

Prospera Energy Restarts Five Additional Luseland Wells at \$6,400 per Flowing Barrel; First Ten Reactivations Return 1.92x Capital

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Calgary, Alberta--(Newsfile Corp. - October 16, 2026) - Prospera Energy Inc. (TSXV: PEI) (OTC Pink: GXRFF) ("**Prospera**", "**PEI**", the "**Corporation**", or the "**Company**") has completed workovers on five heavy oil wells at Luseland, Saskatchewan. The service rig worked through all five wells between September 21st and October 10th, 2026, at a combined cost of \$247.2K against a budget of \$321.9K, coming in 23% under plan. Four of the wells are on production and have averaged a combined 54.5 bbl/d of oil since returning to production, up from 15.0 bbl/d prior to the workovers, a 3.6-fold increase. The fifth well is recovering load fluid. The rig has now moved to five wells at Cuthbert and three at Hearts Hill, after which it will return to Luseland for a six-well reactivation program on currently shut-in wells.

The Company has also published its [October 2026 Key Wells Report](#), which follows every dollar and barrel from the first ten wells in its reactivation program along with the five wells recently worked over. Those ten wells were brought back on production between March and October 2025 for \$1.14M of capital. By the end of September 2026, they had sold 62,090 boe (98% oil) and generated \$5.00M of revenue with \$2.19M of operating income, 1.92 times the capital invested. Nine of the ten have paid out in an average of 11 months, and three have paid out twice. The program as a whole crossed payout in April 2026. None of it involved drilling a new well.

"A lot of people assume the only way to grow an oil company is to drill," said Shubham Garg, Chairman of Prospera. "We think the cheapest barrel is the one that's already sitting behind a wellbore somebody stopped paying attention to. [The Key Wells Report](#) shows what that looks like over eighteen months: \$1.14 million in, \$2.19 million back, and nine of ten wells paid out. This fall's five wells came in under budget. We have more than 140 candidates still in inventory, and the cash flow coming off these wells is what pays for the next ones."

Highlights

- **Five Luseland wells** worked over between September 21st and October 10th, 2026, for \$247.2K, \$74.7K (23%) under budget. Four of the five jobs came in under their individual AFEs.

- **Four wells back on production at average of 3.6 times their prior rate.** Combined oil production has averaged 54.5 bbl/d since returning to production, up from 15.0 bbl/d. 7-33-35-25W3 leads at 28.9 bbl/d, with a peak day of 35.2 bbl/d.
- **About \$6.4K of capital per incremental bbl/d added** across the five-well program, based on early rates.
- **First ten reactivations have returned 1.92x their capital:** \$1.14M invested, \$2.19M of operating income and 62,090 boe sold through September 2026.
- **Nine of ten wells paid out** in an average of 11.0 months; three have reached a second payout.
- **Deep inventory:** more than 140 shut-in reactivation candidates identified, 41 of them screened and ranked as Tier 1.

Service Rig Update: Five Luseland Wells

Each of the five wells was shut in or producing significantly below its potential before the rig arrived. Results by well are below.

7-33-35-25W3 - Worked over from October 6th to 8th, 2026. The well has averaged 28.9 bbl/d of oil since returning to production, compared with 5.4 bbl/d before the workover, a 5.4x increase, with a peak day of 35.2 bbl/d. The job cost \$36.9K against a \$52.8K budget, \$15.9K under, and it is the most productive well in the group. An enhanced 18-1500 series pump was installed, with recycle pump volumes doubled to more than 6 m³/d and 2,000 PPM sand suspension chemical injection.

2-33-35-25W3 - Worked over September 21st to 23rd, 2026. Production has averaged 11.2 bbl/d of oil since returning to production, compared with 2.0 bbl/d before the workover. At 5.6x, that is the largest increase of the five, with a peak day of 21.1 bbl/d. The job cost \$67.1K against a \$63.5K budget, a \$3.6K (6%) overrun. An enhanced 18-1500 series pump was installed along with a new rod string to manage sand influx.

A14-18-36-25W3 - Worked over in two separate jobs between September 23rd and October 6th, 2026. The well has averaged 8.0 bbl/d of oil since returning to production, compared with 3.8 bbl/d before the workover, a 2.1x increase, with a peak day of 10.1 bbl/d. The jobs cost \$70.6K against an \$85.5K budget. An enhanced 18-1500 series pump was installed along with the first recycle pump in Section 18. As the strategy is proven out, Prospera expects to upgrade several other Section 18 and Section 17 wells.

16-8-36-25W3 - Worked over September 25th to 28th, 2026. The well has averaged 6.3 bbl/d of oil since returning to production, compared with 3.8 bbl/d before the workover, a 1.6x increase, with a peak day of 11.1 bbl/d. The job cost \$36.0K against a \$58.6K budget, a \$22.7K saving. A 15-1400 series pump was installed.

10-4-36-25W3 - Worked over October 8th to 10th, 2026. The workover is complete and the well is recovering load fluid. The well produced about 1.0 bbl/d before the workover. The job cost \$36.5K

against a \$61.5K budget. A 15-1400 series pump was installed.

These are early rates, and some of the wells have only been on production for a matter of days. Rates on heavy oil wells following a workover can move around as sand production and fluid levels settle, and Prospera will report stabilized rates once the wells have more time on production and through its Key Wells Report.

October 2026 Key Wells Report

The Key Wells Report is Prospera's scorecard for the reactivation program. It covers all ten wells in the first phase: eight at Luseland and the Company's Hearts Hill restart at 04-34-36-26W3, all nine of which have paid out, and Luseland 12-17-36-25W3, which has not yet. The five Luseland wells worked over this fall are also included. Each well is shown on its own page with capital, revenue, operating income, cumulative volumes and payout timing. [The full report is available here.](#)

Well	On Production	Capital	Operating Income	Multiple	First payout
10-07-36-25W3	Jul 2025	\$157.6K	\$430.4K	2.73x	May 2026 (11 mo)*
10-08-36-25W3	Jun 2025	\$187.3K	\$374.3K	2.00x	Apr 2026 (11 mo)
03-09-36-25W3	Mar 2025	\$75.0K	\$209.4K	2.79x	Mar 2026 (13 mo)*
16-07-36-25W3	Jun 2025	\$94.0K	\$180.9K	1.92x	Apr 2026 (11 mo)
01-17-36-25W3	May 2025	\$113.8K	\$202.3K	1.78x	Apr 2026 (12 mo)
11-18-36-25W3	Aug 2025	\$105.8K	\$177.2K	1.68x	Jun 2026 (11 mo)
10-18-36-25W3	Aug 2025	\$118.8K	\$173.4K	1.46x	May 2026 (10 mo)
09-18-36-25W3	Oct 2025	\$95.6K	\$129.9K	1.36x	Jul 2026 (10 mo)
04-34-36-26W3 (Hearts Hill)	Mar 2025	\$88.6K	\$227.0K	2.56x	Dec 2025 (10 mo)*
12-17-36-25W3	Aug 2025	\$105.4K	\$82.0K	0.78x	Not yet
Ten wells		\$1.14M	\$2.19M	1.92x	9 of 10

* Has also reached a second payout (2.0x capital). Operating income is shown through September 2026.

A few of the wells stand out. 10-07-36-25W3 went on production in July 2025 for \$157.6K and has since sold 10,386 barrels and earned \$430.4K, more than any other well in the group. It paid out twice in thirteen months. 03-09-36-25W3 was the cheapest restart at \$75.0K and carries the highest multiple at 2.79x. 10-08-36-25W3 ended September just \$357 short of its second payout. 16-07-36-25W3 had been shut in for more than twenty years. It paid out in eleven months and reached 38.1 bbl/d of oil sales in June 2026, briefly touching a second payout that month before July and August workovers, charged to operating income, pulled it back to 1.92x. At Hearts Hill, 04-34-36-26W3 paid out in ten months and reached its second payout in August 2026, helped by a royalty rate near 5%. One well has not paid out yet. 12-17-36-25W3 has returned \$82.0K against \$105.4K of capital, or 0.78x, and at its recent pace of about \$5K a month the Company expects it to pay out in roughly five more months.

The approach hasn't changed since the first well, though our reactivation strategy has been iterated to initiate sand influx and bring wells to higher oil production rates at a faster pace. Prospera screens licensed, shut-in wells by remaining oil in place, offset performance and the

cost to restart them. It brings them back with rod, pump and sand-handling work that takes days rather than months, then optimizes each well through daily fluid checks, staged speed-ups and chemical treatment. Cash flow from restarted wells funds the next group. The Company has identified more than 140 reactivation candidates across its Saskatchewan heavy oil assets, 41 of which have been screened and ranked as Tier 1.

Live Investor Webinar - Friday, October 16, 2026

Management will host a live investor webinar on Friday, October 16, 2026 at 10:00 a.m. MT to walk through the Key Wells Report and the service rig results, and to take questions. [Register here](#). Well videos are available for [10-07-36-25W3](#), [10-08-36-25W3](#) and [16-07-36-25W3](#).

Couloir Capital Initiates Research Coverage

On October 2nd, 2026, Couloir Capital Ltd. ("Couloir") initiated research coverage of Prospera with a report titled "[Reactivation-Led Growth Drives Production and Cash Flow Turnaround](#)", assigning a BUY rating and a fair value estimate of \$0.06 per share. The report is [available here](#). Couloir is retained by the Company under a service agreement for analyst research coverage, and a principal of Couloir holds an interest in the Company's securities through an affiliated fund. The Company has no control over the content of the report. The views, rating and estimates in the report are those of Couloir and its analyst alone and are not endorsed or adopted by Prospera. Figures cited in the report are Couloir's own and may be calculated on a different basis from those in this news release.

Prospera Engages Independent Trading Group as Market Maker

Prospera Energy announces that, subject to TSXV acceptance and regulatory approval, it has engaged Independent Trading Group ("ITG"), under an agreement dated October 14th, 2026, to provide market-making services in accordance with TSX Venture Exchange ("TSXV") policies. ITG is at arm's length to Prospera, and will trade shares of the Company on the TSXV and all other trading venues with the objective of maintaining a reasonable market and improving the liquidity of the Company's common shares.

Independent Trading Group is a Toronto-based CIRO dealer-member that specializes in market making, liquidity provision, agency execution, ultra-low latency connectivity, and bespoke algorithmic trading solutions. Established in 1992, with a focus on market structure, execution and trading, ITG has leveraged its own proprietary technology to deliver high quality liquidity provision and execution services to a broad array of public issuers and institutional investors.

Under the agreement, ITG will receive compensation of \$5,500 per month, payable monthly in advance. The agreement is for an initial term of one month and will renew for additional one-month terms unless terminated. The agreement may be terminated by either party with 30 days' notice. There are no performance factors contained in the agreement and ITG will not receive

shares or options as compensation. ITG and the Company are unrelated and unaffiliated entities and at the time of the agreement, neither ITG nor its principals have an interest, directly or indirectly, in the securities of the Company.

Prospera Engages Signal Capital Advisors

Prospera Energy announces that it has engaged Signal Capital Advisors Inc. ("Signal"), a Toronto-based investor relations and capital markets advisory firm led by Ms. Shushu Feng, to provide investor relations and capital markets advisory services under an agreement dated August 17, 2026. Signal is at arm's length to Prospera, and other than the options noted below, holds no interest in Prospera Energy or its securities. The agreement has an initial term of three months and continues month-to-month thereafter, terminable on thirty days' notice. Signal will receive \$4,250 for the first month and \$8,500 per month thereafter, plus taxes and pre-approved expenses, payable monthly in advance from working capital, for an anticipated initial-term cost of \$21,250. Prospera Energy has also granted Signal 170,000 stock options under its Security Based Compensation Plan, exercisable at \$0.05 for 5 years, vesting quarterly over twelve months in accordance with TSX Venture Exchange policy. The engagement and option grant remain subject to TSXV acceptance and regulatory approval.

Shares for Debt

Prospera has entered into settlement agreements with a total of four arm's length vendors, representing an aggregate of \$92,850.00 in outstanding trade payables, to be satisfied through the issuance of 3,068,809 common shares. One vendor has settled \$5,500.00 through the issuance of 157,143 common shares at a deemed price of \$0.035 per share. Three vendors have collectively settled a total of \$87,350.00 through the issuance of 2,911,666 common shares at a deemed price of \$0.030 per share. The shares will be subject to a trading restriction of four months and a day from the date of issuance and are subject to TSXV acceptance.

Shares for Debt Update

Prospera announces an update to its previously announced shares-for-debt settlements originally disclosed on June 29th, 2026. The Company has entered into settlement agreements with a total of three arm's length vendors, representing an aggregate of \$42,800.24 to be satisfied through the issuance of 996,005 common shares. Two vendors have collectively settled a total of \$14,800.24 through the issuance of 296,005 common shares at a deemed price of \$0.050 per share. One vendor has settled \$28,000.00 through the issuance of 700,000 common shares at a deemed price of \$0.040 per share. The shares will be subject to a statutory hold period of four months and one day from the date of issuance. The transactions have been accepted by the TSX Venture Exchange.

Additionally, Prospera announces an update to its previously announced shares-for-debt settlements originally disclosed on September 9th, 2026. The Company has entered into

settlement agreements with a total of six arm's length vendors, representing an aggregate of \$202,531.31 in outstanding trade payables, to be satisfied through the issuance of 5,500,348 common shares and 1,250,000 warrants. One vendor has settled \$4,771.85 through the issuance of 95,437 common shares at a deemed price of \$0.050 per share. Two vendors have collectively settled a total of \$18,700.54 through the issuance of 467,514 common shares at a deemed price of \$0.040 per share. One vendor has settled \$50,000.00 through the issuance of 1,250,000 common shares at a deemed price of \$0.040 per share and 1,250,000 warrants. Each warrant entitles the holder to acquire one additional common share at an exercise price of \$0.05 for a period of five years following closing. Two vendors have collectively settled a total of \$129,058.92 through the issuance of 3,687,397 common shares at a deemed price of \$0.035 per share. The shares will be subject to a statutory hold period of four months and one day from the date of issuance. The transactions have been accepted by the TSX Venture Exchange.

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 CSA Staff Notice 51-324 to ensure consistency and transparency in reporting

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ADVISORY REGARDING REACTIVATION INVENTORY

References in this news release to reactivation candidates or reactivation inventory, including the more than 140 candidates identified across the Corporation's Saskatchewan heavy oil asset base, reflect management's internal technical evaluation of existing wellbores and are not, and should not be construed as, reserves or resources as those terms are defined under National Instrument 51-101 - Standards of Disclosure for Oil and Gas Activities. There is no assurance that any particular candidate will be reactivated, that reactivation will be economic, or that any specific production, cost, or payout outcome will be achieved. Commodity price and differential references are benchmark market data as of the date of this news release, are not representations of the Corporation's realized pricing, and are subject to change without notice.

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. Forward-looking statements in this news release include, without limitation, statements regarding the Corporation's equity financing of up to C\$12 million, the anticipated size, timing, terms, and use of proceeds thereof, and the expected benefits of the senior loan extension, as well as statements regarding the Corporation's reactivation, optimization and workover programs, anticipated production growth, and the sufficiency of funding for its capital programs. Completion of the equity financing is subject to, among other things, market conditions, negotiation and execution of definitive documentation, and receipt of all necessary approvals, including acceptance by the TSX Venture Exchange, and there is no assurance that the financing will be completed on the terms currently contemplated or at all.*

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.

Neither TSXV nor its Regulation Services Provider (as that term is defined in the policies of the TSXV) accepts responsibility for the adequacy or accuracy of this release.

Source: [Prospera Energy Inc.](#)