

# CanCambria Energy Corp.

|           |        |               |         |           |
|-----------|--------|---------------|---------|-----------|
| CCEC-TSXV | Rating | Price: Nov-18 | Target  | Total Rtn |
|           | BUY    | \$0.48        | \$2.05↑ | 327%      |

## CanCambria Announces Upgraded Resource Evaluation and Board Leadership Transition; Raising Target Price

### Bottom Line:

Yesterday, CanCambria released an upgraded independent 51-101 compliant resource evaluation report representing about a 14% increase in Contingent Resource volumes on a 2C Development Pending basis from the prior resource evaluation report. **We are raising our target price of CanCambria to \$2.05 and reiterating our Buy rating.**

### Key Points

**Overall Contingent Resources increase to 1.1 Tcf of natural gas and 116.6 MMBbls of condensate.** The very large scale of the project highlights the strong potential for the company which is developing a strategic long-life field in Hungary.

**This report updates the prior resource evaluation report with the addition of the recently acquired Kiskunhalas Exploration Concession Area (KCA).** Twelve new wells and 480 acres have been added to the Development Pending Contingent Resources Category. This presents the opportunity for near-term drilling with wells in the KCA located approximately one kilometer offset from the Company's approved CC-Ba-E3 well location.

**2C Contingent Resources Development Pending sub-class increased by 14% to 571.9 Bcf and 59.6 MMBbl on a net risked recoverable basis.**

**We view the announced retirement of Dr. Christopher Cornelius as neutral.** Dr. Cornelius, who founded CanCambria in 2017, and currently serves as the Executive Chairman of the Company announced his retirement effective December 31, 2025. Dr. Paul Clarke, the current CEO of CanCambria will assume the role of Chairman of the Board on an interim basis, until a permanent Chairman is selected, likely in the second quarter of 2026.

**Multiple Catalysts.** We believe that there are multiple catalysts including the potential for a strategic partnership or joint venture to develop the Company's substantial opportunity in the heart of Europe.

**Important Disclosures:** See pages 4-5

### Oil & Gas

**John Stephenson, P.Eng., CFA** Analyst  
jstephenson@granitepointresearch.com

(647) 267-1906



Source: FactSet

|          |        |                 |        |
|----------|--------|-----------------|--------|
| Dividend | \$0.00 | Shares O/S (mm) | 114.7  |
| Yield    | 0.0%   | Market Cap (mm) | \$57.4 |
| EV (mm)  | \$54.9 | Net Debt (mm)   | NA     |

### Valuation

Our target price is based on our risked Net Asset Value per Share (NAVPS). In arriving at our \$2.05/share target price, we have assigned an 80.0% probability of commerciality.

### Company Description

CanCambria Energy Corp. is a Canadian junior oil and gas exploration and production company that focuses on the acquisition and development of low-risk assets. The company holds a 100% working interest in the Kiskunhalas Tight Gas Sand Project in Hungary.

### Our Thesis

CanCambria has a compelling, low-risk unconventional asset that can be commercialized by leveraging technology. Management of CanCambria is highly skilled and experienced at developing unconventional natural gas assets.

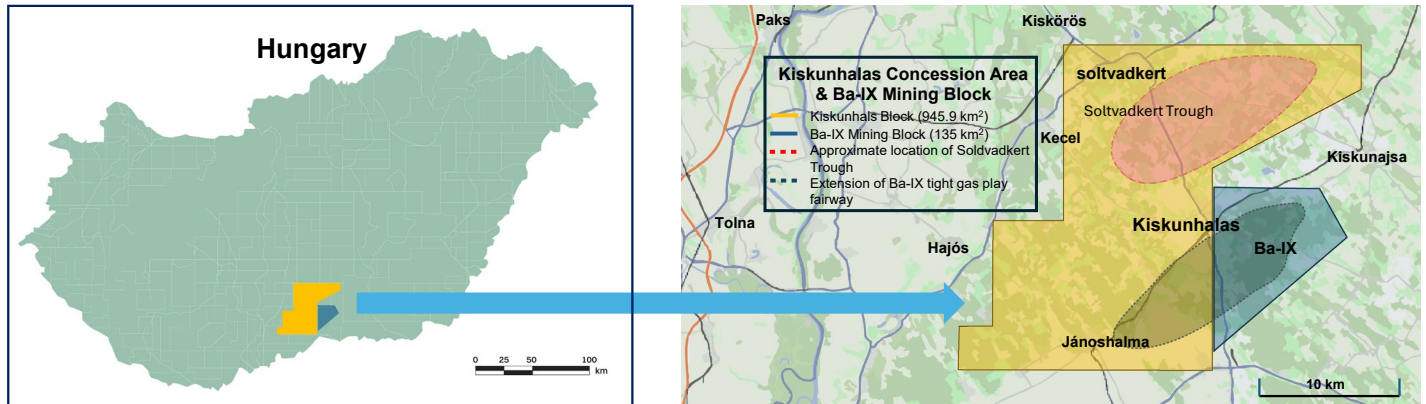
## Upgraded Resource Evaluation Highlights Project Potential

We are raising our target price to **\$2.05 per share** and reiterating our **Buy rating** following the release of CanCambria's upgraded resource evaluation report. This new resource report incorporates the new land acquired by the Company with the award of the Kiskunhalas Exploration Concession Area (KCA) in the first quarter of 2025. The prior resource evaluation report, which was released on May 12, 2025, evaluated the resource potential on the Company's original Ba-IX mining license. This new report (released November 18, 2025) incorporates both the acreage previously evaluated on the Ba-IX mining license and the acreage in the recently acquired Kiskunhalas Exploration Concession Area.

The key highlights of the upgraded resource evaluation include:

- Overall Contingent Resources increase to 1.1 Tcf<sup>1</sup> of natural gas and 116.6 MMbbls of condensate
- An additional 480 acres and 12 wells are added to the Development Pending Contingent Resources category
- Overall increase of 27% (2,000 acres) to the report area with the addition of the KCA
- 2C Contingent Resources "Development Pending" sub-class increases by 14% to 571.9 Bcf<sup>2</sup> and 59.6 MMbbls on a net risked recoverable basis
- NPV10 increases by about US\$200 million to US\$1.762 billion on a pre-tax 2C Development Pending sub-class, risked case basis

### Exhibit 1: Recent Upgraded Resource Evaluation Report Underscores the Tremendous Scale of the Opportunity



Source: Company reports, Granite Point Research

The resource evaluation made extensive use of CanCambria's 2023/2024 proprietary 3D seismic program as well as several volumes licensed in the KCA from the Hungarian Mining Directorate

<sup>1</sup> Trillion cubic feet

<sup>2</sup> Billion cubic feet

including a legacy 2011 survey. As well, the resource evaluation integrated data from legacy wells, open-hole logs, core and gas test/production data.

### **Strong Upside Potential for Valuation as Derisking Occurs**

**We believe that as CanCambria’s resources are further delineated and derisked, that there will be material upside to the share price.** The 2C Contingent Resources Development Unclassified sub-class in the most recent resource evaluation report, for example, increased by 45% to 544.5 Bcf and 57 MMbbl but these resources are not modeled in our numbers. This could represent further potential upside to investors should these resources be further derisked and delineated.

**We have updated our model to incorporate the revised well-development plan and have increased our target price to \$2.05/share.** The Company now plans to develop the identified Development Pending sub-class Contingent Resources in two stages with a 56 well program in each stage (up from 50 in each stage previously). The initial program is expected to commence in 2026 with the drilling of two wells, followed by six wells per year for the following nine years. Production is expected to begin in 2027 from the initial two wells drilled in 2026.

#### **Exhibit 2: The Shares of CanCambria Have a Lot of Potential Upside**

|  |               |
|--|---------------|
| NAV (10% - After Tax) in 000s                      | US\$292,610   |
| USD/CAD  | 1.38          |
| Accumulated Deficit (as of June 30/25 (MM)         | (\$10.142)    |
| <b>NAV per share (C\$/Sh) - Revised Nov. 19/25</b> | <b>\$2.08</b> |

Source: Company reports, Granite Point Research

### **CanCambria Announced Board Leadership Transition**

**We view the announced retirement of Dr. Christopher Cornelius as neutral.** Late last week Dr. Cornelius, the Executive Chairman of the Company advised the Board of Directors of his intention to retire from his current role, effective December 31, 2025. Dr. Cornelius, who founded CanCambria in 2017, is expected to take a non-executive advisory role for a short period during 2026. Dr. Paul Clarke, the current CEO of the Company, will assume the role of Chairman of the Board on an interim basis, until a permanent Chairman is selected.

## Important Disclosures

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| RATING | COVERED COMPANIES |
|--------|-------------------|
| BUY    | 1                 |
| HOLD   |                   |
| SELL   |                   |

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