INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS




(UNAUDITED)

For the three and six months ended June 30, 2026 and 2025

FRONTERA ENERGY

Interim Condensed Consolidated Statements of Income (Loss)

(In thousands of U.S.$, except per share information)	Notes	Three months ended June 30 2026	Three months ended June 30 2025*	Six months ended June 30 2026	Six months ended June 30 2025*
Continuing operations					
Port revenues	4	$ 14,647	$ 11,339	$ 27,301	$ 21,367
Share of Income from ODL Pipeline Investment (equity method)	13	16,613	14,124	30,792	29,233
Total Revenues and Other Income		31,260	25,463	58,093	50,600
Operating costs		8,779	6,205	15,881	11,369
General and administrative (Port, Corporate and Other)	5	2,384	3,481	5,423	6,887
Depletion, depreciation and amortization	11	2,298	2,037	4,419	3,787
Impairment expense	7	7,545	432,193	7,545	432,193
Restructuring, severance and other costs		4,148	9,417	5,231	9,796
Operating income (loss) from continuing operations		6,106	(427,870)	19,594	(413,432)
Foreign exchange (loss) gain		(7,199)	(2,291)	(403)	207
Finance income		301	858	687	1,500
Finance expense		(5,626)	(5,182)	(11,354)	(8,383)
Other income (loss)		6,458	1,041	3,964	(1,351)
Loss on risk management contracts		(4,501)	(818)	(4,501)	(133)
Debt extinguishment cost	14	—	(5,964)	—	(5,964)
Net (loss) income before income tax from continuing operations		(4,461)	(440,226)	7,987	(427,556)
Current income tax recovery (expense)	8	4	(1)	4	(1)
Deferred income tax recovery (expense)	8	218	831	685	(196)
Income tax recovery (expense) from continuing operations	8	222	830	689	(197)
Net (loss) income for the period from continuing operations		$ (4,239)	$ (439,396)	$ 8,676	$ (427,753)
Discontinued operations					
Income (loss) after tax for the period from discontinued operations	6	33,010	(15,984)	4,551	(230)
Net income (loss) for the period		$ 28,771	$ (455,380)	$ 13,227	$ (427,983)
Attributable to:					
Equity holders of the Company		28,971	(455,212)	13,567	(427,688)
Non-controlling interests		(200)	(168)	(340)	(295)
		$ 28,771	$ (455,380)	$ 13,227	$ (427,983)
(Loss) income per share attributable to equity holders of the Company from continuing operations					
Basic	9	$ (0.06)	$ (5.68)	$ 0.13	$ (5.49)
Diluted	9	$ (0.06)	$ (5.68)	$ 0.13	$ (5.49)
Income (loss) per share attributable to equity holders of the Company from discontinued operations					
Basic	9	$ 0.47	$ (0.21)	$ 0.07	$ —
Diluted	9	$ 0.47	$ (0.21)	$ 0.07	$ —

On behalf of the Board of Directors:

“Gabriel de Alba” (signed)
Chairman of the Board of Directors

“W. Ellis Armstrong” (signed)
Director

**As a result of discontinued operations these amounts have been re-presented. Refer to note 6, “Discontinued Operations”, for further details.*

Interim Condensed Consolidated Statements of Comprehensive Income (Loss)

(In thousands of U.S.$)	Three months ended June 30 2026	Three months ended June 30 2025	Six months ended June 30 2026	Six months ended June 30 2025
Net income (loss) for the period	$ 28,771	$ (455,380)	$ 13,227	$ (427,983)
Other comprehensive income that may be reclassified to net (loss) income in subsequent periods (nil tax effect)				
Foreign currency translation from continuing operations	20,688	10,663	23,415	24,139
Foreign currency translation from discontinued operations	27,950	421	28,107	1,011
Total comprehensive income (loss) for the period	$ 77,409	$ (444,296)	$ 64,749	$ (402,833)
Attributable to:				
Equity holders of the Company	$ 77,609	$ (444,128)	$ 65,089	$ (402,538)
Non-controlling interests	(200)	(168)	(340)	(295)
	$ 77,409	$ (444,296)	$ 64,749	$ (402,833)

Interim Condensed Consolidated Statements of Financial Position

(In thousands of U.S.$)	Notes	June 30 2026	December 31 2025
ASSETS			
Current			
Cash and cash equivalents		$ 56,279	$ 230,489
Restricted cash		2,091	86
Receivables from ODL investment	13,16	47,176	—
Trade receivables	17	7,528	17,240
Other receivables	17	6,100	58,598
Inventories		2,862	40,245
Income taxes receivable		5,390	63,662
Prepaid expenses and deposits	10	17,193	7,099
Risk management assets	17	—	2,715
Total current assets		144,619	420,134
Non-current			
Properties, plant and equipment	11	297,977	1,273,115
Investments in associates	13	38,011	73,768
Deferred tax assets	8	22,386	21,701
Other assets		—	21,095
Exploration and evaluation assets	12	—	10,685
Restricted cash	17	—	11,234
Total non-current assets		358,374	1,411,598
Total assets		$ 502,993	$ 1,831,732
LIABILITIES			
Current			
Accounts payable and accrued liabilities	17	$ 74,668	$ 397,762
Short-term FPI Recapitalization Loan	14	47,827	42,023
Asset retirement obligations	15	8,258	55,161
Lease liabilities		596	6,441
Risk management liabilities	17	3,910	—
Income taxes payable		—	1,156
Customer prepayments		—	48,843
Total current liabilities		135,259	551,386
Non-current			
Long-term FPI Recapitalization Loan	14	110,525	125,160
Other long-term debt	14	10,000	—
Lease liabilities		1,524	13,464
Asset retirement obligations	15	184	173,432
Other payables	17	—	11,104
Unsecured notes	14	—	306,821
Customer prepayments		—	57,778
Total non-current liabilities		122,233	687,759
Total liabilities		$ 257,492	$ 1,239,145
Commitments and contingencies	19		
EQUITY			
Share capital		$ 4,063,858	$ 4,467,618
Contributed surplus		104,712	112,787
Other reserves		31,710	(19,812)
Accumulated deficit		(3,946,081)	(3,959,648)
Equity attributable to equity holders of the Company		$ 254,199	$ 600,945
Non-controlling interests		(8,698)	(8,358)
Total equity		$ 245,501	$ 592,587
Total liabilities and equity		$ 502,993	$ 1,831,732

Interim Condensed Consolidated Statements of Changes in Equity

(In thousands of U.S.$)	Number of Common Shares	Share Capital	Contributed Surplus	Cumulative Translation Adjustment	Fair Value Investment	Accumulated Deficit	Total	Non-controlling Interests	Total Equity
	Attributable to Equity Holders of the Company								
As at January 1, 2026	69,530,049	$ 4,467,618	$ 112,787	$ (14,610)	$ (5,202)	$ (3,959,648)	$ 600,945	$ (8,358)	$ 592,587
Net income (loss) for the period	—	—	—	—	—	13,567	13,567	(340)	13,227
Other comprehensive income	—	—	—	51,522	—	—	51,522	—	51,522
Total comprehensive income (loss)	—	—	—	51,522	—	13,567	65,089	(340)	64,749
Return of Capital to Shareholders[1]		(416,493)	—	—	—	—	(416,493)	—	(416,493)
Dividends declared to equity holders of the Company[2]	338	2	—	—	—	—	2	—	2
Repurchase of Common Shares under NCIB[3]	(184,900)	(1,195)	—	—	—	—	(1,195)	—	(1,195)
Share-based compensation[4]	1,423,358	13,926	(8,075)	—	—	—	5,851	—	5,851
As at June 30, 2026	70,768,845	$ 4,063,858	$ 104,712	$ 36,912	$ (5,202)	$ (3,946,081)	$ 254,199	$ (8,698)	$ 245,501

(In thousands of U.S.$)	Number of Common Shares	Share Capital	Contributed Surplus	Cumulative Translation Adjustment	Fair Value Investment	Accumulated Deficit	Total	Non-controlling Interests	Total Equity
	Attributable to Equity Holders of the Company								
As at January 1, 2025	80,793,387	$ 4,567,984	$ 111,599	$ (74,401)	$ (5,202)	$ (2,883,695)	$ 1,716,285	$ 9,848	$ 1,726,133
Net loss for the period	—	—	—	—	—	(427,688)	(427,688)	(295)	(427,983)
Other comprehensive income	—	—	—	25,150	—	—	25,150	—	25,150
Total comprehensive income (loss)	—	—	—	25,150	—	(427,688)	(402,538)	(295)	(402,833)
Dividends declared to equity holders of the Company[1][5]	2,091	10	—	—	—	(6,909)	(6,899)	—	(6,899)
Repurchase of Common Shares under SIB[6]	(3,500,000)	(30,226)	—	—	—	—	(30,226)	—	(30,226)
Share-based compensation	—	—	403	—	—	—	403	—	403
As at June 30, 2025	77,295,478	$ 4,537,768	$ 112,002	$ (49,251)	$ (5,202)	$ (3,318,292)	$ 1,277,025	$ 9,553	$ 1,286,578

(1)During the six months ended June 30, 2026, the Company completed a return of capital distribution of CAD$8.34 per share equivalent to $416.5 million, resulting in a reduction of contributed capital and a distribution of cash to shareholders. No Common Shares were issued in connection with this transaction, and it was accounted for as a reduction of shareholders' equity.

*(2)The Company's Dividend Reinvestment Plan ("**DRIP**") allows shareholders resident in Canada to automatically reinvest the cash dividends declared on their Common Shares back into additional Common Shares, without the payment of brokerage commissions or service charges. During the six months ended June 30, 2026, the Company issued 338 Common Shares under the DRIP (2025: 2,091 Common Shares).*

*(3)On July 15, 2025, the Toronto Stock Exchange ("**TSX**") approved the Company's notice to initiate a normal course issuer bid (the "**2025 NCIB**"). Pursuant to the 2025 NCIB, the Company was permitted to purchase up to 3,502,962 Common Shares, during the twelve-month period commencing on July 18, 2025 and ending July 17, 2026, representing approximately 5% of the Company's issued and outstanding Common Shares as at July 15, 2025. During the three and six months ended June 30, 2026, the Company repurchased for cancellation $Nil and $1.2 million in Common Shares, respectively, equivalent to Nil and 184,900 Common Shares under the 2025 NCIB.*

(4)Following the closing of the transaction with Parex, and in accordance with the compensation plan, the vesting and settlement of the Company's outstanding share-based compensation was accelerated as a result of the change in control over a significant portion of the business.

(5)On March 10, 2025, and May 8, 2025, the Company's board of directors approved and declared a cash dividend of $3.4 million and $3.5 million, corresponding to CAD$0.0625 per Common Share, which were paid on April 16, 2025 and July 17, 2025, respectively.

*(6)On December 16, 2024, the Company announced that its board of directors had approved the commencement of a second substantial issuer bid (the "**2025 SIB**") pursuant to which the Company offered to purchase from holders of Common Shares of the Company up to 3,500,000 Common Shares for cancellation at a purchase price of CAD$12.00 per share, for an aggregate purchase price not exceeding CAD$42.0 million. The 2025 SIB expired on January 24, 2025. On January 28, 2025, the Company announced that in accordance with the terms and conditions of the 2025 SIB, the Company took up for cancellation 3,500,000 Common Shares (approximately 4.33% of the total number of the Company's issued and outstanding Common Shares as at January 23, 2025) at a price of CAD$12.00 per Common Share, representing an aggregate purchase price of CAD$42.0 million funded by cash (total cost of $30.2 million, including transaction costs of $0.4 million and taxes of $0.6 million). The 2025 SIB had over 90% shareholder participation rate.*

Interim Condensed Consolidated Statements of Cash Flows

(In thousands of U.S.$)	Notes	Three months ended June 30 2026	Three months ended June 30 2025*	Six months ended June 30 2026	Six months ended June 30 2025*
OPERATING ACTIVITIES					
Net (loss) income for the period from continuing operations		$ (4,239)	$ (439,396)	$ 8,676	$ (427,753)
Net income (loss) for the period from discontinued operations		33,010	(15,984)	4,551	(230)
Net income (loss) for the period		28,771	(455,380)	13,227	(427,983)
Items not affecting cash:					
Depletion, depreciation and amortization		$ 2,298	$ 2,037	$ 4,419	$ 3,787
Impairment expense	7	7,545	432,193	7,545	432,193
Share of Income from ODL Pipeline Investment (equity method)	13	(16,613)	(14,124)	(30,792)	(29,233)
Unrealized loss on risk management contracts		3,910	818	3,910	133
Deferred income tax (recovery) expense	8	(188)	(831)	(655)	196
Unrealized foreign exchange loss (gain)		6,589	2,040	349	(1,431)
Finance expense		5,626	5,182	11,354	8,383
Finance income		(301)	(858)	(687)	(1,500)
Debt extinguishment cost		—	5,964	—	5,964
(Income) loss from discontinued operations	6	(33,010)	15,984	(4,551)	230
Dividends received from ODL	13	26,813	—	26,813	26,172
Income tax paid		(528)	(127)	(953)	(239)
Interest received, net		301	887	568	1,545
Other		—	87	3	233
Changes in working capital (excluding cash)	18	(5,262)	(424)	(9,560)	(1,126)
Cash provided (used) by operating activities from continuing operations		25,951	(6,552)	20,990	17,324
Break Fee – GeoPark Arrangement Agreement[1]	6	—	—	(25,000)	—
Cash from operating activities - Discontinued Operations (excl. GeoPark Break Fee)		15,058	48,338	33,941	94,599
Cash provided by operating activities from discontinued operations	6	15,058	48,338	8,941	94,599
Cash provided by operating activities		$ 41,009	$ 41,786	$ 29,931	$ 111,923
INVESTING ACTIVITIES					
Net proceeds from the sale of assets held for sale[2]	6	$ 316,723	$ —	$ 316,723	$ —
Increase in restricted cash		(2,069)	—	(2,069)	—
Additions of properties, plant and equipment		$ (1,520)	$ (3,949)	$ (2,506)	$ (5,857)
Additions to exploration and evaluation assets		(123)	(29)	(123)	(353)
Changes in working capital (excluding cash)	18	(9,740)	2,572	(9,484)	(87)
Cash provided (used) in investing activities from continuing operations		303,271	(1,406)	302,541	(6,297)
Cash used in investing activities from discontinued operations	6	(35,322)	(48,790)	(64,983)	(102,419)
Cash provided (used) in investing activities		$ 267,949	$ (50,196)	$ 237,558	$ (108,716)
FINANCING ACTIVITIES					
Return of Capital to Shareholders		$ (416,493)	$ —	$ (416,493)	$ —
Repayment of debt FPI Recapitalization Loan	14	(10,000)	(11,200)	(10,000)	(11,200)
Proceeds from Bancolombia Loan Facility		10,000	—	10,000	—
Interest paid and other charges		(6,904)	(1,834)	(6,904)	(1,834)
Lease payments		(213)	(40)	(382)	(210)
Transaction cost of FPI Recapitalization Loan		—	(159)	—	(159)
Net proceeds from FPI Recapitalization Loan	14	—	212,448	—	212,448
Repayment of debt FPI Loan Facility	14	—	(105,213)	—	(105,213)
Dividends paid to equity holders of the Company		—	(3,410)	(3,130)	(6,904)
Release and constitution debt service reserve account of FPI Loan Facility, net		—	16,113	—	16,113
Repurchase of Common Shares under NCIB		—	—	(1,195)	—
Repurchase of Common Shares under SIB		—	—	—	(30,226)
Net cash (used) provided in financing activities from continuing operations		(423,610)	106,705	(428,104)	72,815

Interim Condensed Consolidated Statements of Cash Flows

	Note				
Net cash used in financing activities from discontinued operations	6	(1,404)	(84,995)	(3,475)	(87,257)
Cash (used) provided in financing activities		$ (425,014)	$ 21,710	$ (431,579)	$ (14,442)
Effect of exchange rate changes		(10,115)	1,466	(10,120)	3,518
Increase (decrease) in cash and cash equivalents during the period		(126,171)	14,766	(174,210)	(7,717)
Cash and cash equivalents, beginning of the period		182,450	170,094	230,489	192,577
Cash and cash equivalents, end of the period		$ 56,279	$ 184,860	$ 56,279	$ 184,860
Cash		13,502	144,867	13,502	144,867
Cash equivalents		42,777	39,993	42,777	39,993
Total cash and cash equivalents		$ 56,279	$ 184,860	$ 56,279	$ 184,860

**As a result of discontinued operations these amounts have been re-presented. Refer to note 6, “Discontinued Operations”, for further details.*

(1) *Break fee of $25 million related to the GeoPark Arrangement Agreement (as defined below) included as a part of discontinued operations.*

(2) *For the three and six months ended June 30, 2026, net proceeds from the sale of assets held for sale is partially offset by $165.9 million cash and cash equivalents attributable to discontinued operations. This amount corresponds to the cash and cash equivalents transferred on June 01, 2026 as part of Parex Arragement (as defined below).*

1. Corporate Information

Frontera Energy Corporation (the "**Company**" or "**Frontera**") is a company formed and existing under the laws of British Columbia, Canada. Following the completion of the Parex Arrangement (as defined below) on June 1, 2026, Frontera has emerged as a focused infrastructure company, anchored by its standalone and growing portfolio of highly strategic Colombian infrastructure assets, and retains its interests in certain other non-Colombian assets, including its interest in Guyana. The Company's common shares ("**Common Shares**") are listed and publicly traded on the TSX under the trading symbol "FEC". The Company's head office is located at 1030, 140-4 Avenue SW, Calgary, Alberta, Canada T2P 3N3, and its registered office is 1500 Royal Centre, 1055 West Georgia Street, Vancouver, British Columbia, Canada V6E 4N7.

These interim condensed consolidated financial statements of the Company include the accounts of the Company and its subsidiaries.

2. Basis of Preparation

Statement of Compliance

These interim condensed consolidated financial statements for the three and six months ended June 30, 2026 and 2025 (the "**Interim Condensed Financial Statements**"), have been prepared in accordance with International Accounting Standard 34, Interim Financial Reporting as issued by the International Accounting Standards Board. The Company has prepared the Interim Condensed Financial Statements on the basis that it will continue to operate as a going concern.

The Interim Condensed Financial Statements do not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the Company's audited annual consolidated financial statements for the year ended December 31, 2025 (the "**2025 Annual Financial Statements**"). These Interim Condensed Financial Statements were approved and authorized for issuance by the Audit Committee of the Board of Directors on August 14, 2026.

Functional and Presentation Currency

The consolidated financial statements are presented in United States (U.S.) dollars, which is the Company's functional currency, and all values are rounded to the nearest thousand, except where otherwise indicated.

Material Accounting Policy Information

The accounting policies used in preparation of the Interim Condensed Financial Statements are consistent with those disclosed in the 2025 Annual Financial Statements.

The Company has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

Key Accounting Estimates and Judgments

Critical Judgments in Applying Accounting Policies

Disposition of Assets Previously Classified as Held for Sale

The classification of assets as held for sale requires that specific criteria be met as of the reporting date. These criteria include management's expectation that the carrying amount of the assets will be recovered principally through a sale transaction rather than through continuing use, that the assets are available for immediate sale in their present condition, and that the sale is highly probable. A sale is considered highly probable only when, among other factors, the appropriate level of management is committed to a plan to sell, an active program to locate a buyer and complete the plan has been initiated, the asset (or disposal group) is being marketed for sale at a price that is reasonable in relation to its current fair value, and the actions required to complete the plan indicate that it is unlikely that significant changes will be made to the plan or that the plan will be withdrawn.

Following the announcements made on January 30, 2026 and March 10, 2026 regarding the proposed sale of the Frontera E&P Assets (as defined below), the Company assessed if the assets as held for sale criteria were met as of March 31, 2026. On January 9, 2026, GeoPark Limited ("**GeoPark**") provided a non-binding offer to acquire Frontera's Colombian oil and gas exploration and production assets. After several negotiations held during January, the Company entered into the GeoPark Arrangement Agreement (as defined below).

Subsequently, on March 10, 2026, as a result of a binding offer from Parex Resources Inc. ("**Parex**") which the Company's board of directors determined to be a "Superior Proposal" under the terms of the GeoPark Arrangement Agreement: (i) Frontera terminated the GeoPark Arrangement Agreement in accordance with its terms; and (ii) entered into the Parex Arrangement Agreement (as defined below). For further information, refer to Note 6 "Discontinued Operations".

As a result of these events, the criteria for classification as assets held for sale were met as of March 31, 2026, and related assets, liabilities and result of operations were presented as assets held for sale, liabilities directly associated with assets held for sale and discontinued operations, respectively.

On June 1, 2026, the Parex Arrangement was successfully completed following the satisfaction of all closing conditions, including shareholder approval and receipt of all required regulatory and court approvals. Pursuant to the transaction, Parex acquired the Frontera E&P Assets for aggregate consideration consisting of: (i) upfront cash consideration of $500 million, (ii) assumed net debt of $225 million, and (iii) a contingent payment of $25 million payable if the term of the Quifa contract with Ecopetrol S.A. is extended prior to the first anniversary of the transaction closing.

(Unaudited, in thousands of U.S.$, unless otherwise stated)

3. Segmented Information

The Company has two reportable operating segments, consistent with the basis on which management assesses performance and allocates resources across its business units, as follows:

- Infrastructure Colombia: Includes the Company's investment in certain infrastructure, midstream and other assets, including storage, port, and the Company's investment in pipelines.
- Canada & Others: Includes the corporate office in Canada and non-operating entities that have been aggregated as they do not generate revenue from third parties. It also includes certain business activities in Peru, which include completing remediation work in Block 192 as the Company's petroleum license expired on February 5, 2021, as well as the operation of the Berbice River port ("**BRP**") in Guyana.

For the three and six months ended June 30, 2026, operating segmented information for the Interim Condensed Consolidated Statements of Income (Loss) is as follows:

Three months ended June 30	Infrastructure Colombia		Canada & Others		Total Continuing Operations	
	2026	2025*	2026	2025*	2026	2025
Port revenues	14,587	11,164	60	175	14,647	11,339
Share of Income from ODL Pipeline Investment (equity method)	16,613	14,124	—	—	16,613	14,124
Total Revenues and Other Income	31,200	25,288	60	175	31,260	25,463
Operating costs	8,779	6,103	—	102	8,779	6,205
General and administrative	1,171	1,011	1,213	2,470	2,384	3,481
Depletion, depreciation and amortization	2,238	1,711	60	326	2,298	2,037
Impairment expense	—	(55)	7,545	432,248	7,545	432,193
Restructuring, severance and other costs	1,398	607	2,750	8,810	4,148	9,417
Segment income (loss)	$ 17,614	$ 15,911	$ (11,508)	$ (443,781)	$ 6,106	$ (427,870)
Other non-operating expense items					(10,567)	(12,356)
Income tax recovery					222	830
Net loss for the period					$ (4,239)	$ (439,396)

As a result of discontinued operations these amounts have been re-presented. Refer to note 6, "Discontinued Operations", for further details.

(Unaudited, in thousands of U.S.$, unless otherwise stated)

Six Months Ended June 30	Infrastructure Colombia 2026	Infrastructure Colombia 2025*	Canada & Others 2026	Canada & Others 2025*	Total Continuing Operations 2026	Total Continuing Operations 2025
Port revenues	27,241	21,031	60	336	27,301	21,367
Share of Income from ODL Pipeline Investment (equity method)	30,792	29,233	—	—	30,792	29,233
Total Revenues and Other Income	58,033	50,264	60	336	58,093	50,600
Operating costs	15,881	11,105	—	264	15,881	11,369
General and administrative	2,536	2,328	2,887	4,559	5,423	6,887
Depletion, depreciation and amortization	4,334	3,426	85	361	4,419	3,787
Impairment expense	—	(55)	7,545	432,248	7,545	432,193
Restructuring, severance and other costs	2,712	821	2,519	8,975	5,231	9,796
Segment income (loss)	$ 32,570	$ 32,639	$ (12,976)	$ (446,071)	$ 19,594	$ (413,432)
Other non-operating expense items					(11,607)	(14,124)
Income tax recovery (expense)					689	(197)
Net income (loss) for the period					$ 8,676	$ (427,753)

**As a result of discontinued operations these amounts have been re-presented. Refer to note 6, “Discontinued Operations”, for further details.*

(Unaudited, in thousands of U.S.$, unless otherwise stated)

The following table provides geographic information of the Company's non-current assets:

	June 30 2026	December 31 2025
Colombia	$ 355,318	$ 1,400,984
Canada & Others	3,056	10,614
Total non-current assets	$ 358,374	$ 1,411,598

4. Revenue from Contracts with Customers

The following table provides the disaggregation of the Company's revenue from contracts with customers (Note 3):

	Three months ended June 30		Six months ended June 30	
	2026	2025*	2026	2025*
Colombia				
Liquids terminal	6,477	6,834	11,724	13,168
General cargo terminal	8,110	4,330	15,517	7,863
Colombia port revenues	14,587	11,164	27,241	21,031
Guyana				
Other port revenues	60	175	60	336
Total Port revenues	$ 14,647	$ 11,339	$ 27,301	$ 21,367

**As a result of discontinued operations these amounts have been re-presented. Refer to note 6, "Discontinued Operations", for further details.*

5. General and Administrative

	Three months ended June 30		Six months ended June 30	
	2026	2025*	2026	2025*
Port General and administrative	$ 1,171	$ 1,011	$ 2,536	$ 2,328
Corporate and Other General and Administrative	1,213	2,470	2,887	4,559
Total	$ 2,384	$ 3,481	$ 5,423	$ 6,887

**As a result of discontinued operations these amounts have been re-presented. Refer to note 6, "Discontinued Operations", for further details.*

6. Discontinued Operations

Parex Arrangement

On January 29, 2026, Frontera, GeoPark and GeoPark Colombia SLU, a wholly-owned subsidiary of GeoPark ("**GeoPark Purchaser**"), entered into an arrangement agreement (the "**GeoPark Arrangement Agreement**") pursuant to which GeoPark agreed to acquire, through GeoPark Purchaser's acquisition all of the outstanding shares of common stock of Frontera Petroleum International Holdings B.V., all of Frontera's Colombian upstream business, which consists of all of Frontera's oil and gas exploration and production assets in Colombia, its reverse osmosis water treatment facility and its palm oil plantation (collectively, the "**Frontera E&P Assets**") pursuant to a court-approved plan of arrangement under the *Business Corporations Act* (British Columbia).

On March 10, 2026, as a result of a binding offer received from Parex, which the Company's board of directors determined to be a "Superior Proposal" under the terms of the GeoPark Arrangement Agreement, Frontera: (i) terminated the GeoPark Arrangement Agreement in accordance with its terms; and (ii) concurrently entered into an arrangement agreement with Parex and Parex Acquisitionco Inc. ("**Parex Purchaser**"), pursuant to which Parex has agreed to acquire, through Parex Purchaser's acquisition of all of the outstanding shares of common stock of Frontera Petroleum International Holdings B.V., the Frontera E&P Assets (the "**Parex Arrangement Agreement**"), pursuant to a court-approved plan of arrangement under the *Business Corporations Act* (British Columbia) (the "**Parex Arrangement**"). In connection with the termination of the GeoPark Arrangement Agreement, Frontera paid a break fee of $25 million to GeoPark pursuant to the terms of the GeoPark Arrangement Agreement.

On June 1, 2026, the Company announced the completion of the Parex Arrangement. Pursuant to the Parex Arrangement Agreement: (i) Frontera received cash consideration of $500 million; (ii) Parex Purchaser assumed all of the obligations under the Company's outstanding senior unsecured notes due 2028 ("**2028 Unsecured Notes**") as well as the $80 million outstanding under the prepayment facility with Chevron; and (iii) an additional contingent payment of $25 million is payable to Frontera if the term of Frontera's contract in respect of the Quifa area is extended prior to the first anniversary of the completion of the Parex Arrangement.

(Unaudited, in thousands of U.S.$, unless otherwise stated)

In connection with the Parex Arrangement, the Company recognized a gain of $4.7 million and $11.6 million, during the three and six months ended June 30, 2026, respectively. The gain reflects the difference between the carrying amount of the assets and the fair value less costs to sell determined upon closing.

The results of the discontinued operations in connection with Parex Arrangement during the three and six months ended June 30, 2026 and 2025 are presented below:

	Three months ended June 30		Six months ended June 30	
	2026	2025	2026	2025
Oil and gas produced, purchased sales and other revenue	$ 208,425	$ 226,708	$ 468,164	$ 488,532
Royalties	(3,726)	(1,964)	(6,426)	(4,752)
Revenue from discontinued operations	204,699	224,744	461,738	483,780
Operating costs	66,044	84,612	164,557	185,693
Cost of diluent and oil purchased	56,816	59,277	115,571	128,292
General and administrative	6,271	10,540	15,442	20,512
Share-based compensation	1,695	1,608	22,924	2,462
Depletion, depreciation and amortization	—	57,173	19,412	121,045
Impairment, exploration expenses and other	445	317	1,144	2,299
Restructuring, severance and other costs	8,669	109	8,707	731
Income from operations from discontinued operations	64,759	11,108	113,981	22,746
Equity tax	—	—	(6,830)	—
Finance income	906	1,211	1,845	2,040
Finance expense	(9,132)	(13,043)	(21,652)	(25,163)
(Loss) gain on risk management contracts	(345)	4,848	(10,305)	4,808
Other (loss) income[(1)]	(1,553)	395	(28,367)	2,705
Foreign exchange (loss) income	291	(262)	(7)	(521)
Reclassification of currency translation adjustments	(27,950)	—	(27,950)	—
Gain on repurchase of senior unsecured notes net of consent solicitation	—	11,735	—	11,925
Net income before income tax from discontinued operations	26,976	15,992	20,715	18,540
Current income tax recovery (expense)	1,308	(818)	(27,777)	(6,450)
Deferred income tax recovery	—	13,197	—	30,126
Income tax recovery (expense)	1,308	12,379	(27,777)	23,676
Gain recognized upon closing of the Parex Arrangement	4,726	—	11,613	—
Net income for the period from discontinued operations	$ 33,010	$ 28,371	$ 4,551	$ 42,216

[(1)] *For the six months ended June 30, 2026 other (loss) income primarily includes the break fee of $25 million related to the GeoPark Arrangement Agreement.*

The net cash inflow arising from the disposal of the assets transferred as part of the Parex Arrangement is summarized below:

Net assets directly associated with disposal group	$ 478,032
Gain on disposal shown as a part of discontinued operations	4,551
Selling price	$ 482,583
Net cash included in the assets disposed of	(165,860)
Net proceeds from the sale of assets	$ 316,723

(Unaudited, in thousands of U.S.$, unless otherwise stated)

The cash flows from the discontinued operations of the Parex Arrangement are as follows:

	Three months ended June 30		Six months ended June 30	
	2026	2025	2026	2025
Operating activities	15,058	49,166	$ 8,941	$ 92,240
Investing activities	(35,322)	(48,857)	(64,983)	(101,167)
Financing activities	(1,404)	(84,938)	(3,475)	(87,141)
Net cash outflow	$ (21,668)	$ (84,629)	$ (59,517)	$ (96,068)

Ecuador interest

On July 31, 2025, the Company entered into an agreement for the disposal of its 50% working interest in the Perico and Espejo blocks in Ecuador to Gran Tierra Energy Inc., for total cash consideration of $7.8 million. The consideration was subject to working capital and other customary adjustments as of the effective date of January 1, 2025. The agreement also included a contingent consideration arrangement for an additional $0.8 million, which was payable to the Company upon the Perico block having reached cumulative gross production of two million barrels from January 1, 2025 onward. After receiving government approval on November 25, 2025, and ultimately upon execution of a public deed on December 9, 2025, the transaction was fully completed.

The results of the discontinued operations of Ecuador interest during the three and six months ended June 30, 2026 and 2025 are presented below:

	Three months ended June 30		Six months ended June 30	
	2026	2025	2026	2025
Oil and gas produced, purchased sales and other revenue	$ —	$ 5,504	$ —	$ 12,565
Royalties	—	(339)	—	(611)
Revenue from discontinued operations	—	5,165	—	11,954
Operating costs	—	2,322	—	4,508
General and administrative	—	259	—	452
Share-based compensation	—	16	—	24
Depletion, depreciation and amortization	—	1,390	—	3,161
Impairment expense	—	45,067	—	45,067
Loss from operations from discontinued operations	—	(43,889)	—	(41,258)
Finance income	—	4	—	16
Finance expense	—	(85)	—	(169)
Other loss	—	(133)	—	(164)
Net loss before income tax from discontinued operations	—	(44,103)	—	(41,575)
Current income tax expense	—	(572)	—	(735)
Deferred income tax recovery (expense)	—	320	—	(136)
Income tax expense	—	(252)	—	(871)
Net loss for the period from discontinued operations	$ —	$ (44,355)	$ —	$ (42,446)

The cash flows from the discontinued operations of Ecuador interest are as follows:

	Three months ended June 30		Six months ended June 30	
	2026	2025	2026	2025
Operating activities	—	(828)	$ —	$ 2,359
Investing activities	—	67	—	(1,252)
Financing activities	—	(57)	—	(116)
Net cash (outflow) inflow	$ —	$ (818)	$ —	$ 991

(Unaudited, in thousands of U.S.$, unless otherwise stated)

The aggregate results from discontinued operations are as follows:

	Three months ended June 30		Six months ended June 30	
	2026	2025	2026	2025
Parex Arrangement	$ 33,010	$ 28,371	$ 4,551	$ 42,216
Ecuador interest	—	(44,355)	—	(42,446)
Total	$ 33,010	$ (15,984)	$ 4,551	$ (230)

The aggregate cash flows from discontinued operations are as follows:

	Three months ended June 30		Six months ended June 30	
	2026	2025	2026	2025
Operating activities				
Parex Arrangement	$ 15,058	$ 49,166	$ 8,941	$ 92,240
Ecuador interest	—	(828)	—	2,359
Total Operating activities	$ 15,058	$ 48,338	$ 8,941	$ 94,599
Investing activities				
Parex Arrangement	$ (35,322)	$ (48,857)	$ (64,983)	$ (101,167)
Ecuador interest	—	67	—	(1,252)
Total Investing activities	$ (35,322)	$ (48,790)	$ (64,983)	$ (102,419)
Financing activities				
Parex Arrangement	$ (1,404)	$ (84,938)	$ (3,475)	$ (87,141)
Ecuador interest	—	(57)	—	(116)
Total Financing activities	$ (1,404)	$ (84,995)	$ (3,475)	$ (87,257)

7. Impairment Expense

During the three and six months ended June 30, 2026, the Company recognized an impairment charge of $7.5 million and $7.5 million, respectively. Following the completion of the Parex Arrangement and the Company´s transition to a focused infrastructure business, management identified an impairment indicator related to certain remaining oil assets in Peru and recognized an impairment expense. This accounting treatment reflects the current operational limitations and does not constitute an acknowledgment by the Company of any affection or limitation to its legal position regarding its property rights and applicable law regarding the Peru assets. Under IFRS standards, impairment expense can be reversed in the future if subsequent circumstances indicate changes in the recoverable amount of the asset.

During the three and six months ended June 30, 2025, the Company recorded an impairment charge of $432.2 million and $432.2 million, respectively, related to the impairment of Corentyne block (for further information refer to “Critical Judgments in Applying Accounting Policies” of the Interim Condensed Consolidated Financial Statements for the three and six months ended June 30, 2025).

8. Income Taxes

The following is a reconciliation of income tax expense calculated at the Colombian corporate tax rate with the reported income tax (recovery) expense:

	Three months ended June 30		Six months ended June 30	
	2026	2025*	2026	2025*
Net (loss) income before income tax from continuing operations	$ (4,461)	(440,226)	$ 7,987	$ (427,556)
Colombian statutory income tax rate [(1)]	20%	20%	20%	20%
Income tax expense at statutory rate	(892)	(88,045)	1,597	(85,511)
Increase (decrease) in income tax provision resulting from:				
Non-deductible/taxable expense/income and other differences	2,799	14,026	4,176	15,817
Foreign exchange impact on deferred income tax	(1,700)	3,882	(2,275)	3,010
Differences in tax rates	166	1,505	—	1,243
Change in deferred income tax	(595)	67,802	(4,187)	65,638
Income tax (recovery) expense from continuing operations	(222)	(830)	(689)	197
Current income tax (recovery) expense	(4)	1	(4)	1
Deferred income tax (recovery) expense:				
Relating to origination and reversal of temporary differences	(218)	(831)	(685)	196
Income tax (recovery) expense from continuing operations	$ (222)	$ (830)	$ (689)	$ 197
Effective tax rate	4.98%	0.19%	(8.63)%	(0.05)%

**As a result of discontinued operations these amounts have been re-presented. Refer to note 6, "Discontinued Operations", for further details.*
[(1)] For purposes of the income tax rate reconciliation, a statutory income tax rate of 20% applicable to entities operating in Colombian Free Trade Zones has been used.

During the three and six months ended June 30, 2026, the Company recognized a current income tax recovery of $4 thousand and $4 thousand, respectively, compared to a current income tax expense of $1 thousand and $1 thousand, in the same periods of 2025. During the three and six months ended June 30, 2026 the Company also recognized a deferred income tax recovery of $0.2 million and $0.7 million, respectively, compared to a deferred income tax recovery of $0.8 million and a deferred income tax expense of $0.2 million, in the same periods of 2025.

The deferred tax recovery for the three and six months ended June 30, 2026, mainly arose from the impact of foreign currency fluctuations and from the growth in accumulated tax losses.

As at June 30, 2026, the deferred tax asset was $22.4 million (December 31, 2025: $21.7 million).

9. Earnings per Share

	Three months ended June 30		Six months ended June 30	
(In thousands of U.S.$, except share and per share amounts)	2026	2025*	2026	2025*
(Loss) income attributable to equity holders of the Company from continuing operations	$ (4,039)	$ (439,228)	$ 9,016	$ (427,458)
Income (loss) attributable to equity holders of the Company from discontinued operations	33,010	(15,984)	$ 4,551	$ (230)
Basic weighted average number of shares outstanding	69,929,903	77,295,310	69,702,882	77,816,892
Diluted weighted average number of shares outstanding	69,929,903	77,295,310	69,702,882	77,816,892
(Loss) income per share attributable to equity holders of the Company from continuing operations				
Basic	$ (0.06)	$ (5.68)	$ 0.13	$ (5.49)
Diluted	$ (0.06)	$ (5.68)	$ 0.13	$ (5.49)
Income (loss) per share attributable to equity holders of the Company from discontinued operations				
Basic	$ 0.47	$ (0.21)	$ 0.07	$ —
Diluted	$ 0.47	$ (0.21)	$ 0.07	$ —

(Unaudited, in thousands of U.S.$, unless otherwise stated)

10. Prepaid expenses and deposits

	June 30 2026	December 31 2025
Deposits [1]	$ 11,643	$ 3,013
Insurance	5,550	4,086
Total Prepaid expenses and deposits	$ 17,193	$ 7,099

[1] *Deposits mainly related to advance payments made to suppliers in connection with the LNG Project.*

11. Properties, Plant and Equipment

Cost	Oil & Gas Properties	Infrastructure Colombia	Plant & Equipment	Total
As at January 1, 2026	$ 7,510,719	$ 443,802	$ 80,289	$ 8,034,810
Additions[1]	8,835	2,938	936	12,709
Currency translation adjustment[2]	161	34,922	922	36,005
Transfer to assets held for sale (Note 6)	(7,519,715)	(108,487)	(65,015)	(7,693,217)
As at June 30, 2026	$ —	$ 373,175	$ 17,132	$ 390,307

[1] *Includes $3.2 million attributable to continuing operations and $9.5 million to discontinued operations*

[2] *Includes $33.5 million attributable to continuing operations and $2.5 million to discontinued operations*

Accumulated Depletion, Depreciation and Impairment	Oil & Gas Properties	Infrastructure Colombia	Plant & Equipment	Total
As at January 1, 2026	$ 6,550,050	$ 155,442	$ 56,203	$ 6,761,695
Charge for the period[1]	19,039	4,822	611	24,472
Transfer to assets held for sale (Note 6)	(6,569,193)	(92,867)	(42,790)	(6,704,850)
Currency translation adjustment	104	10,270	639	11,013
As at June 30, 2026	$ —	$ 77,667	$ 14,663	$ 92,330

[1] *Includes $5.2 million attributable to continuing operations and $19.6 million to discontinued operations*

Net Book Value	Oil & Gas Properties	Infrastructure Colombia	Plant & Equipment	Total
As at December 31, 2025	$ 960,669	$ 288,360	$ 24,086	$ 1,273,115
As at June 30, 2026	$ —	$ 295,508	$ 2,469	$ 297,977

Properties, plant and equipment consist of owned and leased assets as follows:

	Oil & Gas Properties	Infrastructure Colombia	Plant & Equipment	Total
Properties, plant and equipment - owned	$ —	$ 295,508	$ 547	$ 296,055
ROU assets - leased	—	—	1,922	1,922
As at June 30, 2026	$ —	$ 295,508	$ 2,469	$ 297,977

Details of ROU assets are as follows:

	Power Generation	Plant & Equipment	Total
As at January 1, 2026	15,480	4,867	20,347
Additions	—	737	737
Transfer to assets held for sale (Note 6)	(15,170)	(3,307)	(18,477)
Depreciation	(310)	(469)	(779)
Currency translation adjustment	—	94	94
As at June 30, 2026	$ —	$ 1,922	$ 1,922

(Unaudited, in thousands of U.S.$, unless otherwise stated)

12. Exploration and Evaluation Assets

		2026
As at January 1	$	10,685
Additions		125
Transfer to assets held for sale (Note 6)		(10,687)
Impairment expense		(123)
As at June 30	$	—

13. Investments in Associates

		2026
As at January 1	$	73,768
Share of Income from ODL Pipeline Investment (equity method)		30,792
Dividends declared		(64,739)
Return of capital contributions		(5,202)
Currency translation adjustment		3,392
As at June 30	$	38,011
Company's interest as at June 30		35 %

The Company accounts for its investments in associates using the equity method, as the criteria to exert significant influence was met given the Company's percentage holdings, ability to appoint directors to the investee's board of directors and ability to participate in its decision-making.

Oleoducto de los Llanos Orientales S.A. ("ODL")

ODL is a Panamanian company with a Colombian branch that operates an oil pipeline for the transportation of heavy crude oil produced primarily from the Rubiales and Quifa blocks. The Company, through its 100%-owned subsidiary, Frontera Pipeline Investment AG ("**FPI**", formerly named Pipeline Investment Ltd.), has a 35% equity investment in ODL pipeline, which connects the Rubiales, Quifa, Caño Sur and Llanos-34, among other blocks to the Monterrey or Cusiana Station in the Casanare Department. The remaining 65% interest in ODL is owned by Cenit Transporte y Logistica de Hidrocarburos S.A.S. ("**Cenit**"). ODL's functional currency is COP, and currency translation adjustments are recorded in other comprehensive (loss) income.

During the three and six months ended June 30, 2026, the Company recognized the dividends declared by ODL of $Nil and $64.7 million (2025: $Nil and $52.9 million), respectively, and a return of capital of $5.2 million and $5.2 million respectively (2025: $Nil and $Nil, respectively).

During the three and six months ended June 30, 2026, the Company received cash dividends of $26.8 million and $26.8 million (2025: $Nil and $26.2 million), respectively.

As at June 30, 2026, the carrying value of dividends and return of capital receivable is $47.2 million (December 31, 2025: $Nil).

Notes to the Interim Condensed Consolidated Financial Statements (Unaudited, in thousands of U.S.$, unless otherwise stated)

14. Short-Term and Long-Term Debt

	Maturity	Principal	Currency	Interest Rate	June 30 2026	December 31 2025
2028 Unsecured Notes[1]	June 2028	310,001	U.S. dollars	7.875%	$ —	$ 306,821
Unsecured Notes					$ —	$ 306,821
FPI Recapitalization Loan First Lien - Floating Rate	December 2030	140,000	U.S. dollars	SOFR[2] 6M + 6%	$ 158,352	$ 89,743
FPI Recapitalization Loan Second Lien - Fixed Rate	December 2031	40,000	U.S. dollars	15.00%	—	38,526
FPI Recapitalization Loan First Lien - Tranche A	December 2030	20,000	U.S. dollars	9.75%	—	19,390
FPI Recapitalization Loan First Lien - Tranche B	December 2027	20,000	U.S. dollars	11.00%	—	19,524
Bancolombia Loan Facility	June 2028	10,000	U.S. dollars	SOFR 360 + 2.40%	$ 10,000	
Loans					$ 168,352	$ 167,183
Total					$ 168,352	$ 474,004

[1] Included as part of the Parex agreement. Refer to note 6, "Discontinued Operations", for further details.
*[2] Secured Overnight Financing Rate ("**SOFR**").*

	June 30 2026	December 31 2025
Current portion	$ 47,827	$ 42,023
Non-current portion	120,525	431,981
Total	$ 168,352	$ 474,004

Frontera Pipeline Investment Recapitalization Loan Facility ("FPI Recapitalization Loan")

On March 27, 2023, FPI entered into a credit agreement through which lenders provided a $120.0 million loan facility to FPI. On February 16, 2024, the loan facility was amended to disburse an accordion tranche of $30.0 million. This tranche secures funding for the connection project between the Sociedad Portuaria Puerto Bahia S.A. ("**Puerto Bahia**") port facility and the Cartagena refinery operated by Refineria de Cartagena S.A.S.

On May 14, 2025, FPI amended and restated the credit agreement through which lenders increased their commitments to $220.0 million. The FPI Recapitalization Loan is comprised of various tranches, the last of which matures in December 2031, with principal payments made semi-annually. The FPI Recapitalization Loan is comprised of: a $140.0 million tranche (FPI Recapitalization Loan First Lien - Floating Rate) that pays SOFR six-month term plus a margin of 6% per annum, a $20.0 million tranche (FPI Recapitalization Loan First Lien - Tranche B) that pays a fixed rate of 11% per annum, a $20.0 million tranche (FPI Recapitalization Loan First Lien - Tranche A) that pays a fixed rate of 9.75% per annum and a $40.0 million tranche (FPI Recapitalization Loan Second Lien - Fixed Rate) that pays a fixed rate of 15% per annum.

Apart from extending the term of the $100.8 million outstanding amount (for further information, refer to Note 13 of the Consolidated Financial Statements for the three months ended March 31, 2025), the proceeds of the FPI Recapitalization Loan were used to pay fees and accrued interest. The FPI Recapitalization Loan is secured exclusively by the cash flows generated from Frontera's interest in ODL, with Puerto Bahia removed from the security package.

As at June 30, 2026, the carrying value of the FPI Recapitalization Loan is $158.4 million, which includes short-term debt of $47.8 million.

Bancolombia Loan Facility

On March 3, 2026, Bancolombia S.A. ("**Bancolombia**") approved a $30 million loan facility (the "**Bancolombia Loan**") denominated in USD to Puerto Bahia. On June 4, 2026, Bancolombia disbursed an amount of $10.0 million with a maturity date of June 3, 2028. This first disbursement bears interest equivalent to SOFR360 + 2.40%, payable annually, and the amortization is scheduled at the maturity date.

Subsequently to quarter closing, on July 6, 2026 and on July 28, 2026 Bancolombia made a second and third disbursement of $10.0 million each, with maturity dates of June 6, 2027 and July 28, 2027, respectively. These disbursements bear interest at a rate equal to SOFR360 + 2.10%, payable annually. The principal amounts are due in a single payment at maturity.

(Unaudited, in thousands of U.S.$, unless otherwise stated)

Proceeds from Bancolombia Loan Facility are being used for advances delivered to suppliers of the LNG project.

Letters of Credit

Subsequently to end of the quarter, on July 13, 2026, the Company entered into a Letter of Credit Facility Agreement with Macquarie Bank Limited, by which an irrevocable and unconditional standby letter of credit was issued by Macquarie Bank Limited in favour of the Floating Storage and Regasification Unit ("**FSRU**") provider and operator, for a maximum amount of $12.6 million, as security for the obligations assumed by the Company under the International Leasing Agreement and the Operation and Services Agreement, both dated May 15, 2026. The standby letter of credit may be drawn, in whole or in part, by the beneficiary up to the maximum amount available and remains effective until October 31, 2026, unless terminated earlier or fully utilized.

15. Asset Retirement Obligations

	2026
As at January 1	$ 228,593
Changes in estimates	2,237
Liabilities settled	42
Transfer to liabilities directly associated with the assets held for sale (Note 6)	(222,361)
Expense of asset retirement obligations	(95)
Currency translation adjustment	26
As at June 30	$ 8,442

	June 30 2026	December 31 2025
Current portion	$ 8,258	$ 55,161
Non-current portion	184	173,432
Total	$ 8,442	$ 228,593

ARO represent the present value of decommissioning and environmental liability costs relating to oil and gas properties and E&E assets. As at June 30, 2026, the total undiscounted ARO is $8.3 million (December 31, 2025: $329.4 million), of which $Nil (December 31, 2025: $321.1 million) relates to Colombia and $8.3 million (December 31, 2025: $8.3 million) to Peru. The non-current portion of ARO balance relates to Puerto Bahia.

16. Related-Party Transactions

The following table provides the total balances outstanding and commitments with related parties as at June 30, 2026 and December 31, 2025, and for the three and six months ended June 30, 2026 and 2025, respectively:

		June 30, 2026, and December 31, 2025		
		Receivables from ODL Investment	Accounts Payable[(1)]	Commitments[(1)]
ODL	2026	$ 47,176	$ —	$ —
	2025	—	3,262	925

[(1)] *For 2025, these amounts form part of the discontinued operation "Parex Arrangement"*

As at June 30, 2026, as part of the second lien of FPI Recapitalization Loan, a $5.0 million balance (December 31, 2025: $5.0 million) was acquired by funds controlled by GDA Luma Capital Management, LP (which itself is controlled by Gabriel de Alba, the Chair of the Board of Directors of Frontera).

17. Financial Instruments and Risk Management

a. Risks Associated with Financial Assets and Liabilities

The Company's activities expose it to various risks, including credit risk, liquidity risk and market risk (from foreign exchange) that could have a significant impact on profitability, operating cash flows and the value of financial instruments.

(Unaudited, in thousands of U.S.$, unless otherwise stated)

i) Credit Risk

Credit risk relates to the potential that the Company may incur a loss if a counterparty to a financial instrument fails to meet its obligations and arises primarily from trade receivables, loans and advances to associates, receivables from joint arrangements and other financial counterparties. The Company actively limits the total exposure to individual client counterparties by maintaining a credit policy, which sets forth prepayment or letters of credit requirements for trade customers in order to mitigate losses from non-collection of trade receivables. The Company monitors the credit quality of associates and, where appropriate, structures its loans and advances to include collateral or security. Credit risk arising on receivables from joint arrangements and risk management assets is not significant given the counterparties are large institutions with strong credit ratings.

The following table shows the maximum credit risk exposure of financial assets, presented at the gross carrying amounts:

As at	June 30 2026	December 31 2025
Trade receivables before ECL	$ 7,528	$ 33,391
Allowance for ECLs - trade receivables	—	(16,151)
Trade receivables	7,528	17,240
Receivables from ODL investment	47,176	—
Receivables from ODL investment	47,176	—
Other receivables:		
Receivables from joint arrangements	—	24,913
VAT receivable and others [(1)]	1,287	28,509
Other receivables	5,468	12,038
Allowance for ECLs - other receivables	(655)	(6,862)
Other receivables	$ 6,100	$ 58,598
Withholding tax and others - not considered for credit risk	(1,287)	(28,509)
Total financial assets carried at amortized cost	$ 59,517	$ 47,329

[(1)] *Does not include long-term VAT.*

Reconciliation of ECLs

The following table shows a continuity of ECLs:

	2026
As at January 1	$ 23,013
Effect of exchange rate changes	80
Write-off of other receivables	(2,519)
Transfer to assets held for sale (Note 6)	(19,919)
As at June 30	$ 655

ii) Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company mitigates its liquidity risk by managing its capital expenditures and operational cash flows, and by maintaining adequate lines of credit and cash and cash equivalents.

The following table summarizes the undiscounted cash outflows relating to contractual maturities of the Company's non-derivative financial liabilities as at June 30, 2026:

(Unaudited, in thousands of U.S.$, unless otherwise stated)

Financial Liability Due In	2026	2027	2028	2029	2030	Subsequent to 2031	Total
Accounts payable, accrued liabilities and other payables [(1)]	$ 74,668	$ —	$ —	$ —	$ —	$ —	$ 74,668
FPI Recapitalization Loan	37,827	44,258	30,684	24,000	26,400	—	163,169
Bancolombia Loan	—	—	10,000	—	—	—	10,000
Interest on loans	9,224	13,827	8,758	4,465	2,041	—	38,315
Lease liabilities	438	918	788	213	207	64	2,628
Total	$ 122,157	$ 59,003	$ 50,230	$ 28,678	$ 28,648	$ 64	$ 288,780

[(1)] Includes provisions of $24.3 million, which do not have a definitive amortization term and are therefore classified as current liabilities.

The following table shows the breakdown of accounts payable and accrued liabilities and other payables:

As at	June 30 2026	December 31 2025
Trade and other payables	$ 43,295	$ 144,274
Accrued liabilities	4,382	113,836
Supplier holdbacks	1,157	36,040
Withholding tax and tax provisions	520	11,749
Equity Tax	997	—
Share-based payment liability	—	4,643
	50,351	310,542
Provision for contingencies and others	24,317	98,324
Total accounts payable and accrued liabilities and other payables	$ 74,668	$ 408,866

Restricted cash

As at June 30, 2026, the Company has short-term and long-term restricted cash of $2.1 million (December 31, 2025: $11.3 million).

iii) Market and Interest Risk

Market and interest risk are the risks associated with fluctuations in foreign exchange rates and interest rates. To manage this risk, the Company uses foreign exchange hedging instruments to manage foreign currency fluctuations.

Risk Management Contracts

The terms of the outstanding instruments and settlement periods are as follows:

Risk management contracts - Foreign exchange

The FPI Recapitalization Loan requires the Company to manage foreign exchange risk associated with declared dividends from ODL through the use of derivative financial instruments.

Type of Instrument	Term	Benchmark	Notional amount	Par forward (COP$)	Carrying Amount Assets	Carrying Amount Liabilities
Forward	July 2026	USD/COP	6,341,056	3,782.50	$ —	$ 660
Forward	September 2026	USD/COP	15,599,014	3,844.00	—	1,628
Forward	November 2026	USD/COP	15,333,745	3,910.50	—	1,622
Total as at June 30, 2026					$ —	$ 3,910
Total as at December 31, 2025					$ —	$ —

Risk management contracts - Crude oil

Type of Instrument	Term	Benchmark	Volume (bbl)	Avg. Strike Prices Put $/bbl	Carrying Amount Assets	Carrying Amount Liabilities
Total as at June 30, 2026					$ —	$ —
Total as at December 31, 2025					$ 2,715	$ —

(Unaudited, in thousands of U.S.$, unless otherwise stated)

b. Fair Value of Financial Instruments

The carrying values of the Company's cash and cash equivalents, restricted cash, accounts receivable, accounts payable and accrued liabilities approximate their fair value.

The following table summarizes the Company's remaining financial instruments that are carried or disclosed at fair value in accordance with the classification under the fair value hierarchy as at June 30, 2026 and December 31, 2025:

			Fair Value		
	Period	**Carrying Value**	**Level 1**	**Level 2**	**Level 3**
Financial Assets Measured at Fair Value Through Profit and Loss					
Risk management assets	2026	$ —	$ —	$ —	$ —
	2025	2,715	—	2,715	—
Investments in equity instruments[(1)]	2026		$ —	$ —	$ —
	2025	1,749	—	—	1,749
Financial Liabilities Measured at Fair Value Through Profit and Loss					
Risk management liabilities	2026	$ (3,910)	$ —	$ (3,910)	$ —
	2025	—	—	—	—
Financial Liabilities Measured at Amortized Cost					
2028 Unsecured Notes[(1)]	2026	$ —	$ —		$ —
	2025	(306,821)	—	(207,174)	—
Short-term and long-term debt (Note 14)	2026	$ (168,352)	$ —	$ (173,169)	$ —
	2025	(167,183)	—	(173,168)	—

[(1)] Included as part of the Parex agreement. Refer to note 6, "Discontinued Operations", for further details.

The Company uses Level 3 information to measure the fair value of certain investments that do not belong to active markets.

c. Capital Management

When managing capital, the Company's objectives are to maintain a capital structure that optimizes the cost of capital to support operating activities and sustain the development of its business while maintaining compliance with the terms and conditions of financial obligations. The Company manages its capital structure and adjusts as necessary in light of changes in economic conditions, operating risks and working capital requirements. To maintain or adjust its capital structure, the Company may issue or buy back shares, change its dividend policy, raise or refinance debt and/or adjust its capital spending to manage its operating and growth objectives.

Specifically, the Company's capital management objectives are to maintain compliance with the debt covenant ratios associated with the Company's FPI Recapitalization Loan, which are currently met, and to maintain sufficient liquidity to meet all contractual obligations and execute its business plan. To facilitate the management of these objectives, the Company utilizes a planning, budgeting and forecasting process to help determine and monitor the funds needed to maintain appropriate liquidity for operational, capital and financial needs.

The Company's capital consists of debt and total equity (less non-controlling interests) net of working capital. The following table summarizes the Company's capital structure balances:

As at	**June 30 2026**	**December 31 2025**
Equity attributable to equity holders of the Company	$ 254,199	$ 600,945
Long-term debt	120,525	431,981
Working capital (deficit) [(1)]	9,360	(131,252)
Total	$ 384,084	$ 901,674

[(1)] Working capital is a capital management measure, according to NI 52-112 - Non-GAAP and Other Financial Measures Disclosure.

(Unaudited, in thousands of U.S.$, unless otherwise stated)

18. Supplemental Disclosure on Cash Flows

Changes in non-cash working capital are as follows:

	Three months ended June 30		Six months ended June 30	
	2026	2025	2026	2025
Increase (decrease) in accounts payable and accrued liabilities	$ 262	$ 1,060	$ (4,156)	$ (4,851)
(Increase) decrease in accounts receivable and other assets	(1,538)	1,216	(2,392)	4,403
Increase in income taxes payable	62	1,897	991	1,966
Increase in inventories	(89)	(225)	(103)	(308)
Increase in prepaid expenses and deposits	(13,099)	(817)	(12,219)	(1,039)
Increase in income taxes receivable	(600)	(983)	(1,165)	(1,384)
Changes in working capital (excluding cash)	$ (15,002)	$ 2,148	$ (19,044)	$ (1,213)
Attributable to:				
Operating activities	$ (5,262)	$ (424)	$ (9,560)	$ (1,126)
Investing activities	(9,740)	2,572	(9,484)	(87)
Changes in working capital (excluding cash)	$ (15,002)	$ 2,148	$ (19,044)	$ (1,213)

19. Commitments and Contingencies

Commitments

The Company's commitments as at June 30, 2026, undiscounted and by calendar period, are presented below:

Continuing operations commitments

As at June 30, 2026	2026	2027	2028	2029	2030	Subsequent to 2031	Total
Operating purchases and others	9,132	2,289	2,106	1,240	500	3,618	18,885
Total	$ 9,132	$ 2,289	$ 2,106	$ 1,240	$ 500	$ 3,618	$ 18,885

LNG Project commitment

Puerto Bahia has entered into a seven year take-or-pay agreement with Ecopetrol S.A. ("**Ecopetrol**"), pursuant to which Puerto Bahia would provide integrated logistics and liquefied natural gas ("**LNG**") regasification services in Cartagena, Colombia. The agreement is to be developed in two phases, with initial two-year regasification of 126 MMcfd starting in 2027, increasing to 300 MMcfd after the first two years.

In order to fulfill the contract and satisfy additional demand needs, Puerto Bahia entered into a contract with Excelerate Energy Colombia LLC, a US based company which is one of the world's largest FSRU providers and operators, for the lease of a FSRU and the provision of related operations and maintenance ("**O&M**") services. The agreement provides Puerto Bahia with access to an FSRU with LNG regasification capacity of ~500 MMcfd beginning in 2027 for an initial term of seven years, extendable for an additional five to eight years.

Contingencies

The Company is involved in various claims and litigation arising from the normal course of business. Since the outcomes of these matters are uncertain, there can be no assurance that such matters will be resolved in the Company's favour. The outcome of adverse decisions in any pending or threatened proceedings related to these and other matters could have a material impact on the Company's financial position, results of operations or cash flows. No material changes have occurred regarding the matters disclosed in Note 29 - Commitments and Contingencies of the 2025 Annual Consolidated Financial Statements.

Peru Environmental Contingencies

The Company's Peruvian subsidiary is subject to ongoing administrative proceedings initiated by Peruvian environmental authorities relating to alleged non-compliance with environmental regulations, including matters arising from remediation obligations in Block 192. Management continues to monitor the outcome of these matters.

Demerara Seismic agreement – Prospector

CGX Energy Inc. ("**CGX**"), a majority-owned subsidiary and joint venture partner of Frontera, is party to an ongoing legal matter with Prospector PTE. Ltd. ("**Prospector**") relating to a 2014 seismic acquisition contract for the Demerara block. Following the completion of a 3D seismic survey, a dispute arose regarding unpaid balances and the quality of the seismic processing. Prospector initiated arbitration in 2018 before the International Chamber of Commerce ("**ICC**"), seeking recovery of unpaid amounts, interest, and legal costs.

CGX filed a counterclaim for damages related to the seismic data quality. In 2022, the ICC issued a Partial Final Award and a Final Award in favour of Prospector, including principal, pre- and post-award interest, and legal costs. CGX's counterclaim was denied. Following unsuccessful challenges to the awards in the UK High Court and enforcement proceedings in Ontario and Alberta, Prospector initiated enforcement actions in Canada (including against Frontera). As at June 30, 2026, the Company has recognized a provision of approximately $17.3 million (December 31, 2025: $17.0 million) within trade and other payables for the amounts awarded to Prospector, including accrued interest and legal costs. There is no recourse against Frontera associated with this regard.