

Journey Energy Inc. Reports Its First Quarter 2026 Financial and Operating Results

Calgary, Alberta--(Newsfile Corp. - May 7, 2026) - Journey Energy Inc. (TSX: JOY) (OTCQX: JRNGF) ("**Journey**" or the "**Company**") announces its financial results for the first quarter of 2026. The complete set of financial statements and management discussion and analysis for the periods ended March 31, 2026 and 2025 are posted on www.sedarplus.ca and on the Company's website www.journeyenergy.ca.

Year-to-date highlights:

- Generated sales volumes of 10,456 boe/d in the first quarter (48% crude oil; 12% NGL's; 40% natural gas). Liquids volumes (crude oil and natural gas liquids) accounted for 6,291 boe/d of total volumes sold or 60% of total volumes during the fourth quarter.
- Generated a net loss of \$5.8 million or \$0.09 per basic weighted average share. \$9.0 million of the loss was attributable to the mark-to-market loss on commodity hedges as at March 31, 2026.
- Realized Adjusted Funds Flow of \$13.7 million or \$0.20 per basic and diluted share.
- Drilled 4 (1.2 net) Duvernay light oil wells in the quarter. Stimulation operations are nearing completion, and these wells are forecast to be production-tested later in May.
- Committed to drilling 7.0 gross (1.5 net) and completing 12.0 gross (3.0 net) Duvernay wells, beginning in the second quarter of 2026.
- Completed construction of the Gilby power project. The Mazeppa power project entered Stage 5 of its development.

	Three months ended		
	March 31,		
			%
<i>Financial (\$000's except per share amounts)</i>	2026	2025	change
Production revenue	47,989	52,032	(8)
Net income (loss)	(5,849)	7,728	(176)
Per basic share	(0.09)	0.12	(175)
Per diluted share	(0.09)	0.12	(175)
Adjusted Funds Flow	13,700	19,619	(30)
Per basic share	0.20	0.29	(31)
Per diluted share	0.20	0.29	(31)
Cash flow from operations	14,367	13,662	5
Per basic share	0.21	0.20	5
Per diluted share	0.21	0.20	5
Net capital expenditures	17,033	9,574	78
Net Debt	55,985	53,199	5
<i>Share Capital (000's)</i>			
Basic, weighted average	67,481	67,107	1
Diluted, weighted average	67,481	67,107	1
Basic, end of period	67,481	67,107	1
Fully diluted ¹	77,901	69,493	1
<i>Daily Sales Volumes</i>			
Natural gas (Mcf/d)			
Conventional	18,685	22,044	(15)
Shale	2,537	910	179
Coal bed methane	3,768	3,891	(3)
Total natural gas volumes	24,990	26,845	(7)
Crude oil (Bbl/d)			
Light/medium	2,366	2,731	(13)
Tight	637	440	45
Heavy	1,993	2,160	(8)
Total crude oil volumes	4,996	5,331	(6)
Natural gas liquids (Bbl/d)	1,295	1,192	9
Barrels of oil equivalent (boe/d)	10,456	10,997	(5)

Average Realized Prices²			
Natural gas (\$/mcf)	2.21	2.24	(1)
Crude Oil (\$/bbl)	86.64	85.60	1
Natural gas liquids (\$/bbl)	34.87	51.81	(33)
Barrels of oil equivalent (\$/boe)	50.99	52.57	(3)
Operating Netback (\$/boe)			
Realized prices	50.99	52.57	(3)
Royalties	(8.15)	(9.24)	(12)
Operating expenses	(20.96)	(19.06)	10
Transportation expenses	(1.61)	(1.05)	53
Operating netback	20.27	23.22	(13)

Note:

1. See Non-IFRS measures. Fully diluted shares includes 7.6 million shares from the potential conversion of convertible debentures. Should this conversion occur at the holders option, net debt will concurrently decrease by \$38.0 million.
2. Realized prices include physical hedging gains.

OPERATIONS

In the first quarter of 2026, Journey had sales volumes of 10,456 boe/d (60% crude oil and NGL's). First quarter volumes reflect the timing and nature of Journey's exploration and development activities as well as asset sales, with no new volumes being added since mid-2025. Journey is forecasting incremental volumes from the first 4.0 (1.2 net) 2026 Duvernay wells beginning in June, 2026. Journey is participating in an additional 5.0 (1.5 net) well pad with drilling scheduled to begin in mid-May. Journey is also participating in three lower working interest wells on the southern border of the Duvernay joint venture (the "**JV**") amounting to approximately 3 (0.3 net) wells. Drilling on this pad is already underway. Journey is forecasting significant increases in funds flow related to tailwinds in commodity pricing and continues to evaluate ways to expand its capital program for 2026.

In May 2026, Journey intends to begin marketing a significant number of assets through TPH & Co. The assets being marketed represent a mixture of both core and non-core properties which, given Journey's opportunity rich conventional assets and its commitments for the Duvernay development, will not attract significant capital over the next five years. Marketing these assets is consistent with Journey's goal to drive higher netbacks while improving the longer-term sustainability of the Company by increasing the ratio of producing value to end-of-life costs. Proceeds from any sale of assets would be earmarked for Duvernay development where rates of return in the current commodity price environment are exceptional. Journey has not incorporated any asset sales into its guidance and does not intend to comment further on asset sales until binding agreements, if any, are entered into with third parties.

The transformational impact of the Duvernay development on Journey was clearly demonstrated in the 2025 year-end reserves, which were press released on February 24, 2026. Proved, plus probable, developed producing net present value (discounted at 10%) ("**NPV@10%**") of the Duvernay increased from \$0.10/share at the end of 2023 to \$0.87/share at the end of 2025. More significantly, Total proved plus probable ("**TPP**") NPV@10% value of the Duvernay increased from \$0.10/share at the end of 2023 to \$4.82/share at the end of 2025, and this value represents only 40% of the currently identified locations. All of these values were calculated using the 2025 year-end Three Consultants Average¹ average pricing, which was using an average WTI oil price of \$67 US per barrel over the 2026-2030 timeframe.

With 12 wells currently producing in the Duvernay and significant recent drilling by other industry participants offsetting these lands, the entire JV is largely derisked. The majority of Journey's growth capital over the next few years will be allocated to the JV. The 2025 year-end TPP reserves for the Duvernay include \$238 million of future development costs ("**FDC**"), 80% of which is estimated to be spent during the 2026 to 2030 time period. The FDC adds reserves at a finding and development cost of \$14.41 per boe, providing a 3.23:1 TPP recycle ratio given the estimated \$46.55/boe netback for the 2026 to 2030 period.

Note:

1) Three Consultant's Average pricing is the average of the published price forecasts for GLJ Petroleum Consultants Ltd., Sproule Associates Ltd. and McDaniel & Associates Ltd. as at December 31, 2025.

In 2026, Journey is currently planning to spend \$60-75 million on development capital. These capital expenditures carry a high, facility component, including a 30 mmscf/d compressor station, a series of large diameter gas gathering lines, and parallel emulsion lines. These facility projects will benefit the JV for many years to come. Journey's net share of these long-term investments is estimated to be approximately \$15 million in 2026. These investments, which are occurring early in the Duvernay development phase, will improve cycle times, reduce operating costs, and reduce facility costs for future drilling pads. Stimulation operations on the four Duvernay wells drilled from the 06-04-43-3W5 well pad are nearing completion and these wells are planned to begin testing in May.

In addition to these wells, four wells are expected to be drilled, and five wells completed off the 01-19-043-03W5 drilling pad. The fifth well includes the well drilled but left uncompleted from 2025. Journey is also participating in three lower working interest wells on the southern border of the Duvernay joint venture (the "**JV**") amounting to approximately 3 (0.3 net) wells. Work on all of these wells is forecast to begin in May and the wells are expected to be on-production late in third quarter. In summary, 2025 saw Journey bring on-production 2.1 net Duvernay wells early in the first half of the year. For 2026, Journey forecasts bringing on-production 3.0 net Duvernay wells during the May to October window, representing a 43% increase year-over-year in the number of new wells added.

During 2026, Journey continued to advance its power business. Journey's Gilby power project is operational and ready to be on-stream. However, power sales to the grid have been delayed to mid-May due to an issue currently being resolved by Fortis. Journey's Mazeppa power project has entered Stage 5 of the AESO approvals. Stage 5 means that the project has moved from the regulatory approval phase to the final construction phase and is being prepared for energization. Although not included in Journey's 2025 year-end NI 51-101 reserve report, Journey's independent reserve evaluator (GLJ Petroleum Consultants Ltd.) ran an economic model based on the Three Consultants' Average¹ pricing for natural gas and their view of future power prices. The economic value (before tax NPV@10%) of Journey's three power projects is approximately \$74.9 million. The power projects are expected to provide significant upside for Journey's producing net asset value since the remaining two projects are expected to come on-stream in 2026. Although Journey sees significant future value for these projects, the volatility in power and natural gas prices over the near to intermediate term makes the valuation of these projects subject to significant volatility.

FINANCIAL

Journey achieved Adjusted Funds Flow of \$13.7 million during the first quarter of 2026. Average daily sales volumes were 5% lower, and average realized commodity prices were 3% lower than the comparable quarter of 2025. Natural gas prices and crude oil prices were relatively flat compared to the first quarter of 2025, while NGL prices were 30% higher. Realized corporate crude oil prices to CAD \$125.79/bbl in March were the result of the onset of the US-Iran war and had a significant impact on the Adjusted Funds Flow in the first quarter. Adjusted Funds Flow for March alone represented 60% of total Adjusted Funds Flow for the quarter. This supports Journey's view that the tailwind in commodity pricing, should it continue, will have a significant impact on Journey's guidance and capital availability moving forward the remainder of the year. Journey's overall liquids volume weighting continued to strengthen with its Duvernay drilling results. Liquids volumes increased to 60% of total volumes in the first quarter. Crude oil sales volumes for the first quarter of 2026 represented 48% of total boe volumes but contributed 81% of total revenues. Natural gas sales volumes contributed 40% of total boe volumes in the first quarter of 2026 while contributing 11% of total revenues.

Journey's Operating Netbacks were \$20.27/boe in the first quarter of 2026 as compared to \$23.22 in the first quarter of 2025. Lower average commodity prices between the two comparable quarters in 2026

and 2025 were partially mitigated by lower per boe royalty costs while operating and transportation expenses were higher by 10% and 53% respectively.

Journey had a net loss of \$5.8 million in the first quarter of 2026 or \$0.09 per basic and diluted share as compared to \$7.7 million of net income in the first quarter of 2025 or \$0.12 per basic and diluted share. \$9.0 million of the loss was attributable to the mark-to-market loss on commodity hedges as at March 31, 2026 and \$1.3 million of the loss was the realized hedging loss. These hedging losses were primarily attributable to the significant spike in WTI oil prices in March resulting from the start of the US-Iran war. Adjusted Funds Flow of \$13.7 million in the first quarter of 2026 was 30% lower than the \$19.6 million realized in the first quarter of 2025. Adjusted Funds Flow per share was \$0.20 (basic and diluted) for the first quarter of 2026 as compared to \$0.29 per basic and diluted share in the first quarter of 2025.

Capital expenditures (net of minor asset dispositions) in the first quarter of 2026 were \$17.0 million, which included \$5.4 million for drilling 4 (1.2 net) Duvernay wells. In addition, the Company spent \$10.4 million on the continuing work on its power generation projects in Gilby and Mazeppa. Journey exited the first quarter of 2026 with net debt of \$56.0 million, which was 11% higher than the \$50.6 million of net debt at the beginning of the year.

OUTLOOK & GUIDANCE

Journey has updated its 2026 capital spending and production guidance as per below. The Company increased its capital spending plans to \$80-\$90 million from the previous guidance of \$70-85 million. However, sales volumes guidance has not changed due to the timing of the capital projects. Adjustments have been made to account for the additional 3.0 (0.3 net) Duvernay well pad that is currently drilling.

Journey is in the strongest position in its history to capitalize on the opportunity created by significant near-term tailwinds for commodity prices. The duration of this supply driven event is uncertain but the outlook for commodity pricing and funds flow for 2026 is improving. This places a strong upward bias on Journey's future capital availability and potential growth projections. Journey is working diligently to expand its 2026 capital program to take full advantage of these tailwinds and management looks forward to providing further updates to this guidance at regular intervals throughout the year and as circumstances change.

This guidance incorporates many material underlying assumptions including but not limited to:

- Forecasted commodity prices by month;
- Forecasted operating costs, including forecasted prices for power;
- Forecasted costs for the capital program and the timing of the spending; and
- Forecasted results and phasing of production additions from the capital program;

	2026 Updated Guidance	March 11, 2026 Guidance
Annual average daily sales volumes	10,800-11,200 boe/d (62% crude oil & NGL's)	10,800-11,200 boe/d (61% crude oil & NGL's)
Exit average daily sales volumes	11,000-12,000 boe/d (62% crude oil & NGL's)	11,000-12,000 boe/d (61% crude oil & NGL's)
Capital spending	\$80-\$90 million	\$70-85 million
Asset retirement spending	\$7 million	\$7.7 million

Notes:

1. The weighting of the corporate sales volumes guidance is as follows:
 - a. Heavy crude oil: 19%
 - b. Light/medium crude oil: 23%
 - c. Tight oil: 6%
 - d. NGL's: 12%
 - e. Coal-bed methane natural gas: 6%

- f. Conventional natural gas: 30%
- g. Shale gas: 4%

Annual General Meeting

Journey's annual general meeting ("AGM" or the "Meeting") is scheduled for 3:00 pm (Calgary time) on May 27, 2026. Shareholders not attending in person must vote on the matters not less than forty-eight (48) hours (excluding Saturdays, Sundays and statutory holidays in the Province of Alberta) before the time of the Meeting. Journey is offering shareholders an opportunity to listen to the business to be conducted at the Meeting by teleconference. Further instructions on how to listen to the Meeting and how to vote in advance of the Meeting can be found in Journey's management information circular that is posted on the Company's website and on SEDARPLUS+. Journey does not intend to provide a corporate presentation after the Meeting.

About the Company

Journey is a Canadian exploration and production company focused on oil-weighted operations in Alberta, Canada. Journey's strategy is to grow its production base by drilling on its existing core lands, implementing secondary and tertiary flood projects on its existing lands, and by executing on accretive acquisitions. In conjunction with its joint venture partner, the Company has recently begun development of its Duvernay light oil resource play. In addition, Journey is continuing with its plans to grow its power generation business through its projects at Gilby and Mazeppa.

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ADVISORIES

This press release contains forward-looking statements and forward-looking information (collectively "forward looking information") within the meaning of applicable securities laws relating to the Company's plans and other aspects of the anticipated future operations, management focus, strategies, financial, operating and production results, industry conditions, commodity prices and business opportunities. In addition, and without limiting the generality of the foregoing, this press release contains forward-looking information regarding decline rates, anticipated netbacks, drilling inventory, estimated average drill, complete and equip and tie-in costs, anticipated potential of the Assets including, but not limited to, EOR performance and opportunities, capacity of infrastructure, potential reduction in operating costs, production guidance, total payout ratio, capital program and allocation thereof, future production, decline rates, funds flow, net debt, net debt to funds flow, exchange rates, reserve life, development and drilling plans, well economics, future cost reductions, potential growth, and the source of funding Journey's capital spending. Forward-looking information

typically uses words such as "anticipate", "believe", "project", "expect", "goal", "plan", "intend" or similar words suggesting future outcomes, statements that actions, events or conditions "may", "would", "could" or "will" be taken or occur in the future.

The forward-looking information is based on certain key expectations and assumptions made by management, including expectations and assumptions concerning prevailing commodity prices and differentials, exchange rates, interest rates, applicable royalty rates and tax laws; future production rates and estimates of operating costs; performance of existing and future wells; reserve and resource volumes; anticipated timing and results of capital expenditures; the success obtained in drilling new wells; the sufficiency of budgeted capital expenditures in carrying out planned activities; the timing, location and extent of future drilling operations; the state of the economy and the exploration and production business; results of operations; performance; business prospects and opportunities; the availability and cost of financing, labor and services; the impact of increasing competition; the ability to efficiently integrate assets and employees acquired through acquisitions, including the Acquisition, the ability to market oil and natural gas successfully and the ability to access capital. Although we believe that the expectations and assumptions on which such forward-looking information is based are reasonable, undue reliance should not be placed on the forward-looking information because Journey can give no assurance that they will prove to be correct. Since forward-looking information addresses future events and conditions, by its very nature they involve inherent risks and uncertainties. The actual results, performance or achievement could differ materially from those expressed in, or implied by, the forward-looking information and, accordingly, no assurance can be given that any of the events anticipated by the forward-looking information will transpire or occur, or if any of them do so, what benefits that we will derive therefrom. Management has included the above summary of assumptions and risks related to forward-looking information provided in this press release in order to provide security holders with a more complete perspective on future operations and such information may not be appropriate for other purposes.

Readers are cautioned that the foregoing lists of factors are not exhaustive. Additional information on these and other factors that could affect the operations or financial results are included in reports on file with applicable securities regulatory authorities and may be accessed through the SEDAR website (www.sedarplus.com). These forward looking statements are made as of the date of this press release and we disclaim any intent or obligation to update publicly any forward-looking information, whether as a result of new information, future events or results or otherwise, other than as required by applicable securities laws.

This press release contains future-oriented financial information and financial outlook information (collectively, "FOFI") about Journeys prospective results of operations, funds flow, netbacks, debt, payout ratio well economics and components thereof, all of which are subject to the same assumptions, risk factors, limitations and qualifications as set forth in the above paragraphs. FOFI contained in this press release was made as of the date of this press release and was provided for providing further information about Journey's anticipated future business operations. Journey disclaims any intention or obligation to update or revise any FOFI contained in this press release, whether as a result of new information, future events or otherwise, unless required pursuant to applicable law. Readers are cautioned that the FOFI contained in this press release should not be used for purposes other than for which it is disclosed herein. Information in this press release that is not current or historical factual information may constitute forward-looking information within the meaning of securities laws, which involves substantial known and unknown risks and uncertainties, most of which are beyond the control of Journey, including, without limitation, those listed under "Risk Factors" and "Forward Looking Statements" in the Annual Information Form filed on www.SEDARPLUS.com on March 24, 2026. Forward-looking information may relate to the future outlook and anticipated events or results and may include statements regarding the business strategy and plans and objectives. Particularly, forward-looking information in this press release includes, but is not limited to, information concerning Journey's drilling and other operational plans, production

rates, and long-term objectives. Journey cautions investors in Journey's securities about important factors that could cause Journey's actual results to differ materially from those projected in any forward-looking statements included in this press release. Information in this press release about Journey's prospective funds flows and financial position is based on assumptions about future events, including economic conditions and courses of action, based on management's assessment of the relevant information currently available. Readers are cautioned that information regarding Journey's financial outlook should not be used for purposes other than those disclosed herein. Forward-looking information contained in this press release is based on current estimates, expectations and projections, which we believe are reasonable as of the current date. No assurance can be given that the expectations set out in the Prospectus or herein will prove to be correct and accordingly, you should not place undue importance on forward-looking information and should not rely upon this information as of any other date. While we may elect to, we are under no obligation and do not undertake to update this information at any particular time except as required by applicable securities law.

Non-IFRS Measures

The Company uses the following non-IFRS measures in evaluating corporate performance. These terms do not have a standardized meaning prescribed by International Financial Reporting Standards and therefore may not be comparable with the calculation of similar measures by other companies.

(1) **"Adjusted Funds Flow"** is calculated by taking "cash flow provided by operating activities" from the financial statements and adding or deducting: changes in non-cash working capital; non-recurring "other" income; transaction costs; and decommissioning costs. Adjusted Funds Flow per share is calculated as Adjusted Funds Flow divided by the weighted-average number of shares outstanding in the period. Because Adjusted Funds Flow and Adjusted Funds Flow per share are not impacted by fluctuations in non-cash working capital balances, Management believes these measures are more indicative of performance than the GAAP measured "cash flow generated from operating activities". In addition, Journey excludes transaction costs from the definition of Adjusted Funds Flow, as these expenses are generally in respect of capital acquisition transactions. The Company considers Adjusted Funds Flow a key performance measure as it demonstrates the Company's ability to generate funds necessary to repay debt and to fund future growth through capital investment. Journey's determination of Adjusted Funds Flow may not be comparable to that reported by other companies. Journey also presents **"Adjusted Funds Flow per basic share"** where per share amounts are calculated using the weighted average shares outstanding consistent with the calculation of net income (loss) per share, which per share amount is calculated under IFRS and is more fully described in the notes to the audited, year-end consolidated financial statements.

	3 months ended March 31,	
(\$000's)	2026	2025
Cash flow provided by operating activities	14,367	13,662
Add (deduct):		
Changes in non-cash working capital	(2,407)	4,974
Transaction costs	-	81
Decommissioning costs incurred	1,740	902
Adjusted Funds Flow	13,700	19,619
Adjusted Funds Flow per basic (diluted) weighted average share	0.20/	0.29/
	\$ 0.20	\$ 0.29

(2) **"Netback(s)"**. The Company uses netbacks to help evaluate its performance, leverage, and liquidity; comparisons with peers; as well as to assess potential acquisitions. Management considers netbacks as a key performance measure as it demonstrates the Company's profitability relative to current commodity prices. Management also uses them in operational and capital

allocation decisions. Journey uses netbacks to assess its own performance and performance in relation to its peers. These netbacks are operating, Funds Flow and net income (loss). **"Operating netback"** is calculated as the average sales price of the commodities sold (excluding financial hedging gains and losses), less royalties, transportation costs and operating expenses. There is no GAAP measure that is reasonably comparable to netbacks.

(\$/boe)	3 months ended March 31,	
	2026	2025
Realized price	50.99	52.57
Royalties	(8.15)	(9.24)
Operating expenses	(20.96)	(19.06)
Transportation expenses	(1.61)	(1.05)
Netback	20.27	23.22

(3) **"Net debt"** is calculated by taking current assets and then subtracting accounts payable and accrued liabilities; the principal amount of term debt; and the carrying value of the other liability. Net debt is used to assess the capital efficiency, liquidity and general financial strength of the Company. In addition, it is used as a comparison tool to assess financial strength in relation to Journey's peers. The reconciliation of Journey's net debt is as follows:

(\$000's)	March 31, 2026	March 31, 2025
Principal amount of term debt	3,160	13,202
Principal amount of convertible debentures	38,000	38,000
Accounts payable and accrued liabilities	39,083	36,994
Other loans	375	417
Deduct:		
Cash in bank	(8)	(6,902)
Accounts receivable	(28,427)	(20,838)
Prepaid expenses	(9,182)	(7,055)
Other receivable	-	(619)
Net debt	55,985	53,199

(4) Journey uses **"Capital Expenditures"** to measure its capital investment level compared to the Company's annual budgeted capital expenditures for its organic capital program, excluding acquisitions or dispositions. The directly comparable GAAP measure to capital expenditures is cash used in investing activities. Journey then adjusts its capital expenditures for A&D activity to give a more complete analysis for its capital spending used for FD&A purposes. The following table details the composition of capital expenditures and its reconciliation to cash flow used in investing activities:

	3 Months ended March 31,	
	2026	2025
Land and lease rentals	42	199
Geological & geophysical	85	(11)
Drilling and completions	5,408	8,428
Well equipment and facilities	1,402	1,037
Power generation assets	10,427	3,353
Total capital expenditures	17,364	13,006
PP&E dispositions	(225)	(3,363)
Other dispositions	(106)	(69)
Net capital expenditures	17,033	9,574
Other:		
Decommissioning expenditure	1,740	902
Total capital expenditures	18,773	10,476

Share Capital

Journey's common shares are listed on the Toronto Stock Exchange ("TSX") and trade under the symbol "JOY". The table below summarizes the common shares outstanding (in '000s of shares):

	Three months ended December 31,	
(000s)	2026	2025
Weighted average shares outstanding, basic	67,481	67,107
Dilutive effect of outstanding securities	-	-
Weighted average shares outstanding, diluted	67,481	67,107
Dilutive instruments excluded from diluted calculations	10,420	2,386
Fully diluted shares	77,901	69,493

Fully diluted shares at March 31, 2026 includes the impact of the convertible debentures (7,600 thousand) shares as the conversion price of \$5.00 is in-of-the-money. Note that if the debentures are converted to shares, the net debt of the company will concurrently decrease by \$38.0 million.

Measurements

All dollar figures included herein are presented in Canadian dollars, unless otherwise noted.

Where amounts are expressed in a barrel of oil equivalent ("boe"), or barrel of oil equivalent per day ("boe/d"), natural gas volumes have been converted to barrels of oil equivalent at nine (6) thousand cubic feet ("Mcf") to one (1) barrel. Use of the term boe may be misleading particularly if used in isolation. The boe conversion ratio of 6 Mcf to 1 barrel ("Bbl") of oil or natural gas liquids is based on an energy equivalency conversion methodology primarily applicable at the burner tip, and does not represent a value equivalency at the wellhead. This conversion conforms to the Canadian Securities Regulators' National Instrument 51-101 - Standards of Disclosure for Oil and Gas Activities.

Abbreviations

The following abbreviations are used throughout these MD&A and have the ascribed meanings:

A&D	acquisition and divestiture of petroleum and natural gas assets
bbl	barrel
bbls	barrels
boe	barrels of oil equivalent (see conversion statement below)
boe/d	barrels of oil equivalent per day
E&D	exploration and development activities as defined in the COGE Handbook
gj	gigajoules
GAAP	Generally Accepted Accounting Principles
IFRS	International Financial Reporting Standards
Mbbls	thousand barrels
MMBtu	million British thermal units
Mboe	thousand boe
Mcf	thousand cubic feet
Mmcf	million cubic feet
Mmcf/d	million cubic feet per day
MSW	Mixed sweet Alberta benchmark oil price

<i>MWh</i>	<i>Mega-watt hours of electricity</i>
<i>NGL's</i>	<i>natural gas liquids (ethane, propane, butane and condensate)</i>
<i>WCS</i>	<i>Western Canada Select benchmark oil price</i>
<i>WTI</i>	<i>West Texas Intermediate benchmark Oil price</i>

All volumes in this press release refer to the sales volumes of crude oil, natural gas and associated by-products measured at the point of sale to third-party purchasers. For natural gas, this occurs after the removal of natural gas liquids.

No securities regulatory authority has either approved or disapproved of the contents of this press release.



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