



# GEOPARK

## FOR IMMEDIATE DISTRIBUTION

### GEOPARK ANNOUNCES 2022 WORK PROGRAM AND INVESTMENT GUIDELINES

#### STRONG FREE CASH FLOW FUNDS LOW RISK HIGH-RETURN EXPLORATION, EMISSIONS REDUCTION, DELEVERAGING AND SHAREHOLDER RETURNS

Bogota, Colombia – November 10, 2021 - GeoPark Limited (“GeoPark” or the “Company”) (NYSE: GPRK), a leading independent Latin American oil and gas explorer, operator and consolidator with operations and growth platforms in Colombia, Ecuador, Chile, Brazil and Argentina, today announced its work program and investment guidelines for 2022. All figures are expressed in US Dollars.

A conference call to discuss third quarter 2021 financial results and the 2022 work program and investment guidelines will be held on November 11, 2021, at 10:00 a.m. Eastern Standard Time.

#### 2022 Work Program Summary (\$65-70 per bbl Brent)

**Production:** 35,500-37,500 boepd average production, a 5-10% production growth vs 2021E (excluding production from Argentina and Brazil<sup>1</sup> which are being divested, as well as any potential production from the 2022 exploration campaign)

**Drilling plan:** 40-48 gross wells (20-25% higher than 2021E), including 15-20 gross exploration/appraisal wells (~4 times higher than 2021E)

**Capital expenditures program:** \$160-180 million, to be allocated as follows:

- \$90-100 million (or ~60%) to low-risk development growth focused on core Llanos 34 (GeoPark operated, 45% WI) and CPO-5 (GeoPark non-operated, 30% WI) blocks
- \$70-80 million (or ~40%) to exploration of high potential, short-cycle and near-field projects on big proven acreage next to core Llanos 34 block plus other exploration targets in Colombia and Ecuador
- Using a \$65-70 per bbl Brent base case, GeoPark expects to generate an operating netback of \$400-450 million<sup>2</sup>, 2.5 times total capital expenditures, or 4+ times growth development capital

#### Free Cash Flow Sensitivities to Different Brent Oil Prices

The table below provides sensitivities to different Brent oil prices using the 2022 base work program:

Free Cash Flow <sup>2</sup>	(Base Case)		
	\$65-70 per bbl	\$75-80 per bbl	\$80-85 per bbl
(in \$ million)			
Operating Netback	\$400-450	\$480-530	\$530-560
Adjusted EBITDA	\$350-400	\$430-480	\$480-510
Capital Expenditures	\$160-180	\$160-180	\$160-180
Cash Taxes	\$40-45	\$40-45	\$40-45
Mandatory Debt Service Payments <sup>3</sup>	\$38-42	\$38-42	\$38-42
Free Cash Flow	\$90-140	\$170-210	\$210-250
Free Cash Flow Yield <sup>4</sup> (in %)	10-15%	19-24%	24-28%

<sup>1</sup> As a reference, GeoPark’s production in 9M2021 excluding Argentina and Brazil totaled 33,340 boepd.

<sup>2</sup> Assuming a \$3-4 Vasconia/Brent differential and excluding changes in working capital.

<sup>3</sup> Excluding potential and voluntary prepayments on existing financial debt.

<sup>4</sup> Calculated using GPRK’s price from November 1 to November 9, 2021.

## Capital Expenditures and Activity Breakdown

- **Colombia - \$145-165 million:** Focus on continuing development of core Llanos 34 block, accelerating development and exploration activities in high potential blocks near Llanos 34 plus 3D seismic and other predrilling activities to continue adding new plays, leads and prospects.

The activity breakdown in Colombia includes:

- **Llanos 34 block:** 25-28 gross development and appraisal wells plus infrastructure and facilities to continue optimizing operations
  - **CPO-5 block:** the operator, ONGC, plans to drill 7-8 gross wells (1-2 development and 6-7 exploration wells) plus acquisition of 280 square kilometers of 3D seismic
  - **Llanos 87 block (GeoPark operated, 50% WI):** 3-4 gross exploration wells
  - **Llanos 94 block (GeoPark non-operated, 50% WI):** 1 gross exploration well
- **Ecuador - \$13-17 million:** 2-3 gross exploration wells, 1-2 in the Espejo (GeoPark operated, 50% WI) and 1-2 in the Perico (GeoPark non-operated, 50% WI) blocks plus acquisition of 60 square kilometers of 3D seismic in the Espejo block
  - **Other Activities in Putumayo and Chile:** 2-3 gross development wells and 1 potential gross exploration well plus seismic reprocessing and other preoperational activities.

Certain activities included in the 2022 work program are subject to obtaining required environmental, social or other regulatory approvals, or in the blocks where GeoPark is not the operator, they are subject to timely execution by the operator.

## Work Program Flexible at Different Oil Price Scenarios

GeoPark's 2022 work program can be rapidly adapted to different oil price scenarios, illustrating the high quality of its assets, its low-break-even production and strong financial performance even in volatile oil price environments.

- **Above \$80/bbl Brent oil price:** Capital expenditures can be expanded to \$190-220 million by adding incremental development and exploration projects
- **Below \$50/bbl Brent oil price:** Capital expenditures can be reduced to \$120-150 million by focusing on the lowest-risk projects that produce cashflow fastest

GeoPark has oil hedges in place providing price risk protection over the next 12 months. Please refer to Note 4 of GeoPark's consolidated financial statements for the period ended September 30, 2021, for further details on volumes, type of contracts and average prices.

GeoPark monitors market conditions on a continuous basis and may enter into additional commodity risk management contracts to secure minimum oil prices for its 2022 production and beyond.

## **Returning Value to Shareholders: Cash Dividends and Share Buyback Program**

As part of the Company's commitment to return value to its shareholders, GeoPark's Board of Directors renewed its quarterly cash dividend and a share buyback program, as follows:

- Quarterly Dividend of \$0.041 per share, or \$2.5 million, payable on December 7, 2021
- Renewal of discretionary Share Buyback Program to repurchase up to 10% of shares outstanding, expiring on November 10, 2022

## **Deleveraging Optionality**

GeoPark's 2024 Notes (\$170 million principal outstanding as of the date of this release) became callable in September 2021, which means that GeoPark has the optionality to prepay those notes in full or partially at any time. GeoPark intends to use a portion of excess cash flow generation in 2022 for continuing deleveraging.

## **CONFERENCE CALL INFORMATION**

GeoPark management will host a conference call on November 11, 2021, at 10:00 am (Eastern Standard Time) to discuss the 3Q2021 results and the work program and investment guidelines for 2022.

To listen to the call, participants can access the webcast located in the Investor Support section of the Company's website at [www.geo-park.com](http://www.geo-park.com), or by clicking below:

<https://event.on24.com/wcc/r/3404998/49B85E71C767F2F0CD2B7D8F29290C79>

Interested parties may participate in the conference call by dialing the numbers provided below:

United States Participants: 1 844-200-6205  
International Participants: +1-929-526-1599  
Passcode: 477606

Please allow extra time prior to the call to visit the website and download any streaming media software that might be required to listen to the webcast. An archive of the webcast replay will be made available in the Investor Support section of the Company's website at [www.geo-park.com](http://www.geo-park.com) after the conclusion of the live call.

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## GLOSSARY

<b>Adjusted EBITDA</b>	Adjusted EBITDA is defined as profit for the period before net finance costs, income tax, depreciation, amortization, the effect of IFRS 16, certain non-cash items such as impairments and write-offs of unsuccessful efforts, accrual of share-based payments, unrealized results on commodity risk management contracts and other non-recurring events
<b>Adjusted EBITDA per boe</b>	Adjusted EBITDA divided by total boe sales volumes
<b>Bbl</b>	Barrel
<b>Boe</b>	Barrels of oil equivalent
<b>Boepd</b>	Barrels of oil equivalent per day
<b>Bopd</b>	Barrels of oil per day
<b>D&amp;M</b>	DeGolyer and MacNaughton
<b>F&amp;D costs</b>	Finding and development costs, calculated as capital expenditures divided by the applicable net reserves additions before changes in Future Development Capital
<b>Mboe</b>	Thousand barrels of oil equivalent
<b>Mmbo</b>	Million barrels of oil
<b>Mmboe</b>	Million barrels of oil equivalent
<b>Mcfpd</b>	Thousand cubic feet per day
<b>Mmcfpd</b>	Million cubic feet per day
<b>Mm<sup>3</sup>/day</b>	Thousand cubic meters per day
<b>NPV10</b>	Present value of estimated future oil and gas revenues, net of estimated direct expenses, discounted at an annual rate of 10%
<b>Operating netback</b>	Revenue, less production and operating costs (net of depreciation charges and accrual of stock options and stock awards, the effect of IFRS 16), selling expenses, and realized results on commodity risk management contracts and other non-recurring events. Operating Netback is equivalent to Adjusted EBITDA net of cash expenses included in Administrative, Geological and Geophysical and Other operating costs
<b>PRMS</b>	Petroleum Resources Management System
<b>SPE</b>	Society of Petroleum Engineers
<b>WI</b>	Working Interest

## **NOTICE**

Additional information about GeoPark can be found in the "Investor Support" section on the website at [www.geo-park.com](http://www.geo-park.com).

Rounding amounts and percentages: Certain amounts and percentages included in this press release have been rounded for ease of presentation. Percentage figures included in this press release have not in all cases been calculated on the basis of such rounded figures, but on the basis of such amounts prior to rounding. For this reason, certain percentage amounts in this press release may vary from those obtained by performing the same calculations using the figures in the financial statements. In addition, certain other amounts that appear in this press release may not sum due to rounding.

## **CAUTIONARY STATEMENTS RELEVANT TO FORWARD-LOOKING INFORMATION**

This press release contains statements that constitute forward-looking statements. Many of the forward-looking statements contained in this press release can be identified by the use of forward-looking words such as "anticipate," "believe," "could," "expect," "should," "plan," "intend," "will," "estimate" and "potential," among others.

Forward-looking statements that appear in a number of places in this press release include, but are not limited to, statements regarding the intent, belief or current expectations, regarding various matters, including expected oil and gas production, financial performance, oil prices, commodity risk management contracts, and our capital expenditures plan. Forward-looking statements are based on management's beliefs and assumptions, and on information currently available to the management. Such statements are subject to risks and uncertainties, and actual results may differ materially from those expressed or implied in the forward-looking statements due to various factors.

Forward-looking statements speak only as of the date they are made, and the Company does not undertake any obligation to update them in light of new information or future developments or to release publicly any revisions to these statements in order to reflect later events or circumstances, or to reflect the occurrence of unanticipated events. For a discussion of the risks facing the Company which could affect whether these forward-looking statements are realized, see filings with the U.S. Securities and Exchange Commission.

Oil and gas production figures included in this release are stated before the effect of royalties paid in kind, consumption and losses.