



## NEWS RELEASE

### RUBELLITE ENERGY INC. REPORTS SECOND QUARTER FINANCIAL AND OPERATING RESULTS

**Calgary, Alberta – August 8, 2024 (TSX:RBY)** – Rubellite Energy Inc. ("Rubellite", or the "Company"), is pleased to report its second quarter 2024 financial and operating results.

Select financial and operational information is outlined below and should be read in conjunction with Rubellite's unaudited condensed interim consolidated financial statements and related Management's Discussion and Analysis (MD&A) for the three and six months ended June 30, 2024, which are available through the Company's website at [www.rubelliteenergy.com](http://www.rubelliteenergy.com) and Sedar+ at [www.sedarplus.ca](http://www.sedarplus.ca).

*This news release contains certain specified financial measures that are not recognized by GAAP and used by management to evaluate the performance of the Company and its business. Since certain specified financial measures may not have a standardized meaning, securities regulations require that specified financial measures are clearly defined, qualified and, where required, reconciled with their nearest GAAP measure. See "Non GAAP and Other Financial Measures" in this news release and in the MD&A for further information on the definition, calculation and reconciliation of these measures. This news release also contains forward-looking information. See "Forward-Looking Information". Readers are also referred to the other information under the "Advisories" section in this news release for additional information.*

On August 2, 2024, Rubellite closed the previously announced acquisition of Buffalo Mission Energy Corp. ("Buffalo Mission") for total consideration of \$97.5 million (the "Acquisition"), inclusive of \$23.5 million of assumed net debt, which consisted of \$62.7 million in cash and the issuance of 5.0 million common shares of Rubellite to certain shareholders of Buffalo Mission having a deemed value of \$11.3 million.

Rubellite funded the cash portion of the Acquisition through (a) expanded bank credit facilities (the "Expanded Facility") and (b) a new senior secured second-lien term loan placed, directly or indirectly, with certain directors and officers of Rubellite and the Company's significant shareholder for \$20.0 million (the "Second-Lien Term Loan"). The Company's borrowing base was increased to \$100.0 million from \$60.0 million at June 30, 2024, until the next scheduled semi-annual borrowing base redetermination on or before November 30, 2024. In addition, the Company's lenders provided a \$20.0 million bank syndicate term loan that matures on or before December 15, 2024. The Second-Lien Term Loan bears interest at 11.5% with interest to be paid quarterly, and matures in five years from the date of issue, and can be repaid by the Company without penalty at any time.

In conjunction with the Expanded Facility, the credit facility lending syndicate will be expanded to include The Bank of Nova Scotia joining the Bank of Montreal as agent, ATB Financial as co-lead and Canadian Western Bank.

### SECOND QUARTER 2024 HIGHLIGHTS

- Second quarter conventional heavy oil sales production of 4,503 bbl/d was relatively unchanged from the first quarter of 2024 (Q1 2024 - 4,514 bbl/d) and up 58% from the second quarter of 2023 (Q2 2023 - 2,844 bbl/d).
- Exploration and development capital expenditures<sup>(1)</sup> totaled \$21.1 million for the second quarter to drill, complete, equip and tie-in eight (8.0 net) multi-lateral horizontal development wells at Figure Lake. Spending on facilities of \$1.9 million in the quarter for the 2024 Figure Lake gas conservation project, bringing total expenditures for 2024 to \$2.4 million.
- Adjusted funds flow<sup>(1)</sup> in the second quarter was \$20.7 million (\$0.33 per share), a 12% increase from the first quarter of 2024 (Q1 2024 - \$18.5 million; \$0.30/share) driven by higher realized oil prices. Adjusted funds flow increased 72% from the second quarter of 2023 (Q2 2023 - \$12.0 million and \$0.19 per share), driven by the growth in sales production and higher realized oil prices, partially offset by higher cash costs.
- Cash costs<sup>(1)</sup> were \$9.3 million or \$22.58/boe in the second quarter of 2024 (Q2 2023 - \$5.9 million or \$22.73/boe). On a per boe basis, the reduction in costs were driven by efficiencies over a higher production base and lower trucking rates, partially offset by higher royalties and G&A costs.
- Net income was \$12.4 million in the second quarter of 2024 (Q2 2023 - \$3.4 million net income) driven by higher adjusted funds flow and a \$3.6 million unrealized gain on risk management contracts.
- As at June 30, 2024, net debt<sup>(1)</sup> was \$49.1 million, a decrease from \$51.0 million as at December 31, 2023, driven by \$2.4 million of free funds flow<sup>(1)</sup>.
- Rubellite had available liquidity<sup>(2)</sup> at June 30, 2024 of \$26.8 million, comprised of the \$60.0 million borrowing limit of Rubellite's first lien credit facility, less current borrowings of \$30.8 million and outstanding letters of credit of \$2.4 million.

(1) Non-GAAP financial measure, non-GAAP ratio or supplementary financial measure. See "Non-GAAP and Other Financial Measures" in this news release.

### OPERATIONS UPDATE

Rubellite drilled and rig released a total of eight (8.0 net) horizontal wells in the second quarter of 2024, all in the Greater Figure Lake area, bringing the total number of new horizontal drills rig released in 2024 to fourteen (14.0 net) as at June 30, 2024. Production results from the 2024 drilling program have averaged IP(30) 130 bbl/d (11 wells) and IP(60) 120 bbl/d (10 wells), as compared to the McDaniel Type Curve<sup>(1)</sup> rates of 120 and 112 bbl/d, respectively. Repeatable results from the 2024 capital program continue to meet expectations, confirming the geologic model and increasing the confidence in the identified drilling inventory in excess of 220.0 net locations (165.0 net unbooked<sup>(1)</sup>) at Figure Lake and Edwand.

In late June, the Company contracted a second rig to drill up to ten (10.0 net) additional development / step-out delineation multi-lateral wells in the greater Figure Lake area over the balance of the year. At East Edward, the Company is encouraged by early results of the step-out delineation well at 06-09-062-16W4 where an IP(15) of 190 bbl/d has been recorded in the field.

During the second quarter, Rubellite began testing the economic viability of a tighter inter-leg spacing pattern, reducing the distance between laterals from approximately 50m to approximately 35m, and increasing the open hole lateral length per well to greater than 14,000 meters in several wells to determine if economically accelerated production and improvements to the oil recovery factor could be obtained. In addition to a tighter inter-leg spacing, a "fan" well is currently being drilled to optimize boundary reservoir coverage and is expected to reach total depth in early August. Production results from the different well configurations will be analyzed over the remainder of the year and inform the well design for future exploitation strategies.

Subsequent to the end of the second quarter, the Company entered into an agreement with the Buffalo Lake Métis Settlement ("BLMS") to acquire an additional eight (8.0 net) sections of land immediately offsetting existing operations. The acquired BLMS lands further consolidates the prospective acreage at Figure Lake, adds drilling inventory, and builds on the positive, mutually-beneficial relationship established with BLMS.

To advance solution gas conservation at Figure Lake, construction and installation of natural gas compression, dehydration, and associated facilities have progressed and will be complete in advance of the re-activation of the sales meter in March of 2025. Tie-in of the associated solution gas at Figure Lake will not only significantly reduce emissions, but is also forecast to deliver an attractive rate of return in excess of 75% which is enhanced by the re-use of existing gas gathering pipelines and a forecast reduction in carbon taxes related to reduced flaring and incineration. Once operational, management is forecasting approximately 3 MMcf/d gross of natural gas to be brought to sales.

Rubellite has additionally licensed a horizontal well approximately 90km north of Figure Lake in the Nixon/Calling Lake area, to test a new play concept for which the Company currently holds 108.0 net sections of land.

In total in 2024, the Company is planning to drill thirty four (34.0 net) open hole multi-lateral wells at Figure Lake and twelve gross (6.0 net) wells on the recently acquired Mannville Stack assets at Frog Lake. In addition, surface access arrangements are on track to provide for the drilling of one (0.3 net) well at Marten Hills to commence waterflood operations, one (0.5 net) exploratory step-out horizontal well at Dawson, and one (1.0 net) exploration horizontal well at Calling Lake. Rubellite also plans to advance other exploration activities and to pursue additional land capture and de-risking during 2024.

- (1) Type curve assumptions are based on the Total Proved plus Probable Undeveloped reserves contained in the McDaniel Reserve Report as disclosed in the Company's Annual Information Form which is available under the Company's profile on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca). "McDaniel" means McDaniel & Associates Consultants Ltd. independent qualified reserves evaluators. "McDaniel Reserve Report" means the independent engineering evaluation of the heavy crude oil and conventional natural gas reserves, prepared by McDaniel with an effective date of December 31, 2023 and a preparation date of March 14, 2024.

## OUTLOOK AND GUIDANCE

Rubellite's Board of Directors has approved exploration and development capital spending for 2024 of approximately \$82 to \$87 million to drill, complete, equip and tie-in thirty four to thirty five (34.0 to 35.0 net) multi-lateral development / step-out wells in the greater Figure Lake area as previously disclosed, twelve gross (6.0 net) wells on the recently acquired Mannville Stack assets, and includes a total of \$6.0 million of estimated capital spending required for the Figure Lake gas sales plant and related pipeline tie-ins. Incrementally, additional capital spending for exploratory drilling activity is expected in Q4 2024 / Q1 2025 and will be timed to optimize rig operations. Forecast drilling activities will be funded from adjusted funds flow and available credit facilities.

Production sales volumes are expected to grow approximately 70% year-over-year to average 5,600 to 5,900 boe/d and exit the year at approximately 7,500 - 7,900 boe/d, poised for continued growth into 2025 with the full integration of the Mannville Stack assets.

Capital spending, drilling activity and operational guidance for 2024 are outlined in the table below:

	2024 Guidance	Q4 2024 Guidance
Sales Production (bbl/d)	5,600 - 5,900	7,400 - 7,800
Exploration and Development spending (\$ millions) <sup>(1)(2)(3)</sup>	\$82 - \$87	\$21 - \$23
Multi-lateral development / step-out wells (net) <sup>(1)</sup>	40.0 - 41.0	12.0
Heavy oil wellhead differential (\$/bbl) <sup>(1)</sup>	\$5.50 - \$6.00	\$5.50 - \$6.00
Royalties (% of revenue) <sup>(1)</sup>	11% - 12%	11% - 12%
Production & operating costs (\$/boe) <sup>(1)</sup>	\$7.25 - \$7.75	\$7.50 - \$8.00
Transportation costs (\$/boe) <sup>(1)</sup>	\$7.50 - \$8.00	\$7.50 - \$8.00
General & administrative costs (\$/boe) <sup>(1)</sup>	\$4.75 - \$5.25	\$4.50 - \$5.00

(1) Non-GAAP financial measure, non-GAAP ratio or supplementary financial measure. See "Non-GAAP and Other Financial Measures".

(2) Includes \$6.0 million for the Figure Lake gas conservation project in 2024.

(3) Excludes land and acquisition spending.

(4) 2024 guidance and Q4 2024 guidance are unchanged from the guidance provided in the news release dated August 2, 2024.

## SUMMARY OF QUARTERLY RESULTS

	Three months ended June 30,		Six months ended June 30,	
	2024	2023	2024	2023
<b>Financial</b>				
Oil revenue	<b>35,798</b>	18,863	<b>65,621</b>	35,967
Net income (loss) and comprehensive income (loss)	<b>12,368</b>	3,397	<b>8,215</b>	5,096
Per share – basic <sup>(1)</sup>	<b>0.20</b>	0.05	<b>0.13</b>	0.09
Per share – diluted <sup>(1)</sup>	<b>0.19</b>	0.05	<b>0.13</b>	0.09
Cash flow from operating activities	<b>19,916</b>	12,186	<b>36,413</b>	21,471
Adjusted funds flow <sup>(2)</sup>	<b>20,664</b>	11,998	<b>39,116</b>	21,680
Per share – basic <sup>(1)(2)</sup>	<b>0.33</b>	0.19	<b>0.63</b>	0.35
Per share – diluted <sup>(1)(2)</sup>	<b>0.33</b>	0.19	<b>0.62</b>	0.37
Net debt (asset)	<b>49,083</b>	20,676	<b>49,083</b>	20,676
<b>Capital expenditures<sup>(2)</sup></b>				
Capital expenditures, including land and other <sup>(2)</sup>	<b>23,927</b>	11,820	<b>36,719</b>	33,881
<b>Wells Drilled<sup>(3)</sup> – gross (net)</b>	<b>8 / 8.0</b>	4 / 4.0	<b>15 / 15.0</b>	13 / 12.5
<b>Common shares outstanding<sup>(4)</sup> (thousands)</b>				
Weighted average – basic	<b>62,494</b>	61,830	<b>62,476</b>	58,464
Weighted average – diluted	<b>63,446</b>	62,432	<b>63,446</b>	59,042
End of period	<b>62,593</b>	61,839	<b>62,593</b>	61,839
<b>Operating</b>				
Daily average oil sales production <sup>(4)</sup> (bbl/d)	<b>4,503</b>	2,844	<b>4,509</b>	2,917
<b>Average prices</b>				
West Texas Intermediate (“WTI”) (\$US/bbl)	<b>80.57</b>	73.75	<b>78.77</b>	74.92
Western Canadian Select (“WCS”) (\$CAD/bbl)	<b>91.63</b>	78.74	<b>84.70</b>	74.05
Average realized oil price <sup>(2)</sup> (\$/bbl)	<b>87.35</b>	72.88	<b>79.97</b>	68.13
Average realized oil price after risk management contracts <sup>(2)</sup> (\$/bbl)	<b>82.99</b>	75.65	<b>79.06</b>	69.88

(1) Per share amounts are calculated using the weighted average number of basic or diluted common shares.

(2) Non-GAAP financial measure, non-GAAP ratio or supplementary financial measure. See "Non-GAAP and Other Financial Measures" in this news release.

(3) Well count reflects wells rig released during the period.

(4) Heavy crude oil sales production excludes tank inventory volumes.

## ABOUT RUBELLITE

Rubellite is a Canadian energy company engaged in the exploration, development and production of heavy crude oil from the Clearwater and Mannville Stack in Eastern Alberta, utilizing multi-lateral drilling technology. Rubellite has a prolific oil focused asset base and is pursuing a robust organic growth plan focused on superior corporate returns and funds flow generation while maintaining a conservative capital structure and prioritizing operating excellence. Additional information on Rubellite and the Acquisition can be accessed on the Company's website at [www.rubelliteenergy.com](http://www.rubelliteenergy.com) or on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca).

The Toronto Stock Exchange has neither approved nor disapproved the information contained herein.

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## ADVISORIES

### BOE VOLUME CONVERSIONS

Barrel of oil equivalent (“boe”) may be misleading, particularly if used in isolation. In accordance with NI 51-101, a conversion ratio for conventional natural gas of 6 Mcf:1 bbl has been used, which is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead. In addition, utilizing a conversion on a 6 Mcf:1 bbl basis may be misleading as an indicator of value as the value ratio between conventional natural gas and heavy crude oil, based on the current prices of natural gas and crude oil, differ significantly from the energy equivalency of 6 Mcf:1 bbl.

### ABBREVIATIONS

The following abbreviations used in this news release have the meanings set forth below:

bbl	barrels
bbl/d	barrels per day
boe	barrels of oil equivalent
MMboe	millions of barrels of oil equivalent
WCS	Western Canadian select, the benchmark price for conventional produced crude oil in Western Canada

## INITIAL PRODUCTION RATES

Any references in this news release to initial production rates are useful in confirming the presence of hydrocarbons; however, such rates are not determinate of the rates at which such wells will continue production and decline thereafter and are not necessarily indicative of long-term performance or ultimate recovery. Readers are cautioned not to place reliance on such rates in calculating the aggregate production for the Company. Such rates are based on field estimates and may be based on limited data available at this time.

## ESTIMATED DRILLING LOCATIONS

Unbooked drilling locations are the internal estimates of Rubellite based on Rubellite's or the acquired assets prospective acreage and an assumption 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 (including contingent and prospective). Unbooked locations have been identified by Rubellite's management as an estimation of Rubellite's multi-year drilling activities based on evaluation of applicable geologic, seismic, engineering, production and reserves information. There is no certainty that Rubellite will drill all unbooked drilling locations and if drilled there is no certainty that such locations will result in additional oil and natural gas reserves, resources or production. The drilling locations on which Rubellite will actually drill wells, including the number and timing thereof is ultimately dependent upon the availability of funding, regulatory approvals, seasonal restrictions, oil and natural gas prices, costs, actual drilling results, additional reservoir information that is obtained and other factors. While a certain number of the unbooked drilling locations have been de-risked by Rubellite 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 of Rubellite 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.

## NON-GAAP AND OTHER FINANCIAL MEASURES

Throughout this news release and in other materials disclosed by the Company, Rubellite employs certain measures to analyze financial performance, financial position and cash flow. These non-GAAP and other financial measures do not have any standardized meaning prescribed under IFRS and therefore may not be comparable to similar measures presented by other entities. The non-GAAP and other financial measures should not be considered to be more meaningful than GAAP measures which are determined in accordance with IFRS, such as net income (loss), cash flow from (used in) operating activities, and cash flow from (used in) investing activities, as indicators of Rubellite's performance.

### Non-GAAP Financial Measures

**Capital Expenditures:** Rubellite uses capital expenditures related to exploration and development to measure its capital investments compared to the Company's annual capital budgeted expenditures. Rubellite's capital budget excludes acquisition and disposition activities.

The most directly comparable GAAP measure for capital expenditures is cash flow used in investing activities. A summary of the reconciliation of cash flow used in investing activities to capital expenditures, is set forth below:

	Three months ended June 30,		Six months ended June 30,	
	2024	2023	2024	2023
Net cash flows used in investing activities	<b>(13,094)</b>	(15,690)	<b>(37,353)</b>	(43,412)
Change in non-cash working capital	<b>10,833</b>	(3,870)	<b>(634)</b>	(9,531)
Capital expenditures	<b>(23,927)</b>	(11,820)	<b>(36,719)</b>	(33,881)
Property, plant and equipment expenditures	<b>(18,439)</b>	(11,149)	<b>(29,767)</b>	(19,252)
Exploration and evaluation expenditures	<b>(2,666)</b>	(671)	<b>(4,035)</b>	(14,629)
Corporate additions	<b>(2,822)</b>	—	<b>(2,917)</b>	—
Capital expenditures	<b>(23,927)</b>	(11,820)	<b>(36,719)</b>	(33,881)

**Cash costs:** Cash costs are comprised of production and operating, transportation, general and administrative, and cash finance expense as detailed below. Cash costs per boe is calculated by dividing cash costs by total production sold in the period. Management believes that cash costs assist management and investors in assessing Rubellite's efficiency and overall cost structure.

(\$ thousands, except per boe amounts)	Three months ended June 30,		Six months ended June 30,	
	2024	2023	2024	2023
Production and operating	<b>2,734</b>	1,869	<b>5,344</b>	3,510
Transportation	<b>3,142</b>	2,042	<b>6,379</b>	4,173
General and administrative	<b>2,399</b>	1,624	<b>4,426</b>	3,361
Cash finance expense	<b>980</b>	349	<b>2,087</b>	800
Cash costs	<b>9,255</b>	5,884	<b>18,236</b>	11,844
Cash costs per boe	<b>22.58</b>	22.73	<b>22.22</b>	22.43

**Net Debt and Adjusted Working Capital Deficit:** Rubellite uses net debt as an alternative measure of outstanding debt. Management considers net debt as an important measure in assessing the liquidity of the Company. Net debt is used by management to assess the Company's overall debt position and borrowing capacity. Net debt or asset is not a standardized measure and therefore may not be comparable to similar measures presented by other entities.

The following table reconciles working capital and net debt as reported in the Company's statements of financial position:

	<b>As of June 30, 2024</b>	As of December 31, 2022
Current assets	<b>14,396</b>	21,061
Current liabilities	<b>(33,986)</b>	(34,009)
Working capital (surplus) deficiency	<b>19,590</b>	12,948
Risk management contracts – current asset	<b>49</b>	8,796
Risk management contracts – current liability	<b>(1,102)</b>	—
Decommissioning liabilities - current liability	<b>(285)</b>	(77)
Adjusted working capital (surplus) deficiency	<b>18,252</b>	21,667
Bank indebtedness	<b>30,831</b>	29,317
Net debt	<b>49,083</b>	50,984

**Adjusted funds flow:** Adjusted funds flow is calculated based on net cash flows from operating activities, excluding changes in non-cash working capital and expenditures on decommissioning obligations since the Company believes the timing of collection, payment or incurrence of these items is variable. Expenditures on decommissioning obligations may vary from period to period depending on capital programs and the maturity of Rubellite's operating areas. Expenditures on decommissioning obligations are managed through the capital budgeting process which considers available adjusted funds flow. Management uses adjusted funds flow and adjusted funds flow per boe as key measures to assess the ability of the Company to generate the funds necessary to finance capital expenditures, expenditures on decommissioning obligations and meet its financial obligations.

Adjusted funds flow is not intended to represent net cash flows from operating activities calculated in accordance with IFRS.

The following table reconciles net cash flows from operating activities, as reported in the Company's statements of cash flows, to adjusted funds flow:

<i>(\$ thousands, except as noted)</i>	Three months ended June 30,		Six months ended June 30,	
	<b>2024</b>	2023	<b>2024</b>	2023
Net cash flows from operating activities	<b>19,916</b>	12,186	<b>36,413</b>	21,471
Change in non-cash working capital	<b>721</b>	(188)	<b>2,555</b>	209
Decommissioning obligations settled	<b>27</b>	—	<b>148</b>	—
Adjusted funds flow	<b>20,664</b>	11,998	<b>39,116</b>	21,680
Adjusted funds flow per share - basic	<b>0.33</b>	0.19	<b>0.63</b>	0.35
Adjusted funds flow per share - diluted	<b>0.33</b>	0.19	<b>0.62</b>	0.37
Adjusted funds flow per boe	<b>50.42</b>	46.35	<b>47.67</b>	41.06

**Available Liquidity:** Available liquidity is defined as the borrowing limit under the Company's credit facility, plus any cash and cash equivalents, less any borrowings and letters of credit issued under the credit facility. Management uses available liquidity to assess the ability of the Company to finance capital expenditures, expenditures on decommissioning obligations and to meet its financial obligations.

#### Non-GAAP Financial Ratios

Rubellite calculates certain non-GAAP measures per boe as the measure divided by weighted average daily production. Management believes that per boe ratios are a key industry performance measure of operational efficiency and one that provides investors with information that is also commonly presented by other crude oil and natural gas producers. Rubellite also calculates certain non-GAAP measures per share as the measure divided by outstanding common shares.

**Average realized oil price after risk management contracts:** are calculated as the average realized price less the realized gain or loss on risk management contracts.

**Adjusted funds flow per share:** adjusted funds flow per share is calculated using the weighted average number of basic and diluted shares outstanding used in calculating net income (loss) per share.

**Adjusted funds flow per boe:** Adjusted funds flow per boe is calculated as adjusted funds flow divided by total production sold in the period.

#### Supplementary Financial Measures

"Average realized oil price" is comprised of total oil revenue, as determined in accordance with IFRS, divided by the Company's total sales oil production on a per barrel basis.

"Royalties (percentage of revenue)" is comprised of royalties, as determined in accordance with IFRS, divided by oil revenue from sales oil production as determined in accordance with IFRS.

"Production & operating costs (\$/boe)" is comprised of operating expense, as determined in accordance with IFRS, divided by the Company's total sales oil production.

"Transportation cost (\$/boe)" is comprised of transportation cost, as determined in accordance with IFRS, divided by the Company's total sales oil production.

"General & administrative costs (\$/boe)" is comprised of G&A expense, as determined in accordance with IFRS, divided by the Company's total sales oil production.

"Heavy oil wellhead differential (\$/bbl)" represents the differential the Company receives for selling its heavy crude oil production relative to the Western Canadian Select reference price (Cdn\$/bbl) prior to any price or risk management activities.

## **FORWARD-LOOKING INFORMATION**

Certain information in this news release including management's assessment of future plans and operations, and including the information contained under the headings "Operations Update" and "Outlook and Guidance" may constitute forward-looking information or statements (together "forward-looking information") under applicable securities laws. The forward-looking information includes, without limitation, statements with respect to: future capital expenditures, production and various cost forecasts; the anticipated sources of funds to be used for capital spending; expectations as to drilling activity, regulatory application and the benefits to be derived from such drilling including production growth; expectations respecting Rubellite's future exploration, development and drilling activities and Rubellite's business plan; and including the information and statements contained under the heading "Outlook and Guidance" and "About Rubellite".

Forward-looking information is based on current expectations, estimates and projections that involve a number of known and unknown risks, which could cause actual results to vary and in some instances to differ materially from those anticipated by Rubellite and described in the forward-looking information contained in this news release. In particular and without limitation of the foregoing, material factors or assumptions on which the forward-looking information in this news release is based include: the successful operation of the Clearwater and Mannville Stack assets, forecast commodity prices and other pricing assumptions; forecast production volumes based on business and market conditions; foreign exchange and interest rates; near-term pricing and continued volatility of the market; accounting estimates and judgments; future use and development of technology and associated expected future results; the ability to obtain regulatory approvals; the successful and timely implementation of capital projects; ability to generate sufficient cash flow to meet current and future obligations and future capital funding requirements (equity or debt); Rubellite's ability to operate under the management of Perpetual Energy Inc. pursuant to the management and operating services agreement; the ability of Rubellite to obtain and retain qualified staff and equipment in a timely and cost-efficient manner, as applicable; the retention of key properties; forecast inflation, supply chain access and other assumptions inherent in Rubellite's current guidance and estimates; climate change; severe weather events (including wildfires and drought); the continuance of existing tax, royalty, and regulatory regimes; the accuracy of the estimates of reserves volumes; ability to access and implement technology necessary to efficiently and effectively operate assets; risk of wars or other hostilities or geopolitical events (including the ongoing war in Ukraine and conflicts in the Middle East), civil insurrection and pandemic; risks relating to Indigenous land claims and duty to consult; data breaches and cyber attacks; risks relating to the use of artificial intelligence; changes in laws and regulations, including but not limited to tax laws, royalties and environmental regulations (including greenhouse gas emission reduction requirements and other decarbonization or social policies) and including uncertainty with respect to the interpretation of omnibus Bill C-59 and the related amendments to the Competition Act (Canada), and the interpretation of such changes to the Company's business); and general economic and business conditions and markets, among others.

Undue reliance should not be placed on forward-looking information, which is not a guarantee of performance and is subject to a number of risks or uncertainties, including without limitation those described herein and under "Risk Factors" in Rubellite's Annual Information Form and MD&A for the year ended December 31, 2023 and in other reports on file with Canadian securities regulatory authorities which may be accessed through the SEDAR+ website [www.sedarplus.ca](http://www.sedarplus.ca) and at Rubellite's website [www.rubelliteenergy.com](http://www.rubelliteenergy.com). Readers are cautioned that the foregoing list of risk factors is not exhaustive. Forward-looking information is based on the estimates and opinions of Rubellite's management at the time the information is released, and Rubellite disclaims any intent or obligation to update publicly any such forward-looking information, whether as a result of new information, future events or otherwise, other than as expressly required by applicable securities law.