Criterium Energy Provides Operational Update and Announces Preliminary Q2 2026 Results

- **SE-MGH gas development ongoing with project now approximately 70% complete; first gas on track for Q3 2026**
- **Gas Allocation Letter received, paving way for Gas Sales and Facility Sharing Agreements ahead of anticipated first gas**
- **Q2 oil lifting realized US$106/bbl, a premium to Brent and Indonesian Crude Price benchmarks**
- **Commenced the Lemat pilot program to unlock the formation underlying the TAF reservoir in the Tungkal PSC**

Calgary, Alberta – July 29, 2026 – 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 operating results for the three-month period ended June 30, 2026 and provided operational updates on the Southeast Mengoepeh ("SE-MGH") gas development project and the Lemat oil play.

"Our financial performance this quarter was driven by continued high realized prices from our oil production and the improved cash flow translated into our strongest cash position in more than 18 months, which will support continued investment in near-term oil and gas development," said Matthew Klukas, President and CEO of Criterium Energy. "Completion of the SE-MGH pipeline and advancing multiple oil optimization initiatives will allow us to significantly grow production beginning in the third quarter, driving increased cash flow that will strengthen the balance sheet and allow us to fund serial development of our other oil and gas projects in Indonesia in the coming quarters and years."

Operational and Financial Highlights

- **SE-MGH gas development progress:** Construction of the six-inch, 24 km pipeline that will connect the SE-MGH field (21 bcf 2P Reserves) to existing processing facilities, enabling production of 5-8 mmcf/d[1] into a fixed take or pay contract is progressing. The project is now approximately 70% complete with more than 150,000 safe man hours worked. Remaining activities include trenching and backfilling pipe, commissioning and start-up.

- **Gas Allocation Letter received:** The Company received a Gas Allocation Letter from SKK MIGAS in June, a critical step required to finalize the binding Gas Sales Agreement ("GSA"). The final GSA and a Facility Sharing Agreement ("FSA") are awaiting regulatory sign-off, which is expected to be received ahead of completion of pipeline construction.

- **Robust oil revenue realized:** For the second quarter of 2026, Criterium realized an average oil price of US$106/bbl, reflecting a premium to Brent and Indonesian benchmarks. Oil production in Q2 2026 averaged 627 bbl/d[2], with selected production offline due to ongoing testing and well intervention programs.

- **Higher netbacks:** Operating netbacks in the second quarter increased 50% quarter on quarter to US$36/bbl[3] due to higher gross revenue and stable operating costs.

- **Encouraging initial Lemat testing completed:** The Company recently completed swabbing operations in the Lemat interval on the MGH-17ST well and saw increased flow rates as a result. Procurement of equipment to complete well stimulation is ongoing. Criterium intends to unlock the 4.7 mmbbl of 2C Contingent Resource[1] through reservoir stimulation techniques, such as propellant stimulation and hydraulic fracturing on existing wells.

- **Near-term oil optimization amidst higher oil prices:** In addition to the Lemat test, Criterium completed well interventions on three wells in the Mengoepeh oil field. The intent is to leverage the upgraded service rig to target production from previously inaccessible zones. These combined initiatives are intended to increase oil production from the Tungkal PSC in the near-term.

SE-MGH Development Progressing to First Gas

SE-MGH development, focused on tying into the existing Teluk Rendah Gas Plant, commenced in March 2026. To date, approximately 70% of the project has been completed. Several crews are operating from multiple staging areas and have worked more than 150,000 safe man-hours to this point. The Company's full financial commitment of US$1.9 million has been advanced using existing cash balances and operating cash flow. Pipeline construction costs are being funded by PT Olindo, the contractor. Remaining tasks that need to be completed include approval of the GSA and FSA, completion of pipeline construction, and commissioning. PT Olindo continues to guide that commissioning and start-up is planned for Q3 2026.

Higher Gross Revenue Drives Improved Cash Position

For the second quarter of 2026, Criterium realized an average oil price of US$106/bbl, reflecting a premium to Brent and Indonesian benchmarks. Operating costs remained relatively stable at US$36/bbl, which translated into higher netbacks of US$36/bbl[3]. Incremental cash flow from higher realized netbacks is intended to fund near-term oil optimization activities, existing facility and maintenance upgrades, and N-MGH development. At the end of Q2 the Company had cash of US$1.5 million (C$2.2 million), its highest balance in 18 months.

Financial Update

Criterium had previously agreed with its lenders to suspend amortization payments on its debt until specific production targets are met, with regular amortization set to resume upon first gas from SE-MGH. The Company is working with its auditors and has engaged a tax law firm in Indonesia to support a tax assessment aimed at incorporating a US$12.6 million cost recovery pool that was not accounted for during the transition to a Gross Split PSC in 2022. This unrecovered cost pool is not reflected on the Company's balance sheet. Criterium is also actively seeking the receipt of more than US$2 million in VAT receivables. The Company previously received approximately US$1 million related to the VAT receivable in Q4 2025.

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:

Matthew Klukas
President and Chief Executive Officer
Criterium Energy Ltd.
Email: info@criteriumenergy.com
Phone: +1-403-668-1630

Andrew Spitzer
Chief Financial Officer
Criterium Energy Ltd.
Email: info@criteriumenergy.com
Phone: +1-403-668-1630

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 an 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] Estimate based on field production reports

[3] Operating netback per bbl equals petroleum sales less royalties and net opex calculated on a per bbl basis.

Abbreviations

bbls	barrels of oil
bbls/d	barrels of oil per day
mmbbl	million barrels of oil
mmcf/d	million cubic feet per day
SE-MGH	Southeast Mengoepeh
SKK MIGAS	Indonesia's Oil & Gas Regulator
TAF	Talang Aker Formation
PSC	Production Sharing Contract
VAT	Value Added Tax

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-Ukraine 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's 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.