



PRESS RELEASE

Ecopetrol S.A. announces agreement between its subsidiaries Cenit and Bicentenario and Frontera

Ecopetrol S.A. (BVC: ECOPETROL; NYSE: EC) hereby discloses the press release issued by its subsidiaries Cenit Transporte y Logística de Hidrocarburos S.A.S. and Oleoducto Bicentenario de Colombia S.A.S., announcing that they have reached an agreement with Frontera Energy Corporation for the joint filing of a petition for a binding settlement which, upon completion and approval by the competent Colombian court, will resolve all the disputes pending among them related to the Bicentenario Pipeline and the Caño Limón – Coveñas Pipeline.

The arrangement is conditional upon certain regulatory approvals, including approval of the settlement arrangement as a conciliation under Colombian law, which requires an opinion from the Attorney General's Office (Procuraduría General de la Nación) and approval of the Administrative Tribunal of Cundinamarca.

Bogotá, November 17, 2020

Ecopetrol is the largest company in Colombia; it is a comprehensive oil chain company, one of the 40 largest oil companies in the world, and one of the top four in Latin America. In addition to Colombia, where it generates more than 60% of domestic production, it has exploration and production activities in Brazil, Peru and the United States (Gulf of Mexico). Ecopetrol owns the largest refinery in Colombia, most of the country's oil and pipeline network and is significantly increasing its participation in the biofuel sector.

This press release includes statements on business prospects, estimates for operating and financial results and statements related to Ecopetrol's growth prospects. All of them are projections and, as such, are based solely on its Director's expectations on the future of the Company and their continued access to capital in order to finance the Company's business plan. The future realization of these estimates depends on market behavior, regulations, competition, and performance conditions of the Colombian economy and industry, among other factors; and as such, they are subject to change without notice.

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**DE TODOS,
PARA TODOS**



CENIT AND BICENTENARIO ANNOUNCE AGREEMENT WITH FRONTERA TO SETTLE THEIR PENDING TRANSPORTATION DISPUTES IN COLOMBIA

BOGOTÁ, November 17, 2020 Cenit Transporte y Logística de Hidrocarburos S.A.S. ("CENIT") and Oleoducto Bicentenario de Colombia S.A.S. ("Bicentenario") announced today that they have reached an agreement with Frontera Energy Corporation ("Frontera"), for the joint filing of a petition for a binding settlement which, upon completion and approval by the competent Colombian court, will resolve all the disputes pending among them, related to the Bicentenario Pipeline ("BIC Pipeline") and the Caño Limón – Coveñas Pipeline ("CLC Pipeline"), and will terminate all the pending arbitration proceedings related to such disputes. All the Frontera subsidiaries involved in those proceedings are also parties to the agreement, and references to Frontera include such subsidiaries. All financial amounts in this news release are in United States dollars, unless otherwise stated.

The parties consider that this transaction eliminates any uncertainty related to the potential outcomes of the disputes, thus protecting the interests of all the parties and those of their stakeholders. The settlement will also create new business opportunities for the parties involved.

The settlement arrangement includes a full and final mutual release upon closing of all present and future amounts claimed by all parties in respect of the terminated transportation contracts for both the CLC Pipeline and the BIC Pipeline, and also in respect of contracts related to the use of additional facilities.

The transaction does not include any cash payments between the parties, except for Frontera's release of its interests in a trust fund (restricted cash) of approximately \$28 million created as a collateral for one of the claims. Frontera will transfer to CENIT its 43.03% interest in Bicentenario, any related outstanding Bicentenario dividends, and will deliver to Bicentenario the BIC Pipeline line fill, also allowing Bicentenario to set-off a portion of its syndicated debt against certain account receivables outstanding in favor of Frontera. The claims released by Frontera include recovery of the letters of credit drawn by Bicentenario in 2018 and all other claims that have been asserted by Frontera against Bicentenario.

Frontera will also enter into new transportation contracts with CENIT and its subsidiaries Bicentenario and Oleoducto de los Llanos Orientales S.A. ("ODL").

The new ODL transportation contract would provide for a ship or pay commitment of 10,000 bbls/day for approximately 3.8 years at a current fee of \$4.0/bbl.

The new transportation contracts with CENIT and Bicentenario for use of the CLC Pipeline and BIC Pipeline (and certain related facilities) will become effective within a six month period as of the closing of the transaction. The new ship or pay commitment is projected to be approximately 3,900 bbls/day, based on the current oil price, for a term of five years subject to adjustments, at a current tariff of \$11.5/bbl. Frontera will not have to make payments for oil it may have to ship through alternate pipelines. These contracts will allow CENIT and Bicentenario to obtain payment of certain amounts included in the settlement, during the term of the contracts.

The arrangement is conditional upon certain regulatory approvals, including approval of the settlement arrangement as a conciliation under Colombian law, which requires an opinion from the Attorney General's Office (Procuraduría General de la Nación) and approval of the Administrative Tribunal of Cundinamarca, an Appeals Court that is also entrusted with reviewing certain arrangements in which state owned enterprises are a party. The settlement documentation provides that if such approvals are not obtained by June 30, 2021 or such later date as may be agreed, then either party will become entitled to terminate the settlement arrangement, and that the legal rights of the parties with respect to the disputes are not. There can be no assurance that the required approvals will be received on a timely basis or at all.

Cenit is an Ecopetrol Group subsidiary company that is dedicated to hydrocarbon transportation and logistics activities, leading the Midstream segment in the Colombian Oil chain. It is the second largest company in the country in terms of assets and is among the 10 largest companies by operating revenue and profits in the country. It has close to 9,000 kilometers of oil and multi-purpose pipelines transporting the majority of Colombia's crude oil and refined products. It has three ports, 51 stations and seven loading and unloading docks. In turn, the companies Oleoducto Central S.A -Ocesa-, Oleoducto de Colombia S.A. -ODC-, Oleoducto de los Llanos Orientales S.A -ODL- and Oleoducto Bicentenario de Colombia S.A.S. are all Cenit subsidiary companies.

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