



Criterium Energy Announces Preliminary Q3 Operating and Drilling Results and Bulu Transaction Update and Participation in the Schachter Catch the Energy Conference

- ***Exited the third quarter with September production of 933 bbl/d (14% increase from Q2 2024)***
- ***Gross operating costs down 25% since January of 2024 supporting a \$10 per bbl improvement in operating netbacks during the year***
- ***Bulu transaction expected to close in Q4 2024***

October 17, 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, today announced preliminary Q3 operating results and provided an update on recent drilling activities in the Company’s 100% owned and operated Tungkal PSC in Indonesia (the “**Tungkal PSC**”).

“Criterium’s ongoing work program, emphasizing low-cost well interventions and workovers, has continued to yield positive production increases, with average paybacks of less than 30 days supporting the generation of improved incremental cash flow,” said Matthew Klukas, President and CEO of Criterium Energy. *“Our infill drilling program also continues to push ahead, with the MGH-43 displaying good to excellent oil shows across multiple reservoir zones in the proven Talang Aker Formation and an encouraging potential discovery of wet gas in the shallower Gumai formation. More broadly, we remain focused on extracting maximum value from across our portfolio of assets and are actively working with the buyer to complete the sale of the Bulu PSC, which will help strengthen our balance sheet as we move into 2025.”*

Selected Q3 Operating and Financial Highlights

- Achieved average field production in the Tungkal PSC of 880 barrels per day¹ (“**bbl/d**”) in Q3 2024, up from 821 bbl/d in Q2 2024. The increase reflects the impact of successful pump maintenance and additional workovers conducted in August and September.
- Completed five workovers during the third quarter, which supported increased production. The Company continues to demonstrate that it can bring incremental volumes on stream at less than US\$3,000 per flowing barrel² and to date has seen over 2.5x payback² on the workover program. Management is targeting completion of 15 workovers in 2024. Additional information on the results of each workover is available in the corporate presentation, which can be found on the [Company’s website](#).
- Average field production in September was 933 bbl/d¹, and 950 bbl/d¹ thus far in October.
- Net revenue was estimated at US\$4.5 million² in the third quarter, representing an average sales price of US\$81/bbl, a US\$1.5/bbl premium to Brent.
- Operating costs were estimated at US\$2.75 million² or \$34/bbl, which is a 25% reduction from January 2024 when Criterium acquired the assets. Lower costs are due to implementation of cost control measures and a full quarter of natural gas partially offsetting diesel consumption used for power generation.



- Operating netbacks increased to US\$25/bbl² in the third quarter from US\$19/bbl in the second quarter of 2024, despite a \$5/bbl drop in oil prices.
- Submitted technical justification for the South East Mengoepeh (“SE MGH”) gas development to SKK MIGAS (Indonesia oil and gas regulator), an important step in the development and commercialization of SE MGH.

The Company expects full third quarter financials and MD&A will be released in late November.

Drilling Update

During the third quarter, the Company initiated its 2024 infill drilling campaign on the Tungkal PSC, focused on untapped areas in the MGH field, targeting multiple pay zones within the Talang Akar Formation (the “TAF”). The fluvial deltaic reservoir within the TAF features on average 20 to 25 metres of net pay, with 10 to 20% porosity and 50 to 100 millidarcies of permeability, reservoir characteristics that are typically associated with higher productivity.

MGH-43, the first of two planned infill wells, spud on September 14th and reached its target of 1,238 metres Measured Depth (“MD”) on September 29, 2024. The well intersected multiple reservoir zones in the TAF with good to excellent oil shows. Logging completed on MGH-43 identifies prospective producing intervals in the CT, CH, EL, EH, F, and GH intervals. These total an estimated 41m of prospective gross sand interval³ that will be perforated upon completion of the well. The Company also identified approximately 13m of Net Pay³ potential gas bearing sands in the Gumai formation (~500 – 580m MD). The Gumai zone is present throughout the MGH field and has indications of hydrocarbons but has not been tested. The Company is currently evaluating how this discovery could complement the SE MGH gas development.

Due to unstable hole conditions in MGH-43, the Company was unable to conduct pressure testing and resistivity calculations on the zones of interest and therefore is unable to determine estimated productivity rates prior to the well being put on production. In addition, seven-inch production casing was unable to be set below 1098m MD, and as a result the Company is unable to fully test or produce the lower CL zones which had demonstrated good oil shows during drilling.

Due to the lack of pressure data and ongoing completion of MGH-43, the Company has decided to defer drilling the 2nd planned infill well until such time as the production data has been collected from MGH-43. MGH-43 is currently being completed and tested prior to being put on production, which is anticipated towards the end of October.

Additional information on the preliminary results of MGH-43 is available in the corporate presentation, which can be found on the [Company's website](#).

Bulu Transaction Update

On September 5th 2024, Criterium received a second US\$500,000 non-refundable payment from the buyer of its wholly owned subsidiary which owns a 42.5% non-operated working interest in the Bulu Production Sharing Contract, as originally announced on [May 21, 2024](#). Inclusive of this US\$500,000 payment, to date Criterium has received US\$1,000,000 of the US\$7,750,000 total purchase price consideration for the transaction.



Criterium firmly believes closing the transaction represents the optimal approach to value creation for shareholders in the near-term. Criterium anticipates closing of the Transaction to occur in Q4 2024, which remains contingent upon the buyer's ability to secure the necessary financing.

Presenting at Schachter Catch the Energy Conference

Criterium will be presenting at the Schachter Catch the Energy Conference in Calgary, Alberta on Saturday, October 19th at 2:40 p.m. MT. Investors interested in attending the conference can obtain more information [here](#).

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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Notes

¹ Field estimate, based on most recent production data

² Management estimate, based on monthly operations data

³ Management estimate, based on mud log data, well site geological observations, and wireline logging information



Abbreviations

bbls	barrels of oil
bbls/d	barrels of oil per day
MGH	Mengoepeh
PLT	Pematang Lantih
TAF	Talang Akar Formation

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.

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.

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.