

# FRONTERA ENERGY CORPORATION

## *NEWS RELEASE*

### FRONTERA ANNOUNCES STRATEGIC SPIN-OFF OF ITS COLOMBIAN INFRASTRUCTURE BUSINESS TO UNLOCK INTRINSIC VALUE

#### FRONTERA TO ESTABLISH TWO INDEPENDENT COMPANIES: FRONTERA E&P AND FRONTERA INFRASTRUCTURE

CALGARY, November 13, 2025 /CNW/ - Frontera Energy Corporation (TSX: FEC) (“Frontera” or the “Company”) today announced a plan to unlock significant value from its existing assets through a spin-off (the “**Proposed Transaction**” or the “**Spin-Off**”) of its Colombian Infrastructure business, creating two independent companies: Frontera Exploration & Production (“**E&P**”) and Frontera Infrastructure. The Proposed Transaction is projected to be completed in the first half of 2026 and is subject to shareholder approval. All financial amounts in this news release and in the Company’s financial disclosures are in United States dollars, unless otherwise stated.

#### **Orlando Cabrales Segovia, Chief Executive Officer (CEO), Frontera, commented:**

*“Over time, Frontera has consistently attracted interest from investors and strategic parties who recognize the distinct strengths and value propositions of the upstream oil and gas and infrastructure businesses. While the upstream oil and gas and infrastructure businesses are complementary, each has distinct operational profiles and life cycles, appealing to different investor bases.*”

*To further unlock shareholder value and pursue future consolidation opportunities, the Company is announcing its intention to spin-off its Colombian Infrastructure business. This strategic separation will result in two focused, independent companies, each with clear priorities and tailored strategies.*

*The Company believes the business separation represents a significant opportunity to surface and distribute value to shareholders, not currently reflected in Frontera’s market capitalization. The separation, targeted to be completed during the first half of 2026, remains subject to shareholder and regulatory approval.”*

The planned separation aims to establish two strategically focused, independent companies:

- Frontera E&P will become a pure-play upstream oil and gas exploration and production company, focused on disciplined cash flow generation and operational excellence. For the last twelve months ended September 30, 2025, Frontera E&P had approximately \$336 million of Operating EBITDA<sup>(1)</sup> and net leverage<sup>(2)</sup> of 0.7x times.

<sup>(1)</sup> This is a Non-IFRS financial measure (equivalent to a “non-GAAP financial measure”, as defined in NI 52-112). Refer to the Advisories section of this Press Release for further details.

<sup>(2)</sup> This is a Non-IFRS financial measure (equivalent to a “non-GAAP financial measure”, as defined in NI 52-112). Refer to the Advisories section of this Press Release for further details.

- Frontera Infrastructure will emerge as a leading energy infrastructure business, leveraging robust cash flows from ODL and aiming to invest in near-term strategic projects at Puerto Bahia to deliver a growing and long-term revenue and cash flow stream. For the last twelve months ended September 30, 2025, Frontera Infrastructure had approximately \$16.2 million of Operating EBITDA and \$117.4 million of Infrastructure Adjusted EBITDA<sup>(3)</sup> and net debt to Infrastructure Distributable Cash Flow (Puerto Bahia Operating EBITDA + Dividends received from ODL) of 2.0x times.

<sup>(3)</sup> This is a Non-IFRS financial measure (equivalent to a “non-GAAP financial measure”, as defined in NI 52-112). Refer to the Advisories section of this Press Release for further details.

This transaction is consistent with the Company’s commitment to unlock shareholder value and shall enable the companies to pursue future consolidation opportunities.

### Consolidated Operating EBITDA Breakdown:

	Unit	LTM <sup>(1)</sup> Consolidated Operating EBITDA	LTM <sup>(1)</sup> Frontera E&P Operating EBITDA	LTM <sup>(1)</sup> Frontera Infrastructure Operating EBITDA	Intersegment Adjustment <sup>(2)</sup>
Frontera E&P	\$MM	339.9	339.9	—	—
Puerto Bahia	\$MM	16.2	—	16.2	—
ODL Pipeline	\$MM	—	—	—	—
SAARA & Palm Oil Assets	\$MM	(3.8)	(3.8)	—	—
Intersegment Adjustment <sup>(2)</sup>	\$MM	(4.7)	—	—	(4.7)
<b>Total</b>	<b>\$MM</b>	<b>347.6</b>	<b>336.1</b>	<b>16.2</b>	<b>(4.7)</b>
Total Debt and Lease Liabilities	\$MM	532.8	330.8	202.0	
Less: Cash and Cash Equivalents <sup>(3)</sup>	\$MM	158.6	110.8	47.8	
<b>Adjusted Net Debt</b>	<b>\$MM</b>	<b>374.2</b>	<b>220.0</b>	<b>154.2</b>	

(1) LTM refers to last twelve months from October 2024 to September 2025. This figure does not include \$59.4 million in ODL dividends

(2) Intersegment adjustment refers to intercompany revenues between Frontera E&P and Puerto Bahia

(3) Cash and Cash Equivalent refer to the portion of Frontera’s portion of Cash and cash Equivalents from Frontera Pipeline Investment AG (“FPI”) and Puerto Bahia’s Cash & Cash Equivalents on September 30, 2025

### About Frontera’s Infrastructure Business

Frontera's Infrastructure Colombia business includes the Company's 35% equity interest in the Oleoducto de los Llanos Orientales S.A. (“ODL”) crude oil pipeline, through Frontera's wholly owned subsidiary, FPI, and the Company's 99.97% equity interest in Sociedad Portuaria Puerto Bahia (“Puerto Bahia”). The business combines an attractive growth profile and is backed by a steady dividend stream from its investment in ODL, which has received over \$147 million in dividends and capital distributions since 2023.

Below is a breakdown of Frontera Infrastructure’s Adjusted Infrastructure EBITDA:

	Unit	LTM Asset Level EBITDA	Equity Interest	LTM Frontera Infrastructure Adjusted EBITDA
Puerto Bahia	\$MM	16.2	99.97%	16.2
ODL Pipeline	\$MM	289.0	35.00%	101.2
<b>Total</b>	<b>\$MM</b>	<b>305.2</b>		<b>117.4</b>
Total Frontera Infrastructure Debt	\$MM			202.0
Less: Cash and Cash Equivalents <sup>(1)</sup>	\$MM			47.8
<b>Net Debt</b>	<b>\$MM</b>			<b>154.2</b>

(1) Cash and Cash Equivalents refer to the portion of Frontera's portion of Cash and cash Equivalents from Frontera Pipeline Investment AG ("FPI") and Puerto Bahia's Cash & Cash Equivalents on September 30, 2025

Frontera Infrastructure	(\$ millions)
Frontera Infrastructure Operating EBITDA LTM <sup>(1)</sup>	16.2
Plus: ODL Dividends, net of Taxes LTM <sup>(1)</sup>	59.4
<b>LTM Infrastructure Distributable Cash Flow</b>	<b>75.6</b>
FPI Debt Service, net <sup>(2)</sup>	(56.2)
Infrastructure Capex <sup>(3)</sup> LTM <sup>(1)</sup>	(3.1)
<b>LTM<sup>(2)</sup> Infrastructure Free Cash Flow</b>	<b>16.3</b>
<b>Net Debt to Infrastructure Distributable Cash Flow<sup>(4)</sup></b>	<b>2.0x</b>

(1) LTM refers to last twelve months from October 2024 to September 2025

(2) Estimated expected 2025 financing flows including cash sweep

(3) Excludes Capex related to the Reficar Connection construction

(4) Net Debt to Cash Flow from Operating Activities refers to Net Debt divided by Cash Flow from Operating Activities

## About ODL

ODL is a midstream infrastructure business with a 260-kilometer onshore pipeline co-owned by Frontera's subsidiary, FPI (35%) and Cenit Transporte y Logística de Hidrocarburos SAS (65%) which connects Colombia's largest oil-producing fields in the Llanos region with the Orensa pipeline. Key customers include EcoPetrol, Frontera, GeoPark, Parex, and Hocol. In the last twelve months, ODL transported approximately 238,000 barrels of oil per day, or 30% of Colombia's total daily oil production. Over the last twelve months, ODL generated EBITDA of \$289 million and paid approximately \$170 million (\$59.4 million, net to Frontera Infrastructure) in dividends and capital distribution to its shareholders.

## About Puerto Bahia

Strategically located on the Bay of Cartagena, Colombia. Puerto Bahia uniquely accommodates both liquid and dry cargo terminals, enhancing its strategic importance. Puerto Bahia's liquids terminal exports and imports vital crude oil and refined products from Frontera and other international crude oil shippers.

In 2025, Puerto Bahía completed construction of a pipeline connection with the Refinería de Cartagena S.A.S. ("Cartagena Refinery"). The connection will, transport crude oil and other hydrocarbons between Puerto Bahía's port facility and the Cartagena Refinery. On the LPG project, Puerto Bahia, together with its partner GASCO, have fast-tracked the initial phase and is expected to be operational on the first half of 2026, helping address supply constraints in Colombia's domestic LPG market.

In addition, Puerto Bahia's dry terminal is the largest hub for roll-on, roll-off cargo in Colombia, accounting for more than 55% of the Colombian car import/export market. The port has significant expertise in break-bulk and project cargo and has seen strong growth in its container business, handling over 3,600 TEUs in October 2025. Puerto Bahia has the footprint and capability to further expand into the containerized cargo business.

### **About Frontera:**

Frontera Energy Corporation is a Canadian public company involved in the exploration, development, production, transportation, storage and sale of oil and natural gas in South America, including related investments in both upstream and midstream facilities. The Company has a diversified portfolio of assets with interests in 22 exploration and production blocks in Colombia, Ecuador and Guyana, and pipeline and port facilities in Colombia. Frontera is committed to conducting business safely and in a socially, environmentally and ethically responsible manner.

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### **Social Media**

Follow Frontera Energy social media channels at the following links:

Twitter: <https://twitter.com/fronteraenergy?lang=en>

Facebook: <https://es-la.facebook.com/FronteraEnergy/>

LinkedIn: <https://co.linkedin.com/company/frontera-energy-corp>.

### **Advisories:**

#### ***Cautionary Note Concerning Forward-Looking Statements***

*This news release contains forward-looking statements. All statements, other than statements of historical fact, that address activities, events or developments that the Company believes, expects or anticipates will or may occur in the future including, without limitation, statements regarding the Company's intent to consider future shareholder initiatives including the planned separation and other strategic transactions involving the Infrastructure business and the expected timing thereof and benefits related thereto and the Company's consideration of investor focused initiatives are forward-looking statements.*

*These forward-looking statements reflect the current expectations or beliefs of the Company based on information currently available to the Company. Forward-looking statements are subject to a number of risks and uncertainties that may cause the actual results of the Company to differ materially from those discussed in the forward-looking statements, and even if such actual results are realized or substantially realized, there can be no assurance that they will have the expected consequences to, or effects on, the Company. Factors that could cause actual results or events to differ materially from current expectations include, among other things: volatility in market prices for oil and natural gas; the U.S. trade tariffs and sanctions imposed on numerous countries; the impact of international conflicts including the Russia-Ukraine conflict and the conflict in the Middle East and other escalating geopolitical tensions; actions of the Organization of Petroleum Exporting Countries; uncertainties*

*associated with estimating and establishing oil and natural gas reserves and resources; liabilities inherent with the exploration, development, exploitation and reclamation of oil and natural gas; uncertainty of estimates of capital and operating costs, production estimates and estimated economic return; increases or changes to transportation costs; expectations regarding the Company's ability to raise capital and to continually add reserves through acquisition and development; the Company's ability to complete strategic initiatives or transactions to enhance the value of its common shares and the timing thereof, including that the required approvals to complete the proposed spin-off of the Colombia Infrastructure business may not be obtained or the Company may determine not to proceed with such transaction; the Company's ability to access additional financing; the ability of the Company to maintain its credit ratings; the ability of the Company to: meet its financial obligations and minimum commitments, fund capital expenditures and comply with covenants contained in the agreements that govern indebtedness; the intentions of the Company with regard to its capital allocation decisions; political developments in the countries where the Company operates; the uncertainties involved in interpreting drilling results and other geological data; geological, technical, drilling and processing problems; timing on receipt of government approvals; fluctuations in foreign exchange or interest rates and stock market volatility, the ability of the Joint Venture to reach an agreement with the GoG in respect of the Joint Venture's interest in the agreements relating to the Corentyne block, and the other risks disclosed under the heading "Risk Factors" and elsewhere in the Company's annual information form dated March 10, 2025 filed on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca).*

*Any forward-looking statement speaks only as of the date on which it is made and, except as may be required by applicable securities laws, the Company disclaims any intent or obligation to update any forward-looking statement, whether as a result of new information, future events or results or otherwise. Although the Company believes that the assumptions inherent in the forward-looking statements are reasonable, forward-looking statements are not guarantees of future performance and accordingly undue reliance should not be put on such statements due to the inherent uncertainty therein.*

*This news release contains future oriented financial information and financial outlook information (collectively, "FOFI") (including, without limitation, statements regarding expected average production), and are subject to the same assumptions, risk factors, limitations and qualifications as set forth in the above paragraph. The FOFI has been prepared by management to provide an outlook of the Company's activities and results, and such information may not be appropriate for other purposes. The Company and management believe that the FOFI has been prepared on a reasonable basis, reflecting management's reasonable estimates and judgments, however, actual results of operations of the Company and the resulting financial results may vary from the amounts set forth herein. Any FOFI speaks only as of the date on which it is made, and the Company disclaims any intent or obligation to update any FOFI, whether as a result of new information, future events or results or otherwise, unless required by applicable laws.*

### **Non-IFRS Financial Measures**

*This press release contains various "**non-IFRS financial measures**" (equivalent to "**non-GAAP financial measures**", as such term is defined in NI 52-112), "**non-IFRS ratios**" (equivalent to "**non-GAAP ratios**", as such term is defined in NI 52-112), and "**capital management measures**" (as such term is defined in NI 52-112)], including: operating EBITDA, net leverage, adjusted Infrastructure EBITDA, net debt and adjusted net debt.*

*Non-IFRS financial measures and non-IFRS ratios do not have standardized IFRS definitions. The Company's determination of these non-IFRS financial measures and non-IFRS ratios may differ from other reporting issuers and they are therefore unlikely to be comparable to similar measures presented by other companies. Furthermore, these financial measures and ratios should not be considered in isolation or as a substitute for measures of performance or cash flows as prepared in accordance with*

*IFRS. These financial measures and ratios do not replace or supersede any standardized measure under IFRS. Other companies in our industry may calculate these measures differently than we do, limiting their usefulness as comparative measures.*

*The Company discloses these financial measures, together with measures prepared in accordance with IFRS, because management believes they provide useful information to investors and shareholders, as management uses them to evaluate the operating performance of the Company. These financial measures highlight trends in the Company's core business that may not otherwise be apparent when relying solely on IFRS financial measures. Further, management also uses non-IFRS measures to exclude the impact of certain expenses and income that management does not believe reflect the Company's underlying operating performance. The Company's management also uses non-IFRS measures in order to facilitate operating performance comparisons from period to period and to prepare annual operating budgets and as a measure of the Company's ability to finance its ongoing operations and obligations.*

*Set forth below is a description of the non-IFRS financial measures, non-IFRS ratios and capital management measures used in this press release. Additional information regarding such non-IFRS financial measures and non-IFRS ratios is contained in the "Non-IFRS and Other Financial Measures" section of the Company's management discussion & analysis dated March 10, 2025, for the year ended December 31, 2024 (the "2024 MD&A"), which information is incorporated by reference herein. A copy of the 2024 MD&A is available under the Company's profile on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca).*

### ***Operating EBITDA***

*EBITDA is a commonly used non-IFRS financial measure that adjusts net income (loss) as reported under IFRS to exclude the effects of income taxes, finance income and expenses, and DD&A. Operating EBITDA is a non-IFRS financial measure that represents the operating results of the Company's business, excluding the following items: **restructuring, severance and other costs, post-termination obligation, trunkline costs, temporal taxes, payments of minimum work commitments and, certain non-cash items (such as impairments, foreign exchange, unrealized risk management contracts, share-based compensation and debt extinguishment cost) and gains or losses arising from the disposal of capital assets.** In addition, other unusual or non-recurring items are excluded from operating EBITDA, as they are not indicative of the underlying core operating performance of the Company. The most directly comparable financial measure to operating EBITDA that is specified, defined and determined in accordance with IFRS and disclosed in Frontera's financial statements is net income (loss).*

### ***Adjusted Infrastructure EBITDA***

*The Adjusted Infrastructure EBITDA is a non-IFRS financial measure used to assist in measuring the operating results of the Infrastructure Colombia Segment business.*

### ***Infrastructure Distributable Cash Flow***

*Distributable Cash Flow is a non-IFRS financial measure used to assess the cash available to the Company from its operations and equity investments to support capital expenditures, debt service and dividends.*

### ***Infrastructure Free Cash Flow***

*Infrastructure Free Cash Flow is a non-IFRS financial measure that is used by the Company to assess the Company's ability to generate cash after capital expenditures and debt service that is available for reinvestment or distribution. Free Cash Flow*

*is a non-IFRS ratio that is calculated as Infrastructure Distributable Cash Flow minus FPI Debt Service and Infrastructure Capex.*

***Net Debt and Adjusted Net Debt***

*Net debt is a non-IFRS financial measure that is used by the Company to monitor its capital structure, financial leverage, and as measures of overall financial strength. Net debt is defined as consolidated total indebtedness, less unrestricted cash and cash equivalents. Adjusted net debt is a non-IFRS ratio that is calculated as total Debt and Lease Liabilities divided by Cash and Cash Equivalents.*

***Net Leverage***

*Net leverage is a non-IFRS ratio and is calculated as adjusted Net Debt divided by Operating EBITDA. The Company's management believes that net leverage assists investors and shareholders in evaluating the Company's financial leverage and liquidity, and in comparing its balance sheet position across periods and against industry peers.*

***Total debt and lease liabilities***

*Total debt and lease liabilities are capital management measures to describe the total financial liabilities of the Company and is comprised of the debt of the Company's \$314 million senior unsecured notes due 2028, loans, and liabilities from leases of various properties, power generation supply, vehicles and other assets.*

**FOR FURTHER INFORMATION:**

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