

NG Energy International Corp. (GASX-V)

Previous Close: \$1.01 BUY Returns: 1-month -24% 6-months 33% 1-year 257%

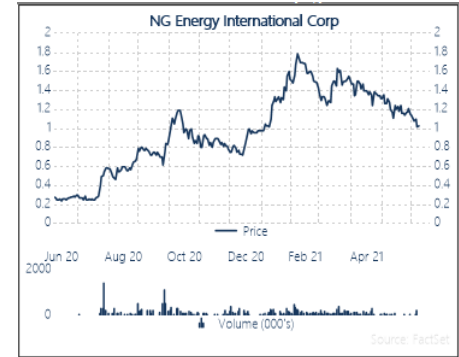
Capitalization & Valuation

- 105.4 mm shares basic / 136.9 mm shares FD
- C\$105 million mkt cap / C\$91 million EV (90-day avg vol 110k)
- currently trading at EV/EBITDA multiples of 14.5x 2021 and 2.2x 2022

Key Points:

Pending results for Istanbul-1 well

- Results have been delayed due to Covid restrictions and supply chain issues in getting equipment. Expect 2 weeks for test data.
- Potential for material reserve additions that would enhance current 2P NPV10 of US\$90 million (C\$0.82/sh FD).
- Production to start at 3-5 mmcf/d gross (80% WI) depending on # of zones.

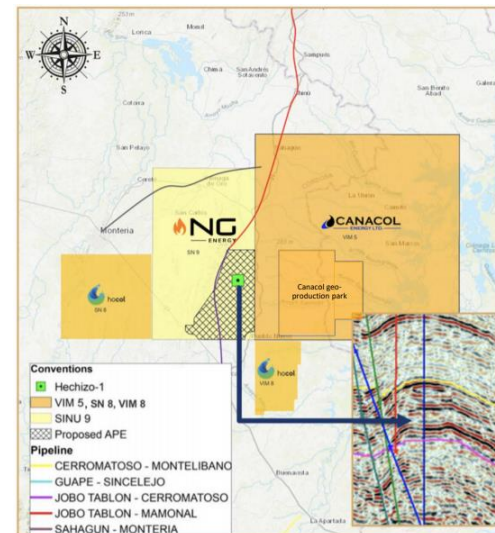


Initial nat gas production in Colombia is on the horizon

- Facility construction and pipeline installation is underway at the Aruchara-1 well.
- We expect production of 20 mmcf/d gross (16 mmcf/d net) between the 2 wells on the Maria Conchita Block by August/September.
- Annualized CF of US\$9 million (US\$0.09/sh) once that production rate is achieved.

Recent success by Canacol enhances optimism for SN-9 Block

- Last week, Canacol announced a new gas discovery at Agaus Vivas 1 well on their Esperanza Block has the thickest net gas pay column (412 feet) of any well drilled so far.
- This is over 100 feet thicker than Clarinete 5 that tested 43 mmcf/d
- GASX has a target (Hechizo-1) on the SN-9 Block (72% WI) that appears to have similar potential to Agaus Vivas
 - o Directly west of Canacol block
 - o 37 bcf net of contingent resource at Hechizo
 - o Hechizo is 1 of 4 initial wells planned... the first 2 (Magico & Mago) to be drilled in Q3/21
- Overall, we see ~C\$2.80/sh of risked NAV that can be added thru drilling in SN-9 Block.



Global LNG complex shows tight market

- Asian LNG demand has been higher than usual YTD 2021...China reached a record in May... and LNG reserves are quite low in Japan and Korea.
- European gas storage at 38% vs 53% 5-yr avg in May...has resulted in strong nat gas prices in LNG/Europe.
- LNG price in Colombia of US\$7-8/mcf expected, based on HHUB gas price of US\$3/mcf...that should result in US\$6+/mcf for GASX in future contracts