



Bonterra Energy Announces First Quarter 2026 Results and Operations Update

May 14, 2026

CALGARY, Alberta, May 14, 2026 (GLOBE NEWSWIRE) -- Bonterra Energy Corp. (TSX: BNE; OTCID: BNEFF) ("**Bonterra**" or the "**Company**"), a Calgary based oil and gas producer, is pleased to announce its financial and operating results for the three months ended March 31, 2026. Bonterra delivered \$23.5 million in funds flow (\$0.64 per fully diluted share) and brought four new Charlie Lake wells and one Montney well onto production during the quarter. The related unaudited condensed financial statements and management's discussion and analysis ("MD&A"), are available on SEDAR+ at www.sedarplus.ca and on Bonterra's website at www.bonterraenergy.com.

- **Production** averaged 15,463 BOE per day impacted by approximately 400 BOE per day of unplanned downtime
- **Funds flow**¹ totaled \$23.5 million (\$0.64 per fully diluted share)
- **Bonanza Charlie Lake** asset Q1 production up 108% year-over-year
- **New well activity** included four new wells in the Charlie Lake and one well in the Montney, all at various stages of production flowback
- **Top new Charlie Lake well achieved 30-day peak rate** of approximately 1,400 BOE per day
- **Wembley Montney** land holdings expanded to 71.75 net sections of contiguous acreage with additional area processing capacity secured to support further delineation

Patrick Oliver, President and Chief Executive Officer, stated: "I'm encouraged by our first quarter 2026 results, which reflect stable production and funds flow from our core assets, supported by front-loaded capital activity in Q1 that positions the Company well for the balance of 2026. We brought four Charlie Lake wells and one Montney well on production. Three Charlie Lake wells extended our core Bonanza development, delivering more top-performing production results that build on our successful Q4 2025 campaign and reflect our team's growing technical expertise in the play. The fourth is a southwest step-out designed to validate a portion of our Q4 2025 acquisition. Our latest Montney well was successfully drilled with a three-mile lateral and approximately 300 stages."

Mr. Oliver added: "With our Q1 capital program behind us and a constructive crude oil price backdrop, we remain focused on accelerating free funds flow generation and prioritizing debt reduction through the balance of the year, while maintaining the flexibility to respond opportunistically as conditions evolve."

FINANCIAL & OPERATING HIGHLIGHTS

Production averaged 15,463 BOE per day during the first quarter of 2026; in the quarter the Company experienced approximately 400 BOE per day of shut-in production related to unplanned downtime.

Funds Flow¹ totaled \$23.5 million (\$0.64 per fully diluted share) in the first quarter of 2026.

Field Netback and Cash Netbacks¹ in Q1 2026 averaged \$22.36 per BOE and \$16.92 per BOE, respectively, inclusive of realized hedging losses in the quarter of \$2.96 per BOE, with WTI crude oil prices averaging US\$71.93 per barrel and AECO natural gas prices averaging \$2.00 per mcf during the period.

Production costs averaged \$17.17 per BOE in the first quarter of 2026, lower year-over-year driven by less workover expenditures in the Cardium and lower third-party processing costs in the Charlie Lake and Montney.

Capital expenditures¹ totaled \$38.0 million in Q1 2026, of which approximately 92% was directed to the drilling, completion, equipping and tie-in operations, including supporting infrastructure, primarily in the Charlie Lake and Montney plays and 8% was directed to land acquisition and facility maintenance.

Adjusted Net Debt¹ totaled \$196.2 million at the end of the first quarter of 2026 driven by an active Q1 2026 capital program, resulting in an adjusted net debt to trailing twelve-month EBITDA ratio of 1.9:1, reflective of lower trailing crude oil pricing than the current environment.

Normal Course Issuer Bid was renewed on April 13, 2026. Under the renewed NCIB, the Company may repurchase up to 3,110,454 common shares, representing approximately 10 percent of its public float between April 15, 2026, and April 14, 2027. During the three months ended March 31, 2026, no common shares were repurchased for cancellation.

Financial and Operating Results

As at and for the three months ended (\$000s except \$ per share)	March 31, 2026	December 31, 2025	March 31, 2025
FINANCIAL			
Revenue - realized oil and gas sales	66,423	57,833	70,690
Funds flow ⁽¹⁾	23,540	22,111	27,635
Per share - basic	0.65	0.61	0.74
Per share - diluted	0.64	0.60	0.73
Cash flow from operations	10,881	21,526	29,614
Per share - basic	0.30	0.60	0.79
Per share - diluted	0.30	0.59	0.78
Net loss ⁽²⁾	(14,626)	(4,648)	(7,610)
Per share - basic and diluted	(0.40)	(0.13)	(0.20)
Capital expenditures	37,996	16,348	32,450
Oil and gas property acquisition ⁽³⁾	-	16,029	-
Total assets	982,204	959,434	978,798
Adjusted net debt ⁽⁴⁾	196,224	179,943	185,276
Bank debt	48,165	40,722	24,209
Shareholders' equity	507,569	522,032	533,830
OPERATIONS			
Light oil	-bbl per day	6,274	6,546
	-average price (\$ per bbl)	71.90	91.22
NGLs	-bbl per day	1,507	1,679
	-average price (\$ per bbl)	37.61	45.39
Conventional natural gas	-MCF per day	44,839	46,390
	-average price (\$ per MCF)	2.69	2.42
Total barrels of oil equivalent per day (BOE) ⁽⁵⁾	15,463	15,254	15,957

Notes for the table above:

- (1) Funds flow, while not recognized under IFRS Accounting Standards, is used by management to assess the Company's ability to generate cash from operations. For these purposes, the Company defines funds flow as funds provided by operations including proceeds from sale of investments and investment income received excluding the effects of changes in non-cash working capital items and decommissioning expenditures settled.
- (2) Net loss for three months ended March 31, 2026, primarily reflects a \$20.3 million unrealized loss and a \$4.1 million realized loss on risk management contracts related to the Company's outstanding hedging positions, driven by a rapid increase in oil prices during March 2026. Net loss for the three months ended March 31, 2025, primarily reflects a one-time debt extinguishment charge of \$11.6 million.
- (3) On December 18, 2025, the Company acquired assets in the Company's Bonanza Charlie Lake area for cash consideration of \$15.3 million in mineral rights, including closing adjustments. This acquisition has been accounted for as an asset acquisition, which resulted in a \$16.0 million increase in PP&E and the assumption of \$ 0.7 million in decommissioning liabilities.
- (4) Adjusted net debt is not a recognized measure under IFRS Accounting Standards. The Company defines net debt as bank debt and subordinated notes plus current liabilities less current assets, excluding risk management contracts, the current portion of decommissioning liabilities and deferred consideration, and unamortized issue costs on subordinated notes.
- (5) BOE may be misleading, particularly if used in isolation. A BOE conversion ratio of 6 MCF: 1 bbl is based on an energy conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead.

Operations Update

Bonanza Charlie Lake

The Company brought four new Charlie Lake wells on production late in the quarter, including one DUC from Q4 2025 and one well that was brought online ahead of its original Q2 2026 schedule to take advantage of the recent changes to the crude oil price environment. Three of the wells were focused in the core Bonanza development area following the Company's strong results in Q4 2025. The new wells have demonstrated average 30-day peak rates at a combined 3,100 BOE per day including approximately 1,325 barrels per day of light crude oil, 130 barrels per day of natural gas liquids and 10.0 mmcf per day of conventional natural gas. The fourth well was a step out to the southwest to validate a portion of the acquisition from Q4 2025 and showed encouraging early-stage results on clean up before being shut in for facilities upgrades; the Company anticipates the well being brought online in the third quarter.

Net production from the Bonanza Charlie Lake asset in the first quarter was approximately 3,632 BOE per day², representing 23 percent of the total production in the quarter and a 108% increase from Q1 2025.

Wembley Montney

Over the past few years, the Company has been compiling its Greater Wembley Montney land base and is pleased to announce that it has consolidated 71.75 net sections (approximately 46,000 net acres) to date of contiguous acreage in the light oil window of the Alberta Montney play. The land capture has given Bonterra a meaningful footprint with significant future resource and drilling inventory to develop. As a part of the development strategy for the lands, the Company has secured further area processing capacity to continue its delineation of the land base.

In the first quarter the Company executed completion operations on its third Montney well. The well was completed over a three-mile lateral length with approximately 300 successful stages. During drilling and completion operations the well experienced operational challenges and required unanticipated sand clean outs which have prolonged clean up operations. Thus far in its flowback the well is showing encouraging early-stage results and is still recovering load fluid as it continues to clean up. The well has not yet reached stabilized production levels.

Net production from the Wembley Montney asset in the first quarter was approximately 710 BOE per day² representing 5 percent of the total production in the quarter.

Updated 2026 Outlook

The Company reaffirms its production and capital guidance for 2026 outlined below:

- Annual average production range of 16,200 to 16,400 BOE per day², weighted approximately 50 to 52% to oil and liquids; and
- Capital expenditure range of \$75 million to \$80 million.

The remainder of the 2026 capital program consists of an additional three wells in the Bonanza Charlie Lake asset, one of which will be further targeting the acquisition lands from Q4 2025 and a targeted Pembina Cardium program featuring locations to be drilled into historically delineated areas with vertical producing wells and water flood support.

The Company retains capital flexibility for the remainder of the year in response to prevailing commodity price conditions and remains well positioned to continue to expand its drilling inventory through the derisking and delineation of its Bonanza Charlie Lake and Wembley Montney assets in addition to continuing the exploitation and optimization of its Pembina Cardium asset.

In response to the recent volatility in crude oil prices, the Company has been strategically securing hedges through its commodity risk management program in the second half of 2026 and 2027 at progressively higher oil prices. Bonterra remains committed to a disciplined approach to managing leverage levels with further debt repayment remaining in focus for the remainder of 2026.

Notes Excluding Tables

- (1) Non-IFRS measure. See advisories contained in this press release.
(2) See “Information Regarding Product Types” contained in this press release.

About Bonterra

Bonterra Energy Corp. (TSX: BNE | OTCID: BNEFF) is a Calgary-based oil and gas producer offering investors exposure to a portfolio of high-impact assets across three of Alberta's premier light oil plays. Bonterra leverages the stable production and free cash flow of the Pembina Cardium — one of Canada's largest oil plays — alongside the growth potential of the Bonanza Charlie Lake and Wembley Montney. Built on disciplined growth, capital efficiency, and steady debt reduction, Bonterra is positioned to deliver long-term, sustainable value to shareholders through commodity cycles. For more information, visit www.bonterraenergy.com or follow Bonterra on LinkedIn and X.

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Cautionary Statements

This summarized press release should not be considered a suitable source of information for readers who are unfamiliar with Bonterra Energy Corp. and should not be considered in any way as a substitute for reading the full report for the three-month period ended March 31, 2026. For the full report, please go to www.bonterraenergy.com.

Non-IFRS and Other Financial Measures

In this press release, the Company refers to certain financial measures to analyze operating performance, which are not standardized measures recognized under IFRS Accounting Standards and do not have a standardized meaning. These measures are commonly utilized in the oil and gas industry and are considered informative by management, shareholders and analysts. These measures may differ from those made by other companies and accordingly may not be comparable to such measures as reported by other companies. This release contains the terms “funds flow”, “capital expenditures”, “adjusted net debt”, “adjusted net debt to EBITDA ratio”, “field netback” and “cash netback” to analyze operating performance. Non-IFRS and other financial measures within this release may refer to forward-looking non-IFRS and other financial measures and are calculated consistently with the three-month period ended March 31, 2026 reconciliations as outlined below.

Funds Flow

Funds flow is a non-IFRS financial measure. Funds flow is cash flow from operating activities including proceeds from sale of investments and investment income received excluding effects of changes in non-cash working capital items and decommissioning expenditures settled. Management considers funds flow from operations to be a key measure to assess the Company's management of capital. Funds flow is an indicator as to whether adjustments are necessary to the level of capital expenditures. For example, in periods where funds flow from operations is negatively impacted by reduced commodity pricing, capital expenditures may need to be reduced or curtailed to preserve the Company's capital. Management believes that by excluding the impact of changes in non-cash working capital, decommissioning expenditures, adjusting for interest expense in the period, and including investment income received and proceeds on sale of investments funds flow from operations provides a useful measure of Bonterra's ability to generate the funds necessary to manage the capital needs of the Company.

The following is a reconciliation of funds flow to the most directly comparable IFRS measure, cash flow from operating activities:

(\$ millions)	Three months ended	
	March 31, 2026	March 31, 2025
Cash flow from operating activities	10.9	29.6
Adjusted for:		
Changes in non-cash working capital	8.4	(0.7)
Interest expense	(4.3)	(4.3)
Interest paid	7.9	1.9
Decommissioning expenditures	0.6	1.0
Investment income received	-	0.1
Funds flow	23.5	27.6

Capital Expenditures

Capital expenditures are a non-IFRS financial measure. Management utilizes capital expenditures to measure total cash capital expenditures incurred in the period. Capital expenditures represent exploration and evaluation and property, plant and equipment expenditures in the statement of cash flows in the Company's annual audited financial statements as follows:

(\$ millions)	Three months ended	
	March 31, 2026	March 31, 2025
Comprised of:		
Exploration and evaluation expenditures	1.3	0.2
Property, plant and equipment expenditures	36.7	32.3
Capital Expenditures	38.0	32.5

Adjusted Net Debt and Adjusted Net Debt to EBITDA Ratio

Adjusted net debt is a non-IFRS financial measure, calculated as subordinated notes and bank debt plus working capital deficiency (current liabilities less current assets), excluding risk management contracts, the current portion of decommissioning liabilities and deferred consideration, and unamortized issue costs on subordinated notes. EBITDA is a non-IFRS financial measure. EBITDA is a measure showing net earnings excluding deferred consideration, finance costs, provision for current and deferred taxes, depletion and depreciation, share-based compensation, gain or loss on sale of assets, impairment or impairment reversal, extinguishment of debt and unrealized gain or loss on risk management contracts. Adjusted Net debt to EBITDA is a non-IFRS ratio. Adjusted Net debt to EBITDA is calculated as adjusted net debt divided by EBITDA for the trailing twelve months. This measure provides management with an indication of the Company's leverage and overall financial flexibility. For more information about adjusted net debt or adjusted net debt to EBITDA ratio please refer to Note 10 of Bonterra's March 31, 2026 unaudited condensed financial statements.

The following is a summary of adjusted net debt and adjusted net debt to EBITDA and a reconciliation of trailing twelve-month EBITDA to the most directly comparable IFRS measure, "Net earnings (loss)":

(\$ millions)	March 31, 2026	December 31, 2025
Bank debt	48.2	40.7
Subordinated notes	132.4	135.7
Current liabilities	79.7	43.5
Current assets	(44.7)	(40.9)
Net debt	215.6	179.0
Risk management contracts	(18.2)	2.1
Decommissioning liabilities - current portion	(5.6)	(5.5)
Deferred consideration - current portion	(0.6)	(0.8)
Unamortized issue costs on subordinated notes	5.0	5.2
Adjusted Net Debt	196.2	180.0
Net loss	(24.1)	(17.1)
Adjustments to net loss:		
Unrealized loss (gain) on risk management contracts	17.5	(1.3)
Gain on sale of property	(1.1)	(4.6)
Deferred consideration	(0.9)	(1.0)
Finance costs	21.9	22.3
Share-based compensation	2.5	2.5
Depletion and depreciation	95.8	101.6
Extinguishment of debt	-	11.6
Current income tax recovery	(2.2)	(1.7)
Deferred income tax recovery	(4.7)	(3.0)
EBITDA (trailing twelve months)	104.7	109.3
Adjusted net debt to EBITDA ratio	1.9	1.6

Field and Cash Netback

Field netback is a non-IFRS financial measure, calculated as revenue and realized risk management contract gain (loss) minus royalties and operating expenses divided by total BOEs for the period. Field netback per BOE is a non-IFRS ratio, calculated as field netback divided by total barrels of oil equivalent produced during a specific period of time. There is no comparable measure in accordance with IFRS. This metric is used by management to evaluate the Company's ability to generate cash margin on a unit of production basis.

Cash netback is a non-IFRS financial measure, calculated as field netback less interest expense, general and administrative expense and current income tax expense divided by total BOEs for the period. Cash netback per BOE is a non-IFRS ratio, calculated as cash netback divided by total barrels of oil equivalent produced during a specific period of time. There is no comparable measure in accordance with IFRS. This metric is used by management to evaluate the Company's ability to generate cash flow from continuing corporate activities on a unit of production basis.

Field and cash netback are calculated on per unit basis as follows:

(\$ millions)	Three months ended March 31, 2026	March 31, 2025
Oil and gas sales	66.4	70.7
Realized gain (loss) on risk management contracts	(4.1)	0.4
Royalties	(7.3)	(10.0)
Production costs	(23.9)	(25.7)
Field Netback	31.1	35.4
Office and administration	(1.0)	(1.5)
Employee compensation	(2.6)	(1.9)
Administrative and investment income	0.2	0.2
Interest expense	(4.4)	(4.3)
Current income (tax) recovery	0.2	(0.3)
Cash Netback	23.5	27.6

Barrel of oil equivalent (BOE)	1,391,644	1,436,167
Field Netback (\$ per BOE)	22.36	24.65
Cash Netback (\$ per BOE)	16.92	19.23

Information Regarding Product Types

References to gas or natural gas and NGLs in this press release refer to conventional natural gas and natural gas liquids product types, respectively, as defined in National Instrument 51-101, Standards of Disclosure for Oil and Gas Activities, except where specifically noted otherwise. The Company's aggregate average production for the past five quarters and the references to "crude oil", "NGLs", and "natural gas" reported herein consist of the following product types, as defined in NI 51-101 and using a conversion ratio of 1 Bbl : 6 Mcf where applicable:

	2026	2025			
	Q1	Q4	Q3	Q2	Q1
Average daily production					
Light oil (bbls/d)	6,228	6,274	6,051	6,794	6,546
NGLs (bbls/d)	1,540	1,507	1,353	1,508	1,679
Coventional natural gas (MCF/d)	46,173	44,839	42,336	48,584	46,584
Total (BOE/d)	15,463	15,254	14,460	16,399	15,957

- 2026 annual average production, at the midpoint of the guidance range, is anticipated to be comprised of approximately 40% light crude oil, 11% NGLs and 49% conventional natural gas.
- Charlie Lake production for the Q1 2026 comprised approximately 38% light crude oil, 5% NGLs and 57% conventional natural gas.
- Montney production for Q1 2026 comprised approximately 36% light crude oil, 15% NGLs and 49% conventional natural gas.

Forward Looking Information

Certain statements contained in this release include statements which contain words such as "anticipate", "could", "should", "expect", "seek", "may", "intend", "likely", "will", "believe" and similar expressions, relating to matters that are not historical facts, and such statements of our beliefs, intentions and expectations about development, results and events which will or may occur in the future, constitute "forward-looking information" within the meaning of applicable Canadian securities legislation and are based on certain assumptions and analysis made by us derived from our experience and perceptions. Forward-looking information in this release includes, but is not limited to: the Company's 2026 financial and operating guidance relating to production and capital expenditures; the Company's 2026 priorities and outlook; exploration and development activities; plans relating to repayment of indebtedness; oil and natural gas prices and demand; expansion and other development trends of the oil and gas industry; business strategy and outlook; expansion and growth of our business and operations; and other such matters.

All such forward-looking information is based on certain assumptions and analyses made by us in light of our experience and perception of historical trends, current conditions and expected future developments, as well as other factors we believe are appropriate in the circumstances. The risks, uncertainties, and assumptions are difficult to predict and may affect operations, and may include, without limitation: foreign exchange fluctuations; equipment and labour shortages and inflationary costs; general economic conditions; industry conditions; the impact on the Canadian energy industry of U.S. tariffs, changes to international trade agreements or the potential imposition of tariffs or other protectionist economic policies by the Canadian federal or provincial governments; applicable environmental, taxation and other laws and regulations as well as how such laws and regulations may limit growth or operations within the oil and gas industry; the impact of climate-related financial disclosures on financial results; the ability of the Company to raise capital, maintain its syndicated bank facility and refinance indebtedness upon maturity; the effect of weather conditions on operations and facilities; the existence of operating risks; volatility of oil and natural gas prices; oil and gas product supply and demand; risks inherent in the ability to generate sufficient cash flow from operations to meet current and future obligations; increased competition; stock market volatility; credit risks; climate change risks; cyber security; opportunities available to or pursued by us; and other factors, many of which are beyond our control. The foregoing factors are not exhaustive.

In addition, to the extent that any forward-looking information presented herein constitutes future-oriented financial information or financial outlook, as defined by applicable securities legislation, such information has been approved by management of the Company and has been presented to provide management's expectations used for budgeting and planning purposes and for providing clarity with respect to the Company's strategic direction based on the assumptions presented herein and readers are cautioned that this information may not be appropriate for any other purpose.

Actual results, performance or achievements could differ materially from those expressed in, or implied by, this forward-looking information and, accordingly, no assurance can be given that any of the events anticipated by the forward-looking information will transpire or occur, or if any of them do, what benefits will be derived therefrom. Except as required by law, Bonterra disclaims any

intention or obligation to update or revise any forward-looking information, whether as a result of new information, future events or otherwise.

The forward-looking information contained herein is expressly qualified by this cautionary statement.

Frequently Recurring Terms

Bonterra uses the following frequently recurring terms in this press release: "WTI" refers to West Texas Intermediate, a grade of light sweet crude oil used as benchmark pricing in the United States; "MSW Stream Index" or "Edmonton Par" refers to the mixed sweet blend that is the benchmark price for conventionally produced light sweet crude oil in Western Canada; "AECO" is the benchmark price for natural gas in Alberta, Canada; "bbl" refers to barrel; "NGL" refers to Natural gas liquids; "MCF" refers to thousand cubic feet; "MMBTU" refers to million British Thermal Units; "GJ" refers to gigajoule; and "BOE" refers to barrels of oil equivalent. Disclosure provided herein in respect of a BOE may be misleading, particularly if used in isolation. A BOE conversion ratio of 6 MCF: 1 bbl is based on an energy conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead.

References in this press release to peak rates, initial production rates, test rates and other short-term production rates are useful in confirming the presence of hydrocarbons, however such rates are not determinative of the rates at which such wells will commence production and decline thereafter and are not indicative of long-term performance or of ultimate recovery. While encouraging, readers are cautioned not to place reliance on such rates in calculating the aggregate production of Bonterra. The Company cautions that such results should be considered preliminary.

Numerical Amounts

All amounts in this press release are stated in Canadian dollars unless otherwise specified. The reporting and the functional currency of the Company is the Canadian dollar.

The TSX does not accept responsibility for the accuracy of this release.