LOGAN ENERGY CORP.

CONDENSED INTERIM FINANCIAL STATEMENTS

AS AT AND FOR THE THREE AND NINE MONTHS ENDED

SEPTEMBER 30, 2025 AND 2024

LOGAN ENERGY CORP.
CONDENSED INTERIM STATEMENTS OF FINANCIAL POSITION

(CA$ thousands)	[Note]	**September 30, 2025**	December 31, 2024
ASSETS			
Current assets			
Cash and cash equivalents		**67**	324
Accounts receivable	[4]	**27,801**	13,081
Prepaid expenses and deposits		**3,068**	1,512
Derivative financial instruments	[4]	**5,710**	2,329
Total current assets		**36,646**	17,246
Derivative financial instruments	[4]	**95**	92
Exploration and evaluation assets	[5,6]	**45,555**	35,297
Property, plant and equipment	[5,7]	**439,516**	312,815
Total assets		**521,812**	365,450
LIABILITIES			
Current liabilities			
Accounts payable and accrued liabilities	[4]	**41,463**	41,429
Derivative financial instruments	[4]	**-**	576
Provisions and other liabilities	[8]	**3,670**	1,814
Total current liabilities		**45,133**	43,819
Derivative financial instruments	[4]	**431**	-
Bank debt	[9]	**91,165**	1,303
Provisions and other liabilities	[8]	**67,901**	39,765
Deferred income tax liability	[11]	**12,235**	5,206
Total liabilities		**216,865**	90,093
SHAREHOLDERS' EQUITY			
Share capital	[10]	**254,596**	254,596
Warrants	[10]	**9,790**	9,790
Contributed surplus		**9,002**	5,519
Retained earnings		**31,559**	5,452
Total shareholders' equity		**304,947**	275,357
Total liabilities and shareholders' equity		**521,812**	365,450
Commitments	[16]		
Subsequent events	[17]		

The accompanying notes are an integral part of these Financial Statements.

Approved on behalf of the Board of Directors:

[signed] "Richard McHardy"	*[signed] "Ron Hozjan"*
Chief Executive Officer and Director	Ron Hozjan, Director

LOGAN ENERGY CORP.
CONDENSED INTERIM STATEMENTS OF NET INCOME AND COMPREHENSIVE INCOME

		Three months ended September 30		Nine months ended September 30	
(CA$ thousands, except per share amounts)	[Note]	**2025**	2024	**2025**	2024
Revenue					
Oil and gas sales	[12]	**47,766**	30,549	**124,443**	81,523
Royalties	[12]	**(3,370)**	(2,436)	**(8,953)**	(7,337)
Oil and gas sales, net of royalties		**44,396**	28,113	**115,490**	74,186
Processing and other		**1,792**	898	**3,114**	2,447
		46,188	29,011	**118,604**	76,633
Gain on derivative financial instruments	[4]	**1,979**	5,444	**10,711**	4,749
Expenses					
Operating		**12,806**	8,759	**34,307**	29,672
Transportation		**2,555**	2,120	**6,652**	6,992
General and administrative		**1,839**	1,385	**5,061**	4,443
Share based compensation	[10]	**1,370**	1,332	**3,483**	3,913
Financing expenses (income)	[13]	**2,735**	644	**5,572**	352
Depletion, depreciation and impairment	[7]	**19,129**	11,661	**46,168**	28,741
Gain on sale of assets	[8]	**(4,682)**	-	**(5,202)**	-
Transaction costs	[5]	**-**	-	**127**	-
Foreign exchange loss (gain)		**(13)**	2	**11**	(10)
		35,739	25,903	**96,179**	74,103
Net income before income taxes		**12,428**	8,552	**33,136**	7,279
Deferred income tax expense	[11]	**3,238**	2,272	**7,029**	2,574
Net income and comprehensive income		**9,190**	6,280	**26,107**	4,705
Net income per share					
Basic	[10]	**0.02**	0.01	**0.04**	0.01
Diluted	[10]	**0.01**	0.01	**0.04**	0.01

The accompanying notes are an integral part of these Financial Statements.

LOGAN ENERGY CORP.
CONDENSED INTERIM STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

(CA$ thousands)	[Note]	Share capital	Warrants	Contributed surplus	Retained earnings	Total
Balance at December 31, 2024		**254,596**	**9,790**	**5,519**	**5,452**	**275,357**
Net income and comprehensive income		-	-	-	**26,107**	**26,107**
Share based compensation expense	[10]	-	-	**3,483**	-	**3,483**
Balance at September 30, 2025		**254,596**	**9,790**	**9,002**	**31,559**	**304,947**
Balance at December 31, 2023		162,869	9,790	560	897	174,116
Net income and comprehensive income		-	-	-	4,705	4,705
Share based compensation expense	[10]	-	-	3,913	-	3,913
Balance at September 30, 2024		162,869	9,790	4,473	5,602	182,734

The accompanying notes are an integral part of these Financial Statements.

LOGAN ENERGY CORP.
CONDENSED INTERIM STATEMENTS OF CASH FLOW

		Three months ended September 30		Nine months ended September 30	
(CA$ thousands)	[Note]	**2025**	2024	**2025**	2024
Operating activities					
Net income		**9,190**	6,280	**26,107**	4,705
Items not affecting cash:					
Unrealized (gain) loss on derivatives	[4]	**2,689**	(4,051)	**(3,529)**	(3,812)
Unrealized foreign exchange loss (gain)		**10**	3	**26**	(7)
Share based compensation		**1,370**	1,332	**3,483**	3,913
Financing	[13]	**335**	255	**1,025**	738
Depletion, depreciation and impairment		**19,129**	11,661	**46,168**	28,741
Gain on sale of assets	[8]	**(4,682)**	-	**(5,202)**	-
Deferred income tax expense		**3,238**	2,272	**7,029**	2,574
Settlement of decommissioning obligations	[8]	**(100)**	(111)	**(902)**	(622)
Change in non-cash working capital	[14]	**7,237**	592	**280**	2,197
Cash provided by operating activities		**38,416**	18,233	**74,485**	38,427
Financing activities					
Advances of bank debt, net of costs	[9]	**109,829**	82,632	**354,862**	82,632
Repayments of bank debt	[9]	**(85,300)**	(55,550)	**(265,000)**	(55,550)
Lease payments	[8]	**(228)**	(44)	**(315)**	(129)
Change in non-cash working capital	[14]	**-**	-	**67**	-
Cash provided by financing activities		**24,301**	27,038	**89,614**	26,953
Investing activities					
Exploration and evaluation assets	[6]	**(8,362)**	(7,960)	**(10,446)**	(31,617)
Property, plant and equipment	[7]	**(16,854)**	(23,409)	**(179,698)**	(81,038)
Property acquisitions	[5]	**-**	(50)	**(920)**	(350)
Property dispositions	[5]	**448**	-	**43,322**	-
Change in non-cash working capital	[14]	**(38,388)**	(15,437)	**(16,608)**	(6,039)
Cash used in investing activities		**(63,156)**	(46,856)	**(164,350)**	(119,044)
Net change in cash and cash equivalents		**(439)**	(1,585)	**(251)**	(53,664)
Foreign exchange on cash and cash equivalents		**(1)**	(5)	**(6)**	1
Cash and cash equivalents, beginning of period		**507**	1,897	**324**	53,970
Cash and cash equivalents, end of period		**67**	307	**67**	307

The accompanying notes are an integral part of these Financial Statements.

1. GENERAL INFORMATION

Logan Energy Corp. ("Logan" or the "Company") was incorporated under the *Business Corporations Act* (Alberta) on March 10, 2023 as "2499938 Alberta Ltd.". Articles of Amendment were filed to change its name to "Logan Energy Corp." on March 22, 2023. The Company is engaged in the business of exploration, development and production of crude oil and natural gas properties and assets, focused in the Montney resource trend in the areas of Simonette and Pouce Coupe in northwest Alberta and in the Flatrock area of northeastern British Columbia. The Company has also recently established a position within the greater Kaybob Duverney oil play with assets in the North Simonette, Ante Creek and Two Creeks areas. Logan's common shares are listed on the TSX Venture Exchange ("TSXV") and trade under the symbol "LGN". The Company's head office is located at 900, 355 – 4th Avenue S.W., Calgary, Alberta T2P 0J1 and its registered office address is 4200 Bankers Hall West, 888 – 3rd Street S.W., Calgary, Alberta T2P 5C5.

2. BASIS OF PREPARATION

a) Statement of compliance

These condensed interim financial statements as at September 30, 2025 (the "Financial Statements") have been prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board ("IFRS Accounting Standards"), applicable to the preparation of interim financial statements, including IAS 34 Interim Financial Reporting. Certain disclosures included in the notes to the annual financial statements have been condensed in the following interim note disclosures or have been disclosed on an annual basis only. Accordingly, these Financial Statements should be read in conjunction with the audited annual financial statements for the year ended December 31, 2024 (the "2024 Annual Financial Statements").

The Company's Board of Directors approved these Financial Statements on November 12, 2025.

b) Basis of measurement

Unless otherwise indicated, all references to dollar amounts in these Financial Statements and related notes are in thousands of Canadian dollars ("CA$"), which is the functional and presentation currency of the Company.

c) Significant estimates and judgements

The timely preparation of the Financial Statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amount of assets, liabilities, income and expenses. Actual results may differ materially from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are reviewed and for any future years affected. Significant judgements, estimates and assumptions made by management in these Financial Statements are consistent with those outlined in note 2 of the 2024 Annual Financial Statements, except as noted below.

Sale of royalty interests

Accounting for the sale of a gross overriding royalty ("GORR") interest on the Company's production, or a portion thereof, requires judgement. The specific terms of the transaction are considered to determine whether an interest in the reserves of the respective property has been disposed as of the closing date of the transaction. Consideration is given to whether the counterparty is entitled to the associated risks and rewards over the life of the property including the contractual terms and implicit obligations related to production over the life of the property, the option of settling the GORR in cash or in kind and the associated commitments, if any, to develop future expansions or projects at the property. Judgment is also required in determining the allocation of proceeds between the disposition of reserves, if any, a deferred gain related to an upfront payment for future oil and gas extraction services that will generate future royalties, and ultimately whether any gain or loss is recorded in net income at the time of the transaction. Details of the judgements applied by the Company are provided in note 8.

Sale leaseback transaction

Identification of a sale leaseback transaction requires judgement in determining if the associated risks and rewards of the asset have transferred to the counterparty to constitute a sale and if simultaneously entered agreements to access the asset post sale constitute a lease. Consideration is given to the life and income earning potential of the asset, firm capacity access to the asset and operatorship, among other transaction specific factors. Once a sale leaseback transaction is identified, further judgements are required in the measurement of the disposed asset carrying value and recognition of the right-of-use ("ROU") asset, the present value of lease liability and any resulting gain or loss on sale recognized. Management considers cost of the asset disposed, the term of the lease and renewal options, expected magnitude of payments under the lease, specific factors of the agreement and the Company's incremental borrowing rate when estimating the initial recognition of the ROU asset and lease liability. Details of the judgements applied by the Company are provided in note 8.

3. MATERIAL ACCOUNTING POLICIES

The material accounting policies applied by the Company are described in note 3 of the 2024 Annual Financial Statements. These Financial Statements at September 30, 2025, have been prepared following the same accounting policies and methods of computation as the most recent annual financial statements as at and for the year ended December 31, 2024.

Future accounting pronouncements

On April 9, 2024, the IASB issued a new standard IFRS 18 Presentation and Disclosure in Financial Statements ("IFRS 18") which will replace IAS 1. While many of the existing principles of IAS 1 are retained with limited changes, IFRS 18 introduces changes to the presentation of, and disclosure requirements related to, the Statement of Net Income and Comprehensive Income. IFRS 18 is effective for annual reporting periods beginning on or after January 1, 2027. Logan is currently assessing the impact of adopting of IFRS 18, which will be adopted on its effective date.

Additionally, in May 2024 the IASB issued amendments to IFRS 7 Financial Instruments: Disclosures and IFRS 9 Financial Instruments relating to settling financial liabilities using an electronic payment system and assessing contractual cash flow characteristics of financial assets. The amendments will be effective on January 1, 2026. The adoption of this amendment is not expected to have a material impact on the Company's financial statements.

4. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

As at September 30, 2025 and December 31, 2024, the financial instruments of the Company include cash and cash equivalents, accounts receivable, deposits, accounts payable and accrued liabilities, derivative financial instruments and bank debt. The fair values of these financial assets and liabilities approximate their carrying value due to the short term to maturity of those instruments. Additionally, the fair value of bank debt approximates its carrying value given it bears floating rates of interest (note 9). Lease liabilities are financial liabilities measured at amortized cost (note 8).

The Company is exposed to financial risks arising from its financial assets and liabilities that include credit and liquidity risk, in addition to the market risks associated with commodity prices, and interest and foreign exchange rates. Net income, cash flows and the fair value of financial assets and liabilities may fluctuate due to movement in market prices or as a result of the Company's exposure to credit and liquidity risks.

Risk Management Overview

Logan's risk management objective is to manage and control market risk exposures within acceptable limits, while maximizing long-term returns. The Company utilizes derivative financial instruments to manage market risks. All such transactions are conducted within risk management tolerances that are reviewed by the Board of Directors and limits established under the Company's Credit Facility (defined in note 9). The Credit Facility permits derivative financial contracts provided that: (i) the contracts are not entered into for solely speculative purposes; (ii) the aggregate quantity hedged, at the time of entering into the contract, does not exceed 75% of future forecasted average daily production by commodity type; and (iii) the contracted term does not exceed 36 months.

a) Credit Risk

As at September 30, 2025 and at December 31, 2024, the carrying amount of cash and cash equivalents, accounts receivable, deposits and derivative financial instrument assets represents the Company's maximum credit exposure. Cash and cash equivalents are held on deposit with a Canadian Chartered bank. The Company's credit risk exposure arises primarily from receivables from oil and gas marketers, the counterparty to derivative financial contracts and joint venture partners.

The composition of the Company's accounts receivable is set out in the following table:

(CA$ thousands)	**September 30, 2025**	December 31, 2024
Oil and gas marketers	**13,365**	9,312
Joint venture partners	**10,735**	1,749
GST input tax credits	**385**	853
Settlements on derivative financial instruments	**1,836**	115
Other receivables	**1,480**	1,052
Accounts receivable	**27,801**	13,081

The aging of the Company's accounts receivable is summarized as follows:

(CA$ thousands)	Current	30-60 days	60-90 days	Over 90 days	Total
Balance at September 30, 2025	**24,008**	**2,227**	**1,463**	**103**	**27,801**
Balance at December 31, 2024	12,383	303	380	15	13,081

During the nine months ended September 30, 2025, sales to four oil and gas marketers represented more than 10% of revenue. Sales to these marketers account for approximately 85% of total oil and gas sales revenue (before royalties) in the period ended September 30, 2025. During the previous year ended December 31, 2024, sales to three marketers accounted for approximately 67% of total oil and gas sales revenue (before royalties).

The oil and gas industry has a pre-arranged monthly clearing day for payment of revenues from all buyers of oil and natural gas; this occurs on the 25th day following the month of sale. As a result, the Company's production revenues are current. All other accounts receivable are generally contractually due within 30 days, however the collection period is typically between 60 to 90 days. Amounts outstanding for more than 90 days are generally considered "past due" and relate primarily to receivables from the Company's joint venture partners. When determining whether amounts that are past due are collectible, management assesses the creditworthiness and past payment history of the counterparty, as well as the nature of the past due amount. Management has reviewed accounts receivable balances as at September 30, 2025 and expects the accounts to be collectible, with exception to approximately $0.2 million of accounts receivable provided for in the expected credit loss provision as at September 30, 2025 ($0.1 million at December 31, 2024).

b) Liquidity Risks

Liquidity risk is the risk that a company will not be able to meet its financial obligations as they become due. The Company prepares and regularly updates its capital and operating budget to forecast future cash flows to ensure, to the extent possible, that it will have sufficient liquidity to meet its obligations. As at September 30, 2025, Logan's financial liabilities include accounts payable and accrued liabilities, derivative financial instrument liabilities, lease liabilities and bank debt.

Logan's existing capital resources, including future cash provided by operating activities together with undrawn capacity under its bank credit facility (note 9, 15), are sufficient to satisfy its financial obligations for the next twelve months. The following table outlines a contractual maturity analysis for the Company's financial liabilities as at September 30, 2025:

(CA$ thousands)	1 year	2 to 3 years	4 to 5 years	> 5 years	Total
Accounts payable and accrued liabilities	41,463	-	-	-	41,463
Derivative financial instrument liabilities	-	431	-	-	431
Credit Facility [(1)] (note 9)	6,626	95,137	-	-	101,763
Undiscounted lease liabilities (note 8)	3,172	6,370	6,149	29,644	45,335
Total	**51,261**	**101,938**	**6,149**	**29,644**	**188,992**

(1) Includes interest and standby fees at annual rates of 7.0% and 0.8%, respectively, being the applicable rates on the Credit Facility (defined in note 9) as at September 30, 2025. For purposes of the above table, principal repayment is assumed on the term maturity date of April 3, 2027.

c) Market Risks

Market risk is the risk that changes in market conditions, such as commodity prices, interest rates and foreign exchange rates, will affect the Company's cash flows, net income or fair value of financial instruments. Logan's risk management objective is to manage and control market risk exposures within acceptable limits, while maximizing long-term returns.

The Company may utilize derivative financial instruments and physical delivery sales contracts to manage market risks. All such transactions are conducted in accordance with the Company's risk management policies.

Commodity price risk

Inherent to the business of producing oil and gas, the Company's revenue and cash provided by operating activities is subject to commodity price risk. Commodity price risk is the risk that future cash flows will fluctuate as a result of changes in commodity prices. Commodity prices are impacted by world economic events that dictate the levels of supply and demand as well as the currency exchange rate relationship between the Canadian and U.S. dollar.

Due to the capital-intensive nature of the Company's growth plan, Logan utilizes commodity price risk management contracts to reduce volatility of cash flows and protect project economics. These instruments are not used for trading or speculative purposes.

The following table summarizes commodity price risk management contracts outstanding as at September 30, 2025:

Commodity / Contract Type	Notional Volume	Reference Price	Fixed Contract Price	Remaining Term
FX - collar	US$1.5MM per month	CA$/US$	$1.410 to $1.448	October 1 to December 31, 2025
Crude oil – swap	1,000 bbls/d	Edm SW Basis	US$(4.10) per barrel discount to WTI	October 1 to December 31, 2025
Crude oil – swap	1,500 bbls/d	WTI	US$69.35 per barrel	October 1 to December 31, 2025
Crude oil – swap	500 bbls/d	WTI	CA$102.05 per barrel	October 1 to December 31, 2025
Crude oil – short call	500 bbls/d	WTI	CA$102.05 per barrel	October 1 to December 31, 2025
Crude oil – swap	2,000 bbls/d	WTI	CA$85.57 per barrel	January 1 to June 30, 2026
Crude oil – swap	500 bbls/d	WTI	CA$85.22 per barrel	July 1 to December 31, 2026 (1)
Natural gas – swap	20,000 GJ/d	AECO	CA$2.17 per GJ	October 1 to October 31, 2025
Natural gas – swap	28,500 GJ/d	AECO	CA$3.06 per GJ	November 1, 2025 to March 31, 2026
Natural gas – swap	30,000 GJ/d	AECO	CA$2.82 per GJ	April 1 to October 31, 2026
Natural gas – swap	30,000 GJ/d	AECO	CA$3.50 per GJ	November 1, 2026 to March 31, 2027
Natural gas – swap	15,000 GJ/d	AECO	CA$2.64 per GJ	April 1 to October 31, 2027
Natural gas – swap	10,000 GJ/d	AECO	CA$3.33 per GJ	November 1, 2027 to March 31, 2028

(1) Subsequent to the reporting period, Logan added to its WTI hedge position for the second half of 2026 by entering into a fixed price swap on 500 bbls/d at CA$83.00/bbl effective from July 1 to December 31, 2026. The Company now has an aggregate of 1,000 bbls/d hedged at average price of CA$84.11/bbl contracted for that period.

The following table summarizes the fair value of the Company's risk management contracts as at September 30, 2025 and the change in fair value compared to December 31, 2024:

(CA$ thousands)	Crude oil	Natural gas	Foreign exchange	Total
Net derivative asset (liability), beginning of year	(107)	1,952	-	1,845
Unrealized change in fair value	2,736	690	103	3,529
Net derivative asset (liability), end of period	**2,629**	**2,642**	**103**	**5,374**
Derivative financial instrument assets, end of period	**2,629**	**3,073**	**103**	**5,805**
Derivative financial instrument liabilities, end of period	**-**	**(431)**	**-**	**(431)**

The fair values of derivative financial instruments are designated as Level 2 in the fair value hierarchy and are highly sensitive to changes in underlying commodity prices. The table below illustrates the stand-alone impact of changes in specified benchmark prices and differentials on net income before income taxes, holding all other variables constant, of risk management contracts in place as at September 30, 2025:

(CA$ thousands)	Change in price	Positive movement	Negative movement
AECO	+/- CA$0.25 per GJ	(5,151)	5,151
WTI	+/- CA$5.00 per barrel	(3,190)	3,190
Edm SW Basis (1)	+/- CA$0.50 per barrel	(46)	46
CA$/US$ exchange rate (2)	+/- $0.01	(45)	45

(1) Edm SW Basis refers to the Edmonton Light Sweet crude oil reference price relative to WTI. A positive movement means that the differential is narrowing and a negative movement means that the differential widening.

(2) A positive movement refers to appreciation of the U.S. dollar relative to the Canadian dollar and vice versa.

Foreign exchange risk

Currency risk is the risk that future cash flows will fluctuate as a result of changes in foreign exchange rates. Logan is exposed to fluctuations of the Canadian to U.S. dollar exchange rate given the Company's realized pricing in Canadian dollars is directly influenced by U.S. dollar denominated benchmark pricing. In addition, Logan is exposed to currency risk on U.S. dollar denominated commodity price risk management contracts. During the nine months ended September 30, 2025, Logan entered into a foreign exchange collar for a notional US$1.5 million per month from February to December 2025, with a CA$/US$ floor of $1.410 and ceiling of $1.448 to convert a portion of its U.S. dollar denominated WTI oil hedges to Canadian dollar equivalent. The fair value of the foreign exchange collar was $0.1 million at September 30, 2025. The Company also has commodity price risk management contracts in place which are denominated in Canadian dollars to indirectly mitigate foreign exchange risk.

Interest rate risk

Interest rate risk is the risk that future cash flows will fluctuate as a result of changes in market interest rates. The Company is primarily exposed to interest rate risk on bank debt which bears floating rates of interest. Under the Credit Facility (note 9), interest rates fluctuate based on the bank prime rate plus an applicable margin. Based on the balance of bank debt drawn of $91.9 million as at September 30, 2025, a change in the market rate of interest by 50 basis points would increase (decrease) annualized interest expense by approximately $0.5 million. The Company does not currently have any interest rate risk management contracts in place.

Gains and losses on derivative financial instruments

The table below summarizes the realized and unrealized component of gains and losses on the Company's derivative financial instruments during the periods:

	Three months ended September 30		Nine months ended September 30	
(CA$ thousands)	**2025**	2024	**2025**	2024
Realized gain	**4,668**	1,393	**7,182**	937
Unrealized gain (loss)	**(2,689)**	4,051	**3,529**	3,812
Gain on derivative financial instruments	**1,979**	5,444	**10,711**	4,749

Logan recognized a total gain on derivative financial instruments of $10.7 million during the nine months ended September 30, 2025, comprised of $7.2 million of net realized gains together with unrealized gains of $3.5 million on the change in fair value of outstanding contracts during the period. The change in fair value resulted primarily due to the weakened outlook for crude oil and natural gas prices in the near term, which increased the fair value of both oil and gas hedges at September 30, 2025. The total gain on derivative financial instruments of $2.0 million for the three months ended September 30, 2025, includes an unrealized loss of $2.7 million primarily due to the maturity of in-the-money crude oil and natural gas derivative contracts, partially offset by lower natural gas benchmark prices compared to the forward curve at June 30, 2025.

Offsetting of financial instruments

Financial assets and liabilities are only offset in the Statements of Financial Position if the Company has the current legal right to offset and intends to settle on a net basis or settle the asset and liability simultaneously. Logan offsets derivative financial instrument assets and liabilities when the counterparty, commodity, currency and timing of settlement are the same.

(CA$ thousands)	Carrying Value ("CV")		
Balance as at September 30, 2025	Gross	Netting	Net CV
Financial assets			
Derivative financial instruments	**5,824**	**(19)**	**5,805**
Financial liabilities			
Derivative financial instruments	**(466)**	**35**	**(431)**

(CA$ thousands)	Carrying Value ("CV")		
Balance as at December 31, 2024	Gross	Netting	Net CV
Financial assets			
Derivative financial instruments	2,464	(43)	2,421
Financial liabilities			
Derivative financial instruments	(1,061)	485	(576)

5. ACQUISITIONS AND DISPOSITIONS

2025 Dispositions

On January 31, 2025, Logan entered into definitive agreements with Topaz Energy Corp. ("Topaz") to sell a newly created 2.5% gross overriding royalty on the Company's lands in the Pouce Coupe area (the "GORR Sale") and to sell a 35% non-operated working interest in Logan's newly constructed Pouce Coupe 4-19 gas plant, compressor station and oil battery (the "Pouce 4-19 Facility") for combined gross proceeds of $43.0 million.

The Company closed the 2.5% GORR Sale on January 31, 2025, for net cash proceeds of $16.6 million after closing adjustments. Refer to note 8c) for discussion of the accounting impacts of the GORR Sale. In connection with the GORR Sale, Logan committed to spend a minimum of $50.0 million to drill and complete wells on the GORR lands in the Pouce Coupe area prior to December 31, 2026. As of September 30, 2025, Logan has fully satisfied this commitment with its existing capital expenditure budget and has no further drilling commitments.

On May 30, 2025, Logan closed the sale of a 35% non-operated working interest in the Pouce 4-19 Facility to Topaz for gross cash proceeds of $26.0 million (the "Facility Interest Sale"). Logan retained operatorship and the remaining 65% working interest. At closing, Logan entered into a long-term take-or-pay commitment with Topaz to access their working interest capacity. Monthly fees under the take-or-pay are based on a sliding scale structure with reference to natural gas pricing. The Facility Interest Sale has been accounted for as a sale leaseback transaction, refer to additional information in note 8a).

(CA$ thousands)	**GORR Sale**	**Facility Interest Sale**
Gross proceeds	17,000	26,000
Closing adjustments	(356)	-
Cash proceeds, after closing adjustments	**16,644**	**26,000**
Disposition of property, plant and equipment (note 7)	7,585	13,748
Deferred gain (note 8)	9,059	-
Recognition of ROU asset (note 7)	-	(13,748)
Recognition of lease liability (note 8)	-	26,000
Carrying value of net assets disposed	**16,644**	**26,000**

On September 30, 2025, Logan closed a disposition of certain non-core assets located in northeastern British Columbia for cash consideration of $0.4 million after estimated closing adjustments. The carrying amount of the PP&E disposed was nominal and the property had associated decommissioning obligations with a carrying amount of $4.0 million ($4.7 million undiscounted and uninflated). As a result, the Company recognized a gain on sale of assets of $4.4 million on the transaction. During the nine months ended September 30, 2025, the Company recognized a net operating loss of $0.4 million related to these assets. "Operating income" does not have a standardized meaning under IFRS Accounting Standards. For purposes of this disclosure, the Company has calculated operating income as revenue (after royalties), less operating and transportation expenses.

Other dispositions

Additionally, Logan completed minor dispositions of non-core assets for total proceeds of $0.2 million during the nine months ended September 30, 2025.

2025 Acquisitions

Logan completed minor property acquisitions during the nine months ended September 30, 2025, for aggregate cash consideration of $0.9 million. The consideration was allocated $1.4 million to E&E assets and $0.5 million to decommissioning obligations.

2024 Acquisitions

On December 17, 2024, Logan closed the acquisition of an operated 50% working interest in certain crude oil and natural gas assets located in the Simonette area of northwest Alberta, primarily targeting the Montney, and 100% of the vendor's interest in certain Simonette gross overriding royalties ("GORR") for total cash consideration of $60.2 million after estimated closing adjustments (the "Acquisition"). The acquisition of the GORR will reduce future royalty expenses going-forward, as the GORR acquired was on the Company's existing Simonette lands. Adjustments to the purchase price of $52.0 million were approximately $8.2 million between the effective date of September 1, 2024 and closing.

Logan assessed the property acquisition and determined it to constitute a business combination in accordance with IFRS 3. The table below summarizes the estimated fair value of the identifiable assets acquired and liabilities assumed on the closing date:

(CA$ thousands)	**December 17, 2024**
Purchase price	52,000
Estimated closing adjustments (1)	8,247
Cash consideration, after closing adjustments	**60,247**
Exploration and evaluation assets	5,860
Property, plant and equipment	58,971
Decommissioning obligations	(1,984)
Deferred capital obligation (2)	(2,600)
Fair value of net assets acquired (1)	**60,247**

(1) The fair values of identifiable assets and liabilities acquired are based on management's best estimates based on information available at the time of preparing these Financial Statements. The reader is cautioned that future revisions to these estimates over the measurement period (one year from the closing date of the acquisition) could result in a change from the amounts reported herein.

(2) Logan agreed to carry 100% of the capital costs to drill the first joint well on the acquired acreage. The cost to carry the vendor's working interest was estimated to be $2.6 million which has been fully incurred by Logan as of September 30, 2025.

The fair value of PP&E acquired was estimated based on fair value less costs of disposal ("FVLCD") methodology (Level 3 fair value measurement), calculated using the present value of the expected future cash flows after-tax. The projected cash flows used in the FVLCD calculated were derived from a report on Logan's oil and gas reserves prepared by McDaniel & Associates Consultants Ltd. ("McDaniel"), an independent qualified reserve evaluator, as of December 31, 2024 (the "2024 McDaniel Report"). The cash flows estimates from the 2024 McDaniel Report were internally updated by Logan to adjust for the 15 days between close and December 31, 2024. The fair value of PP&E is highly sensitive to the discount rate used in the FVLCD calculation. Holding all other assumptions constant, if the discount rate increased by 1% (or decreased by 1%) the fair value of PP&E would decrease by $3.3 million (increase by $3.6 million).

The undiscounted amount of decommissioning obligations acquired pursuant to the Acquisition is estimated to be approximately $5.3 million ($7.6 million inflated at 2.0%). The fair value of decommissioning obligations acquired of $2.0 million was estimated by discounting the inflated cost estimates using a "credit-adjusted risk-free rate" of 10.4% on the closing date. The obligations acquired were subsequently remeasured using a "risk-free rate". Remeasurement of the decommissioning obligations acquired at a risk free rate of 3.3% on December 17, 2024, resulted in an increase to the present value of decommissioning obligations acquired by $2.4 million and a corresponding increase recorded directly to PP&E.

The Statement of Net Income and Comprehensive Income for the nine months ended September 30, 2024 does not include the results of operations for the Acquisition as it predates the closing date. For purposes of this pro-forma disclosure, the Company has calculated operating income as revenue (after royalties), less operating and transportation expenses. If the Acquisition had occurred on January 1, 2024, pro-forma revenue and operating income is estimated to be approximately $6.9 million and $4.1 million, respectively, for the nine months ended September 30, 2024. This pro-forma information is not necessarily indicative of the results of operations that would have resulted had the Acquisition been effected on the date indicated, or the results that may be obtained in the future.

Other Acquisitions

Logan completed other minor property acquisitions during the year ended December 31, 2024, for aggregate cash consideration of $0.4 million. The consideration was allocated $0.2 million to PP&E, $0.3 million to E&E assets and $0.1 million to decommissioning obligations.

6. EXPLORATION AND EVALUATION ASSETS

The Company's E&E assets consist primarily of undeveloped land, seismic and exploratory drilling costs. The following table reconciles the change in carrying value during the periods:

(CA$ thousands)	**September 30, 2025**	December 31, 2024
Balance, beginning of year	**35,297**	16,335
Additions	**10,446**	33,259
Acquisitions (note 5)	**1,390**	6,142
Dispositions (note 5)	**(150)**	-
Transfers to PP&E (note 7)	**(1,428)**	(20,226)
Expired mineral leases [(1)]	**-**	(213)
Balance, end of period	**45,555**	35,297

(1) Presented in "exploration and evaluation" expense.

Logan assessed its E&E assets for potential impairment prior to transferring costs to PP&E and as at September 30, 2025 and at December 31, 2024, concluding there are no indicators of impairment.

7. PROPERTY, PLANT AND EQUIPMENT

The Company's property, plant and equipment ("PP&E") primarily includes development and production ("D&P") assets and right-of-use ("ROU") assets. The following tables reconcile the movements in the cost and accumulated depletion, depreciation and impairment ("DD&I") during the periods:

PP&E, at cost *(CA$ thousands)*	**D&P Assets**	**ROU Assets**	**Total PP&E**
Balance at December 31, 2023	207,021	460	207,481
Additions	117,984	-	117,984
Acquisitions (note 5)	59,170	-	59,170
Dispositions [(1)]	-	(408)	(408)
Changes in decommissioning cost (note 8)	5,452	-	5,452
Decommissioning discount rate adjustment (note 8)	2,398	-	2,398
Transfers from E&E (note 6)	20,226	-	20,226
Balance at December 31, 2024	**412,251**	**52**	**412,303**
Additions (note 5)	**179,698**	**14,073**	**193,771**
Dispositions [(1)] (note 5, 8)	**(26,321)**	**(30)**	**(26,351)**
Changes in decommissioning cost (note 8)	**(887)**	**-**	**(887)**
Transfers from E&E (note 6)	**1,428**	**-**	**1,428**
Balance at September 30, 2025	**566,169**	**14,095**	**580,264**

Accumulated DD&I *(CA$ thousands)*	**D&P Assets**	**ROU Assets**	**Total PP&E**
Balance at December 31, 2023	58,029	321	58,350
Depletion and depreciation	41,419	127	41,546
Dispositions [(1)]	-	(408)	(408)
Balance at December 31, 2024	**99,448**	**40**	**99,488**
Depletion and depreciation	**45,810**	**358**	**46,168**
Dispositions [(1)] (note 5, 8)	**(4,878)**	**(30)**	**(4,908)**
Balance at September 30, 2025	**140,380**	**368**	**140,748**

Net carrying value	**D&P Assets**	**ROU Assets**	**Total PP&E**
Balance at December 31, 2024	312,803	12	312,815
Balance at September 30, 2025	**425,789**	**13,727**	**439,516**

(1) ROU Asset dispositions relates to ROU assets under leases that expired in the periods ended September 30, 2025 and December 31, 2024.

Future development capital expenditures required to develop total proved plus probable reserves in the amount of $1.0 billion are included in the depletion calculation for D&P assets for the three ended September 30, 2025 ($1.1 billion at December 31, 2024). Capital expenditures related to construction of the Pouce 4-19 Facility, net of the disposed carrying value, were included in the depletion calculation for the three months ended September 30, 2025, as the facility was commissioned during the second quarter (note 5). As at December 31, 2024, capital expenditures of $13.9 million related to the Pouce 4-19 Facility were excluded from the depletion calculation as the facility was under construction during the prior period.

Logan assessed each of its cash generating units ("CGUs") for indicators of potential impairment and concluded there were no indicators of impairment as at September 30, 2025 and as at December 31, 2024.

8. PROVISIONS AND OTHER LIABILITIES

Provisions and other liabilities are comprised of the Company's lease liabilities, decommissioning obligations and the deferred gain recognized in respect of the GORR Sale (note 5):

(CA$ thousands)	**September 30, 2025**	December 31, 2024
Lease liabilities	**26,024**	14
Decommissioning obligations	**37,319**	41,565
Deferred gain	**8,228**	-
Balance, end of period	**71,571**	41,579
Expected to be settled within one year	**3,670**	1,814
Expected to be settled beyond one year	**67,901**	39,765

a) Lease liabilities

The following table provides a continuity of the change in the Company's lease obligations:

(CA$ thousands)	**September 30, 2025**	December 31, 2024
Lease liabilities (1)		
Balance, beginning of year	**14**	150
Additions	**26,325**	-
Lease payments	**(1,066)**	(140)
Financing cost (note 13)	**751**	4
Balance, end of period	**26,024**	14
Expected to be settled within one year	**1,012**	14
Expected to be settled beyond one year	**25,012**	-

(1) A contractual maturity of the undiscounted payments due under the Company's lease agreements is provided in note 4.

As at September 30, 2025, the Company's lease liability is primarily comprised of a facility lease and its head office lease.

The Facility Interest Sale (note 5) closed on May 30, 2025 and was accounted for as a sale leaseback transaction, with a lease liability and ROU asset recognized accordingly. A lease liability of $26.0 million was recognized based on the present value of the expected lease payments over the term of the take-or-pay commitment at closing, discounted at Logan's incremental borrowing rate of 8.8%. A ROU asset of $13.7 million (note 7) was recognized equal to the carrying value of the disposed 35% interest in the Pouce 4-19 Facility, resulting in no gain (or loss) on disposition. As the monthly fees under the take-or-pay are based on a sliding scale structure with reference to natural gas pricing, the lease liability is revalued at each period end based on the then current natural gas price. Adjustments to the lease liability recognized are offset to the ROU asset. For the three months ended September 30, 2025, no adjustments to the lease liability were required. As at September 30, 2025, a $0.25 per GJ increase to natural gas pricing would not impact the expected lease payments under the take-or-pay commitment nor the resulting lease liability, as natural gas pricing was below the floor of the sliding scale structure. However, an increase (decrease) of $0.25 per GJ would increase (decrease) annual lease payments by $0.2 million and the lease liability by $1.7 million, based on movements within the sliding scale structure of the fees.

During the second quarter of 2025, Logan entered into a new head office lease with a term of three years ending November 30, 2028. The present value of the minimum lease payments resulted in recognition of a lease liability and corresponding ROU asset in the amount of $0.3 million.

The Company also has short term leases in place primarily for equipment with contract terms less than twelve months, expensed within operating expenses. The total amount expensed in respect of short-term leases was approximately $2.1 million during the nine months ended September 30, 2025 ($1.0 million during the nine months ended September 30, 2024).

b) Decommissioning obligations

Decommissioning liabilities arise as a result of the Company's net ownership interests in crude oil and natural gas assets including well sites, processing facilities and infrastructure. The following table provides a reconciliation of the carrying amount of the obligation associated with the retirement of oil and gas properties:

(CA$ thousands)	**September 30, 2025**	December 31, 2024
Decommissioning obligations		
Balance, beginning of year	**41,565**	31,327
Obligations incurred	**1,354**	1,119
Obligations acquired (note 5)	**470**	2,115
Discount rate adjustment on obligations acquired (note 5)	**-**	2,398
Obligations disposed (note 5)	**(4,293)**	-
Obligations settled	**(902)**	(720)
Changes in discount rate	**(1,795)**	(1,551)
Changes in estimates (1)	**(105)**	5,884
Accretion (note 13)	**1,025**	993
Balance, end of period	**37,319**	41,565
Expected to be settled within one year	**1,800**	1,800
Expected to be settled beyond one year	**35,519**	39,765

(1) During the prior year ended December 31, 2024, Logan recorded changes in estimates of $5.9 million primarily related to an increase in the prescribed cost estimates published by the Alberta Energy Regulator.

The underlying cost estimates are derived from a combination of published industry benchmarks as well as site specific information. As at September 30, 2025, the total undiscounted amount of the estimated cash flows required to settle the obligation is $48.6 million ($52.0 million as of December 31, 2024), of which, Logan expects to incur approximately $31.7 million over the next 20 years, $16.8 million in 20 to 50 years and the residual thereafter. The estimated inflated undiscounted future cash flows required to settle the obligation is $76.6 million at September 30, 2025, based on an inflation rate of 2.0% over the restoration period (December 31, 2024 – $78.8 million based on an inflation rate of 2.0%). As at September 30, 2025, the carrying amount of the decommissioning obligations is based on a risk-free rate of 3.6% (3.3% at December 31, 2024).

c) Deferred gain

On January 31, 2025, the Company closed the GORR Sale for net cash proceeds of $16.6 million (note 5).

Judgement was required in determining the allocation of the GORR Sale proceeds, which was determined to be comprised of: (i) payment for partial disposal of an interest in PP&E to be recognized as a disposition of PP&E; and (ii) an upfront payment received for future oil and gas extraction services that will generate future royalties to be recognized as a deferred gain.

The deferred gain was calculated based on the discounted future cash flows of future development and operating costs multiplied by the 2.5% royalty rate to derive the upfront payment received for future extraction services of $9.1 million. The deferred gain will be recognized in net income as a gain on sale of assets over the reserve life of the Pouce Coupe area, as future development of the Pouce Coupe land occurs as this is estimated to approximate the efforts the Company will incur towards the implied extraction performance obligation.

The remaining proceeds were compared to the carrying value attributable to the partial disposal of PP&E, with no further gain or loss recorded. The Company applied judgment in determining the carrying value of PP&E to be disposed, which was derived based on the proportion of proved and probable reserve value disposed through the GORR Sale.

The following table summarizes the change in the deferred gain outstanding:

(CA$ thousands)	**September 30, 2025**	December 31, 2024
Deferred gain		
Balance, beginning of year	**-**	-
GORR Sale (note 5)	**9,059**	-
Gain recognized in net income	**(831)**	-
Balance, end of period	**8,228**	-
Expected to be settled within one year	**858**	-
Expected to be settled beyond one year	**7,370**	-

9. BANK DEBT

(CA$ thousands)	**September 30, 2025**	December 31, 2024
Bank loan	**91,900**	2,150
Unamortized issue costs	**(735)**	(847)
Bank debt	**91,165**	1,303

a) Bank debt

The Company has a revolving committed term credit facility led by National Bank of Canada (the "Credit Facility"). As at September 30, 2025, the authorized borrowing amount available under the Credit Facility was $150.0 million, comprised of a $25.0 million operating facility and a $125.0 million loan facility. Subsequent to the reporting period, effective November 12, 2025, the Credit Facility was amended and restated to, among other things, introduce Bank of Montreal, Canadian Imperial Bank of Commerce, The Bank of Nova Scotia and The Toronto-Dominion Bank as new lenders (collectively and together with National Bank of Canada, the "Lenders"). The current borrowing base of $150.0 million and material terms of the Credit Facility were otherwise substantially unchanged.

The Credit Facility has a revolving period of 364 days extendible annually at the request of the Company subject to approval of the Lenders. Effective November 12, 2025, the current revolving period was extended to May 31, 2026, with a term-out to April 3, 2027, if not renewed. The borrowing base is subject to semi-annual reviews occurring by May 31st and by November 30th of each year, based upon the Company's annual independent engineering report or updates thereto. The next scheduled borrowing base review is set to occur on or before May 31, 2026. The borrowing base may also be subject to redetermination upon, among other things, disposing of material properties or acquiring inactive decommissioning obligations subject to certain thresholds. Repayments of principal are not required until the term maturity date, provided the Company is in compliance with all covenants, representations and warranties.

The Credit Facility is secured by a first fixed and floating charge debenture over all of the Company's assets and a general assignment of book debts. Borrowings are available by way of direct advances, CORRA loans, or letters of credit/guarantees. The Credit Facility bears interest at market rates that fluctuate plus an applicable margin based on the net debt to earnings before interest, taxes, depreciation and amortization ("EBITDA") ratio of the Company. The Company incurs standby fees on the undrawn facility which also fluctuate based on the pricing grid.

The Company is not subject to any financial covenants, however the Credit Facility does include other standard business operating covenants, including but not limited to limitations on acquisitions and dispositions, distributions and hedging arrangements. As at September 30, 2025 and as of the date hereof, Logan is in compliance with all covenants.

b) Letter of credit facility

The Company has a demand letter of credit facility which provides Logan with $5.0 million of incremental credit capacity to issue letters of credit. The letters of credit may be issued for general corporate purposes and are limited to a term of one year from the date of issuance. Letter of credit obligations are repayable on demand. As at September 30, 2025, the Company had $3.8 million of issued but undrawn letters of credit outstanding under the letter of credit facility.

c) Movements in bank debt

The following table reconciles movements in bank debt during the periods ended September 30, 2025 and December 31, 2024:

(CA$ thousands)	**September 30, 2025**	December 31, 2024
Balance, beginning of year	**1,303**	-
Advances	**354,750**	116,900
Repayments	**(265,000)**	(114,750)
Issue costs incurred	**(297)**	(1,094)
Amortization of issue costs	**409**	307
Reclassification of unamortized issue costs	**-**	(60)
Bank debt, end of period	**91,165**	1,303

10. SHARE CAPITAL

a) Authorized

The Company is authorized to issue an unlimited number of common shares, an unlimited number of preferred shares, and an unlimited number of special shares, each without par value. Common shares carry one vote per share and the right to any dividends declared. The preferred shares may be issued in series, with the directors determining the terms of the preferred shares on a series-by-series basis.

b) Issued and outstanding

The following table summarizes the change in common shares issued and outstanding. There are no preferred shares or special shares outstanding as of September 30, 2025 (December 31, 2024 – nil).

	Number of common shares (000s)	Amount ($ thousands)
Balance at December 31, 2023	465,537	162,869
Issued for cash pursuant to private placement	130,138	95,001
Share issue costs, net of deferred income taxes ($978)	-	(3,274)
Balance at December 31, 2024	595,675	254,596
Balance at September 30, 2025	**595,675**	**254,596**

2024 Private Placements

On October 3, 2024, Logan closed a bought-deal private placement equity financing through a syndicate of underwriters for aggregate gross proceeds of approximately $50.0 million, pursuant to which, the Company issued approximately 68.5 million common shares at $0.73 per share. Net proceeds were $47.8 million after issue costs.

On December 17, 2024, Logan closed a bought-deal private placement equity financing through a syndicate of underwriters for aggregate gross proceeds of approximately $45.0 million, pursuant to which, the Company issued approximately 61.6 million common shares at $0.73 per share. Net proceeds of $42.9 million after issue costs were used to partially fund the Acquisition (note 5).

c) Warrants

The following table summarizes common share purchase warrants issued and outstanding:

	Number of warrants (000s)	Amount ($ thousands)	Average exercise price ($/share)
Balance at December 31, 2023	64,286	9,790	0.35
Balance at December 31, 2024	64,286	9,790	0.35
Balance at September 30, 2025	**64,286**	**9,790**	**0.35**

As at September 30, 2025, the Company has 64.3 million warrants outstanding. Each warrant entitles the holder to purchase one common share of Logan at an exercise price of $0.35 per share on or before July 12, 2028.

d) Stock options

The Company has a stock option plan under which options to purchase common shares may be granted to officers, directors, employees and consultants. The Board of Directors has approved a policy of reserving up to 10% of the outstanding common shares for issuance to eligible participants of the stock option and share award plans. All stock options have a maximum term of five years and the vesting period for each grant is determined at the discretion of the Board of Directors.

The following table summarizes the change in Logan's stock options outstanding:

	Number of options (000s)	Average exercise price ($/share)
Balance at December 31, 2023	22,695	0.89
Forfeited	(92)	(0.89)
Balance at December 31, 2024	**22,603**	**0.89**
Granted (1)	**19,100**	**0.65**
Forfeited	**(8)**	**(0.89)**
Balance at September 30, 2025	**41,695**	**0.78**

(1) Stock options granted vest 1/3 per year on the anniversary date of the grant.

The fair value of stock options granted is estimated on the date of grant using the Black-Scholes option pricing model with weighted average assumptions as follows:

	Nine months ended September 30	
	2025	2024
Risk free interest rate	**2.6%**	-
Expected life (years)	**3.6**	-
Expected volatility (1)	**50.0%**	-
Expected dividend yield	**0.0%**	-
Expected forfeiture rate	**2.1%**	-
Average fair value of options granted ($/share)	**$0.25**	-

(1) Logan has estimated the expected volatility over the life of the option based on a peer group average for intermediate oil and gas companies. A peer group average was used given the short time frame of the Company's historical share price data since listing on the TSXV on July 18, 2023.

The following table summarizes information regarding stock options outstanding at September 30, 2025:

Exercise price ($/share)	Number of options outstanding (000s)	Weighted average remaining term (years)	Weighted average exercise price for options outstanding ($/share)	Number of options exercisable (000s)	Weighted average exercise price for options exercisable ($/share)
$0.55 - $0.70	18,400	4.5	0.64	-	-
$0.71 - $0.89	23,295	3.2	0.89	7,532	0.89
Total	**41,695**	**3.8**	**0.78**	**7,532**	**0.89**

The volume weighted average trading price ("VWAP") of the Company's common shares on the TSXV for the three and nine months ended September 30, 2025 was $0.72 and $0.67 per share, respectively ($0.84 and $0.86 per share for the three and nine months ended September 30, 2024, respectively).

e) Share awards

The Company has a share award incentive plan, pursuant to which the Company may grant restricted share awards ("RSAs") and performance share awards ("PSAs") to directors, officers, employees and consultants of the Company. The share awards, being RSAs or PSAs as applicable, granted under the share award incentive plan are intended to be settled through the issuance of new common shares upon vesting for no additional consideration. The Board of Directors shall not grant new share awards under the plan if the number of shares issuable pursuant to outstanding share awards, when combined with the number of shares issuable pursuant to outstanding stock options granted under the Company's stock option plan, would exceed 10% of the issued and outstanding common shares at the time of the grant. The vesting period is determined at the discretion of the Board of Directors. As at September 30, 2025 and as of the date hereof, no share awards have been granted under Logan's share award incentive plan.

f) Share based compensation expense

The following table summarizes the components of the Company's share based compensation expense as presented in the Statements of Net Income and Comprehensive Income:

	Three months ended September 30		Nine months ended September 30	
(CA$ thousands)	**2025**	2024	**2025**	2024
Stock options	**1,370**	1,332	**3,483**	3,913
Share based compensation expense	**1,370**	1,332	**3,483**	3,913

g) Per share amounts

The table below summarizes the weighted average ("WA") number of common shares outstanding (000's) used in the calculation of net income per share for the three and nine months ended September 30, 2025 and 2024:

	Three months ended September 30		Nine months ended September 30	
(000s)	**2025**	2024	**2025**	2024
WA common shares outstanding, basic	**595,675**	465,537	**595,675**	465,537
Dilutive effect of warrants (1)	**33,128**	37,577	**30,892**	38,060
Dilutive effect of stock options (1)	**20**	-	**-**	-
WA common shares outstanding, diluted	**628,823**	503,114	**626,567**	503,597
Net income				
$ per common share, basic	**0.02**	0.01	**0.04**	0.01
$ per common share, diluted	**0.01**	0.01	**0.04**	0.01

(1) Dilutive effect of outstanding securities includes the incremental dilutive impact of the Financing Warrants. Stock options outstanding from the date of grant were modestly dilutive for the three months ended September 30, 2025, however they were excluded from the dilutive effect of outstanding securities during the nine month periods ended September 30, 2025 and 2024 as the stock options were not dilutive based on the treasury stock method.

11. INCOME TAXES

As at September 30, 2025, total tax pools available to the Company are estimated to be $365.5 million (December 31, 2024 – $285.0 million).

The following table reconciles income taxes calculated at the weighted average Canadian statutory rate with the actual provision for income taxes per the Statements of Net Income and Comprehensive Income:

	Three months ended September 30		Nine months ended September 30	
(CA$ thousands)	**2025**	2024	**2025**	2024
Net income before income taxes	**12,428**	8,552	**33,136**	7,279
Canadian statutory tax rate [(1)]	**23.0%**	23.0%	**23.0%**	23.0%
Expected income tax expense	**2,858**	1,967	**7,621**	1,674
Increase resulting from:				
Non-deductible expenses [(2)]	**317**	305	**804**	900
Non-taxable portion of capital gain [(3)]	**63**	-	**(1,396)**	-
Deferred income tax expense	**3,238**	2,272	**7,029**	2,574
Current income tax expense	**-**	-	**-**	-
Income tax expense	**3,238**	2,272	**7,029**	2,574

(1) The Canadian statutory tax rate per the rate reconciliation represents the average combined federal and provincial corporate tax rate.
(2) Non-deductible expenses primarily relates to share-based compensation expense (note 10c).
(3) Non-taxable portion of capital gain relates to the Facility Interest Sale (note 5).

The movement in deferred tax assets and liabilities, without taking into consideration the offsetting balances within the same tax jurisdiction, are as follows:

(CA$ thousands)	Balance at Dec 31, 2024	Recognized in net income	Recognized in balance sheet	**Balance at Sept 30, 2025**
Derivative financial instruments	(424)	(812)	-	**(1,236)**
Accelerated tax basis depreciation	(23,427)	(6,765)	(108)	**(30,300)**
Decommissioning obligations	9,559	(1,085)	108	**8,582**
Leases	-	2,828	-	**2,828**
Share and debt issue costs	992	(346)	-	**646**
Non-capital losses (“NCLs”) [(1)]	8,094	(849)	-	**7,245**
Deferred income tax liability	**(5,206)**	**(7,029)**	**-**	**(12,235)**

(CA$ thousands)	Balance at Dec 31, 2023	Recognized in net income	Recognized in balance sheet	**Balance at Dec 31, 2024**
Derivative financial instruments	-	(424)	-	**(424)**
Accelerated tax basis depreciation	(14,058)	(8,913)	(456)	**(23,427)**
Decommissioning obligations	7,205	1,898	456	**9,559**
Leases	2	(2)	-	**-**
Share and debt issue costs	17	(3)	978	**992**
Non-capital losses (“NCLs”) [(1)]	3,493	4,601	-	**8,094**
Deferred income tax liability	**(3,341)**	**(2,843)**	**978**	**(5,206)**

(1) NCLs expire in years 2043 to 2045.

Under IFRS Accounting Standards, deferred income tax assets may only be recognized to the extent that it is probable that future taxable profits will be available against which unused tax losses and deductible temporary differences can be utilized. The Company expects to have sufficient taxable profits in the future in order to utilize its NCLs which expire in years 2043 to 2045 and has recognized the deferred tax asset related to NCLs.

12. OIL AND GAS SALES, NET OF ROYALTIES

The following table summarizes the composition of Logan's oil and gas sales revenue by product type:

	Three months ended September 30		Nine months ended September 30	
(CA$ thousands)	**2025**	2024	**2025**	2024
Oil and gas sales				
Crude oil	**38,330**	24,310	**92,054**	58,544
Natural gas liquids	**5,908**	3,369	**12,871**	10,124
Natural gas	**3,528**	2,870	**19,518**	12,855
Oil and gas sales	**47,766**	30,549	**124,443**	81,523
Royalties	**(3,370)**	(2,436)	**(8,953)**	(7,337)
Oil and gas sales, net of royalties	**44,396**	28,113	**115,490**	74,186

13. FINANCING

The following table summarizes the components of the Company's financing expenses (income), as presented in the Statements of Net Income and Comprehensive Income:

	Three months ended September 30		Nine months ended September 30	
(CA$ thousands)	**2025**	2024	**2025**	2024
Interest and fees on bank debt	**1,847**	388	**3,796**	552
Financing cost of lease liabilities	**553**	1	**751**	4
Accretion of decommissioning obligations	**335**	255	**1,025**	738
Financing expenses	**2,735**	644	**5,572**	1,294
Interest income	**-**	-	**-**	(942)
Financing expenses (income)	**2,735**	644	**5,572**	352

14. SUPPLEMENTAL CASH FLOW INFORMATION

	Three months ended September 30		Nine months ended September 30	
(CA$ thousands)	**2025**	2024	**2025**	2024
Accounts receivable	**(2,789)**	1,773	**(14,720)**	2,516
Prepaid expenses and deposits	**1,231**	1,201	**(1,556)**	(590)
Accounts payable and accrued liabilities	**(29,584)**	(17,821)	**34**	(5,774)
Foreign exchange	**(9)**	2	**(19)**	6
Change in non-cash working capital	**(31,151)**	(14,845)	**(16,261)**	(3,842)
Relating to:				
Operating activities	**7,237**	592	**280**	2,197
Financing activities	**-**	-	**67**	-
Investing activities	**(38,388)**	(15,437)	**(16,608)**	(6,039)
Change in non-cash working capital	**(31,151)**	(14,845)	**(16,261)**	(3,842)
Cash payments in respect of:				
Interest and fees on bank debt	**1,418**	306	**3,030**	484
Income taxes	**-**	-	**-**	-

15. CAPITAL MANAGEMENT

Logan's capital management objectives are to maintain a flexible capital structure in order to execute on strategic opportunities throughout the business cycle, respond to changes in economic conditions, meet its financial obligations and to fund future settlements of decommissioning obligations. The Company seeks to create long-term shareholder value by investing in projects that are expected to strengthen its overall asset portfolio and suite of internally generated prospects.

As at September 30, 2025, the Company considers its capital structure to include shareholders' equity, bank debt and working capital. Logan uses "Net Debt" as a capital management measure and is calculated by the Company as bank debt, net of "Adjusted Working Capital". Net Debt and Adjusted Working Capital are both non-GAAP financial measures. Adjusted Working Capital is calculated by Logan as current liabilities less current assets, excluding derivative financial instrument assets and liabilities and provisions and other liabilities.

The significant components of the Company's capital structure are summarized below:

(CA$ thousands)	**September 30, 2025**	December 31, 2024
Cash	**(67)**	(324)
Accounts receivable	**(27,801)**	(13,081)
Prepaid expenses and deposits	**(3,068)**	(1,512)
Accounts payable and accrued liabilities	**41,463**	41,429
Adjusted Working Capital deficit	**10,527**	26,512
Bank debt	**91,165**	1,303
Net Debt	**101,692**	27,815
Total shareholders' equity	**304,947**	275,357

Logan had Net Debt of $101.7 million as at September 30, 2025. Net Debt increased compared to Net Debt of $27.8 million at December 31, 2024, primarily due to capital expenditures which exceeded cash flow provided by operating activities during the period. During the nine months ended September 30, 2025, the Company utilized $74.5 million of cash provided by operating activities, $43.3 million of net proceeds from dispositions, and borrowings under its Credit Facility to fund the Company's exploration and development capital expenditures of $190.1 million and acquisition costs of $0.9 million.

The Company monitors its capital structure and short-term financing requirements using a "Net Debt to Annualized AFF Ratio", which is calculated by Logan as the Company's Net Debt (calculated above) relative to its "Annualized Adjusted Funds Flow" (calculated below). The reader is cautioned that "Adjusted Funds Flow" does not have standardized meaning under IFRS Accounting Standards and may not be directly comparable to measures of other companies where similar terminology is used. Logan calculates "Adjusted Funds Flow" by adding back transaction costs on acquisitions and the change in non-cash working capital to cash provided by operating activities. Logan utilizes Adjusted Funds Flow as a key performance measure in the Company's financial forecasts and public guidance because it reflects the net cash flow generated from routine business operations, excluding changes in non-cash working capital. "Annualized Adjusted Funds Flow" is calculated by multiplying Adjusted Funds Flow for the most recently completed quarter by a factor of 4; management considers this annualized measure to be more representative of the Company's current financial position than a 12-month trailing measure. Management believes that the Net Debt to Annualized AFF Ratio provides investors with information to understand the Company's liquidity risk and its ability to repay bank debt and fund future capital expenditures.

Three months ended *(CA$ thousands)*	**September 30, 2025**	December 31, 2024
Cash provided by operating activities	**38,416**	12,004
Change in non-cash operating working capital	**(7,237)**	4,285
Add back: transaction costs	**-**	400
Adjusted Funds Flow for the quarter	**31,179**	16,689
Factor to Annualize	**4**	4
Annualized Adjusted Funds Flow	**124,716**	66,756
Net Debt	**101,692**	27,815
Net Debt to Annualized AFF Ratio	**0.8 x**	0.4 x

As at September 30, 2025, Logan had Net Debt of $101.7 million, which is approximately 0.8 times the Company's Annualized Adjusted Funds Flow for the third quarter of 2025. The capital intensive nature of Logan's operations may create a working capital deficiency position during periods with high levels of capital investment. The Company maintains sufficient unused bank credit lines to satisfy such working capital deficiencies. As at September 30, 2025, the Company's Net Debt of $101.7 million represented 68% of the authorized borrowing amount available under the Credit Facility of $150.0 million (note 9).

Logan is well positioned to execute on its short and longer term growth strategy. Future exploration and development capital expenditures are expected to be funded by cash provided by operating activities and borrowings under the Credit Facility. In order to maintain or adjust its capital structure in the future, the Company may issue new common shares or other equity securities, issue debt, adjust capital expenditures and acquire or dispose of assets.

As at September 30, 2025, the Company is not subject to any externally imposed capital requirements other than the covenants under its bank Credit Facility, to which Logan is in full compliance (note 9).

16. COMMITMENTS

The following table summarizes the Company's contractual commitments as of September 30, 2025:

(CA$ thousands)	2025	2026	2027	2028	2029	Thereafter
Gas transportation (1)	2,266	5,064	6,324	12,432	12,143	49,793
Liquids transportation (2)	149	149	-	-	-	-
Processing fees (3)	1,908	7,638	5,018	5,729	4,138	17,889
Total commitments (4)	**4,323**	**12,851**	**11,342**	**18,161**	**16,281**	**67,682**

(1) Logan has firm transportation commitments on natural gas pipelines in Alberta until October 2035.

(2) Relates to upstream natural gas liquids transportation contract in place until March 2026.

(3) Processing fee commitments relate to the following agreements: (i) firm capacity for natural gas gathering and processing at the NorthRiver Fourth Creek and Gordondale East gas plants until March 2027; (ii) firm capacity for natural gas gathering and processing at the CSV Simonette Gas Plant until September 2040; and (iii) and a commitment to make-whole, in the event of a shortfall (if any) on partner capital recovery on certain projects at the CSV Simonette Gas Plant, of up to $1.6 million that may become payable in February 2028.

(4) The commitments table does not include lease liabilities. A contractual maturity of the Company's financial liabilities and undiscounted lease payments is provided in note 4.

17. SUBSEQUENT EVENTS

On November 12, 2025, the Company amended and restated its Credit Facility (note 9) to include a syndicate of banks as Lenders. The current borrowing base of $150.0 million and material terms of the Credit Facility are substantially unchanged. The current revolving period was extended from April 3, 2026 to May 31, 2026, with a term-out to April 3, 2027 (unchanged), if not renewed.