

## Gran Tierra Energy Inc

Ticker: GTE

Gran Tierra Energy, Inc. is an international oil and gas exploration and production company. The Company operates in South America.

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### STOCK

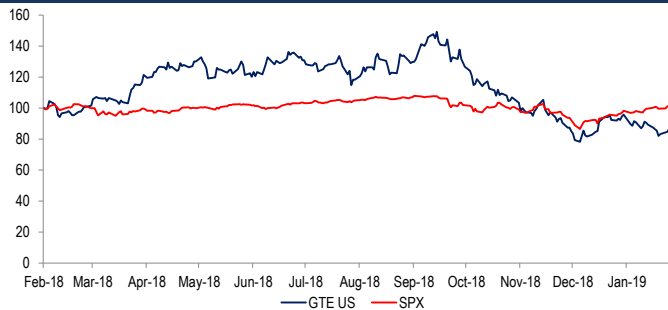
Stock Price (as of: 04/08/2019)

|                    |              |                |         |
|--------------------|--------------|----------------|---------|
| Price              | 2.55         | 1 Month Return | 14.35%  |
| 52 Week High / Low | 3.96 / 2.025 | 6 Month Return | -30.71% |
| Market Cap         | 999.86       | 1 Year Return  | -6.25%  |
| Enterprise Value   | 1,155.61     | YTD Return     | 17.51%  |

### VALUATION METRICS

|           | 2017Y | 2018Y | 2019YE | 2020YE | 2021YE |
|-----------|-------|-------|--------|--------|--------|
| P/E       | 15.7x | 7.6x  | 10.2x  | 10.5x  | 8.8x   |
| EV/EBIT   | 18.8x | 5.8x  | 10.9x  | 7.5x   | 4.6x   |
| EV/EBITDA | 6.4x  | 2.9x  | 3.0x   | 2.4x   | 1.9x   |
| P/S       | 2.5x  | 1.4x  | 1.4x   | 1.2x   | 1.1x   |
| P/B       | 1.1x  | 0.8x  | -      | -      | -      |
| Div Yield | 0.0%  | 0.0%  | 0.0%   | 0.0%   | -      |
| EBITDA    | 199   | 397   | 473    | 558    | 618    |

### 52-WEEK STOCK PERFORMANCE

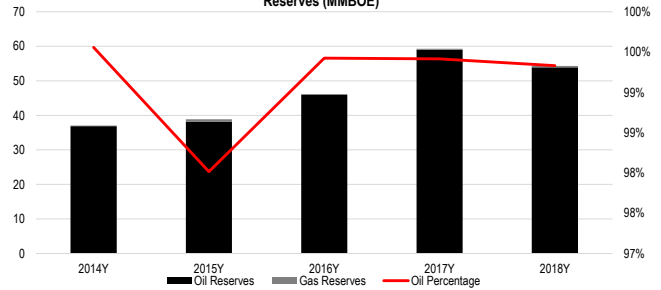


### FINANCIAL STATEMENTS

|                                   | 2014Y        | 2015Y        | 2016Y        | 2017Y        | 2018Y        |
|-----------------------------------|--------------|--------------|--------------|--------------|--------------|
| <b>Income Statement</b>           |              |              |              |              |              |
| Revenue                           | 559          | 276          | 289          | 422          | 613          |
| Operating Profit (Loss)           | -57          | -385         | -631         | 68           | 199          |
| Pretax Income (Loss)              | -17          | -368         | -650         | 37           | 151          |
| Income Before XO                  | -144         | -268         | -466         | -32          | 103          |
| Net Income                        | -171         | -268         | -466         | -32          | 103          |
| Basic EPS Before Abnormal Items   | 0.11         | -0.18        | -0.17        | 0.17         | 0.29         |
| Basic EPS                         | -0.60        | -0.94        | -1.45        | -0.08        | 0.26         |
| Diluted EPS Before Abnormal Item: | 0.11         | -0.18        | -0.17        | 0.17         | 0.29         |
| Diluted EPS                       | -0.60        | -0.94        | -1.45        | -0.08        | 0.26         |
| Dividends Per Share               | 0.00         | 0.00         | 0.00         | 0.00         | 0.00         |
| EBITDA                            | 129          | -209         | -491         | 199          | 397          |
| <b>Balance Sheet</b>              |              |              |              |              |              |
| Total Current Assets              | 464          | 234          | 132          | 145          | 203          |
| Total Long-Term Assets            | 1,250        | 912          | 1,236        | 1,284        | 1,474        |
| <b>Total Assets</b>               | <b>1,714</b> | <b>1,146</b> | <b>1,368</b> | <b>1,430</b> | <b>1,677</b> |
| Total Current Liabilities         | 224          | 74           | 155          | 157          | 169          |
| Total Long-Term Liabilities       | 213          | 70           | 354          | 336          | 477          |
| <b>Total Liabilities</b>          | <b>437</b>   | <b>144</b>   | <b>509</b>   | <b>493</b>   | <b>647</b>   |
| Total Shareholders' Equity        | 1,277        | 1,002        | 859          | 936          | 1,030        |
| Shares Outstanding                | 286.19       | 282.01       | 399.01       | 391.30       | 387.08       |
| <b>Cash Flow</b>                  |              |              |              |              |              |
| Net Income                        | -171         | -268         | -466         | -32          | 103          |
| Cash From Operating Activities    | 216          | 62           | 93           | 190          | 285          |
| Cash From Investing Activities    | -317         | -233         | -606         | -244         | -383         |
| Cash From Financing Activities    | 4            | -16          | 407          | 38           | 126          |
| Net Changes in Cash               | -97          | -187         | -105         | -17          | 28           |
| Free Cash Flow                    | -175         | -94          | -54          | -96          | -116         |
| Free Cash Flow Per Basic Share    | -0.62        | -0.33        | -0.17        | -0.24        | -0.30        |
| Free Cash Flow Per Diluted Share  | -0.62        | -0.33        | -0.17        | -0.24        | -0.27        |
| Cash Flow Per Share               | 0.76         | 0.22         | 0.29         | 0.48         | 0.73         |

Source: Bloomberg, EnerCom Analytics

### Reserves (MMBOE)



### PRODUCTION & COSTS

|                             | 2014Y       | 2015Y       | 2016Y      | 2017Y      | 2018Y      |
|-----------------------------|-------------|-------------|------------|------------|------------|
| <b>Production</b>           |             |             |            |            |            |
| Oil (MBBL/Day)              | 17.5        | 18.1        | --         | --         | --         |
| NGL (MBBL/Day)              | --          | --          | --         | --         | --         |
| Gas (MMCF/Day)              | 0.9         | 0.9         | --         | --         | --         |
| <b>Total (MBOE/Day)</b>     | <b>17.6</b> | <b>18.3</b> | <b>0.0</b> | <b>0.0</b> | <b>0.0</b> |
| <b>Costs (\$/BOE)</b>       |             |             |            |            |            |
| Production (LOE & Prod Tax) | 17.72       | 17.37       | #DIV/0!    | #DIV/0!    | #DIV/0!    |
| G&A                         | 7.97        | 4.85        | #DIV/0!    | #DIV/0!    | #DIV/0!    |

### RESERVES

|                                | 2014Y | 2015Y | 2016Y | 2017Y | 2018Y |
|--------------------------------|-------|-------|-------|-------|-------|
| <b>Reserve Volumes (MMBOE)</b> |       |       |       |       |       |
| Starting Reserves              | 42.09 | 37.04 | 38.88 | 46.14 | 59.30 |
| Changes                        | -5.04 | 1.84  | 7.26  | 13.16 | -5.02 |
| Ending Reserves                | 37.04 | 38.88 | 46.14 | 59.30 | 54.29 |
| <b>Total Reserves</b>          |       |       |       |       |       |
| Oil Reserves                   | 36.88 | 38.11 | 45.88 | 58.95 | 53.92 |
| Gas Reserves                   | 0.16  | 0.77  | 0.27  | 0.35  | 0.36  |
| Oil Percentage                 | 100%  | 98%   | 99%   | 99%   | 99%   |
| <b>Reserves Metrics</b>        |       |       |       |       |       |
| 3-Yr F&D per BOE               | 34.21 | 36.18 | 46.12 | 17.46 | 27.97 |
| Production Replacement         | 85%   | 126%  | 1%    | 216%  | 35%   |

### DRILLING ACTIVITY

|                            | 2014Y | 2015Y | 2016Y | 2017Y | 2018Y |
|----------------------------|-------|-------|-------|-------|-------|
| <b>New Wells</b>           |       |       |       |       |       |
| Exploration                | --    | --    | 3     | 3     | 4     |
| Developed                  | 1     | 13    | 12    | 17    | 22    |
| Dry                        | 1     | 1     | 1     | 0     | 0     |
| <b>Productive Wells</b>    |       |       |       |       |       |
| Oil                        | 48    | 38    | --    | --    | --    |
| Gas                        | 0     | 0     | --    | --    | --    |
| <b>Acreage (Thousands)</b> |       |       |       |       |       |
| Developed                  | 315   | 123   | --    | --    | --    |
| Undeveloped                | 8,980 | 8,431 | --    | --    | --    |

### RATIOS

|                             | 2014Y  | 2015Y   | 2016Y   | 2017Y | 2018Y |
|-----------------------------|--------|---------|---------|-------|-------|
| <b>Profitability</b>        |        |         |         |       |       |
| Return on Assets            | -9.47  | -18.74  | -37.04  | -2.27 | 6.61  |
| Return on Equity            | -12.66 | -23.53  | -50.04  | -3.53 | 10.44 |
| Return on Capital           | -12.66 | -23.53  | -44.36  | -3.87 | 9.24  |
| Gross Margin                | 46.40  | -5.85   | 10.73   | 36.85 | 39.26 |
| EBITDA Margin               | 23.07  | -75.64  | -169.75 | 47.27 | 64.70 |
| Operating Margin            | -10.15 | -139.55 | -217.99 | 16.12 | 32.44 |
| Profit Margin               | -30.63 | -97.11  | -160.95 | -7.52 | 16.73 |
| <b>Liquidity</b>            |        |         |         |       |       |
| Quick Ratio                 | 1.87   | 2.41    | 0.42    | 0.48  | 0.59  |
| Current Ratio               | 2.07   | 3.17    | 0.85    | 0.93  | 1.20  |
| Cash Ratio                  | 1.51   | 2.05    | 0.16    | 0.24  | 0.49  |
| Total Debt/Total Capital    | 0.00   | 0.00    | 18.66   | 21.51 | 27.95 |
| Cash & Equiv/Current Asset: | 73.21  | 64.66   | 19.12   | 25.74 | 41.36 |
| CFO/Total Debt              | --     | --      | 0.47    | 0.74  | 0.71  |
| Working Capital             | 239    | 160     | -23     | -12   | 33    |
| Net Debt/EBITDA             | -2.63  | --      | --      | 1.10  | 0.80  |

### CREDIT

|         | S&P | Moody's | Fitch | Outlook | Outlook | Outlook |
|---------|-----|---------|-------|---------|---------|---------|
| S&P     | B+  |         |       | Outlook |         | STABLE  |
| Moody's | --  |         |       | Outlook |         | --      |
| Fitch   | B   |         |       | Outlook |         | STABLE  |

## MAJOR SHAREHOLDERS

| Holder Name          | Portfolio Name       | Source  | Amt Held   | % Out | Latest Chg  | File Dt    | Inst Type             | Country       | Metro Area                            |
|----------------------|----------------------|---------|------------|-------|-------------|------------|-----------------------|---------------|---------------------------------------|
| GMT Capital Corp     | n/a                  | ULT-AGG | 63,925,906 | 16.33 | -           | 1/31/2019  | Hedge Fund Manager    | United States | Atlanta                               |
| BNP Paribas SA       | n/a                  | ULT-AGG | 25,634,866 | 6.55  | 6,014,863   | 1/31/2019  | Investment Advisor    | France        | Unclassified                          |
| Luminus Management L | n/a                  | ULT-AGG | 20,788,164 | 5.31  | -           | 1/31/2019  | Hedge Fund Manager    | United States | New York City/Southern CT/Northern NJ |
| Franklin Resources I | n/a                  | ULT-AGG | 18,110,231 | 4.63  | (2,982,886) | 1/31/2019  | Investment Advisor    | United States | San Francisco/San Jose                |
| Dimensional Fund Adv | n/a                  | ULT-AGG | 15,271,550 | 3.9   | 72,359      | 1/31/2019  | Investment Advisor    | United States | Austin                                |
| Vanguard Group Inc/T | n/a                  | ULT-AGG | 12,755,477 | 3.26  | 2,667,358   | 1/31/2019  | Investment Advisor    | United States | Philadelphia                          |
| Invesco Ltd          | n/a                  | ULT-AGG | 11,749,716 | 3     | (819,329)   | 12/31/2018 | Investment Advisor    | United States | Atlanta                               |
| Connor Clark & Lunn  | n/a                  | ULT-AGG | 9,727,776  | 2.49  | (412,744)   | 12/31/2018 | Investment Advisor    | Canada        | Toronto                               |
| Ingalls & Snyder LLC | Ingalls & Snyder LLC | 13F     | 8,712,217  | 2.23  | (476,990)   | 12/31/2018 | Investment Advisor    | United States | New York City/Southern CT/Northern NJ |
| Sun Life Financial I | n/a                  | ULT-AGG | 7,795,786  | 1.99  | (2,591,649) | 1/31/2019  | Investment Advisor    | Canada        | Toronto                               |
| AllianceBernstein LP | n/a                  | ULT-AGG | 7,531,775  | 1.92  | (1,097,813) | 12/31/2018 | Investment Advisor    | United States | New York City/Southern CT/Northern NJ |
| Moerus Capital Manag | Moerus Capital Manag | 13F     | 6,372,968  | 1.63  | 6,372,968   | 12/31/2018 | Investment Advisor    | United States | New York City/Southern CT/Northern NJ |
| British Columbia Inv | British Columbia Inv | REG     | 6,293,227  | 1.61  | -           | 1/31/2019  | Investment Advisor    | Canada        | Unclassified                          |
| Public Sector Pensio | Public Sector Pensio | 13F     | 5,928,370  | 1.51  | (4,433,800) | 12/31/2018 | Pension Fund          | Canada        | Montreal                              |
| Manulife Financial C | n/a                  | ULT-AGG | 5,918,182  | 1.51  | (93,567)    | 9/30/2018  | Insurance Company     | Canada        | Toronto                               |
| Norges Bank          | n/a                  | ULT-AGG | 5,762,258  | 1.47  | -           | 1/31/2019  | Sovereign Wealth Fund | Norway        | Oslo                                  |
| Arrowstreet Capital  | Arrowstreet Capital  | 13F     | 5,274,718  | 1.35  | (61,100)    | 12/31/2018 | Hedge Fund Manager    | United States | Boston                                |
| FMR LLC              | n/a                  | ULT-AGG | 4,926,300  | 1.26  | (353,834)   | 12/31/2018 | Investment Advisor    | United States | Boston                                |
| Renaissance Technolo | Renaissance Technolo | 13F     | 4,899,966  | 1.25  | 436,966     | 12/31/2018 | Hedge Fund Manager    | United States | New York City/Southern CT/Northern NJ |
| Toronto-Dominion Ban | n/a                  | ULT-AGG | 3,905,053  | 1     | 3,027       | 12/31/2018 | Bank                  | Canada        | Toronto                               |

## ANALYST COVERAGE & RECOMENDATIONS

| Firm Name                     | Analyst          | Recommendation    | Weighting | Δ | Target Price | Date         | Date       | BARR | 1 Yr Rtn |
|-------------------------------|------------------|-------------------|-----------|---|--------------|--------------|------------|------|----------|
| GMP                           | CODY KWONG       | hold              | 3         | M | \$3.58       | Not Provided | 2/15/2019  |      |          |
| Peters & Co Ltd               | DAN GRAGER       | sector perform    | 3         | M | \$3.38       | Not Provided | 2/11/2019  | 2    | 0        |
| Scotiabank                    | GAVIN WYLIE      | sector outperform | 5         | M | \$4.51       | 12 month     | 2/11/2019  | 4    | -8.78    |
| Cormark Securities Inc.       | GARETT URSU      | buy               | 5         | M | \$4.14       | Not Provided | 2/8/2019   | 4    | -8.78    |
| BMO Capital Markets           | DAVID ROUND      | outperform        | 5         | M | \$3.60       | Not Provided | 2/6/2019   |      |          |
| Canaccord Genuity             | JENNY XENOS      | buy               | 5         | M | \$4.57       | 12 month     | 2/5/2019   | 4    | -8.78    |
| CIBC Capital Markets          | DAVID POPOWICH   | neutral           | 3         | M | \$3.81       | 18 month     | 2/4/2019   | 2    | 0        |
| Eight Capital                 | IAN MACQUEEN     | buy               | 5         | M | \$4.95       | Not Provided | 2/4/2019   | 4    | -8.78    |
| Paradigm Capital Inc          | KEN LIN          | buy               | 5         | M | \$4.56       | 12 month     | 1/31/2019  | 4    | -8.78    |
| Mackie Research Capital Corp. | BILL NEWMAN      | buy               | 5         | M | \$4.24       | 12 month     | 1/30/2019  | 4    | -8.78    |
| Morningstar, Inc              | JOE GEMINO       | hold              | 3         | M | \$2.23       | Not Provided | 12/19/2018 | 1    | 5.95     |
| Pareto Securities             | SHAHIN AMINI     | buy               | 5         | M | \$4.87       | 6 month      | 12/13/2018 | 4    | -8.78    |
| ISS-EVA                       | ANTHONY CAMPAGNA | buy               | 5         | M |              | Not Provided | 3/22/2018  | 3    | -8.08    |

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