Condensed Interim Consolidated Financial Statements (unaudited)

Q3 2026

ATHABASCA OIL CORPORATION

FOCUSED | EXECUTING | DELIVERING

CONSOLIDATED BALANCE SHEETS
(unaudited)

As at ($ Thousands)	September 30, 2026	December 31, 2025
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	$ 305,007	$ 316,366
Accounts receivable	196,784	125,269
Income tax receivable (Note 18)	—	913
Prepaid expenses and deposits (Note 3)	13,615	9,360
Inventory (Note 4)	55,894	43,885
Risk management contracts (Note 7)	159	2,720
	571,459	498,513
Prepaid expenses and deposits (Note 3)	29,467	31,139
Property, plant and equipment (Note 5)	1,960,050	1,778,034
Exploration and evaluation assets (Note 6)	39,575	9,003
Deferred income tax (Note 18)	180,587	234,050
	$ 2,781,138	$ 2,550,739
LIABILITIES AND SHAREHOLDERS' EQUITY		
CURRENT LIABILITIES		
Accounts payable and accrued liabilities	$ 202,050	$ 184,901
Income tax payable (Note 18)	1,443	—
Risk management contracts (Note 7)	44,093	4,499
Warrant liability (Note 9)	9,273	40,632
Provisions and other liabilities (Note 10)	69,412	50,234
	326,271	280,266
Long-term debt (Note 8)	213,379	197,832
Provisions and other liabilities (Note 10)	139,984	132,747
Deferred income tax (Note 18)	52,024	46,587
	731,658	657,432
SHAREHOLDERS' EQUITY		
Common shares (Note 11)	1,702,553	1,742,942
Contributed surplus	142,947	139,819
Non-controlling interest	122,540	119,372
Retained earnings (accumulated deficit)	81,440	(108,826)
	2,049,480	1,893,307
	$ 2,781,138	$ 2,550,739

Commitments (Note 20).
Subsequent event (Note 22).

See accompanying notes to the consolidated financial statements.

CONSOLIDATED STATEMENTS OF INCOME (LOSS) AND COMPREHENSIVE INCOME (LOSS)
(unaudited)

($ Thousands, except per share amounts)	Three months ended September 30, 2026	2025	Nine months ended September 30, 2026	2025
REVENUE				
Petroleum, natural gas and midstream sales (Note 15)	$ 461,045	$ 333,397	$ 1,199,934	$ 1,061,311
Interest income	2,373	3,265	7,862	9,695
Royalties	(41,847)	(11,863)	(99,511)	(41,811)
	421,571	324,799	1,108,285	1,029,195
Unrealized gain (loss) on commodity risk mgmt contracts (Note 7)	(16,023)	3,471	(42,155)	1,925
Realized gain (loss) on commodity risk mgmt contracts (Note 7)	(44,654)	(7,185)	(57,397)	(8,434)
	360,894	321,085	1,008,733	1,022,686
EXPENSES				
Cost of diluent	132,211	110,026	370,296	388,457
Operating expenses	44,985	37,317	129,987	124,798
Transportation and marketing	25,278	22,913	71,919	68,785
General and administrative	5,826	5,722	17,395	17,194
Stock-based compensation (Note 12)	5,466	10,611	41,586	23,250
Financing and interest (Note 16)	7,906	7,065	22,513	21,094
Depletion and depreciation (Note 5)	35,574	32,874	101,976	95,316
Exploration expenses	1,582	1,406	1,852	1,953
Total expenses	258,828	227,934	757,524	740,847
Revenue less expenses	102,066	93,151	251,209	281,839
OTHER INCOME (EXPENSES)				
Foreign exchange gain (loss), net (Note 19)	929	7,470	13,217	(10,639)
Gain (loss) on revaluation of provisions and other (Note 17)	(162)	(6,735)	(8,818)	(8,671)
Gain (loss) on sale of assets	—	150	—	486
Income (loss) before income tax	102,833	94,036	255,608	263,015
Income tax expense (recovery) (Note 18)	24,239	23,930	62,174	63,538
Net income (loss) and comprehensive income (loss)	$ 78,594	$ 70,106	$ 193,434	$ 199,477
Net income (loss) and comprehensive income (loss) attributable to:				
Shareholders of the Parent Company	$ 77,809	$ 69,640	$ 190,266	$ 198,514
Non-controlling interest	785	466	3,168	963
	$ 78,594	$ 70,106	$ 193,434	$ 199,477
BASIC NET INCOME (LOSS) AND COMPREHENSIVE INCOME (LOSS) PER SHARE[(1)] (Note 13)	$ 0.16	$ 0.14	$ 0.39	$ 0.39
DILUTED NET INCOME (LOSS) AND COMPREHENSIVE INCOME (LOSS) PER SHARE[(1)] (Note 13)	$ 0.16	$ 0.14	$ 0.39	$ 0.39

(1) Based on net income (loss) and comprehensive income (loss) attributable to shareholders of the Parent Company.

See accompanying notes to the consolidated financial statements.

CONSOLIDATED STATEMENTS OF CASH FLOWS
(unaudited)

($ Thousands)	Three months ended September 30, 2026	2025	Nine months ended September 30, 2026	2025
OPERATING ACTIVITIES				
Net income (loss)	$ 78,594	$ 70,106	$ 193,434	$ 199,477
Items not affecting cash:				
Non-cash transportation and marketing	557	557	1,672	1,672
Net non-cash stock-based compensation (Note 12)	1,447	1,476	4,334	4,384
Net non-cash financing and interest (Note 16)	2,462	2,379	7,261	7,011
Depletion and depreciation (Note 5)	35,574	32,874	101,976	95,316
Unrealized non-cash foreign exchange (gain) loss (Note 19)	(193)	(5,525)	(10,822)	8,541
Unrealized (gain) loss on risk management contracts (Note 7)	16,023	(3,471)	42,155	(1,925)
Non-cash (gain) loss on revaluation of provisions & other (Note 17)	162	6,735	8,818	8,671
(Gain) loss on sale of assets	—	(150)	—	(486)
Deferred income tax (recovery) expense (Note 18)	26,362	24,216	63,210	63,802
Settlement of provisions (Note 10)	(24)	(119)	(2,299)	(853)
Changes in non-cash working capital and other liabilities (Note 21)	(46,393)	28,336	(59,197)	(3,411)
	114,571	157,414	350,542	382,199
FINANCING ACTIVITIES				
Repurchased shares for cancellation (Note 11)	(30,600)	(65,171)	(88,978)	(174,096)
Increase (decrease) in long-term debt (Note 8)	7,584	1,666	14,919	1,666
Payments of lease liabilities	(139)	—	(362)	(169)
Proceeds from exercised equity incentives	—	—	—	411
Changes in non-cash working capital and other liabilities (Note 21)	598	2,380	(3,863)	(1,640)
	(22,557)	(61,125)	(78,284)	(173,828)
INVESTING ACTIVITIES				
Capital expenditures (Notes 5 & 6)	(111,683)	(96,190)	(309,751)	(232,589)
Proceeds from sale of assets	—	150	—	486
Changes in non-cash working capital and other liabilities (Note 21)	33,758	25,416	17,410	21,803
	(77,925)	(70,624)	(292,341)	(210,300)
Effect of exchange rate changes on cash and cash equivalents held in foreign currency	(808)	4,837	8,724	(8,357)
CHANGE IN CASH AND CASH EQUIVALENTS	13,281	30,502	(11,359)	(10,286)
CASH AND CASH EQUIVALENTS, BEGINNING OF PERIOD	291,726	304,048	316,366	344,836
CASH AND CASH EQUIVALENTS, END OF PERIOD	$ 305,007	$ 334,550	$ 305,007	$ 334,550

See accompanying notes to the consolidated financial statements.

CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
(unaudited)

($ Thousands)	Nine months ended September 30, 2026	2025
COMMON SHARES (Note 11)		
Balance, beginning of period	$ 1,742,942	$ 1,964,420
Exercise of warrants (Note 9)	40,177	—
Exercise of stock options and RSUs (Note 12)	8,412	8,750
Repurchased shares for cancellation (Note 11)	(88,978)	(174,096)
Balance, end of period	1,702,553	1,799,074
CONTRIBUTED SURPLUS		
Balance, beginning of period	139,819	136,580
Stock-based compensation (Note 12)	11,540	8,621
Exercise of stock options and RSUs (Note 12)	(8,412)	(8,339)
Balance, end of period	142,947	136,862
NON-CONTROLLING INTEREST		
Balance, beginning of period	119,372	116,668
Net income (loss) and comprehensive income (loss)	3,168	963
Balance, end of period	122,540	117,631
RETAINED EARNINGS (ACCUMULATED DEFICIT)		
Balance, beginning of period	(108,826)	(353,936)
Net income (loss) and comprehensive income (loss)	190,266	198,514
Balance, end of period	81,440	(155,422)
TOTAL SHAREHOLDERS' EQUITY	$ 2,049,480	$ 1,898,145

See accompanying notes to the consolidated financial statements.

1. NATURE OF BUSINESS

Athabasca Oil Corporation (“Athabasca”, the “Company” or the "Parent Company") is an exploration and production company developing Thermal Oil and Light Oil resource plays in the Western Canadian Sedimentary Basin in Alberta, Canada. Development of the Light Oil resource play is through Athabasca's 70% equity interest in Duvernay Energy Corporation ("Duvernay Energy"). Athabasca was incorporated on August 23, 2006, under the laws governing the Province of Alberta. The domicile of the Company is 1200, 215 - 9th Avenue SW, Calgary, Alberta. The Company is publicly traded on the Toronto Stock Exchange (“TSX”) under the symbol “ATH”. The unaudited condensed interim consolidated financial statements (“Consolidated Financial Statements”) were authorized for issue by the Board of Directors on October 28, 2026.

2. BASIS OF PRESENTATION AND ACCOUNTING PRONOUCEMENTS

These Consolidated Financial Statements have been prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board (“IFRS Accounting Standards”) using International Accounting Standard (“IAS”) 34: Interim Financial Reporting. These Consolidated Financial Statements have been prepared on a historical cost basis, except for financial instruments which are measured at their estimated fair value. They do not contain all disclosures required by IFRS Accounting Standards for annual financial statements and, accordingly, should be read in conjunction with the audited consolidated financial statements and notes thereto for the year ended December 31, 2025. The Consolidated Financial Statements have been prepared using the same accounting policies and methods as the audited consolidated financial statements for the year ended December 31, 2025. With Duvernay Energy operating as a subsidiary under Athabasca's control it is consolidated within the Consolidated Financial Statements. Intercompany transactions and balances are eliminated upon consolidation.

Future Accounting Pronouncements

The following accounting standard had been issued but was not yet effective as at the date the Company’s Consolidated Financial Statements were authorized for issuance. The Company intends to adopt the standard when it becomes effective.

IFRS 18, Presentation and Disclosure in Financial Statements

IFRS 18, issued in April 2024, will replace IAS 1, Presentation of Financial Statements. IFRS 18 introduces new presentation and disclosure requirements, including the classification of income and expenses into operating, investing, financing, income taxes and discontinued operations categories, as well as new required subtotals in the statement of profit or loss. The standard also introduces changes to the statement of cash flows, including the requirement to use operating profit or loss as the starting point for reporting cash flows from operating activities under the indirect method. In addition, IFRS 18 introduces enhanced requirements for the aggregation and disaggregation of financial information and disclosures relating to certain management-defined performance measures used in public communications.

The Company will adopt IFRS 18 effective January 1, 2027, with retrospective application to comparative information presented for 2026. The Company has commenced its assessment of the standard, including the expected impacts on the presentation of its financial statements and related disclosures. IFRS 18 is not expected to affect the recognition or measurement of the Company's assets, liabilities, income or expenses.

3. PREPAID EXPENSES AND DEPOSITS

As at	September 30, 2026	December 31, 2025
Hangingstone transportation prepayment	$ 31,775	$ 33,447
Prepaid expenses and deposits	11,307	7,052
TOTAL PREPAID EXPENSES AND DEPOSITS	$ 43,082	$ 40,499
Presented as:		
Current portion of prepaid expenses and deposits	$ 13,615	$ 9,360
Long-term portion of prepaid expenses and deposits	$ 29,467	$ 31,139

In the second quarter of 2021, Athabasca executed an amending Transportation and Storage Service Agreement at Hangingstone that resulted in a $43.9 million prepayment and corresponding reduction in the financial assurances. The agreement is amortized over 20 years.

4. INVENTORY

As at	September 30, 2026	December 31, 2025
Product inventory	$ 41,339	$ 29,947
Warehouse inventory	14,555	13,938
TOTAL INVENTORY	$ 55,894	$ 43,885

5. PROPERTY, PLANT AND EQUIPMENT ("PP&E")

BALANCE, DECEMBER 31, 2024	$ 1,588,984
PP&E capital expenditures	318,267
Non-cash capitalized costs and other[(1)]	2,085
Depletion and depreciation[(2)]	(131,302)
BALANCE, DECEMBER 31, 2025	$ 1,778,034
PP&E capital expenditures	280,871
Non-cash capitalized costs and other[(1)]	3,121
Depletion and depreciation[(2)]	(101,976)
BALANCE, SEPTEMBER 30, 2026	$ 1,960,050

(1) Non-cash capitalized costs relate to capitalized stock-based compensation and decommissioning obligation assets.
(2) Depletion and depreciation for the nine months ended September 30, 2026 includes $0.4 million of depreciation relating to the Leased Asset (year ended December 31, 2025 - $0.6 million).

PP&E consists of the following:

Net book value (As at)	September 30, 2026	December 31, 2025
PP&E at cost[(1)]	$ 3,714,918	$ 3,430,926
Accumulated depletion and depreciation[(1)]	(1,073,348)	(971,372)
Accumulated impairment losses	(681,520)	(681,520)
TOTAL PP&E	$ 1,960,050	$ 1,778,034

(1) As at September 30, 2026, the PP&E cost includes $13.3 million of Leased Asset cost and accumulated depletion and depreciation includes $10.8 million of accumulated depreciation relating to the Leased Asset (as at December 31, 2025 – Leased Asset cost of $13.3 million and accumulated depreciation relating to the Leased Asset of $10.4 million).

As at September 30, 2026, $559.9 million (December 31, 2025 - $432.5 million) of PP&E was not subject to depletion or depreciation as the underlying oil and gas assets were not ready for use in the manner intended by management.

6. EXPLORATION AND EVALUATION ASSET ("E&E")

BALANCE, DECEMBER 31, 2024	$	4,332
E&E capital expenditures		4,277
Non-cash capitalized costs[(1)]		394
BALANCE, DECEMBER 31, 2025	$	9,003
E&E capital expenditures		28,880
Non-cash capitalized costs[(1)]		1,692
BALANCE, SEPTEMBER 30, 2026	$	39,575

(1) Non-cash capitalized costs relate to capitalized stock-based compensation and decommissioning obligation assets.

7. RISK MANAGEMENT CONTRACTS

The Company may utilize financial and/or physical delivery contracts to fix the commodity price associated with a portion of its future production in order to manage its exposure to fluctuations in commodity prices.

Financial commodity risk management contracts are valued on the consolidated balance sheet at each period end by multiplying the contractual volumes by the differential between the anticipated market price (i.e. forecasted strip price) and the contractual fixed price at each future settlement date. The corresponding change in the asset or liability is recognized as an unrealized gain or loss in the consolidated statements of income (loss). As the commodity derivatives are unwound (i.e. settled in cash), the Company recognizes a corresponding realized gain or loss in the consolidated statements of income (loss). Physical delivery contracts are not considered financial instruments and therefore, no asset or liability is recognized on the consolidated balance sheet.

Financial commodity risk management contracts

At September 30, 2026, the following financial commodity risk management contracts were in place for Athabasca (Thermal Oil):

Instrument	Period	Volume		C$ Average Price[(1)]		US$ Average Price[(1)]
Sales contracts				*C$/bbl*		*US$/bbl*
WTI fixed price swaps	October - December 2026	10,000 bbl/d	$	99.74	$	70.30
WTI collars	October - December 2026	13,850 bbl/d	$	99.32 - 109.70	$	70.00 - 77.32
Purchase contracts				*C$/GJ/bbl*		*US$/GJ/bbl*
C5+ differentials	October - December 2026	3,000 bbl/d	$	(2.60)	$	(1.83)
AECO fixed price swaps	October - December 2026	25,000 GJ/d	$	2.79	$	1.97
C5+ fixed price purchases	October - December 2026	6,000 bbl/d	$	98.37	$	69.33
WTI purchased calls at US$100/bbl	October - December 2026	23,850 bbl/d	$	4.55	$	3.21
AECO fixed price swaps	January - December 2027	25,000 GJ/d	$	2.00	$	1.41

(1) The implied C$ or US$ average price per bbl or GJ, as applicable, was calculated using the September 30, 2026 exchange rate of US$1.00 = C$1.4188.

Additional financial commodity risk management has taken place subsequent to September 30, 2026 as noted in the table below:

Instrument	Period	Volume		C$ Average Price[(1)]		US$ Average Price[(1)]
Purchase contracts						
AECO fixed price swaps	January - December 2027	5,000 GJ/d	$	2.00	$	1.41

(1) The implied C$ or US$ average price per bbl or GJ, as applicable, was calculated using the September 30, 2026 exchange rate of US$1.00 = C$1.4188.

In 2021, Athabasca (Thermal Oil) entered into a seven-year marketing agreement with an industry counterparty that diversifies the Company's sales to the US Gulf Coast through the Keystone pipeline system. The marketing agreement has a pricing derivative that provides exposure to WCS Gulf Coast pricing. The agreement has been classified as Level 2 on the fair value hierarchy. As at September 30, 2026, the pricing derivative had a liability value of $6.5 million (December 31, 2025 - liability value of $3.0 million).

The following table summarizes the sensitivity to price changes for the Company's commodity risk management contracts for Athabasca (Thermal Oil):

	Change in WTI		Change in AECO		Change in C5 differential		Change in C5+	
As at September 30, 2026	Increase of US$5.00/bbl	Decrease of US$5.00/bbl	Increase of C$1.00/GJ	Decrease of C$1.00/GJ	Increase of US$1.00/bbl	Decrease of US$1.00/bbl	Increase of US$5.00/bbl	Decrease of US$5.00/bbl
Increase (decrease) to fair value of commodity risk management contracts	$ (11,493)	$ 10,559	$ 9,528	$ (9,266)	$ 1,175	$ (1,175)	$ 3,915	$ (3,915)

At September 30, 2026, the following financial commodity risk management contracts were in place for Duvernay Energy:

Instrument	Period	Volume	C$ Average Price[1]	US$ Average Price[1]
Sales contracts			*C$/bbl*	*US$/bbl*
WTI fixed price swaps	October - December 2026	450 bbl/d	$ 89.20	$ 62.87
WTI collars	October - December 2026	450 bbl/d	$ 85.13 - 91.27	$ 60.00 - 64.33

(1) The implied C$ or US$ average price per bbl was calculated using the September 30, 2026 exchange rate of US$1.00 = C$1.4188.

The following table summarizes the sensitivity to price changes for the Company's commodity risk management contracts for Duvernay Energy:

	Change in WTI	
As at September 30, 2026	Increase of US$5.00/bbl	Decrease of US$5.00/bbl
Increase (decrease) to fair value of commodity risk management contracts	$ (585)	$ 585

The Company's commodity risk management contracts are held with three counterparties, all of which are large reputable financial institutions. The Company concluded that credit risk associated with commodity risk management contracts is low. Commodity risk management contracts have been classified as Level 2 on the fair value hierarchy.

8. INDEBTEDNESS

The Company's long-term debt is comprised of the following:

As at	September 30, 2026	December 31, 2025
Senior Unsecured Notes ("2029 Notes")	$ 200,000	$ 200,000
Discount on debt	(4,462)	(4,462)
Accretion of discount on debt	1,713	1,085
TOTAL SENIOR UNSECURED NOTES	$ 197,251	$ 196,623
Duvernay Energy Credit Facility	16,128	1,209
TOTAL LONG-TERM DEBT	$ 213,379	$ 197,832

Senior Unsecured Notes

On August 9, 2024, Athabasca issued $200 million Senior Unsecured Notes ("2029 Notes"). The 2029 Notes bear interest at 6.75% per annum, payable semi-annually, and have a 5 year term maturing on August 9, 2029.

The 2029 Notes are unsecured, ranking equal in right of payment to all existing and future unsecured indebtedness, and are not subject to any maintenance or financial covenants. The 2029 Notes contain certain covenants that limit the Company's ability to, among other things, incur additional indebtedness, create or permit liens to exist, and make certain restricted payments, dispositions and transfers of assets. As at September 30, 2026, the Company is in compliance with all covenants.

Athabasca may redeem all or part of the 2029 Notes at 103.375% from August 9, 2026 to August 8, 2027, at 101.688% from August 9, 2027 to August 8, 2028, and at 100% from August 9, 2028 onwards.

As at September 30, 2026, the fair value of the 2029 Notes was $206.7 million based on observable market quoted prices (Level 1).

Credit Facility

In the second quarter of 2026, Athabasca replaced its previous $110.0 million reserve-based credit facility with a new $500.0 million covenant-based credit facility (the “Credit Facility”). The Credit Facility is a committed facility available on a revolving basis and has a four-year term maturing in May 2030, with annual extension rights. The Credit Facility is secured by a first priority security interest on all present and after acquired property of the Company, and excludes the Duvernay Energy assets.

As at September 30, 2026, amounts borrowed under the Credit Facility bear interest at a floating rate based on the applicable Canadian prime rate, US base rate, Secured Overnight Financing Rate ("SOFR") or Canadian Overnight Repo Rate Average ("CORRA"), plus applicable margins. Letters of Credit issued under the Credit Facility incur a fixed issuance and fronting fee as applicable.

As at September 30, 2026 the Company had no amounts drawn and $34.9 million of letters of credit outstanding under the Credit Facility. As at December 31, 2025, the Company had no amounts drawn and $41.1 million of letters of credit outstanding under the Credit Facility.

The Credit Facility includes standard commercial covenants in addition to the financial covenants described below. As at September 30, 2026, the Company was in compliance with all covenants.

Covenant Description	September 30, 2026	Covenant Threshold
Senior Debt[(1)] to Adjusted Consolidated EBITDA[(3)] ratio	0.0 : 1.0	< 3.0 : 1.0
Total Debt[(2)] to Adjusted Consolidated EBITDA[(3)] ratio	0.4 : 1.0	< 4.0 : 1.0
Interest Coverage Ratio[(4)]	17.2 : 1.0	> 3.0 : 1.0

(1) “Senior Debt” is calculated as the aggregate liabilities and obligations under the Credit Facility.

(2) “Total Debt” is calculated as all indebtedness for borrowed money, guarantees, finance leases and similar obligations of the Company.

(3) “Adjusted Consolidated EBITDA” is calculated based on terms and definitions set out in the Credit Facility which adjusts net income for financing and interest expense, income taxes, depletion and depreciation, and certain unrealized and non-cash transactions, and is calculated on a trailing twelve-month basis.

(4) “Interest coverage” is calculated as the ratio of Adjusted Consolidated EBITDA to financing and interest expense, and is calculated on a trailing twelve-month basis.

Unsecured Letter of Credit Facility

Athabasca maintains a $75.0 million unsecured letter of credit facility (the “Unsecured Letter of Credit Facility”) with a Canadian bank that is supported by a performance security guarantee from Export Development Canada (December 31, 2025 - $75.0 million). The facility is available on a demand basis and letters of credit issued under this facility incur an issuance and performance guarantee fee based on market rates. As at September 30, 2026 and December 31, 2025, the Company had $65.7 million of letters of credit outstanding under the Unsecured Letter of Credit Facility.

Duvernay Energy Credit Facility

In the second quarter of 2026, Duvernay Energy increased its reserve-based credit facility (the “Duvernay Credit Facility”) from $50.0 million to $75.0 million. The Duvernay Credit Facility is a committed facility available on a revolving basis until November 30, 2026, at which point in time it may be extended at the lender's option. If the revolving period is not extended, the undrawn portion of the facility will be cancelled and any amounts outstanding would be repayable at the end of the non-revolving term, being November 30, 2027. The Duvernay Credit Facility is subject to a semi-annual borrowing base review, occurring by May 31 and November 30 of each year. The borrowing base is determined based on the lender's evaluation of Duvernay Energy's petroleum and natural gas reserves and their commodity price outlook at the time of each renewal.

The Duvernay Credit Facility is secured by a first priority security interest on all present and after acquired property of Duvernay Energy. The Duvernay Credit Facility contains certain covenants that limit Duvernay Energy's ability to, among other things, incur additional indebtedness, create or permit liens to exist, make certain restricted payments, and dispose of or transfer assets. As at September 30, 2026, Duvernay Energy is in compliance with all covenants.

As at September 30, 2026, amounts borrowed under the Duvernay Credit Facility bear interest at a floating rate based on the applicable Canadian prime rate, US base rate, Secured Overnight Financing Rate ("SOFR") or Canadian Overnight Repo Rate Average ("CORRA"), plus applicable margins. Letters of Credit issued under the Duvernay Credit Facility incur a fixed issuance and fronting fee as applicable.

As at September 30, 2026, Duvernay Energy had $16.1 million drawn and $0.5 million of letters of credit outstanding under the Duvernay Credit Facility. As at December 31, 2025, Duvernay Energy had $1.2 million drawn and $0.4 million of letters of credit outstanding under the Duvernay Credit Facility.

9. WARRANT LIABILITY

In conjunction with the issuance of the 2026 Notes in the fourth quarter of 2021, Athabasca issued 350,000 warrants at an exercise price of $0.9441 per share that expire on November 1, 2026. Each warrant is exercisable into 227 common shares.

The warrants are classified as a financial liability due to a cashless exercise provision. They are measured at fair value upon issuance and at each subsequent reporting period, and presented net of a deferred loss, with the changes in fair value and amortization of the deferred loss recorded in the consolidated statement of income (loss). The fair value of the warrants is determined using the Black-Scholes option valuation model. The warrants have been classified as Level 2 on the financial hierarchy. The warrants can be exercised at any time and are therefore presented as a current liability on the consolidated balance sheet. The following table reconciles the warrant liability:

	Nine months ended September 30, 2026		Year ended December 31, 2025	
	Number of Warrants	Amount	Number of Warrants	Amount
Balance, beginning of period	29,324	$ 40,632	29,324	$ 29,530
Change in fair value	—	8,818	—	11,102
Exercise of warrants	(25,000)	(40,177)	—	—
BALANCE, END OF PERIOD	4,324	$ 9,273	29,324	$ 40,632

The fair value as at September 30, 2026 of each common share issuable under the warrant agreement was estimated at $9.45 using a risk-free interest rate of 2.3%, an expected life of 0.1 years, expected volatility of 48.5% and a stock price of $10.39 per share. The fair value as at December 31, 2025 of each common share issuable under the warrant agreement was estimated at $6.10 using a risk-free interest rate of 2.3%, an expected life of 0.8 years, expected volatility of 49.4% and a stock price of $7.03 per share. The change in fair value as at September 30, 2026 of $8.8 million (December 31, 2025 - $11.1 million) was expensed within gain (loss) on revaluation of provisions and other in the consolidated statements of income (loss).

In the first quarter of 2026, 25,000 cashless warrants were exercised, resulting in 5,070,784 common shares issued. The total value of common shares issued from the warrant exercises was $40.2 million. As at September 30, 2026, 99% of the original 350,000 warrants have been exercised.

Subsequent to September 30, 2026, the remaining 4,324 warrants outstanding were exercised resulting in the issuance of 1.0 million common shares.

10. PROVISIONS AND OTHER LIABILITIES

As at	September 30, 2026	December 31, 2025
Decommissioning obligations	$ 133,150	$ 126,899
TOTAL PROVISIONS	133,150	126,899
Lease liability	3,691	4,026
Cash-settled stock-based compensation liability (Note 12)	72,555	52,056
TOTAL PROVISIONS AND OTHER LIABILITIES	$ 209,396	$ 182,981
Presented as:		
Current provisions and other liabilities	$ 69,412	$ 50,234
Long-term provisions and other liabilities	$ 139,984	$ 132,747

Decommissioning obligations

The total future costs to reclaim the Company's oil and gas assets are estimated by management based on Athabasca's ownership interest in wells and facilities, estimated costs to abandon and reclaim the wells and facilities and the estimated timing of the costs to be incurred in future periods. The following table reconciles the change in decommissioning obligations:

	September 30, 2026	December 31, 2025
DECOMMISSIONING OBLIGATIONS, BEGINNING OF PERIOD	$ 126,899	$ 122,640
Liabilities incurred	1,917	3,175
Liabilities settled	(2,299)	(1,859)
Change in estimates	—	(5,702)
Accretion expense (Note 16)	6,633	8,645
DECOMMISSIONING OBLIGATIONS, END OF PERIOD	$ 133,150	$ 126,899

At September 30, 2026, the Company has calculated the net present value of its decommissioning obligations using an inflation rate of 2.0% (December 31, 2025 - 2.0%) and a credit-adjusted discount rate ranging from 7.0% to 8.0% per annum (December 31, 2025 - 7.0% to 8.0%). A five year shift in the abandonment timing profile would impact the discounted value of the decommissioning obligations by approximately $33 million and a 1.0% change in the credit-adjusted discount rates would impact the discounted value of the decommissioning obligations by approximately $18 million with a corresponding adjustment to PP&E, E&E or net income (loss) if the adjustment is related to fully impaired assets. The payments to settle these obligations are expected to occur during a period of up to 50 years due to the long-term nature of the Company's oil and gas assets. The undiscounted amount of estimated inflated future cash flows required to settle the obligations is $414.0 million (December 31, 2025 - $396.8 million). As at September 30, 2026, $1.6 million was included within the current portion of provisions (December 31, 2025 - $1.6 million).

11. SHAREHOLDERS' EQUITY

The Company's authorized share capital consists of an unlimited number of common shares and an unlimited number of first and second preferred shares. There are no first or second preferred shares outstanding at the reporting date and none of the Company's share capital has a par value. The following table summarizes changes to the Company's common share capital:

	Nine months ended September 30, 2026		Year ended December 31, 2025	
	Number of Shares	Amount	Number of Shares	Amount
Balance, beginning of period	481,043,591	$ 1,742,942	517,580,684	$ 1,964,420
Exercise of warrants (Note 9)	5,070,784	40,177	—	—
Exercise of stock options and RSUs (Note 12)	1,825,593	8,412	2,816,693	8,750
Repurchased shares for cancellation	(8,586,300)	(88,978)	(39,353,786)	(230,228)
BALANCE, END OF PERIOD	479,353,668	$ 1,702,553	481,043,591	$ 1,742,942

In the first quarter of 2026, the Company renewed its normal course issuer bid ("NCIB") to purchase up to 47.0 million common shares during the twelve-month period commencing March 18, 2026 and ending March 17, 2027. The Company repurchased and cancelled on its previous NCIB a total of 32.7 million common shares for the twelve-month period ended March 17, 2026.

12. STOCK-BASED COMPENSATION

The Omnibus Incentive Plan is a long-term incentive plan that permits the grant of options, RSUs and PSUs and other security-based rewards to eligible Athabasca employees. The Company also has a DSUs stock-based compensation plan eligible for Athabasca's non-management directors. The following table summarizes the Company's outstanding stock-based compensation units:

As at	September 30, 2026	December 31, 2025
Stock options	2,447,000	2,447,000
RSUs	2,767,682	3,591,712
Equity-settled	5,214,682	6,038,712
PSUs	2,370,050	2,581,350
DSUs	5,727,333	5,596,333
Cash-settled	8,097,383	8,177,683
TOTAL OUTSTANDING STOCK-BASED COMPENSATION UNITS	13,312,065	14,216,395

The stock options, RSUs and PSUs are rolling plans and the number of common shares that may be issued on exercise under the plans is limited to an aggregate of 8% of the common shares outstanding. The stock options and RSUs have been accounted for as equity-settled stock-based compensation plans. The PSUs and DSUs have been accounted for as cash-settled stock-based compensation plans. The liabilities under the cash-settled plans are revalued at each reporting date based on the Company's closing share price. The following table summarizes the Company's stock-based compensation expense (recovery):

	Three months ended September 30,		Nine months ended September 30,	
	2026	2025	2026	2025
Stock-based compensation expense (recovery) - equity-settled	$ 2,508	$ 2,261	$ 7,230	$ 6,738
Stock-based compensation expense (recovery) - cash-settled	4,019	9,135	37,252	18,866
Capitalized to PP&E and E&E assets	(1,061)	(785)	(2,896)	(2,354)
NET STOCK-BASED COMPENSATION EXPENSE (RECOVERY)	$ 5,466	$ 10,611	$ 41,586	$ 23,250

The following table reconciles the Company’s cash-settled stock-based compensation liability:

	September 30, 2026	December 31, 2025
CASH-SETTLED STOCK-BASED COMPENSATION LIABILITY, BEGINNING OF PERIOD	$ 52,056	$ 44,783
Stock-based compensation expense (recovery) - cash-settled	37,252	24,738
Liabilities settled	(16,753)	(17,465)
CASH-SETTLED STOCK-BASED COMPENSATION LIABILITY, END OF PERIOD	$ 72,555	$ 52,056

13. PER SHARE AMOUNTS

Dilutive securities will have a dilutive effect on the weighted average shares outstanding when the average market price of the common shares during the period exceeds the sum of the exercise price of the securities and the unamortized stock-based compensation expense. The following table calculates the basic and diluted net income (loss) and comprehensive income (loss) per share:

	Three months ended September 30,		Nine months ended September 30,	
	2026	2025	2026	2025
BASIC AND DILUTED NET INCOME (LOSS) AND COMPREHENSIVE INCOME (LOSS)[1]	$ 77,809	$ 69,640	$ 190,266	$ 198,514
BASIC WEIGHTED AVERAGE SHARES OUTSTANDING	481,270,751	494,509,594	482,261,343	503,714,495
Dilutive effect of stock options and RSUs	3,604,096	3,419,832	3,848,389	3,549,486
DILUTED WEIGHTED AVERAGE SHARES OUTSTANDING	484,874,847	497,929,426	486,109,732	507,263,981
BASIC NET INCOME (LOSS) AND COMPREHENSIVE INCOME (LOSS) PER SHARE[1]	$ 0.16	$ 0.14	$ 0.39	$ 0.39
DILUTED NET INCOME (LOSS) AND COMPREHENSIVE INCOME (LOSS) PER SHARE[1]	$ 0.16	$ 0.14	$ 0.39	$ 0.39

(1) Based on net income (loss) and comprehensive income (loss) attributable to shareholders of the Parent Company.

For the three and nine months ended September 30, 2026, securities of 3,352,215 and 3,353,555, respectively, were excluded from the diluted net income (loss) and comprehensive income (loss) per share calculation as their effect is anti-dilutive (three and nine months ended September 30, 2025 – 9,237,898 and 9,240,476).

14. SEGMENTED INFORMATION

Segmented operating results

Three months ended September 30,	Athabasca (Thermal Oil) 2026	Athabasca (Thermal Oil) 2025	Duvernay Energy 2026	Duvernay Energy 2025	Eliminations[1] 2026	Eliminations[1] 2025	Consolidated 2026	Consolidated 2025
REVENUES								
Petroleum, natural gas & midstream sales	$ 455,514	$ 329,542	$ 31,848	$ 15,840	$ (26,317)	$ (11,985)	$ 461,045	$ 333,397
Interest income	2,373	3,256	—	9	—	—	2,373	3,265
Royalties	(37,825)	(10,592)	(4,022)	(1,271)	—	—	(41,847)	(11,863)
	420,062	322,206	27,826	14,578	(26,317)	(11,985)	421,571	324,799
Unrealized gain (loss) on commodity risk mgmt contracts	(15,132)	2,823	(891)	648	—	—	(16,023)	3,471
Realized gain (loss) on commodity risk mgmt contracts	(38,234)	(7,185)	(6,420)	—	—	—	(44,654)	(7,185)
	366,696	317,844	20,515	15,226	(26,317)	(11,985)	360,894	321,085
EXPENSES								
Cost of diluent	158,528	122,011	—	—	(26,317)	(11,985)	132,211	110,026
Operating expenses	39,953	33,037	5,032	4,280	—	—	44,985	37,317
Transportation and marketing	24,182	21,828	1,096	1,085	—	—	25,278	22,913
General and administrative	4,666	4,482	1,160	1,240	—	—	5,826	5,722
Stock-based compensation	5,466	10,611	—	—	—	—	5,466	10,611
Financing and interest	7,445	6,750	461	315	—	—	7,906	7,065
Depletion and depreciation	26,432	26,650	9,142	6,224	—	—	35,574	32,874
Exploration expenses	1,582	1,406	—	—	—	—	1,582	1,406
Total expenses	268,254	226,775	16,891	13,144	(26,317)	(11,985)	258,828	227,934
Revenue less expenses	98,442	91,069	3,624	2,082	—	—	102,066	93,151
OTHER INCOME (EXPENSES)								
Foreign exchange gain (loss), net	939	7,470	(10)	—	—	—	929	7,470
Gain (loss) on revaluation of provisions and other	(162)	(6,735)	—	—	—	—	(162)	(6,735)
Gain (loss) on sale of assets	—	—	—	150	—	—	—	150
Income (loss) before tax	99,219	91,804	3,614	2,232	—	—	102,833	94,036
Income tax expense (recovery)	23,241	23,251	998	679	—	—	24,239	23,930
NET INCOME (LOSS) AND COMPREHENSIVE INCOME (LOSS)	$ 75,978	$ 68,553	$ 2,616	$ 1,553	$ —	$ —	$ 78,594	$ 70,106

(1) Eliminations include adjustments for NGL's (i.e. condensate) produced by the Duvernay Energy segment used for internal consumption (i.e. diluent) by the Athabasca (Thermal Oil) segment. Sales between segments are made at prices that approximate market prices.

Seasonality can have an impact on Operating Income (Loss) generated by the Athabasca (Thermal Oil) business. In the first and fourth quarters of a given year, dilution costs will generally increase as more diluent is required to meet pipeline specifications.

Nine months ended September 30,	Athabasca (Thermal Oil) 2026	Athabasca (Thermal Oil) 2025	Duvernay Energy 2026	Duvernay Energy 2025	Eliminations[1] 2026	Eliminations[1] 2025	Consolidated 2026	Consolidated 2025
REVENUES								
Petroleum, natural gas & midstream sales	$ 1,179,120	$ 1,047,077	$ 103,032	$ 46,985	$ (82,218)	$ (32,751)	$ 1,199,934	$ 1,061,311
Interest income	7,857	9,447	5	248	—	—	7,862	9,695
Royalties	(88,129)	(35,987)	(11,382)	(5,824)	—	—	(99,511)	(41,811)
	1,098,848	1,020,537	91,655	41,409	(82,218)	(32,751)	1,108,285	1,029,195
Unrealized gain (loss) on commodity risk mgmt contracts	(36,717)	1,277	(5,438)	648	—	—	(42,155)	1,925
Realized gain (loss) on commodity risk mgmt contracts	(38,906)	(8,434)	(18,491)	—	—	—	(57,397)	(8,434)
	1,023,225	1,013,380	67,726	42,057	(82,218)	(32,751)	1,008,733	1,022,686
EXPENSES								
Cost of diluent	452,514	421,208	—	—	(82,218)	(32,751)	370,296	388,457
Operating expenses	114,279	111,862	15,708	12,936	—	—	129,987	124,798
Transportation and marketing	68,654	65,942	3,265	2,843	—	—	71,919	68,785
General and administrative	14,042	13,672	3,353	3,522	—	—	17,395	17,194
Stock-based compensation	41,586	23,250	—	—	—	—	41,586	23,250
Financing and interest	21,207	20,249	1,306	845	—	—	22,513	21,094
Depletion and depreciation	72,975	77,721	29,001	17,595	—	—	101,976	95,316
Exploration expenses	1,852	1,953	—	—	—	—	1,852	1,953
Total expenses	787,109	735,857	52,633	37,741	(82,218)	(32,751)	757,524	740,847
Revenue less expenses	236,116	277,523	15,093	4,316	—	—	251,209	281,839
OTHER INCOME (EXPENSES)								
Foreign exchange gain (loss), net	13,350	(10,639)	(133)	—	—	—	13,217	(10,639)
Gain (loss) on revaluation of provisions and other	(8,818)	(8,671)	—	—	—	—	(8,818)	(8,671)
Gain (loss) on sale of assets	—	336	—	150	—	—	—	486
Income (loss) before tax	240,648	258,549	14,960	4,466	—	—	255,608	263,015
Income tax expense (recovery)	57,773	62,281	4,401	1,257	—	—	62,174	63,538
NET INCOME (LOSS) AND COMPREHENSIVE INCOME (LOSS)	$ 182,875	$ 196,268	$ 10,559	$ 3,209	$ —	$ —	$ 193,434	$ 199,477

(1) Eliminations include adjustments for NGL's (i.e. condensate) produced by the Duvernay Energy segment used for internal consumption (i.e. diluent) by the Athabasca (Thermal Oil) segment. Sales between segments are made at prices that approximate market prices.

Segmented capital expenditures

	Three months ended September 30,		Nine months ended September 30,	
	2026	2025	2026	2025
ATHABASCA (THERMAL OIL)				
Property, plant and equipment	$ 56,359	$ 63,679	$ 214,290	$ 169,622
Exploration and evaluation	17,326	1,286	28,880	1,829
	73,685	64,965	243,170	171,451
DUVERNAY ENERGY				
Property, plant and equipment	37,998	31,225	66,581	61,138
TOTAL CAPITAL EXPENDITURES[1][2]	$ 111,683	$ 96,190	$ 309,751	$ 232,589

(1) For the three and nine months ended September 30, 2026, expenditures include cash capitalized staff costs of $2.8 million and $8.2 million (three and nine months ended September 30, 2025 - $2.3 million and $7.2 million).
(2) Excludes non-cash capitalized costs related to stock-based compensation and decommissioning obligation assets.

Segmented assets

Net book value (As at)	September 30, 2026	December 31, 2025
ATHABASCA (THERMAL OIL)		
Current assets	$ 554,595	$ 469,142
Non-current prepaid expenses and deposits (Note 3)	29,467	31,139
Deferred income tax (Note 18)	180,587	234,050
Property, plant and equipment	1,498,594	1,354,522
Exploration and evaluation	39,575	9,003
	2,302,818	2,097,856
DUVERNAY ENERGY		
Current assets	16,864	29,371
Property, plant and equipment	461,456	423,512
	478,320	452,883
TOTAL ASSETS	$ 2,781,138	$ 2,550,739

15. REVENUE

The following table summarizes Athabasca's revenue by product:

	Three months ended September 30,		Nine months ended September 30,	
	2026	2025	2026	2025
Heavy oil (blended bitumen)	$ 455,514	$ 329,542	$ 1,179,120	$ 1,047,077
Oil and condensate	29,878	15,083	97,033	42,463
Natural gas	994	306	2,998	2,203
Other natural gas liquids	976	451	3,001	2,319
Eliminations - inter-segment sales	(26,317)	(11,985)	(82,218)	(32,751)
TOTAL REVENUE	$ 461,045	$ 333,397	$ 1,199,934	$ 1,061,311

16. FINANCING AND INTEREST

	Three months ended September 30,		Nine months ended September 30,	
	2026	2025	2026	2025
Financing and interest expense on indebtedness (Note 8)	$ 5,366	$ 4,603	$ 15,008	$ 13,840
Accretion of 2029 Notes (Note 8)	215	201	628	585
Accretion of provisions (Note 10)	2,247	2,178	6,633	6,426
Interest expense on lease liability	78	83	244	243
TOTAL FINANCING AND INTEREST	$ 7,906	$ 7,065	$ 22,513	$ 21,094

17. GAIN (LOSS) ON REVALUATION OF PROVISIONS AND OTHER

	Three months ended September 30,		Nine months ended September 30,	
	2026	2025	2026	2025
Change in fair value of warrant liability (Note 9)	$ (162)	$ (6,735)	$ (8,818)	$ (8,671)
TOTAL GAIN (LOSS) ON REVALUATION OF PROVISIONS AND OTHER	$ (162)	$ (6,735)	$ (8,818)	$ (8,671)

18. INCOME TAXES

The following table reconciles the expected income tax (recovery) expense calculated at the Canadian statutory rate of 23.0% (2025 – 23.0%) to the actual income tax (recovery) expense:

	Three months ended September 30,		Nine months ended September 30,	
	2026	2025	2026	2025
INCOME (LOSS) BEFORE INCOME TAX	$ 102,833	$ 94,036	$ 255,608	$ 263,015
Effective Canadian statutory income tax rate	23%	23%	23%	23%
Expected income tax expense (recovery)	23,652	21,628	58,790	60,493
ADJUSTMENTS RELATED TO THE FOLLOWING:				
Warrants	37	1,549	2,028	1,994
Other	550	753	1,356	1,051
INCOME TAX EXPENSE (RECOVERY)	$ 24,239	$ 23,930	$ 62,174	$ 63,538
Comprised of:				
Current income tax expense (recovery)	$ (2,123)	$ (286)	$ (1,036)	$ (264)
Deferred income tax expense (recovery)	26,362	24,216	63,210	63,802
INCOME TAX EXPENSE (RECOVERY)	$ 24,239	$ 23,930	$ 62,174	$ 63,538

As at September 30, 2026, the Company has recognized approximately $2.0 billion in tax pools, including approximately $1.4 billion in non-capital loss tax pools available for immediate deduction against future income.

19. FINANCIAL INSTRUMENTS RISK

As at September 30, 2026, the Company's consolidated financial assets and liabilities are comprised of cash and cash equivalents, accounts receivable, prepaid expenses and deposits, accounts payable and accrued liabilities, risk management contracts, cash-settled stock-based compensation liability, long-term debt and warrant liability. The risk management contracts and warrant liability have been classified as Level 2 on the fair value hierarchy.

Credit risk

Credit risk is the risk of financial loss to Athabasca if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from Athabasca's cash balances and accounts receivables from petroleum and natural gas marketers, joint interest partners and risk management contract counterparties.

Athabasca's cash and cash equivalents are held with three counterparties, which are large reputable financial institutions, and management has therefore concluded that credit risk associated with the investments is low. Management concluded that collection risk of the outstanding accounts receivables is low given the high credit quality of the Company's material counterparties. No material receivables were past due as at September 30, 2026. Athabasca's risk management contracts are held with three counterparties, all of which are large reputable financial institutions, and management has therefore concluded that credit risk associated with these risk management contracts is low.

Liquidity risk

The Company's objective in managing liquidity risk is to maintain sufficient available reserves to meet its liquidity requirements at any point in time. The Company expects to achieve this objective through prudent capital spending, a commodity risk management program (Note 7) and by maintaining sufficient liquidity to manage periods of volatility within its cash, cash equivalents and available credit facilities.

For the balance of 2026, it is anticipated that Athabasca's capital and operating activities will be funded through cash flow from operating activities, existing credit facilities and cash and cash equivalents. Beyond 2026, depending on the Company's level of capital spend and the commodity price environment, the Company may require additional funding which could include debt, equity, joint ventures, asset sales or other external financing. The availability of any additional future funding will depend on, among other things, the current commodity price environment, operating performance, the Company's credit rating and its ability to access the equity and debt capital markets.

As at September 30, 2026 all material financial liabilities are current except for the long-term debt. In addition, the Company has provisions and other liabilities as disclosed in Note 10. The Company's future unrecognized commitments are disclosed in Note 20.

Foreign exchange risk

Athabasca is exposed to foreign currency risk on its US dollar denominated cash, cash equivalents, receivables and payables. As at September 30, 2026, Athabasca's net foreign exchange risk exposure was a US$281.8 million asset (December 31, 2025 - US$267.5 million asset), and a 5.0% change in the foreign exchange rate (USD:CAD) would result in a $20.0 million change in the foreign exchange gain/loss (December 31, 2025 - $18.3 million).

The following table provides a breakdown of the foreign exchange gain (loss):

	Three months ended September 30,		Nine months ended September 30,	
	2026	2025	2026	2025
Unrealized foreign exchange gain (loss)	$ 193	$ 5,525	$ 10,822	$ (8,541)
Realized foreign exchange gain (loss)	736	1,945	2,395	(2,098)
FOREIGN EXCHANGE GAIN (LOSS), NET	$ 929	$ 7,470	$ 13,217	$ (10,639)

The Company is also exposed to foreign currency risk on oil sales based on US dollar benchmark prices.

Commodity price risk

Athabasca is exposed to commodity price risk on its petroleum and natural gas sales due to fluctuations in market commodity prices. Athabasca manages this exposure through a strong balance sheet, a commodity risk management program (Note 7) and managing capital programs and production levels to maximize the value of recoverable resources.

Interest rate risk

The Company has exposure to interest rate fluctuations on its floating rate cash and cash equivalents balance at September 30, 2026 of $305.0 million (December 31, 2025 - $316.4 million). A 1.0% change in interest rates would have an annualized impact of approximately $3.1 million (year ended December 31, 2025 - $3.2 million) on interest income. The 2029 Notes and letters of credit issued are subject to fixed interest rates and are not exposed to changes in interest rates.

Duvernay Energy is exposed to interest rate fluctuations on its floating rate long-term debt balance at September 30, 2026 of $16.1 million (December 31, 2025 - $1.2 million). Amounts borrowed under the Duvernay Credit Facility bear interest at a floating rate based on the applicable Canadian prime rate, US base rate, SOFR or CORRA, plus applicable margins. Changes in interest rates could result in an increase or decrease in the amount Duvernay Energy pays to service the Duvernay Credit Facility. Letters of credit are subject to fixed interest rates and are not exposed to changes in interest rates. A 1.0% change in interest rates would have an annualized impact of approximately $0.1 million (December 31, 2025 - $0.1 million) on financing and interest expense.

20. COMMITMENTS

The following table summarizes Athabasca's estimated future unrecognized minimum commitments as at September 30, 2026 for the following five years and thereafter:

	Remaining 2026	2027	2028	2029	2030	Thereafter	Total
Transportation and processing[1]	$ 36,041	$ 149,853	$ 138,146	$ 120,468	$ 120,027	$ 1,572,043	$ 2,136,578
Interest expense on 2029 Notes (Note 8)	3,375	13,500	13,500	8,174	—	—	38,549
Purchase commitments and other[1]	29,650	6,599	—	—	—	—	36,249
TOTAL COMMITMENTS	$ 69,066	$ 169,952	$ 151,646	$ 128,642	$ 120,027	$ 1,572,043	$ 2,211,376

(1) Commitments which are denominated in US dollars were converted into Canadian dollars at the September 30, 2026 exchange rate of US$1.00 = C$1.4188.

21. SUPPLEMENTAL CASH FLOW INFORMATION

Net change in non-cash working capital and other liabilities

The following table reconciles the net changes in non-cash working capital and other liabilities from the consolidated balance sheet to the consolidated statement of cash flows:

	Three months ended September 30,		Nine months ended September 30,	
	2026	2025	2026	2025
Change in accounts receivable	$ (86,546)	$ 19,320	$ (71,515)	$ 14,566
Change in income tax receivable	—	—	913	(913)
Change in prepaid expenses and deposits	1,892	2,063	(4,255)	1,322
Change in inventory	19,878	(3,730)	(12,009)	(2,852)
Change in accounts payable and accrued liabilities	49,842	28,573	17,149	5,719
Change in income tax payable	(2,123)	—	1,443	(2,738)
	(17,057)	46,226	(68,274)	15,104
Other items impacting changes in non-cash working capital:				
Change in cash-settled stock-based compensation liability (Note 12)	4,019	9,135	20,499	1,615
Unrealized foreign exchange gain (loss) related to working capital	1,001	771	2,125	33
	$ (12,037)	$ 56,132	$ (45,650)	$ 16,752
RELATED TO:				
Operating activities	$ (46,393)	$ 28,336	$ (59,197)	$ (3,411)
Financing activities	598	2,380	(3,863)	(1,640)
Investing activities	33,758	25,416	17,410	21,803
NET CHANGE IN NON-CASH WORKING CAPITAL	$ (12,037)	$ 56,132	$ (45,650)	$ 16,752
Cash interest paid	$ 7,514	$ 7,502	$ 16,365	$ 15,771
Cash interest received	$ 2,560	$ 3,260	$ 8,121	$ 9,914
Cash taxes paid	$ —	$ —	$ —	$ 3,389
Cash taxes received	$ —	$ —	$ 2,479	$ —

22. SUBSEQUENT EVENT

On October 5, 2026, the Company entered into a definitive arrangement agreement with Cenovus Energy Inc. ("Cenovus"), pursuant to which Cenovus will acquire all of the issued and outstanding shares of Athabasca. Under the terms of the arrangement, shareholders will receive consideration consisting of cash and/or Cenovus common shares, subject to shareholder elections and pro-ration. The transaction implies an equity value for Athabasca of approximately $5.8 billion and is expected to close in December 2026, subject to customary closing conditions.

CORPORATE INFORMATION

MANAGEMENT

Robert Broen
President & Chief Executive Officer

Matthew Taylor
Chief Financial Officer

Bruce Beynon
Vice President, Light Oil

Cam Danyluk
Vice President, Business Development & General Counsel

Karla Ingoldsby
Vice President, Thermal Development & Operations

Paul Vander Valk
Vice President, Projects & Well Delivery

DIRECTORS

Ronald Eckhardt[(2)]
Chair

Angela Avery[(3)]

Bryan Begley[(1)(3)]

Robert Broen

John Festival[(2)(3)]

Marty Proctor[(2)]

Marnie Smith[(1)]

Theresa Roessel[(1)]

Member of:

(1) Audit Committee
(2) Reserves Committee
(3) Compensation and Governance Committee

CORPORATE OFFICE

1200, 215 - 9 Avenue SW
Calgary, Alberta T2P 1K3
Telephone: (403) 237-8227

WEBSITE

www.atha.com

Detailed biographies of Athabasca's Board of Directors and Management are available on the Company's website.

TRANSFER AGENT

Computershare Trust Company of Canada
Suite 800, 324 - 8th Avenue SW
Calgary, Alberta, T2P 2Z2
Telephone: (403) 267-6800
Fax: (403) 267-6529

BANK

ATB Financial

AUDITORS

Ernst & Young LLP

INDEPENDENT EVALUATORS

McDaniel & Associates Consultants Ltd.

STOCK SYMBOL

ATH
Toronto Stock Exchange