GEOPARK LIMITED

CONSOLIDATED
FINANCIAL STATEMENTS

As of and for the year ended December 31, 2023

CONTENTS

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the shareholders and the Board of Directors of
GeoPark Limited

Opinion on the Financial Statements

We have audited the accompanying consolidated statement of financial position of GeoPark Limited (the Company) as of December 31, 2023, the related consolidated statements of income, comprehensive income, changes in equity and cash flows for the year then ended and the related notes (collectively referred to as the "consolidated financial statements"). In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Company at December 31, 2023, and the results of its operations and its cash flows for the year then ended, in conformity with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB).

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the Company's internal control over financial reporting as of December 31, 2023, based on criteria established in Internal Control-Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (2013 framework) and our report dated March 27, 2024 expressed an adverse opinion on the effectiveness of internal control over financial reporting.

Basis for Opinion

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statements based on our audit. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. Our audit included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audit also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audit provides a reasonable basis for our opinion.

Critical Audit Matter

The critical audit matter communicated below is a matter arising from the current period audit of the financial statements that was communicated or required to be communicated to the audit committee and that: (i) relates to accounts or disclosures that are material to the financial statements and (ii) involved our especially challenging, subjective or complex judgments. The communication of the critical audit matter does not alter in any way our opinion on the consolidated financial statements, taken as a whole, and we are not, by communicating the critical audit matter below, providing a separate opinion on the critical audit matter or on the accounts or disclosures to which it relates.

Impact of estimated proved and probable oil and gas reserves on the depreciation of oil and gas properties

Description of the Matter

As discussed in Note 2.11, the proved and probable reserves are used by the Company in the depreciation of the capitalized costs of proved oil and gas properties and production facilities and machinery, using the unit-of-production method based on commercial proved and probable oil and gas reserves, as estimated by independent reserves engineers. As described in Note 10 and 20 to the consolidated financial statements, the carrying value of the Company's oil and gas properties and production facilities and machinery was $587 million as of December 31, 2023, and depreciation expense was $108 million for the year then ended. The estimation of proved and probable oil and gas reserves also requires the evaluation of inputs, including oil and gas prices and quality differentials, historical oil and gas production, royalties and future development and operating costs, among others.

Auditing the Company's calculation of depreciation of oil and gas properties was complex because of the use of the work of the independent reserves engineers and the evaluation of management's determination of the inputs described above used by the engineers in estimating proved and probable oil and gas reserves.

How We Addressed the Matter in Our Audit

We obtained an understanding, evaluated the design and tested the operating effectiveness of the Company's internal controls over its process to calculate depreciation of oil and gas properties, including management's controls over the completeness and the accuracy of the financial data provided to the specialists for use in estimating proved and probable oil and gas reserves.

Our audit procedures included, among others, obtaining the reserves report from the independent reserves engineers and evaluating the competency and objectivity of the independent reserves engineers and management´s qualified persons responsible for overseeing the preparation of the reserves estimates through the consideration of their professional qualifications and experience, as well as the use of generally accepted practices and methodologies in preparing reserves estimates. Additionally, we evaluated the completeness and accuracy of the financial data and inputs used by the independent reserves engineers in estimating proved and probable oil and gas reserves by agreeing the inputs to source documentation and comparing them to historical results. For the future development costs, we also evaluated management's development plan by assessing consistency of the development projections with the Company's drill plan and the availability of capital to develop such plan. We also tested the mathematical accuracy of the depreciation computations for oil and gas properties, including testing the underlying data by comparing the proved and probable oil and gas reserves amounts used in the calculations to the reserves report prepared by the independent reserves engineers.

/s/ ERNST & YOUNG AUDIT S.A.S
Member of Ernst & Young Global Limited

We have served as the Company's auditor since 2023.
Bogotá, Colombia
March 27, 2024

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the shareholders and the Board of Directors of
GeoPark Limited

Opinion on the Financial Statements

We have audited the accompanying consolidated statement of financial position of GeoPark Limited (the Company) as of December 31, 2022, the related consolidated statements of income, comprehensive income, changes in equity and cash flows for each of the two years in the period ended December 31, 2022, and the related notes (collectively referred to as the "consolidated financial statements"). In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Company at December 31, 2022, and the results of its operations and its cash flows for each of the two years in the period ended December 31, 2022, in conformity with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB).

Basis for Opinion

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

/s/ PISTRELLI, HENRY MARTIN Y ASOCIADOS S.R.L.
Member of Ernst & Young Global Limited

We served as the Company's auditor from 2020 to 2023.
Buenos Aires, Argentina
March 8, 2023

CONSOLIDATED STATEMENT OF INCOME

Amounts in US$´000	Note	2023	2022	2021
REVENUE	**7**	**756,625**	**1,049,579**	**688,543**
Commodity risk management contracts loss	8	—	(70,221)	(109,191)
Production and operating costs	9	(232,325)	(359,779)	(212,790)
Geological and geophysical expenses	12	(11,192)	(10,529)	(7,891)
Administrative expenses	13	(43,969)	(50,024)	(46,828)
Selling expenses	14	(13,084)	(7,995)	(8,730)
Depreciation		(120,934)	(96,692)	(88,969)
Write-off of unsuccessful exploration efforts	20	(29,563)	(25,789)	(12,262)
Impairment loss for non-financial assets, net	20-37	(13,332)	—	(4,334)
Other (expenses) income [(a)]		(21,319)	527	(11,739)
OPERATING PROFIT		**270,907**	**429,077**	**185,809**
Financial expenses	15	(45,815)	(57,073)	(64,112)
Financial income	15	6,237	3,180	1,652
Foreign exchange (loss) gain	15	(16,820)	19,725	5,049
PROFIT BEFORE INCOME TAX		**214,509**	**394,909**	**128,398**
Income tax expense	17	(103,441)	(170,474)	(67,271)
PROFIT FOR THE YEAR		**111,068**	**224,435**	**61,127**
Earnings per share (in US$). Basic	19	**1.95**	**3.78**	**1.00**
Earnings per share (in US$). Diluted	19	**1.94**	**3.75**	**0.99**

[(a)] Includes results related to business transactions in Chile and Argentina. See Note 36.

The notes on pages 10 to 77 are an integral part of these Consolidated Financial Statements.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Amounts in US$´000	2023	2022	2021
Profit for the year	111,068	224,435	61,127
Other comprehensive income:			
Items that may be subsequently reclassified to profit or loss			
Currency translation differences	1,624	2,121	(1,438)
Gain on cash flow hedges [(a)]	2,738	966	—
Income tax expense relating to cash flow hedges	(1,369)	(483)	—
Other comprehensive profit (loss) for the year	**2,993**	**2,604**	**(1,438)**
Total comprehensive profit for the year	**114,061**	**227,039**	**59,689**

[(a)] Unrealized result on commodity risk management contracts designated as cash flow hedges. See Note 8.

The notes on pages 10 to 77 are an integral part of these Consolidated Financial Statements.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

Amounts in US$´000	Note	2023	2022
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	20	686,824	666,879
Right-of-use assets	28	28,451	37,011
Prepayments and other receivables	22	3,063	121
Other financial assets	25	12,564	12,877
Deferred income tax asset	18	15,920	18,943
TOTAL NON-CURRENT ASSETS		**746,822**	**735,831**
CURRENT ASSETS			
Inventories	23	13,552	14,434
Trade receivables	24	65,049	71,794
Prepayments and other receivables	22	25,896	22,106
Derivative financial instrument assets	25	3,775	967
Cash and cash equivalents	25	133,036	128,843
Assets held for sale	36	28,419	—
TOTAL CURRENT ASSETS		**269,727**	**238,144**
TOTAL ASSETS		**1,016,549**	**973,975**
EQUITY			
Equity attributable to owners of the Company			
Share capital	26.1	55	58
Share premium		111,281	134,798
Translation reserve		(9,962)	(11,586)
Other reserves		45,116	73,462
Retained earnings (Accumulated losses)		29,530	(81,147)
TOTAL EQUITY		**176,020**	**115,585**
LIABILITIES			
NON-CURRENT LIABILITIES			
Borrowings	27	488,453	485,114
Lease liabilities	28	23,387	22,051
Provisions and other long-term liabilities	29	34,083	51,947
Deferred income tax liability	18	64,063	70,123
TOTAL NON-CURRENT LIABILITIES		**609,986**	**629,235**
CURRENT LIABILITIES			
Borrowings	27	12,528	12,528
Lease liabilities	28	8,911	10,000
Derivative financial instrument liabilities	25	70	19
Current income tax liabilities	17	44,269	65,002
Trade and other payables	30	137,817	141,606
Liabilities associated with assets held for sale	36	26,948	—
TOTAL CURRENT LIABILITIES		**230,543**	**229,155**
TOTAL LIABILITIES		**840,529**	**858,390**
TOTAL EQUITY AND LIABILITIES		**1,016,549**	**973,975**

The notes on pages 10 to 77 are an integral part of these Consolidated Financial Statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Amount in US$'000	Attributable to owners of the Company					
	Share Capital	Share Premium	Translation Reserve	Other Reserves	Retained Earnings (Accumulated Losses)	Total
Equity as of January 1, 2021	**61**	**179,399**	**(12,269)**	**104,485**	**(380,866)**	**(109,190)**
Comprehensive income:						
Profit for the year	—	—	—	—	61,127	61,127
Other comprehensive loss for the year	—	—	(1,438)	—	—	(1,438)
Total Comprehensive (loss) profit for the year 2021	**—**	**—**	**(1,438)**	**—**	**61,127**	**59,689**
Transactions with owners:						
Share-based payment (Note 31)	—	1,661	—	—	4,960	6,621
Repurchase of shares (Note 26.1.3)	(1)	(11,840)	—	—	—	(11,841)
Cash distribution (Note 26.2)	—	—	—	(7,224)	—	(7,224)
Total 2021	**(1)**	**(10,179)**	**—**	**(7,224)**	**4,960**	**(12,444)**
Balances as of December 31, 2021	**60**	**169,220**	**(13,707)**	**97,261**	**(314,779)**	**(61,945)**
Comprehensive income:						
Profit for the year	—	—	—	—	224,435	224,435
Other comprehensive profit for the year	—	—	2,121	483	—	2,604
Total Comprehensive profit for the year 2022	**—**	**—**	**2,121**	**483**	**224,435**	**227,039**
Transactions with owners:						
Share-based payment (Note 31)	1	1,840	—	—	9,197	11,038
Repurchase of shares (Note 26.1.3)	(3)	(36,262)	—	—	—	(36,265)
Cash distribution (Note 26.2)	—	—	—	(24,282)	—	(24,282)
Total 2022	**(2)**	**(34,422)**	**—**	**(24,282)**	**9,197**	**(49,509)**
Balances as of December 31, 2022	**58**	**134,798**	**(11,586)**	**73,462**	**(81,147)**	**115,585**
Comprehensive income:						
Profit for the year	—	—	—	—	111,068	111,068
Other comprehensive profit for the year	—	—	1,624	1,369	—	2,993
Total Comprehensive profit for the year 2023	**—**	**—**	**1,624**	**1,369**	**111,068**	**114,061**
Transactions with owners:						
Share-based payment (Note 31)	1	7,718	—	—	(391)	7,328
Repurchase of shares (Note 26.1.3)	(4)	(31,235)	—	—	—	(31,239)
Cash distribution (Note 26.2)	—	—	—	(29,715)	—	(29,715)
Total 2023	**(3)**	**(23,517)**	**—**	**(29,715)**	**(391)**	**(53,626)**
Balances as of December 31, 2023	**55**	**111,281**	**(9,962)**	**45,116**	**29,530**	**176,020**

The notes on pages 10 to 77 are an integral part of these Consolidated Financial Statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

Amounts in US$'000	Note	2023	2022	2021
Cash flows from operating activities				
Profit for the year		111,068	224,435	61,127
Adjustments for:				
Income tax expense	17	103,441	170,474	67,271
Depreciation		120,934	96,692	88,969
Loss on disposal of property, plant and equipment		426	73	787
Impairment loss for non-financial assets	20-37	13,332	—	4,334
Write-off of unsuccessful exploration efforts	20	29,563	25,789	12,262
Accrual of borrowing's interests		30,839	36,360	44,378
Borrowings cancellation costs	15	—	5,141	6,308
Amortization of other long-term liabilities	29	(127)	(2,407)	(223)
Unwinding of long-term liabilities	15	6,456	6,026	5,079
Accrual of share-based payment		7,328	11,038	6,621
Foreign exchange loss (gain)	15	19,729	(19,725)	(5,049)
Unrealized gain on commodity risk management contracts	8	—	(13,023)	(463)
Income tax paid [a]		(115,626)	(33,355)	(65,273)
Changes in working capital [b]	5	(26,425)	(40,047)	(9,351)
Cash flows from operating activities – net		**300,938**	**467,471**	**216,777**
Cash flows from investing activities				
Purchase of property, plant and equipment		(199,040)	(168,808)	(129,258)
Proceeds from disposal of long-term assets	36	450	15,135	2,700
Cash flows used in investing activities – net		**(198,590)**	**(153,673)**	**(126,558)**
Cash flows from financing activities				
Proceeds from borrowings	5	—	—	172,174
Debt issuance costs paid	5	—	—	(2,019)
Principal paid	5	—	(172,522)	(274,934)
Interest paid	5	(27,500)	(36,514)	(42,592)
Borrowings cancellation and other costs paid	5	—	(9,118)	(12,908)
Lease payments	5	(10,267)	(7,851)	(7,518)
Repurchase of shares	26.1	(31,239)	(36,265)	(11,841)
Cash distribution	26.2	(29,715)	(24,282)	(7,224)
Payments for transactions with former non-controlling interest		—	—	(3,580)
Cash flows used in financing activities – net		**(98,721)**	**(286,552)**	**(190,442)**
Net increase (decrease) in cash and cash equivalents		**3,627**	**27,246**	**(100,223)**
Cash and cash equivalents at January 1		128,843	100,604	201,907
Currency translation differences		566	993	(1,080)
Cash and cash equivalents at the end of the year		**133,036**	**128,843**	**100,604**
Ending Cash and cash equivalents are specified as follows:				
Cash in bank and bank deposits		133,023	128,831	100,587
Cash in hand		13	12	17
Cash and cash equivalents		**133,036**	**128,843**	**100,604**

(a) Includes self-withholding taxes for US$ 35,116,000, US$ 20,767,000 and US$ 12,469,000 in 2023, 2022 and 2021, respectively.

(b) Includes withholding taxes from clients for US$ 27,558,000, US$ 27,256,000 and US$ 16,361,000 in 2023, 2022 and 2021, respectively.

The notes on pages 10 to 77 are an integral part of these Consolidated Financial Statements.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Note 1 General Information

GeoPark Limited (the "Company") is a company incorporated under the law of Bermuda. The Registered Office address is Clarendon House, 2 Church Street, Hamilton HM11, Bermuda.

The principal activities of the Company and its subsidiaries (the "Group" or "GeoPark") are exploration, development and production for oil and gas reserves in Colombia, Ecuador and Brazil.

These Consolidated Financial Statements were authorized for issue by the Board of Directors on March 6, 2024.

Note 2 Summary of significant accounting policies

The principal accounting policies applied in the preparation of these Consolidated Financial Statements are set out below. These policies have been consistently applied to the years presented, unless otherwise stated.

2.1 Basis of preparation

The Consolidated Financial Statements of GeoPark Limited have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"), under the historical cost basis, except for the following: certain financial assets and liabilities (including derivative instruments) measured at fair value, and assets held for sale – measured at fair value less costs to sell.

The Consolidated Financial Statements are presented in thousands of United States Dollars (US$'000) and all values are rounded to the nearest thousand (US$'000), except in the footnotes and where otherwise indicated.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the Consolidated Financial Statements are disclosed in this note under the title "Accounting estimates and assumptions".

All the information included in these Consolidated Financial Statements corresponds to the Group, except where otherwise indicated.

2.1.1 Changes in accounting policy and disclosure

2.1.1.1 New and amended standards and interpretations

The Group applied for the first-time certain standards and amendments, which are effective for annual periods beginning on or after January 1, 2023, as follows:

<u>IFRS 17 Insurance Contracts</u>

IFRS 17 Insurance Contracts is a comprehensive new accounting standard for insurance contracts covering recognition and measurement, presentation, and disclosure.

This new accounting standard replaces IFRS 4 Insurance Contracts. IFRS 17 applies to all types of insurance contracts (i.e., life, non-life, direct insurance, and re-insurance), regardless of the type of entity that issues them, as well as certain guarantees and financial instruments with discretionary participation features. A few scope exceptions will apply.

The overall objective of IFRS 17 is to provide a comprehensive accounting model for insurance contracts that is more useful and consistent for insurers, covering all relevant accounting aspects. IFRS 17 is based on a general model, supplemented by:

Note 2 Summary of significant accounting policies (continued)

2.1 Basis of preparation (continued)

2.1.1 Changes in accounting policy and disclosure (continued)

2.1.1.1 New and amended standards and interpretations (continued)

- a specific adaptation for contracts with direct participation features (the variable fee approach), and
- a simplified approach (the premium allocation approach) mainly for short-duration contracts.

The new standard had no impact on the Consolidated Financial Statements of the Group.

Definition of Accounting Estimates - Amendments to IAS 8

The amendments to IAS 8 clarify the distinction between changes in accounting estimates, changes in accounting policies and the correction of errors. They also clarify how to use measurement techniques and inputs to develop accounting estimates.

These amendments had no impact on the Consolidated Financial Statements of the Group.

Disclosure of Accounting Policies - Amendments to IAS 1 and IFRS Practice Statement 2

The amendments to IAS 1 and IFRS Practice Statement 2 Making Materiality Judgements provide guidance to apply materiality judgements to accounting policy disclosures. The amendments aim to provide accounting policy disclosures that are more useful by replacing the requirement to disclose their 'significant' accounting policies with a requirement to disclose their 'material' accounting policies and adding guidance on how to apply the concept of materiality in making decisions about accounting policy disclosures.

These amendments had no impact on the Consolidated Financial Statements of the Group.

Deferred Tax related to Assets and Liabilities arising from a Single Transaction – Amendments to IAS 12

The amendments to IAS 12 Income Tax narrow the scope of the initial recognition exception, so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences such as leases and decommissioning liabilities.

These amendments had no impact on the Consolidated Financial Statements of the Group.

International Tax Reform—Pillar Two Model Rules – Amendments to IAS 12

The amendments to IAS 12 have been introduced in response to the OECD's BEPS Pillar Two model rules and include:

- a mandatory temporary exception to the recognition and disclosure of deferred taxes arising from the jurisdictional implementation of the Pillar Two model rules,
- disclosure requirements to assist in better understanding the Pillar Two income taxes arising from that legislation, particularly before its effective date.

The mandatory temporary exception applies immediately. The disclosure requirements apply for annual reporting periods beginning on or after January 1, 2023, but not for any interim periods ending on or before December 31, 2023.

The amendments had no impact on the Consolidated Financial Statements of the Group.

Note 2 Summary of significant accounting policies (continued)

2.1 Basis of preparation (continued)

2.1.1 Changes in accounting policy and disclosure (continued)

2.1.1.2 Standards issued but not yet effective

The new and amended standards and interpretations that have been issued, but are not yet effective, as of the date of issuance of these Consolidated Financial Statements are disclosed below. The Group has not early adopted these new and amended standards and interpretations, and intends to adopt them, if applicable, when they become effective.

Amendments to IFRS 16: Lease Liability in a Sale and Leaseback

In September 2022, the IASB issued amendments to IFRS 16 to specify the requirements that a seller-lessee uses in measuring the lease liability arising in a sale and leaseback transaction, to ensure the seller-lessee does not recognize any amount of the gain or loss that relates to the right of use it retains.

The amendments are effective for annual reporting periods beginning on or after January 1, 2024, and must be applied retrospectively to sale and leaseback transactions entered into after the date of initial application of IFRS 16. Earlier application is permitted, and any earlier application must be disclosed.

The amendments are not expected to have a material impact on the Consolidated Financial Statements of the Group.

Amendments to IAS 1: Classification of Liabilities as Current or Non-current

In January 2020 and October 2022, the IASB issued amendments to paragraphs 69 to 76 of IAS 1 to specify the requirements for classifying liabilities as current or non-current. The amendments clarify:

- what is meant by a right to defer settlement;
- that a right to defer must exist at the end of the reporting period;
- that classification is unaffected by the likelihood that an entity will exercise its deferral right; and
- that only if an embedded derivative in a convertible liability is itself an equity instrument would the terms of a liability not impact its classification.

In addition, a requirement has been introduced to require disclosure when a liability arising from a loan agreement is classified as non-current and the entity's right to defer settlement is contingent on compliance with future covenants within twelve months.

The amendments are effective for annual reporting periods beginning on or after January 1, 2024, and must be applied retrospectively. The Group is currently assessing the impact the amendments will have on current practice and whether existing loan agreements may require renegotiation.

Supplier Finance Arrangements - Amendments to IAS 7 and IFRS 7

In May 2023, the IASB issued amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures to clarify the characteristics of supplier finance arrangements and require additional disclosure of such arrangements. The disclosure requirements in the amendments are intended to assist users of financial statements in understanding the effects of supplier finance arrangements on an entity's liabilities, cash flows and exposure to liquidity risk.

The amendments will be effective for annual reporting periods beginning on or after January 1, 2024. Early adoption is permitted but would need to be disclosed. The amendments are not expected to have a material impact on the Group's Consolidated Financial Statements.

Note 2 Summary of significant accounting policies (continued)

2.1 Basis of preparation (continued)

2.1.1 Changes in accounting policy and disclosure (continued)

2.1.1.2 Standards issued but not yet effective (continued)

The Enhancement and Standardization of Climate-Related Disclosures for Investors

On March 06, 2024, the Securities and Exchange Commission (SEC) issued the final rule on The Enhancement and Standardization of Climate-Related Disclosures for Investors. This rule mandates the disclosure of information regarding a registrant's climate-related risks that have materially impacted or are reasonably likely to have a material impact on, its business strategy, results of operations, or financial condition. While compliance with this rule is phased in and not required for these Consolidated Financial Statements, the Group is currently assessing the impact of this rule and planification efforts ahead of initial required compliance.

2.2 Going concern

The Directors regularly monitor the Group's cash position and liquidity risks throughout the year to ensure that it has sufficient funds to meet forecasted operational and investment funding requirements. Sensitivities are run to reflect latest expectations of expenditures, oil and gas prices and other factors to enable the Group to manage the risk of any funding short falls and/or potential debt covenant breaches.

Considering the performance of the operations, the Group's cash position of US$ 133,036,000, the oil hedges to mitigate the price risk exposure within the next twelve to fifteen months, the deleveraging process executed in 2021 and 2022 (see Note 27), and the fact that its total indebtedness as of December 31, 2023, matures in January 2027, the Directors have formed a judgement, at the time of approving the Consolidated Financial Statements, that there is a reasonable expectation that the Group has adequate resources to meet all its obligations for the foreseeable future. For this reason, the Directors have continued to adopt the going concern basis in preparing the Consolidated Financial Statements.

2.3 Consolidation

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

Intercompany transactions, balances and unrealized gains on transactions between the Group and its subsidiaries are eliminated. Unrealized losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Amounts reported in the financial statements of subsidiaries have been adjusted where necessary to ensure consistency with the accounting policies adopted by the Group.

2.4 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Executive Committee. This committee is integrated by the Chief Executive Officer, Chief Financial Officer, Chief Technical Officer, Chief Exploration Officer, Chief Operating Officer, Chief Strategy, Sustainability and Legal Officer and Chief People Officer. This committee reviews the Group's internal reporting in order to assess performance and allocate resources. Management has determined the operating segments based on these reports.

Note 2 Summary of significant accounting policies (continued)

2.5 Foreign currency translation

2.5.1 Functional and presentation currency

The Consolidated Financial Statements are presented in US Dollars, which is the Group's presentation currency.

Items included in the Consolidated Financial Statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The functional currency of Group companies incorporated in Colombia, Ecuador, Chile and Argentina is the US Dollar, meanwhile for the Group´s Brazilian company the functional currency is the local currency, which is the Brazilian Real.

2.5.2 Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in the Consolidated Statement of Income.

The results and financial position of foreign operations that have a functional currency different from the presentation currency are translated into the presentation currency as follows: assets and liabilities are translated at the closing rate, and income and expenses are translated at average exchange rates. All resulting exchange differences are recognized in Other comprehensive income.

2.6 Joint arrangements

Under IFRS 11, investments in joint arrangements are classified as either joint operations or joint ventures depending on the contractual rights and obligations of each investor. The Group has assessed the nature of its joint arrangements and determined them to be joint operations. The Group combines its share in the joint operations individual assets, liabilities, results and cash flows on a line-by-line basis with similar items in its Consolidated Financial Statements**.**

2.7 Business combinations

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, which is measured at the acquisition date fair value, and the amount of any non-controlling interests in the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred and included in administrative expenses.

The Group determines that it has acquired a business when the acquired set of activities and assets include an input and a substantive process that together significantly contribute to the ability to create outputs. The acquired process is considered substantive if it is critical to the ability to continue producing outputs, and the inputs acquired include an organized workforce with the necessary skills, knowledge, or experience to perform that process or it significantly contributes to the ability to continue producing outputs and is considered unique or scarce or cannot be replaced without significant cost, effort, or delay in the ability to continue producing outputs.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

Note 2 Summary of significant accounting policies (continued)

2.7 Business combinations (continued)

Any contingent consideration to be transferred by the acquirer will be recognized at fair value at the acquisition date. Contingent consideration classified as equity is not remeasured and its subsequent settlement is accounted for within equity. Contingent consideration classified as an asset or liability that is a financial instrument and within the scope of IFRS 9 Financial Instruments, is measured at fair value with the changes in fair value recognized in the statement of profit or loss in accordance with IFRS 9. Other contingent consideration that is not within the scope of IFRS 9 is measured at fair value at each reporting date with changes in fair value recognized in profit or loss.

Goodwill is initially measured at cost (being the excess of the aggregate of the consideration transferred and the amount recognized for non-controlling interests and any previous interest held over the net identifiable assets acquired and liabilities assumed). If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognized at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognized in profit or loss.

2.8 Revenue recognition

Revenue from the sale of crude oil and gas is recognized at the point in time when control of the product is transferred to the customer, which is generally when the product is physically transferred into a pipe or other delivery mechanism and the customer accepts the product. Consequently, the Group's performance obligations are considered to relate only to the sale of crude oil and gas, with each barrel of crude oil equivalent considered to be a separate performance obligation under the contractual arrangements in place.

The Group's sales of crude oil are priced based on market prices. The sales price is linked to US dollar denominated crude oil international benchmarks, such as Brent, adjusted for certain marketing and quality discounts based on, among other things, American Petroleum Institute ("API") gravity, viscosity, sulphur content, delivery point and transport costs. The Group's sales of natural gas are priced based on long-term Gas Supply contracts with customers.

Revenue is shown net of VAT, discounts related to the sale and overriding royalties due to the ex-owners of oil and gas properties where the royalty arrangements represent a retained working interest in the property. See Note 33.1.

2.9 Production and operating costs

Production and operating costs are recognized in the Consolidated Statement of Income on the accrual basis of accounting. These costs include wages and salaries incurred to achieve the revenue for the year. Direct and indirect costs of raw materials and consumables, rentals, and royalties and economic rights in cash are also included within this account.

2.10 Financial results

Financial results include interest expenses, interest income, bank charges, the amortization of financial assets and liabilities, and foreign exchange gains and losses. The Group has capitalized the borrowing cost directly attributable to wells and facilities identified as qualifying assets, if applicable. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale. The capitalization rate used to determine the amount of borrowing costs to be capitalized, if any, is the weighted average interest rate applicable to the Group's general borrowings.

2.11 Property, plant and equipment

Property, plant and equipment are stated at historical cost less depreciation and impairment charges, if applicable. Historical cost includes expenditure that is directly attributable to the acquisition of the items; including provisions for asset retirement obligation.

Note 2 Summary of significant accounting policies (continued)

2.11 Property, plant and equipment (continued)

Oil and gas exploration and production activities are accounted for in accordance with the successful efforts method on a field by field basis. The Group accounts for exploration and evaluation activities in accordance with IFRS 6, Exploration for and Evaluation of Mineral Resources, capitalizing exploration and evaluation costs until such time as the economic viability of producing the underlying resources is determined. Costs incurred prior to obtaining legal rights to explore are expensed immediately to the Consolidated Statement of Income.

Exploration and evaluation costs may include: license acquisition, geological and geophysical studies (i.e., seismic), direct labor costs and drilling costs of exploratory wells. No depreciation and/or amortization are charged during the exploration and evaluation phase. Upon completion of the evaluation phase, the prospects are either transferred to oil and gas properties or charged to expense (exploration costs) in the period in which the determination is made, depending on whether they have discovered reserves or not. If not developed, exploration and evaluation assets are written off after three years, unless it can be clearly demonstrated that the carrying value of the investment is recoverable.

A charge of US$ 29,563,000 has been recognized in the Consolidated Statement of Income within the 'Write-off of unsuccessful exploration efforts' line item (US$ 25,789,000 in 2022 and US$ 12,262,000 in 2021). See Note 20.

All field development costs are considered construction in progress until they are finished and capitalized within oil and gas properties, and are subject to depreciation once completed. Such costs may include the acquisition and installation of production facilities, development drilling costs (including dry holes, service wells and seismic surveys for development purposes), project-related engineering and the acquisition costs of rights and concessions related to proved properties.

Workovers of wells made to develop reserves and/or increase production are capitalized as development costs. Maintenance costs are charged to the Consolidated Statement of Income when incurred.

Capitalized costs of proved oil and gas properties and production facilities and machinery are depreciated on a licensed area by the licensed area basis, using the unit of production method, based on commercial proved and probable oil and gas reserves. The calculation of the "unit of production" depreciation considers estimated future finding and development costs and is based on current year-end unescalated price levels. Changes in reserves and cost estimates are recognized prospectively. Reserves are converted to equivalent units on the basis of approximate relative energy content.

Depreciation of the remaining property, plant and equipment assets (i.e., furniture and vehicles) not directly associated with oil and gas activities has been calculated by means of the straight-line method by applying such annual rates as required to write-off their value at the end of their estimated useful lives. The useful lives range between 3 years and 10 years.

Depreciation is allocated in the Consolidated Statement of Income as a separate line to better follow the performance of the business.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount (see Impairment of non-financial assets in Note 2.13).

2.12 Provisions and other long-term liabilities

Provisions for asset retirement obligations and other environmental liabilities, deferred income, restructuring obligations and legal claims are recognized when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and the amount has been reliably estimated. Restructuring provisions, if any, comprise lease termination penalties and employee services termination payments.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to the passage of time is recognized as financial expense.

Note 2 Summary of significant accounting policies (continued)

2.12 Provisions and other long-term liabilities (continued)

2.12.1 Asset Retirement Obligation

The Group records the fair value of the liability for asset retirement obligations in the period in which the wells are drilled. When the liability is initially recorded, the Group capitalizes the cost by increasing the carrying amount of the related long-lived asset. Over time, the liability is accreted to its present value at each reporting period, and the capitalized cost is depreciated over the estimated useful life of the related asset. According to interpretations and the application of current legislation, and on the basis of the changes in technology and the variations in the costs of restoration necessary to protect the environment, the Group has considered it appropriate to periodically re-evaluate future costs of well-capping.

The effects of this recalculation are included in the Consolidated Financial Statements in the period in which this recalculation is determined and reflected as an adjustment to the provision and the corresponding property, plant and equipment asset.

2.12.2 Deferred Income

Government grants and other contributions relating to the purchase of property, plant and equipment are included in non-current liabilities as deferred income and they are credited to the Consolidated Statement of Income over the expected lives of the related assets. Grants from the government are recognized at their fair value where there is a reasonable assurance that the grant will be received and the Group will comply with all attached conditions.

2.13 Impairment of non-financial assets

Assets that are not subject to depreciation and/or amortization are tested annually for impairment. Assets that are subject to depreciation and/or amortization are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

An impairment loss is recognized for the excess of the asset's carrying amount over its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units), generally a licensed area. Non-financial assets other than goodwill that suffered impairment are reviewed for possible reversal of the impairment at each reporting date.

No asset should be kept as an exploration and evaluation asset for a period of more than three years, except if it can be clearly demonstrated that the carrying value of the investment will be recoverable.

Impairment losses were recognized for US$ 13,332,000 in 2023 (no impairment losses were recognized in 2022 and US$ 4,334,000 were recognized in 2021). See Note 37. The write-offs are detailed in Note 20.

2.14 Lease contracts – Group as a lessee

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

2.14.1 Right-of-use assets

The Group recognizes right-of-use assets at the commencement date of the lease. Right of use assets are measured at cost, less any accumulated depreciation and impairment losses, an adjusted for any measurement of lease liabilities.

Note 2 Summary of significant accounting policies (continued)

2.14 Lease contracts (continued)

2.14.1 Right-of-use assets (continued)

The cost of right-of-use assets comprise the following:

- the amount of the initial measurement of lease liability,
- any lease payments made at or before the commencement date less any lease incentives received,
- any initial direct costs, and
- restoration costs.

The Group leases various offices, facilities, machinery and equipment. Lease contracts are typically made for fixed periods of 1 to 15 years but may have extension options. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment.

2.14.2 Lease liabilities

At the commencement date of the lease, the Group recognizes lease liabilities measured at the present value of lease payments to be made over the lease term. Lease liabilities include the net present value of the following lease payments:

- fixed payments, less any lease incentives receivable,
- variable lease payments that are based on an index or a rate,
- amounts expected to be payable by the lessee under residual value guarantees,
- the exercise price of a purchase option if the lessee is reasonably certain to exercise that option, and
- payments of penalties for terminating the lease, if the lease term reflects the lessee exercising that option.

In calculating the present value, the lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be determined, the Group's incremental borrowing rate is used, being the rate that the lessee would have to pay to borrow the funds necessary to obtain an asset of similar value in a similar economic environment with similar terms and conditions. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

2.14.3 Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of IT equipment and small items of office furniture that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognized as expense on a straight-line basis over the lease term.

2.15 Inventories

Inventories comprise crude oil and materials.

Crude oil is measured at the lower of cost and net realizable value. Materials are measured at the lower of cost and recoverable amount. The cost of materials and consumables is calculated at acquisition price with the addition of transportation and similar costs. Cost is determined using the first-in, first-out (FIFO) method.

Note 2 Summary of significant accounting policies (continued)

2.16 Current and deferred income tax

The tax expense for the year comprises current and deferred income tax. Income tax is recognized in the Consolidated Statement of Income.

The current income tax charge is calculated on the basis of the tax laws enacted or substantially enacted at the financial statements date in the countries where the Company's subsidiaries operate and generate taxable income. The computation of the income tax expense involves the interpretation of applicable tax laws and regulations in many jurisdictions. The resolution of tax positions taken by the Group, through negotiations with relevant tax authorities or through litigation, can take several years to complete and, in some cases, it is difficult to predict the ultimate outcome.

Deferred income tax is recognized, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the Consolidated Financial Statements. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted as of the financial statements date and are expected to apply when the related deferred income tax asset is realized, or the deferred income tax liability is settled. In addition, the Group has tax-loss carry-forwards in certain tax jurisdictions that are available to be offset against future taxable profit. However, deferred income tax assets are recognized only to the extent that it is probable that taxable profit will be available against which the unused tax losses can be utilized. Management judgment is exercised in assessing whether this is the case. To the extent that actual outcomes differ from management's estimates, taxation charges or credits may arise in future periods.

Deferred income tax liabilities are provided on taxable temporary differences arising from investments in subsidiaries and joint arrangements, except for deferred income tax liability where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future. The Group is able to control the timing of dividends from its subsidiaries and hence does not expect taxable profit. Hence deferred income tax is recognized in respect of the retained earnings of overseas subsidiaries only if at the date of the Consolidated Financial Statements, dividends have been accrued as receivable or a binding agreement to distribute past earnings in future has been entered into by the subsidiary. As mentioned above the Group does not expect that the temporary differences will revert in the foreseeable future.

Deferred income tax balances are provided in full, with no discounting.

2.17 Non-current assets or disposal groups held for sale

Non-current assets or disposal groups are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. They are measured at the lower of their carrying amount and fair value less costs to sell, except for assets such as deferred tax assets, assets arising from employee benefits, financial assets and investment property that are carried at fair value and contractual rights under insurance contracts, which are specifically exempt from this requirement.

An impairment loss is recognized for any initial or subsequent write-down of the asset or disposal group to fair value less costs to sell. A gain is recognized for any subsequent increases in fair value less costs to sell of an asset or disposal group, but not in excess of any cumulative impairment loss previously recognized. A gain or loss not previously recognized by the date of the sale of the non-current asset or disposal group is recognized at the date of derecognition.

Non-current assets (including those that are part of a disposal group) are not depreciated or amortized while they are classified as held for sale. Interest and other expenses attributable to the liabilities of a disposal group classified as held for sale continue to be recognized.

Non-current assets classified as held for sale and the assets of a disposal group classified as held for sale are presented separately from the other assets in the Consolidated Statement of Financial Position. The liabilities of a disposal group classified as held for sale are presented separately from other liabilities in the Consolidated Statement of Financial Position.

As of December 31, 2023, the Group classified non-current assets and liabilities corresponding to the Chilean companies as held for sale due to the divestment process that was agreed to in December 2023 and which closed in January 2024. See Note 36.1.

Note 2 Summary of significant accounting policies (continued)

2.18 Financial assets

Financial assets are divided into the following categories: amortized cost; financial assets at fair value through profit or loss and fair value through other comprehensive income. The classification depends on the Group's business model for managing the financial assets and the contractual terms of the cash flows. The Group reclassifies debt investments when and only when its business model for managing those assets changes.

All financial assets not at fair value through profit or loss are initially recognized at fair value, plus transaction costs. Transaction costs of financial assets carried at fair value through profit or loss, if any, are expensed to profit or loss.

Derecognition of financial assets occurs when the rights to receive cash flows from the investments expire or are transferred and substantially all the risks and rewards of ownership have been transferred. An assessment for impairment is undertaken at each balance sheet date.

Interest and other cash flows resulting from holding financial assets are recognized in the Consolidated Statement of Income when receivable, regardless of how the related carrying amount of financial assets is measured.

Amortized cost are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities greater than twelve months after the balance sheet date. These are classified as non-current assets. These financial assets comprise trade and other receivables and cash and cash equivalents in the Consolidated Statement of Financial Position. They arise when the Group provides money, goods or services directly to a debtor with no intention of trading the receivables. These financial assets are subsequently measured at amortized cost using the effective interest method, less provision for impairment, if applicable.

Any change in their value through impairment or reversal of impairment is recognized in the Consolidated Statement of Income. All of the Group's financial assets are classified as amortized cost.

2.19 Other financial assets

Non-current other financial assets include contributions made for environmental obligations according to a Colombian and Brazilian government request and are restricted for those purposes.

Current other financial assets include short-term investments with original maturities up to twelve months and over three months.

2.20 Impairment of financial assets

The Group assesses on a forward-looking basis the expected credit losses associated with its debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk. For trade receivables, the Group applies the simplified approach permitted by IFRS 9, which requires expected lifetime losses to be recognized from initial recognition of the receivables.

2.21 Cash and cash equivalents

Cash and cash equivalents includes cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts, if any, are shown within borrowings in the current liabilities section of the Consolidated Statement of Financial Position.

Note 2 Summary of significant accounting policies (continued)

2.22 Trade and other payables

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of the business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities.

Trade payables are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method.

2.23 Derivatives and hedging activities

Derivative financial instruments are recognized in the Consolidated Statement of Financial Position as assets or liabilities and initially and subsequently measured at fair value. They are presented as current assets or liabilities if they are expected to be settled within 12 months after the end of the reporting period.

The mark-to-market fair value of the Group's outstanding derivative instruments is based on independently provided market rates and determined using standard valuation techniques, including the impact of counterparty credit risk and are within level 2 of the fair value hierarchy.

2.23.1 Cash flow hedges that qualify for hedge accounting

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognized in Other Reserves within Equity. The gain or loss relating to the ineffective portion is recognized immediately in the Consolidated Statement of Income.

When forward contracts are used to hedge forecast transactions, the Group designates the change in fair value of the forward contract as the hedging instrument. Gains or losses relating to the effective portion of the change in the fair value of the forward contracts are recognized in Other Reserves within Equity.

Where the hedged item subsequently results in the recognition of a non-financial asset, both the deferred hedging gains and losses and the deferred time value of the option contracts or deferred forward points, if any, are included within the initial cost of the asset.

When a hedging instrument expires, or is sold or terminated, or when a hedge no longer meets the criteria for hedge accounting, any cumulative deferred gain or loss and deferred costs of hedging in Equity at that time remains in Equity until the forecast transaction occurs, resulting in the recognition of a non-financial asset. When the forecast transaction is no longer expected to occur, the cumulative gain or loss and deferred costs of hedging that were reported in Equity are immediately reclassified to the Consolidated Statement of Income.

For more information about derivatives designated as cash flow hedges please refer to Note 36.1 and Note 8.

2.23.2 Other Derivatives

Certain derivative instruments do not qualify for hedge accounting. Changes in the fair value of any derivative instrument that does not qualify for hedge accounting are recognized immediately in the Consolidated Statement of Income.

For more information about derivatives related to commodity risk management please refer to Note 8 and for more information about derivatives related to currency risk management please refer to Note 3 Currency risk.

2.24 Borrowings

Borrowings are obligations to pay cash and are recognized when the Group becomes a party to the contractual provisions of the instrument.

Note 2 Summary of significant accounting policies (continued)

2.24 Borrowings (continued)

Borrowings are recognized initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortized cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognized in the Consolidated Statement of Income over the period of the borrowings using the effective interest method.

Direct issue costs are charged to the Consolidated Statement of Income on an accrual basis using the effective interest method.

2.25 Share capital

Equity comprises the following:

- "Share capital" representing the nominal value of equity shares.
- "Share premium" representing the excess over nominal value of the fair value of consideration received for equity shares, net of expenses of the share issuance.
- "Translation reserve" representing the differences arising from translation of investments in overseas subsidiaries.
- "Other reserves" representing:
    - the difference between the proceeds from transactions with non-controlling interests received against the book value of the shares acquired in subsidiaries, and
    - the changes in the fair value of the effective portion of derivatives designated as cash flow hedges.
- "Retained earnings (Accumulated losses)" representing:
    - accumulated earnings and losses, and
    - the equity element attributable to shares granted according to IFRS 2 but not issued at year end.

2.26 Share-based payment

The Group operates a number of equity-settled share-based compensation plans comprising share awards payments to employees and other third-party contractors. Share-based payment transactions are measured in accordance with IFRS 2.

The fair value of the share awards payments is determined at the grant date by reference to the market value of the shares, calculated using the Geometric Brownian Motion method or the Monte Carlo simulation, and recognized as an expense over the vesting period.

Service and non-market performance conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of the Group's best estimate of the number of equity instruments that will ultimately vest. Market performance conditions are reflected within the grant date fair value. Any other conditions attached to an award, but without an associated service requirement, are considered to be non-vesting conditions. Non-vesting conditions are reflected in the fair value of an award and lead to an immediate expensing of an award unless there are also service and/or performance conditions.

No expense is recognized for awards that do not ultimately vest because non-market performance and/or service conditions have not been met. Where awards include a market or non-vesting condition, the transactions are treated as vested irrespective of whether the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied.

At each reporting date, the entity revises its estimates of the number of options that are expected to vest. It recognizes the impact of the revision to original estimates, if any, in the Consolidated Statement of Income, with a corresponding adjustment to equity.

When the awards are exercised, the Company issues new shares. The proceeds received net of any directly attributable transaction costs are credited to share capital (nominal value) and share premium.

Note 3 Financial Instruments-risk management

The Group is exposed through its operations to the following financial risks:

- Currency risk
- Price risk
- Credit risk– concentration
- Funding and liquidity risk
- Interest rate risk
- Capital risk

The policy for managing these risks is set by the Board of Directors. Certain risks are managed centrally, while others are managed locally following guidelines communicated from the corporate department. The policy for each of the above risks is described in more detail below.

Currency risk

In Colombia, Ecuador, Chile and Argentina the functional currency is the US Dollar. The fluctuation of the local currencies of these countries against the US Dollar, except for Ecuador where the local currency is the US Dollar, does not impact the loans, costs and revenue held in US Dollars; but it does impact receivables or payables originated in local currency mainly corresponding to VAT and income tax.

The Group minimises the local currency positions in Colombia, Chile and Argentina by seeking to balance local and foreign currency assets and liabilities. However, tax receivables (VAT) seldom match with local currency liabilities. Therefore, the Group maintains a net exposure to them, except for what it is described below.

From time to time, the Group enters into derivative financial instruments in order to anticipate any currency fluctuation with respect to income taxes to be paid during the first half of the following year. No currency risk management contracts were in place as of December 31, 2023, and onwards. In January 2023, GeoPark entered into derivative financial instruments (zero-premium collars) with local banks in Colombia, for an amount equivalent to US$ 38,000,000 in order to anticipate any currency fluctuation with respect to a portion of the estimated income taxes to be paid in April and June 2023.

Most of the Group's assets held in those countries are associated with oil and gas productive assets. Those assets, even in the local markets, are generally settled in US Dollar equivalents.

During 2023, the Colombian Peso revalued by 21% (devalued by 21% and 16% in 2022 and 2021, respectively), the Chilean Peso devalued by 3% (1% and 19% in 2022 and 2021, respectively), and the Argentine Peso devalued by 356% (72% and 22% in 2022 and 2021, respectively), all against the US Dollar.

If the Colombian Peso, the Chilean Peso, and the Argentine Peso had each devalued an additional 10% against the US dollar, with all other variables held constant, post-tax profit for the year would have been higher by US$ 13,971,000 (US$ 14,695,000 in 2022 and US$ 9,070,000 in 2021).

In Brazil, the functional currency is the local currency, which is the Brazilian Real. The fluctuation of the US Dollars against the Brazilian Real does not impact the loans, costs and revenues held in Brazilian Real; but it does impact the balances denominated in US Dollars. Such is the case of the provision for asset retirement obligation and the lease liabilities.

During 2023, the Brazilian Real revalued by 7% against the US Dollar (revalued by 7% in 2022 and devalued by 7% 2021). If the Brazilian Real had devalued an additional 10% against the US dollar, with all other variables held constant, post-tax profit for the year would have been lower by US$ 728,000 (US$ 726,000 in 2022 and US$ 780,000 in 2021).

As currency rate changes between the US Dollar and the local currencies, the Group recognizes gains and losses in the Consolidated Statement of Income.

Note 3 Financial Instruments-risk management (continued)

Price risk

The realized oil price for the Group is linked to US dollar denominated crude oil international benchmarks. The market price of this commodity is subject to significant volatility and has historically fluctuated widely in response to relatively minor changes in the global supply and demand for oil, the geopolitical landscape, armed conflicts, the economic conditions and a variety of additional factors. The main factors affecting realized prices for gas sales vary across countries with some closely linked to international references while others are more domestically driven.

In Colombia, the realized oil price is linked to either the Vasconia crude reference price, a marker broadly used in the Llanos Basin, or the Oriente crude reference price, a marker broadly used for crude sales in Esmeraldas, Ecuador, for the crude oil of the Putumayo Basin that is transported through Ecuador. In both basins, the reference price is then adjusted for certain marketing and quality discounts based on, among other things, API, viscosity, sulphur content, delivery point and transport costs.

In Ecuador, the oil price is linked to Brent and adjusted by a differential that varies month to month and resembles Oriente crude reference.

In Brazil, prices for gas produced in the Manati Field are based on a long-term off-take contract with Petrobras. The price of gas sold under this contract is denominated in Brazilian Real and is adjusted annually for inflation pursuant to the Brazilian General Market Price Index (Indice Geral de Preços do Mercado), or IGPM.

In Chile, the oil price was linked to Dated Brent minus certain marketing and quality discounts such as, API, sulphur content and others. The gas price, under a long-term Gas Supply Contract with Methanex, was determined by a formula that considers a basket of international methanol prices, including US and European price indices.

If oil and gas prices had fallen by 10% compared to actual prices during the year, with all other variables held constant, considering the impact of the derivative contracts in place, post-tax profit for the year would have been lower by US$ 42,393,000 (US$ 47,330,000 in 2022 and US$ 17,899,000 in 2021).

GeoPark seeks to partially mitigates its exposure to crude oil price volatility using derivatives by hedging a portion of its production for a limited period going forward. The Group uses a combination of options to manage its exposure to commodity price risk, which considers forecasted production and budget price levels, among other factors. GeoPark has also obtained credit lines from different counterparties to minimize the potential cash exposure of the derivative contracts (see Note 8).

Credit risk– concentration

The Group's credit risk relates mainly to accounts receivable where the credit risks correspond to the recognized values of commodities sold or hedged. GeoPark considers that there is no significant risk associated to the Group's major customers and hedging counterparties.

In Colombia, GeoPark allocates its sales on a competitive basis to industry leading participants including traders and other producers. During 2023, the oil and gas production was sold to three clients which concentrate 96% of the Colombian subsidiaries' revenue, accounting for 89% of the consolidated revenue (97% and 99% of the Colombian subsidiaries' revenue, accounting for 90% and 89% of the consolidated revenue in 2022 and 2021). Delivery points include wellhead and other locations on the Colombian pipeline system for the Llanos Basin production. The Putumayo Basin production is delivered to clients FOB in Esmeraldas, Ecuador, and to the Colombian pipeline system in case of contingencies in Ecuador that affect the transport through the Ecuadorian pipeline system. The outstanding contracts for Colombian production extend through the first half of 2024. GeoPark manages its counterparty credit risk associated to sales contracts by periodic evaluation of the counterparties' credit profile and, in certain contracts, including early payment conditions to minimize the exposure.

Note 3 Financial Instruments-risk management (continued)

Credit risk– concentration (continued)

In Ecuador, oil is transported through the Ecuadorian pipeline system, with Esmeraldas as the delivery point, and 100% of the sales are exported on a competitive basis to industry leading participants including traders and other producers. Sales of crude oil in Ecuador accounted for 3% of the consolidated revenue in 2023 (1% in 2022).

In Brazil, all the gas from the Manati Block is sold to Petrobras, the State-owned company, which is also the operator of the Manati Field (2% of the consolidated revenue in 2023 and 2022, and 3% in 2021).

In Chile, the oil production was sold to ENAP, the State-owned oil and gas company (1% of the consolidated revenue in 2023, 2022 and 2021), and the gas production was sold to the local subsidiary of Methanex, a Canadian public company (1% of the consolidated revenue in 2023 and 2022, and 2% in 2021).

GeoPark Limited has entered into a crude purchase agreement with an oil producer in the Putumayo Basin. The volumes purchased are transported and exported alongside the Group's Putumayo Basin production. Sales of crude oil purchased from third parties accounted for 1% of the consolidated revenue in 2023 and 2022.

The forementioned companies all have a good credit standing and despite the concentration of the credit risk, the Directors do not consider there to be a significant collection risk.

GeoPark executes oil prices hedges via over-the-counter derivatives. Should oil prices drop, the Group could stand to collect from its counterparties under the derivative contracts. The Group's hedging counterparties are leading financial institutions and trading companies; therefore the Directors do not consider there to be a significant collection risk. See disclosure in Notes 8 and 25.

Funding and Liquidity risk

In the past, the Group has been able to raise capital through different sources of funding including equity, strategic partnerships and financial debt.

The Group is positioned at the end of 2023 with a cash balance of US$ 133,036,000, and has access to a US$ 80,000,000 senior unsecured credit facility with Banco BTG Pactual S.A. and Banco Latinoamericano de Comercio Exterior S.A., and to US$ 179,600,000 in uncommitted credit lines, and its total indebtedness matures in January 2027. In addition, the Group has a large portfolio of attractive and largely discretional projects - both oil and gas - in multiple countries with over 38,000 boepd in production at year end. This scale and positioning permit the Group to protect its financial condition and selectively allocate capital to the optimal projects subject to prevailing macroeconomic conditions.

The Indentures governing the Company Notes 2027 include incurrence test covenants related to compliance with certain thresholds of Net Debt to Adjusted EBITDA ratio and Adjusted EBITDA to Interest ratio. Failure to comply with the incurrence test covenants does not trigger an event of default. However, this situation may limit the Group's capacity to incur additional indebtedness, as specified in the indentures governing the Notes. As of the date of these Consolidated Financial Statements, the Group is in compliance with all the indentures' provisions and covenants.

Interest rate risk

The Group's interest rate risk could arise from long-term borrowings issued at variable rates, which would expose the Group to interest rate risk.

The Group does not currently face interest rate risk on its US$ 500,000,000 Notes which carry a fixed rate coupon of 5.50% per annum and mature in January 2027. Consequently, the accruals and interest payments are not substantially affected by changes in prevailing interest rates.

As of December 31, 2023, there were no outstanding borrowings affected by a variable rate.

Note 3 Financial Instruments-risk management (continued)

Capital risk

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. The Group manages its capital structure and makes adjustments in light of changes in economic conditions, operating risks and working capital requirements. To maintain or adjust its capital structure, the Group may issue or buy back shares, change its dividend policy, raise or refinance debt and/or adjust its capital expenditures to manage its operating and growth objectives. Additionally, the Group utilizes a planning, budgeting and forecasting process to help determine and monitor the funds needed to maintain appropriate liquidity for operational, capital and financial needs.

As of December 31, 2023 and 2022, GeoPark is in compliance with the debt covenant ratios associated with the Company´s Notes due 2027. See Note 27.

The following table summarizes the Group's capital structure balances:

Amounts in US$'000	2023	2022
Total Equity	176,020	115,585
Net Debt [(a)]	367,945	368,799
Working capital [(b)]	39,184	8,989

(a) Calculated as total borrowings (including 'current and non-current borrowings' as shown in the Consolidated Statement of Financial Position) less cash and cash equivalents.
(b) Calculated as 'current assets' less 'current liabilities'.

Note 4 Accounting estimates and assumptions

Estimates and assumptions are used in preparing financial statements. Although these estimates are based on management's best knowledge of current events and actions, actual results may differ. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The key estimates and assumptions used in these Consolidated Financial Statements are noted below:

- The process of estimating reserves is complex. It requires significant judgements and decisions based on available geological, geophysical, engineering and economic data. The estimation of economically recoverable oil and natural gas reserves and related future net cash flows was performed based on the Reserve Report as of December 31, 2023, prepared by DeGolyer and MacNaughton Corp., an independent international oil and gas consulting firm based in Dallas, Texas, in line with the principles contained in the Society of Petroleum Engineers (SPE) and the Petroleum Resources Management Reporting System (PRMS) framework.

  It incorporates many factors and assumptions including:
  - expected reservoir characteristics based on geological, geophysical and engineering assessments;
  - future production rates based on historical performance and expected future operating and investment activities;
  - future oil and gas prices and quality differentials;
  - assumed effects of regulation by governmental agencies;
  - tax rates by jurisdiction; and
  - future development and operating costs.

  Management believes these factors and assumptions are reasonable based on the information available to them at the time of preparing the estimates. However, these estimates may change substantially as additional data from ongoing development activities and production performance becomes available and as economic conditions impacting oil and gas prices and costs change.

Note 4 Accounting estimates and assumptions (continued)

Such changes may impact the Group's reported financial position and results, which include: (a) the carrying value of exploration and evaluation assets; oil and gas properties and other property, plant and equipment; may be affected due to changes in estimated future cash flows, (b) depreciation and amortization charges in the Consolidated Statement of Income may change where such charges are determined using the unit of production method, or where the useful life of the related assets change, (c) provisions for abandonment may require revision -where changes to reserves estimates affect expectations about when such activities will occur and the associated cost of these activities- and, (d) the recognition and carrying value of deferred income tax assets may change due to changes in the judgements regarding the existence of such assets and in estimates of the likely recovery of such assets.

- Cash flows estimates for impairment assessments of non-financial assets require assumptions about three primary elements: future prices, reserves and discount rate. Estimates of future prices require significant judgments about highly uncertain future events. Historically, oil and gas prices have exhibited significant volatility. The Group's forecasts for oil and gas revenues are based on prices derived from future price forecasts amongst industry analysts and internal assessments. Estimates of future cash flows are generally based on assumptions of long-term prices and operating and development costs. Given the significant assumptions required and the possibility that actual conditions may differ, management considers the assessment of impairment to be a critical accounting estimate (see Note 37).

- The Group adopted the successful efforts method of accounting. The Management of the Group makes assessments and estimates regarding whether an exploration and evaluation asset should continue to be carried forward as such when insufficient information exists. This assessment is made on a quarterly basis considering the advice from qualified experts.

  The application of the Group's accounting policy for exploration and evaluation expenditure requires judgement to determine whether future economic benefits are likely from future either exploitation or sale, or whether activities have not reached a stage which permits a reasonable assessment of the existence of reserves. The determination of reserves and resources is, in itself, an estimation process that involves varying degrees of uncertainty depending on how the resources are classified. These estimates directly impact when the Group defers exploration and evaluation expenditure. The deferral policy requires management to make certain estimates and assumptions about future events and circumstances, in particular, whether an economically viable extraction operation can be established. Any such estimates and assumptions may change as new information becomes available. If, after expenditure is capitalized, information becomes available suggesting that the recovery of the expenditure is unlikely, the relevant capitalized amount is written-off in the Consolidated Statement of Income in the period when the new information becomes available.

- Oil and gas assets held in property plant and equipment are mainly depreciated on a unit of production ("UOP") basis at a rate calculated by reference to proven and probable reserves and incorporating the estimated future cost of developing and extracting those reserves. Future development costs are estimated using assumptions as to the numbers of wells required to produce those reserves, the cost of the wells and future production facilities. This results in a depreciation charge proportional to the depletion of the anticipated remaining production from the block.

  The life of each item, which is assessed at least annually, has regard to both its physical life limitations and present assessments of economically recoverable reserves of the block at which the asset is located. These calculations require the use of estimates and assumptions, including the amount of recoverable reserves and estimates of future capital expenditure. The calculation of the UOP rate of depreciation will be impacted to the extent that actual production in the future is different from current forecast production based on total proved and probable reserves, or future capital expenditure estimates change. Changes to proved and probable reserves could arise due to changes in the factors or assumptions used in estimating reserves, including: (a) the effect on proved and probable reserves of differences between actual commodity prices and commodity price assumptions and (b) unforeseen operational issues.

Note 4 Accounting estimates and assumptions (continued)

- Obligations related to the abandonment of wells once operations are terminated may result in the recognition of significant obligations. Estimating the future abandonment costs is difficult and requires management to make estimates and judgments because most of the obligations are many years in the future. Technologies and costs are constantly changing as well as political, environmental, safety and public relations considerations. The Group has adopted the following criterion for recognizing well plugging and abandonment related costs: the present value of future costs necessary for well plugging and abandonment is calculated for each area at the present value of the estimated future expenditure. The liabilities recognized are based upon estimated future abandonment costs, wells subject to abandonment, time to abandonment, and future inflation rates.

  The expected timing, extent and amount of expenditure may also change, for example, in response to changes in oil and gas reserves or changes in laws and regulations or their interpretation. Therefore, significant estimates and assumptions are made in determining the provision for decommissioning. As a result, there could be significant adjustments to the provisions established which would affect future financial results.

  The provision at reporting date represents management's best estimate of the present value of the future abandonment costs required.

- From time to time, the Group may be subject to various lawsuits, claims and proceedings that arise in the normal course of business, including employment, commercial, tax, environmental, safety and health matters. For example, from time to time, the Group receives notice of environmental, health and safety violations. Based on what the Group's Management currently knows, such claims are not expected to have a material impact on the Consolidated Financial Statements.

Note 5 Consolidated Statement of Cash Flows

The Consolidated Statement of Cash Flows shows the Group's cash flows for the year for operating, investing and financing activities and the change in cash and cash equivalents during the year.

Cash flows from operating activities are computed from the results for the year adjusted for non-cash operating items, changes in net working capital and corporate tax. Income tax paid is presented as a separate item under operating activities.

Cash flows from investing activities include payments in connection with the purchase and sale of property, plant and equipment and cash flows relating to the purchase and sale of enterprises to third parties, if any.

Cash flows from financing activities include changes in equity and proceeds from borrowings and repayment of loans.

Cash and cash equivalents include bank overdraft, if any, and liquid funds with a term of less than three months.

The following chart describes non-cash transactions related to the Consolidated Statement of Cash Flows:

Amounts in US$'000	**2023**	**2022**	**2021**
Increase (Decrease) in asset retirement obligation	7,374	(4,942)	(651)
Increase (Decrease) in provisions for other long-term liabilities	2,370	(2,616)	(443)
Purchase of property, plant and equipment	(7,864)	7,864	—
Additions / changes in estimates of right-of-use assets	137	22,462	5,288

Changes in working capital shown in the Consolidated Statement of Cash Flows are disclosed as follows:

Amounts in US$'000	**2023**	**2022**	**2021**
(Increase) Decrease in Inventories	(1,330)	(6,694)	1,241
Decrease (Increase) in Trade receivables	6,820	(1,425)	(23,290)
Increase in Prepayments and other receivables and Other assets [(a)]	(33,328)	(30,929)	(13,817)
Increase (Decrease) in Trade and other payables	1,413	(999)	26,515
	(26,425)	**(40,047)**	**(9,351)**

[(a)] Includes withholding taxes from clients for US$ 27,558,000, US$ 27,256,000 and US$ 16,361,000, in 2023, 2022 and 2021, respectively.

Note 5 Consolidated Statement of Cash Flows (continued)

The following chart shows the movements in the borrowings and lease liabilities for each of the periods presented:

Amounts in US$'000	Borrowings	Lease Liabilities	Total
As of January 1, 2021	**784,586**	**22,347**	**806,933**
Proceeds from borrowings	172,174	—	172,174
Debt issuance costs paid	(2,019)	—	(2,019)
Addition to lease liabilities	—	5,288	5,288
Accrual of borrowing's interests	44,323	—	44,323
Exchange difference	(581)	(365)	(946)
Foreign currency translation	(265)	(461)	(726)
Unwinding of discount	—	1,453	1,453
Principal paid	(274,934)	—	(274,934)
Interest paid	(42,592)	—	(42,592)
Borrowings cancellation costs	6,308	—	6,308
Borrowings cancellation and other costs paid	(12,908)	—	(12,908)
Lease payments	—	(7,518)	(7,518)
As of December 31, 2021	**674,092**	**20,744**	**694,836**
Addition to lease liabilities	—	22,462	22,462
Accrual of borrowing's interests	36,360	—	36,360
Exchange difference	—	(6,426)	(6,426)
Foreign currency translation	203	284	487
Unwinding of discount	—	2,838	2,838
Principal paid	(172,522)	—	(172,522)
Interest paid	(36,514)	—	(36,514)
Borrowings cancellation costs	5,141	—	5,141
Borrowings cancellation and other costs paid	(9,118)	—	(9,118)
Lease payments	—	(7,851)	(7,851)
As of December 31, 2022	**497,642**	**32,051**	**529,693**
Addition to lease liabilities	—	137	137
Accrual of borrowing's interests	30,839	—	30,839
Exchange difference	—	7,061	7,061
Liabilities associated with assets held for sale (Note 36.1)	—	(26)	(26)
Foreign currency translation	—	174	174
Unwinding of discount	—	3,168	3,168
Interest paid	(27,500)	—	(27,500)
Lease payments	—	(10,267)	(10,267)
As of December 31, 2023	**500,981**	**32,298**	**533,279**

Note 6 Segment information

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Executive Committee. This committee is integrated by the Chief Executive Officer, Chief Financial Officer, Chief Technical Officer, Chief Exploration Officer, Chief Operating Officer, Chief Strategy, Sustainability and Legal Officer and Chief People Officer. This committee reviews the Group's internal reporting in order to assess performance and allocate resources. Management has determined the operating segments based on these reports. The committee considers the business from a geographic perspective.

The Executive Committee assesses the performance of the operating segments based on a measure of Adjusted EBITDA. Adjusted EBITDA is defined as profit (loss) for the period (determined as if IFRS 16 Leases has not been adopted), before net finance cost, income tax, depreciation, amortization, certain non-cash items such as impairments and write-offs of unsuccessful exploration efforts, accrual of share-based payment, unrealized result on commodity risk management contracts, geological and geophysical expenses allocated to capitalized projects, and other non-recurring events. Other information provided to the Executive Committee is measured in a manner consistent with that in the Consolidated Financial Statements.

Segment areas (geographical segments)

Amounts in US$ '000	**Colombia**	**Ecuador**	**Brazil**	**Chile [b]**	**Argentina**	**Corporate**	**Total**
2023							
Revenue	702,401	19,097	14,019	15,644	—	5,464	756,625
Sale of crude oil	702,308	19,097	490	5,052	—	—	726,947
Sale of purchased crude oil	—	—	—	—	—	5,464	5,464
Sale of gas	903	—	13,529	10,592	—	—	25,024
Commodity risk management contracts designated as cash flow hedges	(810)	—	—	—	—	—	(810)
Production and operating costs	(204,245)	(10,242)	(4,946)	(8,226)	—	(4,666)	(232,325)
Royalties in cash	(11,201)	—	(1,096)	(548)	—	—	(12,845)
Economic rights in cash	(72,032)	—	—	—	—	—	(72,032)
Share-based payment	(671)	(7)	—	(72)	—	—	(750)
Other operating costs	(120,341)	(10,235)	(3,850)	(7,606)	—	(4,666)	(146,698)
Adjusted EBITDA	446,835	5,159	6,374	4,952	(2,620)	(8,838)	451,862
Depreciation	(101,666)	(7,096)	(2,332)	(9,815)	(22)	(3)	(120,934)
Recognition of impairment losses	—	—	—	(13,332)	—	—	(13,332)
Write-off of unsuccessful exploration efforts	(29,563)	—	—	—	—	—	(29,563)
Total assets	895,900	40,336	27,891	36,192	357	15,873	1,016,549
Employees (average) [a]	400	6	4	33	18	8	469
Employees at year end [a]	412	5	4	27	15	7	470

(a) Unaudited.
(b) Divested in January 2024. See Note 36.1.

Note 6 Segment information (continued)

Amounts in US$ '000	Colombia	Ecuador	Brazil	Chile [b]	Argentina	Corporate	Total
2022							
Revenue	978,423	10,671	19,873	29,196	1,962	9,454	1,049,579
Sale of crude oil	977,184	10,671	796	14,460	1,664	—	1,004,775
Sale of purchased crude oil	—	—	—	—	—	9,454	9,454
Sale of gas	1,239	—	19,077	14,736	298	—	35,350
Realized loss on commodity risk management contracts	(83,244)	—	—	—	—	—	(83,244)
Production and operating costs	(327,626)	(3,220)	(5,299)	(14,126)	(1,579)	(7,929)	(359,779)
Royalties in cash	(60,314)	—	(1,546)	(1,165)	(273)	—	(63,298)
Economic rights in cash	(188,989)	—	—	—	—	—	(188,989)
Share-based payment	(843)	(10)	—	(103)	1	—	(955)
Other operating costs	(77,480)	(3,210)	(3,753)	(12,858)	(1,307)	(7,929)	(106,537)
Adjusted EBITDA	525,593	4,197	11,654	11,753	(3,643)	(8,775)	540,779
Depreciation	(78,775)	(788)	(2,796)	(14,076)	(254)	(3)	(96,692)
Write-off of unsuccessful exploration efforts	(21,318)	(4,471)	—	—	—	—	(25,789)
Total assets	797,390	35,690	34,329	63,379	1,296	41,891	973,975
Employees (average) [a]	362	7	5	53	33	9	469
Employees at year end [a]	388	8	4	49	24	9	482

Amounts in US$ '000	Colombia	Ecuador	Brazil	Chile [b]	Argentina	Corporate	Total
2021							
Revenue	618,268	—	20,109	21,471	28,695	—	688,543
Sale of crude oil	616,133	—	661	6,297	24,468	—	647,559
Sale of gas	2,135	—	19,448	15,174	4,227	—	40,984
Realized loss on commodity risk management contracts	(109,654)	—	—	—	—	—	(109,654)
Production and operating costs	(178,384)	—	(4,596)	(11,050)	(18,760)	—	(212,790)
Royalties in cash	(33,385)	—	(1,575)	(770)	(4,270)	—	(40,000)
Economic rights in cash	(72,956)	—	(67)	—	—	—	(73,023)
Share-based payment	(334)	—	—	(31)	26	—	(339)
Other operating costs	(71,709)	—	(2,954)	(10,249)	(14,516)	—	(99,428)
Adjusted EBITDA	294,847	(2,071)	12,569	7,639	2,124	(14,308)	300,800
Depreciation	(61,279)	(200)	(4,082)	(14,275)	(9,130)	(3)	(88,969)
Recognition of impairment losses	—	—	—	(17,641)	13,307	—	(4,334)
Write-off of unsuccessful exploration efforts	(7,827)	—	—	(4,435)	—	—	(12,262)
Total assets	689,401	7,782	38,846	71,515	38,111	50,086	895,741
Employees (average) [a]	308	8	4	55	92	9	476
Employees at year end [a]	321	3	4	52	74	9	463

(a) Unaudited.
(b) Divested in January 2024. See Note 36.1.

In 2023, approximately 89% of capital expenditure was incurred by Colombia (82% in 2022 and 93% in 2021) and 11% was incurred by Ecuador (11% in 2022 and 4% in 2021). No capital expenditure was incurred by Chile in 2023 (7% in 2022 and 3% in 2021).

Note 6 Segment information (continued)

A reconciliation of total Adjusted EBITDA to total profit (loss) before income tax is provided as follows:

Amounts in US$ '000	2023	2022	2021
Adjusted EBITDA	**451,862**	**540,779**	**300,800**
Unrealized gain on commodity risk management contracts	—	13,023	463
Depreciation [(a)]	(120,934)	(96,692)	(88,969)
Share-based payment	(7,328)	(11,038)	(6,621)
Impairment and write-off of unsuccessful exploration efforts, net	(42,895)	(25,789)	(16,596)
Lease accounting - IFRS 16	10,267	7,851	7,518
Others [(b)]	(20,065)	943	(10,786)
Operating profit	**270,907**	**429,077**	**185,809**
Financial expenses	(45,815)	(57,073)	(64,112)
Financial income	6,237	3,180	1,652
Foreign exchange (loss) gain	(16,820)	19,725	5,049
Profit before tax	**214,509**	**394,909**	**128,398**

(a) Net of capitalized costs for oil stock included in Inventories.

(b) Includes allocation to capitalized projects. In 2023, also includes termination and other costs incurred because of the divestment process in Chile, including a provision for investment commitments maintained by GeoPark after the transaction, for a total amount of US$ 9,742,000 (see Note 36.1), together with the amount paid for transferring the working interest in the Los Parlamentos Block in Argentina to the joint operation partner for US$ 7,023,000 (see Note 36.2), and others. In 2022, also includes gain from the sale of the Aguada Baguales, El Porvenir and Puesto Touquet Blocks in Argentina. In 2021, also includes termination costs and write-down of tax credits in Argentina.

Note 7 Revenue

Amounts in US$ '000	2023	2022	2021
Sale of crude oil	726,947	1,004,775	647,559
Sale of purchased crude oil	5,464	9,454	—
Sale of gas	25,024	35,350	40,984
Commodity risk management contracts designated as cash flow hedges [(a)]	(810)	—	—
	756,625	**1,049,579**	**688,543**

(a) Realized result on commodity risk management contracts designated as cash flow hedges. See Note 8.

Note 8 Commodity risk management contracts

The Group has entered into derivative financial instruments to manage its exposure to oil price risk. These derivatives are zero-premium collars and were placed with major financial institutions and commodity traders. The Group entered into the derivatives under ISDA Master Agreements and Credit Support Annexes, which provide credit lines for collateral posting thus alleviating possible liquidity needs under the instruments and protect the Group from potential non-performance risk by its counterparties.

The Group's derivatives that hedge cash flows from the sales of crude oil for periods through December 31, 2022, were accounted for as non-hedge derivatives and therefore all changes in the fair values of these derivative contracts were recognized immediately as gains or losses in the results of the periods in which they occurred as part of the 'Commodity risk management contracts' line item in the Consolidated Statement of Income.

The table below summarizes the results on non-hedge derivative commodity risk management contracts:

	2023	2022	2021
Realized loss on commodity risk management contracts	—	(83,244)	(109,654)
Unrealized gain on commodity risk management contracts	—	13,023	463
	—	**(70,221)**	**(109,191)**

Note 8 Commodity risk management contracts (continued)

The Group's derivatives that hedge cash flows from the sales of crude oil for periods from January 1, 2023, onwards are designated and qualify as cash flow hedges. The effective portion of changes in the fair values of these derivative contracts are recognized in 'Other Reserves' within 'Equity'. The gain or loss relating to the ineffective portion, if any, is recognized immediately as gains or losses in the results of the periods in which they occur. The amount accumulated in 'Other Reserves' is reclassified to profit or loss as a reclassification adjustment in the same period or periods during which the hedged cash flows affect profit or loss as part of the 'Revenue' line item in the Consolidated Statement of Income.

The following table presents the Group's production hedged during the year ended December 31, 2023, and for the following periods as a consequence of the derivative contracts in force as of December 31, 2023:

Period	Reference	Type	Volume bbl/d	Weighted average price US$/bbl
January 1, 2023 - March 31, 2023	ICE BRENT	Zero Premium Collars	9,500	66.05 Put 112.59 Call
April 1, 2023 - June 30, 2023	ICE BRENT	Zero Premium Collars	10,000	69.25 Put 110.56 Call
July 1, 2023 - September 30, 2023	ICE BRENT	Zero Premium Collars	9,000	70.00 Put 94.69 Call
October 1, 2023 - December 31, 2023	ICE BRENT	Zero Premium Collars	9,000	69.44 Put 91.82 Call
January 1, 2024 - March 31, 2024	ICE BRENT	Zero Premium Collars	8,500	65.59 Put 92.04 Call
April 1, 2024 - June 30, 2024	ICE BRENT	Zero Premium Collars	9,000	67.50 Put 96.99 Call
July 1, 2024 - September 30, 2024	ICE BRENT	Zero Premium Collars	7,000	66.43 Put 99.32 Call
October 1, 2024 - December 31, 2024	ICE BRENT	Zero Premium Collars	1,000	70.00 Put 96.00 Call

Note 9 Production and operating costs

Amounts in US$ '000	2023	2022	2021
Staff costs (Note 11)	13,889	13,114	16,655
Share-based payment (Note 11)	750	955	339
Royalties in cash [(a)]	12,845	63,298	40,000
Economic rights in cash [(a)]	72,032	188,989	73,023
Well and facilities maintenance	26,089	20,779	17,989
Operation and maintenance	8,143	6,545	7,826
Consumables [(b)]	37,556	21,789	19,270
Equipment rental	4,314	7,580	8,127
Transportation costs	5,850	4,021	3,383
Field camp	6,546	4,070	4,386
Safety and insurance costs	5,487	3,745	4,216
Personnel transportation	3,363	2,480	2,397
Consultant fees	2,291	2,133	1,732
Gas plant costs	1,865	1,680	2,596
Non-operated blocks costs [(c)]	20,421	12,650	4,941
Crude oil stock variation	2,004	(6,449)	1,271
Purchased crude oil	4,666	7,929	—
Other costs	4,214	4,471	4,639
	232,325	**359,779**	**212,790**

(a) Royalties and economic rights in Colombia are payable to the National Hydrocarbons Agency ("ANH") and are determined on a field-by-field basis depending on different variables such as crude quality and price levels, among others (see Note 33). During 2023, the mix of royalties and economic rights paid "in-kind" increased as compared to royalties and economic rights paid 'in-cash". These changes caused variations in the 'royalties in cash' and 'economic rights in cash' line items from year to year, which are compensated by variations in the quantities of oil sales impacting the 'Revenue' line item in the Consolidated Statement of Income.

(b) Consumables include energy costs of US$ 26,348,000 in the Llanos 34 Block in 2023 (US$ 6,086,000 in 2022) due to a drought that affected the energy matrix in Colombia as a result of decreased availability of hydroelectric power.

(c) Non-operated block costs show the increase in activities in the CPO-5 and Perico Blocks in Colombia and Ecuador, respectively.

Note 10 Depreciation

Amounts in US$ '000	2023	2022	2021
Oil and gas properties	95,369	76,720	66,011
Production facilities and machinery	12,896	12,244	12,468
Furniture, equipment and vehicles	1,304	1,344	1,960
Buildings and improvements	503	672	700
Depreciation of property, plant and equipment [(a)]	**110,072**	**90,980**	**81,139**
Related to:			
Productive assets	108,265	88,964	78,479
Administrative assets	1,807	2,016	2,660
Depreciation total [(a)]	**110,072**	**90,980**	**81,139**

(a) Depreciation without considering capitalized costs for oil stock included in Inventories nor depreciation of right-of-use assets.

Note 11 Staff costs and Directors' Remuneration

	2023	2022	2021
Number of employees at year end [(a)]	470	482	463
Amounts in US$ '000			
Wages and salaries	41,917	38,699	42,516
Share-based payments (Note 31)	7,328	11,038	6,621
Social security charges	5,992	5,593	6,901
Director's fees and allowance	896	1,172	2,853
	56,133	**56,502**	**58,891**
Recognized as follows:			
Production and operating costs	14,639	14,069	16,994
Geological and geophysical expenses	8,407	7,490	6,219
Administrative expenses	32,604	34,533	35,360
Selling expenses	483	410	318
	56,133	**56,502**	**58,891**
Board of Directors' and key managers' remuneration			
Salaries and fees	6,081	10,317	9,069
Share-based payments	4,886	8,728	5,759
Other benefits in kind	—	171	296
	10,967	**19,216**	**15,124**

(a) Unaudited.

Note 11 Staff costs and Directors' Remuneration (continued)

Directors' Remuneration

	Non-Executive Directors' Fees (in US$)	Director Fees Paid in Shares (No. of Shares)	Cash Equivalent Total Remuneration (in US$)
James F. Park [(a)]	—	—	—
Andrés Ocampo [(b)]	—	—	—
Robert Bedingfield [(c)]	—	21,098	240,000
Constantin Papadimitriou [(d)]	120,000	8,791	220,000
Somit Varma [(e)]	—	20,219	230,000
Sylvia Escovar Gomez [(f)]	—	23,109	262,500
Brian Maxted [(g)]	120,000	8,791	220,000
Carlos Macellari [(h)]	205,000	8,791	305,000
Marcela Vaca [(i)]	100,000	8,791	200,000

(a) Mr. Park has a consulting agreement with the Company to act as CEO advisor and provide support and assistance in addition to his role as Vicechair, non-executive Director and Strategy and Risk Committee Chairman, and he relinquished his fees as a member of the Board.

(b) Mr. Ocampo has a service contract to act as Chief Executive Officer, and he relinquished his fees as a member of the Board.

(c) Audit Committee Chairman.

(d) Compensation Committee Chairman.

(e) Nomination and Corporate Governance Committee Chairman.

(f) Independent Chair of the Board.

(g) Technical Committee Chairman.

(h) Mr. Macellari, as member of the Technical Committee, instructed by the Board, was awarded additional fees on strategic and technical exploration advisory.

(i) SPEED Committee Chairman.

Note 12 Geological and geophysical expenses

Amounts in US$ '000	2023	2022	2021
Staff costs (Note 11)	7,879	7,097	6,042
Share-based payment (Note 11)	528	393	177
Communication and IT costs	2,139	1,743	1,071
Consultant fees	1,373	917	854
Allocation to capitalized project	(1,254)	(416)	(953)
Other services	527	795	700
	11,192	**10,529**	**7,891**

Note 13 Administrative expenses

Amounts in US$ '000	2023	2022	2021
Staff costs (Note 11)	25,675	23,671	26,402
Share-based payment (Note 11)	6,033	9,690	6,105
Consultant fees	10,645	9,574	10,806
Safety and insurance costs	3,890	3,834	3,142
Travel expenses	1,730	2,336	719
Non-operated blocks expenses	1,568	1,390	799
Director's fees and allowance (Note 11)	896	1,172	2,853
Communication and IT costs	3,760	3,419	4,214
Allocation to joint operations	(13,986)	(9,642)	(8,574)
Other administrative expenses	3,758	4,580	362
	43,969	**50,024**	**46,828**

Note 14 Selling expenses

Amounts in US$ '000	2023	2022	2021
Staff costs (Note 11)	466	410	318
Shared-based payment (Note 11)	17	—	—
Transportation [a]	9,022	4,881	4,233
Selling taxes and other	3,579	2,704	4,179
	13,084	**7,995**	**8,730**

[a] The rise in transportation costs in 2023 is mainly attributed to deliveries at different sales points in the CPO-5 Block in Colombia. Sales at the wellhead incur no selling costs but yield lower revenue, while transportation expenses for sales to alternative delivery points are recognized as selling expenses.

Note 15 Financial results

Amounts in US$ '000	2023	2022	2021
Financial expenses			
Interest and amortization of debt issue costs	(30,839)	(36,360)	(44,713)
Borrowings cancellation costs	—	(5,141)	(6,308)
Bank charges and other financial results	(8,520)	(9,546)	(8,012)
Unwinding of long-term liabilities	(6,456)	(6,026)	(5,079)
	(45,815)	**(57,073)**	**(64,112)**
Financial income			
Interest received	6,237	3,180	1,652
	6,237	**3,180**	**1,652**
Foreign exchange gains and losses			
Foreign exchange (loss) gain, net	(19,729)	19,725	5,049
Realized result on currency risk management contracts	2,909	—	—
	(16,820)	**19,725**	**5,049**
Total Financial results	**(56,398)**	**(34,168)**	**(57,411)**

Note 16 Tax reform in Colombia

In November 2022, the Colombian Congress approved a Tax Reform ("Law 2277") which contemplated an increase in the effective tax rate and the government take for certain entities of the oil and gas industry.

A relevant provision included in the Law 2277 establishes a permanent surtax for companies developing crude oil extractive activities, ranging between 0% and 15%. The surtax triggers when the Brent price average during the fiscal year meets percentiles 30 and upwards of the Brent price average of the last 10 years (as shown in the table below regarding fiscal year 2024) and is calculated as additional percentage points of the CIT rate that is applicable to the taxable base determined on a regular basis for CIT purposes. The applicable surtax for 2023 was 10%. Income derived from gas production is exempted of surtax.

Surcharge Price Triggers applicable for fiscal year 2024	Surcharge rate
< US$ 67.18 /bbl	0%
US$ 67.18 to US$ 76.39 /bbl	5%
US$ 76.39 to US$ 79.87 /bbl	10%
> US$ 79.87 /bbl	15%

In addition to the aforementioned rules, the Law 2277 included other measures such as the strike off of the straight-line amortization method for new exploratory assets which will pass to be calculated under the 'unit of production' method, and repeals the tax credit of 50% of the industry and commerce tax paid during the year, which will no longer be treated as a tax credit but as a common deduction. The tax rate for dividends increased to 20% as well as the rate for capital gains tax that increased to 15%.

These tax provisions became effective in 2023, but the surtax was considered for deferred income tax purposes from the year ended December 31, 2022.

Note 17 Income tax

Amounts in US$ '000	2023	2022
Current income tax liabilities	44,269	65,002
	44,269	**65,002**

Amounts in US$ '000	2023	2022	2021
Current income tax charge	(107,740)	(126,269)	(49,291)
Deferred income tax benefit (charge) (Note 18)	4,299	(44,205)	(17,980)
	(103,441)	**(170,474)**	**(67,271)**

Note 17 Income tax (continued)

The tax on the Group's profit before tax differs from the theoretical amount that would arise using the weighted average tax rate applicable to profits of the consolidated entities as follows:

Amounts in US$ '000	2023	2022	2021
Profit before tax	214,509	394,909	128,398
Tax losses from non-taxable jurisdictions	39,526	53,005	91,351
Taxable profit	**254,035**	**447,914**	**219,749**
Income tax calculated at domestic tax rates applicable to Profit in the respective countries	(123,202)	(157,315)	(71,086)
Tax losses where no deferred income tax benefit is recognized	(6,918)	(2,832)	(7,510)
Effect of currency translation on tax base	36,691	(10,797)	(10,354)
Effect of inflation adjustment for tax purposes	—	—	2,482
Changes in the income tax rate (Note 16)	(8,853)	(3,820)	(1,703)
Write-down of deferred income tax benefits previously recognized [a]	(3,895)	(2,938)	(7,261)
Previously unrecognized tax losses	632	9,067	9,593
Income tax on dividends [b]	(2,595)	(3,038)	—
Fiscal recognition of property, plant and equipment	—	—	8,919
Non-taxable results [c]	4,699	1,199	9,649
Income tax	**(103,441)**	**(170,474)**	**(67,271)**

(a) Includes write-down of tax losses and other deferred income tax assets in Chile, Brazil and Argentina where there is insufficient evidence of future taxable profits to offset them, in accordance with the expected future cash-flows as of December 31, 2023, 2022 and 2021.

(b) Includes income tax payable in Spain due to dividends received from subsidiaries.

(c) Includes non-deductible expenses and non-taxable gains in each jurisdiction.

Under current Bermuda law, the Company is not required to pay any taxes in Bermuda on income or capital gains. The Company has received an undertaking from the Minister of Finance in Bermuda that, in the event of any taxes being imposed, they will be exempt from taxation in Bermuda until March 2035. Income tax rate in Colombia may range from 35% to 50%, depending on the surcharge applicable for each year (see Note 16). Income tax rates in other countries where the Group operates (Ecuador, Brazil and Chile) ranges from 15% to 34%. There are no income tax consequences attached to the payment of dividends by the Group to its shareholders.

The Group has tax losses available which can be utilized against future taxable profit in the following countries:

Amounts in US$ '000	2023	2022	2021
Colombia	—	4,837	15,557
Brazil [a]	26,808	26,736	26,781
Chile [a] [c]	313,409	323,929	285,456
Argentina [b]	9,981	24,065	35,773
Spain [a]	6,936	7,205	9,443
Total tax losses as of December 31	**357,134**	**386,772**	**373,010**

(a) Taxable losses have no expiration date.
(b) Tax losses accumulated as of December 31, 2023, are: US$ 2,551,000, US$ 939,000, US$ 2,297,000, US$ 927,000 and US$ 3,267,000 expiring in 2024, 2025, 2026, 2027 and 2028, respectively.
(c) The Chilean business was divested on January 18, 2024 (see Note 36.1), and therefore these tax losses no longer belong to GeoPark from such date.

As of December 31, 2023, deferred income tax assets in respect of tax losses in Chile and Argentina and a portion of tax losses in Brazil have not been recognized as there is insufficient evidence of future taxable profits to offset them.

Note 18 Deferred income tax

The gross movement on the deferred income tax account is as follows:

Amounts in US$ '000	2023	2022
Deferred income tax as of January 1	(51,180)	(6,875)
Currency translation differences	107	383
Income tax expense relating to cash flow hedges recognized in OCI	(1,369)	(483)
Income statement benefit (charge)	4,299	(44,205)
Deferred income tax as of December 31	**(48,143)**	**(51,180)**

The breakdown and movement of deferred income tax assets and liabilities as of December 31, 2023, and 2022, are as follows:

Amounts in US$ '000	At the beginning of year	Charged to net profit	Currency translation differences	Reclassification	At the end of year
Deferred income tax assets					
Difference in depreciation rates and other	4,759	8,911	(108)	(556)	13,006
Tax losses	14,184	(11,485)	215	—	2,914
Total 2023	**18,943**	**(2,574)**	**107**	**(556)**	**15,920**
Total 2022	**14,072**	**4,488**	**383**	**—**	**18,943**

Amounts in US$ '000	At the beginning of year	Charged to net profit	Income tax expense relating to cash flow hedges	Reclassification	At the end of year
Deferred income tax liabilities					
Difference in depreciation rates and other	(70,123)	6,873	(1,369)	556	(64,063)
Total 2023	**(70,123)**	**6,873**	**(1,369)**	**556**	**(64,063)**
Total 2022	**(20,947)**	**(48,693)**	**(483)**	**—**	**(70,123)**

Note 19 Earnings per share

Amounts in US$ '000 except for shares	2023	2022	2021
Numerator: Profit for the year	111,068	224,435	61,127
Denominator: Weighted average number of shares used in basic EPS	56,836,682	59,330,421	60,901,109
Earnings after tax per share (US$) – basic	**1.95**	**3.78**	**1.00**

Amounts in US$ '000 except for shares	2023	2022	2021
Weighted average number of shares used in basic EPS	56,836,682	59,330,421	60,901,109
Effect of dilutive potential common shares			
Stock awards at US$ 0.001	359,587	552,466	559,012
Weighted average number of common shares for the purposes of diluted earnings per shares	57,196,269	59,882,887	61,460,121
Earnings after tax per share (US$) – diluted	**1.94**	**3.75**	**0.99**

Note 20 Property, plant and equipment

Amounts in US$'000	Oil & gas properties	Furniture, equipment and vehicles	Production facilities and machinery	Buildings and improvements	Construction in progress	Exploration and evaluation assets[(a)]	Total
Cost as of January 1, 2021	968,617	20,707	197,829	12,442	18,848	78,614	1,297,057
Additions / ARO change	(1,094)[(b)]	930	—	—	82,094	46,234	128,164
Currency translation differences	(3,284)	(43)	(246)	(16)	(18)	(30)	(3,637)
Disposals	—	(1,762)	(900)	(978)	(3,372)	(338)	(7,350)
Write-off / Impairment	(1,575)[(c)]	—	(2,759)[(c)]	—	— [(c)]	(12,262)[(d)]	(16,596)
Transfers	68,315	58	13,305	391	(70,321)	(11,748)	—
Assets held for sale (Note 36.3)	(73,047)	(1,178)	(6,052)	(177)	(27)	—	(80,481)
Cost as of December 31, 2021	**957,932**	**18,712**	**201,177**	**11,662**	**27,204**	**100,470**	**1,317,157**
Additions / ARO change	(7,558)[(b)]	1,620	6	(14)	107,171	67,889	169,114
Currency translation differences	2,921	37	232	6	18	19	3,233
Disposals	—	(1,290)	(26)	(774)	—	—	(2,090)
Write-off / Impairment	—	—	—	—	—	(25,789)[(e)]	(25,789)
Transfers	125,962	14	21,338	147	(117,913)	(29,548)	—
Cost as of December 31, 2022	**1,079,257**	**19,093**	**222,727**	**11,027**	**16,480**	**113,041**	**1,461,625**
Additions / ARO change	9,744 [(b)]	1,683	12	17	116,304	73,160	200,920
Currency translation differences	3,477	46	277	8	21	22	3,851
Disposals	—	(1,223)	—	(2,150)	(119)	—	(3,492)
Write-off / Impairment	(13,332)[(c)]	—	—	—	—	(29,563)[(f)]	(42,895)
Transfers	171,538	93	21,262	93	(116,905)	(76,081)	—
Assets held for sale (Note 36.1)	(330,024)	(6,559)	(74,491)	(4,948)	—	—	(416,022)
Cost as of December 31, 2023	**920,660**	**13,133**	**169,787**	**4,047**	**15,781**	**80,579**	**1,203,987**
Depreciation and write-down as of January 1, 2021	(548,445)	(16,985)	(109,987)	(6,975)	—	—	(682,392)
Depreciation	(66,011)	(1,960)	(12,468)	(700)	—	—	(81,139)
Disposals	—	1,325	900	838	—	—	3,063
Currency translation differences	2,219	37	246	16	—	—	2,518
Assets held for sale (Note 36.3)	49,080	915	4,692	153	—	—	54,840
Depreciation and write-down as of December 31, 2021	**(563,157)**	**(16,668)**	**(116,617)**	**(6,668)**	**—**	**—**	**(703,110)**
Depreciation	(76,720)	(1,344)	(12,244)	(672)	—	—	(90,980)
Disposals	—	1,246	19	752	—	—	2,017
Currency translation differences	(2,403)	(33)	(231)	(6)	—	—	(2,673)
Depreciation and write-down as of December 31, 2022	**(642,280)**	**(16,799)**	**(129,073)**	**(6,594)**	**—**	**—**	**(794,746)**
Depreciation	(95,369)	(1,304)	(12,896)	(503)	—	—	(110,072)
Disposals	—	1,189	—	1,877	—	—	3,066
Currency translation differences	(3,179)	(41)	(277)	(8)	—	—	(3,505)
Assets held for sale (Note 36.1)	310,683	6,488	68,765	2,158	—	—	388,094
Depreciation and write-down as of December 31, 2023	**(430,145)**	**(10,467)**	**(73,481)**	**(3,070)**	**—**	**—**	**(517,163)**
Carrying amount as of December 31, 2021	**394,775**	**2,044**	**84,560**	**4,994**	**27,204**	**100,470**	**614,047**
Carrying amount as of December 31, 2022	**436,977**	**2,294**	**93,654**	**4,433**	**16,480**	**113,041**	**666,879**
Carrying amount as of December 31, 2023	**490,515**	**2,666**	**96,306**	**977**	**15,781**	**80,579**	**686,824**

Note 20 Property, plant and equipment (continued)

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[a] Exploration wells movement and balances are shown in the table below; mining property associated with unproved reserves and resources, seismic and other exploratory assets amount to US$ 72,581,000 (US$ 96,041,000 in 2022 and US$ 90,166,000 in 2021).

Amounts in US$ '000	**Total**
Exploration wells as of December 31, 2021	**10,304**
Additions	56,491
Write-offs	(21,460)
Transfers	(28,335)
Exploration wells as of December 31, 2022	**17,000**
Additions	61,500
Write-offs	(24,815)
Transfers	(45,687)
Exploration wells as of December 31, 2023	**7,998**

As of December 31, 2023, there were two exploratory wells that have been capitalized for a period less than three years amounting to US$ 7,998,000.

[b] Corresponds to the effect of change in estimate of assets retirement obligations.

[c] See Note 37.

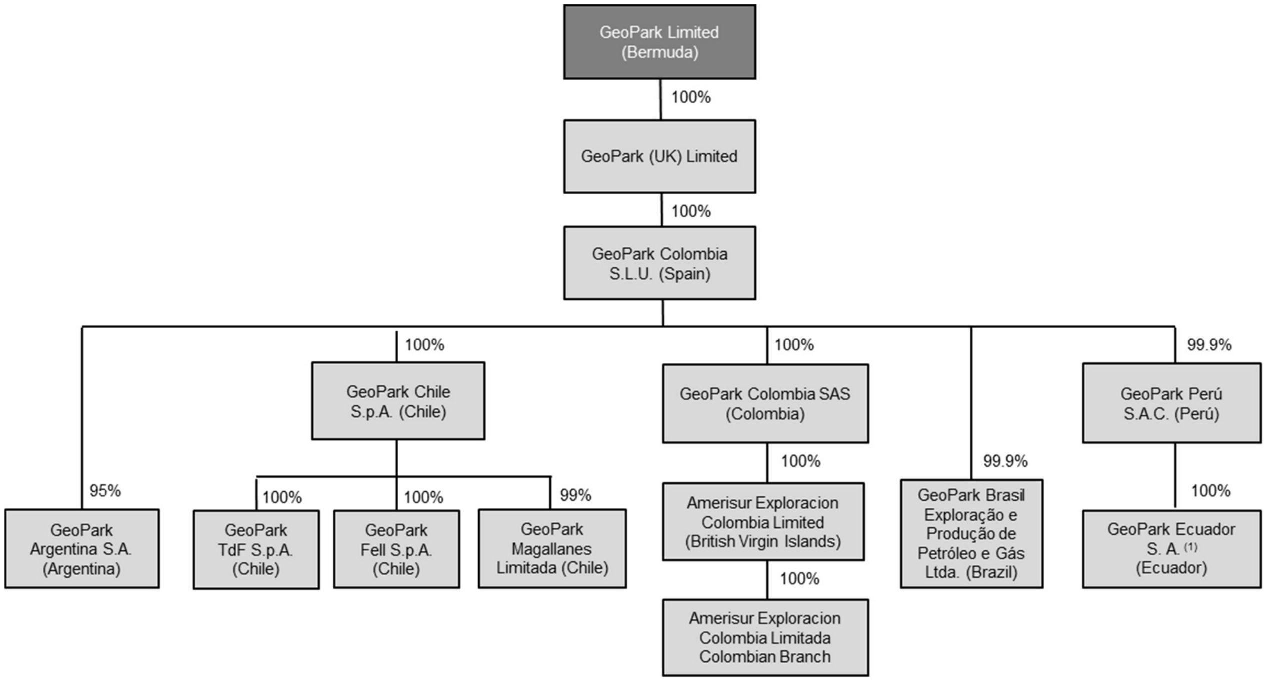
[d] Corresponds to two unsuccessful exploratory wells drilled in the Llanos 32 Block (Colombia), other exploration costs incurred in the Fell Block (Chile), an exploratory well drilled in previous years in the CPO-5 Block (Colombia) and other exploration costs incurred in previous years in the PUT-30 Block (Colombia).

[e] Corresponds to exploration costs incurred in previous years in the Tacacho and Terecay Blocks (Colombia), four exploratory wells drilled in the CPO-5, Platanillo, Llanos 34 and Llanos 94 Blocks (Colombia), and certain exploration costs incurred in the Espejo Block (Ecuador).

[f] Corresponds to three unsuccessful exploratory wells drilled in the Llanos 87 Block (Colombia), an unsuccessful exploratory well drilled in the Llanos 124 Block (Colombia) and other exploration costs incurred in the Llanos 94, Coati and Llanos 124 Blocks (Colombia).

Note 21 Subsidiary undertakings

The following chart illustrates main companies of the Group structure as of December 31, 2023:



(1) GeoPark Ecuador S.A. holds 50% working interest in the consortiums that operate the Espejo and Perico Blocks.

During the year ended December 31, 2023, the following change to the Group structure has taken place:

- The merger process between GeoPark Colombia S.A.S., GeoPark Colombia E&P S.A. and Petrodorado South America S.A., with GeoPark Colombia S.A.S. being the surviving company, became effective as of its registration in the Public Registry of the Chamber of Commerce of Bogota on January 27, 2023.

- As a result of the abovementioned merger and to comply with local regulatory obligations, GeoPark Colombia S.A.S. incorporated a branch in Panama, which is currently dormant.

Note 21 Subsidiary undertakings (continued)

Details of all the subsidiaries of the Group as of December 31, 2023, are set out below:

	Name and registered office	Ownership interest
Subsidiaries	GeoPark Argentina S.A. (Argentina)	100% (a)
	GeoPark Brasil Exploração e Produção de Petróleo e Gás Ltda. (Brazil)	100% (a)
	GeoPark Chile S.p.A. (Chile)	100% (a) (c)
	GeoPark Fell S.p.A. (Chile)	100% (a) (c)
	GeoPark Magallanes Limitada (Chile)	100% (a) (c)
	GeoPark TdF S.p.A. (Chile)	100% (a) (c)
	GeoPark Colombia S.A.S. (Colombia)	100% (a)
	GeoPark Colombia, S.L.U. (Spain)	100% (a)
	GeoPark Perú S.A.C. (Peru)	100% (a)
	GeoPark Mexico S.A.P.I. de C.V. (Mexico)	100% (a) (b)
	GeoPark E&P S.A.P.I. de C.V. (Mexico)	100% (a) (b)
	GeoPark Ecuador S.A. (Ecuador)	100% (a)
	GeoPark (UK) Limited (United Kingdom)	100%
	Amerisur Resources Limited (United Kingdom)	100% (a)
	Amerisur Exploración Colombia Limited (British Virgin Islands)	100% (a)
	Amerisur Exploración Colombia Limited Sucursal Colombia (Colombia)	100% (a)
	Yarumal S.A.S. (Colombia)	100% (a) (b)
	Fenix Oil & Gas Limited (British Virgin Islands)	100% (a) (b)
	Fenix Oil & Gas Limited Sucursal Colombia (Colombia)	100% (a) (b)
	Amerisurexplor Ecuador S.A. (Ecuador)	100% (a) (b)
	Amerisur S.A. (Paraguay)	100% (a) (b)
	Market Access LLP (United States)	9%
	GeoPark Colombia S.A.S. Sucursal Panama (Panama)	100% (a) (b)

(a) Indirectly owned.
(b) Dormant companies.
(c) Divested in January 2024. See Note 36.1.

Note 21 Subsidiary undertakings (continued)

Details of the joint operations of the Group as of December 31, 2023, are set out below:

	Name and registered office	Ownership interest
Joint operations	Flamenco Block (Chile)	50% (a) (c)
	Campanario Block (Chile)	50% (a) (c)
	Isla Norte Block (Chile)	60% (a) (c)
	Llanos 34 Block (Colombia)	45% (a)
	Llanos 32 Block (Colombia)	12.5%
	Puelen Block (Argentina)	18% (b)
	Los Parlamentos (Argentina)	50% (d)
	Manati Field (Brazil)	10%
	POT-T-785 Block (Brazil)	70% (a)
	Espejo Block (Ecuador)	50% (a)
	Perico Block (Ecuador)	50%
	Llanos 86 Block (Colombia)	50% (a)
	Llanos 87 Block (Colombia)	50% (a)
	Llanos 104 Block (Colombia)	50% (a)
	Llanos 123 Block (Colombia)	50% (a)
	Llanos 124 Block (Colombia)	50% (a)
	CPO-5 Block (Colombia)	30%
	Mecaya Block (Colombia)	50% (a)
	PUT-8 Block (Colombia)	50% (a)
	PUT-9 Block (Colombia)	50% (a)
	Tacacho Block (Colombia)	50% (a) (b)
	Terecay Block (Colombia)	50% (a) (b)
	Llanos 94 Block (Colombia)	50% (d)
	PUT-36 Block (Colombia)	50% (a)
	CPO-4-1 Block (Colombia)	50%

(a) GeoPark is the operator.
(b) In process of relinquishment.
(c) Divested in January 2024. See Note 36.1.
(d) GeoPark agreed to transfer its 50% working interest to its joint operation partner.

Note 22 Prepayments and other receivables

Amounts in US$ '000	2023	2022
V.A.T.	4,310	1,826
Income tax payments in advance	3,685	3,156
Other prepaid taxes	23	37
To be recovered from co-venturers (Note 34)	8,630	8,750
Prepayments and other receivables	12,311	8,458
	28,959	**22,227**
Classified as follows:		
Current	25,896	22,106
Non-current	3,063	121
	28,959	**22,227**

Movements on the Group provision for impairment are as follows:

Amounts in US$ '000	2023	2022
At January 1	14	7
Additions	—	10
Foreign exchange gain (loss)	4	(3)
	18	**14**

Note 23 Inventories

Amounts in US$ '000	2023	2022
Crude oil	9,441	12,630
Materials and spares	4,111	1,804
	13,552	**14,434**

The carrying amount of inventories is not pledged as security for liabilities.

Note 24 Trade receivables

Amounts in US$ '000	2023	2022
Trade receivables	65,049	71,794
	65,049	**71,794**

As of December 31, 2023, and 2022, there are no balances that were aged by more than 3 months. Trade receivables that are aged by less than three months are not considered impaired.

The credit period for trade receivables is 30 days. The maximum exposure to credit risk at the reporting date is the carrying value of each class of receivable. The Group does not hold any collateral as security related to trade receivables.

The carrying value of trade receivables is considered to represent a reasonable approximation of its fair value due to their short-term nature.

Note 25 Financial instruments by category

Amounts in US$ '000	Assets as per statement of financial position 2023	2022
Financial assets at fair value through profit or loss		
Derivative financial instrument assets	3,775	967
Cash and cash equivalents	—	242
	3,775	**1,209**
Other financial assets at amortized cost		
Trade receivables	65,049	71,794
To be recovered from co-venturers (Note 34)	8,630	8,750
Other financial assets [(a)]	12,564	12,877
Cash and cash equivalents	133,036	128,601
	219,279	**222,022**
Total financial assets	**223,054**	**223,231**

(a) Non-current other financial assets relate to restricted deposits made for environmental obligations according to Brazilian government regulations. Current other financial assets correspond to short-term investments with original maturities up to twelve months and over three months.

Amounts in US$ '000	Liabilities as per statement of financial position 2023	2022
Liabilities at fair value through profit and loss		
Derivative financial instrument liabilities	70	19
	70	**19**
Other financial liabilities at amortized cost		
Trade payables	108,977	102,125
To be paid to co-venturers (Note 34)	522	2,815
Lease liabilities	32,298	32,051
Borrowings	500,981	497,642
	642,778	**634,633**
Total financial liabilities	**642,848**	**634,652**

Note 25 Financial instruments by category (continued)

25.1 Credit quality of financial assets

The credit quality of financial assets that are neither past due nor impaired can be assessed by reference to external credit ratings (if available) or to historical information about counterparty default rates:

Amounts in US$ '000	**2023**	**2022**
Trade receivables		
Counterparties with an external credit rating (Moody's, S&P, Fitch)		
Aa3	—	2,013
A3	949	1,557
Baa1	1,721	99
Baa3	151	198
Ba1	15,068	23,755
Ba2	2,953	—
Ba3	—	2,745
B2	63	4,085
Counterparties without an external credit rating		
Group 1 [(a)]	44,144	37,342
Total trade receivables	**65,049**	**71,794**

[(a)] Group 1 – no existing balances with customers aged by more than 3 months.

All trade receivables are denominated in US Dollars, except in Brazil where they are denominated in Brazilian Real.

Cash at bank and other financial assets [(a)]

Amounts in US$ '000	**2023**	**2022**
Counterparties with an external credit rating (Moody's, S&P, Fitch, BRC Investor Services)		
Aa3	—	10,362
A1	91,747	96,077
A2	268	57
A3	16,147	10,389
Baa1	18	39
Baa2	17,585	7,030
Baa3	125	1,352
Ba1	—	64
Ba2	6,528	268
Ba3	5	3,066
B3	593	51
Counterparties without an external credit rating	12,571	12,953
Total	**145,587**	**141,708**

[(a)] The remaining balance sheet item 'cash and cash equivalents' corresponds to cash on hand amounting to US$ 13,000 (US$ 12,000 in 2022).

Note 25 Financial instruments by category (continued)

25.2 Financial liabilities - contractual undiscounted cash flows

The table below analyses the Group's financial liabilities into relevant maturity groupings based on the remaining period at the balance sheet to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

Amounts in US$ '000	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years
As of December 31, 2023				
Borrowings	27,500	27,500	541,250	—
Lease liabilities	9,416	6,515	11,719	25,134
Trade payables	108,977	—	—	—
To be paid to co-venturers (Note 34)	522	—	—	—
	146,415	**34,015**	**552,969**	**25,134**
As of December 31, 2022				
Borrowings	27,500	27,500	568,750	—
Lease liabilities	10,939	5,653	11,209	25,012
Trade payables	102,125	—	—	—
To be paid to co-venturers (Note 34)	2,815	—	—	—
	143,379	**33,153**	**579,959**	**25,012**

25.3 Fair value measurement of financial instruments

Accounting policies for financial instruments have been applied to classify as either: amortized cost, financial assets at fair value through profit or loss and fair value through other comprehensive income. For financial instruments that are measured in the statement of financial position at fair value, IFRS 13 requires a disclosure of fair value measurements by level according to the following fair value measurement hierarchy:

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices).

Level 3 - Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs).

Note 25 Financial instruments by category (continued)

25.3 Fair value measurement of financial instruments (continued)

25.3.1 Fair value hierarchy

The following table presents the Group's financial assets and financial liabilities measured and recognized at fair value as of December 31, 2023, and 2022, on a recurring basis:

Amounts in US$ '000	Level 1	Level 2	As of December 31, 2023
Assets			
Derivative financial instrument assets			
Commodity risk management contracts	—	3,775	3,775
Total Assets	**—**	**3,775**	**3,775**
Liabilities			
Derivative financial instrument liabilities			
Commodity risk management contracts	—	70	70
Total Liabilities	**—**	**70**	**70**

Amounts in US$ '000	Level 1	Level 2	As of December 31, 2022
Assets			
Cash and cash equivalents			
Money market funds	242	—	242
Derivative financial instrument assets			
Commodity risk management contracts	—	967	967
Total Assets	**242**	**967**	**1,209**
Liabilities			
Derivative financial instrument liabilities			
Commodity risk management contracts	—	19	19
Total Liabilities	**—**	**19**	**19**

There were no transfers between Level 2 and 3 during the period.

The Group did not measure any financial assets or financial liabilities at fair value on a non-recurring basis as of December 31, 2023.

Note 25 Financial instruments by category (continued)

25.3 Fair value measurement of financial instruments (continued)

25.3.2 Valuation techniques used to determine fair values

Specific valuation techniques used to value financial instruments include:

- The use of quoted market prices or dealer quotes for similar instruments.
- The mark-to-market fair value of the Group's outstanding derivative instruments is based on independently provided market rates and determined using standard valuation techniques, including the impact of counterparty credit risk and are within level 2 of the fair value hierarchy.
- The fair value of the remaining financial instruments is determined using discounted cash flow analysis. All of the resulting fair value estimates are included in level 2.

25.3.3 Fair values of other financial instruments (unrecognized)

The Group also has a number of financial instruments which are not measured at fair value in the balance sheet. For the majority of these instruments, the fair values are not materially different to their carrying amounts, since the interest receivable/payable is either close to current market rates or the instruments are short-term in nature.

Borrowings are comprised primarily of fixed rate debt and variable rate debt with a short-term portion where interest has already been fixed. They are classified under other financial liabilities and measured at their amortized cost.

The fair value of these financial instruments as of December 31, 2023, amounts to US$ 443,690,000 (US$ 431,660,000 in 2022). The fair values are based on market price for the Notes and cash flows discounted for other borrowings using a rate based on the borrowing rate and are within level 1 and level 2 of the fair value hierarchy, respectively.

Note 26 Equity

26.1 Share capital and Share premium

Issued share capital	**2023**	**2022**
Common stock (amounts in US$ '000)	**55**	**58**
The share capital is distributed as follows:		
Common shares, of nominal US$ 0.001	55,327,520	57,621,998
Total common shares in issue	**55,327,520**	**57,621,998**
Authorized share capital		
US$ per share	0.001	0.001
Number of common shares (US$ 0.001 each)	5,171,949,000	5,171,949,000
Amount in US$	5,171,949	5,171,949

Details regarding the share capital of the Company are set out below.

Note 26 Equity (continued)

26.1 Share capital and Share premium (continued)

26.1.1 Common shares

As of December 31, 2023, the outstanding common shares confer the following rights on the holder:

- the right to one vote per share
- ranking *pari passu*, the right to any dividend declared and payable on common shares

GeoPark common shares history	Month	Shares movement (millions)	Shares closing (millions)	US$(`000) Closing
Shares outstanding at the end of 2021			**60.2**	**60**
Buyback program	Mar 2022	(0.2)	60.0	60
Buyback program	Jun 2022	(0.5)	59.5	60
Stock awards	Jul 2022	0.1	59.6	60
Buyback program	Sep 2022	(1.1)	58.5	59
Buyback program	Dec 2022	(0.9)	57.6	58
Shares outstanding at the end of 2022			**57.6**	**58**
Stock awards	Feb 2023	0.6	58.2	58
Buyback program	Mar 2023	(0.6)	57.6	58
Stock awards	May 2023	0.1	57.7	58
Buyback program	Jun 2023	(1.1)	56.6	57
Buyback program	Sep 2023	(0.5)	56.1	56
Buyback program	Dec 2023	(0.8)	55.3	55
Shares outstanding at the end of 2023			**55.3**	**55**

26.1.2 Stock Award Program and Other Share Based Payments

Non-Executive Directors Fees

During 2023, the Company issued 99,590 shares (75,636 in 2022 and 64,269 in 2021) to Non-Executive Directors in accordance with contracts as compensation, generating a share premium of US$ 1,133,000 (US$ 1,040,000 in 2022 and US$ 861,000 in 2021). The number of shares issued is determined considering the contractual compensation and the fair value of the shares for each relevant period.

Stock Award Program and Other Share Based Payments

On February 3, 2023, 350,938 common shares were issued as part of the compensation agreements related to the CEO transition which occurred in 2022, generating a share premium of US$ 4,799,000. On July 15, 2022, 52,058 common shares were issued as part of the founding executive employment agreement in place with the former Chief Executive Officer (104,439 in 2021), generating a share premium of US$ 800,000 (US$ 800,000 in 2021).

On February 3, 2023, 246,110 common shares were issued as a result of the vesting of the first tranche of the Long-Term Incentive program ("LTIP") oriented to executive officers which was granted in 2022, generating a share premium of US$ 1,505,000.

During 2023, 82,472 common shares were issued as part of other equity incentive plans vested during the year, generating a share premium of US$ 281,000.

Note 26 Equity (continued)

26.1 Share capital and Share premium (continued)

26.1.3 Buyback Program

The Company has recurring buyback programs to repurchase its own shares. The latest renewal took place on November 8, 2023, and established a program to repurchase up to 10% of the shares outstanding, or approximately 5,611,797 shares, until December 31, 2024.

In addition to any repurchases under the aforementioned repurchase program, the Company has authority from its Board of Directors to repurchase, on a standalone basis, up to US$ 50,000,000 of its common shares in 2024.

During 2023, the Company purchased 3,073,588 common shares (2,743,722 in 2022 and 960,454 in 2021) for a total amount of US$ 31,239,000 (US$ 36,265,000 in 2022 and US$ 11,841,000 in 2021). These transactions had no impact on the Group's results.

26.2 Cash distributions

On November 6, 2019, the Company's Board of Directors declared the initiation of quarterly cash distributions.

The following table summarizes the cash distributions for each of the years presented:

Date of declaration	Date of distribution	US$ per share	Total amount in US$ '000
March 10, 2021	April 13, 2021	0.0205	1,133
May 5, 2021	May 28, 2021	0.0205	1,220
August 4, 2021	August 31, 2021	0.0410	2,442
November 10, 2021	December 7, 2021	0.0410	2,429
Cash distributions for the year ended December 31, 2021			**7,224**
March 9, 2022	March 31, 2022	0.0820	4,847
May 11, 2022	June 10, 2022	0.0820	4,809
August 10, 2022	September 8, 2022	0.1270	7,345
November 9, 2022	December 7, 2022	0.1270	7,281
Cash distributions for the year ended December 31, 2022			**24,282**
March 8, 2023	March 31, 2023	0.1300	7,505
May 3, 2023	May 31, 2023	0.1300	7,378
August 9, 2023	September 7, 2023	0.1320	7,383
November 8, 2023	December 11, 2023	0.1340	7,449
Cash distributions for the year ended December 31, 2023			**29,715**

These distributions are deducted from Other Reserves.

Note 27 Borrowings

Amounts in US$ '000	2023	2022
Outstanding amounts as of December 31		
Notes due 2027	500,981	497,642
	500,981	**497,642**
Classified as follows:		
Current	12,528	12,528
Non-current	488,453	485,114

On January 17, 2020, the Company placed US$ 350,000,000 aggregate principal amount of 5.500% senior secured notes due 2027 (the "Notes due 2027"), which were offered in a private placement to qualified institutional buyers in accordance with Rule 144A under the Securities Act, and outside the United States to non U.S. persons in accordance with Regulation S under the Securities Act. The Notes due 2027 were priced at 99.285% and carry a coupon of 5.50% per annum (yield 5.625% per annum). Final maturity will be January 17, 2027.

In April 2021, the Company reopened its Notes due 2027, issuing an additional US$ 150,000,000 principal amount. The reopening was priced above par at 101.875%, representing a yield to maturity of 5.117%. The Notes due 2027 were offered in a private placement to qualified institutional buyers in accordance with Rule 144A under the Securities Act, and outside the United States to non-U.S. persons in accordance with Regulation S under the Securities Act. The Notes due 2027 are fully and unconditionally guaranteed by GeoPark Colombia, S.L.U.

From April 2021 to September 2022, the Company repurchased and cancelled its US$ 425,000,000 aggregate principal amount of 6.500% senior secured notes due 2024 (the "Notes due 2024"). In April 2021, the Company executed a tender to purchase US$ 255,000,000 of the Notes due 2024, funded with a combination of cash in hand and the abovementioned reopening of the Notes due 2027. From March to September 2022, the Company repurchased and cancelled the remaining amount of the Notes due 2024 for a nominal amount of US$ 170,000,000. The difference between the carrying amount of debt that was repurchased or redeemed and the consideration paid was recognized within 'Financial expenses' in the Consolidated Statement of Income.

The indenture governing the Notes due 2027 includes incurrence test covenants that provide, among other things, that the Net Debt to Adjusted EBITDA ratio should not exceed 3.25 times and the Adjusted EBITDA to Interest ratio should exceed 2.5 times. Failure to comply with the incurrence test covenants does not trigger an event of default. However, this situation may limit the Company's capacity to incur additional indebtedness, as specified in the indentures governing the Notes. Incurrence covenants, as opposed to maintenance covenants, must be tested by the Company before incurring additional debt or performing certain corporate actions including but not limited to dividend payments, restricted payments and others. As of the date of these Consolidated Financial Statements, the Company complies with all the indentures' provisions and covenants.

On August 3, 2023, GeoPark Colombia S.A.S., as borrower, and GeoPark Limited, as guarantor, signed a senior unsecured credit agreement with Banco BTG Pactual S.A. and Banco Latinoamericano de Comercio Exterior S.A. which provides GeoPark with access to up to US$ 80,000,000, with an availability period until November 3, 2024, and final maturity on August 3, 2025. The agreement establishes a commitment fee of 1.85% per annum with respect to undrawn amounts and an interest rate of SOFR + 3.70% with respect to amounts drawn. "SOFR" (Secured Overnight Financing Rate) is a broad measure of the cost of borrowing cash overnight collateralized by treasury securities. As of the date of these Consolidated Financial Statements, GeoPark has not withdrawn any amount under this credit facility.

As of the date of these Consolidated Financial Statements, the Group has access to the abovementioned US$ 80,000,000 senior unsecured committed credit facility and to US$ 179,600,000 in uncommitted credit lines.

Note 28 Leases

The Consolidated Statement of Financial Position shows the following amounts relating to leases:

Amounts in US$ '000	2023	2022
Right of use assets		
Production, facilities and machinery	24,201	32,034
Buildings and improvements	4,250	4,977
	28,451	**37,011**
Lease liabilities		
Current	8,911	10,000
Non-current	23,387	22,051
	32,298	**32,051**

The Consolidated Statement of Income shows the following amounts relating to leases:

Amounts in US$ '000	2023	2022	2021
Depreciation charge of Right of use assets			
Production, facilities and machinery	(7,858)	(6,057)	(5,526)
Buildings and improvements	(792)	(988)	(1,136)
	(8,650)	**(7,045)**	**(6,662)**
Unwinding of long-term liabilities (included in Financial results)	(3,168)	(2,838)	(1,453)
Expenses related to short-term leases (included in Production and operating cost and Administrative expenses)	(838)	(2,614)	(1,101)
Expenses related to low-value leases (included in Administrative expenses)	(775)	(708)	(906)

The table below summarizes the amounts of Right-of-use assets recognized and the movements during the reporting years:

Amounts in US$'000	2023	2022
Right-of-use assets as of January 1	37,011	21,014
Additions / changes in estimates	137	22,462
Foreign currency translation	444	580
Assets held for sale (Note 36.1)	(491)	—
Depreciation	(8,650)	(7,045)
Right-of-use assets as of December 31	**28,451**	**37,011**

The table below summarizes the amounts of Lease liabilities recognized and the movements during the reporting years:

Amounts in US$'000	2023	2022
Lease liabilities as of January 1	32,051	20,744
Additions / changes in estimates	137	22,462
Exchange difference	7,061	(6,426)
Foreign currency translation	174	284
Liabilities associated with assets held for sale (Note 36.1)	(26)	—
Unwinding of discount	3,168	2,838
Lease payments	(10,267)	(7,851)
Lease liabilities as of December 31	**32,298**	**32,051**

Note 29 Provisions and other long-term liabilities

Amounts in US$ '000	Asset retirement obligation [a]	Deferred Income [b]	Other [c]	Total
As of January 1, 2022	**45,842**	**3,331**	**13,675**	**62,848**
Addition to provision / changes in estimates	(4,942)	—	(2,670)	(7,612)
Exchange difference	(669)	(167)	(1,147)	(1,983)
Foreign currency translation	(577)	—	14	(563)
Amortization	—	(2,407)	—	(2,407)
Unwinding of discount	2,641	—	547	3,188
Amounts used during the year	(1,392)	—	(132)	(1,524)
As of December 31, 2022	**40,903**	**757**	**10,287**	**51,947**
Addition to provision / changes in estimates	7,374	—	2,460	9,834
Exchange difference	1,172	180	560	1,912
Foreign currency translation	717	—	(13)	704
Amortization	—	(127)	—	(127)
Unwinding of discount	2,794	—	494	3,288
Amounts used during the year	(2,502)	—	(4,051)	(6,553)
Liabilities associated with assets held for sale (Note 36.1)	(26,922)	—	—	(26,922)
As of December 31, 2023	**23,536**	**810**	**9,737**	**34,083**

(a) The provision for 'asset retirement obligation' relates to the estimation of future disbursements related to the abandonment and decommissioning of oil and gas wells (see Note 4).

(b) 'Deferred income' relates to government grants and other contributions relating to the purchase of property, plant and equipment in Colombia. The amortization is in line with the related assets.

(c) 'Other' mainly includes environmental obligations in Colombia and Peru.

Legal proceeding in the United Kingdom

On January 8, 2020, Amerisur Resources Limited ("Amerisur") received a copy of a claim form issued in the High Court of England and Wales (the "Court") by Leigh Day solicitors on behalf of a group of claimants (the "Claimants") described as members of a farming community in the department of Putumayo in Colombia, seeking compensation for economic and non-economic damages said to be caused by alleged environmental contamination and pollution caused by Amerisur's operations in the region. Following initial court hearings, an interim freezing order was imposed on Amerisur for an amount of GBP 4,465,600 of its assets located in the United Kingdom. On November 10, 2020, the freezing order was discharged by agreement between the parties as Amerisur provided alternative security in the form of a letter of credit.

On February 6, 2023, the Court ordered Amerisur to pay the sum of GBP 330,022 (equivalent to US$ 409,000). On August 11, 2023, a settlement (the "Settlement") was signed between Leigh Day and Amerisur, made on a no-admission of liability basis and included a payment made by Amerisur. All Claimants represented by Leigh Day agreed to the Settlement. On October 2, 2023, the Court approved the Settlement, the litigation was discontinued, and the letter of credit was cancelled.

GeoPark had a provision for this contingent liability, which was originally recognized at the moment of the acquisition of Amerisur in 2020. All payments made by Amerisur during 2023 were applied to the previously recognized contingent liability, thus generating a gain of US$ 2,568,000 that was recorded in "Other income (expenses)" in the Consolidated Statement of Income.

Note 30 Trade and other payables

Amounts in US$ '000	2023	2022
V.A.T	975	8,513
Trade payables	108,977	102,125
Customer advance payments	—	481
Other short-term advance payments [(a)]	450	—
Outstanding commitments in Chile [(b)]	5,869	—
Staff costs to be paid	10,852	9,306
Royalties to be paid	791	9,403
Taxes and other debts to be paid	9,381	8,963
To be paid to co-venturers (Note 34)	522	2,815
	137,817	**141,606**
Classified as follows:		
Current	137,817	141,606
Non-current	—	—

[(a)] Advance payment collected in relation with the sale of the Group´s business in Chile (see Note 36.1).

[(b)] Investment commitments in the Campanario and Isla Norte Blocks as a result of sale agreement of the Group´s business in Chile (see Note 36.1).

The average credit period (expressed as creditor days) during the year ended December 31, 2023, was 90 days (2022: 69 days).

The fair value of these short-term financial instruments is not individually determined as the carrying amount is a reasonable approximation of fair value.

Note 31 Share-based payment

The Group has established different stock awards programs and other share-based payment plans to incentivize the directors, executive officers and employees, enabling them to benefit from the increased market capitalization of the Company.

During 2018, GeoPark announced the 2018 Equity Incentive Plan (the "Plan") to motivate and reward those employees, directors, consultants and advisors of the Group to perform at the highest level and to further the best interests of the Company and its shareholders. This Plan is designed as a master plan, with a 10-year term, and embraces all equity incentive programs that the Company decides to implement throughout such term. The maximum number of shares available for issuance under the Plan is 5,000,000 Shares.

In 2020, a share-based compensation program for employees was approved for approximately 800,000 shares, to vest in 2023. On February 17, 2023, the Compensation Committee reviewed the Group's results and the performance conditions established in the program and approved 152,030 shares to be delivered to participants, due to the fact that, throughout the vesting period, the performance conditions included in the program were only partially achieved and, to a lesser extent, the Group had lower hirings than estimated and not all the beneficiaries continued being employees at the vesting date.

On March 8, 2022, the Company's Board of Directors approved a pool of approximately 215,000 shares oriented for retention of key employees and new hires bonuses, under the Stock Awards Program. Vesting of the plan is in a three-years period from the grant date.

Note 31 Share-based payment (continued)

During 2022, the Company's Board of Directors, based on the recommendation of the Compensation Committee, approved a Long-Term Incentive program ("LTIP") for executive officers. Main characteristics of the program are:

- All executive officers are eligible.
- Grants are awarded annually to executive officers.
- The components of the Program are the following:
  - 20% Time-based Restricted Share Units (RSUs) vesting ratably in three equal installments on each of the first three anniversaries of the grant date;
  - 35% Relative Performance Share Units based on relative total shareholder return (TSR) and measured over three-year performance period relative to peer group; and
  - 45% Absolute Performance Share Units (PSUs) based on absolute total shareholder return (TSR) and measured over three-year performance period.

In February 2023, 246,110 common shares were allotted to the trustee of the Employee Beneficiary Trust ("EBT") as a consequence of the vesting of the first tranche of the abovementioned plan, and the Compensation Committee approved a new grant effective as of February 14, 2023, of 197,197 shares to vest during a three-year period.

In December 2022, the Company's Board of Directors, based on the recommendation of the Compensation Committee, approved a Long-Term Incentive program for employees and new hirings. Main characteristics of the program are:

- All employees (non-top management) and new hirings are eligible.
- 3-year program, with a grant date of January 2, 2023, or the date on which the employees are hired.
- The components of the program are the following:
  - 30% Time-based RSUs: vesting annually ratably in three equal installments;
  - 30% Company Performance: measured over three-year performance period (December 2022-December 2025); and
  - 40% Absolute Performance Shares: share price at the date of vesting must be higher than the share price at the date of grant or date of hiring.
- The vesting date of the Performance Shares (Company and Absolute) will be on January 2, 2026.

Details of these costs and the characteristics of the different stock awards programs and other share-based payments are described in the following table:

	Awards at the beginning	Awards granted in the year	Awards forfeited	Awards exercised	Awards at year end	Charged to net profit/loss 2023	2022	2021
Year of issuance		**No. of Shares**				**Amounts in US$ '000**		
2023	—	795,412	(105,695)	—	689,717	1,452	—	—
2022	191,400	12,000	(6,112)	(9,444)	187,844	990	619	—
2020	405,919		(253,889)	(61,980)	90,050	—	1,691	862
Subtotal	**597,319**	**807,412**	**(365,696)**	**(71,424)**	**967,611**	**2,442**	**2,310**	**862**
Shares granted to Non-Executive Directors	—	99,590	—	(99,590)	—	1,133	1,041	861
Shares granted to Executive Directors [a]	375,937	—	—	(359,271)	16,666	126	3,560	800
VCP [b]	—	—	—	—	—	—	2,016	4,098
LTIP for executives	571,984	268,129	—	(248,825)	591,288	3,627	2,111	—
	1,545,240	**1,175,131**	**(365,696)**	**(779,110)**	**1,575,565**	**7,328**	**11,038**	**6,621**

(a) Includes compensation agreements from CEO transition.

(b) The plan named Value Creation Plan ("VCP"), oriented to key management, was approved in 2019. The performance metrics were not achieved to execute this program and is not currently in place.

The awards that are forfeited correspond to employees that had left the Group before vesting date.

Note 32 Interests in Joint operations

The Group has interests in joint operations, which are engaged in the exploration of hydrocarbons in Colombia, Ecuador, Brazil, Chile and Argentina.

GeoPark is the operator in the Llanos 34, Llanos 86, Llanos 87, Llanos 104, Llanos 123, Llanos 124, Mecaya, PUT-8, PUT-9, PUT-36, Tacacho and Terecay Blocks in Colombia, in the Espejo Block in Ecuador, in the POT-T-785 Block in Brazil, and in the Flamenco, Campanario and Isla Norte Blocks in Chile.

The following amounts represent the Group's share in the assets, liabilities and results of the joint operations which have been recognized in the Consolidated Statement of Financial Position and Statement of Income:

Subsidiary / Joint operation	Interest	PP&E	Other Assets	Total Assets	Total Liabilities	Net Assets/ (Liabilities)	Revenue	Operating profit (loss)
2023								
GeoPark Colombia S.A.S.								
Llanos 34 Block	45 %	354,361	5,079	359,440	(7,641)	351,799	464,146	295,556
Llanos 32 Block	12.5 %	2,493	—	2,493	(655)	1,838	7,811	5,661
Llanos 86 Block	50 %	5,532	227	5,759	—	5,759	—	(187)
Llanos 87 Block	50 %	16,621	650	17,271	(1,211)	16,060	1,527	(17,722)
Llanos 94 Block	50 %	—	—	—	(336)	(336)	—	(1,044)
Llanos 104 Block	50 %	5,536	320	5,856	—	5,856	—	(186)
Llanos 123 Block	50 %	16,292	1,035	17,327	(520)	16,807	8,648	4,006
Llanos 124 Block	50 %	—	170	170	(166)	4	—	(7,496)
CPO-5 Block	30 %	182,484	—	182,484	(1,540)	180,944	148,594	50,032
CPO-4-1 Block	50 %	102	7	109	—	109	—	(96)
Amerisur Exploración Colombia Limitada Sucursal Colombia								
Mecaya Block	50 %	3,948	51	3,999	(40)	3,959	—	(66)
PUT-8 Block	50 %	9,118	306	9,424	—	9,424	—	(8)
PUT-9 Block	50 %	4,454	68	4,522	—	4,522	—	(66)
PUT-36 Block	50 %	2,950	50	3,000	—	3,000	—	(2)
Tacacho Block	50 %	—	103	103	—	103	—	(8)
Terecay Block	50 %	—	36	36	—	36	—	(8)
GeoPark Ecuador S.A.								
Espejo	50 %	10,072	213	10,285	(467)	9,818	1,450	(1,897)
Perico	50 %	22,231	—	22,231	(889)	21,342	17,647	258
GeoPark Brasil Exploração y Produção de Petróleo e Gas Ltda.								
Manati Field	10 %	5,233	17,546	22,779	(12,788)	9,991	14,019	4,955
POT-T-785	70 %	160	—	160	—	160	—	—
GeoPark TdF S.p.A.								
Flamenco Block	50 %	—	—	—	(1,336)	(1,336)	—	(178)
Campanario Block	50 %	—	—	—	(5,438)	(5,438)	—	(5,113)
Isla Norte Block	60 %	—	—	—	(1,018)	(1,018)	—	(1,000)
GeoPark Argentina S.A.								
Los Parlamentos Block	50 %	—	—	—	—	—	—	(7,086)
Puelen Block	18 %	—	2	2	(60)	(58)	—	(51)

Note 32 Interests in Joint operations (continued)

Subsidiary / Joint operation	Interest	PP&E	Other Assets	Total Assets	Total Liabilities	Net Assets/ (Liabilities)	Revenue	Operating profit (loss)
2022								
GeoPark Colombia S.A.S.								
Llanos 34 Block	45 %	295,639	2,284	297,923	(2,104)	295,819	721,326	402,425
Llanos 32 Block	12.5 %	2,324	—	2,324	(371)	1,953	9,791	7,066
Llanos 86 Block	50 %	970	—	970	—	970	—	(60)
Llanos 87 Block	50 %	15,038	—	15,038	(41)	14,997	—	(390)
Llanos 94 Block	50 %	576	—	576	(233)	343	—	(5,632)
Llanos 104 Block	50 %	1,001	—	1,001	—	1,001	—	(60)
Llanos 123 Block	50 %	1,172	—	1,172	—	1,172	—	(60)
Llanos 124 Block	50 %	1,207	—	1,207	—	1,207	—	(60)
CPO-5 Block	30 %	199,748	—	199,748	(344)	199,404	184,160	69,422
CPO-4-1 Block	50 %	102	—	102	—	102	—	—
Amerisur Exploración Colombia Limitada Sucursal Colombia								
Mecaya Block	50 %	3,908	—	3,908	(17)	3,891	—	(62)
PUT-8 Block	50 %	7,927	—	7,927	—	7,927	—	(61)
PUT-9 Block	50 %	4,420	—	4,420	—	4,420	—	(62)
PUT-36 Block	50 %	2,931	—	2,931	—	2,931	—	(60)
Tacacho Block	50 %	—	—	—	—	—	—	(3,699)
Terecay Block	50 %	—	—	—	—	—	—	(300)
GeoPark Ecuador S.A.								
Espejo	50 %	10,727	593	11,320	(5,406)	5,914	—	(5,151)
Perico	50 %	15,195	8,506	23,701	(5,315)	18,386	10,671	4,533
GeoPark Brasil Exploração y Produção de Petróleo e Gas Ltda.								
Manati Field	10 %	5,665	18,537	24,202	(12,602)	11,600	19,873	11,240
POT-T-785	70 %	168	—	168	—	168	—	—
GeoPark TdF S.p.A.								
Flamenco Block	50 %	—	—	—	(1,314)	(1,314)	—	(261)
Campanario Block	50 %	—	—	—	(422)	(422)	—	(115)
Isla Norte Block	60 %	—	—	—	(160)	(160)	—	(131)
GeoPark Argentina S.A.								
CN-V Block	50 %	—	—	—	(14)	(14)	—	(131)
Los Parlamentos Block	50 %	—	—	—	(93)	(93)	—	(176)
Puelen Block	18 %	—	10	10	(105)	(95)	—	(69)
Sierra del Nevado Block	18 %	—	1	1	(4)	(3)	—	(8)

Note 32 Interests in Joint operations (continued)

Subsidiary / Joint operation	Interest	PP&E	Other Assets	Total Assets	Total Liabilities	Net Assets/ (Liabilities)	Revenue	Operating profit (loss)
2021								
GeoPark Colombia S.A.S.								
Llanos 34 Block	45 %	260,589	1,866	262,455	(5,573)	256,882	486,779	341,473
Llanos 32 Block	12.5 %	2,730	—	2,730	(197)	2,533	7,690	5,378
Llanos 86 Block	50 %	408	—	408	—	408	—	(60)
Llanos 87 Block	50 %	1,220	—	1,220	—	1,220	—	(60)
Llanos 94 Block	50 %	1,489	—	1,489	(270)	1,219	—	(171)
Llanos 104 Block	50 %	434	—	434	—	434	—	(60)
Llanos 123 Block	50 %	907	—	907	—	907	—	(60)
Llanos 124 Block	50 %	841	—	841	—	841	—	(60)
CPO-5 Block	30 %	210,154	—	210,154	(929)	209,225	88,479	55,131
Amerisur Exploración Colombia Limitada Sucursal Colombia								
Mecaya Block	50 %	3,837	—	3,837	(84)	3,753	—	—
PUT-8 Block	50 %	7,070	—	7,070	—	7,070	—	—
PUT-9 Block	50 %	4,342	—	4,342	—	4,342	—	—
PUT-36 Block	50 %	2,870	—	2,870	—	2,870	—	—
Tacacho Block	50 %	3,629	—	3,629	—	3,629	—	—
Terecay Block	50 %	226	—	226	—	226	—	—
GeoPark Perú S.A.C. - Sucursal Ecuador								
Espejo	50 %	1,132	78	1,210	(610)	600	—	(589)
Perico	50 %	4,658	1,449	6,107	(4,535)	1,572	—	(669)
GeoPark Brasil Exploração y Produção de Petróleo e Gas Ltda.								
Manati Field	10 %	6,851	18,269	25,120	(13,657)	11,463	20,109	9,899
POT-T-785	70 %	157	—	157	—	157	—	—
GeoPark TdF S.p.A.								
Flamenco Block	50 %	—	—	—	(2,082)	(2,082)	—	(137)
Campanario Block	50 %	—	—	—	(551)	(551)	—	(106)
Isla Norte Block	60 %	—	—	—	(138)	(138)	—	(122)
GeoPark Argentina S.A.U.								
CN-V Block	50 %	—	149	149	(528)	(379)	—	(839)
Los Parlamentos Block	50 %	—	—	—	—	—	—	(285)
Puelen Block	18 %	—	12	12	(18)	(6)	—	(55)
Sierra del Nevado Block	18 %	—	1	1	(5)	(4)	—	(10)

Capital commitments are disclosed in Note 33.2.

Note 33 Commitments

33.1 Royalty and economic rights commitments

33.1.1 Royalty

In Colombia, royalties on production are payable to the Colombian Government and are determined on a field-by-field basis using the level of production sliding scale detailed below:

Average daily production in barrels	Production Royalty rate
Up to 5,000	8%
5,000 to 125,000	8% + (production - 5,000) * 0.1
125,000 to 400,000	20%
400,000 to 600,000	20% + (production - 400,000) * 0.025
Greater than 600,000	25%

The production royalty rate depends on the crude quality. When the API is lower than 15°, the payment is reduced to the 75% of the total calculation.

In Brazil, the Brazilian National Petroleum, Natural Gas and Biofuels Agency (ANP) is responsible for determining monthly minimum prices for petroleum produced in concessions for purposes of royalties payable with respect to production. Royalties generally correspond to a percentage ranging between 5% and 10% applied to reference prices for oil or natural gas, as established in the relevant bidding guidelines (edital de licitação) and concession agreement. In determining the percentage of royalties applicable to a concession, the ANP takes into consideration, among other factors, the geological risks involved and the production levels expected. In the Manati Block, royalties are calculated at 7.5% of gas production.

In Chile, royalties are payable to the Chilean Government. In the Fell Block, royalties were calculated at 5% of crude oil production sold and 3% of gas production sold. In the Flamenco Block, Campanario Block and Isla Norte Block, royalties were calculated at 5% of oil and gas production sold.

33.1.2 Overriding royalty

GeoPark is obligated to pay an overriding royalty of 4% and 2.5%, respectively, to the previous owners of the Llanos 34 and CPO-5 Blocks, based on the production and sale of hydrocarbons discovered in the blocks. During 2023, the Group has accrued US$ 27,453,000 (US$ 34,032,000 in 2022 and US$ 22,562,000 in 2021) in relation with these overriding royalty agreements. Furthermore, there are overriding royalty agreements in place from 1.2% to 8.5% of the net production in the Coati, Mecaya, PUT-8, PUT-9, Tacacho and Terecay Blocks. Since they are exploratory blocks with no production during 2023, these agreements had no impact on the Group’s results.

33.1.3 Economic rights

According to each E&P Contract, the Colombian National Hydrocarbons Agency (“ANH”) has an economic right, offered by the operator at the moment of the ANH bid. This economic right, which is based on the production of the block after royalty discount, is equal to 1% in the Llanos 32, Llanos 34 and Llanos 123 Blocks, 3% in the Llanos 87 Block, 23% in the CPO-5 Block and 0% in the Platanillo Block.

When the accumulated production of each field, including the royalties’ volume, exceeds 5,000,000 of barrels and the WTI price exceeds certain price level previously determined, the Group should also deliver to ANH a share of the production net of royalties in accordance with a formula defined in each E&P Contract, which basically depends on the WTI price and the crude quality.

Note 33 Commitments (continued)

33.2 Capital commitments

During 2023, the Group incurred investments of US$ 54,640,000 to fulfil its commitments, at GeoPark's working interest.

33.2.1 Colombia

The future investment commitments assumed by GeoPark, at its working interest, are up to:

- Llanos 32 Block: 5 exploratory wells before February 20, 2022. As of the date of these Consolidated Financial Statements, the total investments needed to fulfill the commitments in the block have already been incurred and the ANH approval is pending.

- Llanos 86 Block: 3D seismic and 1 exploratory well (US$ 9,849,000) before June 19, 2026.

- Llanos 87 Block: 3D seismic reprocessing, aerogeophysic and 4 exploratory wells (US$ 13,663,000) before May 14, 2023. As of the date of these Consolidated Financial Statements, the total investments needed to fulfill the commitments in the block have already been incurred and the ANH approval is pending.

- Llanos 94 Block: 1 exploratory well (US$ 3,467,000) before October 1, 2025. As of the date of these Consolidated Financial Statements, GeoPark agreed to transfer its 50% working interest to its joint operation partner and thus GeoPark will no longer be liable for this capital commitment in the block.

- Llanos 104 Block: 3D seismic and 1 exploratory well (US$ 8,752,000) before June 19, 2026.

- Llanos 123 Block: 3D seismic reprocessing, geochemistry and 2 exploratory wells (US$ 7,130,000) before January 14, 2024. As of the date of these Consolidated Financial Statements, the total investments needed to fulfill the commitments in the block have already been incurred and the ANH approval is pending.

- Llanos 124 Block: 3D seismic acquisition and reprocessing, geochemistry and 3 exploratory wells (US$ 10,422,000) before January 14, 2024. As of the date of these Consolidated Financial Statements, the total investments needed to fulfill the commitments in the block have already been incurred or transferred to another block, and the ANH approval is pending.

- CPO-4-1 Block: 1 exploratory well (US$ 2,922,000) before September 19, 2025.

- CPO-5 Block: 3D seismic acquisition, processing and interpretation and 1 exploratory well (US$ 2,794,000) before May 18, 2027. Pursuant to a private agreement with the joint operation partner, the investment commitment assumed by GeoPark amounts to US$ 9,313,000. As of the date of these Consolidated Financial Statements, the exploratory well has already been drilled and the ANH approval is pending.

- Coati Block: 3D seismic and 2D seismic acquisition (US$ 4,500,000). The evaluation area is currently suspended. On November 3, 2022, GeoPark submitted to the ANH a request to withdraw from the exploration period of the Coati E&P contract and transfer the pending commitments to other E&P contracts. As of the date of these Consolidated Financial Statements, GeoPark completed the transfer of the pending commitments in the block and the ANH approval is pending.

- Mecaya Block: 3D seismic or 1 exploratory well (US$ 2,000,000). The exploratory period is currently suspended. Pursuant to a private agreement with the joint operation partner, the investment commitment to be incurred by GeoPark amounts to US$ 600,000.

Note 33 Commitments (continued)

33.2 Capital commitments (continued)

33.2.1 Colombia (continued)

- PUT-8 Block: 3D seismic acquisition and reprocessing and 3 exploratory wells (US$ 13,107,000) before June 14, 2024. Part of the 3D seismic committed in the block has already been acquired during 2020 and 2021. On October 25, 2022, GeoPark submitted to the ANH a request to transfer the investment commitment related to the pending 3D seismic to the Platanillo Block. As of the date of these Consolidated Financial Statements, such investment has been fulfilled and the ANH approval is pending.

- PUT-9 Block: 3D seismic acquisition and 2 exploratory wells (US$ 10,550,000). GeoPark has signed a private agreement with the joint operation partner resulting in the total investment commitment to be incurred by GeoPark amounting to US$ 4,365,000. The exploratory period is currently suspended.

- PUT-14 Block: 2D seismic acquisition and 1 exploratory well (US$ 16,122,000). On March 10, 2022, GeoPark submitted to the ANH a request to withdraw from the PUT-14 E&P contract and transfer the pending commitments to the Platanillo and CPO-5 Blocks. As of the date of these Consolidated Financial Statements, the total investments needed to fulfill the commitments have already been incurred and the ANH approval is pending.

- The PUT-36 Block is in a preliminary phase that is suspended as of the date of these Consolidated Financial Statements. During this preliminary phase, GeoPark must request from the Ministry of Interior a certificate that indicates presence or no presence of indigenous communities and develop previous consultation, if applicable. Only when this process has been completed and the corresponding regulatory approvals have been obtained, the blocks will enter into phase 1, where the exploratory commitments are mandatory. The investment commitments for the block over three-years term of phase 1 would be 3D seismic acquisition and 2 exploratory wells (US$ 11,742,000).

- Tacacho Block: 2D seismic acquisition, processing and interpretation (US$ 4,080,000). GeoPark has signed a private agreement with the joint operation partner resulting in the total investment commitment to be incurred by GeoPark amounting to US$ 1,224,000. The exploratory period is currently suspended. On September 21, 2022, GeoPark submitted to the ANH a request for termination of the E&P contract. As of the date of these Consolidated Financial Statements, the request is under review by the ANH.

- Terecay Block: 2D seismic acquisition, processing and interpretation (US$ 4,046,000). GeoPark has signed a private agreement with the joint operation partner resulting in the total investment commitment to be incurred by GeoPark amounting to US$ 2,856,000. The exploratory period is currently suspended. On September 21, 2022, GeoPark submitted to the ANH a request for termination of the E&P contract. As of the date of these Consolidated Financial Statements, the request is under review by the ANH.

33.2.2 Ecuador

The investment commitments assumed by GeoPark, at its 50% working interest, in the Espejo and Perico Blocks during the first exploratory period are up to:

- Espejo Block: 3D seismic and 4 exploratory wells before June 17, 2025 (US$ 20,912,000). As of the date of these Consolidated Financial Statements, GeoPark has already performed the 3D seismic and drilled two of the four committed exploratory wells.

- Perico Block: 4 exploratory wells before June 16, 2025 (US$ 18,084,000). As of the date of these Consolidated Financial Statements, the total investments needed to fulfill the commitments in the block have already been incurred.

33.2.3 Brazil

The future investment commitments assumed by GeoPark are up to:

- POT-T-785 Block: 3D seismic and electromagnetic survey before April 29, 2025 (US$ 72,000).
- REC-T-58 Block: 3D seismic and electromagnetic survey before February 14, 2025 (US$ 151,000).
- REC-T-67 Block: 3D seismic and electromagnetic survey before February 14, 2025 (US$ 151,000).
- REC-T-77 Block: 3D seismic and electromagnetic survey before February 14, 2025 (US$ 151,000).
- POT-T-834 Block: 3D seismic and electromagnetic survey before February 14, 2025 (US$ 151,000).

33.2.4 Chile

The remaining investment commitments to be assumed 100% by GeoPark for the second exploratory phase in the Campanario and Isla Norte Blocks are up to:

- Campanario Block: 2 exploratory wells before April 25, 2024 (US$ 5,002,000).
- Isla Norte Block: 1 exploratory well before February 19, 2024 (US$ 867,000).

As of December 31, 2023, the Group has established guarantees for its total commitments.

As part of the divesting process detailed in Note 36.1, GeoPark remains responsible for these outstanding investment commitments and consequently recognized a corresponding liability as of December 31, 2023.

Note 34 Related parties

Controlling interest

The main shareholders of GeoPark Limited as of December 31, 2023, based solely on Schedules 13D and 13G filed with the SEC, are:

Shareholder	Common shares	Percentage of outstanding common shares
James F. Park [a]	8,817,251	15.94 %
Gerald E. O'Shaughnessy [b]	3,673,392	6.64 %
Compass Group LLC [c]	3,312,589	5.99 %
Renaissance Technologies LLC [d]	3,091,863	5.59 %
Socoservin Overseas SPF S.à.r.l. [e]	2,889,315	5.22 %
Cobas Asset Management, SGIIC, SA [f]	2,808,406	5.08 %
Other shareholders	30,734,704	55.54 %
	55,327,520	**100.00 %**

(a) Held by James F. Park directly and indirectly through GoodRock, LLC, which is controlled by Mr. Park. The information set forth above and listed in the table is based solely on the disclosure set forth in Mr. Park's most recent Schedule 13G filed with the SEC on February 14, 2024. 352,400 of Mr. Park's shares have been pledged pursuant to lending arrangements.

(b) Held by Mr. O'Shaughnessy directly and indirectly through GP Investments LLP; GPK Holdings, LLC; The Globe Resources Group, Inc.; and other investment vehicles. The information set forth above and listed in the table is based solely on the disclosure set forth in Mr. O'Shaughnessy most recent Schedule 13D filed with the SEC on February 2, 2024. 3,435,000 of Mr. O'Shaughnessy's shares have been pledged pursuant to lending arrangements.

(c) The information set forth above and listed in the table is based solely on the disclosure set forth in Compass Group LLC's most recent Schedule 13G filed with the SEC on February 14, 2024.

(d) The information set forth above and listed in the table is based solely on the disclosure set forth in Renaissance's most recent Schedule 13G filed with the SEC on February 13, 2024.

(e) The information set forth above and listed in the table is based solely on the disclosure set forth in Socoservin Overseas' most recent Schedule 13G filed with the SEC on July 25, 2023.

(f) The information set forth above and listed in the table is based solely on the disclosure set forth in Cobas Asset Management's most recent Schedule 13G filed with the SEC on February 12, 2024.

Balances outstanding and transactions with related parties

Account (Amounts in US$´000)	Transaction in the year	Balances at year end	Related Party	Relationship
2023				
To be recovered from co-venturers	—	8,630	Joint Operations	Joint Operations
To be paid to co-venturers	—	(522)	Joint Operations	Joint Operations
2022				
To be recovered from co-venturers	—	8,750	Joint Operations	Joint Operations
To be paid to co-venturers	—	(2,815)	Joint Operations	Joint Operations
Geological and geophysical expenses	160	—	Carlos Gulisano	Former Non-Executive Director [a]
Administrative expenses	492	—	Pedro E. Aylwin	Former Executive Director [b]
2021				
To be recovered from co-venturers	—	4,680	Joint Operations	Joint Operations
To be paid to co-venturers	—	(953)	Joint Operations	Joint Operations
Geological and geophysical expenses	160	—	Carlos Gulisano	Former Non-Executive Director [a]
Administrative expenses	656	—	Pedro E. Aylwin	Former Executive Director [b]

(a) Corresponding to consultancy services. Carlos Gulisano acted as a Director of the Company until July 2022.

(b) Corresponding to wages and salaries acting as Director of Legal and Governance. In 2022, also includes consultancy services. In addition, Aylwin, Mendoza, Luksic & Valencia Law firm, where Pedro Aylwin is a partner and has a participation through Asesorías e Inversiones A&P Ltda, provided general legal services to all the Chilean entities, in Chilean corporate, labor, environmental, regulatory, and commercial laws.

Note 34 Related parties (continued)

Balances outstanding and transactions with related parties (continued)

There have been no other transactions with the Board of Directors, Executive officers, significant shareholders or other related parties during the year besides the intercompany transactions which have been eliminated in the Consolidated Financial Statements, the normal remuneration of Board of Directors and other benefits informed in Note 11.

Note 35 Auditors Fees

Amounts in US$'000	2023	2022	2021
Audit fees	977	946	1,088
Audit related fees	34	24	—
Tax services fees	3	27	47
Total Auditors Fees	**1,014**	**997**	**1,135**

Fees are shown net of VAT and other associated tax charges.

On October 17, 2023, Ernst & Young Audit S.A.S. ("EY Colombia"), member of Ernst & Young Global Limited, was appointed as the Group's external auditor, effective for the consolidated audit for the year ended December 31, 2023, succeeding Pistrelli, Henry Martin y Asociados S.R.L. ("EY Argentina"), also member of Ernst & Young Global Limited, that served as the Group's external auditor from 2020 to 2023.

Note 36 Business transactions

36.1 Chile

On December 20, 2023, GeoPark signed a Stock Purchase Agreement to sell its wholly owned subsidiary GeoPark Chile S.p.A. and its subsidiaries, GeoPark Fell S.p.A., GeoPark TdF S.p.A. and GeoPark Magallanes Limitada, which comprise the entire business of GeoPark in Chile, for a total consideration of US$ 4,000,000, subject to working capital adjustments. At that date, GeoPark collected an advanced payment of US$ 450,000.

As part of the agreement, GeoPark remains responsible for the outstanding investment commitments in the Campanario and Isla Norte Blocks for US$ 5,002,000 and US$ 867,100, respectively. Consequently, as of December 31, 2023, GeoPark recognized a liability for the full amount of those commitments.

Additionally, GeoPark keeps the private right over unconventional activities that would be carried out in the Fell Block and 95% of the revenue derived from such activities over the current operating contract.

The divestment transaction closed on January 18, 2024, and consequently GeoPark received an additional payment of US$ 2,792,000, plus a preliminary working capital adjustment of US$ 486,000. The remaining outstanding amount of US$ 758,000 was agreed to be received in 23 monthly equal installments.

As of December 31, 2023, the amount of Property, plant and equipment and Right-of-use assets corresponding to the abovementioned subsidiaries and the liabilities associated with them have been classified as held for sale for US$ 28,419,000 and US$ 26,948,000, respectively. Immediately before the classification as held for sale, the recoverable amount of the net assets was estimated and an impairment loss of US$ 13,332,000 was recognized in the Consolidated Statement of Income. In addition, the deferred income tax asset was written down for US$ 2,533,000 as it was assessed as non-recoverable due to the transaction. The restructuring and other costs incurred because of the divestment process for US$ 3,873,000 were recognized within the 'Other (expenses) income' line item in the Consolidated Statement of Income.

Note 36 Business transactions (continued)

36.2 Los Parlamentos Block (Argentina)

On October 27, 2023, GeoPark agreed to transfer its 50% working interest in the Los Parlamentos Block in Argentina to its joint operation partner and thus, once formally approved by local authorities, GeoPark will no longer be liable to remaining capital commitments or other legal obligations resulting from its participation in the block. As a result of this transaction, GeoPark incurred in a net loss of US$ 2,939,000 in the Consolidated Statement of Income, which is composed by a loss of US$ 7,023,000 within the 'Other (expenses) income' line item due to the payment to the joint operation partner, net of a gain of US$ 4,084,000 within the 'Foreign exchange (loss) gain' line item due to transactions with U.S. dollar-denominated Argentine securities contributed to the local subsidiary when transferred and disposed in Argentina.

36.3 Aguada Baguales, El Porvenir and Puesto Touquet Blocks (Argentina)

In August 2021, the Company's Board of Directors approved the decision to evaluate farm-out or divestment opportunities to sell its 100% working interest and operatorship in the Aguada Baguales, El Porvenir and Puesto Touquet Blocks in Argentina, including the associated gas transportation license through the Puesto Touquet pipeline.

On November 3, 2021, GeoPark signed a sale and purchase and assignment agreement for a total consideration of US$ 16,000,000, subject to working capital adjustment. At that moment, GeoPark collected an advance payment of US$ 1,600,000.

The divestment transaction closed on January 31, 2022, after the corresponding regulatory approvals were granted and GeoPark received the remaining outstanding payment from the purchaser. In April 2022, GeoPark paid a working capital adjustment amounting to US$ 370,000. As a consequence of this transaction, GeoPark recognized a gain of US$ 3,983,000 within the 'Other (expenses) income' line item.

As of December 31, 2021, the amount of Property, plant and equipment related to the blocks and the liabilities associated with them had been classified as held for sale. Immediately before the classification as held for sale, the recoverable amount of the blocks was estimated and an impairment reversal of US$ 13,307,000 was recognized in the Consolidated Statement of Income. The reversal was limited so that the carrying amount of the blocks does not exceed the lower of its recoverable amount, or the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the blocks in prior years (see Note 37).

36.4 REC-T-128 Block (Brazil)

In 2021, GeoPark performed a farm-out transaction to sell its 70% interest in the REC-T-128 Block in Brazil. The total consideration was US$ 1,100,000, which was collected at closing in 2021, plus a contingent payment of up to US$ 710,000, subject to international oil price and field production performance. On August 1, 2022, GeoPark collected the contingent payment of US$ 710,000.

Note 37 Impairment test on Property, plant and equipment

The management of the Group considers as cash-generating unit ("CGU") each of the blocks or group of blocks in which the Group has working or economic interests. The blocks with no material investment on property, plant and equipment or with operations that are not linked to oil and gas prices were not subject to the impairment test.

As of December 31, 2023, the Chilean business divestment transaction described in Note 36.1 was considered to be an impairment indicator for the Fell Block, as the carrying amount of the net assets related to the block exceeded their fair value less cost of disposal. Consequently, the net assets related to the Fell Block were impaired to their known selling price.

Additionally, Management assessed impairment indicators for each of the other CGUs, such as future Brent oil prices based on internal estimates and other available sources, the amounts of reserves certified by D&M, changes in market and tax conditions, between others, and concluded that there were no impairment indicators at year-end.

As a consequence of the evaluation, the following amounts of impairment loss were (recognized) reversed:

Amounts in US$'000	**2023**	**2022**	**2021**
Chile [(a)]	(13,332)	—	(17,641)
Argentina [(b)]	—	—	13,307
	(13,332)	**—**	**(4,334)**

[(a)] Recognition of impairment loss in the Fell Block due to the known selling price of the related net assets in the context of the transaction described in Note 36.1 in 2023, and due to the decline in the proved reserves estimation in 2021.

[(b)] Reversal of impairment loss in the Aguada Baguales and El Porvenir Blocks due to the known market price of the blocks in the context of the transaction described in Note 36.3.

Note 38 Supplemental information on oil and gas activities (unaudited)

The following information is presented in accordance with ASC No. 932 "Extractive Activities- Oil and Gas", as amended by ASU 2010 - 03 "Oil and Gas Reserves. Estimation and Disclosures", issued by FASB in January 2010 in order to align the current estimation and disclosure requirements with the requirements set in the SEC final rules and interpretations, published on December 31, 2008. This information includes the Group's oil and gas production activities carried out in each country.

Table 1 - Costs incurred in exploration, property acquisitions and development

The following table presents those costs capitalized as well as expensed that were incurred during each of the years ended December 31, 2023, 2022 and 2021. The acquisition of properties includes the cost of acquisition of proved or unproved oil and gas properties. Exploration costs include geological and geophysical costs, costs necessary for retaining undeveloped properties, drilling costs and exploratory wells equipment. Development costs include drilling costs and equipment for developmental wells, the construction of facilities for extraction, treatment and storage of hydrocarbons and all necessary costs to maintain facilities for the existing developed reserves.

Amounts in US$'000	Colombia	Ecuador	Brazil	Chile	Argentina	Total
Year ended December 31, 2023						
Acquisition of properties						
Proved	—	—	—	—	—	—
Unproved	—	—	—	—	—	—
Total property acquisition	—	—	—	—	—	—
Exploration	66,953	13,331	107	56	1,481	81,928
Development [(a)]	125,997	372	255	(564)	—	126,060
Total costs incurred	**192,950**	**13,703**	**362**	**(508)**	**1,481**	**207,988**

Amounts in US$'000	Colombia	Ecuador	Brazil	Chile	Argentina	Total
Year ended December 31, 2022						
Acquisition of properties						
Proved	—	—	—	—	—	—
Unproved	—	—	—	—	—	—
Total property acquisition	—	—	—	—	—	—
Exploration	48,771	26,521	—	116	779	76,187
Development [(a)]	89,231	648	(212)	9,952	—	99,619
Total costs incurred	**138,002**	**27,169**	**(212)**	**10,068**	**779**	**175,806**

Amounts in US$'000	Colombia	Brazil	Chile	Argentina	Total
Year ended December 31, 2021					
Acquisition of properties					
Proved	—	—	—	—	—
Unproved	—	—	—	—	—
Total property acquisition	**—**	**—**	**—**	**—**	**—**
Exploration	40,828	3	3,940	998	45,769
Development [(a)]	81,310	(2,212)	1,900	2	81,000
Total costs incurred	**122,138**	**(2,209)**	**5,840**	**1,000**	**126,769**

(a) Includes the effect of change in estimate of assets retirement obligations.

Note 38 Supplemental information on oil and gas activities (unaudited - continued)

Table 2 - Capitalized costs related to oil and gas producing activities

The following table presents the capitalized costs as of December 31, 2023, 2022 and 2021, for proved and unproved oil and gas properties, and the related accumulated depreciation as of those dates.

Amounts in US$'000	Colombia	Ecuador	Brazil	Chile [(b)]	Total
As of December 31, 2023					
Proved properties [(a)]					
Equipment, camps and other facilities	165,666	—	4,121	74,491	**244,278**
Mineral interest and wells	841,063	31,149	48,448	330,024	**1,250,684**
Other uncompleted projects	15,770	—	11	—	**15,781**
Unproved properties	69,823	10,426	330	—	**80,579**
Gross capitalized costs	**1,092,322**	**41,575**	**52,910**	**404,515**	**1,591,322**
Accumulated depreciation	(447,716)	(8,522)	(47,388)	(379,448)	(883,074)
Total net capitalized costs	**644,606**	**33,053**	**5,522**	**25,067**	**708,248**

(a) Includes capitalized amounts related to asset retirement obligations and impairment loss recognized in Chile for US$ 13,332,000.

(b) Classified as 'Assets held for sale' as of December 31, 2023, due to the divestment process closed in January 2024. See Note 36.1.

Amounts in US$'000	Colombia	Ecuador	Brazil	Chile	Total
As of December 31, 2022					
Proved properties [(a)]					
Equipment, camps and other facilities	144,672	—	3,565	74,490	222,727
Mineral interest and wells	672,424	18,191	44,716	343,926	1,079,257
Other uncompleted projects	16,099	—	268	113	16,480
Unproved properties	102,760	9,991	290	—	113,041
Gross capitalized costs	**935,955**	**28,182**	**48,839**	**418,529**	**1,431,505**
Accumulated depreciation	(354,981)	(2,316)	(42,885)	(371,171)	(771,353)
Total net capitalized costs	**580,974**	**25,866**	**5,954**	**47,358**	**660,152**

(a) Includes capitalized amounts related to asset retirement obligations.

Amounts in US$'000	Colombia	Brazil	Chile	Argentina	Total
As of December 31, 2021					
Proved properties [(a)]					
Equipment, camps and other facilities	125,078	3,333	72,766	—	201,177
Mineral interest and wells	580,931	42,008	334,993	—	957,932
Other uncompleted projects	26,136	250	818	—	27,204
Unproved properties [(b)]	94,419	271	—	—	94,690
Gross capitalized costs	**826,564**	**45,862**	**408,577**	**—**	**1,281,003**
Accumulated depreciation	(282,616)	(38,741)	(358,417)	—	(679,774)
Total net capitalized costs	**543,948**	**7,121**	**50,160**	**—**	**601,229**

(a) Includes capitalized amounts related to asset retirement obligations, impairment loss recognized in Chile for US$ 17,641,000 and impairment loss reversed in Argentina for US$ 13,307,000.

(b) Do not include Ecuador capitalized costs.

Note 38 Supplemental information on oil and gas activities (unaudited - continued)

Table 3 - Results of operations for oil and gas producing activities

The breakdown of results of the operations shown below summarizes revenues and expenses directly associated with oil and gas producing activities for the years ended December 31, 2023, 2022 and 2021. Income tax for the years presented was calculated utilizing the statutory tax rates.

Amounts in US$'000	Colombia	Ecuador	Brazil	Chile	Argentina	Total
Year ended December 31, 2023						
Revenue	702,401	19,097	14,019	15,644	—	751,161
Production costs, excluding depreciation						
Operating costs	(121,012)	(10,242)	(3,850)	(7,678)	—	(142,782)
Royalties and economic rights in cash	(83,233)	—	(1,096)	(548)	—	(84,877)
Total production costs	**(204,245)**	**(10,242)**	**(4,946)**	**(8,226)**	**—**	**(227,659)**
Exploration expenses	(36,395)	(309)	(90)	(56)	(1,481)	(38,331)
Accretion expense [(a)]	(669)	(87)	(560)	(1,478)	—	(2,794)
Impairment loss for non-financial assets	—	—	—	(13,332)	—	(13,332)
Depreciation, depletion and amortization	(92,735)	(6,205)	(1,047)	(8,278)	—	(108,265)
Results of operations before income tax	**368,357**	**2,254**	**7,376**	**(15,726)**	**(1,481)**	**360,780**
Income tax expense	(165,761)	(564)	(2,508)	—	—	**(168,833)**
Results of oil and gas operations	**202,596**	**1,690**	**4,868**	**(15,726)**	**(1,481)**	**191,947**

Amounts in US$'000	Colombia	Ecuador	Brazil	Chile	Argentina	Total
Year ended December 31, 2022						
Revenue	978,423	10,671	19,873	29,196	1,962	1,040,125
Production costs, excluding depreciation						
Operating costs	(78,323)	(3,220)	(3,753)	(12,961)	(1,306)	(99,563)
Royalties and economic rights in cash	(249,303)	—	(1,546)	(1,165)	(273)	(252,287)
Total production costs	**(327,626)**	**(3,220)**	**(5,299)**	**(14,126)**	**(1,579)**	**(351,850)**
Exploration expenses	(28,424)	(4,768)	—	(116)	(779)	(34,087)
Accretion expense [(a)]	(621)	—	(504)	(1,516)	—	(2,641)
Depreciation, depletion and amortization	(72,386)	(2,315)	(1,509)	(12,754)	—	(88,964)
Results of operations before income tax	**549,366**	**368**	**12,561**	**684**	**(396)**	**562,583**
Income tax expense	(192,278)	(92)	(4,271)	(103)	—	**(196,744)**
Results of oil and gas operations	**357,088**	**276**	**8,290**	**581**	**(396)**	**365,839**

Amounts in US$'000	Colombia	Brazil	Chile	Argentina	Total
Year ended December 31, 2021					
Revenue	618,268	20,109	21,471	28,695	688,543
Production costs, excluding depreciation					
Operating costs	(72,043)	(2,954)	(10,280)	(14,490)	(99,767)
Royalties and economic rights in cash	(106,341)	(1,642)	(770)	(4,270)	(113,023)
Total production costs	**(178,384)**	**(4,596)**	**(11,050)**	**(18,760)**	**(212,790)**
Exploration expenses	(11,276)	—	(4,509)	(998)	(16,783)
Accretion expense [(a)]	(576)	(535)	(1,319)	(710)	(3,140)
Impairment loss for non-financial assets	—	—	(17,641)	13,307	(4,334)
Depreciation, depletion and amortization	(54,588)	(2,933)	(12,806)	(8,152)	(78,479)
Results of operations before income tax	**373,444**	**12,045**	**(25,854)**	**13,382**	**373,017**
Income tax (expense) benefit	(115,768)	(4,095)	3,878	(4,684)	(120,669)
Results of oil and gas operations	**257,676**	**7,950**	**(21,976)**	**8,698**	**252,348**

(a) Represents accretion of ARO and other environmental liabilities.

Note 38 Supplemental information on oil and gas activities (unaudited - continued)

Table 4 - Reserve quantity information

Estimated oil and gas reserves

Proved reserves represent estimated quantities of oil (including crude oil and condensate) and natural gas, which available geological and engineering data demonstrates with reasonable certainty to be recoverable in the future from known reservoirs under existing economic and operating conditions. Proved developed reserves are proved reserves that can reasonably be expected to be recovered through existing wells with existing equipment and operating methods. The choice of method or combination of methods employed in the analysis of each reservoir was determined by the stage of development, quality and reliability of basic data, and production history.

The Group believes that its estimates of remaining proved recoverable oil and gas reserve volumes are reasonable and such estimates have been prepared in accordance with the SEC Modernization of Oil and Gas Reporting rules, which were issued by the SEC at the end of 2008.

The Group estimates its reserves at least once a year. The Group's reserves estimation as of December 31, 2023, 2022, 2021 and 2020 was based on the DeGolyer and MacNaughton Reserves Report (the "D&M Reserves Report"). DeGolyer and MacNaughton Corp. prepared its proved oil and natural gas reserve estimates in accordance with Rule 4-10 of Regulation S–X, promulgated by the SEC, and in accordance with the oil and gas reserves disclosure provisions of ASC 932 of the FASB Accounting Standards Codification (ASC) relating to Extractive Activities - Oil and Gas (formerly SFAS no. 69 Disclosures about Oil and Gas Producing Activities).

Reserves engineering is a subjective process of estimation of hydrocarbon accumulation, which cannot be exactly measured, and the reserve estimation depends on the quality of available information and the interpretation and judgement of the engineers and geologists. Therefore, the reserves estimations, as well as future production profiles, are often different than the quantities of hydrocarbons which are finally recovered. The accuracy of such estimations depends, in general, on the assumptions on which they are based.

Note 38 Supplemental information on oil and gas activities (unaudited - continued)

Table 4 - Reserve quantity information (continued)

The estimated GeoPark net proved reserves for the properties evaluated as of December 31, 2023, 2022, 2021 and 2020 are summarized as follows, expressed in thousands of barrels (Mbbl) and millions of cubic feet (MMcf):

	As of December 31, 2023		As of December 31, 2022		As of December 31, 2021		As of December 31, 2020	
	Oil and condensate (Mbbl)	Natural gas (MMcf)	Oil and condensate (Mbbl)	Natural gas (MMcf)	Oil and condensate (Mbbl)	Natural gas (MMcf)	Oil and condensate (Mbbl)	Natural gas (MMcf)
Net proved developed								
Colombia [(a)]	43,120	1,075	46,623	1,065	47,766	1,207	43,817	1,695
Ecuador [(b)]	1,017	—	322	—	—	—	—	—
Brazil [(c)]	28	8,888	8	9,443	43	13,601	34	13,927
Chile [(d)]	619	9,956	1,115	14,103	755	15,196	798	19,054
Argentina [(e)]	—	—	—	—	1,186	3,379	1,685	5,599
Total consolidated	**44,784**	**19,919**	**48,068**	**24,611**	**49,750**	**33,383**	**46,334**	**40,275**
Net proved undeveloped								
Colombia [(f)]	16,225	—	17,765	—	31,019	—	45,240	—
Ecuador [(b)]	1,278	—	—	—	—	—	—	—
Chile [(d)]	479	855	476	—	575	1,563	1,229	5,661
Argentina [(g)]	—	—	—	—	603	—	104	—
Total consolidated	**17,982**	**855**	**18,241**	**—**	**32,197**	**1,563**	**46,573**	**5,661**
Total proved reserves	**62,766**	**20,774**	**66,309**	**24,611**	**81,947**	**34,946**	**92,907**	**45,936**

(a) Various blocks in the Llanos Basin and the Platanillo Block in the Putumayo Basin account for 94% and 6% (96% and 4% in 2022, 98% and 2% in 2021, and 97% and 3% in 2020) of the proved developed reserves, respectively.

(b) Perico Block accounts for 100% of the reserves (Perico and Espejo Blocks accounted for 85% and 15% of the reserves, respectively, in 2022).

(c) BCAM-40 Block accounts for 100% of the reserves.

(d) Fell Block accounts for 100% of the reserves.

(e) Aguada Baguales, Puesto Touquet and El Porvenir Blocks accounted for 45%, 21% and 33% in 2021 (50%, 26% and 24% in 2020) of the proved developed reserves, respectively.

(f) Various blocks in the Llanos Basin and the Platanillo Block in the Putumayo Basin account for 97% and 3% (95% and 5% in 2022, 97% and 3% in 2021, and 96% and 4% in 2020) of the proved undeveloped reserves, respectively.

(g) Aguada Baguales Block accounted for 100% of the proved undeveloped reserves.

Note 38 Supplemental information on oil and gas activities (unaudited - continued)

Table 5 - Net proved reserves of oil, condensate and natural gas

Net proved reserves (developed and undeveloped) of oil and condensate:

Thousands of barrels	Colombia	Ecuador	Brazil	Chile	Argentina	Total
Reserves as of December 31, 2020	**89,057**	**—**	**34**	**2,027**	**1,789**	**92,907**
Increase (decrease) attributable to:						
Revisions [(a)]	(3,207)	—	18	(597)	(169)	(3,955)
Extensions and discoveries [(b)]	3,375	—	—	—	603	3,978
Production	(10,440)	—	(9)	(100)	(434)	(10,983)
Reserves as of December 31, 2021	**78,785**	**—**	**43**	**1,330**	**1,789**	**81,947**
Increase (decrease) attributable to:						
Revisions [(c)]	(2,677)	—	(27)	422	—	(2,282)
Extensions and discoveries [(d)]	204	632	—	—	—	836
Disposal of Minerals in place [(e)]	—	—	—	—	(1,760)	(1,760)
Production	(11,924)	(310)	(8)	(161)	(29)	(12,432)
Reserves as of December 31, 2022	**64,388**	**322**	**8**	**1,591**	**—**	**66,309**
Increase (decrease) attributable to:						
Revisions [(f)]	3,617	324	26	(412)	—	3,555
Extensions and discoveries [(g)]	2,549	1,937	—	—	—	4,486
Production	(11,209)	(288)	(6)	(81)	—	(11,584)
Reserves as of December 31, 2023	**59,345**	**2,295**	**28**	**1,098**	**—**	**62,766**

(a) For the year ended December 31, 2021, the Group's oil and condensate proved reserves were revised downward by 4.0 mmbbl. The primary factors leading to the above were:
- Lower than expected performance from the existing wells that reduced the proved developed reserves in Colombia (8.9 mmbbl), in Argentina (0.3 mmbbl), and in Chile (0.3 mmbbl).
- A decrease of 0.6 mmbbl in Chile due to a change in a previously adopted development plan in the Fell Block.
- Such decrease was partially offset by a higher average oil prices resulted in a 5.7 mmbbl, 0.1 mmbbl and 0.3 mmbbl increase in reserves from the blocks in Colombia, Argentina and Chile, respectively.

(b) In Colombia, the extensions and discoveries are primary due to the Tigui Field appraisal wells and in Argentina are due to the Aguada Baguales Field.

(c) For the year ended December 31, 2022, the Group's oil and condensate proved reserves were revised downward by 2.3 mmbbl. The primary factors leading to the above were:
- A decrease of 3.6 mmbbl in Colombia due to a change in the royalties payment in certain fields from cash to kind.
- Such decrease was partially offset by a higher average oil prices resulted in a 0.6 mmbbl and 0.1 mmbbl increase in reserves from the blocks in Colombia and Chile, respectively.
- Higher than expected performance from the existing wells that increase the proved reserves in Colombia (0.3 mmbbl) and in Chile (0.3 mmbbl).

(d) In Colombia, the extensions and discoveries are primary due to the Cante Flamenco new field in CPO-5 Block and in Ecuador are due to the Jandaya, Yin and Tui new fields in the Perico Block and the Pashuri field in the Espejo Block.

(e) The disposal in Argentina is due to the decision of selling the Group's working interest and operatorship in the Aguada Baguales, El Porvenir and Puesto Touquet Blocks in Argentina (see Note 36.3).

(f) For the year ended December 31, 2023, the Group's oil and condensate proved reserves were revised upwards by 3.5 mmbbl. The primary factors leading to the above were:
- An increase of 1.7 mmbbl in Colombia due to a change in a previously adopted development plan.
- An increase of 1.5 mmbbl in Colombia due to higher-than-expected performance from the existing wells.
- An increase of 0.4 mmbbl in Colombia due to a change in the royalties' payment in certain fields from kind to cash.
- An increase of 0.3 mmbbl in Ecuador due to higher average oil prices.
- Such increase was partially offset by lower-than-expected performance from the existing wells in Chile by 0.4 mmbbl.

(g) The extensions and discoveries are primarily due to various fields in the Llanos Basin in Colombia and the Jandaya field extension in the Perico Block in Ecuador.

Note 38 Supplemental information on oil and gas activities (unaudited - continued)

Table 5 - Net proved reserves of oil, condensate and natural gas (continued)

Net proved reserves (developed and undeveloped) of natural gas:

Millions of cubic feet	Colombia	Brazil	Chile	Argentina	Total
Reserves as of December 31, 2020	**1,695**	**13,927**	**24,715**	**5,599**	**45,936**
Increase (decrease) attributable to:					
Revisions [(a)]	14	3,470	(3,553)	(636)	(705)
Production	(502)	(3,796)	(4,403)	(1,584)	(10,285)
Reserves as of December 31, 2021	**1,207**	**13,601**	**16,759**	**3,379**	**34,946**
Increase (decrease) attributable to:					
Revisions [(b)]	141	(886)	1,501	—	756
Disposal of Minerals in place [(c)]	—	—	—	(3,227)	(3,227)
Production	(283)	(3,272)	(4,157)	(152)	(7,864)
Reserves as of December 31, 2022	**1,065**	**9,443**	**14,103**	**—**	**24,611**
Increase (decrease) attributable to:					
Revisions [(d)]	219	1,659	(9)	—	1,869
Production	(209)	(2,214)	(3,283)	—	(5,706)
Reserves as of December 31, 2023	**1,075**	**8,888**	**10,811**	**—**	**20,774**

(a) For the year ended December 31, 2021, the Group's proved natural gas reserves were revised downward by 0.7 billion cubic feet. This was the combined effect of:
- A decrease of proved developed reserves due to lower performance of existing wells in Argentina (1.6 billion cubic feet) and in Chile (2.7 billion cubic feet) partially offset by better-than-expected performance in the Manati Field in Brazil (2.5 billion cubic feet).
- A decrease of 3.4 billion cubic feet in Chile due to the revision of the type well associated with the incremental activity that reduced the proved undeveloped reserves.
- A decrease of 1.5 billion cubic feet in Chile due to a change in a previously adopted development plan in the Fell Block.
-Such decrease was partially offset by higher average prices which resulted in an increase of 4.0 billion cubic feet, 1 billion cubic feet and 1 billion cubic feet in Chile, Brazil, and Argentina, respectively.

(b) For the year ended December 31, 2022, the Group's proved natural gas reserves were revised upwards by 0.8 billion cubic feet. This was the combined effect of:
- An increase of proved reserves due to better performance of existing wells in Chile (0.8 billion cubic feet) and the Llanos 32 block in Colombia (0.1 billion cubic feet).
- Higher average prices resulted in an increase of 0.7 billion cubic feet and 0.8 billion cubic feet increase in gas reserves in Chile and Brazil, respectively.
- The above was partially offset by lower-than-expected performance of Manati Field in Brazil (1.6 billion cubic feet).

(c) The disposal in Argentina is due to the decision of selling the Group's working interest and operatorship in the Aguada Baguales, El Porvenir and Puesto Touquet Blocks in Argentina (see Note 36.3).

(d) For the year ended December 31, 2023, the Group's proved natural gas reserves were revised upwards by 1.9 billion cubic feet. This was the effect of higher-than-expected performance from the existing wells in the Manati Block in Brazil (1.7 billion cubic feet) and the Llanos 32 Block in Colombia (0.2 billion cubic feet).

Revisions refer to changes in interpretation of discovered accumulations and some technical and logistical needs in the area obliged to modify the timing and development plan of certain fields under appraisal and development phases.

Note 38 Supplemental information on oil and gas activities (unaudited - continued)

Table 6 - Standardized measure of discounted future net cash flows related to proved oil and gas reserves

The following table discloses estimated future net cash flows from future production of proved developed and undeveloped reserves of crude oil, condensate and natural gas. As prescribed by SEC Modernization of Oil and Gas Reporting rules and ASC 932 of the FASB Accounting Standards Codification (ASC) relating to Extractive Activities – Oil and Gas (formerly SFAS no. 69 Disclosures about Oil and Gas Producing Activities), such future net cash flows were estimated using the average first day-of-the-month price during the 12-month period for 2023, 2022 and 2021 and using a 10% annual discount factor. Future development and abandonment costs include estimated drilling costs, development and exploitation installations and abandonment costs. These future development costs were estimated based on evaluations made by the Group. The future income tax was calculated by applying the statutory tax rates in effect in the respective countries in which we have interests, as of the date this supplementary information was filed.

This standardized measure is not intended to be and should not be interpreted as an estimate of the market value of the Group's reserves. The purpose of this information is to give standardized data to help the users of the financial statements to compare different companies and make certain projections. It is important to point out that this information does not include, among other items, the effect of future changes in prices, costs and tax rates, which past experience indicates that are likely to occur, as well as the effect of future cash flows from reserves which have not yet been classified as proved reserves, of a discount factor more representative of the value of money over the lapse of time and of the risks inherent to the production of oil and gas. These future changes may have a significant impact on the future net cash flows disclosed below. For all these reasons, this information does not necessarily indicate the perception the Group has on the discounted future net cash flows derived from the reserves of hydrocarbons.

Amounts in US$'000	Colombia	Ecuador	Brazil	Chile	Argentina	Total
As of December 31, 2023						
Future cash inflows	4,027,686	140,607	75,757	111,384	—	4,355,434
Future production costs	(1,633,889)	(45,052)	(22,815)	(50,343)	—	(1,752,099)
Future development costs	(147,045)	(13,768)	(1,204)	(41,359)	—	(203,376)
Future income taxes	(764,309)	(27,648)	(4,036)	—	—	(795,993)
Undiscounted future net cash flows	**1,482,443**	**54,139**	**47,702**	**19,682**	**—**	**1,603,966**
10% annual discount	(430,250)	(11,436)	(6,476)	5,205	—	(442,957)
Standardized measure of discounted future net cash flows	**1,052,193**	**42,703**	**41,226**	**24,887**	**—**	**1,161,009**
As of December 31, 2022						
Future cash inflows	5,229,599	26,553	65,002	190,449	—	5,511,603
Future production costs	(1,633,818)	(8,094)	(29,519)	(72,411)	—	(1,743,842)
Future development costs	(182,701)	(297)	(1,955)	(40,659)	—	(225,612)
Future income taxes	(1,191,658)	—	(1,761)	—	—	(1,193,419)
Undiscounted future net cash flows	**2,221,422**	**18,162**	**31,767**	**77,379**	**—**	**2,348,730**
10% annual discount	(839,621)	(2,504)	(8,856)	(13,094)	—	(864,075)
Standardized measure of discounted future net cash flows	**1,381,801**	**15,658**	**22,911**	**64,285**	**—**	**1,484,655**
As of December 31, 2021						
Future cash inflows	4,381,191	—	89,208	136,152	109,678	4,716,229
Future production costs	(1,715,554)	—	(34,930)	(69,067)	(61,660)	(1,881,211)
Future development costs	(197,461)	—	(1,955)	(40,339)	(49,200)	(288,955)
Future income taxes	(754,205)	—	(3,449)	—	(2,947)	(760,601)
Undiscounted future net cash flows	**1,713,971**	**—**	**48,874**	**26,746**	**(4,129)**	**1,785,462**
10% annual discount	(496,150)	—	(7,171)	6,121	4,471	(492,729)
Standardized measure of discounted future net cash flows	**1,217,821**	**—**	**41,703**	**32,867**	**342**	**1,292,733**

Note 38 Supplemental information on oil and gas activities (unaudited - continued)

Table 7 - Changes in the standardized measure of discounted future net cash flows from proved reserves

Amounts in US$'000	Colombia	Ecuador	Brazil	Chile	Argentina	Total
Present value as of December 31, 2020	**759,233**	**—**	**25,378**	**17,032**	**(19)**	**801,624**
Sales of hydrocarbon, net of production costs	(516,844)	—	(15,677)	(11,520)	(16,855)	(560,896)
Net changes in sales price and production costs	924,875	—	19,393	64,048	(3,145)	1,005,171
Changes in estimated future development costs	96,364	—	861	(18,731)	20,674	99,168
Extensions and discoveries less related costs	80,933	—	—	—	(1,020)	79,913
Development costs incurred	87,877	—	—	4,111	—	91,988
Revisions of previous quantity estimates	(76,850)	—	11,957	(23,776)	465	(88,204)
Net changes in income taxes	(254,618)	—	(2,780)	—	244	(257,154)
Accretion of discount	116,851	—	2,571	1,703	(2)	121,123
Present value as of December 31, 2021	**1,217,821**	**—**	**41,703**	**32,867**	**342**	**1,292,733**
Sales of hydrocarbon, net of production costs	(891,534)	(2,732)	(14,697)	(15,317)	—	(924,280)
Net changes in sales price and production costs	956,926	—	(6,909)	39,457	—	989,474
Changes in estimated future development costs	93,657	(10,483)	(933)	(22,675)	—	59,566
Extensions and discoveries less related costs	6,754	28,873	—	—	—	35,627
Development costs incurred	94,195	—	—	11,153	—	105,348
Revisions of previous quantity estimates	(87,851)	—	(2,441)	15,513	—	(74,779)
Disposal of Minerals in place	—	—	—	—	(342)	(342)
Net changes in income taxes	(205,370)	—	1,673	—	—	(203,697)
Accretion of discount	197,203	—	4,515	3,287	—	205,005
Present value as of December 31, 2022	**1,381,801**	**15,658**	**22,911**	**64,285**	**—**	**1,484,655**
Sales of hydrocarbon, net of production costs	(491,525)	(6,673)	(8,143)	(6,362)	—	(512,703)
Net changes in sales price and production costs	(596,668)	(2,893)	21,490	(33,595)	—	(611,666)
Changes in estimated future development costs	9,461	(17,908)	(4,440)	5,142	—	(7,745)
Extensions and discoveries less related costs	72,757	63,619	—	—	—	136,376
Development costs incurred	115,996	500	—	7	—	116,503
Revisions of previous quantity estimates	104,256	10,642	9,159	(11,019)	—	113,038
Net changes in income taxes	198,769	(21,808)	(2,218)	—	—	174,743
Accretion of discount	257,346	1,566	2,467	6,429	—	267,808
Present value as of December 31, 2023	**1,052,193**	**42,703**	**41,226**	**24,887**	**—**	**1,161,009**