LNG ENERGY GROUP ANNOUNCES 2024 PRODUCTION AND CAPITAL GUIDANCE AND PROVIDES OPERATIONAL UPDATE

Highlights:

- ***Projected to generate between $33-39 million of EBITDA in 2024.***
- ***Targeting 2024 exit rate gross operated production of between 40 MMcfe/d and 44 MMcfe/d.***
- ***Locked-in weighted average natural gas sales price of $7.5/Mcf for the Company's firm take-or-pay contract volumes of 18.1 MMcf/d.***
- ***Projected operating netback between $5.4/Mcfe and $5.5/Mcfe.***
- ***Budgeted net capital expenditures of approximately $10-$12 million to fund a five to six well workover program, one development well and two to four exploration wells.***
- ***Approximately $12 million amortization of term-loan debt principal, representing build up of equity value for shareholders of C$0.10 per share in 2024.***

March 5, 2024 – Toronto, Ontario – LNG Energy Group Corp. (TSXV: LNGE) (TSXV: LNGE.WT) (OTCQB: LNGNF) (FRA: E26) (the "**Company**" or "**LNG Energy Group**") is pleased to provide 2024 Guidance and an operational update.

All dollar amounts in this news release are expressed in United States dollars except where otherwise indicated or noted.

"2023 was focused upon the acquisition and financing of Lewis Energy Colombia, Inc., which closed in August 2023. In 2024, we are focused on the optimization of our existing portfolio of producing wells, including the new BO-5 well that encountered natural gas and oil in two formations. We are excited to expand on our early success and drive production growth in a capital efficient way," commented Pablo Navarro, Chairman and Chief Executive Officer of the Company. "We remain very pleased with the natural gas market in Colombia, and its potential. Our production philosophy should allow us to maintain stable production while allowing us to meet our contractual obligations at attractive market prices. This will result in further equity value creation for all shareholders."

<u>Production and Capital Guidance</u>

2024 Corporate Guidance

Category	2024 Low End Guidance	2024 High End Guidance
Exit Rate Gross Production (MMcfe/d)(1)	40	44
Contracted Natural Gas Volumes (MMcf/d)(2)	18.1	
Natural Gas % of total production	93%	95%
Weighted Average Contract Price ($/Mcf)	$7.5	
Operating Netback ($/Mcfe)(3)	$5.4	$5.5
EBITDA ($ millions)(4)	$33	$39

Net Capital Expenditures ($ millions)	$10	$12
Term-loan Debt Principal Repayment ($ millions)	$12	

(1) MMcfe – see section entitled “Boe Conversion”. Please note that the Company has a 50% W.I. in the SSJN-1 Block, being the producing block.
(2) MMcf/d – see section entitled “Boe Conversion”. The Company is a party to various take-or-pay agreements that have a range of maturities from two to five-year terms.
(3) MMcfe – see section entitled “Boe Conversion”.
(4) Non-IFRS financial measure - see section entitled “Non-IFRS and Other Measures”.

The Company’s guidance assumes that there will be demand coming from the interruptible gas sales market, including contractual downtime. The interruptible spot sales price assumes a total weight average natural gas sales price being approximately $7.5/Mcf at the wellhead.

2024 Capital Expenditure Activity

Workovers

In 2024, the Company is planning to complete a five to six well workover program. This plan aims to both sustain and grow the existing gross production of 36 MMcf/d in the Bullerengue field (50% W.I.). Notable opportunities include the Bullerengue Oeste-4 and Bullerengue Oeste-5 wells, which together have the potential to bring on incremental natural gas production.

Development Drilling

In 2024, the Company is planning to drill one development well in the Bullerengue field.

Exploration Drilling

In 2024, the Company is planning to drill two to four exploration wells on the SSJN-1 and Perdices Blocks, targeting the Lower Porquero, Cienega de Oro and/or Chengue formations with the potential to unlock Prospective Resources[1].

(1) See section entitled “Information Regarding Prospective Resources”.

Corporate Strategy

LNG Energy Group plans to build Latin America’s next energy platform sustainably and responsibly. To achieve this, the Company will leverage the operational expertise of its subsidiary, Lewis Energy Colombia, Inc. (“**LEC**”) purchased on August 15, 2023, and the operational and transactional experience of its Board and Management team.

In 2024, the Company plans to:

- Capitalize on existing firm take-or-pay contracts[1], which are projected to be almost 3x the Henry Hub natural gas benchmark in 2024[2].
- Grow base production through modest workover program with additional production upside potential through combination of new exploration and development wells.
- Approximately $12 million amortization of term-loan debt principal, representing build up of equity value for shareholders of C$0.10 per share in 2024.

- Optimize operations and realize efficiencies from vertical integration.

(1) The Company is a party to various take-or-pay agreements that have a range of maturities from two to five-year term.
(2) Per Natural Gas Intelligence, as of February 23, 2024, the average forward delivery price of Henry Hub from March-December 2024 was $2.4/MMbtu vs. LEC's weighted average contract price of $7.0/MMbtu.

Operations Update

- In August 2023, LEC, an indirect wholly-owned subsidiary of the Company, entered into two new long-term natural gas sales contracts running through 2028, increasing the 2024 weighted average contract price as compared to 2023.(1)
- Successful drilling and completion of the Bullerengue Oeste-5 well which proved the presence of natural gas and oil in a new compartment of the Bullerengue field.
- Q4 2023 net production remained flat quarter-over-quarter at approximately 18 MMcf/d of natural gas and approximately 200 bbl/d of condensate.

(1) The Company is a party to various take-or-pay agreements that have a range of maturities from two year to five-year term.

About LNG Energy Group

The Company is focused on the acquisition and development of natural gas production and exploration assets in Latin America. For more information, please visit www.lngenergygroup.com.

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CAUTIONARY NOTE REGARDING FORWARD-LOOKING INFORMATION:

This news release contains "forward-looking information" and "forward-looking statements" (collectively, "forward-looking statements") within the meaning of applicable Canadian securities laws. 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. Any statement that involves discussions with respect to predictions, expectations, beliefs, plans, projections, objectives, assumptions, future events or performance (often using phrases such as "expects", "anticipates", "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", "should", "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 are necessarily based upon a number of estimates and assumptions that, while considered reasonable, are subject to known and unknown risks, uncertainties and other factors which may cause actual results and future events to differ materially from those expressed or implied by such forward-looking statements. Such factors include: general business, economic, competitive, political and social uncertainties; delay or failure to receive any necessary board, shareholder or regulatory approvals, factors may occur which impede or prevent LNG Energy Group's future business plans; and other factors beyond the control of LNG Energy Group. There can be no assurance that such statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on the forward-looking statements and information contained in this news release. Except as required by law, LNG Energy Group assumes no obligation to update the forward-looking statements, whether they change as a result of new information, future events or otherwise, except as required by law.

NON-IFRS AND OTHER MEASURES:

Two of the benchmarks the Company uses to evaluate its performance are EBITDA and Operating Netbacks, which are measures not defined in IFRS. EBITDA is defined as net income (loss) and comprehensive income (loss) adjusted for interest, income taxes, depreciation, depletion, amortization, pre-license costs and other similar non-recurring or non-cash charges. Operating Netback is a benchmark common in the oil and gas industry and is calculated as revenue, less royalties, less operating expenses, calculated on a per unit basis of sales volumes. Operating Netback is an important measure in evaluating operational performance as it demonstrates profitability relative to current commodity prices. Operating Netback as presented does not have any standardized meaning prescribed by IFRS and therefore may not be comparable with the calculation of similar measures for other entities.

LNG Energy Group considers these measures as key measures to demonstrate its ability to generate the cash flow necessary to fund future growth through capital investment, pay dividends and repay its debt. These measures should not be considered as an alternative to, or more meaningful than, cash provided by operating activities or net income (loss) and comprehensive income (loss) as determined in accordance with IFRS as an indicator of the Company's performance. The Company determination to take these measures may not be comparable to that reported by other companies.

BOE CONVERSION

The term "boe" is used in this news release. Boe may be misleading, particularly if used in isolation. A boe conversion ratio of cubic feet to barrels is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead. In this news release, *boe has been expressed using the Colombian conversion standard of 5.7 Mcf: 1 bbl required by the Colombian Ministry of Mines and Energy. In addition, as the value ratio between oil and natural gas based on current market values is significantly different from the energy equivalency of 5.7:1, utilizing a conversion of 5.7:1 may be misleading as an indication of value.*

Definitions:	
1P	Proved reserves
2P	Proved plus probable reserves
3P	Proved plus probable plus Possible reserves
bbl(s)	Barrel(s) of oil
boe	Refer to "Boe Conversion" disclosure above
boe/d	Barrel of oil equivalent per day
btu	British thermal units
Gross Production	Refers to working interest (operating or non-operating) share before deduction of royalties and without including any royalty interests of the Company
Mboe	Thousand barrels of oil equivalent
MMboe	Million barrels of oil equivalent
MMbtu	Million British thermal units
Mcf	Thousand cubic feet
Net Production	Refers to working interest (operating or non-operating) share after deduction of royalty obligations, plus the Company's royalty interests in production or reserves
W.I.	Working interest

*"**Proved 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 in production, and the date of resumption of production must be known with reasonable certainty.*

*"**Proved 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.*

*"**Proved 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 category (proved, probable, possible) to which they are assigned.*

*"**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. There is a 90 percent probability that the quantities actually recovered will equal or exceed the sum of 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. There is a 50 percent probability that the quantities actually recovered will equal or exceed the sum of 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 percent probability that the quantities actually recovered will equal or exceed the sum of proved plus probable plus possible reserves.*

Information Regarding Contingent Resources

*“**Contingent Resources**” are those quantities of oil or gas estimated, as of a given date, to be potentially recoverable from known accumulations using established technology or technology under development but which are not currently considered to be commercially recoverable due to one or more contingencies. Contingencies are conditions that must be satisfied for a portion of contingent resources to be classified as reserves that are: (a) specific to the project being evaluated; and (b) expected to be resolved within a reasonable timeframe.*

Information Regarding Prospective Resources

*“**Prospective Resources**” are defined in the COGE Handbook as those quantities of petroleum estimated, as of a given date, to be potentially recoverable from undiscovered accumulations by applying future development projects. Prospective Resources have both an associated chance of discovery and a chance of development. Prospective Resources are further categorized according to the level of certainty associated with recoverable estimates assuming their discovery and development and may be sub-classified based on project maturity.*