

Management

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www.journeyenergy.ca

Commentary by Dan Steffens

Journey Energy (JOY.TO and JRNGF) is a recent addition to our **Small-Cap Growth Portfolio**. Journey's joint venture with **Spartan Delta (SDE.TO)**, which is also in our Small-Cap Growth Portfolio, is key to my valuation of this stock.

The JV with Spartan Delta covers 200 HZ drilling locations in the Tier One area of the Duvernay Oil play in Central Alberta. To understand the significance of the JV for Journey, you should read our recent profile on Spartan Delta.

Journey reported solid 2023 results with year-over-year production growth of 27%. 2024 results were impacted by lower production volumes and revenues

due to much lower natural gas prices in Canada and shut-in gas wells.

Journey's Q1 and Q2 2025 results beat my forecast and the JV with Spartan Delta is off to a great start.

- 1H 2025 production was 10,997 Boepd in Q1 and 10,950 Boepd in Q2.
- I expect production to increase to 11,300 Boepd in Q3 and to a 2025 exit rate over 11,600 Boepd.
- 1H 2025 Adjusted Operating Cash Flow was \$33.3Cdn million (\$0.50/share); enough to fund all capex YTD.

Snapshot

Uniquely positioned microcap energy company with exposure to a world class shale resource play that is funded by a low-decline conventional production base, and complimented by an emerging power generation business to hedge volatility in operating costs



Highlights

Guidance	
2025 Production (boe/d)	10,800 - 11,200
Oil and Liquids Production	60%
2025 Capital Program (Net of A&D)	\$54 million
Corporate Decline	13%
Liquidity	
Net Debt (Q2 2025)	\$64.5 million
Bank Facility (68% Undrawn)	\$55 million
Convertible Debentures (March 2029)	\$38 million
Capitalization (Q2 Exit 2025)	
Shares Outstanding (Basic/Diluted)	67.1 / 69.5 million
Management, Directors, AIMCo	32% Ownership
Insider Purchases Since Q4 2024	>\$2.2 million
Share Price (June 30, 2025)	\$1.90
Enterprise Value (June 30, 2025)	\$192 million
Other	
PDP NPV 10% (YE 2024)	\$350 million
Tax Pools/Non-Capital Losses	\$657 / \$359 million

My Fair Value Estimate for JOY.TO is \$3.56Cdn/share

Compares to First Call's Price Target of \$3.60Cdn

Disclosure: I do not have a position in JOY and I do not intend on buying or selling it in the next 72 hours. I wrote this profile myself, and it expresses my own opinions. I am not receiving compensation for it from the company. I have no business relationship with any company whose stock is mentioned in this article.

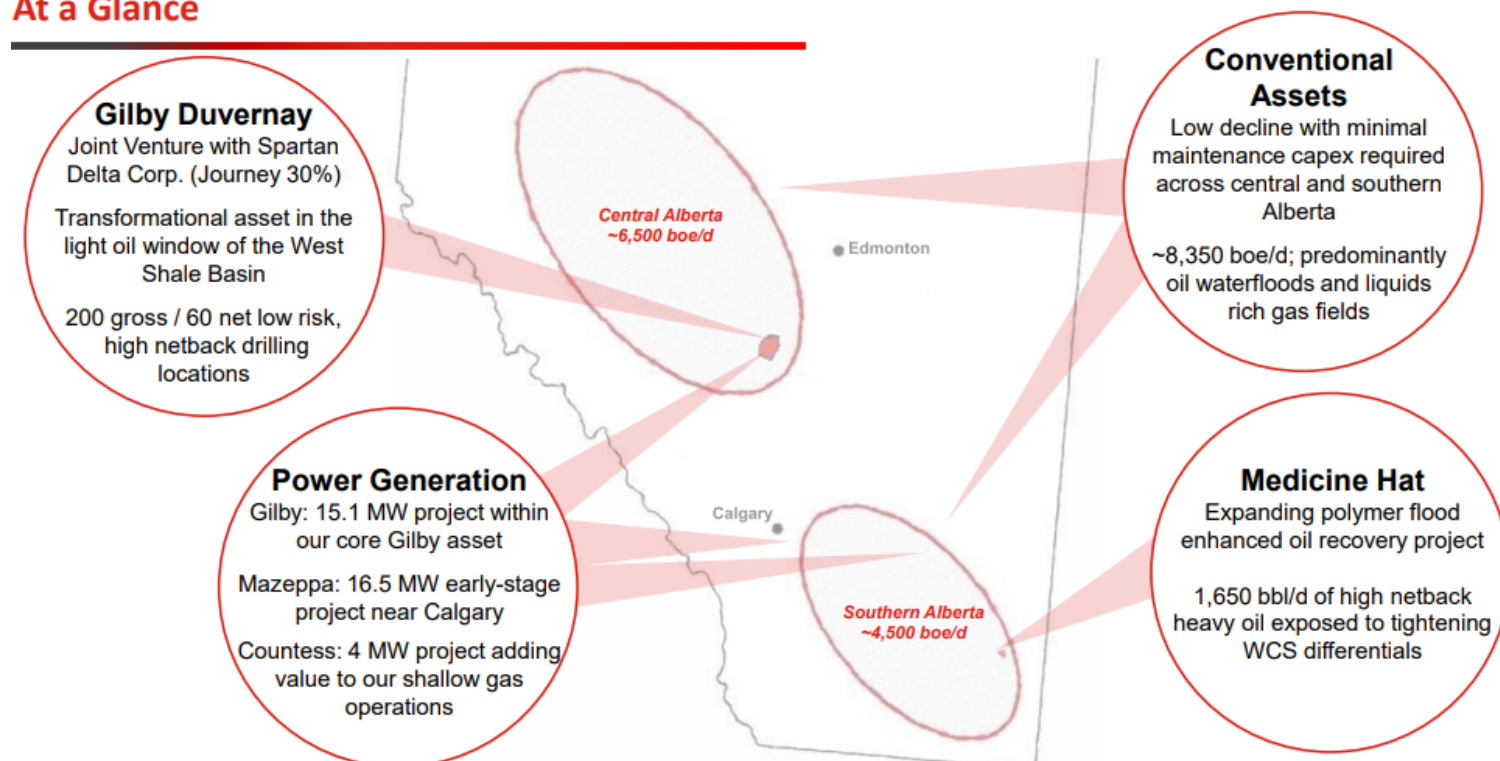
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Journey Energy is a Canadian exploration and production company focused on conventional, oil-weighted operations in western Canada. Journey's strategy is to grow its production base by drilling on its existing core lands, implementing water flood projects, and executing on accretive acquisitions. Journey seeks to optimize its legacy oil pools on existing lands through the application of best practices in horizontal drilling and, where feasible, with water floods.



At a Glance



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Journey management views 2025 as a pivotal year for the Company

Notes from EPG's May 30th webinar with some points from my discussion with Alex Verge before we went live.

- Journey successfully restructured the Company's debt and Journey has no near-term debt issues, plus **Operating Cash Flow should fund the entire 2025 capital program**, most of which will be spent on 8 gross (2.4 net) horizontal wells in the joint venture, with 7 completed this year.
- Journey's conventional wells and polymer floods at Medicine Hat have low decline rates and generate a lot of free cash flow.

"Although production results are still at an early stage, the well results in the Duvernay JV are extremely encouraging. Over the next few months further updates on the performance of these wells will be provided as data becomes available. Updates will be provided through public data, future press releases, and through regular updates to well production type curves in Journey's corporate presentation." – Alex Verge on August 8, 2025

Year End 2024 Reserves Highlights

Journey Year End 2024 GLJ Reserves Evaluation							
Category	Oil (MMbbl)	Gas (Bcf)	NGLs (MMbbl)	Oil Equivalent (MMboe)	RLI	BTNPV10 (\$MM, CAD) ⁽¹⁾	FDC, Undiscounted (\$MM) ⁽²⁾
Proved Developed Producing	17.1	89	3.7	35.5	8.9	\$350	\$29
Total Proved	25.4	119	5.1	50.4	11.0	\$538	\$191
Proved + Probable Producing	21.7	115	4.6	45.5	11.1	\$431	\$30
Total Proved + Probable	41.3	204	10.0	85.4	17.7	\$883	\$430

A road map to growing our PDP oil reserves from 17 MMbbl to 70 MMbbl:

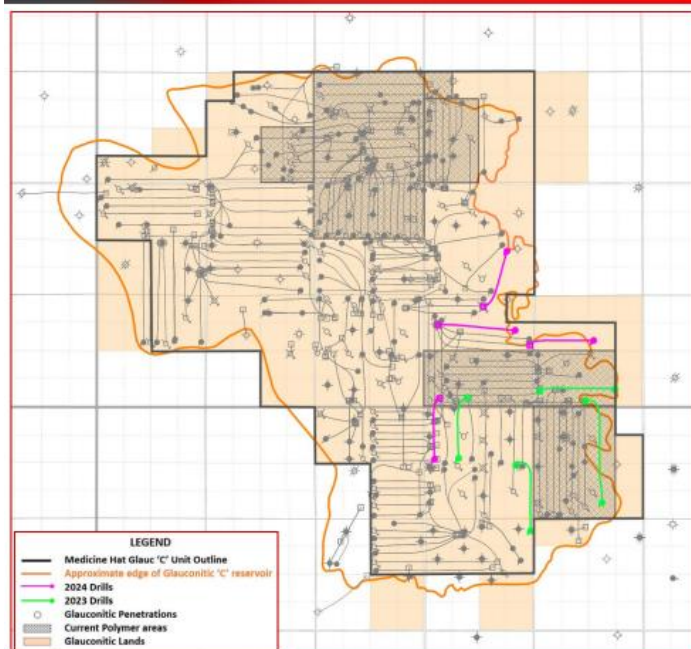
- 17 MMbbl** of PDP oil reserves
- ~5 MMbbl** of probable producing reserves primarily associated with lower declines in Ante Creek, Skiff and Medicine Hat
- 15 MMbbl** probable wedge booked reserves for capital projects in our conventional oil pools; 75% is associated with five properties
- Journey has the potential to double these reserves with Medicine Hat polymer flood expansion and Duvernay drilling (**primarily unbooked**)

Core Areas of Operation Along a Prolific Resource Fairway

Journey's operating expertise lies in pursuing growth through drilling on existing core lands in Alberta, implementing water flood projects, completing accretive acquisitions, and growing their overall production and reserves base. The Company seeks to optimize legacy oil pools by applying best practices for horizontal drilling techniques and, where applicable, using waterfloods to enhance production volumes and reserves recovery. *< Polymer flood underway.*

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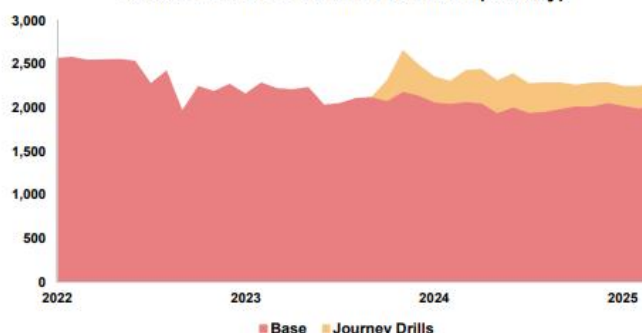
Medicine Hat WCS Oil Pool



Medicine Hat is Journey's flagship conventional asset, providing stable cash flow with minimal production decline

- Acquired in Q4 2022, 72% WI, operated
- Multi year development plan, already yielding favourable results
- 34 undrilled locations currently identified
- Drilled 4 wells in 2023 and 4 wells in 2024
- Pool responds well to secondary recovery and polymer flood
- New polymer injection patterns were added in 2024

Medicine Hat Gross Oil Production (bbl/day)



Medicine Hat Polymer Flood

- Medicine Hat's 2P YE booked reserve value is \$67 million (**\$1.00/share**) higher than our PDP value
- Existing polymer blending facilities constructed in 2012 and 2015 for \$30 million, minimizing additional expense to expand the polymer flood
- Unbooked polymer expansion upside would provide free cash flow and maintain current production levels
 - Waterflood ultimate recovery factors will average ~16%
 - Polymer flood will add an additional ~12% to recovery factor
 - 160 MMbbl of OOIP could be converted from Water flood to Polymer flood

Second Quarter 2025 Highlights (\$Cdn)

- Generated sales volumes of 10,950 boe/d in the second quarter (49% crude oil; 10% NGL's; 41% natural gas).
- Realized Adjusted Funds Flow of \$15.9 million (\$0.24 per basic share and diluted share).
- Reduced field operating costs per boe by 8% from the first quarter and 25% from the comparable quarter in 2024.
- Continued with the construction of the Gilby power generation asset. Completion of this project is currently scheduled for the fourth quarter.
- Rig-released 3 (0.9 net) Duvernay light oil wells during the quarter bringing the total wells drilled in the year to 8 (2.4 net). 2.1 net Duvernay wells have now been completed.
- Brought 3 (0.9 net) Duvernay wells on production in the second quarter from the 06-04-043-03W5 Pad. Initial production results from wells have averaged IP30 rates of 1,261 boe/d and 86% liquids per well (1,042 bbl/d of crude oil, 49 bbl/d of NGLs, and 1.0 mmcf/d of natural gas).

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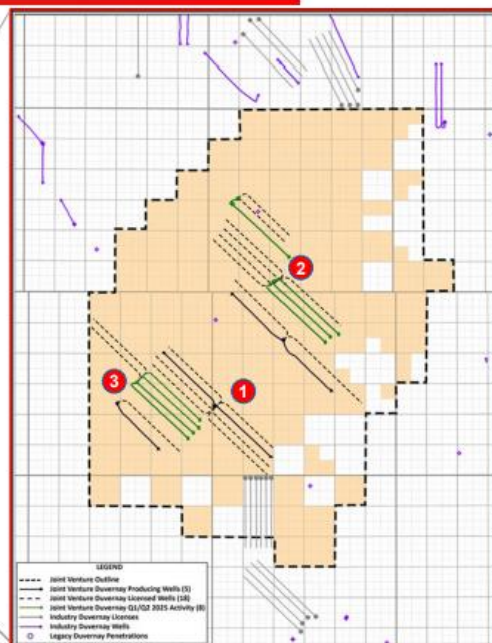
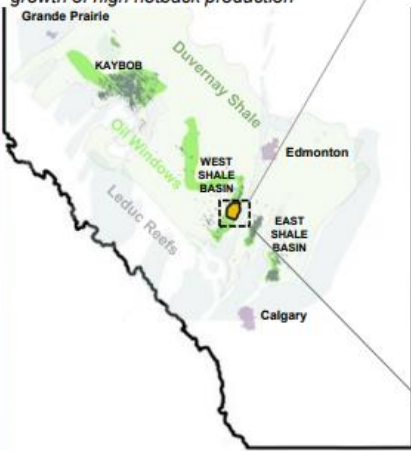


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Duvernay Joint Venture

Journey (30% working interest) announced a Duvernay Joint Venture with Spartan Delta Corp. (70%) in 2024. The companies control 111.75 gross sections (~69,000 acres) in a 128-section block

The Duvernay positions Journey for rapid growth of high netback production



- 2024 saw the initial two net wells on the Gilby Joint Venture block drilled and completed
- Activity in 2025: 8 (2.4 net) wells drilled, 7 (2.1 net) wells completed
- 2026 planning underway

03/06-28-042-03W5 Geological Parameters

Net Pay (meters)	32
Porosity	5%
Initial Water Saturation	10%
Formation Volume Factor (B_o)	1.5
OOIP/Section (MMbbl)	15.5
Oil API Gravity	45

- 05-18 Pad: Q4 2024**
 Journey interest: 31.38%
 - **3/09-05 Well:** IP30 1,029 boe/d (87% liquids), 6-month cum oil 113 mbbl
 - **03-26 Well:** IP30 1,166 boe/d (90% liquids), 6-month cum oil 130 mbbl
- 06-04 Pad: Q2 2025**
 Journey interest: 30%
 - **12-26 Well:** IP30 1,228 boe/d (87% liquids)
 - **09-27 Well:** IP30 1,315 boe/d (86% liquids)
 - **07-27 Well:** IP20 1,470 boe/d (86% liquids)
- 02-22 Pad: Q3 2025 (Journey Interest: 30%)**
 - Four well pad completed in Q2 2025, placed on production late July
 - As of August 6th, preliminary IP15 data averaging greater than 1,600 boe/d (81% liquids) per well

To date Journey has participated in the drilling of 10 (3.0 net) wells in its Duvernay joint venture. 9 (2.7 net) wells have been completed and are now on-production.

2.0 (0.6 net) joint venture wells were drilled and completed from the 05-18-042-03W5 surface location in late 2024. These wells came on-production at the end of November 2024. In the first seven months of production, these wells have returned over 78% of their capital and continue to exceed management's expectations.

In the second quarter of 2025, the joint venture completed and brought on-production the following 3 (0.9 net) wells from an eight well pad at 06-04-043-03W5:

- 12-26-042-03W5 – Spartan completed and brought the well on-stream in May at a lateral length of 3,834 meters (12,579 feet). **Initial production results are exceeding internal expectations**, averaging 30-day peak sales production of approximately 1,228 boe/d including 87% liquids (1,028 bbl/d of light crude oil and 45 bbl/d of NGLs), with 0.9 mmcf/d of natural gas. ⁽¹⁾
- 09-27-042-03W5 – Spartan completed and brought the well on-stream in May at a lateral length of 3,895 meters (12,779 feet). **Initial production results are exceeding internal expectations**, averaging 30-day peak sales production of approximately 1,315 boe/d including 86% liquids (1,079 bbl/d of light crude oil and 51 bbl/d of NGLs), with 1.1 mmcf/d of natural gas. ⁽¹⁾
- 07-27-042-03W5 – Spartan completed and brought the well on-stream in June at a lateral length of 3,825 meters (12,549 feet). **Initial production results are exceeding internal expectations**, averaging 20-day peak

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sales production of approximately 1,470 Boe/d including 86% liquids (1,202 bbl/d of light crude oil, 58 bbl/d of NGLs), with 1.3 mmcf/d of natural gas. ⁽¹⁾

1 (0.3 net) well was drilled from the 01-19-043-03W5 surface location in the first quarter of 2025. This well remains a drilled uncompleted well.

In late July, 4.0 (1.2 net) wells drilled from the 02-22-042-04W5 surface location, and completed prior to the end of the second quarter, were brought on-production. **Initial results from these wells are encouraging as rates continue to exceed internal expectations.** Current field production estimates for the first 15 days are averaging greater than 1,600 boe/d and more than 1,300 bbl/d of crude oil and NGLs per well.

Although production results are still at an early stage, the results of this play are extremely encouraging. Over the next few months further updates on the performance of these wells will be provided as data becomes available. Updates will be provided through public data, future press releases, and through regular updates to well production type curves in Journey's corporate presentation.

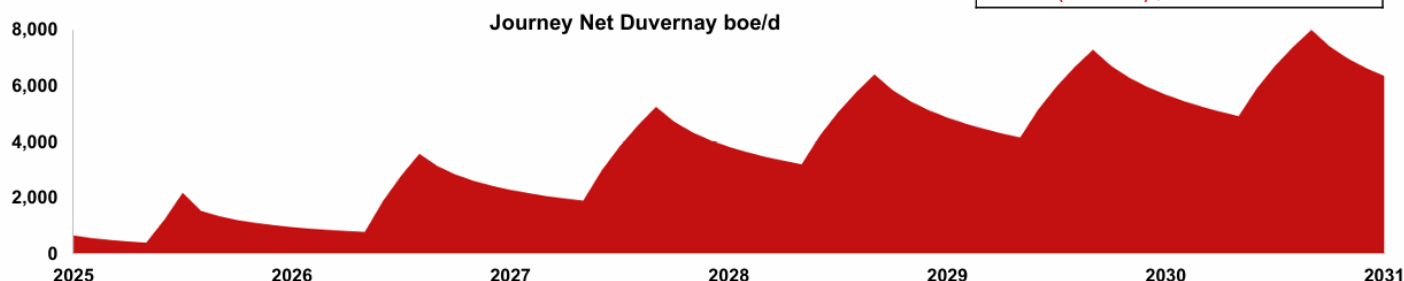
The Duvernay joint venture represents a significant component of Journeys 2025 capital program. To date in 2025 Journey has spent \$30.7 million on land costs, drilling, completions, and facilities.

The new Duvernay wells have been approved for the Alberta Crown royalty Emerging Resources Program, resulting in an advantageous royalty rate structure on the Crown portion of the Duvernay acreage.

Duvernay Horizontal Development Wells have high initial production rates and payout quickly

- Potential growth wedge through 2030 shown:
 - 7 gross (2.1 net) wells in 2025
 - 12 gross (3.6 net) wells in 2026
 - 16 gross (4.8 wells) annually thereafter to 2030
 - \$1 billion gross capital outlay (\$300 million net) through development timeline on JV lands
 - Asset becomes self funding in 2027**
 - Peak of 8,000 boe/d**
 - Average netback of \$47.43/boe over the period**
 - Development plan shown contains less than half of the identified drilling locations**

Single Well Duvernay Economics	
DCET Capex (\$,000)	12,500
Reserves (Mboe)	750
Oil Reserves (Mbbl)	450
% Oil and NGLs	70%
IP30 (boe/d)	1,300
IP365 (boe/d)	638
F&D (\$/boe)	16.67
NPV@ 10% BT (\$,000)	11,012
IRR (%)	76
Payout (Years)	1.3
Netback (2025-2030) \$/boe	47.43



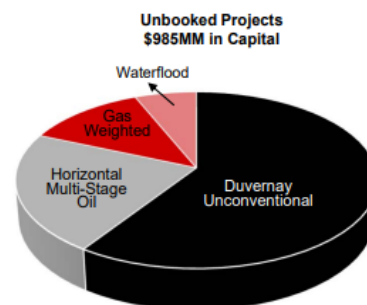
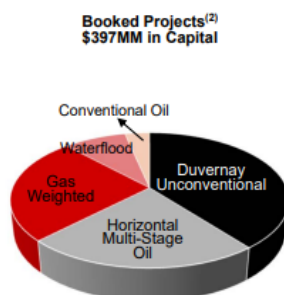
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Running Room

Drilling Inventory Growing in Unconventional Ways

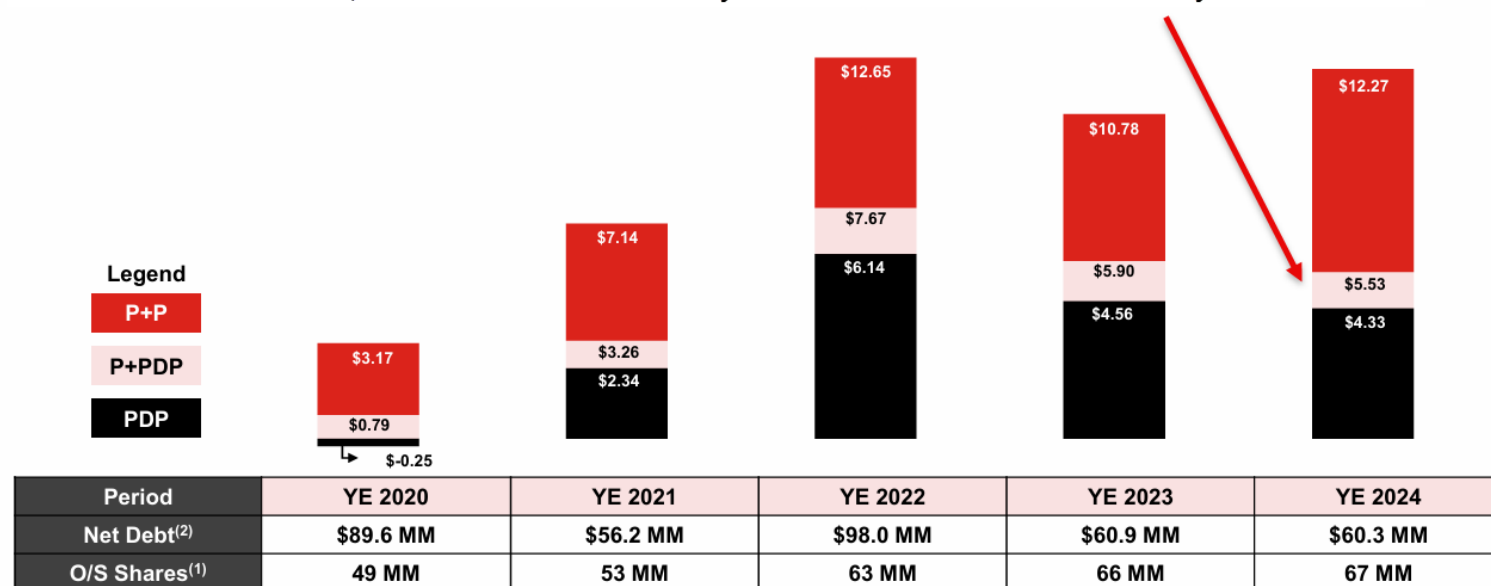
- Journey has identified 477 gross (283 net) horizontal drilling locations across its asset base
- Our booked development wedge generates a 97% rate of return at year end 2024 pricing⁽³⁾
- Journey's \$397 million of P+PUD future development capital (FDC) adds reserves at \$11.08/P+P boe
- Over 71% of Journey's identified capital projects are unbooked
- Journey's P+PUD FDC adds \$403 million of NPV@10%, or \$1.02/sh of NPV (10%) for every dollar of FDC invested

	Drilling Locations ⁽¹⁾		
	Total ⁽¹⁾		% Booked ⁽²⁾ in Reserve Report
Region	Gross	Net	
South	112	100	30%
Central	165	123	40%
Duvernay	200	60	22%
Total	477	283	33%



Net Asset Value (NAV) per Share

Journey's share price as of the date of this report (\$2.99Cdn) is just 54% of the Net Asset Value of its total proved reserves as of December 31, 2024. Results of the Duvernay JV should increase the NAV of Journey's P-PDP.



March 19, 2025 Press Release

Refinancing improves Journey's Financial Flexibility:

Journey Energy Inc. (TSX: JOY) (OTCQX: JRNGF) ("Journey" or the "Company") is pleased to announce it has entered into a new lending relationship with a Canadian Chartered bank.

Journey has secured a new credit facility with a Canadian Chartered Bank, for **up to \$55 million** consisting of three distinct credit facilities (collectively the "New Credit Facilities").

The first facility is a \$12.4 million, two-year amortizing term-loan, the proceeds of which have been used to repay the outstanding balance of the Alberta Investment Management Corporation ("AIMCo") term debt. Journey would like to express its sincere thanks to AIMCo for its unwavering support since it entered into a lending relationship with them in 2016. Their assistance and flexibility over the years have been instrumental in getting Journey through the difficult COVID and depressed commodity price years, while allowing the Company to reset itself by pursuing its new Duvernay light-oil venture. **AIMCo is Journey's largest single shareholder.**

The second facility is a \$15 million operating facility to be used for working capital needs on a revolving basis.

The third facility is a delayed-draw term facility of a maximum of \$27.6 million that will be used as needed to fund Journey's Duvernay development. None of the New Credit Facilities are subject to pre-payment restrictions or penalties. **Journey has approximately \$42.6 million of combined undrawn capacity on the New Credit Facilities as of today.**

Financial Update

Journey achieved Adjusted Funds Flow of \$15.9 million during the second quarter of 2025. Sales volumes were 3% lower than the comparable quarter of 2024. Average corporate realized commodity prices were 8% lower with natural gas prices being 92% higher, crude oil prices 19% lower and NGL prices 14% lower. Despite the sale of 330 boe/d in the first quarter having a downward impact on volumes, Journey's overall volumes in the second quarter were essentially the same as the first quarter of 2025 as the volumes from the new Duvernay wells effectively offset the disposition and declines. Duvernay volumes are mainly light oil but also have liquids rich gas associated with them. Therefore, Journey's liquids weighting (crude oil and NGL's) continued to increase. Liquids volumes increased to 59% of total volumes as compared to 54% in the same quarter of 2024. The increase in liquids weighting is helping to transition the relative contributions to Adjusted Funds Flow. For the second quarter of 2025 crude oil represented 49% of total boe volumes but contributed 81% of total corporate revenues. Conversely, natural gas sales volumes contributed 41% of total boe volumes in the first quarter of 2025 while contributing 10% of total revenues.

Journey achieved efficiencies in its field operations during the quarter. Operating expenses declined to \$17.58/boe in the second quarter of 2025 as compared to \$19.06/boe in the first quarter of 2025 and \$23.48/boe in the second quarter of 2024. For the second quarter of 2025 aggregate operating expenses were \$18.6 million, which was 7% lower than the \$20.0 million from the first quarter and 27% lower than the \$25.4 million from the second quarter of 2024. A significant portion of the decrease from the prior quarter is related to reduced spending on workovers and facility turnarounds, and the disposition of higher operating cost assets that occurred in the first quarter of 2025.

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Royalty expense was lower at \$7.24/boe as compared to \$9.24/boe in the first quarter of 2025 and \$10.05/boe in the second quarter of 2024. Lower commodity prices and a favorable Crown royalty rate on the new Duvernay wells in the second quarter of 2025 resulted in the decrease. Journey's general and administrative ("G&A") costs in the second quarter of 2025 were \$2.5 million as compared to the \$3.7 million in the second quarter of 2024 and consistent with the \$2.3 million in the first quarter of 2025. On a per boe basis, Journey's G&A costs were \$2.53/boe for the second quarter of 2025 as compared to \$2.37/boe in the first quarter of 2025 and \$3.61/boe for the second quarter of 2024.

Interest expense decreased 1% to \$1.4 million in the second quarter of 2025 from \$1.5 million in the first quarter of 2025 and \$1.9 million in the second quarter of 2024. The reduction in interest costs for the second quarter of 2025 was mainly attributable to the lower outstanding balances on term debt due to principal repayments throughout 2024 and the first quarter of 2025. Journey generated net income of \$4.1 million in the second quarter of 2025 or \$0.06 per basic and diluted share as compared to \$7.7 million of net income in the first quarter of 2025 or \$0.12 per basic and diluted share. For the comparable quarter of 2024 Journey had a loss of \$2.3 million. Adjusted Funds Flow of \$15.9 million in the second quarter of 2025 was 19% lower than the \$19.6 million realized in the first quarter of 2025 but was 67% higher than the \$9.5 million in the comparable quarter of 2024. Journey exited the second quarter of 2025 with net debt of \$64.5 million, which was 21% higher than the \$53.2 million at the end of the first quarter of 2025 and 7% higher than the net debt at the beginning of 2025. The net debt to annualized second quarter Adjusted Funds Flow ratio was 1.0 times. Net debt in the second quarter of 2025 increased mainly due to the Duvernay capital program, which was planned to be weighted to the first half of the year.

Financial Results

	Operating Highlights	2021 Actual	2022 Actual	2023 Actual	2024 Actual	H1 2025 Actual
Production	Average (boe/d)	8,004	9,778	12,415	11,275	10,973
	Oil and NGLs (%)	47%	49%	54%	57%	60%
	Corporate Decline Rate (%)	14%	14%	13%	13%	13%
Reference Prices	Natural Gas AECO (\$/mcf)	\$3.64	\$5.43	\$2.65	\$1.35	\$1.93
	Oil WTI (\$US/bbl)	\$67.91	\$94.23	\$77.63	\$77.55	\$67.58
	F/X (\$CAD/\$USD)	0.80	0.77	0.74	0.74	0.71
Operating Results	Revenue (Before Hedging) (\$/boe)	\$42.39	\$66.00	\$49.54	\$47.77	\$48.95
	Netback (Before Hedging) (\$/boe)	\$18.89	\$33.50	\$17.98	\$16.69	\$21.40
Capital (ex EOL)	Including A&D (\$millions)	\$11.0	\$181	\$40.9	\$41.2	\$37.3
Wells Drilled	Gross/Net	—	13/10.6	12/10.3	6/3.5	8/2.4
Financial	Realized Hedging gain (loss) (\$millions)	—	\$6.4	\$1.0	-	\$(0.1)
	Adjusted Funds Flow (\$millions)	\$46.3	\$101.4	\$66.1	\$51.7	\$35.5
	Period End Net Debt (\$millions)	\$57.0	\$98.8	\$61.7	\$60.3	\$64.5
	Weighted Average Basic Shares (millions)	45.4	52.7	60.3	62.4	67.1
	Adjusted Funds Flow/Share (\$/Share)	\$1.10	\$1.93	\$1.10	\$0.83	\$0.53

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Journey's 2025 Guidance

Journey has updated its 2025 capital spending and production guidance as per below. While sales volumes guidance has not changed, the Company has made minor changes to increase its capital spending plans. However, these expenditures are more than offset by the minor divestments which are forecast to close in the third quarter. \$55 million of net capital spending from the previous guidance has been reduced to \$54 million. To the end of June \$37 million of capital spending (net of A&D activity) has been expended.

The principal balance of all indebtedness to Journey's new bank at the end of the second quarter was \$17,347, while net debt came in at \$64,452. This was 7% higher than \$60,320 at December 31, 2024. The net debt to annualized second quarter Adjusted Funds Flow ratio at June 30, 2025 was 1.0.

Recently, changes to Canadian-U.S. trade policies and increasing recession fears have resulted in significant near-term headwinds for commodity prices. Journey management remains confident that the Company is well positioned to navigate this uncertain period. However, the unprecedented volatility in pricing, for oil in particular, makes it challenging to provide reliable guidance as it pertains to associated funds flow and year-end debt levels at this time.

Journey will update its guidance at regular intervals throughout the year and as circumstances materially change.

Power Business Update



Countess (2020)

- 4 MW on stream September 2020
- Fuel gas supplied by long life natural gas (Countess field)
- Connected to Alberta power grid
- Project has paid out original investment
- Countess running intermittently based upon pricing



Gilby (ISD October 2025)*

- 15.1 MW capacity currently under construction
- Fuel gas supplied by long life natural gas (Gilby field)
- Now in Stage 5 of AESO grid connection process; AUC and EPEA approvals already in place
- Total project capital \$32 million
- Original regulatory ISD was January 2024

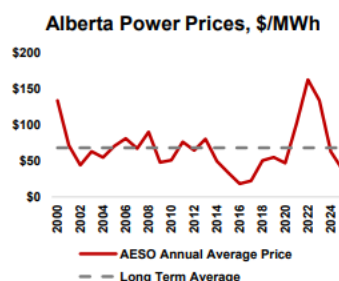


Mazeppa (ISD June 2026)*

- 16.5 MW power plant purchase closed in Q2 2023
- Purchased for less than 20% of replacement value
- Commissioned in 2015, ran for less than 1 year, working on regulatory approval restart
- Now in Stage 3 of AESO grid connection process; AUC and EPEA approval already in place
- Total project capital of \$14.2M (including facility and land purchase)
 - \$6.5 million capital remaining to be spent
- Original regulatory ISD was December 2024

⚡ Future Cash Flow From Power Projects

- Over 75% of the capital to bring our projects online has already been spent
- Power prices are currently below break-even generation cost provincially and below the \$68/MWh historical average
- Larger players will adjust load over time to return power prices to historical averages, or higher
- Volatility in pricing will intensify with increasing renewable generation creating additional opportunities for "on demand" projects
- The table below outlines cash flows at various power/natural gas prices once Journey's full 30 MW suite of assets is online
 - Annualized cash flows decrease by approximately \$3.0 million at the current carbon tax of \$95/tonne
 - Journey reduces carbon tax exposure through emissions reduction projects in the field and is active in the external carbon pricing market



Annual Cash Flow (\$MM) - 30 MW with \$0/t Carbon Tax - 100% Runtime									
Gas Price (\$/GJ)	Power Price (\$/kW)								
		\$0.02	\$0.04	\$0.06	\$0.08	\$0.10	\$0.12	\$0.14	\$0.16
	\$1.00	shut in	4.7	10.0	15.2	20.5	25.7	31.0	36.2
	\$1.50	shut in	3.6	8.8	14.1	19.3	24.6	29.8	35.1
	\$2.00	shut in	2.4	7.7	12.9	18.2	23.4	28.7	33.9
	\$2.50	shut in	1.3	6.5	11.8	17.0	22.3	27.5	32.8
	\$3.00	shut in	0.1	5.4	10.6	15.9	21.1	26.4	31.6
	\$3.50	shut in	shut in	4.2	9.5	14.7	20.0	25.2	30.5



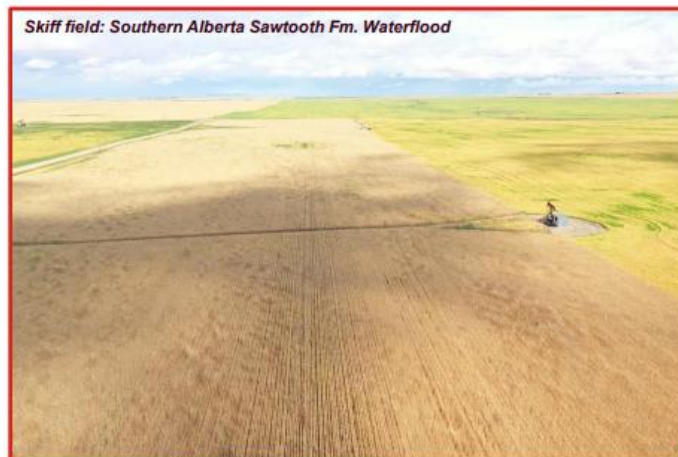
Base Business

Characteristics:

- Low decline with predictable production profiles
- Well financed
- Undercapitalized
- Undervalued
- Low risk drilling/well optimization to maintain production
- **Funding vehicle for Duvernay development**

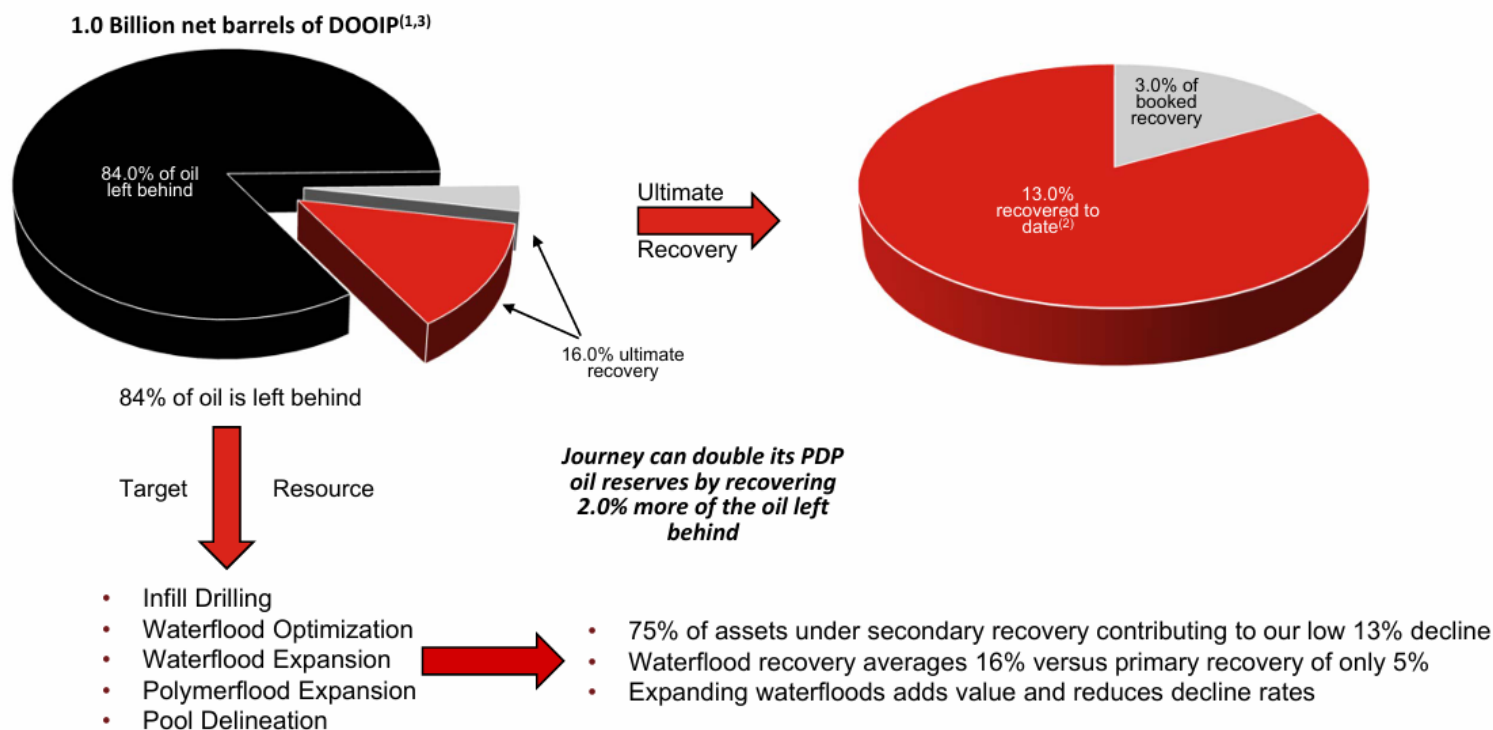


Skiff field: Southern Alberta Sawtooth Fm. Waterflood



Goals:

- Rationalize assets to reduce operating and end-of-life costs
 - Reduced ARO by > \$20 million in 2024 via divestments/abandonments
 - **Entered into purchase and sale agreements totaling \$6.6MM to date in 2025**
- Improve netback by adding production to underutilized facilities
- Add value/improve sustainability by expanding waterfloods

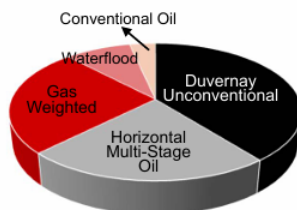


Drilling Inventory Growing in Unconventional Ways

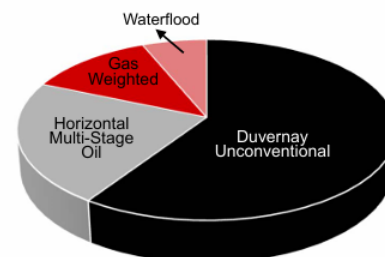
- Journey has identified 477 gross (283 net) horizontal drilling locations across its asset base
- Our booked development wedge generates a 97% rate of return at year end 2024 pricing⁽³⁾
- Journey's \$397 million of P+PUD future development capital (FDC) adds reserves at \$11.08/P+P boe
- Over 71% of Journey's identified capital projects are unbooked
- Journey's P+PUD FDC adds \$403 million of NPV@10%, or \$1.02/sh of NPV (10%) for every dollar of FDC invested

	Drilling Locations ⁽¹⁾		
	Total ⁽¹⁾		% Booked ⁽²⁾ in Reserve Report
Region	Gross	Net	
South	112	100	30%
Central	165	123	40%
Duvernay	200	60	22%
Total	477	283	33%

Booked Projects⁽²⁾
\$397MM in Capital



Unbooked Projects
\$985MM in Capital



Journey's *UNCONVENTIONAL* Recipe for Success



AFF/share

Duvernay netbacks
are 3X JOY
Corporate netback



Sustainability

Cash flow from
Power offsets JOY's
largest operating
cost



Net Asset
Value

Duvernay and
Power add NAV
without adding ARO



Cost
Structure

Rationalize high
cost assets while
growing low cost
production

Journey Is Not Like Other Microcaps



Net Income and Cash Flow

Journey Energy (JOY.TO and JRNGF) Net Income and Cash Flow 2022 - 2026 (updated 9/4/2025) (\$Thousands in Canadian Dollars)													Sale of non-core assets in Q3 for \$3.2 million (280 boepd 85% ngas)			
													Canadian Dollars			
	Actual 2022	Actual 2023	Actual Qtr1 2024	Actual Qtr2 2024	Actual Qtr3 2024	Actual Qtr4 2024	Actual Year 2024	Actual Qtr1 2025	Actual Qtr2 2025	Forecast Qtr3 2025	Forecast Qtr4 2025	Forecast Year 2025	Forecast 2026			
REVENUES:																
Oil and natural gas sales	\$235,583	\$225,149	\$52,098	\$50,525	\$47,046	\$47,480	\$197,149	\$52,032	\$45,196	\$48,557	\$50,273	\$196,058	\$237,722			
Processing and other income (incl electricity sales)	11,368	8,749	1,985	1,682	1,544	1,683	6,894	1,575	1,558	1,600	2,000	6,733	10,000			
Realized gain (loss) on financial derivatives								0	(134)							
Unrealized gain (losses) on derivatives								(1,950)	3,224			1,274				
Royalties	(46,976)	(46,980)	(10,164)	(10,274)	(7,991)	(9,006)	(37,435)	(9,148)	(7,217)	(8,012)	(8,546)	(32,923)	(42,790)	< 16.5% in Q3 2025 to 18% of Row 8 in 2026		
	199,975	186,918	43,919	41,933	40,599	40,157	166,608	42,509	42,627	42,145	43,727	171,141	204,932			
EXPENSES:																
Operating expense	78,684	98,383	21,487	25,437	21,431	24,234	92,589	20,008	18,628	19,752	20,196	78,585	84,954	< \$19.00 / boe		
DD&A	28,898	38,461	9,795	9,470	9,782	10,150	39,197	10,547	10,810	11,228	11,693	44,277	49,184	< \$10.80 / boe, ramping up to \$11/boe in Q4 2025 and 2026		
Finance -cash	14,286	15,045	1,266	1,793	1,742	1,945	6,746	1,454	1,442	1,550	1,500	5,946	6,500	< 2025 Capex fully funded by operating CF		
Non-cash financing costs	525	495	1,625	1,791	1,800	1,538	6,754	1,563	1,948	1,800	1,800	7,111	7,200			
G&A	8,854	8,470	2,072	3,693	2,691	2,637	11,093	2,344	2,525	2,600	2,800	10,269	13,000	< Q2 includes annual bonuses		
Share based compensation	2,086	2,650	871	872	695	749	3,187	561	843	850	850	3,104	3,600			
Transportation	2,485	5,121	1,074	1,503	1,183	690	4,450	1,038	919	988	1,010	3,954	4,248	< \$0.95 / boe		
Exploration and evaluation	1,946	495	351	0	255	118	724	17	121	125	125	388	500			
Asset impairment	21	532	79	0	0	113	192	0	0	0	0	0	0	< non-cash		
Loss (gain) on debt modification	(281)	708	0	0	0	11	11	0	0	0	0	0	0			
Transaction costs	1,489	24	189	0	0	0	189	81	0	50	0	131	0			
(Gain) loss on dispositions	0	(3,421)	0	0	0	(5,704)	(5,704)	(5,237)	0	0	0	(5,237)	0	< non-cash		
TOTAL EXPENSES	138,993	166,963	38,809	44,559	39,579	36,481	159,428	32,376	37,236	38,943	39,974	148,529	169,185			
OPERATING EARNING	60,982	19,955	5,110	(2,626)	1,020	3,676	7,180	10,133	5,391	3,202	3,753	22,613	35,747			
INCOME TAXES																
Current	0	0	0	0	0	0	0	0	0	0	0	0	0	< Tax pools cover all cash taxes through 2026		
Deferred	(94,216)	4,136	1,562	(298)	422	350	2,036	2,405	1,326	769	901	5,400	8,579	<24%		
NET INCOME to common stockholders	\$155,198	\$15,819	\$3,548	(\$2,328)	\$598	\$3,326	\$5,144	\$7,728	\$4,065	\$2,434	\$2,852	\$17,213	\$27,168			
Common Stock	62,882	61,350	67,107	67,107	67,107	67,107	67,107	67,107	67,107	67,107	67,107	67,107	67,500	< 2025 is shares outstanding at the end of each Qtr		
Earnings per share	\$2.47	\$0.26	\$0.05	(\$0.03)	\$0.01	\$0.05	\$0.08	\$0.12	\$0.06	\$0.04	\$0.04	\$0.26	\$0.40	< EPS		
NOTE: Current First Call Estimated EPS								\$0.12	\$0.06	\$0.01	\$0.04	\$0.23	\$0.42	< First Call's EPS Forecasts		
Cash Flow >>>>>	\$96,102	\$59,621	\$17,359	\$8,205	\$11,080	\$7,722	\$44,366	\$18,636	\$14,627	\$15,205	\$15,220	\$63,688	\$77,731	< 2025 CapEx budget \$54 million (Aug 2025)		
Cashflow per share (before CapEx)	\$ 1.53	\$0.97	\$0.26	\$0.12	\$0.17	\$0.12	\$0.66	\$0.28	\$0.22	\$0.23	\$0.23	\$0.95	\$1.15	Target Price 3.5 X 2025 thru 2026 CFPS = \$3.56 < Cdn		
PRODUCTION														TipRanks' CFPS JRNGF Price target in U.S. \$ 2.60 < At 73% conversion		
Natural Gas (mcf/d)	29,785	33,899	31,277	30,522	29,175	26,784	29,440	26,845	26,937	27,120	27,383	27,071	28,298	YR 2024 YR 2026 First Call's Price Target \$ 3.60 < Cdn		
Oil (bbls/d)	3,826	5,491	5,485	5,119	5,246	5,364	5,304	5,331	5,366	5,707	5,950	5,588	6,493	43.5% 38.5%		
NGLs (bbls/d)	988	1,274	1,208	1,029	1,048	987	1,068	1,192	1,095	1,074	1,040	1,100	1,041	47.0% 53.0%		
Boepd	9,778	12,415	11,906	11,235	11,157	10,815	11,278	10,997	10,950	11,300	11,554	11,200	12,250	9.5% 8.5%		
YOY growth		27.0%					-9.2%						-0.7%	< 2025 production guidance is 10,800 to 11,200 Boepd (Aug)		
PRODUCT PRICES														< Year-over-year production growth		
Natural Gas (\$/mcf)	5.97	2.70	2.37	0.97	0.51	1.32	1.29	2.24	1.82	1.75	2.25	2.02	3.50	< See hedges below		
Oil (\$/bbl)	105.50	85.21	80.53	93.38	85.45	81.41	85.19	85.60	75.32	77.04	73.62	77.89	77.04	< WTI oil price X0.73 less \$12		
NGLs (\$/bbl)	64.69	45.16	46.83	46.12	46.10	44.56	45.90	51.81	39.64	38.00	45.00	43.61	50.00	< JOY's NGL is more tied to the oil price than to Ngas price		
Gross Revenue check (prod * ave price)	235,583	225,149	52,098	50,525	47,046	47,474	197,142	52,032	45,196	48,557	50,273	196,058	237,722			
							\$ 57,563					194,000	221,000	< First Call Revenue Forecast		
												\$ 77,814	\$ 102,231	< EBITDA		

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