Logan Energy Corp. Announces 2026 Budget And Operations Update

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Logan Energy Corp. (TSXV: LGN) ("Logan" or the "Company") is pleased to announce its budget and guidance for 202
an operations update.

2026 BUDGET

Logan is pleased to provide details of its budget for 2026, which is focused on delivering disciplined production growth
certain strategic projects while maintaining balance sheet strength through a weaker oil price environment.

Logan's Board of Directors has approved a 2026 capital expenditure budget of $140 to $150 million which is expected t
production between 15,000 to 16,000 BOE/d. 2026 average production is projected to grow by approximately 19% and
and transport costs are forecast to decrease by 10% compared to 2025[1]. The budget and planned activities are design
flexibility such that capital can be reduced or increased depending on commodity prices throughout the year.

The drilling, completion and equipping of wells comprises $105 million of the budget which is focused on:

Pouce Coupe:

- Seven (7.0 net) oil weighted wells at Pouce Coupe in the D1 Lower Middle Montney.
- One (1.0 net) gas weighted location in the north part of Pouce Coupe in the D1 Lower Middle Montney ("3-15 We Coupe D1 inventory is currently unbooked with considerable follow up inventory.
- One (1.0 net) gas weighted location in the Upper Montney ("6-18 Well"). The Pouce Coupe Upper Montney is unb incremental to Logan's disclosed inventory, and has the potential to extend Pouce Coupe inventory life to ~20 yea

Simonette:

- Five (2.5 net) Lower Montney oil locations at South Simonette.
- Completion of one (0.7 net) Spirit River Deep Basin location (Wilrich strandplain play) of which drilling of the well into the fourth quarter of 2025. Logan's Spirit River inventory is currently unbooked and incremental to Logan's di inventory with considerable running room in Simonette.

Infrastructure, land, contingency and other capital constitute $40 million of the budget with the following key projects:

- Construction of a South Simonette oil battery and compressor station which will enable further growth from South facility is a key project in achieving Logan's long term growth forecast for Simonette of 16,000 to 23,000 BOE/d, a to improve capital efficiencies on future locations by reducing the wellsite equip scope and reducing the gathering pressures.
- Expansion of the Pouce Coupe 4-19 gas plant, including increasing compression capacity by approximately 10 m mmcf/d as well as centralized H_2S treating and other minor optimizations.

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[1] Based on forecast average production of approximately 13,000 BOE/d for 2025. Refer to the November 12, 2025 press release for additional discussion related to revised 2025 production guidance.

The Company's guidance for 2026 is summarized as follows:

For the year ending December 31, 2026	2026 Guidance[1]
2026 average production (BOE/d) [2]	15,000 - 16,000
% Liquids	39 %
H2 2026 average production (BOE/d) [2]	16,500 - 17,500
% Liquids	41 %
Forecast Average Commodity Prices [4]	
WTI crude oil price (US$/bbl)	60.00
AECO natural gas price ($/GJ)	3.00
Average exchange rate (CA$/US$)	1.40
Operating Netback, after hedging ($/BOE) [2][3][4]	25.35
Adjusted Funds Flow ($MM) [2][3]	120
AFF per share, basic [3]	0.20
Capital Expenditures before A&D ($MM) [3]	140 - 150
Net Debt, end of year ($MM) [3]	116
Common shares outstanding, end of year (MM) [5]	596

(1) The financial performance measures included in the Company's guidance for 2026 are based on the midpoint of the average production and capital expenditure forecast.

(2) Additional information regarding the assumptions used in the forecasts of average production, Operating Netback and Adjusted Funds Flow are provided under "Reader Advisories" below.

(3) "Operating Netback, after hedging", "Adjusted Funds Flow", "AFF per share", "Capital Expenditures before A&D" and "Net Debt" do not have standardized meanings under IFRS Accounting Standards, see "Non-GAAP Measures and Ratios" section of this press release.

(4) A summary of outstanding commodity price risk management contracts is provided under the heading "Reader Advisories - Assumptions for Guidance - Commodity Hedging".

(5) Refer to additional information regarding outstanding dilutive securities under the heading of "Share Capital" in this press release.

OPERATIONS UPDATE

In December, Logan drilled its first two wells at Flatrock, marking an important milestone in advancing this high potential Montney asset. The wells drilled very efficiently with 10-day drills on average. The completion and tie-in capital for at least one well would be amongst the first scope to be added to the 2026 budget in the event commodity prices are supportive of an expanded budget. The rig moved from Flatrock and has spud the Pouce Coupe 3-15 well.

A second rig began the Simonette campaign by drilling a Wilrich Spirit River well in December. With the strengthening of natural gas prices and weaker crude oil prices, Logan has the ability pivot capital accordingly across prospects in our portfolio. This well is a good example of the breadth of opportunity that exists within Logan's assets and the additional gas weighted inventory which has not been a focus over the previous two years of depressed natural gas prices. Following the Wilrich well, the rig is continuing on to the Lower Montney development drilling at South Simonette.

Production was steady during the balance of 2025, with field estimated production of approximately 15,200 BOE/d (39% liquids) on average for the fourth quarter of 2025.

ABOUT LOGAN ENERGY CORP.

Logan is a growth-oriented exploration, development and production company formed through the spin-out of the early stage Montney assets of Spartan Delta Corp. Logan has three high quality and opportunity rich Montney assets located in the Simonette and Pouce Coupe areas of northwest Alberta and the Flatrock area of northeastern British Columbia. Additionally, the Company has recently established a position within the greater Kaybob Duvernay oil play with assets in the North Simonette, Ante Creek and Two Creeks areas. The management team brings proven leadership and a track record of generating excess returns in various business cycles.

Logan's corporate presentation has been updated as of January 2026 and can be accessed on the Company's website at www.loganenergycorp.com.

READER ADVISORIES

Non-GAAP Measures and Ratios

This press release contains certain financial measures and ratios which do not have standardized meanings prescribed by International Financial Reporting Standards as issued by the International Accounting Standards Board ("IFRS Accounting Standards"), also known as Canadian Generally Accepted Accounting Principles ("GAAP"). As these non-GAAP financial measures and ratios are commonly used in the oil and gas industry, Logan believes that their inclusion is useful to investors. The reader is cautioned that these amounts may not be directly comparable to measures for other companies where similar terminology is used.

The non-GAAP measures and ratios used in this press release, represented by the capitalized and defined terms outlined below, are used by Logan as key measures of financial performance and are not intended to represent operating profits nor should they be viewed as an alternative to cash provided by operating activities, net income or other measures of financial performance calculated in accordance with IFRS.

The definitions below should be read in conjunction with the "Non-GAAP and Other Financial Measures" section of the Company's MD&A dated November 12, 2025, which includes discussion of the purpose and composition of the specified financial measures and detailed reconciliations to the most directly comparable GAAP financial measures.

Operating Income and Operating Netback

Operating Income, a non-GAAP financial measure, is a useful supplemental measure that provides an indication of the Company's ability to generate cash from field operations, prior to administrative overhead, financing and other business expenses. "Operating Income, before hedging" is calculated by Logan as oil and gas sales, net of royalties, plus processing and other revenue, less operating and transportation expenses. "Operating Income, after hedging" is calculated by adjusting Operating Income, before hedging for realized gains or losses on derivative financial instruments.

The Company refers to Operating Income expressed per unit of production as an "Operating Netback" and reports the Operating Netback before and after hedging, both of which are non-GAAP financial ratios. Logan considers Operating Netback an important measure to evaluate its operational performance as it demonstrates its field level profitability relative to current commodity prices.

Adjusted Funds Flow

Cash provided by operating activities is the most directly comparable measure to Adjusted Funds Flow.

"Adjusted Funds Flow" is reconciled to cash provided by operating activities by excluding changes in non-cash working capital, adding back transaction costs on acquisitions (if applicable). Logan utilizes Adjusted Funds Flow as a key performance measure in the Company's annual financial forecasts and public guidance.

The Company refers to Adjusted Funds Flow expressed per unit of production as an "Adjusted Funds Flow Netback".

Adjusted Funds Flow per share ("AFF per share")

AFF per share is a non-GAAP financial ratio used by the Logan as a key performance indicator. The basic and/or diluted weighted average common shares outstanding used in the calculation of AFF per share is calculated using the same methodology as net income per share.

Capital Expenditures before A&D

"Capital Expenditures before A&D" is used by Logan to measure its capital investment level compared to the Company's annual budgeted capital expenditures for its organic drilling program. It includes capital expenditures on exploration and evaluation assets and property, plant and equipment, before acquisitions and dispositions. The directly comparable GAAP measure to capital expenditures is cash used in investing activities.

Net Debt (Surplus)

Throughout this press release, references to "Net Debt" or "Net Surplus" includes bank debt, net of "Adjusted Working Capital". Net Debt and Adjusted Working Capital are both non-GAAP financial measures. Adjusted Working Capital is calculated as current liabilities less current assets, excluding derivative financial instrument assets and liabilities and provisions and other liabilities. As of the date hereof, Adjusted Working Capital includes cash and cash equivalents, accounts receivable, prepaids and deposits, and accounts payable and accrued liabilities.

Supplementary Financial Measures

The supplementary financial measures used in this press release (primarily average sales price per product type and certain per BOE and per share figures) are either a per unit disclosure of a corresponding GAAP measure, or a component of a corresponding GAAP measure, presented in the financial statements. Supplementary financial measures that are disclosed on a per unit basis are calculated by dividing the aggregate GAAP measure (or component thereof) by the applicable unit for the period. Supplementary financial measures that are disclosed on a component basis of a corresponding GAAP measure are a granular representation of a financial statement line item and are determined in accordance with GAAP.

Assumptions for Guidance

The significant assumptions used in the forecast of Operating Netbacks and Adjusted Funds Flow for the Company's 2026 Guidance are summarized below.

Production Guidance	2026 Guidance (1)
Crude Oil (bbls/d)	4,518 - 4,820
Condensate (bbls/d)	303 - 322
Crude oil and condensate (bbls/d)	4,821 - 5,142
NGLs (bbls/d)	960 - 1,024
Natural gas (mcf/d)	55,313 - 59,001
Combined average (BOE/d)	15,000 - 16,000
% Liquids	39 %
Financial Guidance ($/BOE)	
Oil and gas sales	39.20
Processing and other revenue	0.37
Royalties	(3.31)
Transportation expenses	(2.25)
Operating expenses	(8.75)
Operating Netback, before hedging	25.26
Realized gain (loss) on derivatives	0.09
Operating Netback, after hedging	25.35
General and administrative expenses	(1.68)
Financing expenses	(2.18)
Decommissioning obligations	(0.30)
Adjusted Funds Flow	21.19

(1) The financial performance measures included in the Company's guidance for 2026 is based on the midpoint of the average production and capital expenditure forecast.

Planned Activity

Area	Net (Gross) Wells Drilled (1)	Net (Gross) Wells Completed (1)	Net (Gross) Wells Onstream (1)
Simonette	2.5 (5)	3.2 (6)	3.2 (6)
Pouce Coupe	9	9	9

(1) Net and gross well counts are the same if not otherwise noted.

Guidance Sensitivities

Changes in forecast commodity prices, exchange rates, differences in the amount and timing of capital expenditures, and variances in average production estimates can have a significant impact on the key performance measures included in Logan's guidance for 2026. The Company's actual results may differ materially from these estimates. Holding all other assumptions constant, the table below shows the impact to forecasted Adjusted Funds Flow of a US$5/bbl change in the WTI crude oil price, a $0.25/GJ change in the AECO natural gas price, and a $0.01 change in the CA$/US$ exchange rate. Assuming capital expenditures are unchanged, an increase (decrease) in Adjusted Funds Flow will result in an equivalent decrease (increase) in forecasted Net Debt.

Year Ending December 31, 2026 - Change in Adjusted Funds Flow ($MM)

AECO / WTI	US$55.00/bbl	US$60.00/bbl	US$65.00/bbl	CA$/US$	FX Impact
$2.75/GJ	($11)	($3)	$5	1.39	($1)
$3.00/GJ	($8)	-	$8	1.40	-
$3.25/GJ	($5)	$3	$10	1.41	$1

Commodity Hedging

The following table summarizes the Company's financial risk management contracts in place as of the date hereof:

Commodity / Contract Type	Notional Volume	Reference Price	Fixed Contract Price	Remaining Term
Crude oil - swap	2,000 bbls/d	WTI	CA$85.57 per barrel	January 1 to June 30, 2026
Crude oil - swap	1,000 bbls/d	WTI	CA$84.11 per barrel	July 1 to December 31, 2026
Natural gas - swap	28,500 GJ/d	AECO	CA$3.06 per GJ	January 1 to March 31, 2026
Natural gas - swap	30,000 GJ/d	AECO	CA$2.82 per GJ	April 1 to October 31, 2026
Natural gas - swap	30,000 GJ/d	AECO	CA$3.50 per GJ	November 1, 2026 to March 31, 2027
Natural gas - swap	15,000 GJ/d	AECO	CA$2.64 per GJ	April 1 to October 31, 2027
Natural gas - swap	10,000 GJ/d	AECO	CA$3.33 per GJ	November 1, 2027 to March 31, 2028

Other Measurements

All dollar figures included herein are presented in Canadian dollars, unless otherwise noted. This press release contains various references to the abbreviation "BOE" which means barrels of oil equivalent. Where amounts are expressed on a BOE basis, natural gas volumes have been converted to oil equivalence at six thousand cubic feet (mcf) per barrel (bbl). The term BOE may be misleading, particularly if used in isolation. A BOE conversion ratio of six thousand cubic feet per barrel is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead and is significantly different than the value ratio based on the current price of crude oil and natural gas. This conversion factor is an industry accepted norm and is not based on either energy content or current prices. Such abbreviation may be misleading, particularly if used in isolation.

References to "oil" or "crude oil" in this press release include light crude oil, medium crude oil, heavy oil and tight oil combined. NI 51-101 includes condensate within the product type of "natural gas liquids". References to "natural gas liquids" or "NGLs" include pentane, butane, propane and ethane. References to "gas" or "natural gas" relates to conventional natural gas. References to "liquids" includes crude oil, condensate and NGLs. The Company has disclosed "condensate" separately from other natural gas liquids in this press release since the price of condensate as compared to other natural gas liquids is currently significantly higher and the Company believes that this presentation provides a more accurate description of its operations and results.

This press release discloses Pouce Coupe and Simonette drilling inventory in two categories: (a) booked locations; and (b) unbooked locations. Booked locations are derived from the oil and gas reserves evaluation as of December 31, 2024 as prepared by the Company's independent qualified reserves evaluator, McDaniel & Associates Consultants Ltd., in accordance with the definitions, standards and procedures contained in the most recent publication of the COGEH and NI 51-101 and account for drilling locations that have associated proved and/or probable reserves, as applicable. Unbooked locations are internal estimates based on the Company's assumptions 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. Unbooked locations have been identified by management as an estimation of Logan's multi-year drilling activities based on evaluation of applicable geologic, seismic, engineering, production and reserves information. There is no certainty that the Company will drill all unbooked drilling locations and if drilled there is no certainty that such locations will result in additional oil and gas reserves, resources or production. The drilling locations on which the Company actually drills 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. While certain of the unbooked drilling locations have been de-risked by 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 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.

Share Capital

Common shares of Logan trade on the TSX Venture Exchange ("TSXV") under the symbol "LGN".

As of the date hereof, there are 595.7 million common shares outstanding. There are no preferred shares or special shares outstanding. Logan's convertible securities outstanding as of the date of this press release include: 64.3 million common share purchase warrants with an exercise price of $0.35 per share expiring July 12, 2028; and 42.7 million stock options with an exercise price of $0.78 per share and an average remaining term of 3.5 years.

Forward-Looking and Cautionary Statements

Certain statements contained within this press release constitute forward-looking statements within the meaning of applicable Canadian securities legislation. All statements other than statements of historical fact may be forward-looking statements. Forward-looking statements are often, but not always, identified by the use of words such as "outlook", "anticipate", "budget", "plan", "endeavor", "continue", "estimate", "evaluate", "expect", "forecast", "monitor", "may", "will", "can", "able", "potential", "target", "intend", "consider", "focus", "identify", "use", "utilize", "manage", "maintain", "remain", "result", "cultivate", "could", "should", "believe" and similar expressions (or grammatical variations or negatives thereof). Logan believes that the expectations reflected in such forward-looking statements are reasonable as of the date hereof, but no assurance can be given that such expectations will prove to be correct and such forward-looking statements should not be unduly relied upon. Without limitation, this press release contains forward-looking statements pertaining to: the business plan, objectives and strategy of Logan; the Company's opportunity rich assets; the success of the Company's growth plan; the Company's capital program, budget and guidance for 2026 and components thereof, including flexibility to reduce or increase capital spending depending on commodity prices throughout the year; Logan's booked and unbooked drilling inventory and the potential to increase drilling inventory, including the potential to increase Pouce Coupe inventory life to ~20 years; growth forecast for Simonette of 16,000 to 23,000 BOE/d enabled by the completion of the South Simonette oil battery and compressor station; the ability to improve future capital efficiencies; expansion of compression capacity at the Pouce Coupe 4-19 gas plant; and commodity hedging.

The forward-looking statements and information are based on certain key expectations and assumptions made by Logan, including, but not limited to, expectations and assumptions concerning the business plan of Logan, the timing and success of future drilling, development and completion activities and infrastructure projects, the performance of existing wells, the performance of new wells, the availability and performance of facilities and pipelines, the geological characteristics of Logan's properties, the successful integration of the recently acquired assets into Logan's operations, the successful application of drilling, completion and seismic technology, the Company's ability to secure sufficient amounts of water, prevailing weather conditions, prevailing legislation affecting the oil and gas industry, prevailing commodity prices, price volatility, future commodity prices, price differentials and the actual prices received for the Company's products, anticipated fluctuations in foreign exchange and interest rates, impact of inflation on costs, royalty regimes and exchange rates, the application of regulatory and licensing requirements, the availability of capital, labour and services, the creditworthiness of industry partners, general economic conditions, and the ability to source and complete acquisitions.

Although Logan believes that the expectations and assumptions on which such forward-looking statements and information are based are reasonable, undue reliance should not be placed on the forward-looking statements and information because Logan can give no assurance that they will prove to be correct. By its nature, such forward-looking information is subject to various risks and uncertainties, which could cause the actual results and expectations to differ materially from the anticipated results or expectations expressed. These risks and uncertainties include, but are not limited to, fluctuations in commodity prices (including pursuant to determinations by the Organization of Petroleum Exporting Countries and other countries (collectively referred to as OPEC+) regarding production levels) and the risk of an extended period of low oil and natural gas prices; changes in industry regulations and legislation (including, but not limited to, tax laws, royalties, and environmental regulations); the imposition or expansion of tariffs imposed by domestic and foreign governments or the imposition of other restrictive trade measures, retaliatory or countermeasures implemented by such governments, including the introduction of regulatory barriers to trade and the potential material adverse effect on the Canadian, U.S. and global economies, and by extension the Canadian oil and natural gas industry and the demand and/or market price for the Company's products and/or otherwise adversely affects the Company; changes in the political landscape both domestically and abroad, wars (including ongoing military actions in the Middle East and between Russia and Ukraine), hostilities (including tensions between the U.S. and Venezuela), civil insurrections, foreign exchange or interest rates, increased operating and capital costs due to inflationary pressures (actual and anticipated), risks associated with the oil and gas industry in general, stock market and financial system volatility, impacts of pandemics, the retention of key management and employees, risks with respect to unplanned third-party pipeline outages and risks relating to inclement and severe weather events and natural disasters, such as fire, drought and flooding, including in respect of safety, asset integrity and shutting-in production. The foregoing list is not exhaustive. Please refer to the MD&A and AIF for discussion of additional risk factors relating to Logan, which can be accessed on its SEDAR+ profile at www.sedarplus.ca. Readers are cautioned not to place undue reliance on this forward-looking information, which is given as of the date hereof, and to not use such forward-looking information for anything other than its intended purpose. Logan undertakes no obligation to update publicly or revise any forward-looking information, whether as a result of new information, future events or otherwise, except as required by law.

This press release contains future-oriented financial information and financial outlook information (collectively, "FOFI") about Logan's prospective results of operations and production and growth, Logan's 2026 capital program, budget of $140 to $150 million, guidance and components thereof, including average annual production forecasts of 15,000 to 16,000 BOE/d, average H2 production forecasts of 16,500 - 17,500 BOE/d, Operating Netback, after hedging, Adjusted Funds Flow, AFF per share, Capital Expenditures before A&D and Net Debt, all of which are subject to the same assumptions, risk factors, limitations, and qualifications as set forth in the above paragraphs. FOFI contained in this document was approved by management as of the date of this document and was provided for the purpose of providing further information about Logan's proposed business activities in 2026. Logan and its management believe that FOFI has been prepared on a reasonable basis, reflecting management's best estimates and judgments, and represent, to the best of management's knowledge and opinion, the Company's expected course of action. However, because this information is highly subjective, it should not be relied on as necessarily indicative of future results. Logan disclaims any intention or obligation to update or revise any FOFI contained in this document, whether as a result of new information, future events or otherwise, unless required pursuant to applicable law. Readers are cautioned that the FOFI contained in this document should not be used for purposes other than for which it is disclosed herein. Changes in forecast commodity prices, exchange rates, differences in the timing of capital expenditures, and variances in average production estimates can have a significant impact on the Company's 2026 guidance. The Company's actual results may differ materially from these estimates.

Neither TSX Venture Exchange nor its regulation services provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this news release.

Abbreviations

A&D	acquisitions and dispositions
AECO	Alberta Energy Company "C" Meter Station of the NOVA Pipeline System
AIF	refers to the Company's Annual Information Form dated March 19, 2025
bbl	barrel
bbls/d	barrels per day
bcf	one billion cubic feet
BOE	barrels of oil equivalent
BOE/d	barrels of oil equivalent per day
CA$ or CAD	Canadian dollar
COGHE	the most recent publication of the Canadian Oil and Gas Evaluations Handbook
GJ	gigajoule
H1	first half of the year
H2	second half of the year
H2S	hydrogen sulphide
Mbbl	one thousand barrels
MBOE	one thousand barrels of oil equivalent
mcf	one thousand cubic feet
mcf/d	one thousand cubic feet per day
mmcf	one million cubic feet
mmcf/d	one million cubic feet per day
MM	millions
$MM	millions of dollars
MPa	megapascal unit of pressure
NGL(s)	natural gas liquids
NI 51-101	National Instrument 51-101 - Standards of Disclosure for Oil and Gas Activities
nm	"not meaningful", generally with reference to a percentage change
NYMEX	New York Mercantile Exchange, with reference to the U.S. dollar "Henry Hub" natural gas price index
TSXV	TSX Venture Exchange
US$ or USD	United States dollar
WI	Working interest
WTI	West Texas Intermediate, the reference price paid in U.S. dollars at Cushing, Oklahoma for crude oil of standard grade

SOURCE Logan Energy Corp.

Contact
For additional information, please contact: Richard F. McHardy, Chief Executive Officer; Brendan Paton, President and Chief Operating Officer; Logan Energy Corp., 900, 355 - 4th Avenue SW, Calgary, Alberta, T2P 0J1, Email: info@loganenergycorp.com, https://www.loganenergycorp.com/