

CanCambria Energy Corp.

CCEC-TSXV	Rating	Price: Nov-27	Target	Total Rtn
	BUY	\$0.50	\$2.05	310%

Solid Q3/25 Results; Progress on a Number of Fronts

Bottom Line:

CanCambria's Q3/25 earnings highlighted solid progress on a number of fronts. Most notably the signing of the Kiskunhalas Concession Agreement (KCA) on July 29, 2025 represented a low-cost, attractive and potentially accretive transaction aligned with the Company's business model. The company reported a loss of \$0.02/share during the quarter, in line with our forecast. **We reiterate our Buy rating and \$2.05/share target price.**

Key Points

CanCambria reported a loss of \$0.02/share in Q3/25.

Operating expenses increased 369.9% Y/Y during the quarter as significant investments to increase the asset base and engage investors were undertaken.

The most notable expense variance in Q3/25 was a 117% Y/Y increase in exploration expenses, reflecting CanCambria's successful acquisition of the KCA. Exploration expense increased by \$1,703,577 Y/Y while third-party investor relations services resulted in an increase of \$407,808 Y/Y.

The Company raised more than \$3.5 million from private placements and issued 6,861,400 common shares during the quarter.

We believe that CanCambria will be able to continue to fund its ambitious well development program. We believe that the Kiskunhalas tight sands project is a unique, extremely large and scalable asset that will continue to garner investor interest.

Important Disclosures: See pages 5-6

Oil & Gas

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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

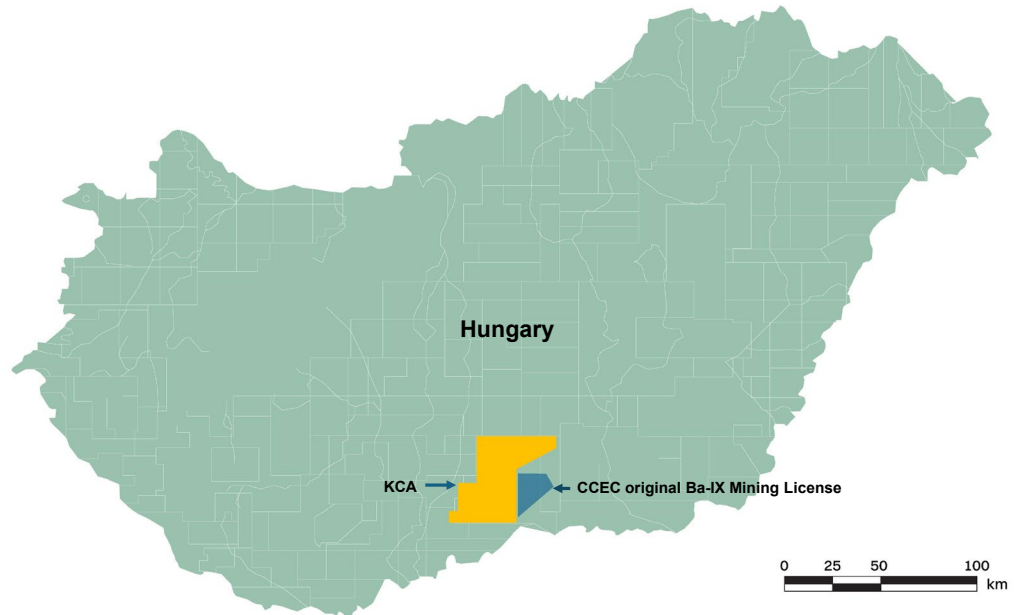
CanCambria has a compelling, low-risk unconventional asset that can be commercialized by leveraging technology. Management of CanCambria is highly skilled and experienced at developing unconventional natural gas assets.

Solid Q3/25 Results – Progress on a Number of Fronts

CanCambria's third quarter earnings highlighted solid progress on a number of fronts. For the quarter ending September 30, 2025, the company reported a loss of 2 cents per share, a positive working capital balance of \$1,082,624 and a cash balance of \$584,281. The cash balance of \$584,281 at quarter end was down 67.3% on a year-over-year (Y/Y) basis, as CanCambria allocated additional funds to pursue business opportunities such as the acquisition of the Kiskunhalas Concession Area (KCA). The Company had an accumulated deficit of \$12,831,298 at quarter end while it continues to make solid progress in evaluating its Ba-IX mining license and in better understanding its recently acquired (July 29, 2025) Kiskunhalas Concession Area.

The most significant development during the quarter was the signing of the KCA agreement which brings an additional 945.9 square kilometers contiguous with the Company's existing Ba-IX mining license (135 square kilometers). The KCA agreement with the Hungarian government was purchased for a price equivalent of less than US\$10 per net acre and represents a low-cost, attractive and potentially highly accretive transaction (see our [note](#) on CCEC's recent Upgraded Resource Evaluation) aligned with the Company's business model. CanCambria's flagship asset the Kiskunhalas Trough extends southwest into a significant portion of the KCA. To execute the exploration and appraisal work program in the KCA the Company incorporated a wholly owned Hungarian subsidiary, CanCambria Kiskunhalas Koncessziós Ltd. on August 19, 2025.

Exhibit 1: CanCambria Has Been Busy In Q3/25 Increasing Its Asset Base & Opportunity Set



Source: Company reports, Granite Point Research

The most notable expense variance in Q3/25 was a 117% year-over-year increase in exploration expenses, reflecting CanCambria's successful acquisition of the KCA. During the third quarter an increase in exploration expenses Y/Y of \$1,703,577 was recorded for its successful concession application. The other significant driver of increased operating expenses

(+369.9% Y/Y) during the quarter was the investment in investor relations services. This represented an increase of \$407,808 from zero in 2024 as additional third-party expertise was engaged to promote investor awareness of the Company. As well, increased professional fees (+\$93,385), stock-based compensation (+\$18,252) and rent expense (+\$11,769) all on a year/year basis helped drive the variance from the third quarter 2024.

Exhibit 2: Exploration & Investor Relations Expenses Increased Significantly in Q3/25 (Y/Y)

RESULTS OF OPERATIONS

(C\$)

	Three months Ended		Nine months Ended	
	September 30		September 30	
	2024	2025	2024	2025
Revenues	-	-	-	-
Expenses				
Amortization	222	222	370	667
Bank charges and interest	1,756	18,029	6,733	34,350
Consulting fees	115,513	105,241	336,738	568,993
Exploration expenses	24,544	1,728,081	37,108	2,274,166
Office and Miscellaneous	39,112	17,569	77,127	74,981
Rent	-	11,769	-	26,664
Professional fees	79,761	173,146	234,699	409,038
Regulatory and filing fee	-	(18,296)	-	70,132
Transfer agent fee	-	3,907	-	7,664
Investor relations	-	407,808	-	802,618
Insurance	-	3,125	-	9,375
Stock-based compensation	297,643	315,896	776,548	937,711
	(558,551)	(2,766,497)	(1,469,323)	(5,216,359)
Other Items				
Foreign exchange gain (loss)	(13,779)	77,033	(24,486)	129,126
	38	170	80	265
	(13,741)	77,203	(24,406)	129,391
Net loss and comprehensive loss for the period	(572,292)	(2,689,294)	(1,493,729)	(5,086,968)
Basic and Diluted Loss per Share	(0.01)	(0.02)	(0.02)	(0.04)
Weighted Average Shares Outstanding (Basic and Diluted)	98,363,000	118,754,957	97,938,092	113,392,351

Source: Company reports, Granite Point Research

CanCambria raised more than \$3.5 million from private placements and issued 6,861,400 common shares during the quarter. There were two tranches of private placements, the first in July which raised proceeds of \$3,017,976 (5,803,000 common shares issued) and another in August with proceeds of \$550,368 (1,058,400 common shares issued) for a total amount raised through private placements of \$3,568,344 in the third quarter of this year.

Exhibit 3: CanCambria's Private Placements Raised Over \$3.56 Million in Q3/25

Private Placement	Common Shares Issued	Proceeds
July, 2025	5,803,000	\$3,017,976
August, 2025	1,058,400	\$550,368
Total	6,861,400	\$3,568,344

Source: Company reports, Granite Point Research

We believe that CanCambria will be able to continue to fund its ambitious well development program. While there is no assurance that the Company will be able to continue to raise equity capital to fund its continuing operations we believe that the Kiskunhalas tight sands project is a unique, extremely large and scalable asset that will continue to garner investor interest. **We reiterate our Buy rating and \$2.05/share target price.**

Important Disclosures

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RATING	COVERED COMPANIES
BUY	1
HOLD	
SELL	

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