

Frontera Announces First Quarter 2019 Update

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First Quarter Production of 67,930 boe/d, Within Annual Guidance Range

Colombia Production Up 4% Quarter over Quarter

Current Production Over 75,000 boe/d, as Block 192 (Peru) Ramps Back Up

TORONTO, April 11, 2019 - [Frontera Energy Corp.](#) (TSX: FEC) ("Frontera" or the "Company") announces a first quarter operational update. All values in this news release and the Company's financial disclosures are in United States dollars unless otherwise noted.

Richard Herbert, Chief Executive Officer of Frontera, commented:

"2019 is off to a strong start for Frontera, with our production and exploration proceeding in line with guidance for 2019. We plan to sustain production in Colombia at current levels for the next five years as we grow production and reserves from new projects in the North Andean region. We also have made significant progress unwinding legacy transportation commitments which will have long-term benefits for the Company's profitability and flexibility. Our upstream investments are moving forward with drilling soon to start on the VIM-1 block in Colombia and on the Corentyne block offshore Guyana. Lastly, we demonstrate our commitment to enhancing shareholder returns with ongoing share repurchases and dividends."

Production Update

Frontera delivered estimated first quarter 2019 production of 67,930 boe/d within 2019 production guidance range of 65,000 to 70,000 boe/d despite production from Block 192 in Peru being off line for most of the quarter.

Current production is estimated at over 75,000 boe/d, as production from Block 192 in Peru continues to ramp back up to pre-force majeure volumes. Current Block 192 production is over 10,000 bbl/d with total Peru production estimated at 11,000 bbl/d.

Colombia

Colombia production averaged approximately 65,560 boe/d in the first quarter of 2019, an increase of 4% from the four quarters of 2018 as a result of increased production at Quifa following the commissioning of the water handling expansion project. The Company continued stable production at Guatiquia, assisted by the Candelilla-7 development well which is currently producing at a rate of approximately 2,000 bbl/d. The Company's first quarter 2019 Colombia production was the highest since the fourth quarter of 2017.

The Company drilled 29 development wells in Colombia during the first quarter of 2019 compared to 27 development wells planned, including 26 in the Quifa area, two in the Copa field (in the Cubiro block) and one in the Guatiquia block. There were also four exploration wells drilled compared to four planned, one at Sabanero and one at Jaspe, while two additional exploration projects, Mapache and Jaspe which were initially planned for the first quarter were deferred until later in 2019. At the Copa field, additional development wells and one or two water injector wells are planned in 2019. This increased development drilling combined with increased water injection drilling in 2019, is expected to increase field level production from approximately 10,000 bbl/d currently to over 10,000 bbl/d by the end of 2020.

During the second quarter of 2019, the Company plans to drill 37 development wells, including 30 in the Quifa area, four in the CPE-6 block, two in the Copa field, and one in the Guatiquia block. The Company will drill three exploration wells (two in the Mapache block, one in the CPE-6 block) and will convert one production well into a water injector well in the Orito block.

which is the operator of the VIM-1 block has informed the Company that the exploration well planned for this block will be spud in the third quarter compared to a previously planned spud in the second quarter. The Company's 50% participating interest in the VIM-1 block is subject to Agencia Nacional de Hidrocarburos ("ANH") approval.

In March 2019 the Company drilled the Copa A Norte-10 well on the western flank of the Copa A field which was intended to be a water injector well, part of the planned expansion of the water flood program. However, the well penetrated 15 feet of oil sandstone in the Carbonera C5D2 zone. As a result, the lowest known oil level for the pool is now 20 feet structurally lower than previously mapped. The well is undergoing testing and is now expected to be completed as a production well.

Frontera recently drilled the Coralillo-6 well on the western flank of the Coralillo field on the Guatiquia block. The well was drilled in March 2019 and reached a depth of 11,159 feet TVD in April 2019. The well penetrated hydrocarbon bearing reservoirs including the Guadalupe B, Guadalupe C and the Lower Sand-1 formations. The Coralillo-6 well is currently being completed and the Company expects to test the well during the coming weeks.

In January 2019, the Company began drilling the Coralillo-2 development well on the Guatiquia block. On February 7, 2019, the well reached a TVD of 11,159 feet, encountering 5 feet of net pay in the Lower Sand-1 formation and 32 feet of net pay in the Guadalupe formation. The well was completed in the upper 5 feet of the Lower Sand-1A formation and in the upper 12 feet of the Guadalupe formation with an electrical submersible pump. The well flow tested from the Guadalupe formation for 17 days in March 2019 at an average rate of 700 bbl/d of 17 degree API oil with an average water cut of 13% at a stabilized bottomhole pressure with a 24% drawdown. The well flow tested from the Lower Sand-1A formation for 18 days in March 2019 at an average rate of 753 bbl/d of 17 degree API oil with an average water cut of 19% at a stabilized bottomhole pressure with a 23% drawdown. Since discovery, the well has produced a total of 18,011 bbls. The ANH has approved the well to be produced on a commercial basis, which has resulted in the well being put on production at over 1,200 bbl/d in recent days.

On January 5, 2019, the Company began drilling the Seje-1 exploration well on the Sabanero block targeting a separate closure from the Chaman-2D exploration well. The well was drilled to a total depth of 3,584 feet MD on January 14, 2019 and encountered 21 feet of net pay in the Basales sandstone. The well was completed in the Basales formation with an electrical submersible pump. The Basales formation was tested between January 30, 2019 and February 6, 2019 with a maximum average oil rate of 119 bbl/d of 12 degree API oil and an average water cut of 27%. A total of 752 bbls of oil were recovered during the test and the well has been on commercial production since February 2019.

On January 10, 2019, the Company began drilling the Jaspe-8D exploration well in the Quifa North area in the Quifa block. The well was drilled to a total depth of 4,710 feet (3,437 feet TVD) on January 14, 2019. The well encountered 24 feet of net pay in the Basales sandstone, in two zones of the Basales formation. The well was completed in the Basales formation with an electrical submersible pump. The well was tested between February 11, 2019 and February 18, 2019 with a maximum average oil rate of 188 bbl/d of 12 degree API oil and an average water cut of 9%. A total of 538 bbls of oil were recovered during the test and the well has been on commercial production since February 2019.

Peru

Peru production in the first quarter of 2019 averaged an estimated 2,370 bbl/d a decrease of 73.6% compared to the first quarter of 2018 due to the shutdown of Block 192 as a result of a force majeure event relating to the NorPeruano pipeline from March 27, 2018 until March 1, 2019. Production from Block 192 in Peru contributed approximately 1,720 bbl/d in the first quarter of 2018 as production from the block gradually restarted during March 2019. The Company expects that the contract relating to Block 192 will be extended to at least January 2020, from September 7, 2019 previously as a result of the force majeure event. Current production from Peru is approximately 10,640 bbl/d.

Ecuador

On April 9, 2019, as part of the Intracampos bid round held on March 12, 2019, the Hydrocarbons Bids Committee recommended to the Ministry of Energy and Non-Renewable Natural Resources the award of the Tender Blocks in the XI round. Frontera was awarded the Perico and Espejo blocks in the Intracampos bid round in Quito, Ecuador (Frontera).

The Perico and Espejo blocks are attractive, low-risk exploration blocks located in Sucumbíos Province in the north-east of Ecuador in the Oriente basin. Both blocks are covered with 3D seismic and are adjacent to multiple producing fields and infrastructure. More than five multilayer and ready-to-drill light oil prospects and leads have been identified on these blocks. Geoscience evaluation is ongoing and field operations are expected to start in late 2019 or early 2020.

The winning bid consisted of a minimum investment program including 55 sq km of 3D seismic in the Espejo block and drilling four exploration wells in each block, with a total estimated investment commitment of \$60 million (\$30 million net to Frontera) over the next four years. GeoPark Limited has a 50% working interest in the consortium.

Final award of the blocks is contingent upon regulatory approvals and the execution of the contracts, expected in the second quarter of 2019.

Guyana

Progress continues to be made with respect to the finalization of a joint venture agreement with [CGX Energy Inc.](#) (TSX: "CGX"). A definitive rig agreement has been executed with ROWAN RIGS S.A R.L and CGX for the use of the Ralph C offshore jack-up rig which is targeted to commence during the second quarter of 2019 with an expected spud date in the third quarter of 2019. All the required activity is being undertaken to ensure the Utakwaaka-1 exploration well will be drilled by November 27, 2019 to satisfy the contractual commitment.

Shareholder Enhancement Initiatives

As at April 9, 2019 the Company has repurchased for cancellation 2,662,105 shares at an average cost of C\$13.72 per share for a total of C\$36.5 million (\$27.6 million). A further 2,338,478 shares are available for repurchase under the terms of the current Normal Course Issuer Bid.

A dividend of C\$0.165 per share is payable on April 16, 2019, to shareholders of record as of April 2, 2019. The dividend reinvestment plan was taken up by 0.4% of shareholders of the Company's outstanding shares as of the record date. The Company's dividend policy is to pay a quarterly dividend of approximately \$12.5 million during periods in which Brent oil prices sustain an average price of \$60/bbl or higher. The declaration and payment of any specific dividend, the actual amount of the dividend, the declaration date, the record date, and the payment of each quarterly dividend will be subject to the discretion of the Board of Directors.

Additional Value Creation Initiatives

On March 22, 2019 the Company acquired Pacific Midstream Limited's ("PML") ownership interest in the Bicentenario pipeline for approximately \$85 million. The net cash cost of the acquisition was approximately \$34 million after the proceeds of the transaction were distributed by PML to its shareholders. As previously disclosed, this acquisition was triggered by the International Pipeline Corporation and related funds (the "IFC") pursuant to the PML shareholders agreement, due to the Bicentenario pipeline being non-operational for six consecutive months, and as a result, the Bicentenario ship or pay contracts with the Company's shareholders were terminated. With the completion of the transaction, Frontera's aggregate indirect ownership interest in the Bicentenario Pipeline has increased to 43.03% (previously 26.39%).

On April 1, 2019 Transporte Incorporado S.A.S. exercised the right to early terminate the temporary assignment agreement. The purpose was to enable the Company to use Ocesa's pipeline transportation capacity in exchange for a monthly premium. Pursuant to such termination, the Company became a definitive assignor under the transportation agreement with Ocesa, the monthly premium expired, and the Company was under the obligation to pay Transporte Incorporado S.A.S. a net cash consideration of approximately \$48 million, which has now been satisfied. As a result of the transaction, the Company will save \$18 million per year in transportation costs as it no longer has to pay the monthly premium.

Hedging

As of April 9, 2019, the Company has hedged approximately 41% of expected 2019 production after royalties, using put options with strike prices of between \$55/bbl and \$60/bbl Brent and costless collars with a floor of \$57/bbl and ceiling over \$75/bbl. The cost of the put option premiums has been \$7.8 million. This provides downside oil price protection for 41% of budgeted 2019 production, 39% of budgeted Q3 2019 production and 38% of budgeted Q4 2019 production. Consistent with Frontera's management goals and priorities, the put option strategy helps protect the Company's capital program, finance costs, and potential future dividends, without limiting the benefits from higher oil prices.

About Frontera

[Frontera Energy Corp.](#) is a Canadian public company and a leading explorer and producer of crude oil and natural gas, with operations focused in South America. The Company has a diversified portfolio of assets with interests in more than 30 exploration and production blocks. The Company's strategy is focused on sustainable growth in production and reserves. Frontera is committed to conducting business safely, in a socially and environmentally responsible manner. Frontera's common shares trade on the Toronto Stock Exchange under the ticker symbol "FEC".

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Cautionary Note Concerning Forward-Looking Statements

This news release contains forward-looking statements. All statements, other than statements of historical fact, that address activities, events or developments that the Company believes, expects or anticipates will or may occur in the future (including, without limitation, statements regarding estimates and/or assumptions in respect of expected production levels, development and drilling plans (including timing and projected production levels), impact of facilities and infrastructure projects, the Company's exploration and development plans and objectives, the timing and receipt of regulatory approvals, statements regarding the Company's dividend policy and future payments, the outcome of the Company's hedging program) are forward-looking statements. These forward-looking statements reflect the current expectations or beliefs of the Company based on information currently available to the Company. Forward-looking statements are subject to a number of risks and uncertainties that may cause the actual results of the Company to differ materially from those discussed in the forward-looking statements, and even if such actual results are realized or substantially realized, there can be no assurance that they will have the expected consequences to, or effects on, the Company. Factors that could cause actual results or events to differ materially from current expectations include, among other things: production estimates and estimated economic return; uncertainties associated with estimating oil and natural gas reserves; failure to establish estimated resources or reserves; failure to establish estimated resources or reserves; operating hazards and risks; volatility in market prices for oil and natural gas; the uncertainties involved in interpreting drilling results and other geological data; fluctuation in currency exchange rates; inflation; changes in equity markets; timing on receipt of government approvals; perceptions of the Company's prospects and the prospects of the oil and gas industry in Colombia and the other countries where the Company operates or has investments; and the other risks disclosed under the heading "Risk Factors" and elsewhere in the Company's annual information form dated March 13, 2019 filed on SEDAR at www.sedar.com. Any forward-looking statement speaks only as of the date on which it is made and, except as may be required by applicable securities laws, the Company disclaims any intent or obligation to update any forward-looking statement, whether as a result of new information, future events or results or otherwise. Although the Company believes that the assumptions inherent in the forward-looking statements are reasonable, forward-looking statements are not guarantees of future performance and accordingly undue reliance should not be put on such statements due to the inherent uncertainty therein.

Production Levels and Reporting

In addition, reported production levels may not be reflective of sustainable production rates and future production rates may differ materially from the production rates reflected in this news release due to, among other factors, difficulties or interruptions encountered during the production of hydrocarbons.

Well Test Results

Disclosure of well tests results in this news release should be considered preliminary until detailed pressure transient analysis and interpretations have been completed. Hydrocarbons can be seen during the drilling of a well in numerous circumstances and do not necessarily indicate a commercial discovery or the presence of commercial hydrocarbons in a well. There is no representation by the Company that the disclosed well results included in this news release are necessarily indicative of long-term performance or ultimate recovery. As a result, readers are cautioned not to place reliance on such rates in calculating the aggregate production for the Company or that such rates are indicative of future performance of the well.

BOE Conversion

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

Definitions:

API	American Petroleum Institute
bbl/d	Barrels of oil per day
Boe	Refer to "Boe Conversion" above
boe/d	Barrels of oil equivalent per day
C\$	Canadian dollars
Mcf	Thousand cubic feet
MD	Measured depth
TVD	True Vertical Depth

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