

CanCambria Energy Corp.

CCEC-TSXV	Rating	Price: Oct-31	Target	Total Rtn
	BUY	\$0.50	\$1.80	260%

Initiating Coverage With Buy Rating; A Unique Asset That Supports Scalable Development

Bottom Line:

As a junior public company with pure play exposure to European natural gas in a low-risk basin in the heart of Europe, we view CanCambria as being well-positioned for strong growth. We believe that the Company has a giant resource base that can be unlocked through technology with attractive netbacks and fast payouts. **We rate CanCambria as a Buy with a \$1.80 target price.**

Key Points

A proven basin with a large unconventional asset with around two TCF of natural gas in place on an undiscovered, un-risked basis. Management has decades of experience in unconventional gas development globally.

The recently awarded Kiskunhalas Concession could add significant additional value. This contiguous area of 945.9 km² in a proven hydrocarbon basin with a history of gas and oil production could add significant value as it is appraised and delineated.

Strategically located asset offers exposure to high European gas prices. Located in south-central Hungary the Company's asset is exposed to European natural gas prices which trade at a substantial premium to those in North America.

Inexpensive Valuation. Given the large resource base and the low-risk repeatable nature of tight-gas wells we view the current valuation as undemanding.

Excellent fiscal terms. CanCambria has a 100% working interest in the Ba-IX Mining License and a 98% net royalty interest. Additionally, Hungarian corporate tax rates are only 9% plus a 2.5% royalty to the vendor of the Ba-IX Mining License.

NGLs should buffer volatile natural gas prices. About one third of projected revenues are tied to condensate/liquids prices, partially insulating CanCambria from the volatility of natural gas prices.

Multiple Catalysts. We believe that as appraisal wells are drilled and the Company shifts to production there will be a steady flow of news that could cause the stock to re-rate higher.

Important Disclosures: See pages 27-28

E&P

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Source: FactSet

Company Data

			C\$
Dividend	\$0.00	Shares O/S (mm)	112.6
Yield	0.0%	Market Cap (mm)	\$55.7
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 \$1.80/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.

Executive Summary

A Unique Asset That Supports Scalable Development

CanCambria's strategy is to focus on proven gas basins and deploy leading-edge technology to unlock value

We are initiating coverage of CanCambria Energy Corp. with a Buy rating and a target price of \$1.80. We believe that CanCambria offers an attractive risk/reward with multiple catalysts for stock accretion over the next twelve months.

Small company, big opportunity. CanCambria is a junior oil and gas exploration and production company which holds a 100% working interest in the Kiskunhalas Tight Gas Sand Project in south central Hungary. A recent NI 51-101 evaluation of its contingent resources found that on its license it has about 500 billion cubic feet of natural gas and 53 million barrels of condensate/natural gas liquids on a C2 basis when risked at an 80% probability of commerciality.

A new 3D seismic survey was key to mitigating risk. The recent 3D seismic study found that the Kiskunhalas Trough has significant resource potential, proven petroleum play elements and a complex geological structure. This survey was state of the art, with modern acquisition and processing which allowed for unparalleled images of the geological structures and distribution of the main reservoir geo-bodies. As a result of this new 3D seismic survey 4,000 acres out of 7,500 acres (135 km²) total on its original license area were upgraded from Development Unclassified to Development Pending.

Additional upside potential from the recent award of the Kiskunhalas Concession

CanCambria's recent addition of the Kiskunhalas Concession has the possibility to increase its contingent resources and extend its field development plan. This new concession was awarded to the Company on March 26, 2025 and offers the potential to further increase the resource base of the company and extend the field development plan. This new concession offers CanCambria an additional 945.9 square kilometers of contiguous land to its existing license area in a proven hydrocarbon basin.

Follow-on wells are low risk and repeatable once commerciality is proved up. While CanCambria is currently in a pre-drill phase but between 2026-2027 the Company intends to drill its first three wells to prove commerciality. These wells are anticipated to pay out in one to two years and come on at very high initial production rates, translating into favorable project economics.

The reservoirs on CanCambria's acreage are analogous to other deep tight gas plays that its management is very experienced in developing

Experienced management team. CanCambria has a deep bench of experienced and talented professionals who collectively have been responsible for developing thousands of unconventional wells globally, including in the Permian Basin, the world's largest tight-oil play. The analogous deep tight gas plays in North America include: the Pinedale Anticline in Wyoming, Cotton Valley in North Louisiana and Granite Wash in East Texas. By bringing cutting-edge technologies to bear on proven under-exploited basins CanCambria is intent on unlocking tremendous value through its flagship Kiskunhalas Trough asset.

Excellent fiscal terms. The Company has a 98% net royalty interest on its licenses and Hungary's corporate tax rate for oil and gas companies is only nine percent. Additionally, CanCambria pays a 2.5% royalty on positive EBIT to the vendor (Olvisz 98 Kft) of its Ba-IX Mining License.

Liquids component buffers the volatility of natural gas prices. We estimate that liquids revenues will constitute about 30% of total revenue, providing a buffer against volatile natural gas prices. Natural gas prices in Europe trade at a significant premium to those in North America as

production is more limited and the impacts of Russia's war with Ukraine weigh on the European market.

Strategic location. Hungary is reliant on importing more than 70 percent of the natural gas it consumes, and its domestic production of oil and gas is expected to decline at a CAGR of 5.1% between 2025-2035. European Union domestic gas production is also on a long-term base decline. CanCambria's anticipated production could help sustain the current levels of Hungarian natural gas production from 2025 to 2035.

Dramatic growth is possible. As the only publicly listed junior oil and gas company with pure play exposure to a very prospective basin the company could experience dramatic growth. We believe that the Company is well positioned to generate long-term positive free cash flow from a low-risk inventory.

Each well is expected to deliver 6.4 BCF and 600,000 barrels of condensate over its life

A field development plan for 100 wells on its initial license area has been developed and is being implemented. The plan is comprised of two phases, each representing 50 wells each. The first three appraisal wells have been identified and permits have been secured for the first two wells. The initial phase of development calls for drilling six wells per year starting in 2028 utilizing a single drilling rig. The wells are anticipated to be at 40-acre spacing and initial modelling suggests each well will produce about 6.4 billion cubic feet (bcf) plus associated liquids which is estimated to be more than 600,000 barrels of condensate over the life of the well.

The project is economic down to US\$4/mcf

Low risk strategy. CanCambria targets basins with proven natural gas and NGLs and uses technology to unlock value from these proven basins. The Kiskunhalas Trough is a high-quality tight-gas project with direct access to profitable markets. European natural gas trades at a substantial premium to gas in North America, offering superior well economics.

A partnership with a larger exploration and production company could further de-risk the project. CanCambria announced the engagement of Raiffeisen Bank as its strategic advisor to assist in securing a partner for the Company's Kiskunhalas tight-gas project, on October 16, 2025.

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Investment Thesis

Initiating Coverage with a Buy Rating

We are initiating coverage on CanCambria Energy Corp. with a Buy rating and a 12-month target price of C\$1.80 per share. We believe that the company has a substantial resource base of unconventional tight gas in Hungary and the relevant experience and expertise to successfully develop this asset. We recommend accumulating a position ahead of further drilling/appraisal news flow.

A proven basin with an asset that has about two TCF¹ of natural gas in place on an undiscovered, un-risked basis on the Company's original license area (Ba-IX Mining License). To unlock this major resource, CanCambria will leverage technology to make it a commercial reality. The Company's experienced team has been directly responsible for the development of thousands of unconventional wells globally including those in the Permian Basin, the world's largest tight-oil play.

Kiskunhalas Concession (945.9 km²) could add significant value to the company. This large contiguous concession in a proven hydrocarbon basin with a history of oil and gas production could further enhance the valuation of the Company as this portion of the portfolio is de-risked.

Strategically located asset (Hungary) offers exposure to high gas prices and excellent infrastructure. The European gas market trades at a substantial premium to North American benchmarks offering very strong netbacks and quick well payouts. Hungary is supportive of the oil and gas industry, has extensive pipelines and other services/infrastructure in-country minimizing entry costs. CanCambria's projected production potential could help offset declines (-5.1% CAGR 2025-2035) in Hungary's base oil & gas production.

Natural gas liquids (NGLs) buffer the variability of natural gas prices. Approximately one-third of future cash flows are tied to condensate/liquids prices, partially insulating CanCambria from the volatility of natural gas prices.

Excellent fiscal terms. The net royalty interest is 98% and corporate taxes in Hungary are just 9%, which helps support estimated future profitability.

First gas expected in 2026 with a 10-to-15-year development plan from a low-risk inventory. These wells have very high initial production rates with rapid payouts (18-24 months) driving strong free cash flow generation.

Multiple near-term catalysts could drive the stock higher. We believe that as appraisal wells are drilled and the Company shifts to production there will be a steady flow of news and multiple opportunities for the stock to re-rate higher. There is also the possibility that if CanCambria can unlock sufficient value from its license areas it could attract the attention of a deep-pocketed regional or global oil and gas company. This in turn could lead to a joint venture opportunity further de-risking and accelerating the development of this large resource.

High-risk/high-reward opportunity. CanCambria's focus on unlocking a proven basin through technology significantly reduces its risk profile. While CanCambria is a junior oil and gas exploration and production company it has managed to attract talented and experienced people to

¹ trillion cubic feet or TCF

CanCambria has significantly de-risked this opportunity by focusing on a proven basin and leveraging technology to unlock value

its team. Should initial appraisal drilling provide proof of concept, CanCambria could experience rapid value accretion.

Asset Overview

Kiskunhalas Tight Gas – This Could Be Big

CanCambria's business model is to leverage advanced technologies to unlock value in under-exploited basins

CanCambria Energy Corp. is an exploration & production company focused on high quality tight-gas projects in Europe with access to profitable markets. The Company's flagship asset is Ba-IX mining license that covers a portion of the Kiskunhalas Trough in south-central Hungary, a proven hydrocarbon basin. The license is a 25-year license with the possibility to extend this further and is held by prior production.

CanCambria controls a 100% working interest in a proven but under-exploited hydrocarbon basin in southern Hungary that has already produced over 13 billion barrels of oil equivalent (BOE) to date. The Company holds over 1,000 square kilometers of contiguous land position with a 100% working interest including a portion of the highly prospective Kiskunhalas Trough and the under-explored Solvadkert Trough.

Legacy seismic data and prior drilling have confirmed a gas/natural gas liquids discovery which minimizes geological risk. A new seismic program was undertaken by CanCambria in 2024 over approximately 94 square kilometers which identified drilling targets over a portion of the reservoir. Some 4,000 acres have been upgraded to Development Pending with the remaining 3,500 acres classified as Development Unclassified.

An NI 51-101 evaluation of contingent resources showed nearly two trillion cubic feet (TCF) of natural gas in place on an undiscovered, unrisksed basis on the most prospective 4,000 acres of CanCambria's license area. The best estimate for Contingent Resource volumes on a 2C Development Pending basis was 627.4 billion cubic feet of natural gas and 66.5 million barrels (MMBL) of condensate/natural gas liquids (NGL) net to the Company (un-risked). On a net risksed recoverable contingent resource (2C Development Pending) basis the estimate was 501.9 BCF natural gas and 53.2 MMBL of condensate/NGL. The study leveraged the proprietary 3D seismic program that the Company undertook and also integrated data from three legacy wells, open-hole logs, core and gas test/production data.

Exhibit 1: There Are Significant Resources on CanCambria's Ba-IX License Area

Development Pending - Best Case (C2) 4,000 acres							
Unrisksed				Risksed @ 80%			
Natural Gas		Condensate/NGLs		Natural Gas		Condensate/NGLs	
MMscf	MMscf	MMscf	MMscf	MMscf	MMscf	MMscf	MMscf
Gross	Net	Gross	Net	Gross	Net	Gross	Net
640,348	627,400	67,892	66,534	512,278	501,920	54,314	53,227

Source: Company reports, Granite Point Research

The large volume of liquids identified on CanCambria's license should help buffer company revenues from natural gas volatility

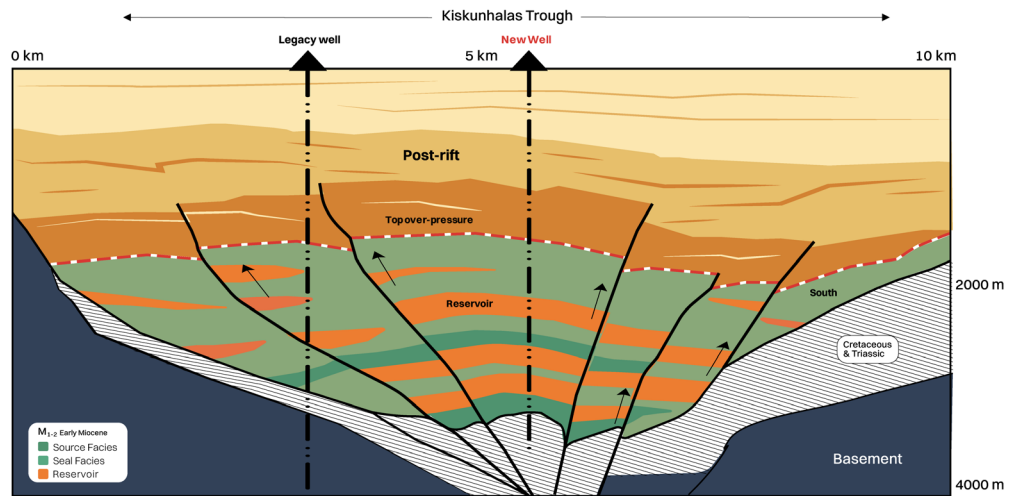
The Kiskunhalas Trough Is CanCambria’s Flagship Asset

The Kiskunhalas Trough is the foundational asset for CanCambria but it requires the application of new technology to flow hydrocarbons. It features stacked tight-gas sand reservoir bodies, high reservoir pressures with low permeability necessitating hydrofracturing to commercialize. These stacked gas and NGL-bearing reservoirs allow for multi-layer development. High initial production rates are anticipated given the reservoir overpressure and use of hydraulic fracturing. The Company’s leadership has extensive experience in the Permian Basin, the largest tight oil basin in the world.

Excellent fiscal terms. CanCambria has a 100% working interest in the Ba-IX Mining License and a net royalty interest of 98%. The Ba-IX Mining License was acquired in 2023. The license is for a geographic area of 135 square kilometers (~7,500 acres) encompassing a portion of the Kiskunhalas Trough, a high-temperature high-pressure (HTHP) reservoir within the Pannonian system. The Kiskunhalas Trough is deep 3,500 meter unconventional tight-gas reservoir. Because the tight-gas nature of the reservoir makes production more challenging the Hungarian government is offering extremely attractive fiscal terms with a net royalty interest of 98% (CanCambria gets to keep 98% of the product). The low permeability of the reservoir will require hydrofracturing to commercialize.

A 98% net revenue interest is extremely rare and very attractive

Exhibit 2: The Kiskunhalas Trough Is CanCambria’s Foundational Asset



Source: Company reports

Recent Portfolio Addition: The Kiskunhalas Concession

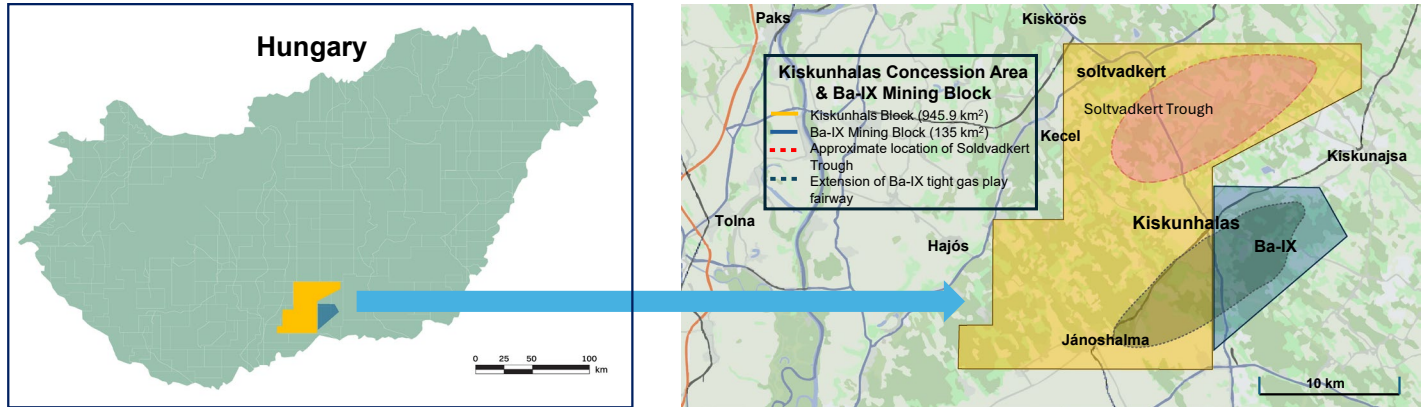
The Kiskunhalas Concession Area adds the strong potential to extend CanCambria’s existing tight-gas play fairway and offers conventional oil prospectivity. CanCambria secured the Kiskunhalas Concession (945.9 KM²) Area (KCA) contiguous to the Ba-IX license in June of 2025, which creates a consolidated position withing the Pannonian Basin. This large concession (233,737 acres) offers the potential for additional development drilling locations with the neighboring Soldvadkert Trough being an analog Miocene basin to the Kiskunhalas Trough. CanCambria has already identified multiple prospects with various size and risk profiles supported by existing modern 3D seismic coverage over 46% of this new Concession.

The Kiskunhalas Concession has the potential to provide further upside to CanCambria as it is analyzed and de-risked

The term of the license for the Kiskunhalas Concession is 20 years plus a 10-year extension is also available. The work commitment is a four-year program with year 1 comprised of a desktop study and years two and three focused on a new 3D seismic survey to better map this new reservoir.

The Soltvadkert Trough is a deep Miocene-age basin covering about 30% of the KCA to the north. The area has had no previous drilling and is largely unexplored covered only with legacy 2D seismic. We believe that this basin adds several new exploration targets to the portfolio and the possibility of finding several undiscovered hydrocarbon accumulations of scale.

Exhibit 3: CanCambria Controls More Than 1,000 KM² In a Proven Hydrocarbon Basin



Source: Company reports, Granite Point Research

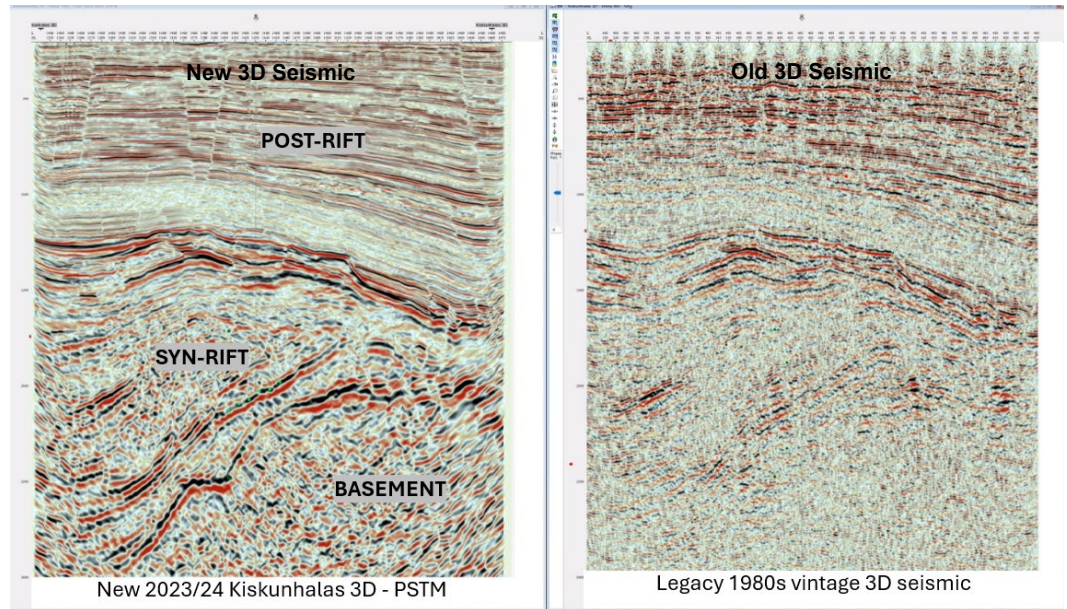
Transitioning to Appraisal and Development

The recent 3D seismic survey was key to de-risking the basin

Key to mitigating risk on the Ba-IX license area was a new 3D seismic survey that was conducted on 94 square kilometers (69.6%) of its original concession in 2024. CanCambria spent much of 2024 analyzing and interpreting their proprietary 3D seismic dataset (see videos link [here](#) and [here](#)). The hallmarks of the new 3D seismic program undertaken include:

- Better data: 3D imaging using dense, long-offset and wide-azimuth data
- Improved imaging: Better velocity information and clearer images of complex underground structures
- Accurate mapping: Pre-stack depth migration creates a more accurate picture of the deep basin and reservoir locations

Exhibit 4: New 3D Seismic Represents a Step Change for Imaging



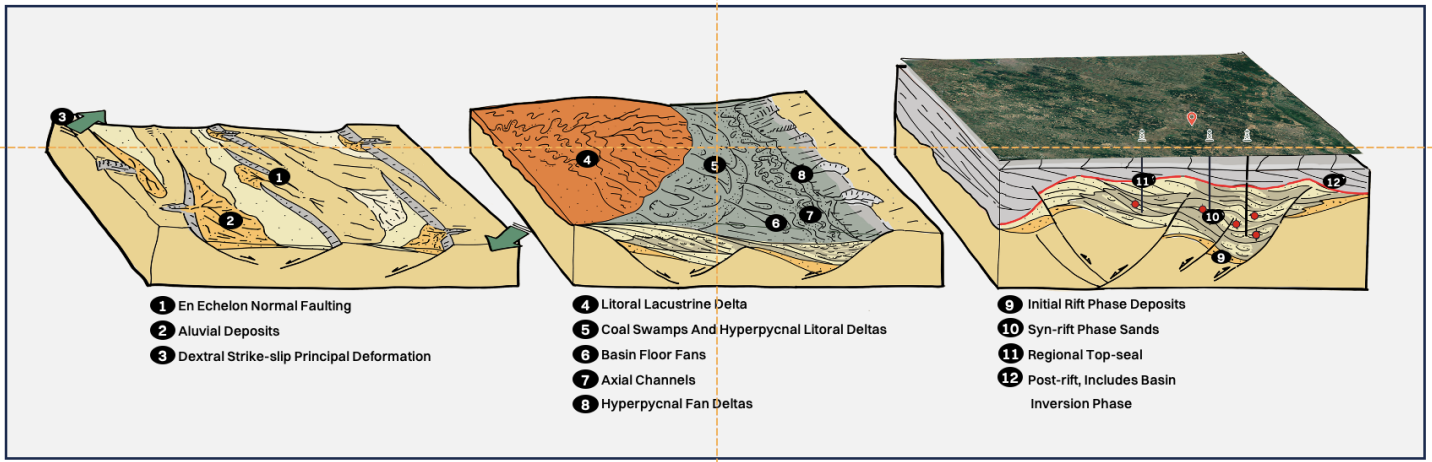
Source: Company reports

The 3D seismic data that the Company collected was interpreted using advanced models incorporated detailed mapping of prospective fault blocks, data-driven analysis that examined amplitudes (indicates gas presence) and velocity data which revealed over-pressured regions. Petrophysical models were used to validate seismic data and multiple gas pay prospects were identified using amplitude versus offset (AVO) analysis.

A New Petroleum System Model Was Created from the 3D Seismic Work

A new petroleum system model was developed from the 3D seismic work carried out. The objectives of this work were to image and map the reservoir and to identify constrain faults, sub-basins and traps. Understanding and identifying the presence of traps and faults is crucial for establishing a petroleum system. These geological features physically block migrating oil and gas from escaping, allowing it to accumulate in reservoirs.

Exhibit 5: CanCambria's New Petroleum Model

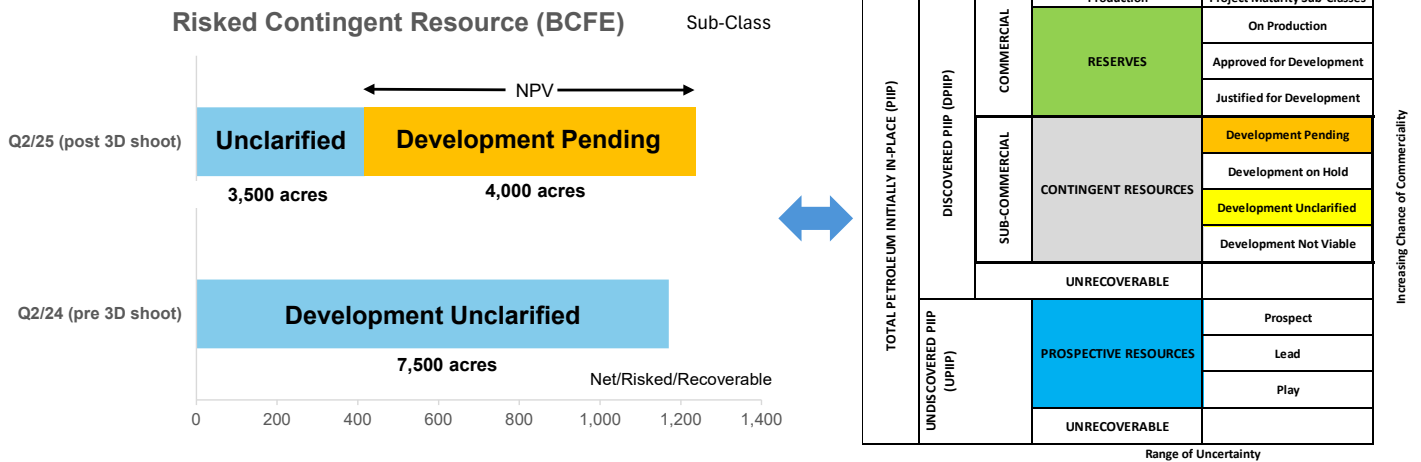


Source: Company reports

The 3D seismic helped shift 4,500 acres to Development Pending a significant improvement

The combined geophysical and interpretation products produced unprecedented images of the Kiskunhalas Trough, significantly de-risking initial well locations. This level of detailed imaging and analysis shifted 4,000 acres of the 7,500 acres in the Ba-IX license area from Development Unclarified to Development Pending category of resources. The rest of the license area that was not covered by the new 3D seismic survey (approximately 3,500 acres) were classified as contingent resources sub-category of Development Unclarified.

Exhibit 6: New 3D Seismic Data Helped Shift 4,000 Acres from Development Unclarified to Development Pending



Source: Company reports, Granite Point Research

Three Initial Well Locations Have Been Identified

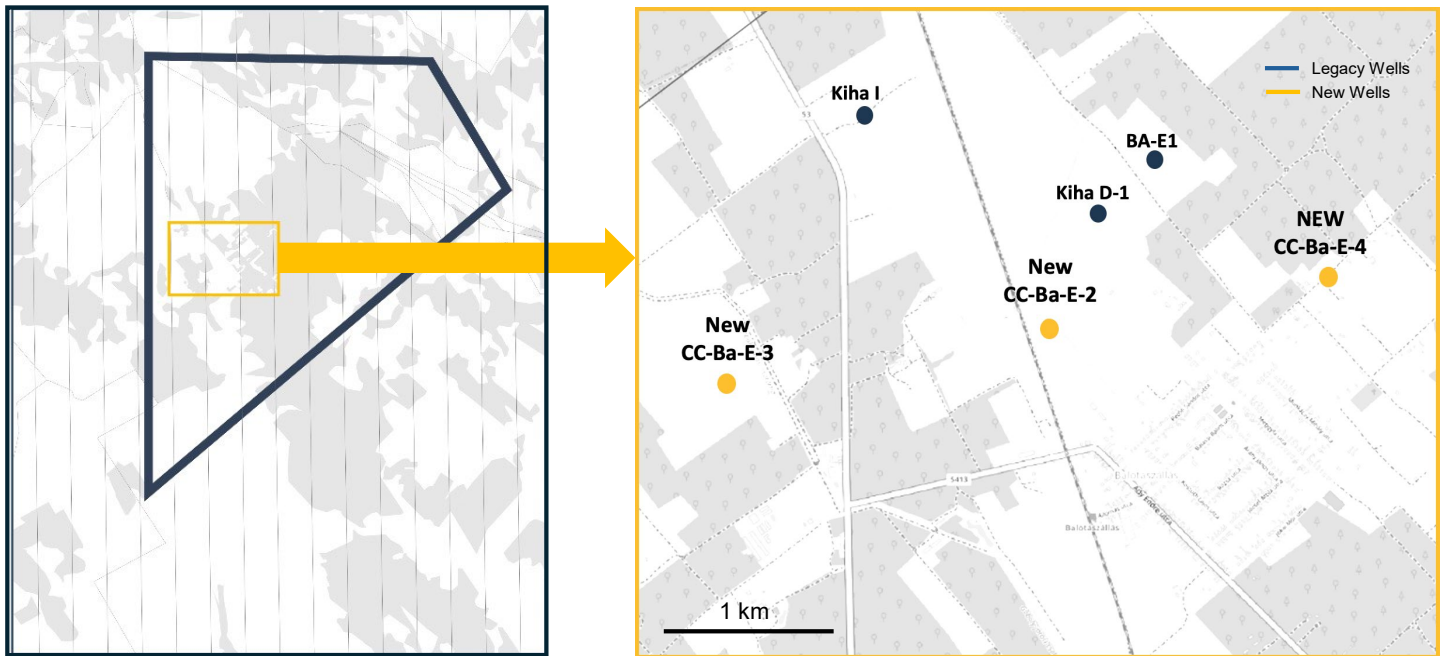
The Company's first appraisal well could spud as early as late 4Q/25

CanCambria has identified three well locations to begin appraisal drilling and has received approval for the first two of these wells. The two wells approved for appraisal drilling are the CC-Ba-E2 and the CC-Ba-E3, both are located on the Company's original Ba-IX Mining License. This regulatory approval secures all the necessary authorizations and permits to proceed with the

drilling and completion of these first two appraisal wells. The Company is preparing to file the application for approval with the Supervisory Authority for Regulatory Affairs of Hungary (SZTFH) for the third well location, CC-Ba E-4. At the first new well location CC-Ba-E2, pad construction has begun, and a planned appraisal well will be drilled to 4,000 meters total depth and is planned to spud in late Q4/25.

There are three legacy wells near the intended new appraisal well sites. Kiha I was drilled in 1998 and tested high-rate gas to surface, Kiha D-1 was drilled in 1989 and was a type well with thick pay (DST gas flow) while the third, BA-E1, was drilled in 2008 with Frac/Flow Test and produced gas to sales.

Exhibit 7: CanCambria Has Already Secured Approval for Two Out of Three Appraisal Wells



Source: Company reports

100 Well Field Development Plan

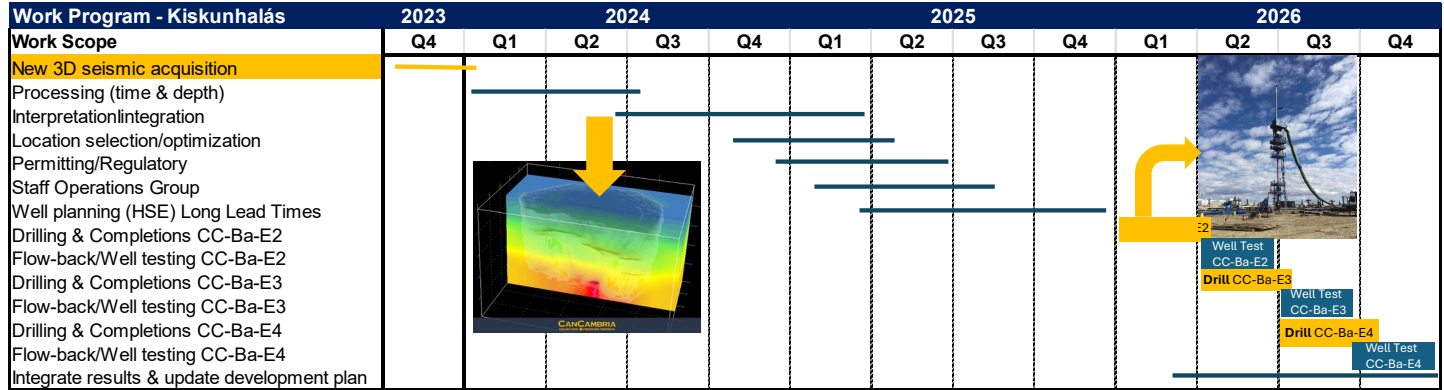
CanCambria's field development plan (FDP) is comprised of 100 wells, with two phases each comprising 50 well tranches. The initial program is expected to begin in late 2025 and 2026 with the drilling of its first appraisal well CC-Ba-E-2, with two more wells drilled in 2027, then six wells per year in the following years (2028-2035). Production is expected to begin in 2026 from the first well drilled, followed by two more producing wells in 2027, through an existing temporary four-inch pipeline that will be reactivated. In 2027, a major new pipeline is planned to be constructed, with the remaining wells brought on production as available.

The second tranche of production is expected to begin in 2034 with ten additional producing wells, followed by ten more wells per year until an additional 50 wells are reached (2034-2038).

The initial stages of the work program are already underway with first gas expected in 2026. Pad construction has been completed for the first appraisal well (Ba-CC-E2) and an operations

team has been staffed up in the Budapest office. The capital expenditure for the first well is \$18 million which includes a 20% contingency with well costs expected to decrease over time.

Exhibit 8: CanCambria’s Field Development Plan Is Already Underway



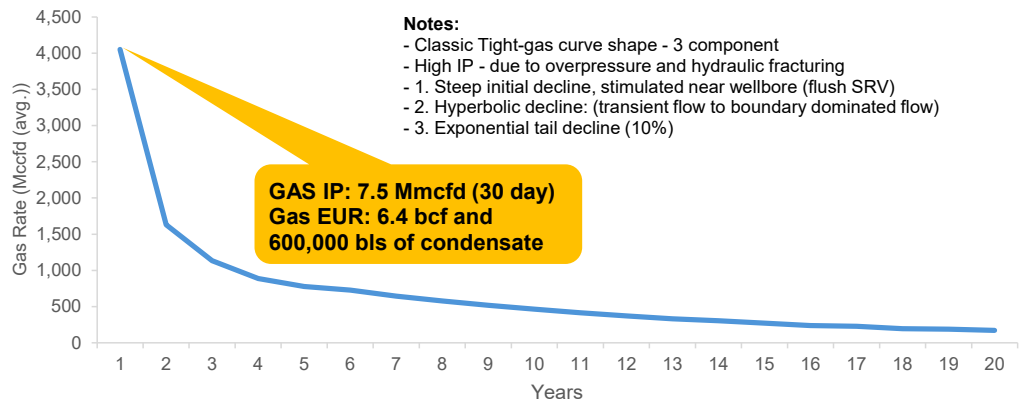
Source: Company reports, Granite Point Research

Type Curves Were Based on the Pinedale Field in Wyoming

The Pinedale Field in Wyoming served as the type curve for the Company’s license area with analog information based on the production of approximately 500 wells. The Pinedale was chosen as an analog as it is typical of high-capacity tight gas sands and demonstrates declines of 70% in the first year, 35% in the second year, 25% in the third and 15% in the fourth and finally a long term 10% decline in the remaining years.

High initial production rates reduce the time to well payout and improve project economics

Exhibit 9: Decline Curve Shape Based on a Pinedale Analog



Source: Company reports, Granite Point Research

Capital expenditures for both phases of field development are estimated at US\$1,640 million based on a capital expenditure of US\$20 million for drilling the first well, US\$18 million for drilling the second and third and US\$15 million for drilling the remaining wells. As well a new pipeline will be constructed during the first phase to tie-in the wells. The first phase of capital expenditure is expected to be US\$890.1 million while the second phase is estimated to be US\$750 million (total of US\$1.64 billion).

Capital expenditures for both phases of field development are estimated at US\$1.64 billion

Exhibit 10: Capital Expenditures for Both Phases Is Estimated at US\$1,640 Million

		Phase 1			
		2025	2026	2027	2028-2034
<u>Capital Expenditures (US\$000s) - Phase 1</u>					
First Well - Drilling & Completion plus Well Frac and Tie-Ins		20,000			
Second & Third Wells - Drilling & Completion plus Well Frac and Tie-Ins			36,000		
Remaining Wells - Drilling & Completion plus Well Frac and Tie-Ins				90,000	615,000
Water Disposal		100		4,000	
New Pipeline				125,000	
Total Phase 1	\$890.1				
		Phase 2			
		2033	2034	2035	2036-2039
<u>Capital Expenditures (US\$000s) - Phase 2</u>					
Remaining Wells - Drilling & Completion plus Well Frac and Tie-Ins		150,000	150,000	150,000	300,000
Total Phase 2	\$750.0				

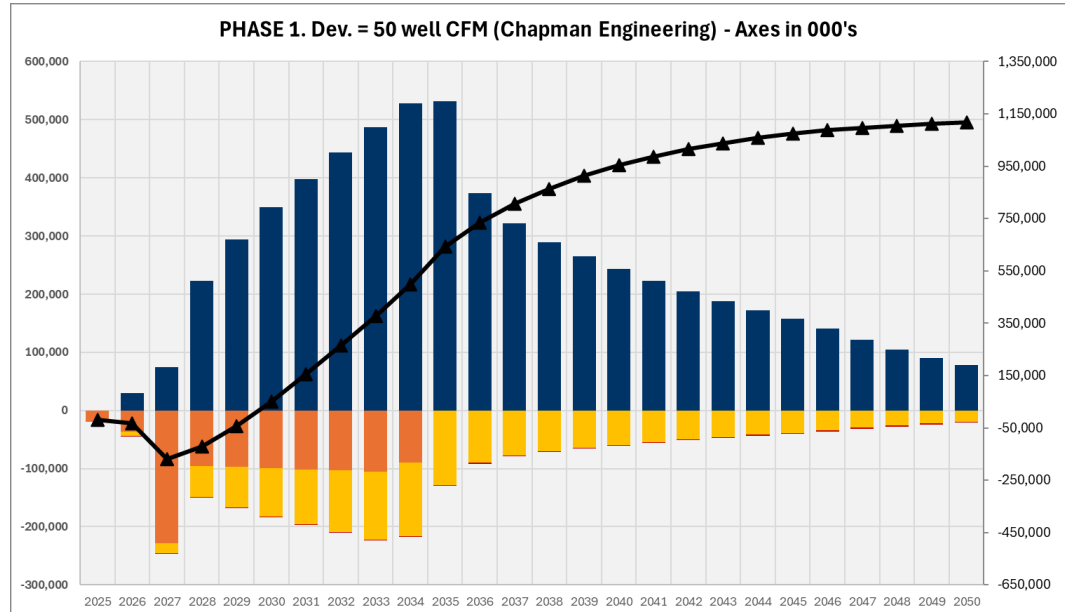
Source: Company reports, Granite Point Research

End of well life decommissioning reclamation and abandonment costs of US\$7.5 million are included in our analysis as well as fixed operating costs of US\$1.2 million annually (escalated by 2 percent a year). Variable operating costs of \$2.75 per Mcf (\$2.25/Mcf per gas unit operating costs plus \$0.50/Mcf for transportation) and \$16.25 per barrel of condensate have been assumed (escalated by 2% per year).

Rapid Payout and Strong Free Cash Flow Generation

Rapid payout and free cash flow generation in Phase 1 development (50 wells) was modelled, in the NI 51-101 Resource Estimate prepared by Chapman Hydrogen and Petroleum Engineering. CanCambria has identified over 50 low-risk (40-acre spacing) well locations, with potential type curve estimated ultimate recoveries (EURs) that range from 4 to 8 billion cubic feet plus natural gas liquids.

Exhibit 11: Fast Payouts and Strong Free Cashflow Generation (gas \$10 Mcf/\$65 Oil)



Source: Chapman Hydrogen and Petroleum Engineering Resource Estimate (April 30, 2025), Company reports

Valuation: Material Upside as De-Risking Occurs

Only the most prospective acreage (4,000 acres or 53.3%) of the total Ba-IX License acreage was modeled for our NAVPS

The new Kiskunhalas Concession was not modelled but further delineation of the contingent resources on this concession could increase Company value meaningfully

We rate CanCambria as a Buy with a \$1.80 target price. The Company is an early-stage exploration and production company with no production to date. Our forecast is based on the Company's well-development plan and its contingent resources as evaluated in its NI51-101 report. In arriving at our 12-month target price of \$1.80 per share we have risked the C2 contingent resources on 4,000 acres of its original Ba-IX license area (53.3% of total Ba-IX land area) by 80.0% which represents the probability of these resources being produced commercially.

We believe that as CanCambria's resources are further delineated and de-risked that there will be material upside. The drilling of future appraisal/production wells and additional seismic survey work are likely to act as catalysts for future share price accretion in our view. As well, the addition of new well locations and natural gas prospectivity from the recently added Kiskunhalas Concession could add material upside.

Exhibit 12: CanCambria's Share Price Has a Lot of Potential Upside

CanCambria Energy Corp. - NAVPS
(in 000s)

	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039
Commodity Prices															
US\$/MCF	10	\$10.20	\$10.40	\$10.61	\$10.82	\$11.04	\$11.26	\$11.27	\$11.28	\$11.30	\$11.31	\$11.32	\$11.33	\$11.34	\$11.35
US\$/MBL	-	\$60.00	\$61.20	\$62.42	\$63.67	\$64.95	\$66.24	\$66.24	\$66.24	\$66.24	\$66.24	\$66.24	\$66.24	\$66.24	\$66.24
Volumes															
Sales Gas (MMCF/Year)	1	1,755	4,213	12,429	16,122	18,836	21,081	23,102	24,921	44,113	50,852	47,614	48,737	50,499	34,776
Sales NGL (MBLs)	-	186	447	1,318	1,709	1,997	2,235	2,449	2,642	4,677	5,392	5,048	5,167	5,354	3,697
Capex & Reclamation Costs (000s)	(\$20,100)	(\$36,720)	(\$227,846)	(\$95,509)	(\$97,419)	(\$99,367)	(\$101,355)	(\$103,382)	(\$281,198)	(\$268,896)	(\$182,849)	(\$186,506)	(\$190,236)	-	-

NAV (10%) - After Tax (000s)	US\$292,610
USD/CAD	1.38
Accumulated Deficit as of June 30/25 (MM)	(\$10.142)
NAV per share (C\$/Sh)	\$1.84 <small>Note: based on 145,951,138 fully diluted shares (as of Sept 30, 2025)</small>

Source: Company reports, Granite Point Research

Target price sensitivity to natural gas and natural gas liquids (NGL) pricing. There is considerable upside to our target price as either the market price for natural gas or NGLs improves. Our sensitivity table below shows various levels of NAV/share with natural gas prices ranging from US\$7.00 to \$13.50 per Mcf and NGL prices ranging from US\$40 to \$85 per barrel.

Exhibit 13: Price/Share Sensitivity to Natural Gas and NGL Pricing

	Natural Gas (US\$/Mcf)													
	\$7.00	\$7.50	\$8.00	\$8.50	\$9.00	\$9.50	\$10.00	\$10.50	\$11.00	\$11.50	\$12.00	\$12.50	\$13.00	\$13.50
\$40	(\$4.47)	(\$3.88)	(\$3.29)	(\$2.69)	(\$2.10)	(\$1.50)	(\$0.91)	(\$0.32)	\$0.28	\$0.87	\$1.47	\$2.06	\$2.65	\$3.25
\$45	(\$3.85)	(\$3.25)	(\$2.66)	(\$2.06)	(\$1.47)	(\$0.88)	(\$0.28)	\$0.31	\$0.91	\$1.50	\$2.09	\$2.69	\$3.28	\$3.88
\$50	(\$3.22)	(\$2.62)	(\$2.03)	(\$1.44)	(\$0.84)	(\$0.25)	\$0.35	\$0.94	\$1.53	\$2.13	\$2.72	\$3.32	\$3.91	\$4.50
\$60	(\$1.96)	(\$1.37)	(\$0.77)	(\$0.18)	\$0.41	\$1.01	\$1.60	\$2.19	\$2.79	\$3.38	\$3.98	\$4.57	\$5.16	\$5.76
\$65	(\$1.33)	(\$0.74)	(\$0.15)	\$0.45	\$1.04	\$1.63	\$2.23	\$2.82	\$3.42	\$4.01	\$4.60	\$5.20	\$5.79	\$6.39
\$70	(\$0.71)	(\$0.11)	\$0.48	\$1.07	\$1.67	\$2.26	\$2.86	\$3.45	\$4.04	\$4.64	\$5.23	\$5.83	\$6.42	\$7.01
\$75	(\$0.08)	\$0.51	\$1.11	\$1.70	\$2.30	\$2.89	\$3.48	\$4.08	\$4.67	\$5.27	\$5.86	\$6.45	\$7.05	\$7.64
\$80	\$0.55	\$1.14	\$1.74	\$2.33	\$2.92	\$3.52	\$4.11	\$4.71	\$5.30	\$5.89	\$6.49	\$7.08	\$7.68	\$8.27
\$85	\$1.18	\$1.77	\$2.36	\$2.96	\$3.55	\$4.15	\$4.74	\$5.33	\$5.93	\$6.52	\$7.12	\$7.71	\$8.30	\$8.90

Source: Company reports, Granite Point Research

Takeout Potential. The Company's value in no way is predicated on a liquidity event nor has management indicated that this is the intended direction, but we believe that as CanCambria further de-risks its license area, the scale of the potential in the Kiskunhanas Basin has the potential to attract interest from large multinationals, making the Company a strong candidate for a takeout.

European Natural Gas Production: Declining Quickly

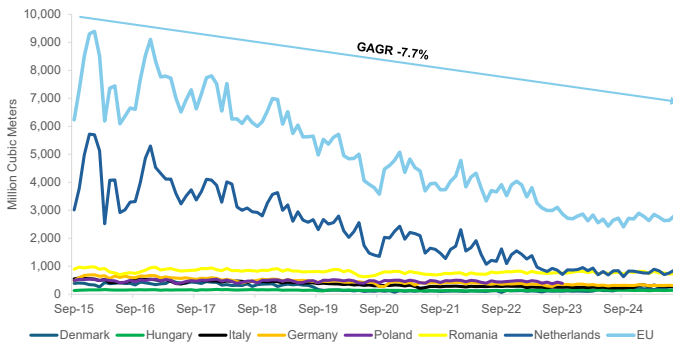
Europe’s domestic gas production has fallen at a CAGR of 7.7% (2015-2025) and is reliant on imports to meet 53.8% of its total gas supply

Europe’s natural gas production has fallen at a CAGR of -7.7% (2015-2025) with imports accounting for 53.8% of total gas supply. Domestic gas production in Europe represents just 6% of the global share, according to the International Energy Agency (IEA). Natural gas made up 24% of Europe’s total energy supply or 17,550,763 terajoules of energy in 2023. The biggest producing countries in Europe have been the Netherlands with average monthly production of 2,306 million cubic meters (mcm), Romania with 803 mcm/month and Poland at 468 mcm/month between 2015-2025.

The share of natural gas imports has risen sharply, increasing by 24% between 2000-2023 as domestic production has fallen. Russia accounted for 44.9% of Europe’s imports of natural gas in 2021 but that share has fallen to 18.9% following Russia’s invasion of Ukraine and its weaponization of energy. Russian gas has been displaced by increasing volumes of liquefied natural gas from the United States and Norway. Volumes exported to Europe as a share of total imports from the U.S. jumped from 5.65% in 2021 to 16.5% while for Norway its share increased from 23.8% in 2021 to 33.4% in 2024.

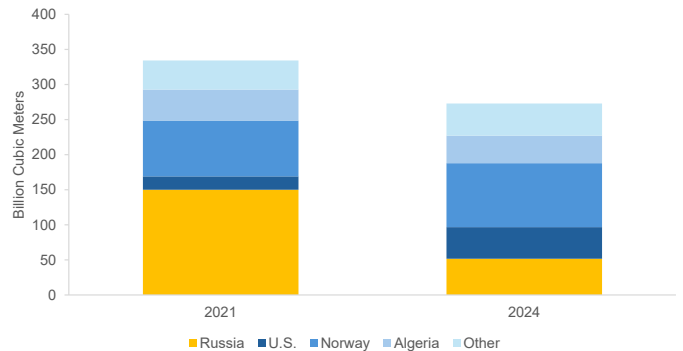
Norway displaced Russia in 2024 as the top importer of natural gas into Europe accounting for 33% of all gas imports. Other top suppliers included the United States, Algeria, Qatar, the UK, Azerbaijan and Russia. The U.S. was the largest supplier of LNG accounting for close to 45% of total LNG imports with France, Spain, Italy, the Netherlands and Belgium being the top importers of LNG within Europe. The continent also managed to reduce its overall consumption of natural gas between 2021-2024.

Exhibit 14: Gas Production Is Falling in Europe at a CAGR of -7.7% (2015-2025)



Source: MicroMacro, Granite Point Research

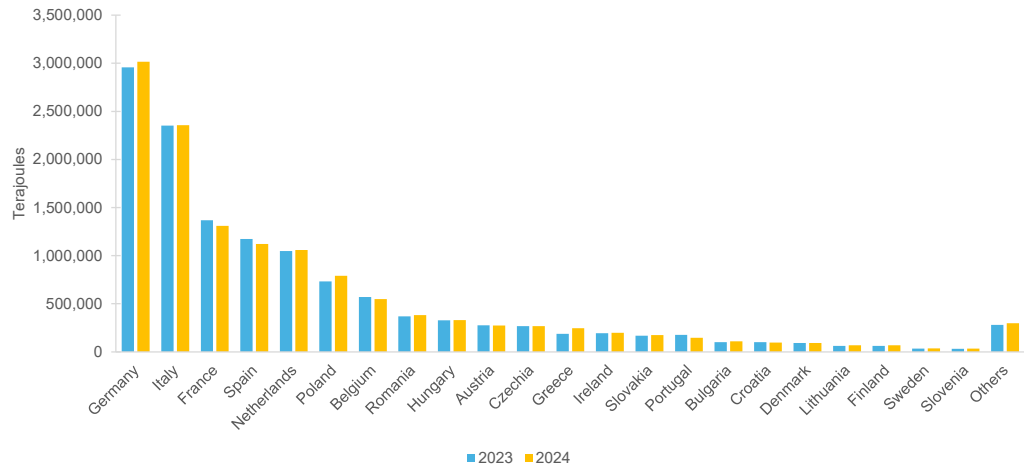
Exhibit 15: Europe’s Reliance on Russian Gas Has Fallen (2021-24)



Source: European Council, Granite Point Research

German demand for natural gas at 3,016,962 terajoules was the largest in Europe (2024). Germany’s demand for gas represented 22.9% of total demand in 2023 and 23.2% of total European demand in 2024. Germany, Italy, France and Spain collectively represented 60.7%/60.0% of total European natural gas demand in 2023/2024 respectively.

Exhibit 16: Germany Represents 23.2% of Total European Natural Gas Demand (2024)



Source: Eurostat, Granite Point Research

Hungary’s Oil and Natural Gas Industry

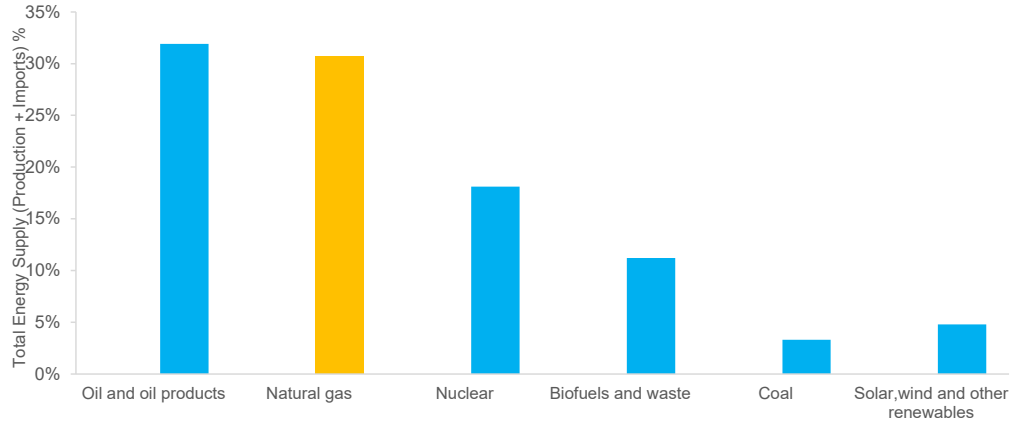
Natural gas represents about 31% of Hungary’s total energy supply

Hungary is reliant on imports to satisfy natural gas demand which is expected to continue to grow until 2030 and beyond according to the IEA. With limited domestic production, Hungary depends on imports particularly those from Russia to meet demand. Natural gas demand is expected to remain robust particularly when the Mátra lignite-fired electricity plant is closed in 2029 and replaced with a 500 megawatt (MW) natural gas fired plant.

Natural gas represents about 31% of Hungary’s total energy supply². Hungary’s natural gas is primarily used by households (50.1%), industry (23.4%), commercial and public sectors (14.8%) for heating and in the manufacturing of chemicals, fertilizers and plastics.

² Total energy supply (TES) includes all the energy imported or produced in a country minus the portion that is stored or exported and represents all the energy that is needed to supply the country’s end users.

Exhibit 17: Natural Gas Makes Up Roughly 31% of Hungary's Energy Supply



Source: IEA, Granite Point Research

Russia supplied about 77% of Hungary's natural gas demand in 2024

Russia supplied about 77% of Hungary's natural gas needs in 2024. Domestic production supplied just 1.7 billion cubic meters (bcm) of natural gas annually which represents about 20% of its 8.7 bcm of demand. Russia supplies approximately 6.7 bcm of gas annually to Hungary with Austria, Romania and Croatia and Serbia exporting the balance of gas (0.3 bcm) needed to balance demand. Over the last decade, despite the European Union's efforts to reduce dependence on Russian gas, Hungary has increased imports from Russia and has become a key transit route for Russian gas in the region. In 2023, some 17 billion cubic meters of natural gas passed through the country underscoring its growing transit role for Russian gas.

Hungary Has an Extensive Natural Gas Pipeline Infrastructure

The country's gas transmission network consists of 5,873 kilometers of high-pressure pipelines with 400 gas delivery points and six compressor stations (installed capacity of 234 MW). There are six gas interconnection points, with Beregdaróc on the Ukrainian border the largest and recently Croatian LNG (Krk LNG terminal) imports have been transported via the Drávaszerdahely interconnection point. Natural gas is exported from the country through interconnections at Csanádpalota which borders Romania and to Serbia through the interconnection at Kiskundorozsma. Both interconnections have recently been upgraded to allow imports into Hungary.

In addition to the gas transmission infrastructure Hungary also has five commercial gas storage facilities with a working capacity of 5.01 billion cubic meters. These facilities have a maximum withdrawal capacity of 58.6 million cubic meters per day and offer third party access.

Hungary Is Vulnerable to Any Disruption in Russian Natural Gas

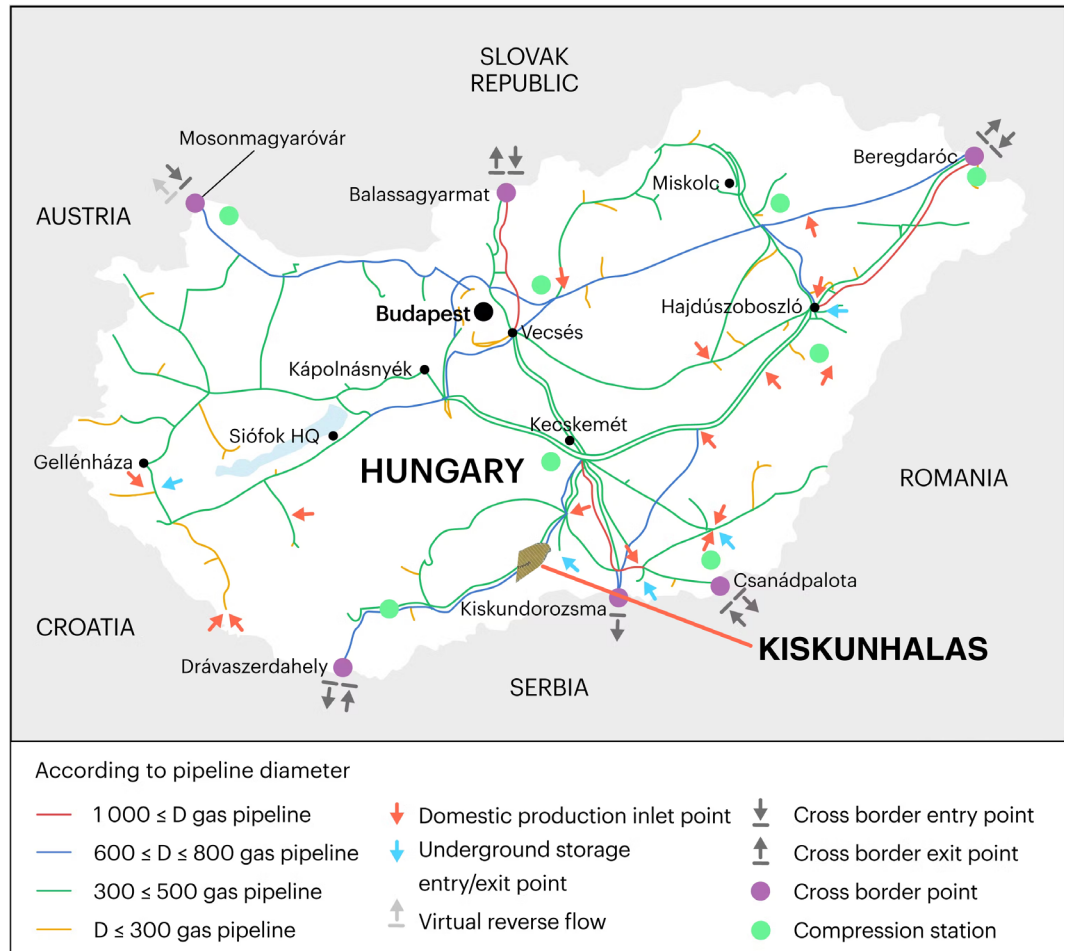
Potential vulnerabilities to any reduction in Russian natural gas supply to central Europe. An agreement with Gazprom to supply 4.5 billion cubic meters (BCM) to Hungary annually was entered into in September 2021. This gas is supplied through the Serbian interconnection via TurkStream, a natural gas pipeline transporting Russian gas to Turkey. The TurkStream pipeline runs under the Black Sea to Turkey and then passes through Serbia and Bulgaria. This pipeline, which became operational in 2020 was part of Russia's efforts to bypass Ukraine which was the

Hungary would be vulnerable if Russian natural gas exports to the country were curtailed

original main transit route for Russian gas to Europe. Despite the multiple entry points into the country, the majority of the gas supplied through Hungary's interconnections originates in Russia which could represent a potential vulnerability for the country should Russian gas supply to central Europe be curtailed.

Most long-term gas contracts in Hungary are pegged to the Dutch TTF futures traded on the Intercontinental Exchange (ICE). Reflective of the lack of domestic production in the EU and the reliance on imports, natural gas futures trade at a substantial premium to North American benchmarks. State-owned energy company MVM Group is the main natural gas importer in the country.

Exhibit 18: Hungary's Natural Gas Infrastructure

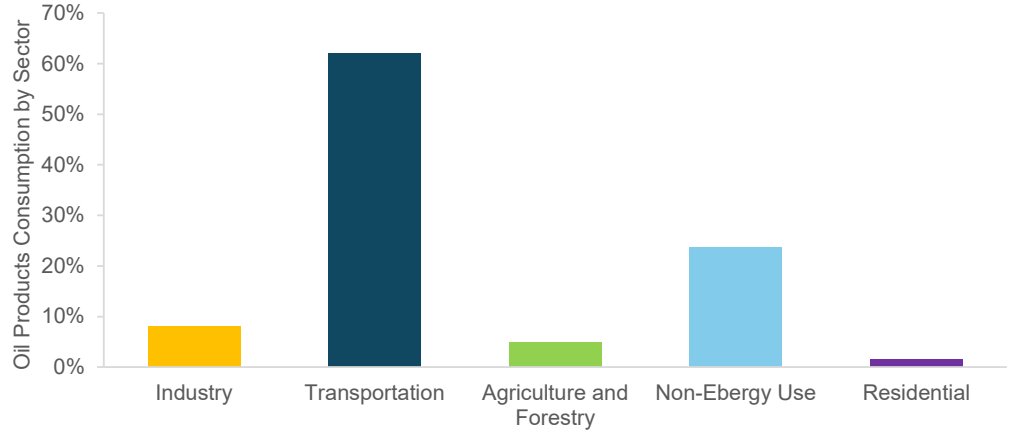


Source: IEA, Granite Point Research

Hungary Is Dependent on Russian Oil Imports

Russia represents 86-87% of crude oil imports and imports represent 81.4% of total crude oil supply into Hungary. Total oil consumption in 2024 was about 167,000 barrels per day. The vast majority of oil products consumed in Hungary are used in transportation (62%) with non-energy usage (asphalt, engine lubricants and raw material used in plastics) representing 23.7% of demand.

Exhibit 19: Oil Products Consumption by Sector (2023)



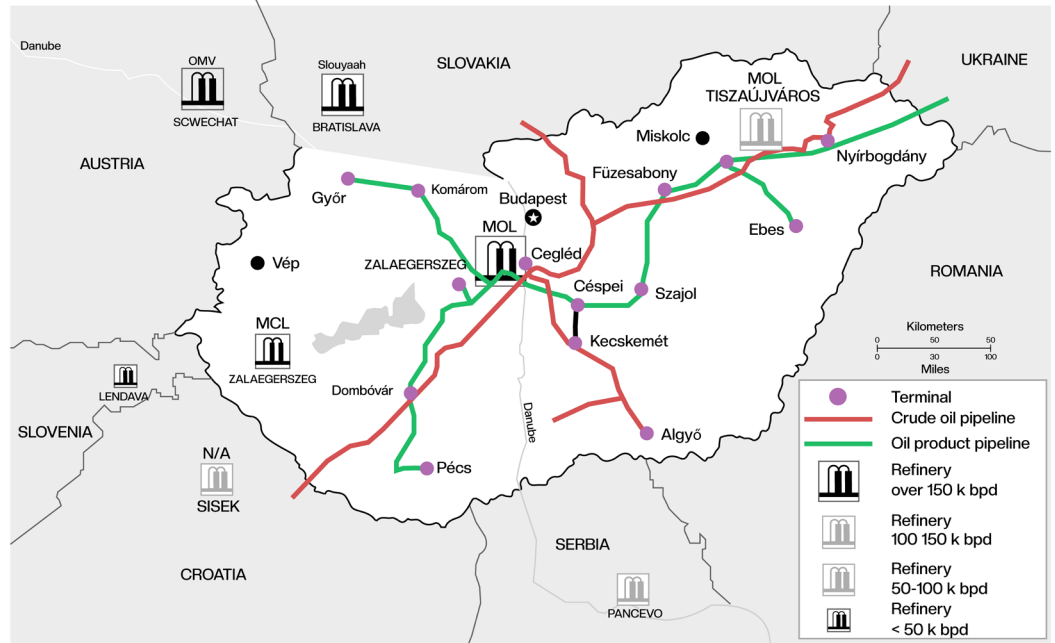
Source: IEA, Granite Point Research

Hungary imports 81.4% of its oil with Russia accounting for 86% of the total imports

Hungary is heavily reliant on Russian crude oil imports however over time this reliance has decreased somewhat. Hungary produces a small amount of crude oil and is a net importer of oil products and is likely to remain so in the medium term with demand growth likely to outpace local production. Oil consumption is primarily in the transportation and industry sectors with only a small amount of oil used for electricity generation.

The Druzhba pipeline system receives the majority of the country's crude oil imports. Hungary receives feedstock from the Slovak Republic to the north at the Duna refinery via the Druzhba I pipeline and in the east from Ukraine via the Druzhba II pipeline. Increasing volumes of Middle Eastern crude comes from Croatia to Hungary via the Adria pipeline system. Smaller pipelines link the Duna (MOL Group) refinery with demand centers and to the Tiszaújvaros (60,000 b/d) and Zalaegerszeg (10,000 b/d) refineries. Neither refinery currently process crude with the Tiszaújvaros refinery used for desulfurization and gasoline blending and bitumen is processed at the Zalaegerszeg refinery.

Exhibit 20: Most of Hungary’s Oil Enters the Country Through Slovakia



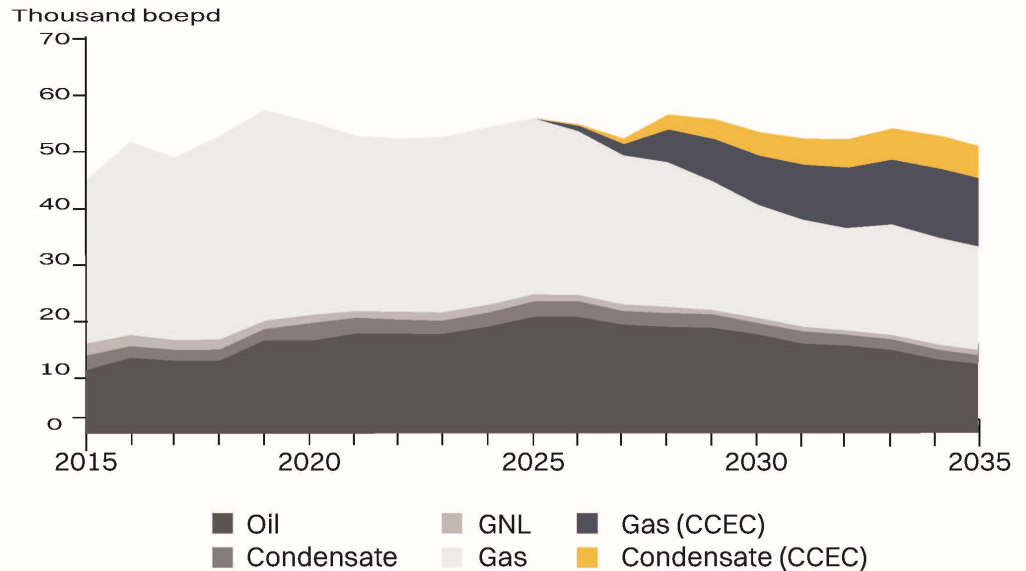
Source: Global Energy Network Institute, Granite Point Research

Hungary’s Declines Could Be Offset with CanCambria’s Production to 2035

Production declines in Hungary could be offset by planned production from CanCambria until 2035. According to Rystad Energy, Hungary is expected to experience a steep decline of 5.1% CAGR in hydrocarbon production between 2025 and 2035 that could be offset by CanCambria’s development plan production model.

Exhibit 21: CanCambria's Production Could Offset Hungary's Declines to 2035

Hungary Production & Potential



Source: Rystad Energy, Company reports

Company Profile: Chasing a Large-Scale Resource

CanCambria focuses on acquiring and developing low risk proven assets by applying leading edge technology to oil and gas exploration and production. The company was founded in 2017 by Dr. Christopher Cornelius and is headquartered in Vancouver, Canada.

The Company has a compelling growth strategy with first gas from its Kiskunhalas Basin HTHP³ asset expected in 2026 and strong organic growth thereafter. It is well positioned to generate long-term positive free cash flow from a low-risk inventory and a runway of at least a 10-year field development with a multi-billion U.S. dollar asset.

CanCambria's flagship asset is in the Kiskunhalas Trough an undeveloped but proven hydrocarbon basin that was first explored in the 1980s. The Company owns a 100% working interest in the Ba-IX Mining License situated in the Kiskunhalas basin comprising 135 square kilometers in south-central Hungary between the Tisza and Danube rivers, north of the border with Serbia. The Company acquired the Ba-IX license in January 2023 when it acquired a new subsidiary Delcuadra Kft through its Hungarian subsidiary CanCambria Hungary Kft. The Company acquired Delcuadra Kft from Delta Hydrocarbons Hungary Lft for total consideration of EUR €150,000. Pursuant to the acquisition of Delcuadra Kft, CanCambria Hungary Kft granted to Olvisz 98 Kft, the company that

³ High temperature, high pressure

owned Delta Hydrocarbons Hungary Kft a commission/royalty of 2.5% plus VAT⁴ of the positive EBIT from extraction conducted on the Ba-IX Mining License

The Company won an exploration tender for the Kiskunhalas Concession Area (KCA-945.9 km²) on April 1, 2025 and signed the concession contract in June 2025. This highly prospective, gas-charged fault block associated with the Company's flagship asset in the Kiskunhalas Trough extends southwest into the KCA. CanCambria has licensed high-quality 2011 vintage 3D seismic over the area and is preparing to reprocess this data and merge this data with new proprietary 3D data volumes.

The Company's shares were listed on the TSX Venture Exchange under the symbol CCEC on October 29, 2024 and were subsequently listed on the Frankfurt Stock Exchange under the symbol 4JH on November 5, 2024.

Raiffeissen Bank was engaged as a strategic advisor to assist in securing a partner for the Kiskunhalas project, on October 16, 2025. Raiffeissen Bank is a leading corporate and investment bank with a strong track record of successfully advising on sell-side energy transactions in Hungary. We view this as an extremely positive development that could de-risk the project further by shouldering some of the financial burden and possibly increasing the chance of commerciality. An eventual transaction could take a number of possible forms including a farm-out of some (25-50%) of CanCambria's Hungarian assets, a sale of a portion of the project and/or a financial investment at the parent or at the subsidiary level.

CanCambria is reliant on equity or debt financing at this stage to continue operating. The Company has been successful in the past mainly through the issuance of equity capital however no assurance can be given that they will continue to be successful. The Company has incurred losses since inception and has an accumulated deficit of C\$10,142,004 as of June 30, 2025.

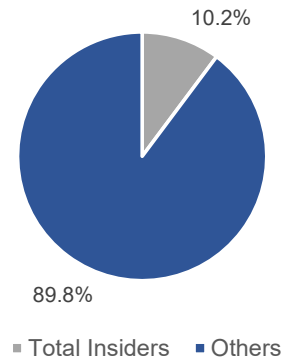
⁴ The Value Added Tax (VAT) in Hungary is 27% however as a foreign company operating in Hungary, CanCambria gets this tax refunded in the quarter following payment of the VAT.

Experienced Management: Data Driven – Execution Oriented

CanCambria has an experienced, professional management team with a long track record of success. The team has been directly responsible for the development of thousands of unconventional wells around the world, including in the Permian Basin, the world’s largest tight-oil play.

Management and directors own 10.2% of the shares outstanding valued at roughly \$5 million.

Exhibit 22: Management and Directors Own 10.2% of the Shares Outstanding



Source: FactSet, Granite Point Research

Management

Paul Clarke, PhD, CEO & President. Dr. Clarke joined CanCambria in mid-2022 as Vice President of Exploration and has 25 years of oil and gas industry experience. He is one of the industry’s leading unconventional experts, a “blue-ribbon” oil and gas finder and developer. He has broad operational proficiency and deep technical knowledge. He has led complex teams and has held roles of increasing responsibility with large-cap U.S. independents. He has been at the forefront of several major onshore exploration, appraisal, and development programs. Operated assets include the Eagle Ford and Spraberry/Wolfcamp trends, executing over 1,000 horizontal wells with Pioneer Natural Resources and the giant Pinedale Field with Ultra Petroleum.

Piet Van Assche, COO & Managing Director – Hungary. Piet is a registered professional engineer with an in-depth understanding of the commercial and technical aspects of both upstream and downstream oil & gas. He has managed numerous large multicultural and multidisciplinary teams throughout the world for Shell International, MOL (Hungarian Oil Company), and other independent oil and gas companies. Piet resides in Hungary, has extensive Hungarian oil and gas experience and is the former Managing Director of Delcuadra Kft.

Konstantin Lichtenwald, CFO & Director. Konstantin, a Canadian CPA and an ACCA in the UK, has over 17 years of corporate finance experience including accounting, financial management, compliance and mergers & acquisitions. He specializes in taxation, valuation and financial reporting. He has lived and worked in multiple jurisdictions including Germany, Australia, USA and Canada. He is a director of a number of private and publicly listed companies in Canada.

Chris Beltgens, VP Corporate Development. Since March 2021, Mr. Beltgens has been President and Director of Somerset Energy Partners, a private South Texas-focused oil production company. From April 2016 to January 2023, he was the Vice President of Corporate Development

for TAG Oil Ltd., a TSX-listed international production oil and gas company. Mr. Beltgens previously spent six years in London working in investment banking, covering international oil and gas exploration and production companies, where he assisted in raising capital for the sector. Mr. Beltgens is currently an independent director for Kingfisher Metals Corp. (TSXV: KFR), Orex Minerals Inc. (TSXV: REX), and Intertidal Capital Corp. (TSXV: TIDE).

Bernhard Krainer, PhD, Business Advisor – Central Europe. Bernhard has over 30 years of experience in exploration and upstream business development. With a background from Central and Eastern Europe he worked globally with postings in Western Canada, U.K., Norway, North Africa, Middle East and Pakistan. He has held Managing Director positions for OMV AG in Norway and Abu Dhabi and was the Director for Exploration and Appraisal with OMV Petrom, which included Romania, Bulgaria and Georgia.

Board of Directors

Christopher Cornelius PhD, C.Geol, Eur.Geol, Executive Chairman. A proven prospect generator and resource developer, Chris has held multidimensional positions in exploration, land, engineering, operations, M&A, and project finance. He founded CanCambria with long-term financial partners and he has been directly involved in the safe drilling and completion of several thousand wells in many of the world's major hydrocarbon provinces. He has been a director of both private and public resource sector companies and was directly responsible for forming Delcuadra Kft in 2010 – a private Hungarian exploration JV between RAG, Delta Hydrocarbons, and Cuadrilla Resources.

Toby Pierce, Non-Executive Director. Toby Pierce is currently CEO and Director of Somerset Energy Partners, an oil and gas producer in South Texas. From 2015 to 2024, Mr. Pierce was CEO and Director of TAG Oil Ltd., a TSX-listed oil and gas producer in Australasia and Egypt. He has over 28 years of geological and financial experience within the resource sector. He has been the founder, CEO, or director of numerous private and public oil and gas mining, and natural resource companies. He holds an MBA from the Rotman School of Business and a Bachelor of Science degree in Earth Sciences from the University of Victoria.

Anthony Kelly, Non-Executive Director. Tony has over 40 years of investment banking, corporate strategy, capital markets, mergers and acquisitions, and corporate finance experience in Australia, Europe, and North America. Tony began his investment banking career at Morgan Stanley in New York and subsequently held senior roles at MAST Global, Credit Suisse First Boston, and BZW, where he was head of Global M&A. He is currently a member of the investment committee of one of Australia's largest infrastructure funds.

Peter Turner PhD, DSc, Non-Executive Director. A founding director of Cuadrilla Resources Ltd., Peter has worked extensively in the petroleum industry for over 40 years. A former reader in sedimentology at the University of Birmingham, UK, he is a leading authority on clastic reservoirs of the Rotliegend and the Permo-Trias. More recently, he has been working on tight-gas petroleum systems throughout Europe and North Africa. He is a director of several private companies.

Risk Factors

Commercial risk. The economic viability of the project is dependent on the results of the evaluation stage and the price of oil and gas. Oil and natural gas prices in Europe have rapidly escalated due to recent political and environmental concerns. Energy demand remains high, but a

significant and sustained softening of natural gas and condensate prices could hamper the economic viability of the Company.

Financial risks. Early-stage companies face liquidity challenges in maintaining sufficient capital to meet government commitments and working capital obligations necessitating outside capital to meet any shortfall. While the Company has been successful in the past in obtaining its required financing, namely through the issuance of equity capital, there is no assurance that such financing will be available or available on favorable terms.

Delays or Cost Increases. Any significant delays or cost increases in the evaluation stage would likely be considered as a negative by investors and may cause concerns about the Company's funding.

Limited liquidity. As an early-stage exploration company, trading liquidity and small market capitalization may deter investment initially. We expect size and scale along with market visibility to improve as the opportunity set becomes further derisked.

Logistics risks. There is ample infrastructure in the region and oil and gas services are readily available.

Regulatory risk: The Hungarian government is supportive of oil and gas exploration and production, and no licensing issues are anticipated.

Important Disclosures

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I, John Stephenson, hereby certify that the views expressed in this report accurately reflect my personal views, about the subject securities or issuers. I also certify that no part of my compensation was, is, or will be, directly or indirectly, related to the specific recommendations or views expressed in this report. Furthermore, I certify that (i) to the best of my knowledge, that I am not in receipt of material non-public information about the issuer, (ii) that I do not own common shares, options, or warrants in the company under coverage, and (iii) that I have adhered to the CFA Institute guidelines for analyst objectivity.

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RATING	COVERED COMPANIES
BUY	1
HOLD	
SELL	

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