



# GEOPARK

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### GEOPARK ANNOUNCES 2020 WORK PROGRAM AND INVESTMENT GUIDELINES

#### PRODUCTION GROWTH AND MORE FREE CASHFLOW

Bogota, Colombia – November 6, 2019 - GeoPark Limited (“GeoPark” or the “Company”) (NYSE: GPRK), a leading independent Latin American oil and gas explorer, operator and consolidator with operations and growth platforms in Colombia, Peru, Argentina, Brazil, Chile and Ecuador, today announced its work program and investment guidelines for 2020. (All figures are expressed in US Dollars).

A conference call to discuss third quarter 2019 financial results and the 2020 work program and investment guidelines will be held on November 7, 2019 at 10:00 a.m. Eastern Standard Time.

#### 2020 Work Program: Main Principles and Approach

##### Technical

- Increase oil and gas production and reserves
- Effective development and production growth in the Llanos 34 block (GeoPark operated, 45% WI)
- Define new plays, leads and prospects
- Initiate exploration studies in the recently acquired exploration acreage adjacent and nearby to GeoPark’s core Llanos 34 block, targeting to start drilling in 2021
- Initiate exploration drilling in the prolific Oriente basin in Ecuador
- Test oil prospects in the Tierra del Fuego blocks in Chile

##### Economic

- Allocate investment capital to best shareholder value-adding projects
- Capital expenditure program fully funded within cashflow
- Grow adjusted EBITDA and operating cashflow
- Develop and add new projects with break evens below \$40-50/bbl oil price
- Ongoing cost reduction efforts to become lowest cost operator
- Maximize net present value per share for existing assets
- Continue returning value to shareholders through dividends and buybacks

##### Strategic

- Proven flexible program, adaptable to lower oil price scenarios
- Achieve scale
- Continue developing long-term strategy in the Marañon-Oriente-Putumayo petroleum system
- Testing high-potential unconventional projects
- Develop and grow strategic partnerships with Ecopetrol/Hocol and ONGC
- Continue strengthening ESG metrics with GeoPark’s proven internal SPEED program
- Promote innovation and the adoption of best practices across the portfolio

#### 2020 Guidance (\$60-65/bbl Brent)

The 2020 production guidance reflects 5-10% growth over 2019 average production and excludes potential production from the 2020 exploration drilling program.

The 2020 work program of \$130-145 million includes drilling of 36+ gross wells, with approximately 75% of the total amount expected to be allocated to development capital and 25% to exploration activities.

Using the base case price assumption of \$60-65/bbl Brent, GeoPark can execute a risk-balanced work program to continue growing its business by producing, developing and exploring its portfolio of assets, fully funded within cashflow, and maintaining a strong balance sheet.

The table below provides main highlights of the 2020 work program:

<b>2020 Work Program</b>	<b>Base Case</b> (\$60-65/bbl Brent)
Production Growth	5-10%
Total 2020 Capital Expenditures	\$130-145 million
Maintenance Capital	\$50-60 million
Operating Netback <sup>1</sup>	\$420-460 million
Development/Appraisal Wells (Gross)	30-32 wells
Exploration Wells (Gross)	6-8 wells
Total Wells (Gross)	36-40 wells

### 2020 Work Program Details

- **Production target:** 5-10% increase over 2019 average production
- **Capital expenditure program:** \$130-145 million fully funded by cashflow, to be allocated as follows:
  - **Colombia - \$110-115 million:** Continue developing the Llanos 34 block and delineating new leads and prospects in the recently acquired blocks in the Llanos basin. The work program in Colombia includes:
    - 30-32 development and appraisal wells and 1-2 exploration wells in the Llanos 34 block
    - One exploration well in the Llanos 32 block (GeoPark non-operated, 12.5% WI)
    - Seismic reprocessing and other preliminary activities in the Llanos 86, Llanos 87 and Llanos 104 blocks (GeoPark operated, 50% WI)
    - Construction of additional facilities to support production growth and to continue optimizing operating and transportation costs. These activities include investments to evacuate production from the Tigana oil field using existing infrastructure connecting the Llanos 34 block to the Oleoducto de los Llanos (ODL) pipeline
  - **Chile - \$10-15 million:** Focus on exploration drilling in the Flamenco (GeoPark operated, 100% WI), Isla Norte (GeoPark operated, 60% WI) and Campanario (GeoPark operated, 50% WI) blocks in Tierra del Fuego. The work program in Chile includes:
    - Four exploration wells with a focus on oil prospects
    - Continue testing high-potential unconventional projects including a large shale oil project in the Estratos con Favrella formation in the Fell block (220-600 mmbob potential)
  - **Ecuador - \$7-10 million:** Initiate exploration activities in the Oriente basin. The work program in Ecuador includes:
    - One exploration well in the Perico block (GeoPark non-operated, 50% WI)
    - Seismic and other preliminary studies in the Espejo block (GeoPark operated, 50% WI)
  - **Argentina - \$2-5 million:** Well intervention activities and facilities revamping in the Aguada Baguales, El Porvenir and Puesto Touquet blocks (GeoPark operated, 100% WI) in the Neuquen basin. Explore strategic opportunities within existing acreage position in the Vaca Muerta formation in the Aguada Baguales block
  - **Brazil - \$0.5-1.5 million:** Maintenance works in the Manati gas field (GeoPark non-operated, 10% WI) plus testing activities for the recent Praia dos Castelhanos oil field discovery in the REC-T-128 block (GeoPark operated, 70% WI)
  - **Peru - \$0.5-1.5 million:** Social and environmental activities in the Morona block (GeoPark operated, 75% WI)

<sup>1</sup> Assuming \$4/bbl Vasconia-Brent differential.

## Work Program Flexible at Different Oil Price Scenarios

Consistent with the Company's approach in prior years, GeoPark's 2020 work program can be rapidly adapted to different oil price scenarios, which illustrates the high quality of its assets and strong financial performance in lower or volatile oil price environments.

- **Above \$70/bbl Brent oil price:** Capital expenditures can be expanded to \$170-200 million – by adding incremental projects, targeting production growth of 10+%
- **Below \$50/bbl Brent oil price:** Capital expenditures can be reduced to \$80-95 million – focusing on the lowest-risk projects that produce the fastest cashflow, and targeting 0-5% production growth compared to 2019

GeoPark currently has commodity risk management contracts in place covering a portion of its production for 2020 with floors of \$55/bbl Brent. GeoPark monitors market conditions on a continuous basis and may enter into new commodity risk management contracts to secure minimum oil prices for its 2020 production and beyond.

## CONFERENCE CALL INFORMATION

GeoPark will host its Third Quarter 2019 Financial Results conference call and webcast on November 7, 2019, at 10:00 a.m. Eastern Standard Time.

Interested parties may participate in the conference call by dialing the numbers provided below:

United States Participants: 866-547-1509  
International Participants: +1 920-663-6208  
Passcode: 9391975

Please allow extra time prior to the call to visit the website and download any streaming media software that might be required to listen to the webcast. An archive of the webcast replay will be made available in the Investor Support section of the Company's website at [www.geo-park.com](http://www.geo-park.com) after the conclusion of the live call.

## For further information, please contact:

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## GLOSSARY

<b>Adjusted EBITDA</b>	Adjusted EBITDA is defined as profit for the period before net finance costs, income tax, depreciation, amortization, the effect of IFRS 16, certain non-cash items such as impairments and write-offs of unsuccessful efforts, accrual of share-based payments, unrealized results on commodity risk management contracts and other non-recurring events
<b>Adjusted EBITDA per boe</b>	Adjusted EBITDA divided by total boe sales volumes
<b>Bbl</b>	Barrel
<b>Boe</b>	Barrels of oil equivalent
<b>Boepd</b>	Barrels of oil equivalent per day
<b>Bopd</b>	Barrels of oil per day
<b>CEOP</b>	Contrato Especial de Operacion Petrolera (Special Petroleum Operation Contract)
<b>D&amp;M</b>	DeGolyer and MacNaughton
<b>F&amp;D costs</b>	Finding and development costs, calculated as capital expenditures divided by the applicable net reserves additions before changes in Future Development Capital
<b>“High price” royalty</b>	An additional royalty incurred in Colombia when each oil field exceeds 5 mmbbl of cumulative production and is determined by a combination of API gravity and WTI oil prices
<b>Mboe</b>	Thousand barrels of oil equivalent
<b>Mmbo</b>	Million barrels of oil
<b>Mmboe</b>	Million barrels of oil equivalent
<b>Mcfpd</b>	Thousand cubic feet per day
<b>Mmcfpd</b>	Million cubic feet per day
<b>Mm<sup>3</sup>/day</b>	Thousand cubic meters per day
<b>NPV10</b>	Present value of estimated future oil and gas revenues, net of estimated direct expenses, discounted at an annual rate of 10%
<b>Operating netback</b>	Revenue, less production and operating costs (net of depreciation charges and accrual of stock options and stock awards, the effect of IFRS 16), selling expenses, and realized results on commodity risk management contracts and other non-recurring events. Operating Netback is equivalent to Adjusted EBITDA net of cash expenses included in Administrative, Geological and Geophysical and Other operating costs
<b>PRMS</b>	Petroleum Resources Management System
<b>SPE</b>	Society of Petroleum Engineers

## **NOTICE**

Additional information about GeoPark can be found in the "Investor Support" section on the website at [www.geo-park.com](http://www.geo-park.com).

Rounding amounts and percentages: Certain amounts and percentages included in this press release have been rounded for ease of presentation. Percentage figures included in this press release have not in all cases been calculated on the basis of such rounded figures, but on the basis of such amounts prior to rounding. For this reason, certain percentage amounts in this press release may vary from those obtained by performing the same calculations using the figures in the financial statements. In addition, certain other amounts that appear in this press release may not sum due to rounding.

## **CAUTIONARY STATEMENTS RELEVANT TO FORWARD-LOOKING INFORMATION**

This press release contains statements that constitute forward-looking statements. Many of the forward-looking statements contained in this press release can be identified by the use of forward-looking words such as "anticipate," "believe," "could," "expect," "should," "plan," "intend," "will," "estimate" and "potential," among others.

Forward-looking statements that appear in a number of places in this press release include, but are not limited to, statements regarding the intent, belief or current expectations, regarding various matters, including expected 2019 and/or 2020 production growth and capital expenditures plan. Forward-looking statements are based on management's beliefs and assumptions, and on information currently available to the management. Such statements are subject to risks and uncertainties, and actual results may differ materially from those expressed or implied in the forward-looking statements due to various factors.

Forward-looking statements speak only as of the date they are made, and the Company does not undertake any obligation to update them in light of new information or future developments or to release publicly any revisions to these statements in order to reflect later events or circumstances, or to reflect the occurrence of unanticipated events. For a discussion of the risks facing the Company which could affect whether these forward-looking statements are realized, see filings with the U.S. Securities and Exchange Commission.

Oil and gas production figures included in this release are stated before the effect of royalties paid in kind, consumption and losses.