

GeoPark

March 11, 2021

Corporate Speakers:

- James F. Park; CEO; GeoPark
- Andrés Ocampo; CFO; GeoPark

Participants:

- Stephane Foucaud; Analyst; Auctus Advisors
- Ricardo Rezende; Analyst; J.P. Morgan
- Alejandro Demichelis; Analyst; Nau Securities
- Daniel Guardiola; Analyst; BTG Pactual

PRESENTATION

Operator: Good morning, and welcome to the GeoPark Limited Conference Call following the results announcement from the fourth quarter ended December 31, 2020. After the speakers' remarks there will be a question-and-answer session. (Operator Instructions). If you do not have a copy of the press release, it is available at the investor support section on the Company's corporate website at www.geo-park.com. A replay of today's call may be accessed through this website [pass] in the investor support section of the GeoPark corporate website.

Before we continue, please note that certain statements contained in the results press release and on this conference call are forward-looking statements rather than historical facts and are subject to risks and uncertainties that could cause actual results to differ materially from those described.

With respect to such forward-looking statements the Company seeks protections afforded by the Private Securities Litigation Reform Act of 1995. These risks include a variety of factors including competitive developments and risk factors listed from time-to-time in the Company's SEC reports and public releases. Those lists are intended to identify certain principle factors that could cause actual results to differ materially from those described in the forward-looking statements but are not intended to represent a complete list of the Company's business.

All financial figures included here-in were prepared in accordance with the IFRS and are stated in US dollars unless otherwise noted. Reserves figures correspond to PRMS standards.

On the call today from GeoPark is James F. Park, Chief Executive Officer; Augusto Zubillaga, Chief Operating Officer; Andrés Ocampo, Chief Financial Officer; Martín Terrado, Director of Operations; and Stacy Steimel, Shareholder Value Director.

And now I'll turn the call over to Mr. James Park. Mr. Park, you may begin.

James F. Park: Thank you, and welcome, everyone. We are joining you this morning with our executive team in Bogotá, Colombia and Buenos Aires, Argentina to report on our fourth quarter and full-year 2020 financial results, present an upgraded work and investment program for 2021, and highlight our steps to continue returning more value to our shareholders.

As everyone has personally experienced, 2020 was a historically challenging year, and we must first recognize and express gratitude for the superhuman efforts by the GeoPark women and men that made it possible for us to prevail through the storms of 2020 and successfully continue along our hard-fought 18-year growth trajectory.

As we have done repeatedly in our history, GeoPark has emerged from this crisis as a better and stronger company today. Our bottom line illustrates our accomplishments. We kept our teams safe and healthy. We operated in the field without interruption for 365 days. We grew oil and gas production for the eighteenth straight year to over 40,000 barrels per day. We found more oil and gas, and now have 2p reserves of 175,00,000 barrels with a net present value of \$2.5 billion.

We expanded our Colombian exploration resources to over 750 million barrels. We've increased acreage in the Llanos and Putumayo basins. We beat down each and every cost and achieved savings of over \$290 million. We funded all our work and obligations with our own cash flow. We invested \$75 million and recovered nearly three times this amount in EBITDA of \$217 million.

We acquired a new company, Amerisur, and fully integrated it into our company. We completely restructured our asset portfolio and organization under a revised business model. We strengthened our balance sheet and almost doubled our cash in hand at \$200 million.

We provided important aid and support during the pandemic to our neighboring communities. We moved to reduce our carbon footprint and minimized social and environmental impacts. And even with low oil prices of \$40 to \$45, we reinstated our shareholder value initiatives with share buybacks and cash dividends.

As always, the underlying foundation for GeoPark's performance is our in-house integrated value system we call SPEED. This program was a founding element of our Company and one of our proudest accomplishments, always pushing us to be the employer-of-choice, partner-of-choice, and neighbor-of-choice.

SPEED stands for our priorities of safety, prosperity – including governance – our employees, the environment, and our development of communities where we operate. We consider this ESG+ and we welcome the increased scrutiny from investors about an area where we excel.

So 2021 is already well-underway with seven rigs at work. Seismic being run to identify new prospects on our high-potential acreage, and our team fully-engaged in getting every molecule of hydrocarbons safely, cleanly, and profitably out of the ground and to market.

With higher prices and increased cash generation we are accelerating our profitable production growth. We have expanded our work program to now invest \$130 million to \$150 million to drill 37 to 42 wells focused mainly on the continued development of our prolific Llanos 34 block and some high-impact drilling on our surrounding blocks in the Llanos basin, including the CPO-5 block.

We look forward to executing this exciting, fully-funded, risk-balanced work program and developing our big growth opportunity in Colombia while maintaining a strong balance sheet and continuing to return tangible value to our shareholders.

Thank you. And we would be pleased to answer any questions you may have.

QUESTIONS AND ANSWERS

Operator: (Operator Instructions). Our first question comes from the line of Stephane Foucaud of Auctus Advisors.

Stephane Foucaud: Hi, guys. Thanks for taking my question. I've got actually two. So the new CapEx program, activity program for 2021. It varies, I think, on \$50 to \$55 a barrel. We are currently north of \$65 a barrel. If Oil price which will remain at that level for the remaining profit of the year, would you consider either accelerating again the activity program or increase dividends, share buyback, more share buyback, or pay down debts? if you could probably give where your thought that would be great.

And the second, I noticed that the Putumayo production I think is down on protest at the minute, and I was wondering whether the production guidance for 2021 was including anything for Putumayo, and if yes, how much? Thank you.

Andrés Ocampo: Hi, Stephane. Good morning. Thank you for your questions. To your first question with respect to our new CapEx guidance \$50 to \$55, reported prices remain at the levels where they are today. I think probably it's going to be a combination of your items. Always the first priority for our excess cash generation is to reinvest and accelerate the development and exploration plans in our existing asset portfolio.

And then following that we always do a combination of shareholder value return and balance sheet management. So I guess it's more – most likely going to be a combination of all those three taking into consideration of the fact that we have debts and we want to continue on our red verging plan. We want to continue also expanding our shareholder value initiatives but also reinvest to accelerate exploration and development on our existing assets.

If oil prices remain at the levels where they are today, we would expect to generate significant – significantly more free cash flow from our assets that would allow us to do all that.

And then on your second point about our production on Putumayo, yes. The guidance that we gave factors in this previous brief period of productions shutting. As of last night we were in conversations with our team on the ground down there and the situation has been resolved and the production is actually starting to flow back again as of this morning.

So we would expect the production to be back to normal levels of around 2,400 barrels a day over the next three to five days. So the situation is normalized. Unfortunately this was an event to which we were not a party. This is simply a protest against the state where we are basically stuck in the middle .

But luckily the good news is that the situation has been resolved and production is flowing back again. And yes, the stop was included in our guidance, was factored in our guidance for 2021.

Stephane Foucaud: Wonderful. Thank you.

Andrés Ocampo: Thank you.

Operator: Our next question comes from the line of Ricardo Rezende of J.P. Morgan.

Ricardo Rezende: Hi. Thanks for taking my question, James, Andrés, Stacy. So a couple questions on my side. First one, if we think about oil prices remaining where they are now I was just wondering if you could by any chance actually accelerate your hedging program and try to lock in those prices above your guidance for the year?

And then the second question is on potential new products for the year or areas where you could be looking at maybe acquiring some blocks or new options. If you comment on that that would be great. Thank you.

Andrés Ocampo: Sure. Thank you, Ricardo. On the hedging question, yes. I mean, this is the time when you want to accelerate your hedging strategy because this is the time where hedging becomes available at better costs. Today we are around 70% hedged for the first half of the year, around 50% hedged for the second half of the year. and starting on the first quarter 2022 probably at around 15%, 20%.

So we are actively adding more hedges probably more on the second half and the first – the second half of this year and the first half of next year. The levels that we are seeing today in the market are more or less flows of \$50 with ceilings around \$75. If we can't capture levels like that for Brent we will definitely start adding more volumes into the mix.

And then with respect to the opportunities and new projects, as you know it's a key component of our business, and we are in active participation in the multiple different divestiture initiatives that are going on in mainly probably all the countries in the region that are very significant projects being offered for, say, in Brazil today both onshore and offshore. There's some attractive acreage being become available in Colombia as well in the Llanos Basin but also in the middle Magdalena.

So – and there are some other opportunities, and as we always say we are actively looking and participating in all of these projects. But also as we always say 2019 we did significantly land grab around Llanos 34, and we're consolidating and doing anticipating all the works to try to accelerate our exploration campaign within our organic portfolio. So if anything, we have set the bar higher for new projects to come through the company and we are conservative, patient buyers, but if the opportunity comes we'll definitely take it.

Ricardo Rezende: Okay. Great to hear. Thank you.

Andrés Ocampo: Thank you.

Operator: Our next question comes from the line of Alejandro Demichelis of Nau Securities.

Alejandro Demichelis: Yes. Good morning, gentlemen. A few questions if I may. First one, please could you indicate how you're seeing the costs evolving now that you're accelerating activity levels? Are we going to retain some of those gains that you executed during last year or is part of that kind of coming back was the first question.

Second question on the production side of things. If we look back to say first quarter of 2020 before COVID you were producing 45,000, 46,000 barrels a day on average. What would it take for you to go back to that level? Do we need more investment than the one with you're guiding towards now?

And probably a third question if I may is on the exploration program with the acceleration of the exploration how much of the prospective resources that you indicated of 750 million barrels you think you can be accessing with the current exploration program?

Andrés Ocampo: Thank you, Alejandro. Your first question with respect to cost basis, there's a couple of elements that come to play in our cost base. One is the fact that last year we reduced a lot of our costs but also for a period of time we shut in some of the production that was at higher costs.

So with Brent above \$50 or \$55 and even beyond on that some of that production obviously will come back to produce. And that means that our consolidated OpEx per barrel may show a slight increase compared to last year. Last year we were in an average

of more or less \$7.50 per BOE. At the lowest was in the second and third quarter at \$6 per BOE on a consolidated basis.

So for 2021 at these prices, we're estimating it to be more or less around the similar – the average a little bit higher. So \$7.50 to \$8 per BOE is a good number for full-year 2021 at \$50 to \$55 Brent.

Another component of that is also when oil prices recover the FX rate in these countries in Latin America tend to appreciate at around 70% of our OpEx basis in local currency. So those, too, go more or less against each other, the FX rate and commodity prices.

Alejandro Demichelis: Okay. Thank you.

Andrés Ocampo: With respect to your question about production, we think the one thing that is not noted in the guidance we gave, I mean on an average basis the increase is roughly 1,000 compared to our previous guidance with the CapEx that we are incorporating, and only half of that CapEx is for development.

But with this CapEx, as I said, on an average basis may not look so significant, but looking at the shape of the curve before we were looking more flattish with a slight growth curve, and now the curve shows some growth towards the second half of the year. So probably by the end of the year we should not be that far from the 45,000 – 44,000, 45,000 that we were before.

Additionally I would mention that our main asset today, which is Llanos 34, we're allocating most of our capital there, and that asset that has historically been a huge growth engine for our company is now migrating into a new phase of significant cash machine, which with very little CapEx is spitting out a lot of cash rather than spitting out a lot of growth. So we welcome this new phase of this block, but probably at this point we're focusing a lot more on generating cash flow and profits rather than showing fancy growth digits.

Alejandro Demichelis: Okay. That's good.

Andrés Ocampo: And then your last question, how much of the full productivity that we announced in our recent release. are we targeting with a 2021 program? I would say it's a small fraction, so it's something around 30 to 50 million barrels, approximately an average of the total average in resources of that total pool.

So a lot of that is in the CPO-5 block. A lot of that is in the remaining Llanos acreage, and some of the investments that we are doing to here both acquiring 3D seismic and advancing on the licensing process is to start getting ready all that acreage for us to be ready to drill. Some more prospects in in 2022 and on.

Alejandro Demichelis: And could you give us – I know you have a lot of flexibility in the program, the exploration program, but could you give us some kind of split of how many wells are going to CPO-5, how many wells are going to the other block?

Andrés Ocampo: Yes. It's more or less, it's not going to be exact. The CPO-5 we have planned more or less around five wells, and four of them are going to be exploration wells and one development well which should be the first well of the campaign that we're hoping will be spud in May or June this year.

Then we're targeting two wells in Llanos 32. One exploration well in – sorry, the two wells in Llanos 32, those are two exploration wells. One exploration well in Llanos 34, and one exploration wells in Llanos 94. That is all the exploration wells that we're planning for this campaign.

Alejandro Demichelis: Okay, that's very useful. Thank you.

Andrés Ocampo: No problem.

Operator: (Operator Instructions). Our next question comes from the line of Daniel Guardiola of BTG.

Daniel Guardiola: Hi. Good morning, Andrés and James. And thank you for the call. I have a couple of questions. My first question is related to realized prices.

I understand you guys are very active hedging future production through different mechanism, and I want to know how exposed you are to the upside of oil prices considering that today oil prices are \$68. So I wanted to know if indeed oil prices stay at these levels if you're going to benefit off these levels, so that's my first question, okay?

So if you want, I mean, you can either answer it or I can go forward and ask the other questions.

Andrés Ocampo: Okay. Good morning, Daniel. Sure. I can take that one and then you can ask the rest if you want.

So we are exposed to the upside in oil prices if they remain at these levels. That upside is limited by some of the hedges that we have in place particularly especially for the first half. So the first half of the year the full upside we will capture it only on roughly 30% of our production. The rest of our oil production, 70%, is hedged and has an average cap of \$52 – more or less \$52, \$53 per barrel. The full detail is included in the release.

And then for the second half of the year we have around 45%, 48% hedged, so we have half of – half of our production we've experienced full upside and the other half has an average cap that it's higher than the first half. Let me check for one second. It's closer to this. The ceiling is for the second half of the year is around \$60, \$61 per barrel. So I

would say we're more limited in the first half than we are on the second half. For the second half we get almost the full value. And then for next year we're fully exposed.

Daniel Guardiola: Okay, so just to make sure I totally understood your answer, so for the first half of the year you have a cap at \$60?

Andrés Ocampo: No, for the first half of the year we have a cap of \$52 Brent and the second quarter is \$54, and that only applies to 70% of our production, so 30% is – has no cap and no flow.

And then for the second half of the year the ceiling – the ceiling is \$60. That applies for 48% of the production. So 52% of the production has no cap, so it's fully exposed.

Daniel Guardiola: Okay, great. Great. Understood. And my second question is...

Andrés Ocampo: So...

Daniel Guardiola: Yes, sorry?

Andrés Ocampo: No, no. That's okay. Sorry. Go ahead.

Daniel Guardiola: No, no. I was going to ask you my second question is related to production, and I wanted to know if you could share with us more details on the expected production from the main fields Llanos 34 and CPO-5 in 2021 and onwards considering that you increased your CapEx or your work in program for this year?

Andrés Ocampo: I think break down is more or less similar to what we used to have. Probably it's a little bit more weight in particularly on the second half in Platanillo because we are adding two wells to be drilled in that field, and has an impact because we have 100% working interest.

So with more or less the target is Llanos 34 is between flat to a 5% growth similar to what we have – we had before. Maybe a little bit higher than that. CPO-5 we're targeting to double production compared to last year. Platanillo before we were targeting a small decline and now we're targeting a small growth maybe 0% to 5%.

The rest of Colombia is relatively flat. Chile's flat. Argentina and Brazil are also flat, so that is more or less the breakdown on what are the difference is going to come.

Daniel Guardiola: Okay. Thank you, Andrés. And if I may squeeze a follow up regarding production. I remember that before the pandemic started you were targeting to reach a plateau production in Llanos 34 close to 80,000 of oil per day, if I'm not mistaken. Does it make sense to once again reach those levels considering the current environment of operations?

Andrés Ocampo: The things that we have to remember that after that we spent six months or more with no activity in the block. I know there is the real oil production declines, and then for some time we had limited activity in the area and now we are coming back to normal drilling activity with three drilling rigs in the area as we had before.

So it's probably unlikely that we will reach that plateau following the fact that six months with no drilling. The production declined something like on a gross basis was probably 6,000 to 7,000 barrels a day.

So I don't think the 80,000 is a plateau now, and I think what is important is what I said before. More than focusing on how much we did grow, I would really focus on how much cash is going to be generating. This year with \$60 million, \$70 million of CapEx just at \$50 Brent we're going to generate more than \$250 million of operating net value.

And that's our main focus right now really than showing fancy, shiny growth rates. We'd better show profits.

Daniel Guardiola: Okay, thank you, Andrés. Just a very brief and last one. When you look amid your cash flow generation or expected cash flow generation for 2021 it's expected to be very healthy especially considering comparing it against 2020, and I wanted to ask you I mean, what are going to be your priorities to use that excess of cash in 2021?

Andrés Ocampo: I think we can summarize that as the main priority always is to reinvest in our assets, and then the second one is a combination of deleveraging and shareholder value return. So those are the three biggest elements that are going to be probably going to be taking the cash that we generate in 2021.

Daniel Guardiola: Okay, great. Thank you.

Andrés Ocampo: Thank you.

Operator: And at this time I'm showing no further questions. I'd like to turn the floor back over to Andrés Ocampo for any additional or closing remarks.

Andrés Ocampo: Thank you, everybody, for your interest in GeoPark and your continued support of our company. As the world's borders begin to open again we encourage you to please visit us at our operations in each country. Our shareholder value team has accelerated their interactions and is busier than ever with webinars, video conference, and [dial-up calls], and is available around the clock as is our management team to answer any questions or listen to your comments. So thank you, and please stay healthy and strong.

Operator: Thank you, ladies and gentlemen. This does conclude today's conference call. You may now disconnect.