



Criterion Energy Provides Operating Update and Releases Q1 Financial Results

- **SE-MGH pipeline construction ongoing**
- **Pipeline contract reassigned to PT Olindo, mitigating construction risk and supporting project execution**
- **April oil lifting realized US\$121/bbl, a premium to Dated Brent and Indonesian Crude Price benchmarks**
- **Extension granted for commercial production at Bulu to September 2028**

Calgary, Alberta – May 28, 2026 – Criterion Energy Ltd. (“Criterion” or the “Company”) (TSXV: CEQ), an independent upstream energy development and production company focused on energizing growth for Southeast Asia today provided an operational update on the Southeast Mengoepeh (“SE-MGH”) and North Mengoepeh (“N-MGH”) gas development projects and announced its unaudited financial results for the first quarter ended March 31, 2026.

“During the quarter, management intentionally prioritized advancing the SE-MGH gas development and related infrastructure, temporarily deferring certain oil optimization activities while positioning the Company for a significant expected increase in production and cash flow beginning in H2 2026,” said Matthew Klukas, President and CEO of Criterion Energy. “We continue to realize premium pricing for our baseline oil production, which will generate the cash flow necessary to fund near-term oil production optimization initiatives as well as support our next phase of gas development at North Mengoepeh, Macan Gedang and Cerah. Our immediate focus remains achieving first gas at Southeast Mengoepeh as soon as possible, now expected in the third quarter. This will support a meaningful increase in our total production, deliver increased cash flow that can strengthen our balance sheet while investing in the development of our other oil and gas assets in the country, and drive greater energy security for Indonesia.”

Operational and Financial Highlights

- **SE-MGH pipeline construction ongoing:** The six-inch 24 km pipeline will connect the SE-MGH field (21 bcf 2P Reserves) to existing processing facilities, enabling production of 5-8 mmcf/d¹ into a fixed take or pay contract. More information on the pipeline construction and its status is available in the [latest presentation](#) posted to the Company’s website.
- **PT Olindo stepping in as pipeline contractor:** Following delays in pipeline construction, Criterion reassigned the contract to PT Olindo, a subsidiary of the Mirah Group, resulting in a return to higher activity levels on the project. With the transition complete, the change will help mitigate further construction delays and reduce executional risk. With the transition the Company now anticipates first gas in Q3 2026.
- **N-MGH, Macan Gedang, and Cerah progress:** The Company is advancing its next phase of low-cost gas development activities at N-MGH (5 bcf 2P Reserves), Macan Gedang (13 bcf 2C Resource), and Cerah (26 bcf 2U Base Case Resource) to support potential additional gas production. Both N-MGH and Macan Gedang saw previous successful well tests completed and technical and regulatory activities are ongoing at these fields.
- **Bulu receives POD extension:** The operator of the Bulu PSC, which contains the Lengo gas field (134 bcf 2C Resource net to Criterion²) received notification from the Ministry of Energy and Mineral Resources (“MEMR”) approving the extension of the commencement date for commercial production to September 30, 2028.

- **Oil sales achieving premium to benchmark:** For April 2026, Criterium realized an oil price of US\$121/bbl, reflecting a premium to Indonesian and Dated Brent benchmarks. Oil production in Q1 2026 averaged 689 bbl/d³, below expectations due to natural decline combined with ongoing maintenance activities and well servicing, both of which are currently being addressed.
- **Near-term oil optimization amidst higher oil prices:** Criterium intends to leverage its upgraded service rig to begin producing from currently inaccessible zones within the main TAF reservoir, helping to increase oil production from the Tungkal PSC in the near-term.
- **Increasing cash flow to drive growth:** The Company reported a use of cash of C\$0.5 million in Q1 as a result of C\$0.5 million in negative non-cash working capital movements. Higher commodity pricing is expected to drive positive cash flow in Q2 that will help fund the oil optimization initiatives and the next phase of gas field development at N-MGH, Macan Gedang and Cerah.
- **Balance sheet management remains a priority:** As of March 31, 2026, the Company had a working capital deficit of C\$57.1 million as a large portion of its debt balance moved into current liabilities with the two largest facilities set to expire in Q1 2027. Management continues to work with its lenders to find a sustainable, long-term solution and to reduce the Company's overall leverage.
- **New director brings meaningful oil & gas finance experience to bear:** Subsequent to quarter-end, the Company announced the appointment of Ben Arnott, a seasoned energy finance professional with more than 25 years of experience in credit financings throughout the Asia Pacific region, to the board of directors and as a special advisor. The appointment strengthens the Company's financial and strategic capabilities as it advances production growth initiatives and ongoing balance sheet optimization efforts.

SE-MGH Pipeline Construction Progressing

Pipeline construction for the SE-MGH development commenced in March 2026, and to date more than one-third of the project has been completed. The pipeline will total 24 km in length, connecting the SEM-01 well, which tested at rates of up to 8 mmcf/d⁴, to existing processing facilities.

To reduce construction risk and minimize land disturbance, the selected route utilizes more than 15 km of existing rights-of-way, requiring minimal land clearing. Current operations are focused on completing clearing of the new rights-of-way, trenching and pipe burial. Progress updates and photographs are available in the Company's latest corporate [presentation](#).

In May 2026, the Company reassigned the pipeline construction contract to PT Olindo, a subsidiary of the Mirah Group ("Olindo"), following the identification of deficiencies with the previous contractor. Olindo brings enhanced expertise in pipeline construction and operations, evidenced by recent projects completed in Kalimantan, including the construction of a 55 km condensate pipeline. The change in contractor has already resulted in a noticeable increase in activity levels and further construction progress. While the contractor transition has modestly shifted expected first gas timing into Q3 2026, management believes the change significantly improves execution certainty and long term pipeline operations.

Supported by the extended well test, which produced rates of up to 8 mmcf/d⁴, Criterium anticipates initial production from SE-MGH of 5–8 mmcf/d¹. Gas is expected to be sold under a long-term take-or-pay agreement,



which the Company is currently finalizing. Management reiterates that first gas can be achieved within operating cash flow and will provide further construction updates as key milestones are reached.

The Next Phase of Gas Development is Advancing

Following anticipated first gas from SE-MGH, Criterium expects to shift focus toward the next phase of low-cost gas developments, including N-MGH, Macan Gedang, and Cerah.

At N-MGH, following the successful well test of MGH-20 in Q1 2026, the Company is completing technical and engineering studies to support a near-term final investment decision and subsequent construction activities. As currently designed, the project involves the construction of a new pipeline that first connects the N-MGH wells to the Central Mengoepoh Oil Field processing facilities before continuing to the SE-MGH and downstream processing facilities and sales point.

In addition to increasing total sales gas volumes, produced gas may also be utilized for power generation, reducing diesel consumption and lowering operating costs associated with oil production. Criterium anticipates future production from N-MGH of 2–3 mmcf/d¹, in addition to incremental oil volumes.

At Macan Gedang, where the Macan Gedang-1 well successfully tested at rates of up to 5 mmcf/d⁵, the Company has submitted the Exploration Stipulation Status documents to SKK MIGAS, Indonesia's upstream oil and gas regulator. The filings are required to reclassify the field as a commercial discovery and will be followed by the submission of a plan of development. The anticipated plan of development for Macan Gedang requires a new production well to be drilled and connected via pipeline to the same processing facilities that SE-MGH will utilize.

At Cerah, the Company has completed an assessment to re-establish access roads and the well site in preparation for the drilling of Cerah-2, which will twin the Cerah-1 well. Cerah-1 previously encountered gas shows within the Gumai formation but was not tested.

Drilling activities at both Macan Gedang and Cerah are currently scheduled for 2027, with preparations for longer lead-time items beginning in H2 2026.

Oil Sales Achieving Premium to Benchmark and Supporting Near-Term Investment

Production from the Tungkai PSC is lifted and sold monthly and priced in accordance with the Indonesian Crude Price ("ICP") that is set monthly by the Government of Indonesia and varies based on crude origin and quality.

For April 2026, the ICP benchmark for the Tungkai PSC was set at US\$119/bbl, while Criterium realized a sales price of approximately US\$121/bbl. This premium reflects the commercial terms achieved under existing offtake agreements. This represents a 52% increase from Q1 pricing

The Company used cash for operating activities in the first quarter, a result of non-cash working capital movements. Cash flow generated in March and April is expected to support upcoming rig activity within the Tungkai PSC aimed at increasing oil production through a series of well interventions. These interventions will utilize the enhanced capabilities of the Company's service rig to drill out previously installed bridge plugs with the objective of producing from currently inaccessible zones within the main TAF reservoir.



Bulu Plan of Development Extended to 2028

On April 22, 2026, the operator of the Bulu PSC received notification from the MEMR approving the extension of the commencement date for commercial production to September 30, 2028.

The MEMR approval represents a positive development and demonstrates continued government support for the project to proceed. Criterium intends to collaborate with its JV partners to submit a revised plan of development, including a request for an extension of the PSC, which is currently scheduled to expire in 2033.

Q1 Financials & Financial Update

In April 2026, the Company elected to make lender payments and is currently negotiating the recommencement of regular amortization payments aligned with anticipated first gas from SE-MGH. Through these activities, the Company intends to communicate a clear deleveraging strategy focused on strengthening the balance sheet through a combination of debt reduction and growing operating cash flow. The anticipated addition of contracted gas production from SE-MGH is expected to materially diversify and stabilize the Company's operating cash flow profile.

Adjusted Financial and Operational Summary

(\$000 CAD, except per share and per boe amounts)	Three months ended		
	March 31, 2025	December 31, 2025	March 31, 2026
Financial			
Petroleum sales ⁶	14,636	4,675	7,927
Cash flow from (used in) operating activities	231	4,127	(470) ⁷
Net Income (Loss)	(1,171)	(8,648)	(2,636)
Capital Expenditures	(168)	(972)	(97)
Weighted average common shares outstanding (000s)	136,102	136,375	137,463
Weighted average fully diluted shares outstanding (000s)	232,832	234,816	238,422
Operating			
Average daily production ⁶ (bbl/d)	988	733	689
Netbacks (\$CAD/bbl)			
Petroleum and natural gas sales	114.08	91.31	107.28
Royalties (Government Take)	(28.54)	(14.77)	(32.53)
Production Costs	(42.50)	(27.78)	(52.60)
Operating Netback	43.04	48.76	22.15

Criterium's unaudited financial results and supporting Management's Discussion & Analysis for the three-month period ended March 31, 2026 is available on [SEDAR+](#) and can also be found on the Company's website ([Reports & Filings](#)).

Outlook

Based on its capital program and activities outlined in the release dated February 10, 2026, Criterium continues to believe it has the potential to materially increase production in 2026 which it expects to fund from operating cash flow, further supported by the recent escalation in oil prices. By duplicating its SE-MGH development



strategy at the nearby N-MGH and Macan Gedang fields, production can be increased further with relatively modest capital expenditure, generating improved, near-term returns and cash flow. Management also intends to maximize baseline oil production with the most likely near-term production gains coming from well maintenance and optimization and associated oil produced from the N-MGH gas development.

Notice of Annual General Meeting

The 2026 Annual General Shareholder Meeting (“AGM”) will be held at the Bow Valley Square Conference Center (Angus and Northcote Rooms), 3rd Floor, 205–5th Avenue SW, Calgary, Alberta, T2P 2V7 on June 16, 2026 at 9:00am MDT. An Information Circular, which includes notice of the AGM, and the Company’s Annual Information Form, is also available on SEDAR+ at www.sedarplus.ca and on Criterium’s website at www.criteriumenergy.com.

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](#), review a recent [corporate presentation](#), and follow the [Company on X \(formerly Twitter\)](#) and [LinkedIn](#) 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 aggregation and sustainable development of assets in Southeast Asia that can deliver scalable growth and cash flow generation. This region is expected to reach a population approaching 800 million people within the next 25 years, driving world-leading economic growth and record-high 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 2025 Report: Reserve Report commissioned by Criterium Energy Ltd. and prepared by ERCE Malaysia Sdn. Bhd., an independent reserves evaluator and auditor, dated March 23, 2026 with effective date of December 31, 2025 (the “2025 Report”), which was prepared in accordance with the definitions, standards, and procedures contained in the Canadian National Instrument 51-101 Standards of Disclosure of Oil and Gas Activities. The Reserve Report will be made available on Criterium’s SEDAR profile.



² NSAI 2023 Report: Resource Report prepared by Netherland, Sewell & Associates, Inc., an independent reserves evaluator and auditor, dated February 6, 2023 with an effective date of December 31, 2022 (the "NSAI Report"), which was prepared in accordance with the definitions, standards, and procedures contained in the Canadian National Instrument 51-101 Standards of Disclosure for Oil and Gas Activities. The Resource Report is available in the Annual Information Form on Criterium's SEDAR profile.

³ Estimate based on field production reports

⁴ SEM-01 Well Test Results: SEM-01 completed extended well test on August 24, 2025 and is currently suspended awaiting egress. The production test resulted in a clean-up period which produced 7.9 mmcf/d through a 48/64" choke with 706 psig WHP for a period of 4 hours. The 3-stage completion test was as follows: Stage 1; 24/64" choke, 3.0 mmcf/d, 1,150 psig WHP for 48 hours, Stage 2; 32/64" choke, 5.1 mmcf/d, 1,070 psig WHP for 48 hours, Stage 3; 40/64" choke, 7.1 mmcf/d, 960 psig WHP for 48 hours.

⁵ Macan Gedang test duration was approximately 2 days and produced 4.6 mmcf/d through a 48/64" choke.

⁶ Includes lifting of 40,500 bbls that occurred in January 2025, attributed ~C\$3.4MM in revenue and ~C\$2.0MM to Q4 2024 Funds Flow based on capitalized inventory numbers in the Company YE 2024 Financial Statements

⁷ Includes C\$518 thousand in non-cash working capital adjustments

Abbreviations

API	American Petroleum Institute (gravity)
CEQ	Criterium Energy Ltd.
bbls	barrels of oil
bbls/d	barrels of oil per day
bcf	billion cubic feet
boe	barrel of oil equivalent
boe/d	barrels of oil equivalent per day
ERCE	ERCE Australia Pty Ltd
FSA	Facility Sharing Agreement
FTHP	Flowing Tubing Head Pressure
LOI	Letter of intent
mmbtu	million British thermal units
mmcf	million cubic feet
mmcf/d	million cubic feet per day
MOU	Memorandum of Understanding
MGH	Mengoepoh
N-MGH	North Mengoepoh
PLT	Pematang Lantih
PSC	Production Sharing Contract
PSIG	Pounds per Square Inch Gauge
SE-MGH	Southeast Mengoepoh
SEM-01	Southeast Mengoepoh Well 01
SKK MIGAS	Indonesia's Oil & Gas Regulator
TAF	Talang Aker Formation
TGI	Transportasi Gas Indonesia
TSXV	TSX Venture Exchange
WHP	Well Head Pressure

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.