August 10, 2026

CanCambria Energy Corp.

CCEC-TSXV 4JH-FSE CCEYF-OTCQB	Rating BUY	Price: Aug-7 $0.30	Target $2.25↑	Total Rtn 650%

Oil & Gas

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

(647) 267-1906

CanCambria Energy Provides Updated Contingent Resource Evaluation for Flagship Deep Gas Project

Bottom Line:

CanCambria Energy announced a significant increase in the value of the Company's independent contingent resource evaluation on a before tax NPV10 basis from $1.762 billion to $2.04 billion (~16%). The updated resource evaluation covers the Company's 100% working interest BA-IX Mining Plot and Kiskunhalas Concession Area ("KCA"), in southern Hungary. The primary driver for the increased estimates were a higher estimated long-term European natural gas price of $12/MMBtu (from $10/MMBtu previously). **We view this development positively and have increased our target price to $2.25 following some minor tweaks to our model.**

Key Points

Combined contingent resources of 1.1 Tcf (gas) and 116.6 million barrels condensate on a best estimate 2C contingent resources (all classes) basis.

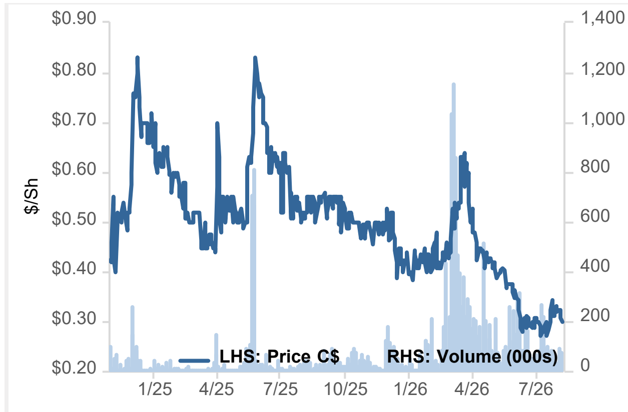
Updated estimate reflects stronger outlook for European natural gas. Heightened macro-geopolitical uncertainty, tightening supply-side fundamentals, and increasing concerns over European energy security have driven a stronger long-term outlook for European natural gas. Chapman Hydrogen and Petroleum Engineering Ltd. (CHPE) used a US$12.00/MMBtu gas price assumption (up from US$10.00/MMBtu previously).

The 6-month and 5-year average European gas prices exceed US$15.00/MMBtu. Current spot prices are ~US$18.50/MMBtu with CHPE's revised forecasted prices some 40% below the current spot price. Brent crude oil price assumptions remain consistent in the CHPE report at US$65.00 per barrel.

We are modelling first production mid-2027 with full field development increasing in 2028 (to six wells per year) with an inventory of 112 wells.

2C Contingent Resources unchanged in new report. 2C Contingent Resources "Development Pending" sub-class of 571.9 Bcf and 59.6 MMbbl (net risked recoverable) is unchanged.

Price target increased to $2.25 per share. Following a model review we have increased the target price by ~10%. Our Buy rating remains unchanged.



Source: FactSet

Market Data

Dividend	$0.00	Shares O/S (mm)	130.4
Yield	0.0%	Market Cap (mm)	$39.1
EV (mm)	$37.6	Net Cash (mm)	1.5

Valuation

Our target price is based on our risked Net Asset Value per Share (NAVPS). In arriving at our $2.25/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. With a globally experienced leadership team, CanCambria focuses on high-quality, de-risked projects with direct access to profitable markets. The Company holds a 100% working interest in the Kiskunhalas Tight Gas Sand Project in southern Hungary, a significant gas-condensate resource in the heart of Europe.

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.

Important Disclosures: See pages 5-6

CanCambria Energy's updated contingent resource evaluation increased to US$2.04 billion. The Company released an updated contingent resource evaluation with a revised before-tax NPV10 estimate of US$2.04 billion driven by a higher European natural gas price forecast. Pending contingent resources increased by 16% from $1.762 billion to $2.04 billion. CHPE, the independent qualified reserves evaluator, moved its forecasted European natural gas price from US$10/MMBtu to US$12/MMBtu and has modelled first gas production commencing in mid-2027. The NPV10 uplift is entirely price-driven. Volumes, well count, capital cost and the development schedule are all unchanged from the prior evaluation — the only material change is CHPE's gas price assumption.

Updated engineering estimate reflects stronger outlook for European natural gas. Heightened macro-geopolitical uncertainty, tightening supply-side fundamentals, and increasing concerns over European energy security have driven a stronger long-term outlook for European natural gas. We believe that a series of factors are likely to keep European natural gas prices elevated for longer as we discuss in our FOCUS report: European Natural Gas: Higher for Longer (Link).

The 6-month and 5-year average European gas prices exceed US$15.00/MMBtu. Current spot prices are ~US$18.50/MMBtu with CHPE's revised forecasted prices some 40% below the current spot price. Brent crude oil price assumptions remain consistent in the CHPE report at US$65.00 per barrel.

The 2C Development Pending best estimate contingent resource now consists of:

- 2C Contingent Resources "Development Pending" sub-class of 571.9 Bcf and 59.6 MMbbl (net risked recoverable) is unchanged (versus the interim September 30, 2025, evaluation).
- NPV increases by US$278 million to US$2.04 billion for 2C Development Pending sub-class, risked case.
- The engineering field development model has first production mid-2027 and full field development increasing in 2028 (to six wells per year) with an inventory of 112 wells.

The combined best estimate 2C contingent resources[1] (all classes) for the combined area under ownership net to the Company of 1.1 trillion cubic feet of natural gas and 116.6 million barrels of condensate.

We have raised our target price to $2.25 per share after a model review. The most significant change was to move our Brent forecast price to US$65 per barrel from US$60 per barrel in-line with the engineering estimate. Our European natural gas price forecast remains unchanged at US$10.00/MMBtu a 16.7% discount to the CHPE's revised first year forecast[2] which we believe is appropriate at this time given the early-stage developmental nature of the Company's resource base.

[1] The CHPE figures are resources rather than reserves, and CHPE's NPVs are before income tax and, per NI 51-101, do not represent fair market value.
[2] CHPE escalates its forecast at 2% per year beyond its initial year.

Exhibit 1: Updated NAV Summary

NAV Summary	*($000s)*
Discount Rate	10.0%
NAV (After tax, USD)	**$375,816**
USD/CAD	1.39
NAV (CAD)	$522,385
Deficit	(12,435)
Adjusted NAV (CAD)	**$509,950**
FD Shares Outstanding (000s)	166,206
NAV / Share (CAD)	**$3.07**
Target NAV Multiple	0.7x
Target Price (CAD)	***$2.15***
Target Price (rounded)	***$2.25***

Source: Granite Point Research

GRANITE POINT RESEARCH

Exhibit 2: Financial Summary

RATING & TARGET			
Rating	Buy	Current price (C$)	$0.30
Target price (rounded)	$2.25	Implied return	650%
NAV / share (C$)	$3.068	Target NAV multiple	0.7x
Basic shares O/S (mm)	130.4	Market cap (C$mm)	$39.1

FINANCIAL SUMMARY

C$	1Q/25	4Q/25	2025A	1Q/26	YoY Chg
Income Statement Highlights					
Operating expenses	**1,336,329**	**856,827**	**3,929,825**	**1,052,088**	**(21%)**
Consulting fees	258,658	236,407	856,852	250,844	
Professional fees	116,077	158,050	567,088	106,123	
Investor relations	92,626	247,715	1,050,333	231,806	
Stock-based compensation	269,171	79,805	1,017,516	385,925	
FX gain	5,140	61,123	190,249	(15,532)	
Interest income	-	83,312	83,577	32,983	
Net loss	**(1,331,189)**	**(712,392)**	**(3,655,999)**	**(1,034,650)**	**(22%)**
EPS (basic)	($0.01)	($0.01)	($0.03)	($0.01)	
Balance Sheet Highlights					
Cash	4,246,863	90,956	90,956	1,518,145	
Restricted cash	67,654	2,699,088	2,699,088	2,680,391	
E&E assets	2,199,853	5,672,488	5,672,488	6,132,285	179%
Total assets	**6,800,793**	**8,949,547**	**8,949,547**	**11,268,506**	**66%**
AP & accrued liabilities	224,108	495,019	495,019	335,044	
Total shareholders' equity	**6,576,685**	**8,454,528**	**8,454,528**	**10,933,463**	**66%**
Working capital	4,285,527	(97,161)	(97,161)	1,656,405	
Cash Flow Highlights					
Operating CF	(1,191,464)	2,168,920	(2,681,400)	(989,241)	
E&E expenditures (capitalized)	(193,006)	(2,716,677)	(3,525,036)	(426,456)	
Investing CF	(180,772)	(2,777,340)	(6,276,007)	(711,229)	
Financing CF (net of costs)	4,455,085	105,814	7,880,642	3,127,659	
Effect of FX on cash	(3,762)	9,281	-	-	
Net change in cash	**3,079,087**	**(493,325)**	**(1,076,765)**	**1,427,189**	

Source: Company Reports, Granite Point Research

Exhibit 3: Capital Structure Bridge – Q1/25 to Q1/26

CAPITAL STRUCTURE BRIDGE

C$	1Q/25	4Q/25	2025A	1Q/26	Chg
Share Counts (period end)					
Basic shares O/S	112,690,100	122,168,600	122,168,600	130,371,975	17,681,875
Fully diluted shares (treasury stock method)	115,457,095	124,935,595	124,935,595	133,138,970	17,681,875
Fully diluted shares (simple, all-in)	**128,731,610**	**148,851,163**	**148,851,163**	**165,650,223**	**36,918,613**
Total dilutive securities outstanding	16,041,510	26,682,563	26,682,563	35,278,248	19,236,738

Source: Company Reports, Granite Point Research

Important Disclosures

Analyst Certification

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.

Granite Point Research Ratings System

BUY: The stock is expected to generate returns of over 20%, over the next 24 months;
HOLD: The stock is expected to generate returns of 0-20% over the next 24 months;
SELL: The stock is expected to generate negative returns over the next 24 months;
NOT RATED (NR): Granite Point Research does not provide research coverage on the respective company;
R: Restricted – Dissemination of research is currently restricted.

About Granite Point Research

Granite Point Research focuses on equities currently being overlooked by the market and provides institutional quality issuer paid research on North American public equities. Our reports focus on detailed valuation analysis, understanding the performance metrics of each specific company, reputable management teams and unit economics. For more information on our company, please visit https://www.granitepointresearch.com

RATING	COVERED COMPANIES
BUY	4
HOLD	
SELL	

General Information

This report was created and distributed by Granite Point Research (GPR) and is based on information we believe to be reliable. Granite Point Research does not represent that this report is accurate or complete and it should not be relied upon as such. Additionally, any information contained in this report is subject to change without formal or type of notice provided. Investors should consider this report as one factor in their investment decision and this report is not intended to replace an investor's independent judgement.

GPR is not a CIRO registered dealer and does not offer investment banking services to its clients. GPR (and its employees) do not serve as officers, directors of companies discussed in this report and nor do GPR's employees own, trade or have a beneficial interest in the securities of the companies mentioned in this report. This report is not disseminated in connection with any distribution of securities and is not an offer to sell or buy any security in any jurisdiction where such an offer or solicitation would be illegal.

GPR does not make any warranties, expressed or implied, as to the results to be obtained from using this information and makes no express or implied warranties for a particular use. Anyone using this report assumes full responsibility for whatever results they may obtain. This report does not constitute a personal recommendation or take into account individual financial situations or individual needs and has not been prepared for any particular institution or individual. Recipients should consider whether any information in this report is suitable to their circumstances and should seek professional advice. Past performance is not a guide for future results, future returns are not guaranteed, and loss of original capital may occur. Neither GPR nor any person employed by GPR accepts any liability whatsoever for any direct or indirect loss resulting from any use of its research or the information it contains.

This report contains "forward looking" statements. Forward-looking statements regarding the stock's and/or company performance inherently involve risks and uncertainties that can cause actual results to differ from such forward-looking statements. Such statements involve a number of risks and uncertainties such as technological shifts, competition, market demand and the company's (and management's) ability to correctly forecast financial estimates; please see the company's MD&A "Risk Factors" section for a more detailed discussion of company specific risks for the company discussed in this report.

Granite Point Research is receiving cash compensation from CanCambria Energy Corp. for 12-months of research coverage. GPR retains full editorial control over its research content. GPR does not have investment banking relationships and does not expect to receive any investment banking driven income. GPR reports are primarily distributed electronically and, in some cases, printed form. Reprints of GPR reports are prohibited without permission. To receive future reports on covered companies please visit https://granitepointresearch.com/research or subscribe on our website.

This report has been prepared independently of any issuer of securities mentioned herein and not as an agent of any issuer of securities. No GPR personnel have authority whatsoever to make any representations or warranty on behalf of the Company. Any comments or statement made herein are those of GPR.

This report includes information on peer companies and other industry and market data. The information was obtained from publicly available and other third-party sources. GPR did not independently verify this information or the underlying assumptions. No representation or warranty is made as to the accuracy, completeness or reasonableness of such information. GPR disclaims any responsibility or liability whatsoever in respect of this information. Readers are cautioned to review this underlying information herein, as applicable.

The information contained in this report is intended to be viewed only in jurisdictions where it may be legally viewed and is not intended to be used by any person or entity in any jurisdiction where such use would be contrary to the local regulations or which would require any registration requirement within such jurisdiction.