

Ng Energy Announces Filing Of Annual Audited Consolidated Financial Statements

13:00 Uhr | [CNW](#)

- Focus in FY 2024 was on the construction of critical infrastructure, which resulted in first natural gas production from the Company's second natural gas field, the 300,000+ acre Sinu-9 Block
- Over \$70 million (over US\$120 million including uncommitted credit) in fundraising from the Company's equity offering and debt refinancing, as well as the hiring of additional operational and technical team members to support the Company's reserves and production growth
- Subsequent to year end, the Company announced the sale of a 40% WI in Sinu-9 to Maurel & Prom for US\$150 million resulting in additional operational strength along with a transformational change to the Company's balance sheet
- Record annual revenue of US\$38.2 million versus US\$12.0 million in FY 2023, a 218% increase YoY
- Record annual operating netback of US\$4.93/Mcf versus US\$2.88/Mcf in FY 2023, and a 61.8% operating income profit margin
- Subsequent to year end, production from Sinu-9 reached 12 MMcf/d (gross) as part of ongoing production tests, with production capacity expected to increase to over 40 MMcf/d (gross) in early Q3 2025
- Slight decrease in production volumes from Maria Conchita due to downhole obstruction and compressor issues; work on a solution is ongoing and is expected to be completed by Q3 2025, alongside the drilling of the Aruchara-4 well in H2 2025
- 57% increase to 1P reserves to Company gross 81.0 Bcf for before tax NPV₁₀ of US\$123.5 million
- 21% increase to 2P reserves to Company gross 196.0 Bcf for before tax NPV₁₀ of US\$328.4 million
- 20% increase to 3P reserves to Company gross 364.7 Bcf for before tax NPV₁₀ of US\$555.4 million
- Natural gas prices remain strong with recent fixed offtakes in place accounting for over \$7.98/Mcf

CALGARY, April 29, 2025 - [NG Energy International Corp.](#) ("NGE" or the "Company") (TSXV: GASX) (OTCQX: GASXF) is pleased to announce that it has filed on SEDAR+ its annual audited consolidated financial statements, annual management's discussion and analysis and its certification of annual filings for the fiscal year ended December 31, 2024. The Company has also filed on SEDAR+ its Annual Information Form, dated April 28, 2025, 51-101F1 - Statement of Reserves Data and Other Oil and Gas Information, Sproule International Limited's 51-101F2 - Report on Reserves Data, Contingent Resources Data and Prospective Resources Data by Independent Qualified Reserves Evaluator or Auditor and the Company's 51-101F3 - Report of Management and Directors on Oil and Gas Disclosure for the fiscal year ended December 31, 2024.

Highlights

Fiscal Year Ended December 31, 2024

- Annual revenue of US\$38.2 million versus US\$12.0 million in FY 2023, a 218% increase YoY.
- Annual cash flow from operations of US\$18.5 million versus US\$(3.5) million in FY 2023.
- Realized average natural gas pricing during the year of US\$7.98/Mcf.
- Operating netback of US\$4.93/Mcf versus US\$2.88/Mcf in FY 2023, and a 62% operating income profit margin.

Q4 2024

- Quarterly revenue of US\$8.7 million versus US\$4.6 million in Q4 2023, an 89% increase YoY.
- Quarterly cash flow from operations of US\$2.2 million versus US\$(1.2) million in Q4 2023.

Company Oil and Natural Gas Properties

Sinu-9

Over the course of FY 2024, the Company put in place all the necessary infrastructure required to begin

commercial production at Sinu-9, including the construction of the Central Processing Facility 1 (the "CPF-1") and the 28.3 km pipeline connecting Sinu-9 to the national Promigas pipeline at Jobo. While the Company ran into issues in delivering natural gas under the Unified Transportation Regulation's quality conditions during the initial commissioning of the CPF-1, subsequent to year-end, the Company has taken the necessary steps to acquire the dew point handling equipment necessary to utilize the CPF-1 at full capacity and is in the process of installing such equipment. Additionally, subsequent to year-end, the Company successfully commissioned a mobile plant (the "INFRAES Plant") on the Brujo-1X platform and has resumed production, first from the Magico-1X well, reaching 12 MMcf/d of steady production, and currently, from one zone in the Brujo-1X well at 10 MMcf/d with the ability to further increase production volumes. Following completion of the installation of the dew point handling equipment at the CPF-1, the Company is expected to see gross production capacity increase to over 40 MMcf/d by the beginning of Q3 2025.

In the Company's news release dated April 24, 2025, the Company reported gross Proved + Probable + Possible (3P) reserves of 286.8 Bcf (398.3 Bcf project gross) of natural gas for before-tax NPV₁₀ of US\$377.1 million, which represents a 17% increase YoY and can be broken down as follows:

- Company gross Proved (1P) reserves of 32.0 Bcf (44.5 Bcf project gross) of natural gas for before-tax NPV₁₀ of US\$22.3 million, which represents a 20% increase YoY; and
- Company gross Proved + Probable (2P) reserves of 130.1 Bcf (180.7 Bcf project gross) of natural gas for before-tax NPV₁₀ of US\$178.8 million, which represents a 14% increase YoY.

Maria Conchita

The Maria Conchita Block contributed most of the Company's FY 2024 average daily gross production of 13 MMcf/d. Initially, the Aruchara-3 well was producing, in conjunction with the Aruchara-1 well, a baseline of 14 MMcf/d with subsequent increases throughout FY 2024 to average daily gross production rates greater than 19 MMcf/d. Unfortunately, compressor issues during the second half of the year reduced the Company's ability to produce at these levels and as a result, the Company is transitioning its compressor system to enhance operational efficiency and mitigate risks, including installing a reliable backup system. At the same time, the Company is also expanding its processing and compression equipment to increase total production capacity to 28 MMcf/d in anticipation of drilling the Aruchara-4 well in H2 2025.

In the Company's news release dated April 24, 2025, the Company reported gross Proved + Probable + Possible (3P) reserves of 78.0 Bcf (97.5 Bcf project gross) of natural gas and 115 Mbbl (143 Mbbl project gross) of condensate for before-tax NPV₁₀ of US\$178.3 million, which represents a 31% increase YOY and can be broken down as follows:

- Company gross Proved (1P) reserves of 49.0 Bcf (61.2 Bcf project gross) of natural gas and 76 Mbbl (95 Mbbl project gross) of condensate for before-tax NPV₁₀ of US\$101.2 million, which represents a 96% YoY increase; and
- Company gross Proved + Probable (2P) reserves of 65.9 Bcf (82.4 Bcf project gross) of natural gas and 98 Mbbl (123 Mbbl project gross) of condensate for before-tax NPV₁₀ of US\$149.6 million, which represents a 40% YoY increase.

Maurel & Prom Transaction

Subsequent to year-end and as disclosed in the Company's news release dated February 10, 2025, the Company entered into a definitive asset purchase agreement with Etablissements Maurel & Prom S.A. ("Maurel & Prom") for the sale of a 40% operating working interest in Sinu-9 for total cash consideration of US\$150 million. The Company has received an initial payment of US\$20 million with the balance of the consideration, US\$130 million, to be received upon completion of the transaction. Completion is conditional on the satisfaction or waiver of all the conditions precedent outlined in the definitive asset purchase agreement, including, but not limited to, obtaining all necessary regulatory approvals, including the approval of the Colombian National Hydrocarbons Agency ("ANH"). The application has been filed with the ANH for approval of the transaction.

Brian Paes-Braga, Executive Chairman of the Board of Directors, commented, "2024 was a pivotal year for NGE. First, we were successful in raising the necessary capital to advance our business as well as strengthen our balance sheet. Second, we added key team members in an effort to strengthen our operational and technical capabilities. Third, we focused on working with our infrastructure partners to build out the critical infrastructure at Sinu-9, successfully connecting the field to Colombia's national transportation system through the completion of

the CPF-1 and a 28.3 km pipeline. Fourth, after a long and competitive process, we also welcomed our valued strategic partners at Maurel & Prom, securing a significant US\$150 million transaction for a 40% operating working interest in Sinu-9, which was announced subsequent to year-end. While we faced challenges with small amounts of condensate at Sinu-9 and compressor issues at Maria Conchita, our team is implementing solutions, including the commissioning of the INFRAES Plant, installing the necessary dew point handling equipment to the CPF-1 and upgrades to our compression systems. These efforts lay a strong foundation for 2025, which we expect to be a defining year for NGE. With a tier-1 operating partner at Sinu-9 and substantial production growth anticipated from both fields-reaching a minimum of 40 MMcf/d at Sinu-9 and 28 MMcf/d at Maria Conchita-we are well-positioned to contribute meaningfully to addressing Colombia's natural gas supply deficit with onshore, domestic production, providing jobs and revenue for the country."

Senior Management Changes

Subject to the approval of the TSX Venture Exchange, the Company is pleased to announce the appointment of Mr. David Prieto as Chief Financial Officer of the Company effective as of April 28, 2025. The Company's former Chief Financial Officer, Mr. Jorge Fonseca, will transition to the role of Chief Executive Officer with the Company's former Chief Executive Officer, Mr. Brian Paes-Braga, transitioning to the role of Executive Chairman of the Board of Directors of the Company. Additionally, the Company has accepted Mr. Don Sewell's resignation as President of the Company, which will be effective upon the earlier of: (i) September 30, 2025; or (ii) the completion of the Company's transaction with Maurel & Prom. Following his resignation, Mr. Sewell will continue on in his role as a member of the Board of Directors of the Company.

Mr. Prieto has over 18 years of experience, primarily in the oil & natural gas industry in Colombia, specializing in treasury, capital markets, structured finance, M&A, debt restructuring and energy asset commercialization. He has led the structuring of banking financings and the issuance of international bonds exceeding \$10 billion. He previously served as Director of Treasury, Capital Markets, Commercialization, and Transportation at Sierracol Energy and held various roles at [Frontera Energy Corp.](#), including Director of Treasury and New Business. Mr. Prieto began his career at S&P BRC ratings and Incorbank investment banking. He has also been a member of the board of directors of Oleoducto de los Llanos. In addition to his corporate career, he has been a university professor for ten years, teaching finance at both the undergraduate and graduate levels. Mr. Prieto holds a Bachelor's degree in Finance and International Relations from Universidad Externado de Colombia and a Master's in Financial Management from Instituto Europeo de Posgrados.

In connection with the appointment of Mr. Prieto as Chief Financial Officer, he will be granted 300,000 restricted share units of the Company, subject to vesting and performance requirements.

Brian Paes-Braga, Executive Chairman, continued, "I am delighted to welcome David to our management team. David brings with him wealth of experience in the Colombian oil & natural gas industry, through his time at Sierracol and Frontera, and we are very excited to add an executive of David's calibre to our team at this critical moment for NGE as we address Colombia's natural gas supply deficit. Additionally, I would like to congratulate Jorge on his appointment as CEO. Jorge originally joined the Company back in December of 2022 and has played a pivotal role in the Company's growth to date. I can think of no better person to lead NGE into this next stage of growth and I look forward to continuing to work with Jorge in my capacity as Executive Chairman. Lastly, I would like to express a sincere thank you to Don Sewell for his commitment to the Company during his time as President. I wish Don all the best in his future endeavours and look forward to continuing to work with him as a member of the board of directors."

About NG Energy International Corp.

NG Energy International Corp. is a growth-orientated natural gas exploration and production company focused on delivering long-term shareholder and stakeholder value through the discovery, delineation and development of large-scale natural gas fields in the Americas, supporting energy transition and economic growth. NGE's team has extensive technical and capital markets expertise with a proven track record of building companies and creating significant value in South America. In Colombia, the Company is executing on this mission with a rapidly growing production base and an industry-leading growth trajectory, delivering natural gas into the premium-priced Colombian marketplace (~US\$8/MMBtu) with projected triple digit production growth over the next 2-3 years towards a production goal of 200 MMcf/d. To date, the Company has raised over US\$200 million in debt and equity and has constructed and commissioned 3 gathering, processing and treatment facilities and associated pipelines with gross processing and transportation capacity of 60 MMcf/d expected in Q3 2025 with significant capital contributions from insiders who currently own approximately 32% of the Company. For more

information, please visit SEDAR+ (www.sedarplus.ca) and the Company's website (www.ngenergyintl.com).

Cautionary Statement Regarding Forward-Looking Information

This news release contains "forward-looking information" and "forward-looking statements" (collectively, "forward-looking statements") within the meaning of the applicable Canadian securities legislation. All statements, other than statements of historical fact, are forward-looking statements and are based on expectations, estimates and projections as at the date of this news release, including, without limitation, statements related to production growth at the Sinu-9 Block, the timeline for brining processing and production capacity online at the Sinu-9 Block, the drilling of the Aruchara-4 well and completion of the Company's transaction with Maurel & Prom. Any statement that involves discussions with respect to predictions, expectations, beliefs, plans, projections, objectives, assumptions, future events or performance (often but not always using phrases such as "expects", or "does not expect", "is expected", "anticipates" or "does not anticipate", "plans", "budget", "scheduled", "forecasts", "estimates", "believes" or "intends" or variations of such words and phrases or stating that certain actions, events or results "may" or "could", "would", "might" or "will" be taken to occur or be achieved) are not statements of historical fact and may be forward-looking statements.

Forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Factors that could cause actual results to differ materially from those anticipated in these forward-looking statements are described under the caption "Risk Factors" in the Company's most recent Management Discussion and Analysis and its Annual Information Form dated April 28, 2025, which are available for view on SEDAR+ at www.sedarplus.ca. These risks include but are not limited to, the risks associated with the oil and natural gas industry, such as exploration, production and general operational risks, the volatility of pricing for oil and natural gas, the inability to market natural gas production and changes in natural gas sale prices, changing investor sentiment about the oil and natural gas industry, any delays in production, marketing and transportation of natural gas, drilling costs and availability of equipment, regulatory approval risks and environmental, health and safety risks. Forward-looking statements contained herein are made as of the date of this news release, and the Company disclaims, other than as required by law, any obligation to update any forward-looking statements whether as a result of new information, results, future events, circumstances, or if management's estimates or opinions should change, or otherwise. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, the reader is cautioned not to place undue reliance on forward-looking statements.

Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

Abbreviations

The abbreviations set forth below have the following meanings:

Oil, Natural Gas Liquids and Natural Gas

Mbbl thousand barrels

Mcf thousand cubic feet

MMcf million cubic feet

MMcf/d million cubic feet per day

Bcf billion cubic feet

MMBtu one million British thermal units

Other

FY fiscal year

H2 second half

km kilometre

NPV₁₀ net present value using a 10% forward discount rate

Q3 third quarter

Q4 fourth quarter

WI working interest

YoY year-over-year

Information Regarding the Company's Working Interest Disclosure

With regard to the Company's working interests held in both the Maria Conchita and Sinu-9 Blocks, in both the context of this news release and the Company's previous news releases, the term "working interest", ultimately refers to the rights and obligations agreed to, eventually, materialize a contractual interest in an exploration and production contract before the ANH, subject to the fulfillment of certain conditions. These conditions involve the assumption of financial risks and are generally linked to exploration by virtue of joint operating agreements. Once such conditions are fulfilled, the acquisition of a registered contractual interest, as party of record, in the exploration and production contract may materialize, by way of a request for approval of assignment before the ANH. For this reason, as is common practice within the oil and natural gas industry as a whole, the disclosed "working interest" may not coincide with the Company's current contractual interest in the exploration and production contract.

The assignment and allocation of "working interests" does not affect or undermine, in any way, the rights and obligations of registered parties under the relevant exploration and production contracts. Registered parties remain wholly and totally liable before the ANH, the Colombian authorities and third parties in connection with any and all obligations, risks and liabilities derived from the execution, performance or termination of the exploration and production contracts. Conversely, the rights and obligations that comprise "working interests" are only enforceable vis a vis between the executing parties under private agreements, and have no legal effects before the ANH, the Colombian authorities or third parties.

As of the date hereof, the Company is a party of record and holds a 51% contractual interest, in the exploration and production contract for the Sinu-9 Block granted by and entered into with ANH. However, under the private agreements regarding the working interests in the Sinu-9 Block, the Company holds a 72% working interest. This means a 21% working interest is yet to be assigned and acknowledged as a contractual interest in the exploration and production contract, given the conditions to do so, including ANH approval, are yet to be fulfilled. Once these conditions are met, the Company will submit an approval request with ANH.

As disclosed in the Company's news release dated February 10, 2025, the Company has agreed to sell a 40% contractual interest in the exploration and production contract for the Sinu-9 Block to Etablissements Maurel & Prom S.A., effective as of February 1, 2025. Additionally, Clean Energy Resources S.A.S. remains the operator of record under such exploration and production contract and before the ANH.

With respect to the Maria Conchita Block, the Company holds 100% of the contractual interest as the sole party and operator of record under the relevant exploration and production contract entered into with the ANH, and holds an 80% working interest under private agreements with third parties.

Information Regarding the Preparation of Reserves and Resource Information

Sproule International Limited ("Sproule ERCE"), an independent qualified reserves and resources evaluator, has conducted the reserves and resource evaluation for the Maria Conchita Block and the Sinú-9 Block in accordance with the Canadian Oil and Gas Evaluation Handbook (the "COGE Handbook"). It adheres in all material aspects to the principles and definitions established by the Calgary Chapter of the Society of Petroleum Evaluation Engineers regarding annual reserve and resource reports that are being released in the public domain. The COGE Handbook is incorporated by reference in National Instrument 51-101 - Standards of Disclosure for Oil and Gas Activities.

The Company's Form 51-101F1 - Statement of Reserves Data and Other Oil and Gas Information for the fiscal year ended December 31, 2024, prepared by Sproule ERCE in accordance with the COGE Handbook with an effective date of December 31, 2024 (the "2024 51-101F1") was filed on SEDAR+ on April 28, 2025. As per the requirements of Form 51-101F1, since the Maria Conchita Block and the Sinú-9 Block are both located in Colombia, the Company has disclosed its reserves in the 2024 51-101F1 on an aggregated basis. The reserves in the 2024 51-101F1, which are attributed to the Sinú-9 Block are based on the Sinú-9 Report (as defined below) and the reserves in the 2024 51-101F1, which are attributed to the Maria Conchita Block are based on the Maria Conchita Report (as defined below). The Company uses natural gas liquids and conventional natural gas as the two product types to report the Company's reserves.

The report entitled "Evaluation of the P&NG Reserves and Resources of NG Energy International in the Sinu-9 Block, Colombia" (the "Sinu-9 Report") was prepared by Sproule ERCE with an effective date of December 31, 2024 and a preparation date of February 28, 2025. The Company's working interest in Sinu-9, located in the Lower Magdalena Valley basin in the Cordoba department, Colombia, is 72%, subject to payment of ANH sliding scale royalties and a reduction to 32% upon completion of the Company's sale of a 40% working interest in Sinu-9 to M&P as announced in the Company's news release dated February 10, 2025. Reserves and resources attributed to the Hechizo, Brujo, Magico, Mago, Hechicero, Encanto, Milagroso, Porquero, Embrujo, Ensalmó and Sortilegio zones have been included in the Sinu-9 Report. Contingent resources for Sinu-9 are petroleum and natural gas classified as "development pending" and are attributed a chance of development of 80%. The prospective resources assigned to the Brujo-Porquero, Hechicero-Porquero and Milagroso fields are subclassified as "prospects" and are attributed a chance of discovery of 58-60% and a chance of development of 66%. The prospective resources assigned to the Embrujo, Ensalmó and Sortilegio fields are subclassified as "lead" and are attributed a chance of discovery of 25-30% and a chance of development of 41%.

The report entitled "Evaluation of the P&NG Reserves and Resources of NG Energy International in the Maria Conchita Block, Colombia" (the "Maria Conchita Report") was prepared by Sproule ERCE with an effective date of December 31, 2024 and a preparation date of February 28, 2025. The Company holds an 80% working interest in Maria Conchita, located in the Guajira Basin, Colombia. Reserves and resources attributed to the H1, H1A, H1A1, H1B, H2, H2B, H3, H4, LM2 and limestone zones have been included in the Maria Conchita Report. Contingent resources for Maria Conchita are petroleum and natural gas classified as "development pending" and are attributed a chance of development of 0.73. The prospective resources for Maria Conchita are subclassified as "prospect" and are attributed a chance of discovery of 27-41% and a chance of development of 0.73.

For additional information regarding the Sinú-9 Report, the Maria Conchita Report and the reserves and resources information contained in this news release please see the 2024 51-101F1 filed on SEDAR+ on April 28, 2025, and the Company's news release dated April 24, 2025 entitled "NG Energy Announces Increased Year-End Reserves and Resources".

Caution Respecting Reserves Information

The determination of oil and natural gas reserves involves the preparation of estimates that have an inherent degree of associated uncertainty. Categories of Proved, Probable and Possible reserves have been established to reflect the level of these uncertainties and to provide an indication of the probability of recovery. The estimation and classification of reserves requires the application of professional judgement combined with geological and engineering knowledge to assess whether or not specific reserves classification criteria have been satisfied. Knowledge of concepts including uncertainty and risk, probability and statistics, and deterministic and probabilistic estimation methods is required to properly use and apply reserves definitions.

The recovery and reserve estimates of natural gas liquids and natural gas reserves provided herein are estimates only. Actual reserves may be greater than or less than the estimates provided herein. The estimated future net revenue from the production of the disclosed natural gas reserves, whether calculated without discount or using a discount rate, does not represent the fair market value of these reserves. Estimates of reserves and future net revenue for individual properties may not reflect the same confidence level as estimates of reserves and future net revenue for all properties, due to the effects of aggregation.

Information Regarding Reserves

Reserves are estimated remaining quantities of commercially recoverable oil, natural gas and related substances anticipated to be recoverable from known accumulations, as of a given date, based on the analysis of drilling, geological, geophysical and engineering data; the use of established technology; and specified economic conditions, which are generally accepted as being reasonable. Reserves are further classified according to the level of certainty associated with the estimates and may be subclassified based on development and production status.

"Proved reserves" are those reserves that can be estimated with a high degree of certainty to be recoverable. It is likely that the actual remaining quantities recovered will exceed the estimated Proved reserves.

"Probable reserves" are those additional reserves that are less certain to be recovered than Proved reserves. It is equally likely that the actual remaining quantities recovered will be greater or less than the sum of the estimated Proved plus Probable reserves.

"Possible reserves" are those additional reserves that are less certain to be recovered than Probable reserves. It is unlikely that the actual remaining quantities recovered will exceed the sum of the estimated Proved plus Probable plus Possible reserves. There is a 10% probability that the quantities actually recovered will equal or exceed the sum of Proved plus Probable plus Possible reserves.

The qualitative certainty levels referred to in the definitions above are applicable to "individual reserves entities" (which refers to the lowest level at which reserves calculations are performed) and to "reported reserves" (which refers to the highest-level sum of individual entity estimates for which reserves estimates are presented). Reported reserves should target the following levels of certainty under a specific set of economic conditions:

- at least a 90% probability that the quantities actually recovered will equal or exceed the estimated Proved reserves; and
- at least a 50% probability that the quantities actually recovered will equal or exceed the sum of estimated Proved plus Probable reserves.

A qualitative measure of the certainty levels pertaining to estimates prepared for the various reserves categories is desirable to provide a clearer understanding of the associated risks and uncertainties. However, the majority of reserves estimates will be prepared using deterministic methods that do not provide a mathematically derived quantitative measure of probability. In principle, there should be no difference between estimates prepared using probabilistic or deterministic methods.

Each of the reserve categories (Proved and Probable) may be divided into developed and undeveloped categories as follows:

"Developed Producing reserves" are those reserves that are expected to be recovered from completion intervals open at the time of the estimate. These reserves may be currently producing or, if shut-in, they must have previously been on production, and the date of resumption of production must be known with reasonable certainty.

"Developed Non-Producing reserves" are those reserves that either have not been on production, or have previously been on production, but are shut-in, and the date of resumption of production is unknown.

"Undeveloped reserves" are those reserves expected to be recovered from known accumulations where a significant expenditure (e.g., when compared to the cost of drilling a well) is required to render them capable of production. They must fully meet the requirements of the reserves classification (Proved, Probable and Possible) to which they are assigned and expected to be developed within a limited time.

In multi-well pools it may be appropriate to allocate total pool reserves between the developed and undeveloped subclasses or to subdivide the developed reserves for the pool between developed producing and developed nonproducing. This allocation should be based on the estimator's assessment as to the reserves that will be recovered from specific wells, facilities and completion intervals in the pool and their respective development and production status.

Information Regarding Condensate

Contact

For further information: NG Energy International Corp., Brian Paes-Braga, Executive Chairman; Jorge Fonseca, CEO, Tel: +44 7 498 238338
"Condensate" also called "gas condensate", or "natural gas liquids", is a low-density mixture of hydrocarbon liquids that are present as gaseous components in the raw natural gas produced from many natural gas fields. Some natural gas species within the raw natural gas will condensate to a liquid state if the temperature is reduced to below the hydrocarbon dew point temperature at a set pressure. Raw natural gas may come from any one of three types of natural gas wells:

- **Crude Oil Wells:** Raw natural gas that comes from crude oil wells is called "associated gas". This natural gas can exist separate from crude oil in the underground formation or be dissolved in the crude oil. Condensate produced from oil wells is often referred to as "lease condensate".
- **Dry Gas Wells:** These wells typically produce only raw natural gas that contains no hydrocarbon liquids. Such natural gas is called "non-associated gas". Condensate from dry natural gas is extracted at natural gas processing plants and is often called "plant condensate"; and
- **Condensate Wells:** These wells produce raw natural gas along with natural gas liquids. Such natural gas is also called "associated gas" and is often referred to as "wet gas".

SOURCE NG Energy International Corp.