



GEOARK

TRANSCRIPT – THIRD QUARTER 2025 RESULTS

CONFERENCE CALL

NOVEMBER 6, 2025

10:00 AM ET

C O R P O R A T E P A R T I C I P A N T S

Felipe Bayon

CEO & Director

Jaime Caballero

Chief Financial Officer

Martin Terrado

Chief Operating Officer

Rodrigo Dalle Fiore

Chief Exploration & Development Officer

C O N F E R E N C E C A L L P A R T I C I P A N T S

Joaquin Robet

Balanz Capital

Stephane Foucaud

Auctus Advisors

Daniel Guardiola

Banco BTG Pactual

Isabella Pacheco

BofA Securities

Alejandro Demichelis

Jefferies LLC

P R E S E N T A T I O N

Operator

Good morning and welcome to the GeoPark Limited conference call following the results announcement for the third quarter ended September 30, 2025. [Operator Instructions] If you do not have a copy of the press release, it is available at the Investors section on the company's corporate website at www.geopark.com. A replay of today's call may be accessed through this webcast in the Investors section of the GeoPark corporate website.

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

forward-looking statements, the company seeks protections afforded by the Private Securities Litigation Reform Act of 1995. These risks include a variety of factors, including competitive developments and risk factors listed from time to time in the company's SEC reports and public releases.

Those lists are intended to identify certain principal factors that could cause actual results to differ materially from those described in forward-looking statements, but are not intended to represent a complete list of the company's business. All financial figures included here were prepared in accordance with the IFRS and are stated in the U.S. dollar unless otherwise noted. Reserve figures correspond to PRMS standards. On the call today from GeoPark is Felipe Bayon, Chief Executive Officer; Jaime Caballero, Chief Financial Officer; Martin Terrado, Chief Operating Officer; Rodrigo Dalle Fiore, Chief Exploration and Development Officer; and Maria Catalina Escobar, Shareholder Value and Capital Markets Director.

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

Felipe Bayon
CEO & Director

Good morning, everyone, and thank you for joining GeoPark's Third Quarter 2025 Results Call. We are at a pivotal moment in GeoPark's journey towards strengthening our foundation and advancing our long-term growth strategy. On October 16, we successfully closed the acquisition of two high quality blocks in Vaca Muerta, Neuquen, securing full operational control of Loma Jarillosa Este and Puesto Silva Oeste. With this move, we have entered one of the world's most promising unconventional basins and opened a new chapter of long-term growth and diversification.

In parallel, we launched our new strategic plan and capital allocation framework during our Investor Day on October 21. The plan is built around 2 clear priorities. First, sustaining a resilient and high margin base in Colombia; and second, rapidly scaling a transformational platform in Argentina. In our base case 2030, we are targeting consolidated production of 42,000 to 46,000 barrels of oil equivalent per day, an Adjusted EBITDA of \$520 million to \$550 million and a net leverage ratio of 0.8 to 1.0; all while maintaining capital discipline, financial strength and our commitment to ESG.

Beyond this firm plan, our vision for the business entails materializing further significant upsides in our existing high quality asset base along with accretive inorganic growth. To support this strategy, the Board of Directors approved a revised dividend program totaling approximately \$6 million over the next 4 quarters or the equivalent of \$0.03 per share per quarter starting with the third quarter of 2025 payout. As of the third quarter 2026, dividends will be suspended as investments in Argentina peak. Dividend levels will be reviewed as we progress through the investment cycle and return to positive free cash flow.

This reflects our ongoing commitment to strong shareholder returns, investment in growth and financial flexibility. Turning now to our 3Q 2025 results. On the operational front, we had a solid third quarter. We delivered average consolidated production of 28,136 barrels of oil equivalent per day, which is exceeding 2025 guidance and up nearly 3% quarter-over-quarter, and this is driven by strong performance in our core operated and non-operated assets in Colombia. Llanos 34, which we operate, remained a key engine with continued efficiency gains across drilling and workover operations and stable base management.

In Llanos 123, we advanced drilling operations at Toritos Norte 3 and we made progress on infrastructure in Puerto Gaitan preparing for the next campaign in Llanos 104. Our team continued to improve efficiency and cost management across the board. Operating costs averaged \$12.5 per barrel, fully in line with our 2025 guidance. By the end of the third quarter, we had captured more than \$15 million in efficiencies, equivalent to about \$19.5 million in annual structured savings, a clear sign of a leaner and more agile operating model underway.

On the financial front, Adjusted EBITDA reached \$71.4 million with a 57% margin, broadly stable versus the second quarter supported by high volumes and steady realized prices. Net income was \$15.9 million compared to the net loss in the previous quarter. Excluding a non-recurring exploration write-off in the Putumayo Basin, net profit would have been \$23.4 million, consistent with our strong EBITDA performance.

We invested \$17.5 million during the quarter mainly to sustain and enhance production in Llanos 34 and progress exploration across Colombia. We ended the quarter with \$197 million in cash.

From June to October, we repurchased \$108 million of our 2030 notes below par generating \$9.5 million in annual cash savings and further optimizing our capital structure. With no principal maturities until 2027 and a net leverage ratio of 1.2x, we remain in a strong balance sheet position to manage our liabilities proactively. Our hedging program remains a key element of our financial resilience. As of early November, approximately 62% of the expected 2026 production is already protected through 3-way collars with a first floor at \$65 per barrel, a second floor at \$50 per barrel and an average ceiling at \$73 per barrel.

In summary, this was a quarter of disciplined execution and strategic performance. Looking ahead, we are on track to release our 2026 work program and investment guidance before year end. This plan will provide further granularity on our renewed strategic direction, again focused on building and maximizing value delivery from a high margin base in Colombia and our new operated assets in Vaca Muerta, Argentina. In particular, we are preparing to scale up operations in Loma Jarillosa Este and Puesto Silva Oeste blocks where we've already begun implementing productivity enhancements.

Our priorities remain clear: operate safely and efficiently, maintain financial discipline and maximize shareholder value. Before we take your questions, we also wanted to briefly discuss the proposal we received from Parex Resources. As we said in our press release on October 29, our Board is always open to opportunities that fairly reflect the company's value, strategy and long-term potential.

Following a robust process, our Board unanimously determined that the unsolicited nonbinding proposal of \$9 per share that was submitted by Parex on September 4, 2025, prior to our announcement of GeoPark's transformative Vaca Muerta acquisition undervalues GeoPark, fails to reflect our growth prospects and our diversified portfolio and is not in the best interest of our shareholders. Following Parex's public reiteration of its \$9 per share offer, the Board unanimously authorized me to further engage with Parex and provide additional information to help Parex improve its offer.

In addition, GeoPark's Board of Directors has formed a special committee of independent directors, including Sylvia Escovar, Constantin Papadimitriou, Somit Varma and Brian Maxted to evaluate any potential revised offer from Parex and other value-maximizing alternatives for the company. We are not going to make any further comments regarding Parex or the process unless and until we determine that further disclosure is appropriate. We would appreciate if you keep your questions focused on the quarter. With that, let's open the floor to your questions.

Q & A S E S S I O N

Operator

Our first question comes from Joaquin Robet from Balanz Capital.

Joaquin Robet

Balanx Capital

My question is regarding the 2026 Vaca Muerta work program. Could you provide more color on the upcoming studies and permits, their timing and whether the associated CapEx and commitments are fully funded?

Felipe Bayon

CEO & Director

Absolutely, Joaquin, and I'll give you a bit of context and then I'll ask Martin to take it into more detail. But one thing I'd say is that having started as operator in Vaca Muerta 21 days ago to be exact, we've already started conducting interventions on the wells and we're fully engaged with the operations and the program going forward.

So Martin, if you can give us a bit more color, that would be great.

Martin Terrado

Chief Operating Officer

Absolutely, Felipe. Joaquin, thanks for your question. So I'll start by saying that our first priority on October 16 was to safely and seamlessly receive the operations, including 11 Pluspetrol employees that are now GeoPark employees. The production right now in both blocks is around 1,100 barrels of oil equivalent per day. And what we've done the day that we basically took over the operations was immediately, we started shutting in three wells from one pad. This operation has a total of six wells on production in Loma Jarillosa Este. So we shut in three wells from one pad so that we could go and install artificial lift.

And just to share with everybody how we operate and how quick we are learning, we've done all three of the operations already and the first of the activities was done in 7.8 days. The last one we did it in less than 3 days. So actually when you add up all the days that we had in the program, we've done it in around 10% less than that was planned. In addition to that, as we go from the approximately 1,500 barrels of oil per day to 2,000 barrels of oil per day that those six wells can be delivering and we go to the 20,000 barrels, we know that the OpEx is key and we look at what are the things that we could do. So we already reduced around \$200,000 per month for trucking. So that's where we are.

Within the next 10 days, we will be putting on production those 3 wells. So that will put us on a total production for Vaca Muerta in the order of 1,600 barrels of oil per day to 1,700 barrels of oil per day. Now as we commented in our Investor Day, we're going to a 20,000 barrel oil per day on both blocks with one rig that will be starting operations by the end of next year and with an original plan to have a central processing facility for 20,000 barrels of oil per day also that will be ready by early 2027. So what are we doing in the meantime?

And the #1 thing is we're talking with the neighboring operators and there's very open collaboration in a sense that many of them have spare capacity already installed. So we're looking at options so that between now and whether or not we decide to go with a central processing facility, we can optimize and maximize our margins in a sense of basically connecting to those operating neighbors and sending the production to them. We're also looking at opportunities that we have upgrading Loma Jarillosa.

And like you were asking, Joaquin, on starting and permits, we already started those and our plan is to submit them by the first quarter of 2026. And I think the other question you had was around commitments. I'll say that on commitments, drilling commitments is only one for Puesto Silva Oeste and it's due by 2028. One well, order of magnitude, you can think about \$15 million. And then within Loma Jarillosa, there was a commitment to do the workovers in the block and we've already done them. So from a perspective of commitments, you can see that they're very low.

Felipe Bayon

CEO & Director

And I think on the funding side, Jaime, if you can give us a bit more color?

Jaime Caballero Uribe

Chief Financial Officer

Yes, of course, Felipe. On funding, the program that Martin has described when you bring it down to numbers, we're talking about a CapEx range that is somewhere between \$50 million to \$70 million next year on the base case. Of course if these options that Martin referred to associated to using third party capacity go through, we will be looking at a lower number most likely. So there are opportunities to optimize that. But in our base case, that \$50 million to \$70 million is fully funded. We already have existing credit lines in Argentina with local banks in Argentina that go up to \$100 million. So there's no stretch in this.

Furthermore, we are also looking and this more in the long term beyond 2026, our financing is characterized by a broad toolbox that you've heard me talk about this before. We are in discussions with other parties around the possibility of oil prepayments. There's a lot of interest in the market associated to that. We're also, in our base case, contemplating the possibility of debt issuance in Argentina. There is also a lot of appetite for that. So all this to say that we don't have any concerns around the funding of this program.

Operator

Our next question comes from Eduardo Muniz from Santander. His question is in Colombia, could you comment on the lower CapEx for this quarter and give us an update regarding production and the stage of exploratory campaigning in Llanos Basin? Also, can you update on how the infill campaign is progressing relative to cost/performance targets and timeline? In CPO-5, could you provide more detail to us about the commercial agreement with BP that started in August?

How did this impact oil discounts and transportation cost? Regarding reserves, we will see major changes given divestments, VM acquisition and positive results from exploratory wells. So how do you view your reserves and reserve life? What increment should we see in reserves? In Argentina, could you comment on the current phase you're at in terms of operations? How complex and the timing for getting regulatory permits to start building your own infrastructure? You closed the transaction in VM, has the cash disbursement been done? What was the final?

Felipe Bayon

CEO & Director

Eduardo, thanks for submitting your questions through the website and thanks for your interest in the company. Obviously there's quite a few questions here, we'll try to address them through some of us that are here in the room today. And I'll start with the first one and then hand it over to Martin and Rodrigo. But I would say that the CapEx that you've seen and the CapEx deployment over the year reflects the plan that we had for the year. So it's in line with the plan that we had and reflects the level of activity.

But I'll ask Martin to go into some more detail. And then Rodrigo, if you can talk about some of the exploratory campaign in Llanos and you guys can talk about the infill campaign as well. And then we'll take the other questions.

Martin Terrado

Chief Operating Officer

Absolutely. So again thank you, Eduardo, for your questions. I'll cover the more operational ones and then will continue with Rodrigo. So if we talk about CapEx, you're absolutely right. Our third quarter CapEx was around \$17.5 million and that reflects the execution of our planned and agreed drilling program. Most of our capital is drilling and if you look at the previous two quarters, we were spending around \$25 million to \$27 million and that was with two rigs. In the third quarter, we had one rig. So that's the main reason.

Now looking forward into the fourth quarter, we're going to be ramping up and we already have two rigs already operating in Llanos 123 and a third rig coming for the exploration that Felipe mentioned in Block 104. So with that, you're going to see that the fourth quarter would be an increase from the third quarter. And another point mentioning there is that ramp-up, it's also an agreed decision with our partners based on the first half of the year results. We had very good results in Llanos 123 and very successful infill drilling program in Llanos 34.

So let me go to that one to how we did in the infill drilling program in Llanos 34. That was a program that we planned for the first half of the year, six wells. Infill means that they are within the pads that are already drilled and we're exceeding plan on production delivering 2,600 barrels of oil per day, which is above what we had on the plan for those six wells and the cost of the wells have been exceptional. We are drilling the wells and we drilled those wells at \$2.9 million each one. And as a comparison, those same wells last year, they were costing us 30% more. So it's a 30% reduction.

And that's going back to what I mentioned before. By doing this, having good results, is that we are confident to bring back the rig and start drilling again infill wells in Llanos 34, which we're doing by the last part of December and into 2026. So this is a clear example of how we're maximizing value through CapEx and in our core assets. I think the next question you had was more around production. I'm probably going to reiterate most of the things that Felipe mentioned. But third quarter production was 28,136 barrels of oil equivalent per day. That's around 3% increase.

We had strong performance across all assets and we also had Manati coming in. But if we look at the core assets that we have: CPO-5, no blockages so delivering above plan. Llanos 34 on plan even though we did have some upsets on electrical reliability that are already fixed. And Llanos 123, which is our block that has been growing continuously, we started the year at 3,700 barrels of oil per day and right now we're above 5,000 barrels of oil per day. So we feel that strong around delivering within our range of production guidance, which is 26,000 barrels of oil per day to 28,000 barrels of oil per day. We expect to be on the high range of that as we finish the year.

I think with that, I'll turn it over to you, Rodrigo.

Rodrigo Dalle Fiore

Chief Exploration & Development Officer

Eduardo, this is Rodrigo. I'm going to share where we are in terms of exploration in Llanos. The activity was concentrated in two assets or two blocks. The first one is Llanos 123 and the other one is Llanos 104. Let's talk about the Llanos 123 where we concentrate most of the activity. It's good to remember that we started the discoveries here a couple of years ago with Toritos. So what we are doing is near-field exploration. Actually we are testing the north part of the block, the north part of Toritos extension in a different structure. The name of the well was Currucutu.

So we drilled that in the second quarter of this year and we are producing 400 barrels per day in a very stable way from that well. So that's allowed us to drill a new well to try to understand the detail there, how big is the structure there with the new well? So we are drilling that well actually right now so we expect some results by the end of this year for the northern part of Toritos area. After that, what we did is try to derisk the eastern part. We went with a new well to the right side of the main that we see there, Toritos Este 1 is the name of the well.

We are starting the testing today so we are going to have some results maybe in a couple of weeks. So we are very anxious. The lot looks pretty promising. And the last activity that we have for this year is Bisbita south, what we are trying to do there. Actually, we are drilling this well in this moment is try to prove the extension of the Bisbita area to the south. So that is the main activity that we have in terms of exploration in 123. All of them has very interesting results. At the end of the day, it is the base for the growth of this field and the development plan that we have for the near future.

In the Llanos 104, what we have done is Matraquero. We have just finished that well. It's under evaluation right now. We are discussing with our partner what is next for this prospect. But we are planning to drill the second well in the block by the end of this year. Vencejo is the name of that prospect and we are going to have some results late this year or maybe early next year. So that's the news that we have related with exploration coming from Los Llanos. It's a very interesting play for us. It's a growth driver. So that's why we are continue doing that in the next years and coming years.

Felipe Bayon

CEO & Director

And if I may, Jaime, can you tell us a bit about the commercial agreements with BP, the CPO-5?

Jaime Caballero Uribe*Chief Financial Officer*

Sure. Thanks Eduardo for the question. So CPO-5 commercial agreement, it's been quite a landmark for us because I'm going to talk a little bit about the optionality that it creates, right? So let's put some facts on the table first. The scope of the deal with BP covers about 6,500 barrels a day of our production. It's mainly CPO-5, but there's also Llanos exploration crude involved in that deal that can fall within the scope. The duration of the deal that we signed with BP is 12 months starting back in August. And let me take you a bit through the intent.

What we really want to do is we want to maximize the value of CPO-5 crude in the context of changing domestic demand, right? CPO-5 crude, the bulk of it is actually quite special crude because it's light oil and there's an opportunity there to capture maximum value relative to other crudes in the Colombian marketplace and blends in the international marketplace. And that was the problem that we wanted to solve. So we engaged in this conversation with a number of players around how could we create export optionality through Covenas.

This is something that we hadn't done before at GeoPark and we open up that door. Basically the deal allows us this avenue to export directly at Covenas, right, FOB and in doing so, it allows us to capture the best possible terms that you can get and basically create arbitrage between the domestic prices that you can get which are a portrayal, if you will, of the reduced domestic marketplace that we have versus the broader international market. It also gives us blending optionality. So in the contract with BP, we can also blend these crudes with other crudes and therefore, improve the overall differentials that we get.

Furthermore, the other characteristic of this contract is that it came in with financing optionality. So we actually got a credit line associated to oil prepayments of \$50 million. It's an option. We haven't pulled it, but it's something that we can use at any given time and at very competitive terms. If you think about the commitment fees and if you think about the interest associated to these lines, it's probably 200 basis points below marketplace. So we're all very happy with this. When you do the numbers, two characteristics what I would say is the commercial discount in aggregate of these crudes is in the \$4 to \$5 versus Brent range. It's a very competitive discount relative to our other crudes and it's well on the plan that we've had for this year.

From an accounting standpoint, if you look at our balance sheet, you will see that the selling expenses have come up, because now in the past, we had an offtake agreement where we didn't incur on the selling expenses, but we were getting a lower price. Now we incur on the selling expense associated to the transport to Covenas when we do exports, but that's offset by a better price capture. So that's the movement that you're seeing there.

I hope this helps.

Felipe Bayon*CEO & Director*

And I'll take the reserves one, which was your third question, Eduardo. And it's around, do we see major changes from divestments? The answer is no. It's on the margins. Vaca Muerta, definitely very, very positive in terms of the acquisition.

As you recall, we've said that our 1P numbers would go from 5 to 7 years, 2P to 10 years. And what I'd say is that we're going through the certification process right now as we speak. So that's part of ongoing work that the team is going with the certifiers. But directionally, I say we aim to be over 100% of reserves replacement for the year, which is very good news. It's very good news.

And I think it builds on what Martin was talking about in terms of operational excellence and conducting things like drilling and workovers and water shut-offs with sort of lower cost and less time that we used to. So a lot of efficiency going into the program. And what Rodrigo was talking about some of the -- not only exploration but appraisal opportunities that we have.

So all of that will be brought into the conversation around reserves. But as you can probably imagine, we can't talk any more without -- or with more detail around an ongoing process. But again, we aim to be over 100% organically in terms of replacing our reserves.

And your third question was around Argentina. And I think Martin has already talked on where we are in terms of operations with a lot of detail. I'll ask him to talk about some of the regulatory permits and infrastructure and optionality that we have around that.

And on the last part of your question, which is the transaction. Yes, the transaction has been closed. Cash has been disbursed. We've paid \$115 million, and that's the number that was announced to the market, and that's the final number for the deal.

So Martin, if you want to talk about some of the permits and infrastructure?

Martin Terrado

Chief Operating Officer

Yes, absolutely. So the permits are basically around roads and the permits for the new pads, and finally, for the location of the CPF. As I mentioned before, we will be submitting those by the first quarter of 2026. And we are looking at opportunities, again, on whether or not we will fully use those permits.

There is an option and chances that we could leverage from collaborative infrastructure from neighbors, and that would help us, again, create value in a sense of not having to fully use those permits. But our plan is to submit them. Usually in Neuquen it takes between 3 - 6 months for approval once they are submitted due to the public consultations and all the requirements. But high level, that's where we are on permitting.

Felipe Bayon

CEO & Director

And can we have the next question?

Operator

Our next question comes from Stephane Foucaud from Auctus Advisors.

Stephane Foucaud

Auctus Advisors

I had a question around regulation. I know you can't talk about Parex, so it's more general than that. So in Colombia, I was wondering whether there will be any anti-competition restriction from the regulator, the government, with regards to when a player becomes too large or perhaps too much in a certain region?

Felipe Bayon

CEO & Director

Thanks, Stephane, and great question. And thanks for respecting and acknowledging the fact that we won't talk in detail around our engagement with Parex. And I won't speculate, obviously, around a potential deal. But I can tell you that in Colombia, there are obviously competition rulings that need to be taken into account for any deal, not necessarily this one.

As I said, we're not speculating. But I'd say, Stephane, that there's additional things in terms of local requirements that need to be or would need to be considered in a deal that entails something like this or would entail something like this. And again, Stephane, thanks for respecting the fact that we won't talk in detail around our engagement with Parex. Thanks a lot.

Can we have the next question, please?

Operator

Our next question comes from Daniel Guardiola from BTG.

Daniel Guardiola*Banco BTG Pactual*

I have a couple of questions. I'm going to keep it brief, so all my colleagues can actually ask questions. Considering that you guys talked about opportunities in Argentina, in Colombia, I wanted to ask you, Felipe, how would you rank on a risk-adjusted basis your value-accretive growth opportunities between both countries? So that would be my first question.

And my second question, very briefly, I'm just curious, considering that the current environment with the proposal from Parex, et cetera. And I know you're not going to comment on that, and I don't want to push to comment on that. But I was just wondering if you can provide any sort of indication of what is the expected NPV of the recently acquired assets of Argentina, assuming, of course, that everything goes in line with the plan? So that will be my 2 questions.

Felipe Bayon*CEO & Director*

Thanks, Daniel, and thanks for being in the call this morning. It's always good to hear from you. So I'll start with the second question and then I'll build on the first question, and I know Jaime can provide a bit more color. But the first thing I'd say is that there's already -- I mean, when we did the deal in Vaca Muerta, which is transformative and it's strategic for us. And if you remember from the Investor Day and the Investor Week, we said this is an opportunity, these 2 concessions that we have, that can bring some \$300 million to \$350 million of additional EBITDA in the next 3-4 years and 20,000 barrels, as Martin was explaining earlier in the call. So in that sense, it's clearly accretive.

And I would also highlight something that Martin was saying. We're conducting all the required activities to ensure that we have designs and permits in place. But in addition, we've talked to the operators in the region to look at spare and haulage capacity in pipelines, in processing facilities, always with the mindset of maximizing value for shareholders. And this is very important. So we have a plan. We have a plan for Vaca Muerta, but we're looking at ways of optimizing and looking at optionality, if you will. So I think that's point number one.

The other thing is that we've disclosed some numbers around Vaca Muerta and especially around the volumes. And we said that the 1P for the company, it would go from 5 to 7 years, 2P all the way to 10 years. And I'll share with you, Daniel, and everybody in the call, we're undergoing the review of reserves in Vaca Muerta. Remember that there's some information that's public that was the reserve certification at the end of last year that we won't disclose, we can't disclose.

But where we are with the existing data, some of that is public data. We have the luxury of having the Province of Neuquen as our partner in this deal. All of that, we expect to have positive numbers in terms of reserves going forward for Vaca Muerta. So that would be accretive in terms of where we initially saw we were on the deal. So I think that's very relevant. We've obviously gathered a lot more data. We're on the ground right now, and that's great.

And in terms of risk-adjusted basis for both countries, Colombia and Argentina, I talked about Argentina. And in addition to what we have in Vaca Muerta already in the 2 concessions, I mentioned we're talking to operators in the region constantly, Martin and Tommy on the ground, Nacho and myself, we hold frequent conversations with operators to optimize. But we also hold conversations on potential opportunities going forward, and we mentioned this at the Investor Day.

We're focused on what we have right now. We will remain very, very disciplined in terms of allocating capital and ensuring that everything that we bring into the portfolio has value with it. But there's a lot of opportunity. When you think that only 10% of the basin in Vaca Muerta has been developed. It's, I think, clearly a world-class basin for unconventional. So that's that.

And in terms of Colombia, I'd say, and I highlight a few things, and Martin and Rodrigo gave us some of the good news around performance today, which is great. As operator of Llanos 34, we're performing very well.

But again, for example, Daniel, only 30% of Llanos 34 is covered with waterflooding. We've increased the level of water floods. We've been very successful with shut-offs and redirecting the water. And even with a newly updated model of the field, we have a lot more data in terms of where to put the water and what are the expected results.

So Llanos 34, I think, provides a lot of additional optionality and upside in that sense. And I'll just say, it's -- that's why, Daniel, and I know you were very respectful of not talking about Parex. But I think that's why unanimously the Board rejected the offer of \$9 per share because it failed to reflect growth prospects, our portfolio that's diverse and it's not in the best interest of shareholders. But clearly, Llanos 34 has a lot of legs still in it. That's the point I'm making.

And then if you look at 123, and I mean, great news. A field that's producing 5,000 barrels in just 24 months, it's great. It's a great story. And guess what, there's a lot of optionality. And we're doing exploration and appraisal activity and there's full alignment with our partner, which is great from a technical point of view, from the intent to conduct more activities in that sense.

CPO-5 is doing very well, very, very well. We have a great relationship with ONGC. They're doing -- they're conducting their operations very, very well and it's actually performing above plan. So I'd say, Daniel, that in that sense, having a portfolio that is in the 2 countries, Colombia and Argentina, and it's diversified in terms of conventionals and unconventional is great.

And again, we see that in the upcoming year or so with some potential changes in government as well, a government that's more prone to activity, that can only help our long-term plan be more robust or even more robust than it is today.

I don't know, Jaime, if you want to add something.

Jaime Caballero Uribe

Chief Financial Officer

Well, perhaps I'll just delve a little bit deeper on the technical aspects of how we go about capital allocation. Those of you that have been following us and saw our presentation at the Investor Day probably will recall our capital allocation matrix, right? And if you remember, that capital allocation process basically is all geared towards driving value maximization, right?

We consider aspects such as NPV, breakevens, capital efficiency. But to your question, Daniel, we of course, consider risk and time to market. And we do it in a very intentional way, right, to make sure that things compete. This is probably not the right time to give you a specific indication of the expected NPV of Vaca Muerta and of our other assets. But what I would say is that our portfolio allocation process is designed to deliver competitive returns, double-digit returns at a 15% discount rate, okay, and at a \$60 Brent price.

So if you use those parameters of a 15% discount rate, \$60 Brent price, delivering double-digit returns that kind of gives you an indication of the sort of strength of the portfolio that we have at GeoPark and that we are building in Argentina.

I think the other important point of note to mention is, of course, that given the recent elections in Argentina and the outcome of the recent elections in Argentina, clearly, the 15% discount rate seems quite stringent given how the risk in Argentina is evolving. So we are very comfortable around the value accretion of the assets given the rigor that we've had in the capital allocation and in the recent developments that we've had there.

Felipe Bayon

CEO & Director

And Daniel, before I turn it over to the next question, I just want to highlight, and first, thanks for the question. As we've mentioned in the recent Investor Day and everything else, we have a plan that's robust. We have a strategy that's robust in terms of building in Colombia, and I've mentioned a few of the additional

things that we're looking at. And I'd just like to go back to being very efficient and very focused in terms of how we conduct our operations. And the fact that, that long-term plan includes Vaca Muerta, the concessions, and that's accretive as well, and it builds on what Jaime was talking about.

And Daniel, in the next few weeks, we'll be presenting the work program and budget for next year that will reflect this view on our strategy and how we deploy capital to ensure that we continued to bring accretive opportunities and we continue to provide value to shareholders.

Operator

Our next question comes from Vicente Falanga from Bradesco. What are the risks related to your polymer injection project in Llanos 34? What could go wrong? What are the key operational milestones in terms of well results for the GeoPark to derisk its Argentina operations?

Felipe Bayon

CEO & Director

Thanks, Vicente. And I'll ask Rodrigo to talk about some of the aspects around the polymer injection.

Rodrigo Dalle Fiore

Chief Exploration & Development Officer

Vicente, thank you for the question. As you know, polymer fluorine is a proven EUR technology with a solid track record not only here in Colombia, but also globally. So particularly in Los Llanos. So in the neighborhood, we have some good examples. So it's a proven technology is the firm message I want to deliver here.

But obviously, there are certain risks that we have to manage during the implementation of this technology. The risks are related with subsurface uncertainties, operational execution, economic sensitivities, but all of them are considering in the plan that we have.

So that's why there are, I think, two key elements in order to face those risks. The first one is related to how are you going to implement the project? What we think for the near future -- actually for the present because we are working on it, is phase the implementation in different kind of phases. So we are going to start this year, at the end of this year with 2 wells. We expect finish next year with 9 wells in terms of polymer injection in Tigana field. And we see about 30 patterns for the full development for Tigana -- for Jacana, sorry.

Actually, we are working in something that is new for the development plan. It is in Tigana, because at the moment, we have no injection -- polymer injection in the north as well, and we are designing that project to include in the development plan as soon as possible.

The other thing that I consider as critical is the talent and the people. So last year, we hired experienced people coming from other parts of Colombia. They have been injecting water in the Llanos Basin for the last 10 years, the same with polymer.

So we consider we have the expertise in place. We're working very seriously because polymer fraud is one of the key elements in the development plan for the field. It's not the only one, it's one of those elements that we have in terms of maintaining the production of this big field.

So that's why we are very excited about the project. We believe that we have the capabilities to implement in the right and success way. And that's what we are doing right now because we expect in a couple of months to have the first well injecting polymers in the area.

Felipe Bayon

CEO & Director

And in terms of operational milestones of results for derisking operations in Argentina, Martin?

Martin Terrado

Chief Operating Officer

Yes. So Vicente, thanks for your question. And let me start by saying that in terms of the milestones on well results, if we look at the 2 blocks that we acquired in Loma Jarillosa and in Puesto Silva Oeste. We're surrounded by active Vaca Muerta development. And within the blocks, as I mentioned before, Loma Jarillosa Este has 6 wells that are already drilled and on production. And so from a subsurface, the risk that we see low.

When we look at the activity that is coming and the drilling risk and operational risk, let me mention these 2 things. First one is when we start drilling, we have the advantage that we will start with a pad that has been partially drilled. The pad #1030 has 5 wells that have been drilled, out of which 2 wells are fully drilled. They're just waiting on the completion. And the remaining 3 only need the last section, which is the horizontal, which would be around 2,500 meters of the horizontal drilling. So we will start with the drilling operations that are now going full on one pad from 0.

And then the second comment is one way to make sure that we're derisking is our team. And we have a very solid team that we had in place and we have completed. And let me give you a little more flavor of what I mean. We have some of the folks that are now in Argentina operating these blocks were already being part of the previous deal that we had as secondees. And so 1 year, fully engaged as secondees in different roles. And prior to that, some of these guys and these men and women were working in companies like Chevron, like YPF, like Pan American Energy.

So our leaders in the ground in Argentina, they have each of them in the order of 10 years of unconventional experience, both in Argentina and in the U.S. So with that team, we feel that we can go about derisking the operations properly.

Rodrigo Dalle Fiore

Chief Exploration & Development Officer

Yes, I would add something related with the subsurface perspective. The blocks are geologically proven. So the reservoir and the oil is down there. So there are a couple of elements that support our confidence there. First of all, the previous operator in Loma Jarillosa drilled 6 wells. So we have a lot of information coming from that subsurface database.

Then we have -- we built a technical understanding and we consider with all this information, at least for the North block, we have a very robust development plan with that information. At the same time, in Argentina, the production per well is public. So we can analyze all the neighborhoods. Actually, we did that. And the expectation that we have in terms of well type is 1.1 million and 1.3 million barrels per well for the full life of the well. So that's plenty in line with the neighborhood. So that's another topic or at least point that adds confidence to our analysis.

The third point is we have been for a year working with Phoenix in the south of this area, and we have the experience in Confluencia Norte. So Confluencia Norte supports our understanding of Puesto Silva Oeste, sorry. And that's why we believe that in terms of risk and manage the milestone for coming, we are very solid with the development plan. So that's my contribution related with the subsurface.

Felipe Bayon

CEO & Director

Do we have any more questions on the line?

Operator

Our next question is from Isabella Pacheco from Bank of America.

Isabella Pacheco

BofA Securities

Just a quick one. How much do you expect the Vaca Muerta acquisition will add to your 4Q '25 production?

Felipe Bayon

CEO & Director

Martin?

Martin Terrado

Chief Operating Officer

Yes. So Isabella, quick answer. For the 75 days that we will have Vaca Muerta on production, it's going to be in the order of 1,400 to 1,600 barrels of oil per day for the quarter.

Felipe Bayon

CEO & Director

Do we have any more?

Operator

Our next question is from Alejandro Demichelis from Jefferies.

Alejandro Demichelis

Jefferies

Just I know you're not going to be talking about Parex and so on, but maybe you can give us some indication of the rationale for keeping the poison pill still in place at this moment.

Felipe Bayon

CEO & Director

Thanks, Alejandro, and good to have you on the call today. And yes, I'll give you my view on the poison pill, and this is something that we discussed at the Board very early on. Remember, I joined earlier in the year, June 1. And if you look at this from a shareholders' perspective, and this is part of the conversations we had at the Board, we want to ensure that anybody who wants to acquire equities of the company or shares of the company and wants to build a position, it fully reflects a premium in terms of the purchase of those shares when the acquisition. And at the end of the day, Alejandro, what we're looking for is for the right value, the right premium to be acknowledged. And at the end of the day, it's something that would benefit all of the shareholders across the board.

Jaime Caballero Uribe

Chief Financial Officer

Yes. I guess what I would add, Felipe, to this is if we look at the recent events, we've had a shareholder accumulating a position that has been basically capped in the market conditions, right? And I would argue that it's actually enabling the conversation that we're having now, which is in the benefit of all shareholders, which is what is the premium over market price that's going to be recognized. So now more than ever, the poison pill makes sense, and that's why we are supportive of keeping it.

Operator

We currently have no further questions. So I'll hand back to Felipe Bayon for closing remarks.

Felipe Bayon*CEO & Director*

Thank you so much. And again, thanks, everybody, for being here in the call today and for your interest in the company. Very thrilled with the performance we've had in 3Q. It's a very, very solid set of results that we've presented to the market in terms of our operations, our cost efficiencies, dealing with the reservoirs and ensuring that we maximize value. So I'd like to acknowledge the teams that day in and day out are actually supporting these results. So very, very thrilled with that. Very, very happy with how the results are coming out and that we've presented to the market.

And the last thing is we had the roadshow and the Investor Day a couple of weeks back, where we looked at our strategy going forward and then maximizing value in Colombia through a very robust plan that's in place with incorporating all of those efficiencies and technology and innovation. And also, the work that Rodrigo was mentioning around exploration and appraisal and looking not only around new technologies and enhancing operations, but also around new opportunities in country. And on top of that, a valueaccretive transformational strategic acquisition in Vaca Muerta. And those 2 in conjunction provide a very, very solid outlook in terms of value creation and maximizing value for shareholders.

So thanks again, everyone, for being here on the call today. And again, I'd like just to thank the team, the GeoPark team for everything that they do. Have a good day.