



## **Criterium Energy Signs Definitive Agreement for the Sale of its Interest in the Bulu PSC for C\$10.5 Million**

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May 21, 2024 - Calgary, Alberta - **Criterium Energy Ltd. ("Criterium" or the "Company") (TSXV: CEQ)**, an independent upstream energy development and production company focused in Southeast Asia, is pleased to announce that further to the Company's news release dated [December 14th, 2023](#) the Company has signed a binding Sale and Purchase Agreement ("**SPA**") 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**"). As previously released, total consideration for the Transaction is US\$7,750,000 (C\$10,500,000).

### **Transaction Update**

Consideration for the Transaction will be paid as follows:

- a US\$500,000 non-refundable signing payment, received by Criterium prior to signing the SPA;
- an additional non-refundable deposit of US\$1,500,000 payable prior to closing the Transaction; and
- a US\$5,750,000 payment due upon closing of the Transaction, which is expected on or before August 31, 2024.

### **Positive Impact of the Transaction for Criterium Energy**

The successful monetization of the Bulu PSC will demonstrate Criterium's ability to identify and then transact on an undercapitalized asset, delivering value to Criterium's shareholders by introducing innovative development concepts and collaborating with industry partners and local companies. Streamlining the Company's portfolio through this Transaction will result in a non-dilutive capital injection that can be redeployed into higher impact projects, while at the same time strengthening Criterium's financial position.

Closing of the Transaction is expected to result in:

- an increase in cash of US\$7,750,000, equivalent to C\$0.08/share<sup>1</sup>;
- a forecasted 2024 year-end Net Debt of approximately US\$15 (down from approximately US\$23 million at closing of the Mont D'Or Petroleum acquisition in Q1 2024); and
- the ability to accelerate development activities in Criterium's core operating areas, namely the Tungkal and West Salawati production sharing contracts, thereby prioritizing investment into short cycle return opportunities as a mechanism to fund further material production growth.

### **Conditions to Closing**

Closing of the Transaction is contingent upon the purchaser's ability to secure the necessary financing. Additionally, the SPA contains minimal other typical conditions precedent for a transaction of this nature, including regulatory approvals and notifications that are required in connection with the change in ownership of the Company's wholly owned subsidiary and the indirect change of control of the Bulu PSC.

The Transaction is characterized as an Exempt Transaction as per TSX Venture Exchange Policy 5.3. No finder's fees will be paid in conjunction with this transaction.



### **About Criterium Energy Ltd.**

Criterium Energy Ltd. is an upstream energy company focused on the acquisition and sustainable development of assets in Southeast Asia that can deliver scalable growth and cash generation. The Company focuses on maximizing total shareholder return by executing on three strategic pillars, namely (1) successful and sustainable reputation, (2) innovation and technology arbitrage, and (3) operational and safety excellence.

For further information please visit our website ([www.criteriumenergy.com](http://www.criteriumenergy.com)) or contact:

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***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.***

<sup>1</sup> *Calculated based on current shares outstanding as of May 17, 2024 and USD/CAD exchange rate of 0.734*

### **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 the Transaction, including, without limitation, expectations regarding the consideration that the Company will receive and the expected timing of closing; the anticipated benefits of the Transaction, including, without limitation, expectations regarding forecasted financials for 2024; the anticipated regulatory approvals and notifications required by New Zealand and Indonesian regulators; and the intended use of net proceeds of the divestment.

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, 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.



Any financial outlook or future oriented financial information (in each case “**FOFI**”) contained in this press release regarding prospective financial position is based on reasonable assumptions about future events, including the Transaction, based on an assessment by management of the relevant information that is currently available. The actual results may vary from the amounts set forth herein and such variations may be material. Readers are cautioned that any such FOFI contained herein should not be used for purposes other than those for which it is disclosed herein. Such information was made as of the date of this press release and the Company disclaims any intention or obligation to update or revise any such information, whether as a result of new information, future events, or otherwise, unless required pursuant to applicable law.

The forward-looking statements contained in this press release are made as of the date hereof and the Company does 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.