TOPAZ ANNOUNCES THIRD QUARTER 2026 FINANCIAL RESULTS INCLUDING 9% ROYALTY PRODUCTION GROWTH

November 2, 2026

Calgary, Alberta – Topaz Energy Corp. (TSX:TPZ) ("Topaz" or the "Company") is pleased to provide third quarter 2026 financial results. Select financial information is outlined below and should be read in conjunction with Topaz's interim condensed consolidated financial statements ("Financial Statements") and related management's discussion and analysis ("MD&A") as at and for the three and nine months ended September 30, 2026, which are available on SEDAR+ at www.sedarplus.ca and on Topaz's website at www.topazenergy.ca.

Highlights

- Q3 and YTD 2026 average royalty production of 23,507 boe/d[(4)] and 24,112 boe/d[(4)] each increased 9% from the prior year, highlighted by 13% higher heavy oil royalty production (3,825 bbl/d).
- Tourmaline's ownership in Topaz reduced from 12.9% to 5.4% on October 8, 2026[(9)] as part of Tourmaline's long-term plan to reduce its equity position and enhance financial flexibility and expand Topaz's free-trading share liquidity. Topaz holds royalty interests across virtually all of Tourmaline's acreage, providing significant long-term growth exposure to the systematic development of Tourmaline's most profitable, liquids-rich undeveloped Montney inventory in NEBC.
- During Q3 2026, 175 gross wells (6.3 net)[(5)] were drilled on Topaz's royalty acreage, representing a 9% increase from the prior year. To date in 2026, a total of 587 gross wells[(6)] were brought on production or drilled uncompleted, with over 50% oil-focused development activity, demonstrating the diversification within Topaz's royalty portfolio.
- Q3 2026 cash flow and net income of $0.56 and $0.21 per share[(2)], increased 14% and 24%, respectively, from the prior year, driven by 42% higher realized commodity pricing and 13% lower cash expenses[(10)].
- Q3 2026 FCF per share of $0.55 increased 16% from Q3 2025, providing a 3% higher dividend and $0.20 per share (50%) higher excess FCF from Q3 2025.
- Q3 2026 exit net debt of $463.5 million decreased $71.9 million (13%) from the prior year.
- Declared the fourth quarter dividend of $0.35 per share ($1.40 per share annualized)[(8)] representing a 4.5% trailing annualized yield to Topaz's current share price[(7)].

Third Quarter 2026 Update

Financial Overview

- Topaz generated total revenue and other income of $104.3 million, 78% from the royalty portfolio and 22% from infrastructure and other income.
- Cash flow of $0.56 per share[(2)] ($87.0 million) was 14% higher than the prior year driven by 9% higher royalty production and 42% higher realized commodity pricing.
- Free cash flow of $0.55 per share[(2)] ($85.4 million) increased 17% from the prior year. Topaz paid $54.3 million in dividends during the quarter ($0.35 per share and 62% payout ratio[(1)]) and generated $31.1 million of Excess FCF[(1)].
- Topaz exited Q3 2026 with $463.5 million of net debt[(1)] (1.1x net debt to Q3 2026 annualized EBITDA[(1)]). As at November 2, 2026, Topaz has approximately $0.5 billion of available credit capacity which provides financial flexibility for strategic growth opportunities.

Royalty and Infrastructure Activity

- Q3 2026 average royalty production of 23,507 boe/d[(4)] (30% total liquids) increased 9% from Q3 2025 (21,596 boe/d and 31% total liquids). Oil and heavy oil royalty production increased 8% and natural gas and NGL production increased 9% despite certain natural gas volume curtailments during the third quarter attributed to maintenance activity and natural gas price volatility.

- During Q3 2026, 175 gross wells (6.3 net)[(5)] were drilled on Topaz's royalty acreage, of which 64% were drilled uncompleted (Q3 2025 – 161 gross wells and 58%, respectively).

- During Q3 2026, Topaz generated $81.5 million royalty production revenue, 84% from total liquids royalty production and 16% from natural gas royalty production.

- During Q3 2026, Topaz generated $22.9 million in processing revenue and other income. The infrastructure assets generated 98% utilization and $22.0 million of operating margin (96%)[(1)].

- Topaz estimates that operators invested $0.6 billion to $0.7 billion of development capital across the Company's royalty acreage in Q3 2026, with drilling activity (175 gross wells spud[(5)]) diversified as follows: 65 Clearwater, 34 NEBC & Alberta Montney, 38 Deep Basin, 8 Peace River, 11 SE Saskatchewan, and 19 in Central AB.

- During Q3 2026, 178 gross wells were brought on production[(5)] and based on planned operator drilling activity, Topaz expects 24 to 29 drilling rigs to be active across its royalty acreage through the fourth quarter of 2026[(3)].

Dividend

- Topaz's Board declared the fourth quarter 2026 dividend at $0.35 per share[(8)] which is expected to be paid on December 31, 2026, to shareholders of record on December 15, 2026. The quarterly cash dividend is designated as an "eligible dividend" for Canadian income tax purposes.

2026 Guidance Reconfirmed

- Topaz reconfirms the Company's 2026e guidance estimates of average annual royalty production between 23,900 boe/d and 24,300 boe/d, and infrastructure processing revenue and other income of approximately $93.0 million[(3)(11)]. Topaz expects to exit 2026 with net debt[(1)] between $425.0 and $430.0 million[(3)(11)].

Q3 2026 CONFERENCE CALL

Topaz will host a conference call tomorrow, Tuesday, November 3, 2026 starting at 9:00 a.m. ABT (10:00 a.m. EST). To join the conference call without operator assistance, participants can register and enter their phone number at https://emportal.ink/4dPR5Mc to receive an instant automated call back. Alternatively, participants can join by calling a live operator at 1-888-510-2154 (North American toll free). The conference call ID is 11522.

ABOUT THE COMPANY

Topaz is a unique royalty and infrastructure energy company focused on generating free cash flow growth and paying reliable and sustainable dividends to its shareholders, through its strategic relationship with Canada's largest and most active natural gas producer, Tourmaline Oil Corp. (“Tourmaline”), an investment-grade senior Canadian E&P company, and leveraging industry relationships to execute complementary acquisitions from other high-quality energy companies. Topaz focuses on top-quartile energy resources and assets best positioned to attract capital in order to generate sustainable long-term growth and profitability.

Topaz’s common shares are listed and posted for trading on the TSX under the trading symbol "TPZ" and it is included in the S&P/TSX Composite Index. This is the headline index for Canada and is the principal benchmark measure for the Canadian equity markets, represented by the largest companies on the TSX.

Additional information

Additional information about Topaz, including the Financial Statements and MD&A as at and for the three and nine months ended September 30, 2026 are available on SEDAR+ at www.sedarplus.ca under the Company's profile, and on Topaz's website at www.topazenergy.ca.

Selected Financial Information

For the periods ended ($000s) except per share	YTD 2026	YTD 2025	Q3 2026	Q2 2026	Q1 2026	Q4 2025	Q3 2025
Royalty production revenue	241,605	179,342	81,458	88,932	71,215	62,468	52,291
Processing revenue	62,830	60,977	21,051	20,742	21,037	21,930	21,221
Other income[4]	5,686	9,467	1,825	1,540	2,321	2,320	2,931
Total	**310,121**	**249,786**	**104,334**	**111,214**	**94,573**	**86,718**	**76,443**
Cash expenses:							
Operating	(4,498)	(5,503)	(866)	(1,877)	(1,755)	(1,027)	(1,545)
Marketing	(1,397)	(1,122)	(393)	(532)	(472)	(415)	(307)
General and administrative	(6,014)	(5,936)	(1,936)	(1,880)	(2,198)	(3,338)	(1,864)
Realized gain (loss) on financial instruments	(3,138)	14,724	1,170	(2,522)	(1,786)	5,102	8,737
Current income tax expense[8]	(22,209)	—	(9,523)	(10,186)	(2,500)	—	—
Interest expense	(17,344)	(19,741)	(5,791)	(5,828)	(5,725)	(6,486)	(6,620)
Cash flow	**255,521**	**232,208**	**86,995**	**88,389**	**80,137**	**80,554**	**74,844**
Per basic share[1][2]	$1.65	$1.51	$0.56	$0.57	$0.52	$0.52	$0.49
Per diluted share[1][2]	$1.65	$1.50	$0.56	$0.57	$0.52	$0.52	$0.49
Cash from operating activities	274,000	239,617	100,066	90,530	83,404	69,143	78,147
Per basic share[1][2]	$1.77	$1.56	$0.65	$0.58	$0.54	$0.45	$0.51
Per diluted share[1][2]	$1.77	$1.55	$0.64	$0.58	$0.54	$0.45	$0.51
Net income	118,543	96,047	32,021	52,483	34,039	32,694	25,573
Per basic share[2]	$0.77	$0.62	$0.21	$0.34	$0.22	$0.21	$0.17
Per diluted share[2]	$0.76	$0.62	$0.21	$0.34	$0.22	$0.21	$0.17
Adjusted net income[1]	134,285	94,323	50,335	45,788	38,162	32,908	30,337
Adjusted per diluted share[1]	$0.87	$0.61	$0.32	$0.29	$0.25	$0.21	$0.20
EBITDA[7]	294,776	251,728	102,166	104,322	88,289	86,991	81,412
Per basic share[1][2]	$1.90	$1.64	$0.66	$0.67	$0.57	$0.57	$0.53
Per diluted share[1][2]	$1.90	$1.63	$0.66	$0.67	$0.57	$0.56	$0.53
FCF[1]	250,700	227,834	85,395	86,622	78,683	79,667	72,980
Per basic share[1][2]	$1.62	$1.48	$0.55	$0.56	$0.51	$0.52	$0.47
Per diluted share[1][2]	$1.62	$1.48	$0.55	$0.56	$0.51	$0.52	$0.47
FCF Margin[1]	81%	91%	82%	78%	83%	92%	95%
Dividends paid	161,057	155,331	54,303	54,186	52,568	52,356	52,303
Per share[1][6]	$1.04	$1.01	$0.35	$0.35	$0.34	$0.34	$0.34
Payout ratio[1]	63%	67%	62%	61%	66%	65%	70%
Excess FCF[1]	89,643	72,503	31,092	32,436	26,115	27,311	20,677
Capital expenditures	4,821	4,374	1,600	1,767	1,454	887	1,864
Acquisitions, excl. decommissioning obligations[1]	41,446	115,204	-	38,994	2,452	10,234	71,733
Weighted average shares – basic[3]	154,817	153,779	155,027	154,809	154,609	153,885	153,794
Weighted average shares – diluted[3]	155,224	154,413	155,438	155,431	155,269	154,538	154,442
Average Royalty Production[5]							
Natural gas (mcf/d)	102,125	92,620	98,476	102,319	105,659	99,052	89,596
Light and medium crude oil (bbl/d)	1,891	1,990	1,887	1,871	1,918	1,928	1,910
Heavy crude oil (bbl/d)	3,758	3,285	3,825	3,789	3,657	3,515	3,386
Natural gas liquids (bbl/d)	1,440	1,373	1,381	1,518	1,423	1,446	1,365
Total (boe/d)	**24,112**	**22,086**	**23,507**	**24,233**	**24,609**	**23,399**	**21,596**
Total royalty production (% total liquids)	29%	30%	30%	30%	28%	29%	31%
Natural gas liquids (% condensate)	68%	70%	67%	70%	68%	71%	71%
Realized Commodity Prices							
Natural gas ($/mcf)	$1.69	$1.36	$1.47	$1.58	$2.01	$2.08	$0.61
Light and medium crude oil ($/bbl)	$107.78	$83.96	$114.54	$119.58	$89.35	$74.92	$81.64
Heavy crude oil ($/bbl)	$94.37	$75.96	$98.75	$106.39	$77.11	$63.00	$73.43
Natural gas liquids ($/bbl)	$101.90	$83.44	$101.09	$115.41	$88.12	$73.87	$80.18
Total ($/boe)	**$36.46**	**$29.75**	**$37.41**	**$39.87**	**$32.16**	**$29.02**	**$26.32**
Benchmark Pricing							
Natural Gas							
AECO 5A *(CAD$/mcf)*	$1.74	$1.50	$1.57	$1.63	$2.01	$2.23	$0.63
AECO 7A *(CAD$/mcf)*	$1.85	$1.69	$1.54	$1.51	$2.49	$2.34	$1.00
Westcoast station 2 *(CAD$/mcf)*	$1.46	$0.74	$1.14	$1.37	$1.88	$1.85	$0.47
Crude Oil, Heavy Oil and Natural Gas Liquids							
NYMEX WTI *(USD$/bbl)*	$83.50	$66.70	$85.79	$92.79	$71.93	$59.14	$64.95
Edmonton Par *(CAD$/bbl)*	$114.93	$88.81	$119.31	$131.91	$93.58	$76.69	$86.52
WCS differential *(USD$/bbl)*	$14.20	$11.18	$13.87	$14.62	$14.12	$11.19	$10.36
Edmonton Condensate *(CAD$/bbl)*	$113.99	$90.90	$113.83	$130.93	$97.20	$78.83	$86.36
CAD$/USD$	$0.7223	$0.7152	$0.7149	$0.7228	$0.7291	$0.7169	$0.7261

Selected statement of financial position results ($000s) except share amounts	At Sep. 30, 2026	At Jun. 30, 2026	At Mar. 31, 2026	At Dec. 31, 2025	At Sep. 30, 2025
Total assets	2,176,184	2,216,659	2,202,235	2,221,715	2,230,374
Working capital (deficit)	29,006	54,608	47,096	55,999	(26,633)
Adjusted working capital (deficit)[1]	35,098	48,006	47,864	53,274	(30,773)
Net debt[1]	463,483	497,385	492,051	517,494	535,412
Common shares outstanding[3]	155,151	154,851	154,740	153,990	153,831

(1) Refer to *"Non-GAAP and Other Financial Measures"*.
(2) Calculated using basic or diluted weighted average shares outstanding during the period.
(3) Shown in thousand shares outstanding.
(4) Includes interest income ($mm): Q3 2026 - 0.1, Q2 2026 – 0.08, Q1 2026 – 0.07, Q4 2025 – 0.05, Q3 2025 - 0.05 (YTD 2026 – 0.3 and YTD 2025 – 0.2).
(5) Refer to *"Supplemental Information Regarding Product Types."*
(6) Cumulative dividend paid as per the number of outstanding shares on the respective quarterly dividend dates.
(7) Defined term under the Company's Syndicated Credit Facility.
(8) Topaz first became taxable in 2026. Refer to the Financial Statements and MD&A for additional information.

NOTE REFERENCES

This news release refers to financial reporting periods in abbreviated form as follows: “Q3 2026” refers to the three months ended September 30, 2026; “Q3 2025” refers to the three months ended September 30, 2025; “YTD 2026” refers to the nine months ended September 30, 2026. In addition, “2026e” refers to estimated amounts or results for the year ending December 31, 2026.

1. See *“Non-GAAP and Other Financial Measures”.*
2. Calculated using the weighted average number of diluted common shares outstanding during the respective period.
3. See *“Forward-Looking Statements”.*
4. See *“Supplemental Information Regarding Product Types”.*
5. May include non-producing injection wells.
6. 587 gross wells includes wells brought on production during 2026 that were spud during 2026 and prior periods, in addition to 2026 wells spud but not yet completed. Refer to Topaz’s MD&A for the three and nine months ended September 30, 2026.
7. Calculated based on Topaz’s closing share price on the TSX on October 30, 2026 of $31.30.
8. Topaz’s future dividends remain subject to board of director approval.
9. Following the previously announced bought deal secondary offering that closed October 8, 2026.
10. Refers to operating, marketing, G&A and interest expense of $9.0 million during Q3 2026 compared to $10.3 million during Q3 2025 (excluding realized hedging gains/losses or current income tax expense). Topaz became taxable in 2026 and during Q3 2026 recognized $9.5 million of current income tax expense.
11. Management’s assumptions underlying the Company’s previously announced 2026e guidance estimate includes:
    i. Estimated annual average royalty production between 23,900 boe/d and 24,300 boe/d (approximately 70% natural gas), and $92.0 to $94.0 million of processing revenue and other income, resulting in estimated exit net debt between $425.0 and $430.0 million, before consideration of potential acquisitions;
    ii. Topaz’s internal estimates regarding development pace and production performance including estimates of operators’ 2026 capital development plans including capital allocated to waterflood and other long-term value-enhancing projects and excluding exploration spending; all of which being subject to key operators’ revisions to 2026 capital budgets and/or operational, weather or wildfire-related issues that may impact the 2026 estimated royalty production range;
    iii. Management’s estimates for fixed and variable processing fees based on 95% utilization, third party income, and infrastructure utilization and cost estimates based on historic information and adjusted for inflation;
    iv. No incremental, (i.e. not previously announced) acquisition activity;
    v. Estimated 2026e expenses and expenditures of $8.0mm cash G&A; $7.0mm of operating expenses; $4.0 to $5.0mm capital expenditures (excluding acquisitions); 1% marketing fee on certain royalty production; estimated annual borrowing and standby interest costs at a combined rate of 5.0%; and $30.0 to $35.0 million estimated corporate income tax;
    vi. 2026 estimated total dividends of approximately $215.0 million based on 155.2 million shares outstanding at November 2, 2026 ($1.39 per share);
    vii. Topaz’s outstanding financial derivative contracts included in its most recently filed MD&A;
    viii. The assumptions contained under the heading "*Financial Outlook*" including Q4 2026 estimated commodity pricing of C$2.00 per mcf natural gas (AECO) and US$98.50 per bbl crude oil (NYMEX WTI).

FORWARD-LOOKING STATEMENTS

This news release contains forward-looking statements and forward-looking information (collectively, "forward-looking statements") that relate to the Company's current expectations and views of future events. These forward-looking statements relate to future events or the Company's future performance. Any statements that express, or involve discussions as to, expectations, beliefs, plans, objectives, assumptions or future events or performance (often, but not always, through the use of words or phrases such as "will likely result", "are expected to", "expects", "will continue", "is anticipated", "anticipates", "believes", "estimated", "intends", "plans", "forecast", "projection", "strategy", "objective" and "outlook") are not historical facts and may be forward-looking statements and may involve estimates, assumptions and uncertainties which could cause actual results or outcomes to differ materially from those expressed in such forward-looking statements. No assurance can be given that these expectations will prove to be correct and such forward-looking statements included in this news release should not be unduly relied upon. These statements speak only as of the date of this news release. In particular and without limitation, this news release contains forward-looking statements pertaining to the following: Topaz's future growth outlook, guidance and strategic plans; estimated annual average royalty production range for 2026; estimated processing revenue and other income for 2026; anticipated exit 2026 net debt level; dividend amounts, and the estimated dividend payout ratio; the sustainability of the dividend and the rationale for such sustainability; the maintenance of financial flexibility for strategic growth opportunities; the anticipated operator capital expenditures and drilling plans; the number of drilling rigs to be active on Topaz's royalty acreage; the future declaration and payment of dividends and the timing and amount thereof; the forecasts described under the headings “Third Quarter 2026 Update” (including under the sub-heading “Dividend”) and “2026 Guidance Reconfirmed” and the assumptions and estimates described under the heading “Note References” above; and the Company's business as described under the heading "About the Company" above.

Forward-looking statements are based on a number of assumptions including those highlighted in this news release including future commodity prices, capital expenditures, infrastructure ownership capacity utilization and operator development plans, and is subject to a number of risks and uncertainties, many of which are beyond the Company's control, which could cause actual results and events to differ materially from those that are disclosed in or implied by such forward-looking statements.

Such risks and uncertainties include, but are not limited to, potential political, geopolitical and economic instability; trade policy, barriers, disputes or wars (including new tariffs or changes to existing international trade arrangements); the failure to complete acquisitions on the terms or on the timing announced or at all and the failure to realize some or all of the anticipated benefits of acquisitions including estimated royalty production, royalty production revenue and FCF per share growth, and the factors discussed in the Company's most recently filed Management's Discussion and Analysis (See "Forward-Looking Statements" therein), 2025 Annual Information Form (See "Risk Factors" and "Forward-Looking Statements" therein) and other reports on file with applicable securities regulatory authorities and may be accessed through the SEDAR+ website (www.sedarplus.ca) or Topaz's website (www.topazenergy.ca).

Statements relating to "reserves" are also deemed to be forward looking statements, as they involve the implied assessment, based on certain estimates and assumptions, that the reserves described exist in the quantities predicted or estimated and that the reserves can be profitably produced in the future.

Without limitation of the foregoing, future dividend payments, if any, and the level thereof is uncertain, as the Company's dividend policy and the funds available for the payment of dividends from time to time is dependent upon, among other things, FCF, financial requirements for the Company's operations and the execution of its growth strategy, fluctuations in working capital and the timing and amount of capital expenditures, debt service requirements and other factors beyond the Company's control. Further, the ability of Topaz to pay dividends will be subject to applicable laws (including the satisfaction of the solvency test contained in applicable corporate legislation) and contractual restrictions contained in the instruments governing its indebtedness, including its credit facility.

Topaz does not undertake any obligation to update such forward-looking statements, whether as a result of new information, future events or otherwise, except as expressly required by applicable law.

FINANCIAL OUTLOOK

Also included in this news release are estimated average royalty production and processing revenue and other income range for the year ending December 31, 2026 and resulting year-end exit net debt estimated range for 2026, which are based on, among other things, the various assumptions as to as to production levels and capital expenditures and other assumptions disclosed in the “Note References” section above and are based on the following key assumptions: Topaz's estimated capital expenditures (excluding acquisitions) of $4.0 to $5.0 million in 2026; the Company’s tax pool balances at year-end 2025 (refer to the Company’s 2025 Annual Information Form) and the resulting future tax horizon; the working interest owners’ anticipated 2026 capital plans attributable to Topaz’s undeveloped royalty lands; estimated average annual royalty production between 23,900 and 24,300 boe/d in 2026; 2026 average infrastructure ownership capacity utilization of 95%; December 31, 2026 exit net debt between $425.0 and $430.0 million; and Q4 2026 average commodity prices of: $2.00/mcf (AECO 5A), US$98.50/bbl (NYMEX WTI), US$27.00/bbl (WCS oil differential), US$2.00/bbl (MSW oil differential) and US$/CAD$ foreign exchange 0.71.

To the extent such estimates constitute financial outlooks, they are included to provide readers with an understanding of the estimated revenue, net debt and the other metrics described above for the year ending December 31, 2026 based on the assumptions described herein and readers are cautioned that the information may not be appropriate for other purposes.

NON-GAAP AND OTHER FINANCIAL MEASURES

Certain financial terms and measures contained in this news release are "specified financial measures" (as such term is defined in National Instrument 52-112 - *Non-GAAP and Other Financial Measures Disclosure* ("NI 52-112")). The specified financial measures referred to in this news release are comprised of "non-GAAP financial measures", "capital management measures" and "supplementary financial measures" (as such terms are defined in NI 52-112) and do not have standardized meanings prescribed by GAAP and may not be comparable to similarly defined measures presented by other companies. These measures are defined, qualified, and where required, reconciled with the nearest GAAP measure below. Investors are cautioned that these measures should not be considered in isolation nor as an alternative to net income (loss) or other financial information determined in accordance with GAAP, as an indication of the Company's performance.

Non-GAAP Financial Measures
This news release makes reference to the terms "adjusted net income", "acquisitions, excluding decommissioning obligations" and "operating margin", which are considered non-GAAP financial measures under NI 52-112; defined as a financial measure disclosed by an issuer that depicts the historical or expected future financial performance, financial position, or cash flow of an entity, and is not disclosed in the financial statements of the issuer.

Other Financial Measures

Capital management measures
Capital management measures are defined as financial measures disclosed by an issuer that are intended to enable an individual to evaluate the entity's objectives, policies and processes for managing the entity's capital, are not a component of a line item or a line item on the primary financial statements, and which are disclosed in the notes to the financial statements. The Company's capital management measures disclosed in this news release include adjusted working capital, net debt (cash), free cash flow (FCF) and Excess FCF.

Supplementary financial measures
This news release makes reference to the terms "adjusted net income per basic or diluted share", "cash flow per basic or diluted share", "FCF per basic or diluted share", "EBITDA per basic or diluted share", "FCF margin", "operating margin percentage" and "payout ratio" which are all considered supplementary financial measures under NI 52-112; defined as a financial measure disclosed by an issuer that is, or is intended to be, disclosed on a periodic basis to depict the historical or expected future financial performance, financial position or cash flow of an entity, is not disclosed in the financial statements of the issuer, and is not a non-GAAP financial measure or non-GAAP financial ratio.

The following terms are financial measures as defined under the Company's Syndicated Credit Facility, presented in the Company's interim condensed consolidated financial statements as at and for the three and nine months ended September 30, 2026: (i) consolidated senior debt, (ii) total debt, (iii) EBITDA and (iv) capitalization.

Cash flow, FCF, FCF margin, and Excess FCF
Management uses cash flow, FCF, FCF margin and Excess FCF for its own performance measures and to provide investors with a measurement of the Company's efficiency and its ability to generate the cash necessary to fund or increase dividends, fund future growth opportunities and/or to repay debt; and furthermore, uses per share metrics to provide investors with a measure of the proportion attributable to the basic or diluted weighted average common shares outstanding.

Cash flow is a GAAP measure which is derived of cash from operating activities excluding the change in non-cash working capital and is presented in the consolidated statements of cash flows. FCF is a capital management measure presented in the notes to the consolidated financial statements and is defined as cash flow, less capital expenditures. The supplementary financial measure "FCF margin", is defined as FCF divided by total revenue and other income (expressed as a percentage of total revenue and other income). The capital management measure "Excess FCF", is defined as FCF less dividends paid. The supplementary financial measures "cash flow per basic or diluted share" and "FCF per basic or diluted share" are calculated by dividing cash flow and FCF, respectively, by the basic or diluted weighted average common shares outstanding during the period.

A summary of the reconciliation from cash from operating activities (per the consolidated statements of cash flows) to cash flow (per the consolidated statements of cash flows), cash flow per basic or diluted share, FCF, Excess FCF, FCF per basic or diluted share and FCF margin is set forth below:

($000s)	Three months ended Sep.30, 2026	Sep.30, 2025	Nine months ended Sep.30, 2026	Sep.30, 2025
Cash from operating activities	100,066	78,147	274,000	239,617
Exclude net change in non-cash working capital	13,071	3,303	18,479	7,409
Cash flow	**86,995**	**74,844**	**255,521**	**232,208**
Less: capital expenditures	1,600	1,864	4,821	4,374
FCF	**85,395**	**72,980**	**250,700**	**227,834**
Less: dividends paid	54,303	52,303	161,057	155,331
Excess FCF	**31,092**	**20,677**	**89,643**	**72,503**
Cash flow per basic share[(1)]	**$0.56**	**$0.49**	**$1.65**	**$1.51**
Cash flow per diluted share[(1)]	**$0.56**	**$0.49**	**$1.65**	**$1.50**
FCF per basic share[(1)]	**$0.55**	**$0.47**	**$1.62**	**$1.48**
FCF per diluted share[(1)]	**$0.55**	**$0.47**	**$1.62**	**$1.48**
FCF	**85,395**	**72,980**	**250,700**	**227,834**
Total revenue and other income	104,334	76,443	310,121	249,786
FCF Margin	**82%**	**95%**	**81%**	**91%**

(1) As noted, calculated using the basic or diluted weighted average number of shares outstanding during the respective periods.

Adjusted net income

Management uses adjusted net income for its own performance measure and to provide investors with a measurement of the Company's net income prior to the non-cash effects of unrealized gains and losses on financial instruments. Adjusted net income is calculated as net income per the consolidated statement of net income and comprehensive income, less unrealized gains (losses) on financial instruments. The supplementary financial measures "adjusted net income per basic or diluted share" is calculated by dividing adjusted net income by the basic or diluted weighted average common shares outstanding during the period. A summary of the reconciliation from net income to adjusted net income and adjusted net income per basic and diluted share is set forth below:

($000s)	Three months ended Sep.30, 2026	Sep.30, 2025	Nine months ended Sep.30, 2026	Sep.30, 2025
Net income	32,021	25,573	118,543	96,047
Unrealized gains (losses) on financial derivatives	(18,314)	(4,764)	(15,742)	1,724
Adjusted net income	**50,335**	**30,337**	**134,285**	**94,323**
Adjusted net income per basic share[(1)]	$0.32	$0.20	$0.87	$0.61
Adjusted net income per diluted share[(1)]	$0.32	$0.20	$0.87	$0.61

(1) Calculated using basic and diluted weighted average shares outstanding.

Operating margin and operating margin percentage

Operating margin is a non-GAAP financial measure derived from processing revenue and other income, less operating expenses. Operating margin percentage is a supplemental financial measure, calculated as operating margin, expressed as a percentage of total processing revenue and other income. Operating margin and operating margin percentage are used by management to analyze the profitability of its infrastructure assets. A summary of the reconciliation of operating margin and operating margin percentage is set forth below:

($000s)	Three months ended Sep.30, 2026	Sep.30, 2025	Nine months ended Sep.30, 2026	Sep.30, 2025
Processing revenue	21,051	21,221	62,830	60,977
Other income	1,825	2,931	5,686	9,467
Total	**22,876**	**24,152**	**68,516**	**70,444**
Operating expense	866	1,545	4,498	5,503
Operating Margin	**22,010**	**22,607**	**64,018**	**64,941**
Operating Margin %	**96%**	**94%**	**93%**	**92%**

Adjusted working capital and net debt

Management uses the terms "adjusted working capital" and "net debt" to measure the Company's liquidity position and capital flexibility, as such these terms are considered capital management measures. "Adjusted working capital" is calculated as current assets less current liabilities, adjusted for financial instruments and work in progress capital costs. "Net debt" is calculated as total debt outstanding less adjusted working capital. A summary of the reconciliation from working capital, to adjusted working capital and net debt is set forth below:

($000s)	As at Sep. 30, 2026	As at Dec. 31, 2025
Working capital	29,006	55,999
Exclude fair value of financial asset (liability)	(6,092)	2,725
Adjusted working capital	**35,098**	**53,274**
Less: bank debt	498,581	570,768
Net Debt	**463,483**	**517,494**

EBITDA and EBITDA per basic or diluted share

EBITDA, as defined under the Company's Syndicated Credit Facility and disclosed in note 8 of the Financial Statements, is considered by the Company as a capital management measure which is used to evaluate the Company's operating performance and provides investors with a measurement of the Company's cash generated from its operations, before consideration of interest income or expense. "EBITDA" is calculated as consolidated net income or loss from continuing operations, excluding extraordinary items, plus interest expense, income taxes, and adjusted for non-cash items and gains or losses on dispositions.

EBITDA per basic or diluted share is a supplementary financial measure that is calculated by dividing EBITDA by the basic or diluted weighted average common shares outstanding during the period and provides investors with a measure of the proportion of EBITDA attributed to the basic or diluted weighted average common shares outstanding. A summary of the reconciliation of net income (per the consolidated statements of net income and comprehensive income), to EBITDA, is set forth below:

	Three months ended		Nine months ended	
($000s)	**Sep.30, 2026**	**Sep.30, 2025**	**Sep.30, 2026**	**Sep.30, 2025**
Net income	32,021	25,573	118,543	96,047
Unrealized (gain) loss on financial instruments	18,314	4,764	15,742	(1,724)
Share-based compensation	1,521	1,350	3,085	2,973
Finance expense	6,039	6,824	18,022	20,309
Depletion and depreciation	33,979	34,551	101,866	102,788
Current income tax expense	9,523	—	22,209	—
Deferred income tax expense	912	8,402	15,607	31,556
Less: interest income	(143)	(52)	(298)	(221)
EBITDA	**102,166**	**81,412**	**294,776**	**251,728**
EBITDA per basic share ($/share)[(1)]	**$0.66**	**$0.53**	**$1.90**	**$1.64**
EBITDA per diluted share ($/share)[(1)]	**$0.66**	**$0.53**	**$1.90**	**$1.63**

[(1)] As noted, calculated using the basic or diluted weighted average number of shares outstanding during the respective periods.

Payout ratio

"Payout ratio", a supplementary financial measure, represents dividends paid, expressed as a percentage of cash flow and provides investors with a measure of the percentage of cash flow that was used during the period to fund dividend payments. Payout ratio is calculated as dividends paid divided by cash flow. A summary of the reconciliation from cash flow to payout ratio is set forth below:

	Three months ended		Nine months ended	
	Sep.30, 2026	**Sep.30, 2025**	**Sep.30, 2026**	**Sep.30, 2025**
Cash flow ($000s)	86,995	74,844	255,521	232,208
Dividends ($000s)	54,303	52,303	161,057	155,331
Payout Ratio (%)	**62%**	**70%**	**63%**	**67%**

Acquisitions, excluding decommissioning obligations

"Acquisitions, excluding decommissioning obligations", is considered a non-GAAP financial measure, and is calculated as: acquisitions (per the consolidated statements of cash flows) plus non-cash acquisitions but excluding non-cash decommissioning obligations. A summary of the reconciliation from acquisitions (per the consolidated statements of cash flow) to acquisitions, excluding decommissioning obligations is set forth below:

	Three months ended		Nine months ended	
($000s)	**Sep.30, 2026**	**Sep.30, 2025**	**Sep.30, 2026**	**Sep.30, 2025**
Acquisitions (consolidated statements of cash flows)	—	71,733	41,446	115,204
Non-cash acquisitions	—	—	—	—
Acquisitions (excluding non-cash decommissioning obligations)	—	**71,733**	**41,446**	**115,204**

BOE EQUIVALENCY

Per barrel of oil equivalent amounts have been calculated using a conversion rate of six thousand cubic feet of natural gas to one barrel of oil equivalent (6:1). Barrel of oil equivalents (boe) may be misleading, particularly if used in isolation. A boe conversion ratio of 6 mcf:1 bbl is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead. In addition, as the value ratio between natural gas and crude oil based on the current prices of natural gas and crude oil is significantly different from the energy equivalency of 6:1, utilizing a conversion on a 6:1 basis may be misleading as an indication of value.

OIL AND GAS METRICS

This news release contains certain oil and gas metrics which do not have standardized meanings or standard methods of calculation and therefore such measures may not be comparable to similar measures used by other companies and should not be used to make comparisons. Such metrics have been included in this news release to provide readers with additional measures to evaluate the Company's performance; however, such measures are not reliable indicators of the Company's future performance and future performance may not compare to the Company's performance in previous periods and therefore such metrics should not be unduly relied upon.

ESTIMATES OF DRILLING LOCATIONS

Unbooked drilling locations are the internal estimates of the operator based on the operator's prospective acreage and an assumption as to the number of wells that can be drilled per section based on industry practice and internal review. Unbooked locations do not have attributed reserves or resources (including contingent and prospective). Unbooked locations have been identified by the operator's management as an estimation of multi-year drilling activities based on evaluation of applicable geologic, seismic, engineering, production and reserves information. There is no certainty that the operator will drill all unbooked drilling locations and if drilled there is no certainty that such locations will result in additional oil and natural gas reserves, resources or production. The drilling locations on which the operator will actually drill wells, including the number and timing thereof is ultimately dependent upon the availability of funding, regulatory approvals, seasonal restrictions, oil and natural gas prices, costs, actual drilling results, additional reservoir information that is obtained and other factors. While a certain number of the unbooked drilling locations have been de-risked by the operator drilling existing wells in relative close proximity to such unbooked drilling locations, the majority of other unbooked drilling locations are farther away from existing wells where the operator's management has less information about the characteristics of the reservoir and therefore there is more uncertainty whether wells will be drilled in such locations and if drilled there is more uncertainty that such wells will result in additional oil and gas reserves, resources or production.

INFORMATION REGARDING PUBLIC ISSUER COUNTERPARTIES

Certain information contained in this news release relating to the Company's public issuer counterparties which include Tourmaline and others, and the nature of their respective businesses is taken from and based solely upon information published by such issuers. The Company has not independently verified the accuracy or completeness of any such information.

CREDIT RATINGS

This news release makes reference to Tourmaline's credit rating. Credit ratings are intended to provide investors with an independent measure of credit quality of an issue of securities. Credit ratings are not recommendations to purchase, hold or sell securities and do not address the market price or suitability of a specific security for a particular investor. There is no assurance that any rating will remain in effect for any given period of time or that any rating will not be revised or withdrawn entirely by a rating agency in the future if, in its judgment, circumstances so warrant.

SUPPLEMENTAL INFORMATION REGARDING PRODUCT TYPES

This news release includes references to actual and estimated average royalty production. The following table is intended to provide supplemental information about the product type composition for each of the production figures that are provided in this news release:

For the three months ended	Sep. 30, 2026	June 30, 2026	Mar. 31, 2026	Dec. 31, 2025	Sep. 30, 2025
Average daily production					
Light and Medium crude oil (bbl/d)	1,887	1,871	1,918	1,928	1,910
Heavy crude oil (bbl/d)	3,825	3,789	3,657	3,515	3,386
Conventional Natural Gas (mcf/d)	54,676	59,547	60,081	58,597	53,784
Shale Gas (mcf/d)	43,800	42,773	45,578	40,455	35,812
Natural Gas Liquids (bbl/d)	1,381	1,518	1,423	1,446	1,365
Total (boe/d)	**23,507**	**24,233**	**24,609**	**23,399**	**21,596**

For the year ended	2026e (Guidance Midpoint)[1][2]	2025 (Actual)	2024 (Actual)
Average daily production			
Light and medium crude oil (bbl/d)	1,918	1,974	1,791
Heavy crude oil (bbl/d)	3,775	3,343	3,083
Conventional natural gas (mcf/d)	58,578	56,022	43,269
Shale gas (mcf/d)	42,980	38,219	35,760
Natural gas liquids (bbl/d)	1,481	1,391	1,180
Total (boe/d)	**24,100**	**22,417**	**19,227**

(1) Represents the 2026e average annual royalty production estimate.
(2) Topaz's estimated royalty production is based on the estimated commodity mix; drilling location and corresponding royalty rate; and capital development activity on Topaz's royalty acreage by the working interest owners, all of which are outside of Topaz's control.

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