

Risk Factors Comparison 2025-02-24 to 2024-02-20 Form: 10-K

Legend: **New Text** ~~Removed Text~~ Unchanged Text **Moved Text** Section

Risks Related to our Business Prices and markets for oil and natural gas are unpredictable and tend to fluctuate significantly, which could cause temporary suspension of production and reduce our value. **We generate** ~~Substantially all of our revenues-~~ **revenue through** ~~are derived from the~~ **production and** sale of oil, **natural gas and NGLs**. ~~The current~~ **Current** and forward contract oil **natural gas price prices is are** based on world demand, supply, weather, pipeline capacity constraints, inventory storage levels, geopolitical unrest, world health events and other factors, all of which are beyond our control. Historically, the market for oil **and natural gas** has been volatile and is expected to remain so. Furthermore, prices which we receive for our oil **and natural gas** sales, while based on international oil prices, are established by contracts with purchasers and include the deductions for quality differentials and transportation. The differentials and transportation costs can change over time and have a detrimental impact on realized prices. Future decreases in the prices of oil **or natural gas**, sustained low prices, periods of extended pricing volatility, and increasing borrowing costs may have a material adverse effect on our financial condition, the future results of our operations (including rendering existing projects unprofitable or requiring temporary suspension of fields), financing available to us, and quantities of reserves recoverable on an economic basis, as well as the market price for our securities. **We may be adversely affected by..... of heightening the other risks described herein**. Estimates of oil and natural gas reserves may be inaccurate and our actual revenues may be lower than estimated. We make estimates of oil and natural gas reserves, upon which we base our financial projections and capital expenditure plans. We make these reserve estimates using various assumptions, including assumptions as to oil and natural gas prices, drilling and operating expenses, capital expenditures, taxes and availability of funds. Some of these assumptions are inherently subjective, and the accuracy of our reserve estimates relies in part on the ability of our management team, engineers and other advisors to make accurate assumptions. Wells that are drilled may not achieve the results expected. Economic factors beyond our control, such as world oil **and natural gas** prices, interest rates, inflation, and exchange rates, will also impact the quantity and value of our reserves. The process of estimating oil and natural gas reserves is complex and requires us to use significant decisions and assumptions in the evaluation of available geological, geophysical, engineering and economic data for each property. As a result, our reserves estimates are inherently imprecise. All categories of reserves are continually subject to revisions based on production history, results of additional exploration and development, price changes and other factors. When producing an estimate of the amount of oil **or natural gas** that is recoverable from a particular reservoir, probable reserves are those additional reserves that are less certain to be recovered than proved reserves but which, together with proved reserves, are as likely as not to be recovered. Possible reserves are even less certain and generally require only a 10 % or greater probability of being recovered. Estimates of probable and possible reserves are by their nature much more speculative than estimates of proved reserves and are subject to greater uncertainties, and accordingly the likelihood of recovering those reserves is subject to substantially greater risk. Actual future production, oil and natural gas prices, revenues, taxes, exploration and development expenditures, operating expenses and quantities of recoverable oil and natural gas reserves may vary substantially from those we estimate. Such changes could materially reduce our revenues and result in the impairment of our oil and natural gas interests. Unless we are able to replace our reserves and production, and develop and manage oil and natural gas reserves and production on an economically viable basis, our financial condition and results of operations will be adversely impacted. Our future success depends on our ability to find, develop and acquire additional oil and natural gas reserves that are economically recoverable. Producing oil and natural gas reservoirs generally are characterized by declining production rates that vary depending upon reservoir characteristics and other factors. Our future oil and natural gas reserves and production, and therefore our cash flows and results of operations, are highly dependent on our success in efficiently developing and exploiting our current reserves and economically finding or acquiring additional recoverable reserves. The value of our securities and our ability to raise capital will be adversely impacted if we are not able to replace our reserves that are depleted by production. We may not be able to develop, exploit, find or acquire sufficient additional reserves to replace our current and future production. Exploration, development and production costs (including operating and transportation costs), marketing costs (including distribution costs) and regulatory compliance costs (including taxes) will substantially impact the net revenues we derive from the oil and natural gas that we produce. These costs are subject to fluctuations and variations in the areas in which we operate, and we may not be able to predict or control these costs. If these costs exceed our expectations, this may adversely affect our results of operations. Our future reserves will depend not only on our ability to develop and effectively manage then-existing properties, but also on our ability to identify **and**, acquire **and successfully integrate** additional suitable producing properties or prospects, to identify and retain responsible service providers and contractors to efficiently drill and complete our wells and to find markets for the oil and natural gas we develop and to effectively distribute our production into our markets. Exploration for oil and natural gas, and development of new formations, is risky. Oil and natural gas exploration involves a high degree of operational and financial risk. These risks are more acute in the early stages of exploration, appraisal and development. It is difficult to predict the results and project the costs of implementing an exploratory drilling program due to the inherent uncertainties and costs of drilling in unknown formations and encountering various drilling conditions, such as unexpected formations or pressures, premature decline of reservoirs, the invasion of water into producing formations, tools lost in the hole, and changes in drilling plans and locations as a result of prior exploratory wells or additional seismic data and interpretations thereof. Future oil and **natural** gas exploration may involve unprofitable efforts, not only from dry wells, but from wells that are productive but do not produce sufficient net revenues to return a profit after drilling, operating and other costs. Oil and natural gas exploration, development and production operations

are subject to the risks and hazards typically associated with such operations, including, but not limited to, fire, explosion, blowouts, cratering, sour gas releases, spills and other environmental hazards. Such risks and hazards could result in substantial damage to oil and natural gas wells, production facilities, other property or the environment, as well as personal injury to our employees, contractors or members of the public. Losses resulting from the occurrence of any of these risks may have a material adverse effect on our business, financial condition, results of operations and prospects. Although we maintain well control and liability insurance in an amount that we consider prudent and consistent with industry practice, liabilities associated with certain risks could exceed policy limits or not be covered. In either event we could incur significant costs. **Drilling activities may encounter sour gas** A significant portion of the natural gas produced in Alberta originates as sour gas. With the inclusion of wellhead treatment facilities, our infrastructure may, from time to time, encounter concentrations of sour gas. If a well encounters a high concentration of sour gas it would have to be shut- in due to the lack of existing sour gas handling infrastructure. Sour gas leaks or other exposure to sour gas produced from our properties in Alberta may result in damage to equipment, liability to third parties, adverse effects to humans, animals or the environment, or the shutdown of operations. Special equipment and operating procedures are deployed by the industry in Canada for the production of sour gas in accordance with applicable regulatory requirements. Possible shortage of fresh water and surface and groundwater licenses Drilling and completion operations require a large amount of water. The surface water resources of some of the regions in Canada where we aspire to operate may be insufficient for the full commercial- scale development of the region at a pace matching the industry' s ambitions. Thus, limitations on water access may present a ceiling on the allowed pace of development. This ceiling may take the form of a physical ceiling supported by scientific investigation, or it may be a limitation we choose to accept to abate public concerns despite contradicting scientific evidence of the carrying capacity of the surface water resources. Drought and low water levels could impact the year-round availability and associated costs of fresh water for our Canadian operations such as drilling fluid, completions fluid and power or hydrogen plant cooling water. Furthermore, there can be no assurance that our Canadian governmental licenses to withdraw water will not be rescinded or that additional conditions will not be added to these licenses. Further, there can be no assurance that we will not have to pay a fee for the use of water in the future or that any such fees will be reasonable. Finally, new projects or the expansion of existing projects may be dependent on securing licenses for additional water withdrawal, and there can be no assurance that these licenses will be granted on favorable terms, or at all, or that such additional water will in fact be available to divert under such licenses. Crown land tenure obligations, interpretations and freehold offset royalty obligations Our Canadian resources are held in leases, mostly owned by Alberta. There is a risk that the Government of Alberta imposes the strictest interpretation of land tenure regulations and terminates a high percentage of leases on expiry. The leases have defined terms and conditions upon which they are granted and renewed. The Government of Alberta has the power to unilaterally change the royalty charged or the conditions of renewal. We are at risk of loss of value due to revision in royalty or lease renewal provisions. We also risk losing leases if they are not drilled and brought on to production within the terms of the relevant lease. We may fail to bring leases on to production because limited capital may be allocated to other higher return priorities or because surface access to a point where wells can be drilled to access a lease may be impaired by surface conditions, such as swamps, steep valleys, or there may be protected species access restrictions. Furthermore, on the freehold side, as we develop our land positions in Alberta, we may be required to pay offset royalties to owners of adjacent land without wells. In addition, drilling of wells adjacent to undrilled freehold leases can trigger an obligation to drill the undrilled lands or pay a royalty on those lands equivalent to what would be expected if a well was operating on those lands, or alternatively we may allow the freehold leases to expire. As such, royalty estimates may significantly change in the future. Unforeseen title defects Ownership of some of our properties could be subject to prior undetected claims or interests. We plan to conduct title reviews from time to time according to industry practice prior to the purchase of most of our crude oil and natural gas producing properties or the commencement of drilling wells. However, title reviews, if conducted, do not guarantee that an unforeseen defect in the chain of title will not arise to defeat a claim by us. If any such defect were to arise, our entitlement to the production and reserves associated with such properties could be jeopardized, and could have a material adverse effect on our financial condition, results of operations and our ability to timely execute our business plan. Indigenous peoples have claimed title and rights to portions of Western Canada. We are not aware of any claims that have been made in respect of our property and assets in Western Canada; however, if a claim arose and was successful, this could have an adverse effect on our operations. Indigenous rights and stakeholder opposition in Canada Indigenous peoples have established and claimed Indigenous rights and title in portions of Western Canada. Claims of Indigenous peoples and protests and demonstrations pertaining to Indigenous rights and title may disrupt or delay third- party operations or new development on our Canadian properties. Requirements relating to the federal implementation of the United Nations Declaration of Rights for Indigenous Peoples, including the concept of free, prior and informed consent before adopting measures or approving projects that may affect Indigenous peoples, have the potential to adversely affect our ability to obtain permits, leases, licenses and other approvals in Canada, or to meet the terms and conditions of those approvals. We are not aware that any claims have been made by Indigenous peoples in respect of our assets in Canada; however, if a claim arose and was successful this could have an adverse effect on our operations. Additionally, opposition may occur from stakeholders, or there may be an expectation of compensation or consideration associated with a project beyond historical levels. Our ability to access land, develop and operate our business may be subject to general social opposition, negative sentiment or litigation which may result in delays or restrictions on the ability to advance through the environmental consultative process. The process of addressing Indigenous and stakeholder claims, regardless of the outcome, can be expensive and time- consuming and could result in delays which could have a negative effect on our business, financial condition, results of operations and

prospects, which negative effect could prove to be material over time. Restrictions on development activities to protect wildlife Crude oil and natural gas operations in our operating areas in Canada can be adversely affected by seasonal or permanent restrictions on development activities designed to protect identified wildlife. There is a risk that our activities will be seen to adversely affect protected species, leading to an inability to access planned facility sites or, if already built, some kind of restriction on operations. Seasonal restrictions may limit our ability to operate in protected areas and can intensify competition for drilling rigs, oilfield equipment, services, supplies and qualified personnel, which may lead to periodic shortages when drilling is allowed. These constraints and the resulting shortages or high costs could delay our operations and materially increase operating and capital costs. Permanent restrictions imposed to protect endangered species could prohibit drilling in certain areas or require the implementation of expensive mitigation measures. The designation of previously unprotected species in areas where we operate as threatened or endangered could cause us to incur increased costs arising from species protection measures or could result in limitations on our exploration and production activities that could have an adverse impact on our ability to develop and produce. Additionally, some of our producing areas in Canada are or will be located in areas that may become inaccessible due to environmental protection requirements. This includes, but is not limited to, protected caribou habitat on a seasonal basis. Joint Venture partner alignment We have operated and non operated interests in Colombia and Canada. In the areas where the Company operates as non- operating partner it may have limited control over the day- to- day management or operations of these assets. A third- party mismanagement of an asset may result in significant delays, materially increased costs or liabilities to the Company over which the Company is joint and severally liable. There is no guarantee that the third- party' s environmental standards are aligned with those of the Company. The Company continually engages with its operating partners and closely monitors the operation of its assets, thorough reviews are conducted before entering into joint venture arrangements to ensure that our operational objectives are aligned with potential joint venture partner. Our business is subject to local legal, social, security, political and economic factors that are beyond our control, which could impair or delay our ability to expand our operations or operate profitably All of our proved reserves and production are currently located in Colombia and, Ecuador and Canada ; however, we may eventually expand to other countries. Exploration and production operations are subject to legal, social, security, political and economic uncertainties, including terrorism, social unrest and activism, illegal blockades, strikes by local or national labor groups, interference with private contract rights, extreme fluctuations in currency exchange rates, high rates of inflation, exchange controls, changes in tax rates , tariff and import / export regulations and sanctions by the United States or other countries , changes in laws or policies affecting environmental issues (including land use and water use), workplace safety, foreign investment, foreign trade, investment or taxation, as well as restrictions imposed on the oil and natural- gas industry, such as restrictions on production, price controls and export controls. When such disruptions occur, they may adversely impact our operations and threaten the economic viability of our projects or our ability to meet our production targets. Both Colombia and Ecuador may experience future political and economic instability. Colombia has experienced social, economic and security turmoil related to security, guerilla and narcotrafficking. Political changes because of future electoral processes could result in new governments or the adoption of new policies, laws or regulations that might assume a substantially more hostile attitude toward foreign investment, including but not limited to: the imposition of additional taxes as was the case in 2022; nationalization; changes in energy or environmental policies or the personnel administering them; changes in oil and natural gas pricing policies; and royalty changes or increases. In an extreme case, such a change could result in termination of contract rights and expropriation of foreign- owned assets or renegotiation or nullification of existing concessions and contracts. Any changes in the oil and gas or investment regulations and policies or a shift in political attitudes in Colombia or Ecuador are beyond our control and may significantly hamper our ability to expand our operations in the region or operate our business at a profit. Colombia has investment protection treaties in place with the United States and Canada as well as a history of sanctity of contracts. Oil production in Ecuador has recently been impacted by outages experienced by the nation' s two major pipelines (the Sistema de Oleoductos Trans Ecuatoriano (“ SOTE ”) and the Oleoducto de Crudos Pesados (“ OCP ”) pipelines) caused by physical damage from significant soil erosion in areas along the Coca river. While these pipelines have now been rerouted and are back in service, there remains some risk to our ability to transport oil to market through these systems from future, unforeseen natural events that could again generate outages in the OCP and SOTE pipelines. Such events could include, but are not limited to, earthquakes, volcanic eruptions and additional significant soil erosion. GTE mitigates this risk through the maintenance of surplus storage capacity at its facilities (typically 3- days by design) and the optionality of trucking oil to points of sale. We are vulnerable to risks associated with geographically concentrated operations The vast majority of our production comes from four fields located in Colombia. For the year ended December 31, 2023-2024 , the Acordionero, Costayaco, Moqueta and Cohembi fields collectively generated 88-79 % of our production and at December 31, 2023-2024 , these four fields accounted for 84-42 % of our proved reserves. As a result of this concentration, we may be disproportionately exposed to the impact of, among other things, regional supply and demand factors including limitations on our ability to most profitably sell or market our oil and natural gas to a smaller pool of potential buyers, delays or interruptions of production from wells in these areas caused by governmental regulation, community protests, guerrilla activities, processing or transportation capacity constraints, continued authorization by the government to explore and drill in these areas, severe weather events and the availability of drilling rigs and related equipment, facilities, personnel or services. Due to the concentrated nature of our portfolio of properties, a number of our properties could experience any of the same conditions at the same time, resulting in a relatively greater impact on our results of operations than they might have on other companies that have a more diversified portfolio of properties. We rely on local infrastructure and the availability of transportation for storage and shipment of our products. This- The infrastructure in Colombia and Ecuador , including storage and transportation facilities, is less developed than that in North America and may be insufficient for our needs at commercially acceptable terms in the localities in which we operate. Further, we operate in remote areas in both South

America and Canada and may rely on helicopters, boats or other transportation methods. Some of these transport methods may result in increased levels of risk, including the risk of accidents involving serious injury or loss of life, and could lead to operational delays which could affect our ability to add to our reserve base or produce oil **or natural gas** and could have a significant impact on our reputation or cash flow. Additionally, some of this equipment is specialized and may be difficult to obtain in our areas of operations, which could hamper or delay operations, and could increase the cost of those operations. **Further, adverse weather conditions, such as flooding and severe cold weather, may interrupt or curtail our operations, cause supply disruptions, and damage our equipment and facilities. During the winter months in Canada, heavy snow, ice, or rain may adversely affect our ability to operate. Also, during the spring thaw, which normally starts in late March and continues through June, some areas in Canada may impose transportation restrictions to prevent damage caused by the spring thaw.** Social disruptions or community disputes in **Colombia and Ecuador** ~~our areas of operations~~ may delay production and result in lost revenue. To enjoy the support and trust of local populations and governments **in Colombia and Ecuador**, we must demonstrate a commitment to providing local employment, training and business opportunities; a high level of environmental performance; open and transparent communication; and a willingness to discuss and address community issues including community development investments that are carefully selected, not unduly costly and bring lasting social and economic benefits to the community and the area. Improper management of these relationships could lead to a delay or suspension of operations, loss of license or major impact to our reputation in these communities, which could adversely affect our business. We cannot ensure that such issues or disruptions will not be experienced in the future, and we cannot predict their potential impacts, which may include delays or loss of production, standby charges, stranded equipment, or damage to our facilities. We also cannot ensure that we will not experience protests or blockades erected by criminal groups or cultivators of illegal crops, in response to the Colombian government's eradication of such crops, if such crops are grown in proximity to roads required to access our operations. In addition, we must comply with legislative requirements for prior consultation with communities and ethnic groups who are affected by our proposed projects in Colombia and Ecuador. Notwithstanding our compliance with these requirements, we may be sued by such communities through a writ for protection of tutela in the Colombian courts for enhanced consultation, potentially leading to increased costs, operational delays and other impacts. In addition, several areas in Colombia have conducted Popular Consultations and essential referendums on extractive industries. The referendums were organized by opponents of the mining or oil and natural gas industries. It remains unclear to what extent such results can impact the exercise of mineral rights conferred by the national government. In ~~2023~~ **2024**, the Colombian government ~~commenced~~ **is undertaking other** peace process conversations with illegal groups in the country, **but it is not clear if these discussions will resolve the disruptions**. Security concerns in Colombia or Ecuador may disrupt our operations. Oil pipelines have historically been primary targets of terrorist activity in Colombia. Although a Peace Agreement was ratified by the Colombian government in 2016, the result of which was the demobilization and disarmament of the Revolutionary Armed Forces of Colombia ("FARC"), there continue to be examples of violence against pipelines and other infrastructure that has been attributed to former FARC dissident groups and other illegal groups. It is not currently known whether or to what degree violence will continue and whether and to what degree that violence may impact our operations. Notwithstanding the Peace Agreement ratified and the ongoing efforts to implement such Agreements, increased eradication by the Colombian government of illicit crops, as well as the continuing attempts by the Colombian government to reduce or prevent activity of guerrilla dissidents and of farmers, such efforts may not be successful and such activity may continue to disrupt our operations in the future or cause us higher security costs and could adversely impact our financial condition, results of operations or cash flows. Colombia and Ecuador have experienced social turmoil related to changes in economic policy, which have resulted in illegal road blockades throughout the countries, and illegal invasions to private property and impacting regions where our operating activities are located. While blockages have been historically directed at the State, the resulting impact may hinder our ability to mobilize oil, personnel and equipment, resulting in temporary shut-in of production or negatively impacting our assets. Colombia and Ecuador also both have a history of security problems. Our efforts to ensure the security of our personnel and physical assets may not be successful and there can also be no assurance that we can maintain the safety of our field personnel or our contractors' field personnel and our Bogota and Quito head office personnel or operations in Colombia and Ecuador or that this violence will not adversely affect our operations in the future and cause significant loss. If these security problems disrupt our operations, our financial condition and results of operations could be adversely affected. ~~All~~ **A substantial portion** of our revenue is generated outside of Canada and the United States, and if we determine to, or are required to, repatriate earnings from foreign jurisdictions, we could be subject to taxes ~~All~~ **A substantial portion** of our revenue is generated outside of Canada and the United States. The cash generated from operations abroad is generally not available to fund domestic or head office operations unless funds are repatriated. At this time, we do not intend to repatriate further funds, other than to pay head office charges, but if we did, we might have to accrue and pay withholding taxes in certain jurisdictions on the distribution of accumulated earnings. Undistributed earnings of foreign subsidiaries are considered to be permanently reinvested and a determination of the amount of unrecognized deferred tax liability on these undistributed earnings is not practicable. Certain acquisitions could adversely affect our financial results. We may pursue strategic acquisitions, **such as our recent acquisition of i3 Energy**, as part of our business strategy from time to time. There is no assurance that we will be able to find suitable acquisition candidates or be able to complete acquisitions on favorable terms, if at all. We may also discover liabilities or deficiencies associated with any acquisitions that were not identified in advance, which may result in unanticipated costs. Additionally, integration efforts associated with our acquisitions may require significant capital and operating expense. We intend to pay for future acquisitions using cash, stock, notes, debt, assumption of indebtedness or any combination of the foregoing. To the extent that we do not generate sufficient cash internally to provide the capital we require to fund our growth strategy and future operations, we will require additional debt or equity financing. This additional financing may not be available or, if available, may not be on terms acceptable to us. Further, high volatility in the capital markets and in our stock

price may make it difficult for us to access the capital markets at attractive prices, if at all. In addition, the anticipated benefits of an acquisition may not be realized fully or at all, or may take longer to realize than we expect. **For example, the success of our acquisition of i3 Energy will depend, in significant part, on our ability to successfully integrate i3 Energy and realize the anticipated strategic benefits and synergies from the acquisition. The combination of independent businesses is complex, costly and time consuming, and we have devoted, and will continue to devote, significant management attention and resources to integrating the respective business practices and operations of the companies. Further, the anticipated benefits of the acquisition may not be realized fully or at all, or may take longer to realize than we expect. In connection with our acquisition of i3 Energy, we acquired assets in block 13 / 23c in the UK North Sea, management has not allocated any value to this block and there is significant uncertainty that any value can be realized upon disposition or relinquishment. Actual operating, technological, strategic and revenue opportunities, if achieved at all, may be less significant than we expect or may take longer to achieve than anticipated.** If we are not able to **achieve these objectives and** realize the anticipated benefits **and synergies** expected from ~~our the acquisitions~~ **acquisition** within a reasonable time, our business, financial condition and **operating** results ~~of operations~~ may be adversely affected. The threat and impact of cybersecurity incidents may adversely impact our operations and could result in information theft, data corruption, operational disruption, and / or financial loss. We use digital technologies and software programs to interpret seismic data, manage drilling rigs, conduct reservoir modeling and reserves estimation, as well as to process and record financial and operating data. We depend on digital technology, including information systems and related infrastructure as well as cloud application and services, to store, transmit, process and record sensitive information (including trade secrets, employee information and financial and operating data), communicate with our employees and business partners, analyze seismic and drilling information, estimate quantities of oil and gas reserves and for many other activities related to our business. The complexities of the technologies needed to explore for and develop oil and gas in increasingly difficult physical environments, and global competition for oil and gas resources make certain information attractive to thieves. Our business processes depend on the availability, capacity, reliability and security of our information technology infrastructure and our ability to expand and continually update this infrastructure in response to our changing needs and therefore it is critical to our business that our facilities and infrastructure remain secure. While we have implemented strategies to mitigate impacts from these types of events, we cannot guarantee that measures taken to defend against cybersecurity risks and threats will be sufficient for this purpose. The ability of the information technology function to support our business in the event of a security breach or a disaster such as fire or flood and our ability to recover key systems and information from unexpected interruptions cannot be fully tested and there is a risk that, if such an event actually occurs, we may not be able to address immediately the repercussions of the breach or disaster. In that event, key information and systems may be unavailable for a number of days or weeks, leading to our inability to conduct business or perform some business processes ~~in-on~~ a timely manner. Moreover, if any of these events were to materialize, they could lead to losses of sensitive information, critical infrastructure, personnel or capabilities essential to our operations and could have a material adverse effect on our reputation, financial condition or results of operations. Our employees have been and will continue to be targeted by parties using fraudulent “ spoof ” and “ phishing ” emails to misappropriate information or to introduce viruses or other malware through “ trojan horse ” programs to our computers. These emails appear to be legitimate emails but direct recipients to fake websites operated by the sender of the email or request that the recipient send a password or other confidential information through email or download malware. Despite our efforts to mitigate “ spoof ” and “ phishing ” emails through policies and education, “ spoof ” and “ phishing ” activities remain a serious ~~problem~~ **risk** that may **result in** damage our information technology infrastructure. We may be adversely affected by global epidemics or public health crises. Global epidemics and public health crises and fear of such events may adversely impact our operations and the global economy, including the worldwide demand for oil and natural gas. The extent to which our business, results of operations and financial condition will be affected by such events depend on future developments, many of which are outside of our control, such as the duration, severity, and sustained geographic spread of the virus, and the impact and effectiveness of governmental actions to contain and treat outbreaks, including government policies and restrictions; vaccine hesitancy, vaccine mandates, and voluntary or mandatory quarantines; and the global response surrounding such uncertainties. To the extent any global epidemic or public health crisis may adversely affect our business, operations, financial condition and operating results, it may also have the effect of heightening the other risks described herein. Risks Related to our Financial Condition Our business requires significant capital expenditures, and we may not have the resources necessary to fund these expenditures. Our base capital program for **2024-2025** is \$ **210-240**. 0 million to \$ **240-280**. 0 million for exploration and development activities. We expect to fund our **2024-2025** capital program through cash flows from operations. Funding this program from cash flows from operations relies in part on **average** Brent oil prices ~~being of~~ **\$ 70-75** per barrel, **WTI oil prices of \$ 71 per barrel and gas prices of C \$ 2. 50 per mcf** or greater. For the period from January 1 to February ~~15-20~~, **2024-2025**, the average ~~price-prices~~ of Brent oil ~~was~~, **WTI oil and AECO natural gas were** **\$ 79-77. 58-24** per barrel, **\$ 73. 86 per barrel and C \$ 2. 04 per mcf, respectively**. If cash flows from operations and cash on hand are not sufficient to fund our capital program, we may be required to seek external financing or to delay or reduce our exploration and development activities, which could impact production, revenues and reserves. If we require additional capital, we may pursue sources of capital through various financing transactions or arrangements, including joint venturing of projects, debt financing, equity financing or other means. We may not be able to access capital on favorable terms or at all. If we do succeed in raising additional capital, future financings may be dilutive to our shareholders, as we could issue additional shares of Common Stock or other equity to investors. In addition, debt and other mezzanine financing may involve a pledge of assets, require covenants that would restrict our business activities, and may be senior to interests of equity holders. We may incur substantial costs in pursuing future capital financing, including investment banking fees, legal fees and other costs. We may also be required to recognize non- cash expenses in connection with certain securities we may issue, such as convertibles and warrants, which would adversely impact our financial results. Our ability to obtain needed financing may be

impaired by factors such as weak capital markets (both generally and for the oil and gas industry in particular), the location of our oil and natural gas properties, including **our assets** in Colombia **and**, Ecuador **and Canada**, low or declining prices of oil and natural gas on the commodities markets, and the loss of key management. Further, if oil or natural gas prices on the commodities markets decrease, then our revenues will likely decrease, and such decreased revenues may increase our requirements for capital. Some of the contractual arrangements governing our exploration activity may require us to commit to certain capital expenditures, and we may lose our contract rights if we do not have the required capital to fulfill these commitments. If the amount of capital we are able to raise from financing activities, together with our cash flows from operations, is not sufficient to satisfy our capital needs **(even to the extent that we reduce our activities)**, we may be required to curtail our operations. Public and investor sentiment towards climate change, fossil fuels and other Environmental, Social and Governance (“ESG”) matters could adversely affect our cost of capital and the price of our common stock. Certain **numbers members** of the investment community (including investment fund managers, sovereign wealth, pension and endowment funds, and individual investors) have promoted the divestment of fossil fuel equities and pressured lenders to cease or limit funding to companies engaged in the extraction of fossil fuel reserves, including **recent** divestment actions by several prominent New York State and New York public employee pension funds. There has also been pressure on lenders and other financial services companies to limit or curtail financing of companies in the oil and gas industry. Such environmental initiatives aimed at targeting climate changes could ultimately interfere with our access to capital and ability to finance our operations. Some members of the investment community have increased their focus on ESG practices and disclosures by public companies, including practices and disclosures related to climate change and sustainability, **Diversity diversity**, **Equity equity** and **Inclusion inclusion** (“DEI”) initiatives, and heightened governance standards, **while others have criticized companies for such practices and modified their investments as a result of the same initiatives**. Furthermore, concerns over climate change have resulted in, and are expected to continue to result in, the adoption of regulatory requirements for climate-related disclosures. As a result, we may continue to face increasing pressure regarding our ESG disclosures and practices, and mandatory reporting obligations could increase our compliance burden and costs. We publish a Sustainability Report, which outlines our progress and ongoing efforts to advance our ESG initiatives. Our disclosures on these matters rely on management’s expectations as of the date the statements are first made, as well as standards for measuring progress that are still in development, and may change or fail to be realized. These expectations and standards may continue to evolve. A failure to meet **our publicly disclosed** goals or evolving stakeholder expectations of ESG practices and reporting may **increase the risk of litigation with respect to such goals or expectations**, potentially harm our reputation and impact employee retention, customer relationships, and access to capital. Foreign currency exchange rate volatility may affect our financial results. We sell our oil and natural gas production under agreements that are denominated mainly in U. S. dollars **and Canadian dollars**. Many of the operational and other expenses we incur **in Colombia**, including current and deferred tax assets and liabilities **in Colombia**, are denominated in Colombian pesos. **Our capital and operational expenditures in Canada and Most-most** of our administration costs in Canada are incurred in Canadian dollars. As a result, we are exposed to translation risk when local currency transactions are translated to U. S. dollars, our reporting currency. An appreciation of local currencies can increase our costs and negatively impact our results from operations. Because our Consolidated Financial Statements are presented in U. S. dollars, we must translate revenues, expenses and income, as well as assets and liabilities, into U. S. dollars at exchange rates in effect during or at the end of each reporting period. We are also exposed to transaction risk on settlement of payables and receivables denominated in foreign currency. Legal and Regulatory Risks We are dependent on obtaining and maintaining permits and licenses from various governmental authorities. Our oil and natural gas exploration and production operations are subject to complex and stringent laws and regulations. In order to conduct our operations in compliance with these laws and regulations, we must obtain and maintain numerous licenses, permits, approvals and certificates, including environmental and other operating permits. We may not be able to obtain, sustain or renew such licenses and permits on a timely basis or at all. We may also have licenses and permits rescinded or may not be able to renew expiring licenses and permits. Failure or delay in obtaining or maintaining regulatory approvals or permits could have a material adverse effect on our ability to develop and explore on our properties, and receipt of drilling permits with onerous conditions could increase our compliance costs. Loss of permits for existing drilling, water injection or other activities necessary for production may result in a decline of our production levels and revenues or damage to the well structure. Regulations and policies relating to these licenses and permits may change, be implemented in a way that we do not currently anticipate or take significantly greater time to obtain. There can be no assurance that future political conditions in Colombia and Ecuador will not result in changes to policies with respect to foreign development and ownership of oil, environmental protection, health and safety or labor relations, which may negatively affect our ability to undertake exploration and development activities in respect of present and future properties, as well as our ability to raise funds to further such activities. As we are not the operator of all the joint ventures we are currently involved in, we may rely on the operator to obtain all necessary permits and licenses. If we fail to comply with these requirements, we could be prevented from drilling for oil and natural gas, and we could be subject to civil or criminal liability or fines. Revocation or suspension of our environmental and operating permits could have a material adverse effect on our business, financial condition and results of operations. In Colombia, the ANH is delegated by the Ministry of Mining and Energy to offer and award new blocks through exploration and production (“E & P”) and technical evaluation agreement contract terms. The new administration has stated that no new bid rounds for exploration blocks will be done until it is decided differently by the government. In addition, in 2023 the government issued a new decree eliminating the obligation of ANH to offer bid rounds for new blocks to Companies. Under new Colombia regulation, we may not be able to obtain new exploration licenses which can have adverse impact on our future exploration activities, production and operations. **In connection with our acquisition of i3 Energy, we acquired an entity that owns and operates block 13 / 23c in the UK North Sea. Like other companies with UK North Sea assets, the frequent and adverse changes to the United Kingdom’s oil and gas fiscal regime have caused**

significant uncertainty that any value can be realized on disposition or relinquishment of UK assets. Management has no intentions to develop UK assets. Environmental regulation and risks may adversely affect our business. Environmental regulation is stringent and the costs and expenses of regulatory compliance are increasing. All phases of the oil and natural gas business present environmental risks and hazards and are subject to environmental regulation pursuant to an extensive suite of international conventions and national and regional laws and regulations. Environmental ~~legislation~~ **laws and regulations in the countries in which we operate** ~~provides~~ **provide** for, among other things, restrictions and prohibitions on spills, releases or emissions of various substances used or produced in association with oil and gas operations. ~~The~~ **These legislation-regulations** also ~~requires~~ **require** that wells and facility sites be operated, maintained, abandoned and reclaimed to the satisfaction of applicable regulatory authorities. Compliance with such legislation can require significant expenditures. Failure to comply with these laws and regulations may result in the suspension or termination of operations and subject us to administrative, civil and criminal fines and penalties. Our operations create the risk of significant environmental liabilities to the government **of the jurisdictions in which we operate** or third parties for any unlawful discharge of oil, gas or other pollutants into the air, soil or water or for certain other environmental impacts. There is uncertainty around the impact of environmental laws and regulations, including those presently in force and those expected to be proposed in the future. We cannot predict how future environmental laws will be interpreted, administered or enforced, but more stringent laws or regulations or more vigorous enforcement policies could in the future require material expenditures by us for the installation and operation of compliant systems; therefore it is impossible at this time to predict the nature and impact of those requirements on our company however they may have a material adverse impact on our business. Given the nature of our business, there are inherent risks of oil spills at drilling or operations sites due to operational failure, accidents, sabotage, pipeline failure or tampering or escape of oil due to the transportation of the oil by truck. All of these may lead to significant potential environmental liabilities, such as damages, litigation costs, clean-up costs or penalties, some of which may be material and for which our insurance coverage maybe inadequate or unavailable. We may be exposed to liabilities under anti-bribery laws and a finding that we violated these laws could have a material adverse effect on our business. We are subject to anti-bribery laws in the United States, Canada, Ecuador and Colombia and will be subject to similar laws in other jurisdictions where we may operate in the future. We may face, directly or indirectly, corrupt demands by officials, tribal or insurgent organizations, international organizations, or private entities. As a result, we face the risk of unauthorized payments or offers of payments by employees, contractors, agents, and partners of ours or our subsidiaries or affiliates, given that these parties are not always subject to our control or direction. It is our policy to prohibit these practices. However, our existing safeguards and any future improvements to those measures may prove to be less than effective or may not be followed, and our employees, contractors, agents, and partners may engage in illegal conduct for which we might be held responsible. A violation of any of these laws, even if prohibited by our policies, may result in criminal or civil sanctions or other penalties (including profit disgorgement) as well as reputational damage and could have a material adverse effect on our business and financial condition. If the United States imposes sanctions on Colombia ~~or~~, Ecuador **or Canada** in the future, our business may be adversely affected. Colombia is among several nations whose eligibility to receive foreign aid from the United States is dependent on its progress in stemming the production and transit of illegal drugs, which is subject to an annual review by the President of the United States. Although Colombia is currently eligible for such aid, it may not remain eligible in the future. A finding by the President that Colombia has failed demonstrably to meet its obligations under international counter-narcotic agreements may result in the imposition of economic and trade sanctions on Colombia which could result in adverse economic consequences in Colombia including potentially threatening our ability to obtain necessary financing to develop our Colombian properties, and could further heighten the political and economic risks associated with our operations there. **The United States may in the future impose similar eligibility restrictions on foreign aid provided to Ecuador. The president of the United States declared that Canada, among other countries, is responsible for illegal immigration and drug transit to United States and is in the process of implementing 10 % tariffs on energy resources from Canada. Implementation of tariffs could have adverse impact on our profitability from Canadian operations.** Regulations related to emissions and the impact of any changes in climate could adversely impact our business, including demand for our products, our financial condition and results of operations. Governments around the world have become increasingly focused on regulating greenhouse gas (“GHG”) emissions and addressing the impacts of climate change in some manner. GHG emissions legislation is emerging and is subject to change. For example, on an international level, in December 2015, almost 200 nations, including **Canada, Colombia and, by ratification in July 2017, Ecuador**, agreed to an international climate change agreement in Paris, France (the “Paris Agreement”), that calls for countries to set their own GHG emission targets and be transparent about the measures each country will use to achieve its GHG emission targets. Although it is not possible at this time to predict how this legislation or any new regulations that may be adopted to address GHG emissions would impact our business, any such future laws and regulations that limit emissions of GHGs could adversely affect demand for the oil and natural gas that we produce. Current GHG emissions legislation has not resulted in material compliance costs; however, emissions, carbon and other regulations impacting climate and climate related matters are constantly evolving. It is not possible at this time to predict whether proposed legislation or regulations will be adopted, and any such future laws and regulations could result in additional compliance costs or additional operating restrictions. If we are unable to recover a significant amount of our costs related to complying with climate change regulatory requirements imposed on us, it could have a material adverse impact on our business, financial condition and results of operations. Significant restrictions on GHG emissions could result in decreased demand for the oil **and natural gas** that we produce, with a resulting decrease in the value of our reserves. Increasing attention to the risks of climate change has resulted in an increased possibility of lawsuits brought by public and private entities against oil and natural gas companies in connection with their GHG emissions. Should we be targeted by any such litigation, we may incur liability, which, to the extent that societal pressures or political or other factors are involved, could be imposed without regard to the Company’s causation of or contribution to the asserted damage, or to other mitigating factors.

Finally, although we strive to operate our business operations to accommodate expected climatic conditions, to the extent there are significant changes in the Earth's climate, such as more severe or frequent weather conditions in the markets we serve or the areas where our assets reside, we could incur increased expenses, our operations could be materially impacted, and demand for our products could fall. In ~~2023-2024~~, El-Niño-induced drought **experienced** across Colombia, ~~the~~ **resulted in a** decrease in power generated from hydroelectricity **which** increased power costs **and**, ~~which~~ **resulted in higher operating expenses**.

Reduction, elimination or expiration of government subsidies The profitability of our business depends on government-imposed financial instruments such as carbon taxes and carbon tax credits. Any of these financial instruments may be changed by the relevant government and such changes may adversely affect the profitability of some or all of our business. There is a risk that accounting for GHG releases and the rate of carbon taxation and the level it reaches will be changed from time to time, creating an economic environment of uncertainty. This risk is further complicated by the dependency of Canadian hydrocarbon energy producers on exports to the United States and the uncertainty as to how the United States will regulate GHG emissions related to domestic and Canadian production. Carbon taxes and environmental compliance costs The crude oil and natural gas industry is subject to environmental regulation pursuant to municipal, provincial and federal legislation in Canada. Such legislation may be changed to impose higher standards and potentially more costly obligations. Policies aimed at reducing emissions of carbon dioxide and methane could become a burden on crude oil and natural gas commodities relative to other sources of energy in the marketplace.

Furthermore, there is no assurance that any such programs or regulatory amendments, if proposed and enacted, may contain emission reduction targets that we can meet. Financial penalties or charges could be incurred as a result of the failure to meet such targets. As carbon accounting rules and carbon emissions penalties evolve, distributed small-scale use of hydrocarbon-based fuels may become very costly, which may motivate the discontinued use of hydrocarbon-based fuels. This evolution, if it occurs, may severely reduce the hydrocarbon-production market to large consumers that have carbon capture and storage capability.

Risks Related to Ownership of our Common Stock Shares of our Common Stock are listed on the NYSE American, the Toronto Stock Exchange ("TSX") and the London Stock Exchange ("LSE") and investors seeking to take advantage of price differences between such markets may create unexpected volatility in market prices. Shares of our Common Stock are listed on the NYSE American, the TSX and the LSE. While the shares of Common Stock are traded on such markets, the price and volume levels could fluctuate significantly on any market independently of the price or trading volume on other markets. Investors could seek to sell or purchase shares of Common Stock to take advantage of any price differences between the NYSE American, the TSX and the LSE through a practice referred to as arbitrage. Any arbitrage activity could create unexpected volatility in the price of the shares of Common Stock on any of these exchanges or the volume of shares of Common Stock available for trading on any of these markets. In addition, shareholders in any of these jurisdictions will not be able to transfer such shares of Common Stock for trading on another market without effecting necessary procedures with our transfer agent or registrar. This could result in time delays and additional cost for shareholders of the Common Stock.

The market price of our Common Stock may be volatile The market price for shares of our Common Stock has experienced and may continue to experience volatility. For example, during 2024, the market price for shares of our Common Stock ranged from a low of \$ 4. 72 per share to a high of \$ 10. 40 per share. The market price for shares of our Common Stock may be influenced by many factors, some of which are beyond our control, including those described above and the following: • strategic actions or announcements by us of significant contracts, acquisitions, joint marketing relationships, joint ventures or capital commitments; • general economic and stock market conditions; • volatility in commodity prices; • risks related to our business and our industry, including those discussed above; • changes in conditions or trends in our industry, markets or customers; • geopolitical events or terrorist acts; • trading volume of our Common Stock; • future sales of shares of our Common Stock or other securities by us, members of our management team or our existing shareholders; and • investor perceptions of the investment opportunity associated with our industry or securities relative to other investment alternatives. These market and industry factors may materially reduce the market price for shares of our Common Stock, regardless of our operating performance.