00	C$ 91.95	—
Call Option	April 01, 2026	June 30, 2026	4,500	Brent	—	—	102.22	9.96
Call Option	April 01, 2026	June 30, 2026	500	WTI CMA	—	—	C$ 130.00	C$ 13.45
Put Option	April 01, 2026	June 30, 2026	2,500	Brent	—	64.00	—	4.06
3 Way	July 01, 2026	September 30, 2026	14,000	Brent	48.79	58.79	71.35	—
Put Option	July 01, 2026	September 30, 2026	500	Brent	—	60.00	—	4.30
3 Way	July 01, 2026	September 30, 2026	1,000	WTI CMA	C$ 62.50	C$ 72.50	C$ 103.70	C$ 0.95
Collar	July 01, 2026	September 30, 2026	500	WTI CMA	—	C$ 75.00	C$ 91.95	—
3 Way	October 01, 2026	December 31, 2026	14,000	Brent	48.43	58.43	70.87	—
Put Option	October 01, 2026	December 31, 2026	500	Brent	—	60.00	—	4.30
3 Way	October 01, 2026	December 31, 2026	500	WTI CMA	C$ 60.00	C$ 70.00	C$ 107.00	C$ 1.90

Collar	October 01, 2026	December 31, 2026	500	WTI CMA	—	C$ 70.00	C$ 92.47	C$ —
3 Way	January 01, 2027	March 31, 2027	3,000	Brent	58.33	71.67	89.55	—

Natural Gas

Type of Instrument	Start Period	End Period	Volume, GJ/day	Reference	Sold Swap (C$/GJ, Weighted Average)	Purchased Put (C$/GJ, Weighted Average)	Sold Call (C$/GJ, Weighted Average)
Swap	April 01, 2026	June 30, 2026	20,000	Aeco 5A	2.71	—	—
Swap	July 01, 2026	September 30, 2026	20,000	Aeco 5A	2.71	—	—
Swap	October 01, 2026	December 31, 2026	6,739	Aeco 5A	2.71	—	—

As at March 31, 2026, we had the following outstanding foreign currency exchange derivative positions:

Period and Type of Instrument	U.S. Dollars Amount Hedged (Thousands of U.S. Dollars)	COP Equivalent of Amount Hedged (Millions of COP)[1]	Reference	Floor Price (COP, Weighted Average)	Cap Price (COP, Weighted Average)
Collars: April 2026, to March 2027	12,000	44,040	COP	3,790	4,080

[1] At March 31, 2026 foreign exchange rate.

Subsequent to March 31, 2026, we entered into the following foreign currency exchange derivative positions:

Period and Type of Instrument	U.S. Dollars Amount Hedged (Thousands of U.S. Dollars)	COP Equivalent of Amount Hedged (Millions of COP)[1]	Reference	Floor Price (COP, Weighted Average)	Cap Price (COP, Weighted Average)
Collars: May 2026, to April 2027	24,000	88,080	COP	3,725	4,004

[1] At March 31, 2026 foreign exchange rate.

Cash Flows

The following table presents our primary sources and uses of cash and cash equivalents and restricted cash and cash equivalents for the periods presented:

	Three Months Ended March 31,	
(Thousands of U.S. Dollars)	**2026**	**2025**
Sources of cash and cash equivalents:		
Net loss	**$ (119,172)**	$ (19,280)
Adjustments to reconcile net loss to Adjusted EBITDA[1] and funds flow from operations[1]		
DD&A expenses	**69,874**	72,202
Interest expense	**49,878**	23,235
Severance	**2,468**	—
Income tax expense	**(26,595)**	3,553
Non-cash lease expenses	**1,468**	1,736
Lease payments	**(1,687)**	(1,567)
Foreign exchange loss	**1,425**	3,838
Stock-based compensation expense (recovery)	**19,676**	(517)
Financial instruments loss	**77,328**	1,910

Other (gain) loss	**(728)**	52
Adjusted EBITDA[1]	**73,935**	85,162
Severance	**(2,468)**	—
Current income tax expense	**(5,850)**	(8,265)
Contractual interest and other financing expenses	**(21,169)**	(19,402)
Realized foreign exchange loss	**(1,625)**	(2,151)
Funds flow from operations[1]	**42,823**	55,344
Proceeds from exercise of stock options	**433**	—
Proceeds from disposition of property, plant and equipment	**48,598**	—
Foreign exchange gain on cash and cash equivalents and restricted cash and cash equivalents	**—**	38
Net changes in assets and liabilities from operating activities	**143,739**	19,693
	235,593	75,075
Uses of cash and cash equivalents:		
Additions to property, plant and equipment	**(41,540)**	(67,504)
Re-purchase of Senior Notes	**(8,087)**	(1,712)
Senior Notes exchange fees	**(12,903)**	—
Repayment of debt	**(125,000)**	(24,828)
Re-purchase of shares of Common Stock	**—**	(2,415)
Settlement of asset retirement obligations	**(925)**	(1,807)
Lease payments	**(4,417)**	(2,253)
Foreign exchange loss on cash, and cash equivalents and restricted cash and cash equivalents	**(535)**	—
	(193,407)	(100,519)
Net increase (decrease) in cash and cash equivalents and restricted cash and cash equivalents	**$ 42,186**	$ (25,444)

[1] Adjusted EBITDA and funds flow from operations are non-GAAP measures which do not have any standardized meaning prescribed under GAAP. Refer to note 2 "Non-GAAP measures" in "Financial and Operational Highlights" for a definition and reconciliation of this measure.

One of the primary sources of variability in our cash flows from operating activities is the fluctuation in oil prices. Sales volume changes, costs related to operations and debt transactions also impact cash flows. Our cash flows from operating activities are also impacted by foreign currency exchange rate changes. During the three months ended March 31, 2026, funds flow from operations decreased by 23% compared to the corresponding period of 2025, due to higher quality and transportation discounts, higher interest expense partially offset by an increase in Brent price, higher sales volumes, lower operating expenses, and lower current income tax expense.

Critical Accounting Policies and Estimates

Our critical accounting policies and estimates are disclosed in Item 7 of our 2025 Annual Report on Form 10-K and have not changed materially since the filing of that document.