



Criterium Energy Outlines 2025 Capital Plans Including Fully Funded Tungkal Gas Development Project and Active Oil Workover Campaign

- *Fully funded SE-MGH gas development expected to add ~1,000 boe/d in production where historical long-term take-or-pay contracts have ranged between \$4-7/MMbtu*
- *2025 oil production of 1,000 – 1,200 bbl/d, supported by 8-12 workovers with a focus on increasing margins through further operating cost reductions*
- *Reduced amortization payments US\$2MM, resulting in cash to fund SE-MGH gas development while achieving US\$3.5MM principle debt reduction in 2025*

Calgary, Alberta – February 13, 2025 – 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 provided an update on the Tungkal gas development plan, with the initial development of the Southeast Mengoepeh field (“SE-MGH”), and provided details of its fully funded 2025 capital program.

“Our focus in 2025 is on building on the positive momentum we created in the last year through a combination of near-term gas development in the Tungkal PSC and extension of our very successful workover program,” said Matthew Klukas, CEO of Criterium Energy. “Diversifying our production mix, with the potential to add material gas production, should help generate higher margins and more predictable cash flow. By leveraging an innovative ModularLNG commercial and development approach, our goal is to bring gas production in the SE-MGH field online as quickly as possible, driving meaningful growth in our total production by Q1 2026, while helping Indonesia to ramp-up much needed domestic energy production. Our growing cash flow and the successful reduction of our amortization payments provide added liquidity for us to fully-fund our 2025 capital program internally, without the need for additional funding.”

Tungkal Gas Development Update

Gas was initially discovered on the Tungkal PSC in 1988 with the Macan Gedang 1 well and subsequent discoveries were made in 2004 (MGH Pad-3), 2008 (South East Mengoepeh, SE-MGH).

There are five discovered gas fields in the Tungkal PSC, but there had been little to no development previously due to a limited regional gas market and no proximal infrastructure. More recently, demand for domestic gas has increased and infrastructure has been put in place. The PSC is under a gross split agreement that expires in 2042, and the Company intends to take a staged approach to development of other discovered gas fields on the PSC over the next three years.

In 2025 the Company intends to focus on developing the SE-MGH field gas resources targeting the Talang Akar Formation (“TAF”). In advancing its program for gas development the Company recently announced it had taken the following steps:

Development Plan Approval: In 2024, Criterium completed a technical feasibility study for the development plan of the SE-MGH gas field in the Tungkal PSC and submitted it to the government for inclusion in the existing Mengoepeh Plan of Development, avoiding the need for a standalone plan. The submission was approved in the fourth quarter of 2024, reducing the government approvals and time required to bring gas on stream.



MOU with PT Energasindo Heksa Karya (EHK): To support its gas development strategy, Criterium successfully executed an MOU during Q2 2024 with PT Energasindo Heksa Karya ("EHK"), a company owned by Rukun Raharja and Tokyo Gas. Under the agreement, EHK will purchase discovered gas from SE-MGH and the Tungkal PSC.

MOU with PT BlueEnergy and ModularLNG Technology: During the fourth quarter of 2024, Criterium signed an MOU with PT BlueEnergy to support the egress of produced natural gas using Galileo Technologies' ModularLNG technology. The Cryobox™ LNG Production Station provides a modular and transportable solution for liquefying natural gas directly at the source. This technology enables efficient on-site gas processing, addressing the challenges of stranded gas by eliminating the need for and associated environmental impact of extensive pipeline infrastructure.

During the next 12 months, key milestones anticipated for gas development in the SE-MGH field include:

- Project development including site preparation has already commenced
- In early Q3 the Company expects to conduct an extended well test on the existing SE-MGH well to confirm deliverability.
- Following the completion of the extended well test the Company expects to enter into a gas sales agreement and the buyer/offtaker is expected to begin site preparation for the ModularLNG.
- First sales gas is anticipated in Q1 2026, at which time the Company will continue to look for further opportunities within its existing portfolio to deploy the ModularLNG concept.

The estimated capital expenditure required to reach first gas is approximately \$3-5 million net to Criterium. Initial production is expected to range between 4 – 7 MMcf/d (700 – 1,200 boe/d). Any pricing will be determined by the successful execution of a gas sales agreement, but recent historical contracts in South Sumatra have ranged between \$4 - \$7/MMbtu on a long-term fixed take-or-pay basis.

Workover Program

Criterium commenced a program of low-cost, high-return workovers in the oil producing Mengoepeh ("MGH") field in March 2024 and completed a total of 15 workovers during the year targeting existing and new producing intervals. In aggregate the workovers have generated more than US\$3 MM incremental cash flow¹ to date from an investment of approximately US\$600k. Workovers, especially those targeting the newly discovered GH sand zone, continue to perform above expectations, enabling Criterium to rapidly recycle capital given cash paybacks average less than 30 days per workover.

Building on the success of the 2024 program, Criterium is targeting an additional eight to 12 workovers in the MGH field for 2025. Successful completion of the workover program, expected to cost between \$40k to \$70k per workover depending on the final number of wells and zones worked over, is expected to drive sustained oil production of ~1,100 bbl/d for full year 2025. The combination of operational synergies, further implementation of cost controls, and the use of produced natural gas to fuel equipment (versus diesel) is expected to help drive further margin improvements.

Fully Funded 2025 Capital Program

Criterium has continued to work with its existing lenders to ensure sufficient cash is available for growth opportunities, including the SE-MGH project. At the end of January, Criterium successfully negotiated \$2MM in reduced debt payments for 2025, with further reductions available should the need arise. These reduced payments will see a ~\$300k/month reduction in cash outflow. The revised debt payments, along with growing cash flow are expected to fully fund the 2025 capital budget without the need for additional dilutive capital raises.



Outlook

Based on the fully funded capital program outlined above, Criterium believes it has the potential to double current production by the end of Q1 2026. With offices in Calgary, AB and Jakarta, along with operations in Indonesia, the majority of the Company's expenses are denominated in Canadian dollars and Indonesian Rupiah, while sale of production is realized in U.S. dollars. This allows the Company to benefit from the current strength of the U.S. dollar and the premium to Brent pricing that Indonesian production has historically received. Management expects this will further support improved margins in the year ahead.

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. Management continues to work with the original buyer to close the transaction, however, the Company is accelerating efforts to identify and evaluate alternatives to unlock value for shareholders including discussions with alternative buyers.

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 Non-IFRS financial measure or ratio that does not have any standardized meaning as prescribed by International Financial Reporting Standards, and therefore, may not be comparable with calculations of similar measures or ratios for other entities. See "Advisories - Non-IFRS and Other Financial Measures" contained within this press release and in the Company's most recently filed MD&A, available on SEDAR+ at sedarplus.ca.

Abbreviations

bbls	barrels of oil
bbls/d	barrels of oil per day
MOU	Memorandum of Understanding
MGH	Mengoepeh
SE-MGH	Southeast Mengoepeh
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: 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.

Non-IFRS and Other Financial Measures

Throughout this press release and other materials disclosed by the Company, Criterium uses certain measures to analyze financial performance, financial position and cash flow. These non-IFRS and other specified financial measures do not have any standardized meaning prescribed under IFRS and therefore may not be comparable to similar measures presented by other entities. The non-IFRS and other specified financial measures should not be considered alternatives to, or more meaningful than, financial measures that are determined in accordance with IFRS as indicators of Criterium's performance. Management believes that the presentation of these non-IFRS and other specified financial measures provides useful information to shareholders and investors in understanding and evaluating the Company's ongoing operating performance, and the measures provide increased transparency and the ability to better analyze Criterium's business performance against prior periods on a comparable basis.

Operating Netback per bbl

Operating netback per bbl equals petroleum sales less royalties and net opex calculated on a per bbl basis. Management considers operating netback per bbl an important measure to evaluate its operational performance as it demonstrates its field level profitability relative to current commodity prices.

Cash Flow

Cash flow equals petroleum sales less royalties and incremental opex. Management considers cash flow an important measure to evaluate its operational performance as it is a proxy for incremental cash generated by investment activities.