

NuVista Energy Ltd. Announces Record Year End 2023 Reserves, Financial and Operating Results

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CALGARY, Feb. 29, 2024 - [NuVista Energy Ltd.](#) ("NuVista" or the "Company") (TSX: NVA) is pleased to announce record-setting reserves and strong financial and operating results for the three months and year ended December 31, 2023. The results of our 2023 program underscore the quality and predictability of our asset base, and the ability of our team to generate robust returns, maintain capital discipline, and return capital to our shareholders. These achievements are underpinned by our unwavering commitment to safety and sustainability. We are entering 2024 in a financially strong position, with the flexibility to continue to execute our value-driven growth strategy and to return capital to shareholders.

Fourth Quarter and Full Year 2023 Operational and Financial Highlights

During the quarter and year ended December 31, 2023, NuVista:

- Delivered our highest-ever annual average production rate of 77,185 Boe/d, a 12% increase from 2022 and slightly exceeding the top end of our guidance range of 76,000 - 77,000 Boe/d. This result demonstrates the quality of our asset base despite the temporary operational outages caused by the wildfires in the Grande Prairie region of Alberta (the "Alberta wildfires") in May. Annual production consisted of 32% condensate, 8% NGLs, and 60% natural gas, and we achieved an average of 85,924 Boe/d for the fourth quarter;
- Recorded annual adjusted funds flow⁽¹⁾ of \$756.9 million (\$3.50/share, basic⁽⁴⁾), with adjusted funds flow from the fourth quarter contributing \$202.0 million (\$0.95/share, basic⁽⁴⁾);
- Generated free adjusted funds flow⁽²⁾ of \$210.6 million for the year (\$0.97/share, basic⁽⁴⁾), including \$70.6 million (\$0.33/share, basic⁽⁴⁾) in the fourth quarter;
- Achieved annual net earnings of \$367.7 million (\$1.70/share, basic), including \$89.5 million (\$0.42/share, basic⁽⁴⁾) in the fourth quarter;
- Maintained a strong operating netback⁽³⁾ at \$29.06/Boe and corporate netback⁽³⁾ at \$26.86/Boe for the year, with fourth quarter results at \$27.01/Boe and \$25.55/Boe, respectively;
- Expanded on our existing natural gas diversification strategy by successfully acquiring 50 MMcf/d of net Empress delivery capacity along with TC Energy Mainline capacity to deliver to the U.S. Midwest and Central Canadian markets starting in April 2026. In 2024, our natural gas sales are over 85% exposed to North American markets outside of AECO;
- Executed a successful capital expenditure⁽²⁾ program, investing \$500.3 million in well and facility activities including the drilling of 49 gross (48.5 net) wells and the completion of 47 gross (45.7 net) wells in our condensate rich Montney play. Inclusive of property acquisitions of \$44.0 million and infrastructure disposition proceeds of \$26.0 million, net capital expenditures⁽²⁾ were \$518.3 million in 2023. Predominately located in our core Wapiti area, the property acquisitions immediately contribute to our inventory, enhance our land configuration efficiency, and optimize the utilization of our pipelines and field facilities;
- Commissioned the new cogeneration unit at our Wembley Gas Plant, with power generation expenditures totaling \$16.9 million in the fourth quarter. This project was built in partnership with our gas plant working interest partners, and five Indigenous Nations on whose traditional territories on which we operate. The five Indigenous Nations invested \$20 million in support of this emissions reduction project. In return, the five Indigenous Nations are entitled to defined contractual cash flows, while NuVista will benefit from the cogeneration unit in terms of reduced operating costs and carbon emissions;
- Exited the year with \$16.9 million drawn on our \$450 million credit facility. Net debt⁽¹⁾ at year end was \$183.6 million, well below our net debt soft ceiling of \$350 million⁽⁵⁾. NuVista's net debt to annualized fourth quarter adjusted funds flow⁽¹⁾ ratio was 0.2x;
- Repurchased and subsequently cancelled 15.3 million common shares in 2023, for an aggregate cost of \$183.8 million or \$12.01 per share under the terms of our current normal course issuer bid ("NCIB") program. Since the inception of our NCIB program in 2022, we have repurchased and subsequently cancelled 29.7 million common shares for an aggregate cost of \$351.3 million or \$11.82 per share;

- Advanced our commitment to environmental, social, and governance ("ESG") goals, with notable progress highlighted in our recently released 2022 ESG report, available on our website (see www.nvaenergy.com). Notably, the report highlights our continued achievements in reducing methane and greenhouse gas ("GHG") emissions; and
- Was recognized as part of the TSX30 for the second consecutive year. The TSX30 recognizes the thirty top-performing companies on the Toronto Stock Exchange (TSX) over the prior three-year period (see www.tsx.com/tsx30). NuVista placed a very competitive second place overall.

Notes:

Each of "adjusted funds flow", "net debt" and "net debt to annualized fourth quarter adjusted funds flow" are (1) capital management measures. Reference should be made to the section entitled "Non-GAAP and Other Financial Measures" in this press release.

Each of "free adjusted funds flow", "capital expenditures" and "net capital expenditures" are non-GAAP financial measures that do not have any standardized meanings under IFRS Accounting Standards and (2) therefore may not be comparable to similar measures presented by other companies where similar terminology is used. Reference should be made to the section entitled "Non-GAAP and Other Financial Measures" in this press release.

Each of "operating netback" and "corporate netback" are non-GAAP financial ratios that do not have any standardized meaning under IFRS Accounting Standards and therefore may not be comparable to similar (3) measures presented by other companies where similar terminology is used. Reference should be made to the section entitled "Non-GAAP and Other Financial Measures" in this press release.

Each of "adjusted funds flow per share" and "free adjusted funds flow per share" are supplementary financial (4) measures. Reference should be made to the section entitled "Non-GAAP and Other Financial Measures" in this press release.

(5) Sustainable net debt target for 2023, in a stress price environment assuming US\$45/Bbl WTI and US\$2.00/MMBtu NYMEX natural gas.

Significant Reserves Growth

NuVista is pleased to report the results of our year end 2023 independent reserves evaluation by GLJ Ltd. ("GLJ") (the "GLJ Report"). The efficiency in growing our reserves highlights the quality of our asset base. Our proven track record of continuous improvement, combined with the substantial depth and quality of our undeveloped resources, emphasizes our ability to deliver sustained value for our shareholders in both the short and long term. Reserves replacement⁽¹⁾ and inventory growth are key metrics as we continue to build out infrastructure to support production levels toward 115,000 Boe/d.

Our 2023 reserves report includes the following key accomplishments:

- Reported Proved Developed Producing ("PDP") reserves of 161.9 MMBoe, a year-over-year increase of 14%, or a 20% increase on a per share basis;
- Recorded Total Proved plus Probable ("TP+PA") reserves of 643.0 MMBoe, a year-over-year increase of 6%, or a 12% increase on a per share basis, attributed to the continued success in our multi-layer Montney development, including newly booked Lower Montney locations in Gold Creek;
- Replaced 168% and 237% of 2023 production on a PDP and TP+PA basis, respectively, which is reflected in the continued growth of our undeveloped inventory of locations;
- Delivered PDP Finding and Development Costs ("F&D")⁽¹⁾ that exceeded our expectations despite an inflationary environment, at \$10.54/Boe, due to strong well performance and execution;
- TP+PA F&D was \$12.59/Boe, driven by an expected increase in Future Development Capital to account for infrastructure to accommodate growth to 115,000 Boe/d and a 6% increase in undeveloped well costs to reflect 2023 actuals. Three-year average TP+PA F&D is \$10.30/Boe;
- Achieved a PDP recycle ratio⁽¹⁾ of 2.8x based on our 2023 operating netback⁽¹⁾;
- Total wells increased by 47 to 353, while the total undeveloped drilling locations increased by 68 to 1180, which reflects over 25 years of development at the current pace⁽³⁾; and PDP, TP, and TP+PA before-tax net present value, discounted at 10% (NPV10)⁽²⁾, are \$9.68, \$19.52, and \$27.03 per share, respectively, at December 31, 2023, reflecting the exceptional current and future underlying value of our assets.

Notes:

Each of "reserve replacement", "F&D costs", "recycle ratio" and "operating netback" are non-GAAP financial (1) ratios. See "Oil and Gas Advisories" and "Non-GAAP and Other Financial Measures" in this press release for information relating to these specified financial measures.

- (2) Reference to "net present value per share" is a supplementary financial measure. Reference should be made to the section entitled "Non-GAAP and Other Financial Measures" in this press release.
- (3) Total undeveloped locations include 336 undeveloped proved plus probable drilling locations and 844 undeveloped contingent resource drilling locations.

The detailed summary of our year end 2023 reserves disclosure and other oil and gas information is included below, and further information will be included in our Annual Information Form which will be filed on or before March 29, 2024 on SEDAR+ at www.sedarplus.ca.

Excellence in Operations

Operations through the end of 2023 and now into the first two months of 2024 continue to exceed our expectations. The consistency in our service providers has been one of the keys to the continued improvements we are seeing across all aspects of our field operations. Our two drilling rigs finished tandem-drilling a six-well pad in Elmworth and are now drilling a 4-well pad in Pipestone and a 4-well pad in Gold Creek. Completion operations are also progressing very well and we expect six additional pads to come on-stream this year. Despite the severe cold experienced in late January, continued performance improvements and some continued savings on the materials side have allowed us to meet budgeted well costs year to date.

Infrastructure debottlenecking and expansion projects are progressing well in 2024 at both NuVista and third-party facilities. In the Wapiti area an expansion of the NuVista Elmworth Compressor Station is ongoing through the first half of 2024 with a start up planned for early in the third quarter. Additionally, a debottleneck project is being executed at the third-party Pembina Gas Infrastructure (PGI) Wapiti gas plant in the first quarter. These projects will enhance corporate facility capacity, in stages, to over 95,000 Boe/d. Concurrently, in the Pipestone North area, construction is well underway at the third-party CSV Midstream Albright gas plant with anticipated start up in late 2024 or early 2025. Once online NuVista's facility capacity is expected to reach a corporate total of approximately 105,000 Boe/d.

Cycle time improvements have been impressive. Since our 2019-2020 program we have reduced the average number of days from the start of drilling to the on-stream date by 54%. This has significant impact to the rate of return for projects that reach payout in less than one year.

One of the most significant performance highlights continues to be the 6-well pad at Gold Creek that was brought on-stream in the fourth quarter of 2023. Notably, this is our first fully co-developed pad in Gold Creek, including 3 wells from the Middle Montney layer plus 3 wells from the emerging Lower Montney layer. In February, this pad reached its IP90 milestone of 1,570 Boe/d on average per well, including 50% condensate, which represents nearly 90% more condensate produced over its IP90 compared to the Gold Creek historical average well result. A strong production result combined with continued progress in execution which created record NuVista drilling performance on this pad, is forecast to result in a first year capital efficiency of less than \$8,000 per flowing Boe - a leading result for the area.

Balance Sheet Strength and Return of Capital to Shareholders

We ended the year in a position of low debt and significant financial flexibility. At December 31, 2023, our net debt was \$183.6 million, well below our soft ceiling of approximately \$350 million. We were minimally drawn on our \$450 million covenant-based credit facility, at \$16.9 million, with a net debt to annualized fourth quarter adjusted funds flow ratio of 0.2x. The net debt ceiling ensures that based on current production levels, our net debt to adjusted funds flow ratio remains at or below 1.0x in a stress test price environment of US\$45/Bbl WTI oil and US\$2.00/MMBtu NYMEX natural gas.

We remain focused on our disciplined and value-adding growth strategy, and providing significant shareholder returns. We continue to believe that the best method for return of capital to shareholders is initially to repurchase shares, however we will continue to re-evaluate over the next year as our growth plan proceeds. This evaluation will consider commodity prices, the economic and tax environment, and will include all options including share repurchases and dividend payments.

Presently, our Board has set a target of returning approximately 75% of free adjusted funds flow to

shareholders through the repurchase of the Company's common shares pursuant to our current NCIB. The remaining free adjusted funds flow can be allocated towards debt reduction, land acquisitions, infrastructure repurchases, or selective mergers and acquisitions that add value for shareholders.

Environment, Social & Governance ("ESG") Highlights

In September 2023, we proudly published our 2022 ESG Report, underscoring our accomplishments in achieving specific targets and advancing ongoing projects to support our commitment to ESG objectives. Notably, in 2022, we exceeded expectations by achieving a 34% reduction in CO₂e emission intensity from our 2020 baseline, far surpassing our target of a 20% reduction by 2025. Additionally, our methane emission intensity decreased by 86% compared to our 2012 benchmark. As part of our ongoing commitment to enhance our emissions performance, the newly commissioned cogeneration unit at our Wembley Gas Plant in the Pipestone area became operational in the fourth quarter of 2023. This initiative aligns with our broader social responsibility efforts to contribute positively to the communities in which we reside and operate. Notably, the cogeneration unit received support from five Indigenous Nations, who are entitled to defined contractual cash flows, while NuVista will benefit from the cogeneration unit in terms of reduced operating costs and carbon emissions. We also progressed in a number of social and governance matters. More details are available in our 2023 management discussion and analysis and our 2022 ESG report. The 2022 ESG Report is available and can be accessed on our Company's website (see www.nuvistaenergy.com).

Executive Staff Announcement

NuVista is pleased to announce the appointment of Michael Lawford, currently Chief Operating Officer, to President & Chief Operating Officer, effective immediately.

Mr. Lawford joined NuVista in 2012 in the role of Vice President Development, and in 2017, he was promoted to Chief Operating Officer. Mr. Lawford played a pivotal role in transforming the Company into the leading pure-play Montney producer that NuVista is recognized as today. He continues to be a central leader in advancing NuVista's strategic priorities and operational success. Mr. Lawford holds a Bachelor of Science Degree in Geology from the University of Alberta and is a member of the Association of Professional Engineers, Geologists, and Geophysicists of Alberta. Prior to joining NuVista, Mr. Lawford held various roles, including leading the North American New Plays group at a large Canadian independent oil and gas firm.

We offer our warmest congratulations to Mr. Lawford as he takes this next step in the Company's long-term succession plan. Jonathan Wright will continue in the role of Chief Executive Officer.

2024 Guidance Update

As demonstrated above, we continue to execute according to our plans, with well and facility outperformance in several areas. Production is tracking ahead of plan, and as a result we expect to land near the top of our first quarter 2024 production guidance range of 77,000 - 80,000 Boe/d. We expect volumes to reach over 90,000 Boe/d at some point in the second half of 2024.

Our outlook for the full year of 2024 still anticipates excellent well economics with sub one-year payouts, and significant free adjusted funds flow net of capital expenditures despite the temporary significant reduction in natural gas prices. As our adjusted funds flow is primarily driven by condensate pricing, we are making no changes to our capital plans at this time, which allow us to maintain the efficiencies of steady 2-drill-rig execution. We re-affirm our 2024 full year production and capital expenditure guidance ranges of 83,000 - 87,000 Boe/d and \$500 million.

We intend to continue our track record of carefully directing free adjusted funds flow towards a prudent balance of return to shareholders and debt reduction, while investing in disciplined production growth towards 115,000 Boe/d. NuVista has top quality assets and a management team focused on relentless improvement. We have the necessary foundation and liquidity to continue adding significant value for our shareholders. We will continue to closely monitor and adjust to the environment in order to maximize the value of our asset base and ensure the long-term sustainability of our business. We would like to thank our staff, contractors, and suppliers for their continued dedication and delivery, and we thank our Board of Directors and our shareholders for their continued guidance and support.

Please note that our corporate presentation will be available at www.nuvistaenergy.com on February 29, 2024. NuVista's audited financial statements, notes to the financial statements and management's discussion and analysis for the year ended December 31, 2023, will be filed on SEDAR+ (www.sedarplus.ca) on February 29, 2024 and can also be obtained at www.nuvistaenergy.com.

FINANCIAL AND OPERATING HIGHLIGHTS

(\$ thousands, except otherwise stated)	Three months ended December 31			Year ended December 31		
	2023	2022	% Change	2023	2022	%
FINANCIAL						
Petroleum and natural gas revenues	365,497	455,868	(20)	1,398,097	1,745,975	(2)
Cash provided by operating activities	211,761	226,688	(7)	721,342	844,816	(1)
Adjusted funds flow ⁽³⁾	201,987	256,983	(21)	756,943	892,801	(1)
Per share, basic ⁽⁶⁾	0.95	1.16	(18)	3.50	3.94	(1)
Per share, diluted ⁽⁶⁾	0.93	1.12	(17)	3.40	3.78	(1)
Net earnings	89,513	159,372	(44)	367,678	631,045	(4)
Per share, basic	0.42	0.72	(42)	1.70	2.78	(3)
Per share, diluted	0.41	0.69	(41)	1.65	2.67	(3)
Total assets				3,058,053	2,821,666	8
Net capital expenditures ⁽¹⁾	113,258	72,743	56	518,294	419,476	24
Net debt ⁽³⁾				183,551	171,805	7
OPERATING						
Daily Production						
Natural gas (MMcf/d)	310.5	259.3	20	276.0	239.6	15
Condensate (Bbls/d)	26,889	25,112	7	24,633	22,591	9
NGLs (Bbls/d)	7,287	5,918	23	6,545	6,162	6
Total (Boe/d)	85,924	74,252	16	77,185	68,690	12
Condensate & NGLs weighting	40	% 42	%	40	% 42	%
Condensate weighting	31	% 34	%	32	% 33	%
Average realized selling prices ⁽⁵⁾						
Natural gas (\$/Mcf)	3.45	7.55	(54)	4.19	7.39	(4)
Condensate (\$/Bbl)	99.20	109.69	(10)	100.02	118.34	(1)
NGLs (\$/Bbl) ⁽⁴⁾	32.46	41.28	(21)	31.80	54.90	(4)
Netbacks (\$/Boe)						
Petroleum and natural gas revenues	46.24	66.73	(31)	49.62	69.64	(2)
Realized gain (loss) on financial derivatives	0.46	(1.17)	(139)	0.41	(6.56)	(1)
Royalties	(4.50)	(7.94)	(43)	(4.80)	(7.92)	(3)
Transportation expense	(4.54)	(5.33)	(15)	(4.77)	(5.16)	(8)
Net operating expense ⁽²⁾	(10.65)	(11.94)	(11)	(11.40)	(11.67)	(2)
Operating netback ⁽²⁾	27.01	40.36	(33)	29.06	38.33	(2)
Corporate netback ⁽²⁾	25.55	37.62	(32)	26.86	35.60	(2)
SHARE TRADING STATISTICS						
High (\$/share)	13.72	14.67	(6)	13.72	14.67	(6)
Low (\$/share)	10.40	10.22	2	9.93	6.94	43
Close (\$/share)	11.04	12.48	(12)	11.04	12.48	(1)
Common shares outstanding (thousands of shares)				207,584	219,346	(5)

NOTES:

- Non-GAAP financial measure that does not have any standardized meaning under IFRS Accounting Standards and therefore may not be comparable to similar measures presented by other companies where similar terminology is used. Reference should be made to the section entitled "Specified Financial Measures"

- Non-GAAP ratio that does not have any standardized meaning under IFRS Accounting Standards and
- (2) therefore may not be comparable to similar measures presented by other companies where similar terminology is used. Reference should be made to the section entitled "*Specified Financial Measures*".
 - (3) Capital management measure. Reference should be made to the section entitled "*Specified Financial Measures*".
 - (4) Natural gas liquids ("NGLs") include butane, propane and ethane revenue and sales volumes, and sulphur revenue.
 - (5) Product prices exclude realized gains/losses on financial derivatives.
 - (6) Supplementary financial measure. Reference should be made to the section entitled "*Specified Financial Measures*".

Detailed Summary of Corporate Reserves Data

The following table provides summary reserve information based upon the GLJ Report using the published 3 Consultants' Average January 1, 2024 price forecast:

Reserves category ⁽¹⁾⁽⁵⁾	Natural Gas ⁽²⁾	Natural Gas Liquids ⁽⁴⁾	Oil ⁽³⁾	Total
	Company Gross (MMcf)	Company Gross (MBbls)	Company Gross (MBbls)	Company Gross (MBoe)
Proved				
Developed producing	616,871	59,132	-	161,944
Developed non-producing	77,237	8,099	-	20,972
Undeveloped	852,363	76,901	-	218,961
Total proved	1,546,471	144,132	-	401,877
Total probable	959,423	81,243	-	241,147
Total proved plus probable	2,505,894	225,374	-	643,023

NOTES:

- (1) Numbers may not add due to rounding.
- (2) Includes conventional natural gas and shale gas.
- (3) Includes light and medium crude oil.
- (4) NGLs includes ethane, propane, butane, condensate and pentane plus.
- (5) Reserves have been presented on gross basis which are the Company's total working interest share before the deduction of any royalties and without including any royalty interests of the Company.

The following table is a summary reconciliation of the 2023 year end working interest reserves with the working interest reserves reported in the 2022 year end reserves report:

Company Gross	Natural Gas ⁽¹⁾⁽³⁾ (MMcf)	Natural Gas Liquids ⁽¹⁾⁽⁵⁾ (MBbls)	Oil ⁽¹⁾⁽⁴⁾ (MBbls)	Total Oil Equivalent ⁽¹⁾ (MBoe)	
Total proved					
Balance, December 31, 2022	1,305,462	122,546	-	340,123	
Exploration and development ⁽²⁾	316,314	30,879	-	83,598	
Technical revisions	26,392	2,159	4	6,561	
Acquisitions	-	-	-	-	
Dispositions	-	-	-	-	
Economic Factors	(943) (75) -	(232)
Production	(100,754) (11,377) (4) (28,173)
Balance, December 31, 2023	1,546,471	144,132	-	401,877	
Total proved plus probable					

Balance, December 31, 2022	2,358,924	211,259	-	604,413	
Exploration and development ⁽²⁾	223,367	23,490	-	60,718	
Technical revisions	26,177	2,148	4	6,514	
Acquisitions	-	-	-	-	
Dispositions	-	-	-	-	
Economic Factors	(1,820) (145) -	(448)
Production	(100,754) (11,377) (4) (28,173)
Balance, December 31, 2023	2,505,894	225,374	-	643,023	

NOTES:

- (1) Numbers may not add due to rounding.
- (2) Reserve additions for drilling extensions, infill drilling and improved recovery.
- (3) Includes conventional natural gas and shale gas.
- (4) Includes light, medium crude oil.
- (5) NGLs includes ethane, propane, butane, condensate and pentane plus.

The following table summarizes the future development capital required to bring undeveloped reserves and proved plus probable undeveloped reserves on production:

(\$ thousands, undiscounted)	Proved ⁽¹⁾	Proved plus Probable ⁽¹⁾
2024	325,745	325,745
2025	393,667	393,667
2026	368,537	368,537
2027	386,461	405,245
2028	252,032	291,758
Remaining	-	867,117
Total (undiscounted)	1,726,442	2,652,067

NOTE:

- (1) Numbers may not add due to rounding.

The following table outlines NuVista's corporate finding, development and acquisition ("FD&A") costs in more detail:

	3 Year-Average ⁽¹⁾		2023 ⁽¹⁾		2022 ⁽¹⁾	
	Proved	Proved plus probable	Proved	Proved plus probable	Proved	Proved plus probable
Finding and development costs (\$/Boe)	\$ 10.15	\$ 10.30	\$ 10.92	\$ 12.59	\$ 9.48	\$ 8.38
Finding, development and acquisition costs (\$/Boe)	\$ 9.60	\$ 10.09	\$ 11.12	\$ 12.86	\$ 9.48	\$ 8.38

NOTE:

- F&D costs and FD&A are used as a measure of capital efficiency. The calculation for F&D costs includes all exploration and development capital for that period as outlined in the Company's year-end financial statements plus the change in future development capital for that period. This total capital including the change in the future development capital is then divided by the change in reserves for that period including revisions for that same period. The aggregate of the exploration and development costs incurred in the most recent financial year and the change during the year in estimated future development costs generally will not reflect total finding and development costs related to reserve additions for the year. FD&A costs are calculated in the same manner except in addition to exploration and development capital and the change in future development capital, acquisition capital (net of any disposition proceeds) is also included in the calculation.

Summary of Corporate Net Present Value Data of Future Net Revenue

The estimated net present values of future net revenue before income taxes associated with NuVista's reserves effective December 31, 2023 and based on the published 3 Consultants' Average price forecast as at January 1, 2024 as set forth below, are summarized in the following table:

Reserves category ⁽¹⁾⁽²⁾ (\$ thousands)	Before Income Taxes				
	Discount Factor (%/year)				
	0%	5%	10%	15%	20%
Proved					
Developed producing	3,359,306	2,518,100	2,010,245	1,683,220	1,458,573
Developed non-producing	484,705	352,217	277,661	230,826	198,755
Undeveloped	4,350,139	2,644,846	1,764,108	1,252,617	927,660
Total proved	8,194,151	5,515,164	4,052,014	3,166,663	2,584,989
Probable	6,090,431	2,803,913	1,559,783	989,124	685,752
Total proved plus probable	14,284,581	8,319,077	5,611,797	4,155,786	3,270,741

NOTES:

(1) Numbers may not add due to rounding.

(2) All future net revenues are stated prior to the provision for interest income and other general and administrative expenses and after deduction of royalties, operating costs, estimated well and facility abandonment and reclamation costs and estimated future capital expenditures.

The following table is a summary of pricing and inflation rate assumptions based on published 3 Consultants' Average forecast prices and costs as at January 1, 2024:

Year	AECO Gas (\$Cdn/ MMBtu)	NYMEX Gas (\$US/ MMBtu)	Midwest Gas at Chicago (\$US/ MMBtu)	Edmonton C5+ (\$Cdn/Bbl)	Edm
Forecast					
2024	2.20	2.75	2.58	96.79	29.6
2025	3.37	3.64	3.46	98.75	35.1
2026	4.05	4.02	3.85	100.71	35.4
2027	4.13	4.10	3.92	102.72	36.1
2028	4.21	4.18	4.01	104.78	36.8
2029	4.30	4.27	4.08	106.87	37.6
2030	4.38	4.35	4.17	109.01	38.3
2031	4.47	4.44	4.25	111.19	39.1
2032	4.56	4.53	4.34	113.41	39.9
2033	4.65	4.62	4.43	115.67	40.7
2034	4.74	4.71	4.51	117.98	41.5
2035	4.84	4.80	4.60	120.34	42.3
2036	4.94	4.90	4.70	122.75	43.2

2037	5.03	5.00	4.80	125.20	44.0
2038	5.13	5.10	4.88	127.71	44.9
2039+	+2.0%/yr	+2.0%/yr	+2.0%/yr	+2.0%/yr	+2.0

NOTES:

- (1) Costs were not inflated in 2024 and inflated at 2% per annum thereafter.
- (2) Exchange rate used to generate the benchmark reference prices in this table.
NuVista's future realized gas prices are forecasted based on a combination of various benchmark prices in addition to the AECO benchmark in order to reflect the favorable price diversification to other markets which
- (3) NuVista has undertaken. Pricing at these markets has been accounted for in the GLJ Report. Additional information on NuVista's gas marketing diversification will be available in our corporate presentation.

Advisories Regarding Oil and Gas Information

BOEs 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. 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.

This press release contains a number of oil and gas metrics prepared by management, including F&D costs, FD&A costs, recycle ratio, operating netback, corporate netback and reserves replacement costs, 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. Such metrics have been included herein to provide readers with additional measures to evaluate NuVista's performance on a comparable basis with prior periods; however, such measures are not reliable indicators of the future performance of NuVista, and future performance may not compare to the performance in previous periods. Details of how F&D costs, FD&A costs, operating netback, corporate netback and recycle ratios are calculated are set forth under the heading "Non-GAAP and Other Financial Measures - Non-GAAP Ratios". Reserves replacement is calculated as reserves divided by estimated production.

Any references in this press release to initial production ("IP") rates are useful in confirming the presence of hydrocarbons, however, such rates are not determinative of the rates at which such wells will continue production and decline thereafter. While encouraging, readers are cautioned not to place reliance on such rates in calculating the aggregate production for NuVista.

Any reference to capital efficiency has been prepared by management and is used to measure performance.

NuVista calculates capital efficiency as the sum of the capital expenditures divided by average first year production rate for the applicable well(s). This term does not have a standardized meaning or standard calculation and is not comparable to similar measures used by other entities.

This press release discloses NuVista's potential drilling locations in two categories: (i) undeveloped proved plus probable (2P) drilling locations; and (ii) undeveloped contingent resources (2C) drilling locations. Undeveloped 2P drilling locations are derived the GLJ Report, and account for undeveloped drilling locations that have associated proved and/or probable reserves, as applicable. Undeveloped 2C drilling locations are derived from a report prepared by GLJ evaluating NuVista's contingent resources as of December 31, 2023 ("GLJ Contingent Resource Report"), and account for undeveloped drilling locations that have associated contingent resources based on a best estimate of such contingent resources. There is no certainty that we will drill all drilling locations and if drilled there is no certainty that such locations will result in additional oil and gas production. The drilling locations on which we actually drill wells will ultimately depend upon the availability of capital, regulatory approvals, seasonal restrictions, oil and natural gas prices, costs, actual drilling results, additional reservoir information that is obtained and other factors. Contingent resources are those quantities of petroleum estimated, as of a given date, to be potentially recoverable from known accumulations using established technology or technology under development, but which are not currently considered to be commercially recoverable due to one or more contingencies. Economic contingent resources are those contingent resources that are currently economically recoverable. The sub-classes included under economic contingent resources are Development Pending CR, Development on Hold CR,

and Development Unclarified CR. Development Pending are resources where resolution of the final conditions for development is being actively pursued (high chance of development). Development on Hold are resources where there is a reasonable chance of development but there are major non-technical contingencies to be resolved that are usually beyond the control of the operator. Development Unclarified are resources where the evaluation is incomplete and there is ongoing activity to resolve any risks or uncertainties. Development Not Viable are resources that are not viable in the conditions prevailing at the effective date of the evaluation, and where no further data acquisition or evaluation is currently planned and hence there is a low chance of development. In the case of the contingent resources estimated in the GLJ Contingent Resource Report, contingencies include: (i) further delineation of interest lands; (ii) corporate commitment, and; (iii) final development plan. To further delineate interest lands additional wells must be drilled and tested to demonstrate commercial rates on the resource lands. Reserves are only assigned in close proximity to demonstrated productivity. As continued delineation drilling occurs, a portion of the contingent resources are expected to be reclassified as reserves. Confirmation of corporate intent to proceed with remaining capital expenditures within a reasonable timeframe is a requirement for the assessment of reserves. Finalization of a development plan includes timing, infrastructure spending and the commitment of capital.

The estimated future net revenue contained in this press release does not necessarily represent the fair market value of the reserves. There is no assurance that the forecast price and cost assumptions contained in the GLJ Report will be attained and variations could be material. The recovery and reserve estimates described herein are estimates only. Actual reserves may be greater or less than those calculated.

Definitions of Oil and Gas Reserves

Reserves are estimated remaining quantities of crude oil and natural gas and related substances anticipated to be recoverable from known accumulations, as of a given date, based on the analysis of drilling, geological, geophysical, and engineering data; the use of established technology; and specified economic conditions, which are generally accepted as being reasonable. Reserves are classified according to the degree of certainty associated with the estimates as follows:

Proved Reserves are those reserves that can be estimated with a high degree of certainty to be recoverable. It is likely that the actual remaining quantities recovered will exceed the estimated proved reserves.

Probable Reserves are those additional reserves that are less certain to be recovered than proved reserves. It is equally likely that the actual remaining quantities recovered will be greater or less than the sum of the estimated proved plus probable reserves.

Basis of presentation

Unless otherwise noted, the financial data presented in this news release has been prepared in accordance with Canadian generally accepted accounting principles ("GAAP") also known as IFRS Accounting Standards.

Natural gas liquids are defined by National Instrument 51-101 - Standards of Disclosure for Oil and Gas Activities" to include ethane, butane, propane, pentanes plus and condensate. Unless explicitly stated in this press release, references to "NGL" refers only to ethane, butane and propane and references to "condensate" refers to only to condensate and pentanes plus. NuVista has disclosed condensate and pentanes plus values separately from ethane, butane and propane values as NuVista believes it provides a more accurate description of NuVista's operations and results therefrom.

Production split for Boe/d amounts referenced in the news release are as follows:

<i>Reference</i>	<i>Total Boe/d</i>	<i>Natural Gas Condensate NGLs</i>			
		<i>%</i>	<i>%</i>	<i>%</i>	
<i>Q4 2023 production - actual</i>	<i>85,924</i>	<i>60</i>	<i>%</i>	<i>31 %</i>	<i>9 %</i>
<i>Q4 2023 production guidance</i>	<i>82,000 - 84,000</i>	<i>61</i>	<i>%</i>	<i>30 %</i>	<i>9 %</i>
<i>2023 annual production - actual</i>	<i>77,185</i>	<i>60</i>	<i>%</i>	<i>32 %</i>	<i>8 %</i>

2023 annual production guidance	76,000 - 77,000	61	%	30	%	9	%
Q1 2024 production guidance	77,000 - 80,000	61	%	30	%	9	%
2024 annual production guidance	83,000 - 87,000	61	%	30	%	9	%

Reserves advisories

The GLJ Report was prepared in accordance with National Instrument 51-101 - Standards of Disclosure for Oil and Gas Activities and the Canadian Oil and Gas Evaluation Handbook ("COGE Handbook") and is dated effective as of December 31, 2023. The GLJ Report was based on 3 Consultants' Average January 1, 2024 forecast pricing and foreign exchange rates at January 1, 2024. All reserves information has been presented on a gross basis, which is the Company's working interest share before deduction of royalties and without including any royalty interests of the Company. The reserves have been categorized accordance with the reserves definitions as set out in the COGE Handbook. The recovery and reserve estimates contained herein are estimates only and there is no guarantee that the estimated reserves will be recovered.

Advisory regarding forward-looking information and statements

This press release contains forward-looking statements and forward-looking information (collectively, "forward-looking statements") within the meaning of applicable securities laws. The use of any of the words "will", "expects", "believe", "plans", "potential" and similar expressions are intended to identify forward-looking statements. More particularly and without limitation, this press release contains forward looking statements, including but not limited to:

- NuVista' ability to maintain a financially strong position in 2024 and that it will enable us to return capital to shareholders, while executing on our value-driven growth strategy;
- the property acquisition completed in the fourth quarter of 2023, and that it will immediately contribute to our inventory, enhance our land configuration efficiency, and optimize the utilization of our pipelines and field facilities;
- the cogeneration unit and partnership with five Indigenous Nations and that it will provide contractual cash flows to the participating Nations and lead to a reduction in operating expenses and carbon emissions for NuVista;
- the quality of NuVista's assets;
- the expected depth and quality in undeveloped reserves;
- our ability to create both short-term and long-term value for our shareholders;
- our ability to build out infrastructure to support production levels of 115,000 Boe/day;
- our drilling and completion plans for 2024 and the allocation thereof;
- our expectation that continued improvement in performance will persist and enable a reduction in well costs in 2024;
- the anticipated timing of infrastructure debottlenecking and expansion projects in 2024 and 2025 and the anticipated benefits thereof;
- that NuVista's facility capacity will reach a corporate total of approximately 105,000 Boe/d once all planned infrastructure projects are online;
- our expectations for the first year of production for the 6-well pad at Gold Creek which was brought on-stream in the fourth quarter of 2023;
- that our soft ceiling net debt of \$350 million will allow our current production levels to be sustainable and maintain an adjusted funds flow ratio below 1.0x in a stress test price environment of US\$45/Bbl WTI oil and US\$2.00/MMBtu NYMEX natural gas;
- our ability to remain disciplined and execute on our value-adding growth strategy and provide significant returns for shareholders;
- our expectations regarding free adjusted funds flow in 2024;
- our ESG plans and commitment targets and expected results from our ESG initiatives;
- our expectation regarding continued production growth and achieving anticipated half-cycle returns;
- our 2024 development plan will provide significant free adjusted funds flow in the current commodity price environment;
- our plan to continue to maintain an efficient drilling program by employing 2-drill-rig execution;
- guidance with respect to 2024 production and production mix;
- guidance with respect to first quarter 2024 production and production mix, and that production will reach over 90,000 Boe/d in the second half of 2024;
- guidance with respect to 2024 capital expenditures amounts, spending timing and allocation;
- future commodity prices;
- plans to direct additional available adjusted funds flow towards a disciplined balance of return of capital to shareholders and debt reduction;

- *our future focus, strategy, plans, opportunities and operations; and*
- *other such similar statements.*

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.

Forward-looking information in this press release pertaining to the repurchase of our outstanding common shares, while based on NuVista's current intentions and beliefs, are not guaranteed and should not be unduly relied upon. Any decisions with respect to share repurchases are subject to the approval of the Board.

By their nature, forward-looking statements are based upon certain assumptions and are subject to numerous risks and uncertainties, some of which are beyond NuVista's control, including the impact of general economic conditions, industry conditions, current and future commodity prices and inflation rates; the impact of ongoing global events, including Middle East and European tensions, with respect to commodity prices, currency and interest rates, anticipated production rates, borrowing, operating and other costs and adjusted funds flow; the timing, allocation and amount of capital expenditures and the results therefrom; anticipated reserves and the imprecision of reserve estimates; the performance of existing wells; the success obtained in drilling new wells; the sufficiency of budgeted capital expenditures in carrying out planned activities; access to infrastructure and markets; competition from other industry participants; availability of qualified personnel or services and drilling and related equipment; stock market volatility; effects of regulation by governmental agencies including changes in environmental regulations, tax laws and royalties; the ability to access sufficient capital from internal sources and bank and equity markets; that we will be able to execute our 2024 drilling plans as expected; our ability to carry out our 2024 production and capital guidance as expected and including, without limitation, those risks considered under "Risk Factors" in our Annual Information Form.

Readers are cautioned that the assumptions used in the preparation of such information, although considered reasonable at the time of preparation, may prove to be imprecise and, as such, undue reliance should not be placed on forward-looking statements. NuVista's actual results, performance or achievement could differ materially from those expressed in, or implied by, these forward-looking statements, or if any of them do so, what benefits NuVista will derive therefrom. NuVista has included the forward-looking statements in this press release in order to provide readers with a more complete perspective on NuVista's future operations and such information may not be appropriate for other purposes. NuVista disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law.

This press release also contains future-oriented financial information and financial outlook information (collectively, "FOFI") relating to NuVista including, without limitation, capital efficiency drilling performance, use of adjusted funds flow, Q1 2024, Q2 2024, and 2024 annual average production, , capital expenditures and corporate netbacks which are subject to the same assumptions, risk factors, limitations, and qualifications as set forth above. Readers are cautioned that the assumptions used in the preparation of such information, although considered reasonable at the time of preparation, may prove to be imprecise and, as such, undue reliance should not be placed on FOFI. NuVista's actual results, performance or achievement could differ materially from those expressed in, or implied by, these FOFI, or if any of them do so, what benefits NuVista will derive therefrom. NuVista has included the FOFI in order to provide readers with a more complete perspective on NuVista's future operations and such information may not be appropriate for other purposes.

These forward-looking statements and FOFI are made as of the date of this press release and NuVista disclaims any intent or obligation to update any forward-looking statements and FOFI, whether as a result of new information, future events or results or otherwise, other than as required by applicable securities law.

Non-GAAP and other financial measures

This press release uses various specified financial measures (as such terms are defined in National Instrument 52-112 - Non-GAAP Disclosure and Other Financial Measures Disclosure ("NI 51-112")) including "non-GAAP financial measures", "non-GAAP ratios", "capital management measures" and "supplementary

financial measures" (as such terms are defined in NI 51-112), which are described in further detail below. Management believes that the presentation of these non-GAAP measures provides useful information to investors and shareholders as the measures provide increased transparency and the ability to better analyze performance against prior periods on a comparable basis.

(1) Non-GAAP financial measures

NI 52-112 defines a non-GAAP financial measure as a financial measure that: (i) depicts the historical or expected future financial performance, financial position or cash flow of an entity; (ii) with respect to its composition, excludes an amount that is included in, or includes an amount that is excluded from, the composition of the most directly comparable financial measure disclosed in the primary financial statements of the entity; (iii) is not disclosed in the financial statements of the entity; and (iv) is not a ratio, fraction, percentage or similar representation.

These non-GAAP financial measures are not standardized financial measures under IFRS Accounting Standards and might not be comparable to similar measures presented by other companies where similar terminology is used. Investors are cautioned that these measures should not be construed as alternatives to or more meaningful than the most directly comparable GAAP measures as indicators of NuVista's performance. Set forth below are descriptions of the non-GAAP financial measures used in this press release.

NuVista has added the non-GAAP financial measures of "net capital expenditures" and "net operating expense" during the year. Net capital expenditures includes proceeds received on property dispositions which will be reinvested into the Company's development plans and funds used to acquire properties. The use of net capital expenditures more closely aligns with the most directly comparable GAAP measure of cash used in investing activities and incorporates funds reinvested from property dispositions which more accurately reflects the Company's strategic plan. The fourth quarter of 2023 was the first instance in which NuVista recognized power generation expenditures, which were in respect of the cogeneration unit at the Wembley Gas Plant. Net operating expense considers that any incremental gross costs incurred to process third party volumes at its facilities are offset by the applicable fees charged to such third parties. The use of net operating expense closely aligns with the most directly comparable GAAP measure of operating expense and includes other income which more actually reflects the nature of the Company's operating activities.

- *Free adjusted funds flow*

Free adjusted funds flow is adjusted funds flow less net capital expenditures, power generation expenditures, and asset retirement expenditures. Each of the components of free adjusted funds flow are non-GAAP financial measures. Please refer to disclosures under the headings "Capital management measures" and "Net capital expenditures" for a description of each component of free adjusted funds flow. Management uses free adjusted funds flow as a measure of the efficiency and liquidity of its business, measuring its funds available for additional capital allocation to manage debt levels, pay dividends, and return capital to shareholders. By removing the impact of current period net capital expenditures, power generation expenditures and asset retirement expenditures, management believes this measure provides an indication of the funds the Company has available for future capital allocation decisions.

The following table sets out our free adjusted funds flow compared to the most directly comparable GAAP measure of cash provided by operating activities less cash used in investing activities for the applicable periods:

	Three months ended December 31	
(\$ thousands)	2023	2022
Cash provided by operating activities	211,761	226,688
Cash used in investing activities	(132,646	) (79,310
Excess cash provided by operating activities over cash used in investing activities	79,115	147,378
Adjusted funds flow	201,987	256,983
Net capital expenditures	(113,258	) (72,743
Power generation expenditures	(16,904) -
Asset retirement expenditures	(1,208) (1,223

Free adjusted funds flow	70,617	183,017
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- *Capital expenditures*

Capital expenditures are equal to cash used in investing activities, excluding changes in non-cash working capital, other asset expenditures, power generation expenditures, proceeds on property dispositions and costs of acquisitions. NuVista considers capital expenditures to represent its organic capital program and a useful measure of cash flow used for capital reinvestment.

The following table provides a reconciliation between the non-GAAP measure of capital expenditures to the most directly comparable GAAP measure of cash used in investing activities for the applicable periods:

(\$ thousands)	Three months ended December 31		Year ended December 31	
	2023	2022	2023	2022
Cash used in investing activities	(132,646	) (79,310	) (531,586	) (442,091
Changes in non-cash working capital	2,484	6,567	(13,112	) 22,615
Other asset expenditures	-	-	9,500	-
Power generation expenditures	16,904	-	16,904	-
Property acquisition	44,000	-	44,000	-
Proceeds on property disposition	-	-	(26,000) -
Capital expenditures	(69,258	) (72,743	) (500,294	) (419,476

- *Net capital expenditures*

Net capital expenditures are equal to cash used in investing activities, excluding changes in non-cash working capital, other asset expenditures, and power generation expenditures. The Company includes funds used for property acquisition or proceeds from property dispositions within net capital expenditures as these transactions are part of its development plans. NuVista considers net capital expenditures to represent its organic capital program inclusive of capital spending for acquisition and disposition proposes and a useful measure of cash flow used for capital reinvestment.

The following table provides a reconciliation between the non-GAAP measure of net capital expenditures to the most directly comparable GAAP measure of cash used in investing activities for the applicable periods:

(\$ thousands)	Three months ended December 31		Year ended December 31	
	2023	2022	2023	2022
Cash used in investing activities	(132,646	) (79,310	) (531,586	) (442,091
Changes in non-cash working capital	2,484	6,567	(13,112	) 22,615
Other asset expenditures	-	-	9,500	-
Power generation expenditures	16,904	-	16,904	-
Net capital expenditures	(113,258	) (72,743	) (518,294	) (419,476

The following table provides a breakdown of capital expenditures, net capital expenditures and power generation expenditures by category for the applicable periods:

(\$ thousands, except % amounts)	Three months ended December 31				Year ended December 31			
	2023	% of total	2022	% of total	2023	% of total	2022	% of total
Land and retention costs	15	-	20	-	7,507	2	3,378	1
Geological and geophysical	249	-	139	-	691	-	386	-
Drilling and completion	51,413	74	61,348	84	392,663	79	345,735	83
Facilities and equipment	16,193	23	9,882	14	93,252	19	64,386	15
Corporate and other	1,388	2	1,354	2	6,181	1	5,591	1
Capital expenditures	69,258		72,743		500,294		419,476	

Property acquisitions	44,000	-	44,000	-
Proceeds on property disposition	-	-	(26,000)	-
Net capital expenditures	113,258	72,743	518,294	419,476
Power generation expenditures	16,904	-	16,904	-

- *Net operating expense*

NuVista considers that any incremental gross costs incurred to process third party volumes at its facilities are offset by the applicable fees charged to such third parties. However, under IFRS Accounting Standards, NuVista is required to reflect operating costs and processing fee income separately on its consolidated statements of earnings and consolidated income. Management believes that net operating expense, calculated as gross operating expense less processing income and other recoveries, which are included in other income on the statement of income and comprehensive income, is a meaningful measure for investors to understand the net impact of the Company's operating activities.

The following table sets out net operating expense compared to the most directly comparable GAAP measure of operating expenses for the applicable periods:

(\$ thousands)	Three months ended December 31		Year ended December 31	
	2023	2022	2023	2022
Operating expense	85,207	81,570	324,196	292,568
Other income	(1,038)	-	(3,058)	-
Net operating expense	84,169	81,570	321,138	292,568

(2) *Non-GAAP ratios*

NI 52-112 defines a non-GAAP ratio as a financial measure that: (i) is in the form of a ratio, fraction, percentage or similar representation; (ii) has a non-GAAP financial measure as one or more of its components; and (iii) is not disclosed in the financial statements of the entity. Set forth below is a description of the non-GAAP ratios used in this press release.

These non-GAAP ratios are not standardized financial measures under IFRS Accounting Standards and might not be comparable to similar measures presented by other companies where similar terminology is used. Investors are cautioned that these ratios should not be construed as alternatives to or more meaningful than the most directly comparable GAAP measures as indicators of NuVista's performance.

Per Boe disclosures for petroleum and natural gas revenues, realized gains/losses on financial derivatives, royalties, transportation expense, G&A expense, financing costs, and DD&A expense are non-GAAP ratios that are calculated by dividing each of these respective GAAP measures by NuVista's total production volumes for the period.

Non-GAAP ratios presented on a "per Boe" basis may also be considered to be supplementary financial measures (as such term is defined in NI 51-112).

- *Operating netback and corporate netback ("netbacks"), per Boe*

NuVista calculated netbacks per Boe by dividing the netbacks by total production volumes sold in the period. Each of operating netback and corporate netback are non-GAAP financial measures. Operating netback is calculated as petroleum and natural gas revenues including realized financial derivative gains/losses, less royalties, transportation expense and net operating expense. Corporate netback is operating netback less general and administrative expense, cash share-based compensation expense, financing costs excluding accretion expense, and current income tax expense (recovery).

Management believes both operating and corporate netbacks are key industry benchmarks and measures of operating performance for NuVista that assists management and investors in assessing NuVista's profitability, and are commonly used by other petroleum and natural gas producers. The measurement on a Boe basis assists management and investors with evaluating NuVista's operating performance on a comparable basis.

- *Net operating expense, per Boe*

NuVista has calculated net operating expense per Boe by dividing net operating expense by NuVista's production volumes for the period.

Management believes that net operating expense, calculated as gross operating expense less processing income and other recoveries, which are included in other income on the statement of income and comprehensive income, is a meaningful measure for investors to understand the net impact of the Company's operating activities. The measurement on a Boe basis assists management and investors with evaluating NuVista's operating performance on a comparable basis.

Reference has been also been made to certain terms that do not have standardized meanings or standard calculations and therefore such measures may not be comparable to similar measures used by other entities. These terms are used by NuVista's management to measure the success of replacing reserves and to compare operating performance to previous periods on a comparable basis

- *F&D costs*

NuVista calculated F&D costs as the sum of development costs plus the change in future development costs ("FDC") for the period when appropriate, divided by the change in reserves within the applicable reserves category, excluding those reserves acquired or disposed.

NuVista calculated TP+PA 3-year average F&D costs as the sum of development costs plus the sum of the change in FDC over the last three completed financial years, divided by the sum of the change in the total proved and probable reserves over the last three completed financial years.

- *FD&A costs*

NuVista calculated FD&A costs are calculated as the sum of development costs plus acquisition costs net of disposition proceeds plus the change in FDC for the period when appropriate, divided by the change in reserves within the applicable reserves category, inclusive of changes due to acquisitions and dispositions.

- *Recycle Ratio*

NuVista calculates recycle ratio as the operating netback divided by F&D costs for the applicable period.

(3) Capital management measures

NI 52-112 defines a capital management measure as a financial measure that: (i) is intended to enable an individual to evaluate an entity's objectives, policies and processes for managing the entity's capital; (ii) is not a component of a line item disclosed in the primary financial statements of the entity; (iii) is disclosed in the notes to the financial statements of the entity; and (iv) is not disclosed in the primary financial statements of the entity.

NuVista has defined net debt, adjusted funds flow, and net debt to annualized fourth quarter adjusted funds flow ratio as capital management measures used by the Company in this press release.

- *Adjusted funds flow*

NuVista considers adjusted funds flow to be a key measure that provides a more complete understanding of the Company's ability to generate cash flow necessary to finance capital expenditures, expenditures on asset retirement obligations, and meet its financial obligations. NuVista has calculated adjusted funds flow based on cash flow provided by operating activities, excluding changes in non-cash working capital and asset retirement expenditures, as management believes the timing of collection, payment, and occurrence is variable and by excluding them from the calculation, management is able to provide a more meaningful performance measure of NuVista's operations on a continuing basis. More specifically, expenditures on asset retirement obligations may vary from period to period depending on the Company's capital programs and the maturity of its operating areas, while environmental remediation recovery relates to an incident that management doesn't expect to occur on a regular basis. The settlement of asset retirement obligations is managed through NuVista's capital budgeting process which considers its available adjusted funds flow.

A reconciliation of adjusted funds flow is presented in the following table:

	Three months ended December 31		Year ended December 31	
	2023	2022	2023	2022
Cash provided by operating activities	\$ 211,761	\$ 226,688	\$ 721,342	\$ 844,816
Asset retirement expenditures	1,208	1,223	11,195	9,302
Change in non-cash working capital	(10,982	) 29,072	24,406	38,683
Adjusted funds flow	\$ 201,987	\$ 256,983	\$ 756,943	\$ 892,801

● *Net debt*

Net debt is used by management to provide a more complete understanding of the NuVista's capital structure and provides a key measure to assess the Company's liquidity. NuVista has calculated net debt based on cash and cash equivalents, accounts receivable and prepaid expenses, other receivable, accounts payable and accrued liabilities, long-term debt (credit facility) and senior unsecured notes and other liabilities. NuVista calculated annualized fourth quarter adjusted funds flow ratio by dividing net debt by the annualized adjusted funds flow for the fourth quarter.

The following is a summary of total market capitalization, net debt, annualized current quarter adjusted funds flow, net debt to annualized current quarter adjusted funds flow, adjusted funds flow, and net debt to adjusted funds flow:

	2023	2022
Cash and cash equivalents	\$ -	\$ (41,890)
Accounts receivable and prepaid expenses	(163,987)	(194,128)
Inventory	(20,705)	(9,613)
Accounts payable and accrued liabilities	157,711	185,129
Current portion of other liabilities	14,082	15,375
Long-term debt (credit facility)	16,897	-
Senior unsecured notes	162,195	215,392
Other liabilities	17,358	1,540
Net debt	\$ 183,551	\$ 171,805
Annualized current quarter adjusted funds flow	\$ 807,948	\$ 1,027,932
Net debt to annualized current quarter adjusted funds flow	0.2	0.2
Adjusted funds flow	\$ 756,943	\$ 892,801
Net debt to adjusted funds flow	0.2	0.2

(4) Supplementary financial measures

This press release may contain certain supplementary financial measures. NI 52-112 defines a supplementary financial measure as a financial measure that: (i) 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; (ii) is not disclosed in the financial statements of the entity; (iii) is not a non-GAAP financial measure; and (iv) is not a non-GAAP ratio.

NuVista calculates: (i) "adjusted funds flow per share" by dividing adjusted funds flow for a period by the number of weighted average common shares of NuVista for the specified period; (ii) "operating netback per share" by dividing operating netback for a period by the number of weighted average common shares of NuVista for the specified period; (iii) "corporate netback per share" by dividing operating netback for a period by the number of weighted average common shares of NuVista for the specified period; (iv) "net debt to adjusted funds flow" by dividing the net debt at the end of a period by the adjusted funds flow for such period; and (v) "net present value per share" is the net present value (discounted at 10%) in the reserve category divided by the basic common shares outstanding at the end of the period.

FOR FURTHER INFORMATION CONTACT:

Jonathan A. Wright	Ivan J. Condic	Mike J. Lawford
CEO	VP, Finance and CFO	President and COO
(403) 538-8501	(403) 538-1945	(403) 538-1936

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