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CAVVY RELEASES Q3 2025 FINANCIAL AND OPERATING RESULTS, EXECUTES FORWARD PRICE AGREEMENT FOR 2026 SULPHUR SALES, AND INCREASES 2025 GUIDANCE

Record Third Party Processing, Robust Hedging Gains Drive Strong Cash Flow and Net Debt Reduction

CALGARY, ALBERTA – November 6, 2025 – Cavvy Energy Ltd. (“Cavvy” or the “Company”) (TSX:CVVY) is pleased to announce the release of its third quarter 2025 financial and operating results. The Company produced 23,956 boe/d and generated Net Operating Income¹ (“NOI”) of \$30.6 million during the third quarter of 2025. Management’s discussion and analysis (“MD&A”) and unaudited interim condensed consolidated financial statements and notes for the quarter ended September 30, 2025 are available at www.cavvyenergy.com and on SEDAR+ at www.sedarplus.ca.

“Cavvy delivered another very strong quarter” stated Darcy Reding, President and CEO. “We generated over \$30 million of net operating income, supported by 14% growth in third party processing volumes compared to Q2, while hedging gains helped to offset a very challenging summer AECO market. We are also very pleased to announce the execution of a structured forward pricing agreement for our 2026 sulphur sales which provides downside revenue protection while preserving meaningful upside participation in the market if the current strong spot sulphur price persists into 2026.”

Q3 2025 HIGHLIGHTS

- Generated NOI of \$30.6 million (\$0.11 per basic and fully diluted share) and Funds Flow from Operations¹ of \$12.9 million (\$0.04 per basic and fully diluted share)
- Increased third-party raw gas processing volumes to 136.1 MMcf/d, a 69.6 MMcf/d (105%) increase compared to Q3 2024. This resulted in an increase of \$4.8 million (87%) in third-party processing and marketing revenue for the quarter compared to Q3 2024
- Reduced Net Debt¹ by \$3.2 million from Q2 2025 to \$163.7 million
- Reduced operating expenses by \$1.8 million (5%) to \$36.7 million compared to Q3 2024
- Produced 23,956 boe/d (80% natural gas), up 4% from Q3 2024
- Produced 1,120 mt/d of sulphur during Q3 2025, 85% of which was sold under the below-market contract that expires December 31, 2025

¹ Refer to the “non-GAAP measures” in the Company’s MD&A.

Select Quarterly Figures (\$ 000s unless otherwise noted)	2025			2024				2023
	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4
Production								
Natural gas (mcf/d)	115,467	126,198	105,338	111,787	115,196	157,077	175,356	174,211
Condensate (bbl/d)	2,258	2,507	2,454	2,149	2,191	2,472	2,781	2,384
NGLs (bbl/d)	2,454	2,524	2,574	1,788	1,726	2,210	2,613	1,921
Sulphur (mt/d)	1,120	1,128	1,076	968	1,444	1,376	1,491	1,284
Total production (boe/d) ⁽¹⁾	23,956	26,064	22,584	22,568	23,116	30,861	34,620	33,340
Third-party volumes processed (mcf/d) ⁽²⁾	136,134	119,761	81,777	71,497	66,518	53,763	58,423	67,350
Financial								
Natural gas price (\$/mcf)								
Realized before Risk Management Contracts ⁽³⁾	0.66	1.73	2.24	1.55	0.77	1.14	2.53	2.32
Realized after Risk Management Contracts ⁽³⁾	3.25	3.23	3.58	3.36	3.43	2.71	3.21	3.12
Benchmark natural gas price (AECO)	0.62	1.72	2.14	1.46	0.68	1.17	2.48	2.29
Condensate price (\$/bbl)								
Realized before Risk Management Contracts ⁽³⁾	82.65	84.60	95.15	94.87	92.13	99.96	91.18	97.15
Realized after Risk Management Contracts ⁽³⁾	83.66	85.88	88.29	90.61	84.61	87.75	84.49	86.34
Benchmark condensate price (C5 at Edmonton)	86.58	87.71	100.24	98.85	97.10	105.62	98.43	104.30
Sulphur price (\$/mt)								
Realized sulphur price ⁽⁴⁾	34.59	32.40	17.00	12.09	8.86	18.43	14.49	22.54
Benchmark sulphur price USD (Vancouver FOB)	264.38	269.45	171.65	129.23	94.18	75.43	70.38	86.88
Net income (loss)	(10,086)	4,147	2,666	(20,921)	7,496	(19,196)	(6,284)	7,414
Net income (loss) \$ per share, basic	(0.03)	0.01	0.01	(0.08)	0.04	(0.12)	(0.04)	0.06
Net income (loss) \$ per share, diluted	(0.03)	0.01	0.01	(0.08)	0.04	(0.12)	(0.04)	0.04
Net operating income ⁽⁵⁾	30,631	26,491	32,550	13,720	19,818	7,652	23,418	25,441
Cashflow provided by (used in) operating	4,466	1,599	22,612	(592)	2,260	(1,555)	7,049	31,983
Funds flow from operations ⁽⁵⁾	12,898	14,502	21,707	2,824	8,234	(4,874)	12,044	14,269
Total assets	536,274	553,216	571,470	612,423	615,040	585,940	590,531	638,541
Adjusted working capital deficit ⁽⁵⁾	(10,631)	(20,144)	(30,540)	(29,777)	(42,658)	(37,986)	(31,671)	(31,830)
Net debt ⁽⁵⁾	(163,697)	(166,878)	(185,438)	(197,564)	(206,779)	(219,204)	(209,964)	(204,046)
Capital expenditures ⁽⁶⁾	4,022	2,391	6,542	5,800	10,002	5,003	4,897	9,306

(1) Total production excludes sulphur

(2) Third-party volumes processed are raw natural gas volumes reported by activity month, which do not include accounting accruals

(3) Includes physical commodity and financial risk management contracts inclusive of cash flow hedges, (together "Risk Management Contracts"). The realized natural gas price after Risk Management Contracts shown above is normalized to exclude the impact of the hedge monetization

(4) Realized sulphur price is net of deductions such as transportation, marketing and storage fees

(5) Refer to the "Net Operating Income", "Capital Resources", "Funds Flow from Operations" and "Working Capital and Capital Strategy" sections of the Company's MD&A for reference to non-GAAP measures

(6) Excludes reclamation and abandonment activities

FORWARD SULPHUR PRICING AGREEMENT

The legacy sulphur offtake agreement expires on December 31, 2025. Under this contract, the Company receives a fixed price of approximately \$6/mt for the majority of its sulphur production. The expiration of this contract and resulting exposure to market prices represents a significant accretive revenue opportunity for Cavvy shareholders.

On November 6, 2025, a structured sulphur pricing agreement (the "Pricing Agreement") with a third-party sulphur buyer was mutually executed. Under the terms of this Pricing Agreement, Cavvy will receive the following prices for its sulphur sales for the 12-month period commencing on January 1, 2026:

- One-third of sulphur sales will receive a fixed price of US\$225/mt²
- One-third of sulphur sales will receive a price determined using a collar structure with a floor of US\$205/mt² and a cap of US\$250/mt²
- One-third of sulphur sales will receive spot FOB Vancouver market price²

² Less transportation and handling costs

The Pricing Agreement provides Cavvy with material downside cash flow protection in 2026 with minimum sulphur pricing much higher than the long-term historical market average, while preserving the Company's ability to meaningfully participate in the spot sulphur market. The Pricing Agreement applies to 100% of marketed sulphur but does not contain a minimum volume commitment. Cavvy currently produces and markets in excess of 1,100 mt/d of sulphur with full production capability of approximately 1,400 mt/d when currently shut-in sour gas properties are on production.

OUTLOOK

Management's near-term priority remains strengthening our balance sheet while safely and responsibly operating our assets. Delivering on this priority requires continued focus on attracting incremental third-party volumes, implementing cost reduction initiatives, optimizing infrastructure, and executing non-core asset dispositions to maintain profitability during all periods of the commodity cycle. Our long-term strategy requires continuous improvement in the business while identifying opportunities to generate growth for our shareholders.

With continued success in attracting third party volumes into our facilities, strong hedge gains, and meaningful progress reducing operating costs, management is increasing Cavvy's 2025 NOI and Operating Netback guidance. The Company's 2025 production and capital program are expected to remain within the previously disclosed guidance ranges. Improved NOI and netback guidance without increased capital investment, production or pricing illustrates Cavvy's strength and differentiated midstream business model relative to E&P peers.

The Company's revised 2025 guidance is as follows:

(\$ 000s unless otherwise noted)	Revised 2025 Guidance		Previous 2025 Guidance	
	Low	High	Low	High
Total production (boe/d) ⁽¹⁾	23,000	25,000	23,000	25,000
Net operating income ⁽²⁾⁽³⁾⁽⁴⁾	100,000	110,000	75,000	95,000
Operating netback (\$/boe) ⁽²⁾⁽³⁾⁽⁴⁾	11.50	12.50	9.00	11.00
Capital expenditures	25,000	30,000	25,000	30,000

(1) Production guidance assumes persistence of previously announced shut-ins in Central AB and periodic, price-dependent production of shut-in volumes in Northern AB and Northeast BC through 2025

(2) Refer to the "Net Operating Income" and "Operating Netback" sections of the Company's MD&A for reference to non-GAAP measures

(3) Assumes unhedged average 2025 AECO price of \$1.61/GJ and average 2025 WTI price of US\$65.55/bbl

(4) Includes the impact of hedge contracts in place at November 6, 2025

Specific priorities for 2025 are:

- Sustain a safe and regulatory compliant business
- Minimize facility outages to maximize sales and processing revenue
- Capture opportunities to grow our third-party gathering and processing business
- Meaningfully reduce operating expenses to improve corporate netback
- Deliver attractive ROI on value adding optimization projects included in the 2025 capital program
- Reduce long term debt to improve financial flexibility

Due to the current outlook for North American natural gas prices, Cavvy is not planning to resume development drilling in 2025, but is currently participating in a low working interest, non-operated gas well targeting the liquids rich Cretaceous in Central AB that spud in October. The Company will only develop its portfolio of high impact conventional Foothills drilling opportunities once natural gas prices sustainably recover and the Company has achieved its deleveraging target.

HEDGE POSITION

Cavvy hedges to mitigate commodity price, interest rate and foreign exchange volatility to protect the cash flow required to fund the Company's operations, capital requirements and debt service obligations, while maintaining exposure to commodity price upside. Cavvy continues to execute its risk management program governed by its hedge policy and in compliance with the thresholds required by senior lenders.

The Company has 110,000 GJ/d of its remaining 2025 natural gas production hedged at a weighted average fixed price of \$3.32/GJ, and 1,641 bbl/d of its remaining 2025 condensate production hedged with a weighted average floor price of \$84.67/bbl and a weighted average ceiling price of \$92.05/bbl. The Company's aggregate hedge position for the remainder of 2025 totals 19,017 boe/d, or approximately 80% of the production guidance range.

As of September 30, 2025, the Company is hedged in accordance with the requirements of its senior loan agreements. The discounted unrealized gain on the Company's hedge portfolio at November 6, 2025 was approximately \$22.5 million using the forward strip on November 5, 2025.

The tables below summarize the hedge portfolio as of November 6, 2025:

2025-2026 Hedge Portfolio ⁽¹⁾	Q425	2025	Q126	Q226	Q326	Q426	2026
AECO Natural Gas Sales							
Total Hedged (GJ/d)	110,000	110,000	78,500	71,854	68,340	65,025	70,886
Avg Hedge Price (C\$/GJ)	\$3.32	\$3.32	\$3.32	\$3.34	\$3.40	\$3.41	\$3.36
WTI / C5+ Sales							
Total Hedged (bbl/d)	1,641	1,641	1,622	1,529	1,364	1,350	1,465
Avg Collar Cap Price (C\$/bbl)	\$92.05	\$92.05	\$91.69	\$90.94	\$91.67	\$91.68	\$91.48
Avg Collar Floor Price (C\$/bbl)	\$84.67	\$84.67	\$84.09	\$83.83	\$85.64	\$85.70	\$84.82
Power Purchases							
Total Hedged (MW)	55	55	50	50	50	50	50
Avg Hedge Price (C\$/MWh)	\$79.08	\$79.08	\$73.72	\$73.72	\$73.72	\$73.72	\$73.72

2027-2028 Hedge Portfolio ⁽¹⁾	Q127	Q227	Q327	Q427	2027	Q128	Q228	Q328	Q428	2028
AECO Natural Gas Sales										
Total Hedged (GJ/d)	63,340	28,154	-	-	22,637	-	-	-	-	-
Avg Hedge Price (C\$/GJ)	\$3.41	\$3.40	-	-	\$3.41	-	-	-	-	-
WTI / C5+ Sales										
Total Hedged (bbl/d)	1,171	1,151	1,125	1,125	1,143	785	750	-	-	382
Avg Collar Cap Price (C\$/bbl)	\$91.40	\$88.80	\$90.05	\$90.05	\$90.08	\$90.40	\$86.50	-	-	\$88.50
Avg Collar Floor Price (C\$/bbl)	\$84.37	\$84.08	\$90.05	\$90.05	\$87.14	\$90.40	\$86.50	-	-	\$88.50
Power Purchases										
Total Hedged (MW)	25	25	25	25	25	-	-	-	-	-
Avg Hedge Price (C\$/MWh)	\$70.19	\$70.19	\$70.19	\$70.19	\$70.19	-	-	-	-	-

(1) Includes forward physical sales contracts and financial derivative contracts as of November 6, 2025

CONFERENCE CALL DETAILS

A conference call and webcast to discuss the results will be held on Friday, November 7, 2025, at 8:30 a.m. MDT / 10:30 a.m. EDT. To participate in the webcast or conference call, you are asked to register using one of the links provided below.

To register to participate via webcast please follow this link:

<https://edge.media-server.com/mmc/p/rzdyekjc/>

Alternatively, to register to participate by telephone please follow this link:

<https://register-conf.media-server.com/register/Blca286e95b11e4fa7aa39971e39b70b74>

A replay of the webcast will be available two hours after the conclusion of the event and may be accessed using the webcast link above.

ABOUT CAVVY ENERGY

Cavvy Energy is a Canadian energy company headquartered in Calgary, Alberta. The Company is a significant upstream producer and midstream custom processor of natural gas, NGLs, condensate, and sulphur from Western Canada. Cavvy's vision is to provide responsible, affordable natural gas and derived products to meet society's energy security needs.

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Forward-Looking Statements

Certain of the statements contained herein including, without limitation, management plans and assessments of future plans and operations, Cavvy's outlook, strategy and vision, intentions with respect to future acquisitions, dispositions and other opportunities, including exploration and development activities, Cavvy's ability to market its assets, plans and timing for development of undeveloped and probable resources, Cavvy's goals with respect to the environment, relations with Indigenous people and promoting equity, diversity and inclusion, estimated abandonment and reclamation costs, plans regarding hedging, plans regarding the payment of dividends, wells to be drilled, the weighting of commodity expenses, expected production and performance of oil and natural gas properties, results and timing of projects, access to adequate pipeline capacity and third-party infrastructure, growth expectations, supply and demand for oil, natural gas liquids and natural gas, industry conditions, government regulations and regimes, capital expenditures and the nature of capital expenditures and the timing and method of financing thereof, may constitute "forward-looking statements" or "forward-looking information" within the meaning of applicable securities laws (collectively "**forward-looking statements**"). Words such as "may", "will", "should", "could", "anticipate", "believe", "expect", "intend", "plan", "continue", "focus", "endeavor", "commit", "shall", "propose", "might", "project", "predict", "vision", "opportunity", "strategy", "objective", "potential", "forecast", "estimate", "goal", "target", "growth", "future", and similar expressions may be used to identify these forward-looking statements. These statements reflect management's current beliefs and are based on information currently available to management.

Forward-looking statements involve significant risk and uncertainties. A number of factors could cause actual results to differ materially from the results discussed in the forward-looking statements including, but not limited to, the risks associated with oil and gas exploration, development, exploitation, production, processing, marketing and transportation, loss of markets, volatility of commodity prices, currency fluctuations, imprecision of resources estimates, environmental risks, competition from other producers, incorrect assessment of the value of acquisitions, failure to realize the anticipated benefits of acquisitions, delays resulting from or inability to obtain required regulatory approvals, ability to access sufficient capital from internal and external sources and the risk factors outlined under "Risk Factors" and elsewhere herein. The recovery and resources estimate of Cavvy's reserves provided herein are estimates only and there is no guarantee that the estimated resources will be recovered. As a consequence, actual results may differ materially from those anticipated in the forward-looking statements.

Forward-looking statements are based on a number of factors and assumptions which have been used to develop such forward-looking statements, but which may prove to be incorrect. Although Cavvy believes that the expectations reflected in such forward-looking statements are reasonable, undue reliance should not be placed on forward-looking statements because Cavvy can give no assurance that such expectations will prove to be correct. In addition to other factors and assumptions which may be identified in this document, assumptions have been made regarding, among other things: the impact of increasing competition; the general stability of the economic and political environment in which Cavvy operates; the timely receipt of any required regulatory approvals; the ability of Cavvy to obtain and retain qualified staff, equipment and services in a timely and cost efficient manner; the ability of the operator of the projects which Cavvy has an interest in to operate the field in a safe, efficient and effective manner; the ability of Cavvy to obtain financing on acceptable terms; the ability to replace and expand oil and natural gas resources through acquisition, development and exploration; the timing and costs of pipeline, storage and facility construction and expansion and the ability of Cavvy to secure adequate product transportation; future oil and natural gas prices; currency, exchange and interest rates; the regulatory framework regarding royalties, taxes and environmental matters in the jurisdictions in which Cavvy operates; timing and amount of capital expenditures; future sources of funding; production levels; weather conditions; success of exploration and development activities; access to gathering, processing and pipeline systems; advancing technologies; and the ability of Cavvy to successfully market its oil and natural gas products.

Readers are cautioned that the foregoing list of factors is not exhaustive. Additional information on these and other factors that could affect Cavvy's operations and financial results are included in reports on file with Canadian securities regulatory authorities and may be accessed through the SEDAR+ website (www.sedarplus.ca), and at Cavvy's website (www.Cavvyenergy.com).

Although the forward-looking statements contained herein are based upon what management believes to be reasonable assumptions, management cannot assure that actual results will be consistent with these forward-looking statements. Investors should not place undue reliance on forward-looking statements. These forward-looking statements are made as of the date hereof and Cavvy assumes no obligation to update or review them to reflect new events or circumstances except as required by applicable securities laws.

Forward-looking statements contained herein concerning the oil and gas industry and Cavvy's general expectations concerning this industry are based on estimates prepared by management using data from publicly available industry sources as well as from reserve reports, market research and industry analysis and on assumptions based on data and knowledge of this industry which Cavvy believes to be reasonable. However, this data is inherently imprecise, although generally indicative of relative market positions, market shares and performance characteristics. While Cavvy is not aware of any misstatements regarding any industry data presented herein, the industry involves risks and uncertainties and is subject to change based on various factors.

Additional Reader Advisories

Barrels of oil equivalent (“boe”) may be misleading, particularly if used in isolation. A boe conversion ratio of 6 Mcf: 1 boe is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead.

Abbreviations

Natural Gas

Mcf	Thousand cubic feet
Mcf/d	Thousand cubic feet per day
MMcf/d	Million cubic feet per day
AECO	Alberta benchmark price for natural gas
GJ	Gigajoule

Power

MW	Megawatt
MWh	Megawatt hour

Sulphur

mt	Metric tonne
mt/d	Metric tonne per day
FOB	Free on board

Liquids

bbl/d	Barrels per day
boe/d	Barrels of oil equivalent per day
WTI	West Texas Intermediate
Mbbl	Thousand barrels
MMbbl	Million barrels
MMboe	Million barrels of oil equivalent
C2	Ethane
C3	Propane
C4	Butane
C5/C5+	Condensate / Pentane

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