NEWS RELEASE

RUBELLITE ENERGY CORP. REPORTS SECOND QUARTER 2026 FINANCIAL AND OPERATING RESULTS, AND PROVIDES OPERATIONS AND 2026 GUIDANCE UPDATE

Calgary, Alberta – August 7, 2026 (TSX:RBY) – Rubellite Energy Corp. ("Rubellite" or the "Company"), is pleased to report its second quarter 2026 financial and operating results and provide an operations and 2026 guidance update.

Select financial and operational information is outlined below and should be read in conjunction with Rubellite's unaudited condensed consolidated interim financial statements and related Management's Discussion and Analysis ("MD&A") for the three and six months ended June 30, 2026, which are available on the Company's website at www.rubelliteenergy.com and SEDAR+ at 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.*

QUARTERLY OPERATIONAL AND FINANCIAL HIGHLIGHTS

Operational Highlights

- **Total sales production:** Despite very challenging spring weather conditions, Rubellite averaged total sales production of 13,406 boe/d in the second quarter of 2026 (67% heavy oil and natural gas liquids ("NGL")), exceeding the top end of the quarterly guidance range of 13,300 to 13,400 boe/d. Relative to the 13,843 boe/d (66% heavy oil and NGL) produced in the first quarter of 2026, the 3% decrease reflected natural declines in the West Central area and lower heavy oil sales production.

- **Heavy oil sales production:** Averaged 8,534 bbl/d in the second quarter of 2026, just outside of the quarterly guidance range of 8,550 to 8,650 bbl/d. Relative to the 8,641 bbl/d of sales production in the first quarter of 2026, the 1% decrease reflected downtime related to the challenging conditions in the field and the recess in drilling operations at Frog Lake from February 9, 2026 to April 19, 2026 to allow the drilling rig, which operated continuously for several years, to undergo servicing and recertification. During the quarter, there were 9 (8.5 net) heavy oil wells added to sales at Figure Lake and Frog Lake, with an additional 9 (8.0 net) wells awaiting tie-ins, or recovery of drilling fluids and not yet contributing to sales.

- **Exploration and development spending[(1)]:** Spent $41.0 million in the second quarter, within the guided range of $39.0 to $41.0 million. Second quarter spending included the drilling and completion of 9 (9.0 net) primary open hole multi-lateral ("OHML") Clearwater development wells and 2 (2.0 net) polymer pilot producer-injector pair at Figure Lake; 1 (0.5 net) OHML Waseca South development well, 2 (1.5 net) OHML Waseca North development wells and 2 (1.5 net) GP wells at Frog Lake.

- **Land and geological and geophysical spending:** Spent $2.5 million on land to capture acreage in core areas and for exploration prospects and $0.2 million on geological and geophysical activities related to special core testing to inform enhanced oil recovery pilot work and various data seismic purchases.

- **Asset swap:** On June 30, 2026, Rubellite completed an asset swap transaction that doubled the Company's working interest in its Marten Hills Clearwater assets from 30% to 60%, in exchange for certain non-core undeveloped lands at Dawson and cash consideration of $0.8 million. The incremental 30% working interest represents approximately 191 bbl/d of heavy oil sales production based on second quarter 2026 average rates, which will be reflected in the Company's production volumes beginning in the third quarter of 2026.

- **Abandonment and reclamation:** Spent $0.1 million on decommissioning, abandonment and reclamation activities and received three reclamation certificates from the Alberta Energy Regulator ("AER") in the quarter, bringing the total to four in 2026.

Financial Highlights

- **Adjusted funds flow[(1)]**: $35.2 million ($0.38 per share) in the second quarter of 2026, an increase of 6% from $33.4 million ($0.36 per share) in the first quarter of 2026.

- **Cash costs[(1)]**: $23.5 million or $19.29/boe in the second quarter of 2026, representing a 24% increase on a per boe basis as compared to the first quarter of 2026 (Q1 2026 - $19.4 million or $15.56/boe) driven by increases in net operating costs and transportation costs due to poor lease and road conditions at both Figure Lake and Frog Lake.

- **Net income:** $34.1 million ($0.36 per share) in the second quarter of 2026 primarily driven by an unrealized gain on risk management contracts, reflecting a change in the mark-to-market values of these contracts due to the fluctuation of forward commodity prices.

- **Net debt[(1)]:** $158.1 million at June 30, 2026, an increase of 10% from $143.1 million at December 31, 2025. During the first half of 2026, Rubellite's capital expenditures, including land and other spending, of $76.5 million exceeded adjusted funds flow of $68.6 million. In addition, other obligations were settled, including a $3.8 million reduction of the other provision, $0.5 million of decommissioning expenditures, $0.8 million of cash-settled share based compensation payments and $0.8 million of cash consideration for the asset swap transaction.

- **Available liquidity[2]:** During the second quarter, the borrowing limit was increased to $160.0 million from $140.0 million. As at June 30, 2026, available liquidity was $62.9 million, based on the increased $160.0 million first-lien credit facility borrowing limit, less $95.7 million of bank borrowings and $1.4 million in letters of credit.

(1) Non-GAAP financial measure, non-GAAP ratio or supplementary financial measure. See "Non-GAAP and Other Financial Measures" in this news release.
(2) See "Liquidity, Capitalization and Financial Resources - Capital Management" in the MD&A.

OPERATIONS UPDATE

Figure Lake

Primary Development Update:

In the second quarter, Rubellite drilled and rig released 9 (9.0 net) primary OHML development wells targeting the Wabiskaw Member of the Clearwater Formation:

- 4 (4.0 net) at the 12-28-62-18W4 surface pad (the "12-28 Pad")
- 4 (4.0 net) at the 14-22-63-18W4 surface pad (the "14-22 Pad")
- 1 (1.0 net) at the 8-26-61-16W4 surface pad (the "8-26 Pad")

Production results for primary wells drilled to date in 2026 averaged[1] IP30/60 rates of 195 bbl/d (8 wells)/224 bbl/d (5 wells), as compared to the 2025 McDaniel Tier 1 type curve[2] of IP30/60 of 201/193 bbl/d[2].

The well (1.0 net) targeting the Sparky Formation drilled in the fourth quarter of 2025 was brought back on production after spring breakup and continues to deliver at encouraging rates with an IP90 of 230 bbl/d. Continuous production from the initial well and further development of the Sparky discovery pool will require construction of a permanent all season access road. The Sparky pool is located in a Key Wildlife Area as designated by the province with restrictions on field activity in place from January 15th to April 30th. Due to very wet conditions and to lower total costs and to limit impacts to the environment, the permanent road and further development is now planned for the second half of 2027. In the interim, the 8-26-64-18W4 discovery well will continue to be produced to the extent possible using the current temporary access.

Enhanced Oil Recovery ("EOR") Update:

Water injection commenced in March at the first Figure Lake waterflood pilot producer-injector pair drilled in the fourth quarter of 2025 on the 9-35-63-18W4 Pad (the "9-35 Pad"). Early indications are encouraging with inclining production rates and other positive indicators of pressure maintenance observed. A more definitive confirmation of the pilot producer's response to injection support is expected in the fourth quarter of 2026.

The second and third EOR pilots at Figure Lake are both located at the 8-26 Pad, where 8-leg OHML producers are paired with dedicated injectors. The injection wells have initially been configured as producers for a short period to recover the oil-based mud used during drilling, and to create voidage in the reservoir for improved flood front conformance once converted for injection. It is expected that water injection will commence in both injectors in the third quarter of 2026, with polymer injection expected to follow in late 2026 in one of the two injectors.

In addition, two multi-lateral horizontal producer-to-injector conversions were advanced on two separate pads at Figure Lake. These producer-to-injector conversion pilots will evaluate the effectiveness of waterflood where primary-focused multi-lateral drilling development has already occurred.

Information from the multiple EOR pilot schemes is being continuously monitored and evaluated and will inform future development plans.

Frog Lake

Waseca Update - Open Hole Multi-lateral Horizontals:

During the second quarter, Rubellite drilled and rig released 3 (2.0 net) OHML wells targeting the Waseca Formation.

- Waseca North: 2 (1.5 net) extended reach wells (20,000m) were drilled with a new water-based amine mud system. Average[1] IP30/IP60 rates obtained for Waseca North wells drilled to date in 2026 are 105 bbl/d (5 wells)/96 bbl/d (3 wells), as compared to the 2025 McDaniel type curve[2] of 122/117 bbl/d.

- Waseca South: 1 (0.5 net) was drilled in the first quarter of 2026 with average[1] IP30/IP60 rate of 68 bbl/d (1 wells)/ 65 bbl/d (1 well), as compared to the 2025 McDaniel type curve[2] of 145/145 bbl/d. Underperformance for the well drilled in the first quarter is believed to be due to a combination of a thinning reservoir and higher shale content encountered at the toe of the well. A second Waseca South well (0.5 net) drilled in the second quarter has recorded an IP15 of 209 bbl/d.

GP and Sparky Update - Single Leg Lined Laterals with Recycle Strings:

Rubellite has continued to positively advance the use of single leg lined lateral horizontal wells equipped with high velocity recycle strings to enable consistent production of heavy oil with solids from the less consolidated GP and Sparky Sands of the Mannville Stack. Two (1.5 net) GP wells were drilled in the second quarter. Equipping of the wells for production was delayed by wet weather, however both wells were placed on production on July 27th, 2026 and are currently recovering load fluid.

A continuous one-rig drilling program is planned for the remainder of the year, targeting the Waseca North and Waseca South sands with OHML horizontal wells, and the GP and Sparky zones within the Mannville Stack with single leg lined horizontal wells equipped with recycle strings.

Other Exploration

In addition to ongoing zonal delineation activity in the GP and Sparky zones at Frog Lake and the Sparky zone at Figure Lake, Rubellite continued to advance several early-stage exploration prospects including land capture and play concept de-risking, while maintaining a disciplined approach to risked capital exposure. One (1.0 net) exploration well was drilled at Bayhurst, Saskatchewan in the first quarter and placed on a limited production trial paused by the requirement to repair a surface casing vent flow in the well. That repair work was completed in early July, and the well has been placed back on production. A second follow up Bayhurst well (1.0 net) is planned for the fourth quarter of 2026.

(1) No development wells were excluded from the calculation of average results except by the criteria for producing days.
(2) Type curve assumptions are based on the total proved plus probable undeveloped reserves contained in the McDaniel Report as disclosed in the most recent AIF available under the Company's profile on SEDAR+ at www.sedarplus.ca. "McDaniel Report" means the independent engineering evaluation of the heavy crude oil and natural gas and NGL reserves, prepared by McDaniel with an effective date of December 31, 2025 and a preparation date of March 10, 2026.

OUTLOOK AND GUIDANCE

For 2026, Rubellite forecasts total exploration and development spending(1) of $125 to $130 million. In addition to development drilling in its core heavy oil operating areas, Rubellite's 2026 capital spending will support longer term strategic initiatives including: (1) advancing multiple EOR pilots in the Clearwater, with water injection expected to have commenced at six waterflood pilots by the end of the third quarter of 2026; (2) initiating polymer injection on the producer-injector pair drilled for a polymer flood pilot at Figure Lake, with injection planned to commence late in fourth quarter of 2026; (3) additional injection and production cycles under the novel gas injection EOR pilot at Figure Lake; and (4) ongoing exploration activities across the Company's land base.

Forecast Capital Program - Second Half 2026:

At Figure Lake:

- Drilling and completion of 13 (13.0 net) 15,000m, 12 leg, Clearwater primary development wells;
- Equipping and facilities work at the 8-26 Pad in anticipation of water and polymer injection commencing in third and fourth quarters of 2026, respectively;
- Surface and downhole equipping activities related to two mature multi-lateral producer to waterflood injector conversions; and
- Additional core testing to continue to inform EOR initiatives.

At Ukalta:

- Source water management and modification of surface facilities to increase the volume of water available for injection in the recently converted multilateral waterflood injector that commenced injection in the second quarter.

At Frog Lake:

- Drilling and completion of 19 (9.5 net) wells targeting the Waseca North, Waseca South, GP and Sparky zones;
- Drilling and completion of 1 (0.5 net) water disposal well; and
- Coring activity and special core testing to inform EOR initiatives.

Additional capital spending is anticipated for land and seismic purchases and other exploration activities. Capital activity is expected to be funded from adjusted funds flow(1), with any excess free funds flow(1) applied to net debt(1) reduction and other balance sheet obligations.

For 2026, heavy oil sales volumes are forecast to average 8,500 to 9,200 bbl/d, while total production sales volumes, including natural gas and NGL volumes, are forecast to average 13,200 to 13,800 boe/d, representing 6% to 10% growth relative to 2025.

Operating costs are forecast to average $6.75 to $7.25/boe for the second half of 2026, and transportation costs are forecast to average $4.75 to $5.25/boe, reflecting increased fuel surcharges for trucked oil. Heavy oil wellhead differentials are forecast to average $5.25 to $5.75/bbl, assuming diluent pricing consistent with the current forward curve. Royalties are expected to increase as a percentage of revenue, averaging 14.5% to 15.5%, given the higher forecast reference oil prices.

Rubellite will continue to address end of life asset retirement obligations ("ARO"), with $1.3 million of operated abandonment and reclamation expenditures planned for the remainder of 2026. Total abandonment and reclamation spending for 2026 of $1.8 million exceeds the Company's AER area-based mandatory 2026 spending requirement of $1.3 million.

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

Planned exploration and development spending and drilling activity for 2026 is summarized in the table below:

	H1 2026		H2 2026		Full year 2026	
	Capital Expenditures (millions)(1)	**# of wells (gross/net)**	**Capital Expenditures (millions)(1)**	**# of wells (gross/net)**	**Capital Expenditures (millions)(1)**	**# of wells (gross/net)**
Figure Lake(2)		17 / 17.0		13 / 13.0		30 / 30.0
Frog Lake(3)		8 / 6.0		20 / 10.0		28 / 16.0
Marten Hills		-/-		- / -		-/-
East Edson		2 / 1.0		- / -		2 / 1.0
Other Exploration		1 / 1.0		1 / 1.0		2 / 2.0
Total	**$72**	**28 / 25.0**	**$53 - $58**	**34 / 24.0**	**$125 - $130**	**62 / 49.0**

(1) Excludes corporate expenditures, abandonment and reclamation spending, land and geological expenditures, if any.
(2) 2 (2.0 net) wells drilled in Q1 2026 were the waterflood pilot producer-injector pair and 2 (2.0 net) wells drilled in Q2 2026 were the polymer pilot producer-injector pair on the 8-26 Pad at Figure Lake.
(3) Includes 1 (0.5 net) water disposal well which is expected to be drilled in the second half of 2026.

Rubellite's financial and operational guidance for full year 2026 is presented in the table below:

	Previous Full Year 2026 Guidance(1)	Full Year 2026 Guidance
Sales production (boe/d)	13,300 - 13,800	13,200 - 13,800
Production mix (% oil and NGL)	69%	68%
Heavy oil sales production (bbl/d)	8,800 - 9,200	8,500 - 9,200
Exploration and development spending ($ millions)(2)(3)	$125 - $135	$125 - $130
Heavy oil wellhead differential ($/bbl)(2)	$4.50 - $5.50	$5.25 - $5.75
Royalties (% of revenue)(2)	14.5% - 15.5%	14.5% - 15.5%
Net operating costs ($/boe)(2)	$6.50 - $7.00	$6.75 - $7.25
Transportation costs ($/boe)(2)	$4.75 - $5.25	$4.75 - $5.25
General and administrative costs ($/boe)(2)	$3.00 - $3.50	$3.00 - $3.50

(1) Previous full year 2026 guidance dated May 8, 2026.
(2) Non-GAAP financial measure, non-GAAP ratio or supplementary financial measure. See "Non-GAAP and Other Financial Measures".
(3) Excludes abandonment and reclamation spending, land and geological expenditures, if any.

SUMMARY OF QUARTERLY RESULTS

	Three months ended June 30,		Six months ended June 30,	
	2026	2025	**2026**	2025
Financial				
Oil and natural gas revenue	**86,063**	60,542	**152,306**	127,149
Net income and comprehensive income	**34,119**	16,051	**11,048**	17,211
Per share – basic(1)	**0.36**	0.17	**0.12**	0.18
Per share – diluted(1)	**0.35**	0.17	**0.11**	0.18
Total Assets	**615,606**	561,545	**615,606**	561,545
Cash flow from operating activities	**42,770**	35,808	**67,349**	62,943
Adjusted funds flow(2)	**35,245**	37,311	**68,612**	73,245
Per share – basic(1)(2)	**0.38**	0.40	**0.73**	0.79
Per share – diluted(1)(2)	**0.36**	0.39	**0.70**	0.77
Q2 annualized adjusted funds flow(2)(7)	**140,981**	149,244	**140,981**	149,244
Net debt to Q2 annualized adjusted funds flow ratio(2)(7)	**1.1**	1.0	**1.1**	1.0
Net debt(2)	**158,076**	142,353	**158,076**	142,353
Total capital expenditures(2)	**43,883**	31,168	**76,547**	56,100
Wells Drilled(3) – gross (net)	**16 / 14.5**	11 / 9.0	**28 / 25.0**	23 / 18.8
Common shares outstanding(1) *(thousands)*				
Weighted average – basic	**93,859**	93,279	**93,725**	93,120
Weighted average – diluted	**98,313**	95,074	**98,155**	95,426
End of period	**93,942**	93,395	**93,942**	93,395
Sales Production				
Heavy Oil (bbl/d)(4)	**8,534**	8,637	**8,588**	8,489
Natural gas (Mcf/d)	**26,576**	20,522	**27,549**	21,276
NGL (bbl/d)(5)	**443**	368	**445**	370
Daily average sales production (boe/d)	**13,406**	12,425	**13,625**	12,405
Average prices				
West Texas Intermediate (“WTI”) ($US/bbl)	**92.79**	63.74	**82.36**	67.58
Western Canadian Select (“WCS”) ($CAD/bbl)	**107.97**	73.96	**93.60**	79.13
AECO 5A Daily Index ($CAD/Mcf)	**1.68**	1.69	**1.84**	1.93
Rubellite average realized prices(2)(6)				
Oil ($/bbl)	**101.17**	69.98	**87.78**	74.89
Natural gas ($/Mcf)	**1.73**	1.93	**2.01**	2.05
NGL ($/bbl)	**81.97**	57.92	**72.54**	62.72
Average realized price(2) ($/boe)	**70.54**	53.54	**61.77**	56.63
Average realized price, after risk management contracts(2) ($/boe)	**58.70**	57.81	**53.99**	58.69
Operating netback ($/boe)				
Revenue(2)	**70.54**	53.54	**61.77**	56.63
Royalties(2)	**(10.53)**	(6.75)	**(8.76)**	(7.61)
Net operating costs(2)	**(8.16)**	(6.71)	**(7.01)**	(6.85)
Transportation costs(2)	**(5.58)**	(5.93)	**(5.04)**	(5.76)
Operating netback(2)	**46.27**	34.15	**40.96**	36.41
Realized gain (loss) on risk management contracts(2)	**(11.84)**	4.27	**(7.78)**	2.06
Total operating netback, after risk management contracts(2)	**34.43**	38.42	**33.18**	38.47
G&A Costs(2)	**(3.24)**	(3.55)	**(3.36)**	(3.75)
Cash interest costs(2)	**(2.31)**	(2.07)	**(1.99)**	(2.14)
Adjusted funds flow(2)	**28.88**	32.80	**27.83**	32.58

(1) Per share amounts are calculated using the weighted average number of basic or diluted common shares.
(2) Non-GAAP measure or ratio. See "Non-GAAP and Other Financial Measures" contained in this news release.
(3) Well count reflects wells rig released during the period.
(4) Heavy oil sales production excludes tank inventory volumes.
(5) NGL means condensate, ethane, propane and butane.
(6) Before risk management contracts; supplementary financial measure. See "Non-GAAP and Other Financial Measures".
(7) Based on Q2 2026 and Q2 2025 annualized adjusted funds flow before transaction costs relative to period end net debt.

ABOUT RUBELLITE

The Company is a Canadian energy company headquartered in Calgary, Alberta which, through its operating subsidiary, Rubellite Energy Inc. is engaged in the exploration, development, production and marketing of its diversified asset portfolio which includes heavy crude oil from the Clearwater and Mannville Stack Formations in Eastern Alberta utilizing multi-lateral drilling technology, liquids-rich conventional natural gas assets in the deep basin of West Central Alberta, and undeveloped bitumen leases in Northern Alberta. The Company is pursuing a robust organic growth plan focused on superior corporate returns and free funds flow generation while maintaining a conservative capital structure and prioritizing operational excellence. Additional information on the Company can be accessed on the Company's website at www.rubelliteenergy.com or on SEDAR+ at www.sedarplus.ca.

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

For additional information please contact:

Rubellite Energy Corp.
Suite 3200, 605 - 5 Avenue SW Calgary, Alberta, Canada T2P 3H5
Telephone: 403 269-4400 Fax: 403 269-4444 Email: info@rubelliteenergy.com

Susan L. Riddell Rose	President and Chief Executive Officer
Ryan A. Shay	Vice President Finance and Chief Financial Officer

ADVISORIES

INDUSTRY METRICS

This news release contains certain industry metrics which do not have standardized meanings or standard methods of calculation and therefore such measures may not be comparable to similar measures used by other companies and should not be used to make comparisons. Such metrics have been included in this document to provide readers with additional measures to evaluate Rubellite's performance; however, such measures are not reliable indicators of Rubellite's future performance and future performance may not compare to Rubellite's performance in previous periods and therefore such metrics should not be unduly relied upon. See "Non-GAAP and Other Financial Measures" in this news release for a description of these industry metrics.

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
boe/d	barrels of oil equivalent per day
Mboe	thousands of barrels of oil equivalent
MMboe	millions of barrels of oil equivalent
Mcf	thousand cubic feet
MMcf	million cubic feet
MMcf/d	million cubic feet per day

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.

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. Total capital expenditures includes exploration and development, land, geological and geophysical and corporate spending.

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,	
($ thousands)	**2026**	2025	**2026**	2025
Net cash flows used in investing activities	**(30,250)**	(38,630)	**(69,447)**	(63,013)
Payment for asset swap	**(800)**	—	**(800)**	—
Change in non-cash working capital	**14,433**	(7,462)	**7,900**	(6,913)
Total capital expenditures	**(43,883)**	(31,168)	**(76,547)**	(56,100)
Property, plant and equipment expenditures	**(40,754)**	(27,695)	**(69,354)**	(49,553)
Exploration and evaluation expenditures	**(2,936)**	(3,417)	**(6,907)**	(6,350)
Corporate expenditures	**(193)**	(56)	**(286)**	(197)
Total capital expenditures	**(43,883)**	(31,168)	**(76,547)**	(56,100)
Add back:				
Corporate	**193**	56	**286**	197
Geological and geophysical	**235**	542	**603**	947
Land and other	**2,461**	6,773	**3,319**	8,876
Exploration and development spending(1)	**(40,994)**	(23,797)	**(72,339)**	(46,080)

(1) Non-GAAP supplementary measure. See "Supplementary Measures" contained in this news release.

Presented below are capital expenditures by CGU:

	Three months ended June 30,		Six months ended June 30,	
($ thousands)	**2026**	2025	**2026**	2025
Total capital expenditures:				
Eastern Heavy Oil	**42,413**	30,869	**69,805**	55,079
West Central	**1,277**	243	**6,456**	824
Corporate	**193**	56	**286**	197
Total capital expenditures	**43,883**	31,168	**76,547**	56,100
Exploration and development spending:				
Eastern Heavy Oil	**39,717**	23,554	**65,883**	45,256
West Central	**1,277**	243	**6,456**	824
Exploration and development spending	**40,994**	23,797	**72,339**	46,080

Cash costs: Cash costs are comprised of net operating costs, 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.

			Three months ended June 30,	
($ thousands, except per boe amounts)	***$/boe***	**2026**	*$/boe*	2025
Net operating costs	**8.16**	**9,949**	6.71	7,591
Transportation	**5.58**	**6,802**	5.93	6,707
General and administrative	**3.24**	**3,948**	3.55	4,015
Cash finance expense	**2.31**	**2,824**	2.07	2,339
Cash costs	**19.29**	**23,523**	18.26	20,652

			Six months ended June 30,	
($ thousands, except per boe amounts)	***$/boe***	**2026**	*$/boe*	2025
Net operating costs	**7.01**	**17,284**	6.85	15,387
Transportation	**5.04**	**12,432**	5.76	12,938
General and administrative	**3.36**	**8,281**	3.75	8,429
Cash finance expense	**1.99**	**4,912**	2.14	4,798
Cash costs	**17.40**	**42,909**	18.50	41,552

Operating netbacks and total operating netbacks, after risk management contracts: Operating netback is calculated by deducting royalties, net operating costs, and transportation costs from oil and natural gas revenue. Operating netback is also calculated on a per boe basis using total production sold in the period. Total operating netbacks, after risk management contracts, is presented after adjusting for realized gains or losses from risk management contracts. Rubellite considers operating netback and total operating netback, after risk management contracts to be key industry performance indicators that provide investors with information that is also commonly presented by other oil and natural gas producers. Rubellite presents the operating netback at a CGU level as it provides investors with key information related to the Eastern Heavy Oil CGU which is the area where growth capital investment is focused. Operating netback and total operating netback, after risk management contracts, are used to evaluate operational performance as they demonstrate profitability relative to realized and current commodity prices.

Net operating costs: Net operating costs equals operating expenses net of processing income, which is made up of processing revenue and other one time items from time to time. Management views net operating costs as an important measure to evaluate its operational performance. The most directly comparable IFRS measure for net operating costs is production and operating expenses.

The following table reconciles net operating costs from production and operating expenses and other income in the Company's consolidated statement of income (loss) and comprehensive income (loss).

	Three months ended June 30,		Six months ended June 30,	
(*$ thousands, except per boe amounts*)	**2026**	2025	**2026**	2025
Other income	**194**	403	**327**	505
Less: Non processing income	**—**	(343)	**—**	(343)
Processing income	**194**	60	**327**	162
Production and operating	**10,143**	7,651	**17,611**	15,549
Less: processing income	**(194)**	(60)	**(327)**	(162)
Net operating costs	**9,949**	7,591	**17,284**	15,387
$/boe	**8.16**	6.71	**7.01**	6.85

Net Debt and Adjusted Working Capital Deficit: Rubellite uses net debt as an alternative measure of outstanding debt and is calculated by adding borrowings under the credit facility and term loan debt less adjusted working capital. Adjusted working capital is calculated by adding cash, accounts receivable, prepaid expenses and deposits and product inventory less accounts payable and accrued liabilities. 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 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:

(*$ thousands*)	**As of June 30, 2026**	As of December 31, 2025
Current assets	**38,984**	35,181
Current liabilities	**(89,837)**	(70,413)
Working capital deficit	**50,853**	35,232
Risk management contracts – current asset	**6,367**	5,828
Risk management contracts – current liability	**(2,829)**	(327)
Lease liability - current liability	**(359)**	(389)
Share based compensation liability - current liability	**(6,526)**	(4,694)
Decommissioning obligations – current liability	**(1,340)**	(1,340)
Other provision - current liability	**(3,750)**	(3,750)
Adjusted working capital deficit(1)	**42,416**	30,560
Bank indebtedness	**95,660**	92,583
Term loan (principal)	**20,000**	20,000
Net debt(2)	**158,076**	143,143
Other provision (undiscounted obligation)(3)	**12,441**	16,191

(1) Calculation of current assets less current liabilities has been adjusted for the removal of the current portion of risk management contracts, decommissioning liabilities, lease liabilities, share based compensation and other provisions.
(2) Excludes other non-current liabilities.
(3) Other provision at the undiscounted obligation as presented in the financial statements.

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, other provisions and cash-settled share based compensation since the Company believes the timing of collection, payment or incurrence of these items is variable. Expenditures on decommissioning and share based compensation obligations may vary from period to period and are managed as expenditures through the corporate 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, expenditures on share based compensation 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:

	Three months ended June 30,		Six months ended June 30,	
(*$ thousands, except as noted*)	**2026**	2025	**2026**	2025
Net cash flows from operating activities	**42,770**	35,808	**67,349**	62,943
Change in non-cash working capital	**(7,701)**	495	**(3,835)**	4,575
Cash-settled share based compensation	**71**	889	**800**	1,085
Other provision settled	**—**	—	**3,750**	3,750
Decommissioning obligations settled	**105**	119	**548**	892
Adjusted funds flow	**35,245**	37,311	**68,612**	73,245
Adjusted funds flow per share - basic	**0.38**	0.40	**0.73**	0.79
Adjusted funds flow per share - diluted	**0.36**	0.39	**0.70**	0.77
Adjusted funds flow per boe	**28.88**	32.80	**27.83**	32.58

Free funds flow: Free funds flow is an important measure that informs efficiency of capital spent and liquidity. Free funds flow is calculated as adjusted funds flow generated during the period less capital expenditures, excluding non-cash items and acquisitions and dispositions. Adjusted funds flow and capital expenditures are non-GAAP financial measures which have been reconciled to their most directly comparable GAAP measures previously in this document. By comparing current period capital expenditures relative to adjusted funds flow, Rubellite monitors its free funds flow to inform decisions such as capital allocation, debt repayment and liquidity.

The following table shows the calculation of the removal of capital expenditures from adjusted funds flow:

	Three months ended June 30,		Six months ended June 30,	
(*$ thousands*)	**2026**	2025	**2026**	2025
Adjusted funds flow	**35,245**	37,311	**68,612**	73,245
Total capital expenditures	**(43,883)**	(31,168)	**(76,547)**	(56,100)
Free funds flow	**(8,638)**	6,143	**(7,935)**	17,145

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: calculated as the average realized price less the realized gain or loss on risk management contracts.

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

Net debt to adjusted funds flow ratio: net debt to adjusted funds flow ratios is adjusted to calculate adjusted funds flow on a trailing twelve-month basis.

Net debt to annualized adjusted funds flow ratio: net debt to annualized adjusted funds flow ratios are calculated by annualizing the current quarter adjusted funds flow.

Supplementary Financial Measures

"Exploration and development spending" is comprised of the non-GAAP measure total capital expenditures (as calculated above), less land and other, geological and geophysical and corporate spending.

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

"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.

"Realized natural gas price" is comprised of natural gas commodity sales from production, as determined in accordance with IFRS, divided by the Company's natural gas sales production.

"Realized NGL price" is comprised of NGL commodity sales from production, as determined in accordance with IFRS, divided by the Company's NGL sales production.

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

"Realized gain (loss) on risk management contracts per boe" is comprised of the realized gain or loss on risk management contracts, as determined in accordance with IFRS, divided by the Company's total sales production.

"Royalties as a percentage of revenue" is comprised of royalties, as determined in accordance with IFRS, divided by total oil and natural gas revenue, as determined in accordance with IFRS.

"Royalties per boe" is comprised of royalties, as determined in accordance with IFRS, divided by the Company's total sales production.

"Net operating expense per boe" is comprised of net operating expense, divided by the Company's total sales production.

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

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 future exploration, development and drilling activity, and the benefits to be derived from such drilling including drilling techniques, pilot projects and production growth including the timing for and benefits of EOR initiatives; the plan to advance strategic initiatives including multiple enhanced oil recovery pilots, exploration activities, new land capture, capital spending activities in the Company's core properties at Figure Lake and Frog Lake, anticipated average heavy oil sales volumes and total production sales volumes in 2026; the expectation that capital spending activity will be funded from adjusted funds flow, with excess free funds flow to reduce net debt and for other balance sheet obligations; operating and transportation cost forecasts for 2026; planned ARO spending; the anticipated number of drilling rigs to operate for the remainder of 2026; Rubellite's business plan; and including the forward-looking information contained under the headings "Operations Update" 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 Company's 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); 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, floods 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, South America and elsewhere), civil insurrection and pandemics; 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 and impact 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); political, geopolitical and economic instability; trade policy, barriers, disputes or wars (including new tariffs or changes to existing international trade requirements) 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 the Company's Annual Information Form and MD&A for the year ended December 31, 2025 and in other reports on file with Canadian securities regulatory authorities which may be accessed through the SEDAR+ website www.sedarplus.ca and at Rubellite's website 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.