Press Release

Not For Distribution to United States News Wire Services or Dissemination in United States

CAVVY ENERGY RELEASES Q3 2026 FINANCIAL AND OPERATING RESULTS

Resilient Cash Flow and Strong Netback During a Capital-Intensive Quarter

CALGARY, ALBERTA – November 5, 2026 – Cavvy Energy Ltd. ("Cavvy" or the "Company") (TSX:CVVY) is pleased to announce its third quarter 2026 financial and operating results. The Company produced 17,482 boe/d of hydrocarbons, 753 mt/d of sulphur, and generated Net Operating Income[1] ("NOI") of $38.4 million in the third quarter. Management's discussion and analysis ("MD&A") and unaudited interim condensed consolidated financial statements and notes for the quarter ended September 30, 2026 are available at www.cavvyenergy.com and on SEDAR+ at www.sedarplus.ca.

Q3 2026 HIGHLIGHTS

- Successfully completed the scheduled Caroline gas plant turnaround over 52 days from mid-July through to early September, with an increased scope including additional maintenance items identified during the project.
- Invested $35.4 million in capital expenditures during the quarter, highlighted by:
  - $19.7 million in facility turnaround projects, primarily at the Caroline gas plant.
  - $8.6 million in workover, well and facility optimization and other debottlenecking projects.
  - $3.9 million in facility maintenance, including for a sulphur vessel repair at the Waterton gas plant.
  - $3.2 million in investments primarily targeting information technology and control systems infrastructure.
- Generated NOI of $38.4 million ($0.12 per basic and fully diluted share) and Operating Netback[1] of $23.86/boe, up 25% and 72% respectively from Q3 2025.
- Generated Funds Flow from Operations[1] of $29.5 million ($0.10 per basic and $0.09 per fully diluted share), up 129% from Q3 2025.
- Produced 17,482 boe/d (81% natural gas) and 753 mt/d of sulphur during the quarter, down 27% and 33% respectively from Q3 2025 due to the scheduled Caroline gas plant turnaround and an unscheduled 33 day Waterton gas plant outage to repair a low-pressure process vessel critical to sulphur recovery efficiency.
- Repaid $2.5 million of senior debt during the quarter, reducing outstanding principal to $84.2 million, helping reduce finance expense to $4.7 million during the quarter, 32% lower than Q3 2025.
- Entered into a 12-month physical forward sales agreement, fixing the price on 200,000 mt of 2027 sulphur sales at US$525/mt, prior to transportation and handling deductions.

"Our diversified cash flow profile provided cash flow resiliency during an extremely active third quarter, with significant capital investments in both maintenance and optimization projects, headlined by the major maintenance turnaround at our Caroline gas plant. Q3 was our most capital-intensive quarter of the year, and I'd

[1] *Refer to the "non-GAAP measures" in the Company's MD&A.*

like to thank Cavvy's employees, contractors, and service providers for safely completing these operations," stated Darcy Reding, President and CEO.

"With record sulphur prices continuing through the quarter, Cavvy realized a strong operating netback of $23.86, 72% higher than Q3 2025, generating funds flow of $29.5 million despite production impacts from our gas plant outages. We anticipate normalized operations into Q4 and the new year now that all major work for the year has been successfully completed."

Selected Q3 2026 Financial and Operating Highlights

($ 000s unless otherwise noted)	2026 Q3	2026 Q2	2026 Q1	2025 Q4	2025 Q3	2025 Q2	2025 Q1	2024 Q4
Production								
Natural gas (mcf/d)	**85,066**	102,711	118,284	111,834	115,467	126,198	105,338	111,787
Condensate (bbl/d)	**1,485**	1,937	2,302	2,065	2,258	2,507	2,454	2,149
NGLs (bbl/d)	**1,819**	2,442	2,639	2,299	2,454	2,524	2,574	1,788
Sulphur (mt/d)	**753**	984	1,089	989	1,120	1,128	1,076	968
Total production (boe/d) [1]	**17,482**	21,497	24,655	23,003	23,956	26,064	22,584	22,568
Third-party volumes processed (mcf/d) [2]	**116,244**	151,734	156,825	136,579	138,544	119,761	90,926	74,650
Financial								
Natural gas price ($/mcf)								
Realized before hedging	**1.55**	1.52	1.99	2.41	0.66	1.73	2.24	1.55
Realized after hedging [3]	**3.16**	2.81	2.93	3.60	3.25	3.23	3.58	3.36
Benchmark (AECO)	**1.56**	1.60	2.01	2.25	0.62	1.72	2.14	1.46
Condensate price ($/bbl)								
Realized before hedging	**113.18**	129.71	92.04	76.62	82.65	84.60	95.15	94.87
Realized after hedging [3]	**83.12**	102.86	85.17	79.75	83.66	85.88	88.29	90.61
Benchmark (C5 at Edmonton)	**115.37**	132.05	97.94	79.61	86.58	87.71	100.24	98.85
Sulphur price ($/mt)								
Realized before hedging [4]	**1,437.81**	932.46	615.87	304.85	196.11	168.45	111.46	49.00
Realized after hedging [4]	**667.45**	478.16	360.35	43.22	34.59	32.40	17.00	12.09
Benchmark USD (Vancouver FOB)	**1,070.49**	963.43	508.40	414.47	268.42	271.75	184.42	135.78
Net income (loss)	**8,667**	16,150	3,538	(1,598)	(10,086)	4,147	2,666	(20,921)
Net income (loss) $ per share, basic and diluted	**0.03**	0.05	0.01	(0.01)	(0.03)	0.01	0.01	(0.08)
Net operating income [5]	**38,382**	49,647	41,876	20,785	30,631	26,491	32,550	13,720
Cashflow provided by (used in) operating activities	**(5,953)**	72,194	45,412	7,776	4,466	1,599	22,612	(592)
Funds flow from operations [5]	**29,501**	41,867	32,168	13,518	12,898	14,502	21,707	3,341
Operating netback ($/boe) [5]	**23.86**	25.38	18.87	9.82	13.90	11.17	16.02	6.61
Total assets	**531,429**	560,421	537,868	539,136	536,274	553,216	571,470	612,423
Adjusted working capital deficit [5]	**(66,212)**	(46,289)	(39,490)	(19,769)	(10,631)	(20,144)	(30,540)	(29,777)
Net debt [5]	**(146,284)**	(127,626)	(156,613)	(170,617)	(163,697)	(166,878)	(185,438)	(197,564)
Capital expenditures [6]	**35,433**	3,787	6,302	10,404	4,022	2,391	6,538	5,800

(1) Total production excludes sulphur.

(2) Third-party volumes processed are raw inlet natural gas volumes reported by activity month.

(3) After hedging positions may include any combination of physical and financial hedges used for pricing and risk management purposes. Refer to the "Risk Management" section of the Company's MD&A for the composition of hedges. The realized natural gas price after hedges in the first quarter of 2025 is normalized to exclude the impact of a hedge monetization.

(4) Realized price of sulphur is based on Vancouver FOB benchmark price, subject to a one-month pricing lag, hedge adjusted and net of customary deductions such as transportation, handling, marketing, and storage fees.

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

(6) Excludes reclamation and abandonment activities.

OUTLOOK

The Company's 2026 guidance remains unchanged from Q2, 2026 and is as follows:

($ 000s unless otherwise noted)	2026 Guidance Low	2026 Guidance High
Production (boe/d) [1]	22,000	23,500
Sulphur production (mt/d)	1,000	1,100
Net operating income [2][3][4]	170,000	180,000
Capital expenditures [5]	52,000	57,000
Total debt (at YE 2026) [6]	75,000	85,000

(1) Production guidance assumes persistence of previously announced shut-ins in Northern AB, while production in Northeast BC is assumed to be on production through periods with supporting AECO pricing in 2026.
(2) Refer to the "Net Operating Income" section of the Company's MD&A for reference to non-GAAP measures.
(3) Assumes unhedged average 2026 AECO price of $1.80/GJ, average unhedged 2026 WTI price of US$79.54/bbl and average unhedged 2026 Vancouver FOB Sulphur price of US$743/mt.
(4) Includes the impact of hedge contracts and the 2026 structured Sulphur Pricing Agreement.
(5) Excludes asset retirement and decommissioning expenditures.
(6) Assumes CAD/USD exchange rate of 0.7174.

In Q3 Cavvy experienced unusually high downtime due to outages at our Caroline and Waterton gas plants. The Waterton outage was not scheduled but was required to maintain sulphur recovery at the gas plant. During the quarter, Cavvy invested $35.4 million primarily focused on scheduled and general maintenance and optimization to extend the life and reliability of these facilities. All scheduled outages are now completed for the year, and all three major facilities are online. Management expects normal, sustained run-times throughout Q4 and into 2027.

Production in Northeast BC, contributing approximately 800 boe/d, was restarted in October and is expected to remain on production for the remainder of the year.

Cavvy has commenced a process to refinance its remaining debt, which stands at $84 million in principal outstanding as of September 30, 2026. This debt matures in March and September 2027. Cavvy expects to have the flexibility to fully repay the balance of the loans as they mature, or alternatively, refinance with new credit facilities, which we anticipate could provide lower cost of capital and improved terms. Optimizing leverage and maximizing financial flexibility remains a top management priority heading into 2027.

The Middle East conflict has persisted since early 2026 and is a driving factor for higher liquids and record sulphur pricing seen through most of the year. Of particular interest, Vancouver FOB spot market sulphur prices are currently US$775/mt. While Cavvy believes there is support for strong long-term sulphur pricing due to robust demand and structural changes to global supply, Cavvy's diversified revenue streams and hedging program will continue to provide cash flow stability during changing market conditions.

HEDGE POSITION

The Company has 65,025 GJ/d of its remaining 2026 natural gas production hedged at a weighted average fixed price of $3.41/GJ, and 1,600 bbl/d of its remaining 2026 condensate production hedged with a weighted average floor price of $85.77/bbl and a weighted average ceiling price of $90.80/bbl. The Company's aggregate hydrocarbon hedge position for the remainder of 2026 totals 10,272 boe/d. One-third of the Company's remaining 2026 sulphur sales will be sold at a fixed price of US$225/mt, one-third collared with a floor price of US$205/mt and ceiling price of US$250/mt, and the remaining one-third sold at Vancouver FOB spot price, consistent with the terms of the existing one-year sulphur sales agreement which expires at the end of 2026.

On July 31, 2026, Cavvy entered into a one-year fixed-price sulphur forward sales agreement for 2027. The agreement fixes 200,000 mt of sulphur sales (~50% of estimated 2027 production) at a price of US$525/mt[2] beginning on January 1, 2027, with the balance receiving spot Vancouver FOB[2] market price.

Cavvy may hedge to mitigate commodity price and/or 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.

As of September 30, 2026, the Company is hedged in accordance with the requirements of its senior loan agreements. The discounted unrealized loss on the Company's hydrocarbon hedge portfolio is approximately $0.6 million using the forward strip of November 4, 2026.

The tables below summarize the hedge portfolio as of November 5, 2026:

2026-2027 Hedge Portfolio (1)	Q426	2026	Q127	Q227	Q327	Q427	2027
AECO Natural Gas Sales							
Total Hedged (GJ/d)	65,025	71,140	63,340	28,154	-	-	22,637
Avg Hedge Price (C$/GJ)	$3.41	$3.36	$3.41	$3.40	-	-	$3.41
WTI / C5+ Sales							
Total Hedged (bbl/d)	1,600	1,528	1,821	1,551	1,525	1,525	1,605
Avg Collar Cap Price (C$/bbl)	$90.80	$91.26	$90.64	$89.43	$90.37	$90.37	$90.22
Avg Collar Floor Price (C$/bbl)	$85.77	$84.81	$86.12	$85.93	$90.37	$90.37	$88.09
Sulphur Sales							
1/3 Sales Avg Fixed Price (US$/mt)	$225	$225	-	-	-	-	-
1/3 Sales Avg Collar Cap Price (US$/mt)	$250	$250	-	-	-	-	-
Avg Collar Floor Price (US$/mt)	$205	$205	-	-	-	-	-
Total Hedged (mt/d)			548	548	548	548	548
Avg Hedge Price (US$/mt)			$525	$525	$525	$525	$525
Power Purchases							
Total Hedged (MW)	55	55	45	45	45	45	45
Avg Hedge Price (C$/MWh)	$71.80	$71.80	$63.33	$63.33	$63.33	$63.33	$63.33

2028 Hedge Portfolio (1)	Q128	Q228	Q328	Q428	2028	Q129	Q229	Q329	Q429	2029
WTI / C5+ Sales										
Total Hedged (bbl/d)	1,385	1,350	850	850	1,107	850	850	850	850	850
Avg Collar Cap Price (C$/bbl)	$88.57	$86.35	$88.38	$88.38	$87.82	$86.59	$86.59	$86.59	$86.59	$86.59
Avg Collar Floor Price (C$/bbl)	$88.57	$86.35	$88.38	$88.38	$87.82	$86.59	$86.59	$86.59	$86.59	$86.59
Power Purchases										
Total Hedged (MW)	15	15	15	15	15	-	-	-	-	-
Avg Hedge Price (C$/MWh)	$60.60	$60.60	$60.60	$60.60	$60.60	-	-	-	-	-

(1) Includes forward physical sales contracts and financial derivative contracts as of November 5, 2026.

[2] *Less customary transportation and handling deductions.*

CONFERENCE CALL DETAILS

A conference call and webcast to discuss Q3 results will be held on Friday, November 6, 2026, at 8:30 a.m. Alberta Time / 9:30 a.m. EST. To participate in the webcast or conference call, you are asked to register using the link provided below.

To register to participate via webcast please follow this link:

https://edge.media-server.com/mmc/p/cfxkitgp

Alternatively, to register to participate by telephone please dial-in to one of the following numbers before the start of the call with conference ID "*4467832*" or "*Cavvy Energy Q3 2026 Financial Results Conference Call*":

Toll-Free (800) 715-9871

International Toll +1 (646) 307-1963

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 an integrated Canadian upstream and midstream energy company headquartered in Calgary, Alberta. Cavvy's objective is to create long term shareholder value through development, production, processing, and marketing of natural gas, natural gas liquids, and sulphur while providing superior service to the Company's third-party customers through our strategic, company-owned gathering and processing infrastructure located in western Canada.

For further information, visit www.cavvyenergy.com, or please contact:

Darcy Reding, President & Chief Executive Officer
Telephone: (403) 261-5900

Adam Gray, Chief Financial Officer
Telephone: (403) 261-5900

Investor Relations
investors@cavvyenergy.com

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

Neither the TSX nor its Regulation Services Provider (as that term is defined in policies of the TSX) accepts responsibility for the adequacy or accuracy of this release