Tuktu Resources Ltd. Announces Corporate and Operations Update

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Calgary, January 7, 2026 - Tuktu Resources Ltd. (TSXV: TUK) ("Tuktu" or the "Company"), a junior oil and gas producer based in Calgary, Alberta, is pleased to announce its 2026 corporate strategy centered on its Monarch oil play as well as an operations update. Tuktu's streamlined 2026 plan in the Monarch area focuses on improving well targeting using seismic, pursuing low-cost well workovers to de-risk the play, cutting overhead, and evaluating the divestment of its non-core assets to strengthen the balance sheet and drive shareholder value.

2026 Corporate Strategy

Tuktu's technical team will continue to focus solely on the Monarch oil play, leveraging all data and learnings from the area to de-risk the Banff and Big Valley play and increase shareholder value. By narrowing its focus to the Monarch area and applying a data-led approach, Tuktu aims to improve well accuracy, lower operating costs, and unlock additional production from existing wells.

The Company's plan moving forward is as follows:

- 2D seismic review/interpretation upon completion will aid in our broader understanding of the play trap and trend system.
- Acquire available 3D seismic. The team is in discussions with a third-party seismic broker to acquire all or a portion of the data over Tuktu's land base.
- Core rock studies and petrophysical work are scheduled to further aid our understanding and build a proper geological model of the Banff and Big Valley system, as well as any potential shallower zones.
- The team has identified potential workover candidates and recompletions in existing wells to de-risk the play and further advance the play potential.
- Identify drilling opportunities, with proper design and costs to be capital efficient.
- Continue to reduce G&A expenses.
- Work to reduce operating costs and generate additional revenue streams.
- Evaluate the divestment of non-core assets.
- Reduce corporate ARO.
- Evaluate assets that compliment our Monarch asset with highly accretive oil and liquid rich opportunities that are strategy appropriate for a junior publicly traded company.
- Broaden internal policies, including EHS policies, ESG policies and internal controls.
- Foster good internal and external communications built on trust and transparency within the Company, with the Company's Board of Directors, and with external partners.

Tuktu is advancing its Monarch asset by integrating new and existing data, deploying readily available technology and leveraging the team's 50+ years of Deep Basin/Foothills expertise.

Operations Update

The Company's discovery well at 4-20-010-24W4 in the Alberta Deep Basin continues to produce approximately 78 bbl/d and has produced over 107,000 bbl in aggregate since being placed on production over a year ago. Tuktu has an 80% working interest in this well.

The Company's offset horizontal well at 16-20-010-24W4, drilled in the first quarter of 2025, is currently shut-in and will likely remain shut-in indefinitely (see below for further details).

As disclosed in the Company's press release dated November 20, 2025, Tuktu identified and implemented an optimization program, stabilizing average production at approximately 490 boe/d (60% natural gas, 40% crude oil).

Banff Porous Play

The Company's geoscience review of data from the 4-20-010-24W4 vertical discovery well of the Upper Banff Porous oil zone and subsequent drilling of this zone with the horizontal 16-20-010-24W4 in 2025 indicate the key pay zone was missed in the horizontal well and additional work is required to derisk the play before further drilling capital is spent. Initial findings from well and drill cuttings suggest that this oil accumulation has a stratigraphic control which could be mapped by seismic data. In house seismic (2D) is being used to identify the trap and map the extent of the clastic reservoir. Work will continue using 3D seismic and all available well data to create a depositional model and an exploration play trend map.

Offset Horizontal Well (16-20-010-24W4)

Tuktu's technical team has reviewed the offset horizontal well and evaluated its lack of performance as compared to the Company's discovery well (4-20-010-24W4) and determined the following:

- The well penetrated the Banff porous interval but drilled out of the reservoir.
- Two 2D seismic lines of high-quality data were reprocessed, the well was landed properly but drilled away from the seismic control.
- Drill cuttings review from 16-20-010-24W4 was inconclusive, but only a trace amount of sandy siltstone was seen with good oil staining (the reservoir) in the heel of the well, versus siltstone with no oil stain for the remainder of the horizontal leg (not reservoir).
- Drilling operation reached planned depth but was complicated by the drill design and failure to utilize comprehensive logging tools (only Gamma Ray was used) to further guide and de-risk the drilling operation and garner future learnings.
- Historical drilling in the Monarch area uses gas detection as gas markers to indicate the productive sand and in the most recent horizontal drill, no gas was detected outside of the landing point or heel of the well. This is further indication the well missed or is out of zone.
- Completion operations were ineffective as verified by tracer data, frac modeling and poor inflow/production, which reflects the well not in zone resulting in very poor inflow.
- The artificial lift equipped on the well was a high volume "electric submersible pump" (ESP) designed to move high volumes of fluid. Results observed during flowback of the initial completion suggest this equipping decision was improper. Unfortunately, the performance of the artificial lift in place has been poor due to overestimated inflow resulting in the pump malfunctioning and shutting down. The well is currently shut in and unproductive with the current system in place.

About Tuktu Resources Ltd.

Tuktu is a publicly traded junior oil and gas development company headquartered in Calgary, Alberta with producing oil and gas properties in southern Alberta. For additional information about Tuktu please contact:

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ADVISORIES

Forward-Looking and Cautionary Statements

Certain information contained in the press release may constitute forward-looking statements and information (collectively, "forward-looking statements") within the meaning of applicable securities legislation that involve known and unknown risks, assumptions, uncertainties and other factors. Forward-looking statements may be identified by words like "anticipates", "estimates", "expects", "indicates", "intends", "may", "could" "should", "would", "plans", "target", "scheduled", "projects", "outlook", "proposed", "potential", "will", "seek" and similar expressions (including variations and negatives thereof). Forward-looking statements in this press release include statements regarding, among other things: Tuktu's business, strategy, objectives, strengths and focus; the Company's identified opportunities to increase production and reduce operating costs and the anticipated success and benefits thereof; the Company's plans to enhance shareholder value; the Company's 2026 corporate strategy including, without limitation, anticipated benefits thereof, plans to workover or recomplete existing wells, plans to reduce ARO, G&A expenses and operating costs, well targeting, plans to generate additional revenue streams, plans to broaden internal policies such as EHS, ESG and internal controls, the acquisition of available 3D seismic in respect of Tuktu's land base, planned core rock studies and petrophysical work, the evaluation of non-core asset divestments, and the pursuit of accretive assets to enhance shareholder value; expectations regarding the ongoing shut-in of the Company's horizontal well (16-20-010-24W4); the performance and other characteristics of the Company's properties; management's ability to execute on its corporate strategy; the availability and accuracy of seismic data; the creation and anticipated benefits of a depositional model and an exploration play trend map; and management's expectations regarding reservoir characteristics and recovery factors and interpretation of its seismic data. Such statements reflect the current views of management of the Company with respect to future events and are subject to certain risks, uncertainties and assumptions that could cause results to differ materially from those expressed in the forward-looking statements.

With respect to forward-looking statements contained in this press release, the Company has made assumptions regarding, among other things: the timing and success of future drilling; the timing and success of the Company's 2026 corporate strategy; future commodity prices, price volatility, price differentials and the actual prices received for Tuktu's products; fairway characteristics; future exchange and interest rates; supply of and demand for commodities; inflation; the availability of capital on satisfactory terms; the availability of seismic data; the availability and price of labour and materials; the impact of increasing competition; conditions in general economic and financial markets; access to capital; the receipt and timing of regulatory, exchange and other required approvals; the ability of the Company to implement its business strategies and complete future acquisitions; the ability to divest of non-core assets; the continuation of the Company's current Board of Directors, management team and corporate strategy; the Company's long term business strategy; and effects of regulation by governmental agencies.

Factors that could cause actual results to vary from forward-looking statements or may affect the operations, performance, development and results of the Company‎'‎s businesses include, among other things: risks inherent in the Company's future operations; the Company‎'‎s ability to generate sufficient cash flow from operations to meet its future obligations; the outcome of the Company's upcoming special meeting, including the risk that shareholders elect to replace the Company's current board of directors with dissident nominees, potential management turnover and retention risks, possible changes in corporate strategy, capital allocation or risk appetite; increases in maintenance, operating or financing costs; the realization of the anticipated benefits of future acquisitions, if any; the risk that the Company cannot divest of non-core assets; the availability and price of labour, equipment and materials; inability to reduce G&A expenses or ARO; competitive factors, including competition from third parties in the areas in which the Company intends to operate, pricing pressures and supply and demand in the oil and gas industry; stock market and financial system volatility; fluctuations in currency and interest rates; inflation; risks of war, hostilities, civil insurrection, pandemics, political and economic instability overseas and its effect on commodity pricing and the oil and gas industry (including geopolitical events related to Russia and Ukraine, Israel and Gaza, and Venezuela); 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; 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 demand and/or market price for the Company's products and/or otherwise adversely affects the Company; risks with respect to unplanned pipeline outages; severe weather conditions and risks related to climate change, such as fire, drought and flooding and extreme hot or cold temperatures, including in respect of safety, asset integrity and shutting-in production; terrorist threats; risks associated with technology; changes in laws and regulations, including environmental, regulatory and taxation laws, and the interpretation of such changes to the management team‎'‎s future business; availability of adequate levels of insurance; difficulty in obtaining necessary regulatory approvals and the maintenance of such approvals; general economic and business conditions and markets; and such other similar risks and uncertainties. The impact of any one assumption, risk, uncertainty or other factor on a forward-looking statement cannot be determined with certainty, as these are interdependent and the Company's future course of action depends on the assessment of all information available at the relevant time. For additional risk factors relating to Tuktu, please refer to the Company's annual information form for the year ended December 31, 2024, and its most recent MD&A, which are available on the Company's SEDAR+ profile at www.sedarplus.ca. The forward-looking statements contained in this press release are made as of the date hereof and the parties do not undertake any obligation to update or revise any forward-looking statements or information, whether as a result of new information, future events or otherwise, unless so required by applicable securities laws.

Disclosure of Oil and Gas Information

Unit Cost Calculation: The term barrels of oil equivalent ("boe") may be misleading, particularly if used in isolation. A boe conversion ratio of six thousand cubic feet per barrel (6 Mcf/bbl) of natural gas to barrels of oil equivalence is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead. All boe conversions in this press release are derived from converting gas to oil in the ratio mix of six thousand cubic feet of gas to one barrel of oil. This conversion conforms with National Instrument 51-101 - Standards of Disclosure for Oil and Gas Activities ("NI 51-101").

Product types: References to "oil" or "crude oil" in this press release include light crude oil, medium crude oil, heavy oil and tight oil product types combined as defined in NI 51-101. References to "gas" or "natural gas" relate to conventional natural gas as defined in NI 51-101.

Abbreviations

ARO	asset retirement obligations
bbl	barrels of oil
bbl/d	barrels of oil per day
boe	barrels of oil equivalency
boe/d	barrels of oil equivalency per day
EHS	environmental, health and safety
ESG	environmental, social and governance
mcf	one thousand cubic feet
mcf/d	one thousand cubic feet per day
TSXV	TSX Venture Exchange

All amounts in this press release are stated in Canadian dollars unless otherwise specified.

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