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Prospera Energy Launches Key Infrastructure Upgrades to Unlock Next Phase of Production Growth

CALGARY, Alberta, Oct. 23, 2025 (GLOBE NEWSWIRE) -- Prospera Energy Inc. (TSX.V: PEI, OTC: GXRFF) ("**Prospera**", "**PEI**" or the "**Corporation**")

Prospera Energy is pleased to announce the commencement of a major pipeline replacement and infrastructure upgrade project in the Cuthbert area. The project involves the replacement of two key legacy pipelines over a ten-day construction period, with a total capital investment of approximately \$500,000.

The new pipelines are constructed using corrosion-resistant and spoolable FlexSteel material, replacing aging composite lines that had previously limited Prospera's ability to manage water injection and maintain optimal reservoir pressure. Failures of the older lines had significantly reduced water-handling capacity, necessitating the temporary shut-in of select wells. Upgrading to FlexSteel enhances system integrity, improves leak detection, and ensures long-term operational reliability while minimizing environmental risk. The project is expected to increase waterflood injection capacity by approximately 2,500–3,500 m³ per day, expanding total field capacity from the current roughly 3,200 m³ per day. Additionally, a third water injection pump will be installed at the Cuthbert 2-2 battery following overhaul and maintenance. Together, these upgrades are projected to add approximately 150 barrels of oil per day in incremental production once stabilized over a two-to-four-week ramp-up period.

"This initiative enables more efficient redistribution of water from the north end of the pool to the south, relieving over-injection in certain zones while restoring pressure support in under-injected areas with low Voidage Replacement Ratios (VRR). It gives our reservoir engineering team the flexibility to dynamically adjust waterflood patterns, optimize recovery, and bring additional producer wells online in the southern portion of the field. With harvest now complete in the region, we can execute this work with minimal land disturbance while implementing long-term infrastructure that supports stable, optimized production," said Darren Jackson, Prospera's Chief Operating Officer. "This is a key step in modernizing our field systems and preparing for the next phase of growth."

Following the severe weather events in the region and legacy pipeline quality defects, overall waterflood system pressure has been operating around 5,000 kPa, below the optimal 6,500–8,000 kPa range. The new pipeline replacements will significantly improve system reliability, reservoir efficiency, and injection stability—laying the groundwork for higher sustained reservoir pressure, consistent production performance, and improved long-term recovery factors.

Beyond immediate production gains, this project also provides material cost savings through reduced downtime, fewer maintenance interventions, and optimized field operations. Surplus FlexSteel pipe and fittings from this installation will be utilized for future infrastructure improvements, extending these operational and environmental benefits across Prospera's broader heavy oil production base.

This project marks another important milestone in Prospera's overall field redevelopment plan—executing targeted infrastructure projects to modernize the Company's assets, optimize reservoir management, and position field operations for sustained production growth in 2025 and beyond while reducing field operating costs and increasing netbacks.

About Prospera

Prospera Energy Inc. is a publicly traded Canadian energy company specializing in the exploration, development, and production of crude oil and natural gas. Headquartered in Calgary, Alberta, Prospera is dedicated to optimizing recovery from legacy fields using environmentally safe and efficient reservoir development methods and production practices. The company's core properties are strategically located in Saskatchewan and Alberta, including Cuthbert, Luseland, Hearts Hill, and Brooks. Prospera Energy Inc. is listed on the TSX Venture Exchange under the symbol PEI and the U.S. OTC Market under GXRFF.

Prospera reports gross production at the first point of sale, excluding gas used in operations and volumes from partners in arrears, even if cash proceeds are received. Gross production represents Prospera's working interest before royalties, while net production reflects its working interest after royalty deductions. These definitions align with ASC 51-324 to ensure consistency and transparency in reporting.

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FORWARD-LOOKING STATEMENTS

This news release contains forward-looking statements relating to the future operations of the Corporation and other statements that are not historical facts. Forward-looking statements are often identified by terms such as "will," "may," "should," "anticipate," "expects" and similar expressions. All statements other than statements of historical fact included in this release, including, without limitation, statements regarding future plans and objectives of the Corporation, are forward-looking statements that involve risks and uncertainties. There can be no assurance that such statements will prove to be accurate and actual results and future events could differ materially from those anticipated in such statements.

Although Prospera believes that the expectations and assumptions on which the forward-looking statements are based are reasonable, undue reliance should not be placed on the forward-looking statements because Prospera can give no assurance that they will prove to be correct. Since forward-looking statements address future events and conditions, by their very nature they involve inherent risks and uncertainties. Actual results could differ materially from those currently anticipated due to a number of factors and risks. These include, but are not limited to, risks associated with the oil and gas industry in general (e.g., operational risks in development, exploration and production; delays or changes in plans with respect to exploration or development projects or capital expenditures; the uncertainty of reserve estimates; the uncertainty of estimates and projections relating to production, costs and expenses, and health, safety and environmental risks), commodity price and exchange rate fluctuations and uncertainties resulting from potential delays or changes in plans with respect to exploration or development projects or capital expenditures.

The reader is cautioned that assumptions used in the preparation of any forward-looking information may prove to be incorrect. Events or circumstances may cause actual results to differ materially from those predicted, as a result of numerous known and unknown risks, uncertainties, and other factors, many of which are beyond the control of Prospera. As a result, Prospera cannot

guarantee that any forward-looking statement will materialize, and the reader is cautioned not to place undue reliance on any forward-looking information. Such information, although considered reasonable by management at the time of preparation, may prove to be incorrect and actual results may differ materially from those anticipated. Forward-looking statements contained in this news release are expressly qualified by this cautionary statement. The forward-looking statements contained in this news release are made as of the date of this news release, and Prospera does not undertake any obligation to update publicly or to revise any of the included forward-looking statements, whether as a result of new information, future events or otherwise, except as expressly required by Canadian securities law.

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