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PIERIDAE RELEASES Q2 2024 FINANCIAL AND OPERATING RESULTS AND REVISES 2024 GUIDANCE

CALGARY, ALBERTA – August 13, 2024 - Pieridae Energy Limited (“Pieridae” or the “Company”) (TSX: PEA) announces the release of its second quarter 2024 financial and operating results. Pieridae produced 30,861 boe/d and generated Net Operating Income (“NOI”)¹ of \$7.7 million during the second quarter of 2024. Pieridae’s management’s discussion and analysis (“MD&A”) and unaudited interim consolidated financial statements and notes for the quarter ended June 30, 2024 are available at www.pieridaeenergy.com and on SEDAR at www.sedarplus.ca.

Darcy Reding, President and CEO stated “Pieridae’s robust commodity hedge portfolio resulted in \$19.8 million of gains, offsetting the significant challenge created by extremely low AECO natural gas prices during the second quarter. Management has also shut-in approximately 25% of the Company’s production to protect cash flow and preserve reserve value for our shareholders, until we see gas prices recover in a meaningful way. We successfully increased our third-party volumes at our Caroline gas plant by 40% in the second quarter, reflecting the growing area demand for third party processing. As a result, we are undertaking a low-cost debottlenecking initiative that will significantly enhance our processing capacity at this plant as area development continues to ramp up. We are thrilled with the successful conclusion of the legacy Goldboro asset sale and repayment of the bridge loan in the third quarter, which were important strategic milestones and improve our financial flexibility moving forward.”

Q2 HIGHLIGHTS

- Produced 30,861 boe/d (85% natural gas).
- Grew third-party processing volumes at the Caroline facility to 37.1 MMcf/d (gross raw), up 40% from Q1 2024.
- Continued to reduce field and facility operating cost structure, reflecting successful optimization initiatives, power and fuel gas reduction programs, and labour efficiency improvement efforts.
- Generated NOI of \$7.7 million (\$0.05 per basic and fully diluted share and \$2.74/boe) reflecting historically low natural gas prices and the impact of the unplanned shut-in of the Jumping Pound Facility from mid-March to mid-May but assisted by a \$19.8 million realized commodity hedge gain (\$0.12 per basic and fully diluted share and \$7.06/boe).
- Incurred capital expenditures of \$5.0 million focused primarily on the sulphur condenser repairs at Jumping Pound, along with certain well and facility optimization initiatives.
- The Company’s discounted unrealized gain on its natural gas and C5 hedge positions at June 30, 2024 was approximately \$59.2 million using the June 30, 2024 forward strip.

SUBSEQUENT TO Q2

- Divested legacy Goldboro assets for \$12.0 million, completing the Company’s strategic pivot to focus on operating and growing the Company’s upstream and midstream processing businesses.

¹ Refer to the “non-GAAP measures” section of the Company’s MD&A.

- Completed a non-brokered private placement of 12.8 million common shares for gross proceeds of \$4.5 million with an existing institutional shareholder.
- Settled the Company's 18% convertible bridge loan in full for \$24.0 million, including outstanding principal and accrued interest.
- Completed the shut-in of approximately 6,250 boe/d operated and 995 boe/d non-operated uneconomic production in Central Alberta that flows to a third-party facility due to low AECO gas prices and high processing costs. This shut-in brings the aggregate voluntary economic shut-in production to approximately 9,370 boe/day, preserving reserve value during a period of unprecedented low natural gas prices.

SELECTED QUARTERLY OPERATIONAL & FINANCIAL RESULTS

(\$ 000s unless otherwise noted)	2024		2023				2022	
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3
Production								
Natural gas (mcf/d)	157,077	175,356	174,211	155,763	159,427	186,156	179,143	181,030
Condensate (bbl/d)	2,472	2,781	2,384	2,020	2,300	2,657	2,469	2,911
NGLs (bbl/d)	2,210	2,613	1,921	2,273	2,216	2,784	2,389	2,876
Sulphur (tonne/d)	1,376	1,491	1,284	1,124	1,362	1,457	1,348	1,312
Total production (boe/d) ⁽¹⁾	30,861	34,620	33,340	30,253	31,087	36,467	34,715	35,959
Third-party volumes processed (mcf/d) ⁽²⁾	53,763	58,212	70,060	61,093	55,750	63,396	49,304	66,224
Financial								
Natural gas price (\$/mcf)								
Realized before Risk Management Contracts ⁽³⁾	1.14	2.53	2.32	2.65	2.39	3.24	5.08	4.38
Realized after Risk Management Contracts ⁽³⁾	2.71	3.21	3.12	3.25	3.03	5.12	5.24	3.62
Benchmark natural gas price	1.17	2.48	2.29	2.59	2.40	3.25	5.20	4.28
Condensate price (\$/bbl)								
Realized before Risk Management Contracts ⁽³⁾	99.96	91.18	97.15	97.47	84.81	107.22	110.24	103.71
Realized after Risk Management Contracts ⁽³⁾	87.75	84.49	86.34	80.49	105.84	106.70	117.67	105.82
Benchmark condensate price (\$/bbl)	105.62	98.43	104.30	106.30	93.25	107.05	115.24	115.66
Processing and marketing revenue	4,203	5,072	11,919	6,603	5,410	6,401	9,310	7,650
Net income (loss)	(19,196)	(6,284)	7,414	(16,254)	4,182	13,639	114,662	(1,573)
Net income (loss) \$ per share, basic	(0.12)	(0.04)	0.05	(0.11)	0.03	0.09	0.72	(0.01)
Net income (loss) \$ per share, diluted	(0.12)	(0.04)	0.03	(0.11)	0.03	0.08	0.70	(0.01)
Net operating income ⁽⁴⁾	7,652	23,418	25,441	11,650	43,843	49,995	67,711	30,014
Cashflow provided by operating activities	(1,555)	7,049	31,983	7,577	27,533	37,109	40,134	9,899
Funds flow from operations ⁽⁴⁾	(4,874)	12,044	14,269	(1,422)	35,432	37,413	57,641	17,721
Total assets	585,940	590,531	638,541	564,921	575,849	587,641	615,477	473,642
Adjusted working capital deficit ⁽⁵⁾	(37,986)	(31,671)	(31,830)	(21,454)	(6,258)	(22,275)	(11,249)	(46,419)
Net debt ⁽⁴⁾	(219,204)	(209,964)	(204,046)	(205,536)	(181,670)	(202,180)	(214,503)	(254,489)
Capital expenditures ⁽⁶⁾	5,003	4,897	9,306	16,363	9,384	20,486	19,037	7,216

(1) Total production excludes sulphur.

(2) Third-party volumes processed are raw natural gas by activity month, which do not include accounting accruals.

(3) Includes physical commodity and financial risk management contracts inclusive of cash flow hedges, together ("Risk Management Contracts").

(4) Refer to the "Net Operation Income", "Capital Resources" and "non-GAAP measures" sections of the Company's MD&A for reference to non-GAAP measures.

(5) Adjusted working capital is a non-GAAP measure and is calculated as accounts payable and accrued liabilities, less cash and cash equivalents, restricted cash, accounts receivable, prepaids and deposits.

(6) Excludes reclamation and abandonment activities.

OUTLOOK

Pieridae's priorities for 2024 remain to:

- Maximize operated processing facility reliability to maximize sales revenue from infrastructure where the majority of costs are fixed, and to maximize third party processing revenue by leveraging our available deep cut natural gas processing capacity.
- Reduce operating expenses to improve corporate netback.
- Optimize fuel gas consumption to reduce raw gas shrinkage, increase sales revenue, and lower carbon emission compliance costs.
- Reduce long-term debt to deleverage the balance sheet.

Pieridae's 2024 capital budget is highlighted by low-cost well and facility optimization projects and the second and final phase of the maintenance turnaround at the Waterton deep-cut, sour gas processing facility, scheduled for September and October. Pieridae owns and operates three major sour gas processing facilities that each require periodic maintenance turnarounds on a five-to-six-year cycle.

The Company is also undertaking a low-cost de-bottlenecking project at the Caroline gas plant in the third quarter, which is necessary to increase effective throughput capacity and is driven by ongoing demand for increased third-party gas processing volumes. This facility optimization project includes a production outage of approximately 2 weeks and is expected to cost approximately \$0.5 million. Subsequent to the debottlenecking, the facility will be capable of processing significantly higher third-party raw gas volumes expected to materialize through the second half of 2024 and into 2025.

The scope and timing of all capital projects continues to be scrutinized in the context of low natural gas prices. Pieridae does not intend to resume its foothills development drilling program until the natural gas price outlook improves.

Pieridae continually evaluates the economic performance of its producing assets to optimize NOI¹ during periods of sustained low commodity prices. Over the past several months, the Company has elected to temporarily shut-in selected low-margin properties within the following areas:

Area	Shut-in Production (boe/d)
Central AB ("CAB")	8,018
Northeast BC	870
Northern Alberta	482
Current Shut-in Production	9,370

As a result of these uneconomic shut-ins and the uncertainty on the duration of low AECO natural gas prices, Pieridae does not expect to achieve its previous production guidance and is temporarily withdrawing its 2024 production guidance, which will be revisited later this year. NOI¹ and Operating Netback¹ projections have each been negatively revised to reflect the decrease in the 2024 average projected AECO basis price.

Reactivating shut-in production when pricing returns to economic levels is not expected to take longer than one to two weeks. However, doing so will only be done when natural gas prices recover to levels that support sustainable production from these high-cost, dry gas assets.

¹ Refer to the "non-GAAP measures" section of the Company's MD&A.

The Company's revised 2024 guidance, incorporating the above commodity price, production, and capital expenditure impacts is as follows:

(\$ 000s unless otherwise noted)	Revised 2024 Guidance		Previous 2024 Guidance	
	Low	High	Low	High
Total production (boe/d) ⁽¹⁾	<i>Withdrawn - TBD</i>		31,500	33,000
Net operating income ⁽²⁾⁽⁴⁾⁽⁵⁾	55,000	70,000	65,000	85,000
Operating Netback (\$/boe) ⁽³⁾⁽⁴⁾⁽⁵⁾	5.00	6.00	6.00	7.00
Capital expenditures	30,000	35,000	30,000	35,000

(1) Temporarily withdrawn. Will be reviewed and published when feasible.

(2) Refer to the Net Operating Income section of the Company's MD&A for reference to non-GAAP measures.

(3) Refer to Operating Netback section of the Company's MD&A for reference to non-GAAP measures.

(4) Assumes unhedged average 2024 AECO price of \$1.50/GJ and average 2024 WTI price of US\$80/bbl.

(5) Accounts for impact of hedge contracts in place at August 12, 2024.

HEDGE POSITION

Pieridae hedges to mitigate commodity price, power cost, and foreign exchange volatility to protect the cash flow required to fund the Company's operations, capital requirements and debt service obligations, while allowing the Company to participate in future commodity price upside. Pieridae continues to execute its risk management program governed by its hedge policy and in compliance with the thresholds required by the senior loan facilities. The discounted unrealized gain on the Company's natural gas and C5 hedge positions at June 30, 2024 was approximately \$59.2 million using the June 30, 2024 forward strip.

The tables below summarize Pieridae's hedge portfolio for natural gas, C5 and power:

2024-2025 Hedge Portfolio ⁽¹⁾	Q124	Q224	Q324	Q424	2024 ⁽²⁾	Q125	Q225	Q325	Q425	2025
AECO Natural Gas Sales										
Total Hedged (GJ/d)	125,000	112,500	112,500	110,842	115,191	110,000	110,000	110,000	110,000	110,000
Avg Hedge Price (C\$/GJ)	\$3.34	\$3.33	\$3.33	\$3.32	\$3.33	\$3.32	\$3.32	\$3.32	\$3.32	\$3.32
WTI / C5 Sales										
Total Hedged (bbl/d)	1,547	1,794	1,766	1,739	1,712	1,721	1,692	1,663	1,641	1,679
Avg Collar Cap Price (C\$/bbl)	\$91.73	\$92.98	\$93.02	\$93.05	\$92.73	\$92.73	\$92.44	\$92.03	\$92.05	\$92.32
Avg Collar Floor Price (C\$/bbl)	\$81.67	\$84.48	\$84.55	\$84.62	\$83.90	\$84.14	\$84.25	\$84.61	\$84.67	\$84.42
Power Purchases										
Total Hedged (MW)	55	55	55	55	55	55	55	55	55	55
Avg Hedge Price (C\$/MWh)	\$68.41	\$68.51	\$68.49	\$68.14	\$68.39	\$79.22	\$79.10	\$79.07	\$79.08	\$79.12

2026-2027 Hedge Portfolio ⁽¹⁾	Q126	Q226	Q326	Q426	2026	Q127	Q227	Q327	Q427	2027
AECO Natural Gas Sales										
Total Hedged (GJ/d)	110,000	95,165	65,000	61,685	92,279	76,200	40,220	-	-	28,816
Avg Hedge Price (C\$/GJ)	\$3.32	\$3.42	\$3.77	\$3.76	\$3.55	\$3.77	\$3.81	-	-	\$3.78
WTI / C5 Sales										
Total Hedged (bbl/d)	1,622	1,529	1,184	1,170	1,375	1,171	1,151	785	785	972
Avg Collar Cap Price (C\$/bbl)	\$91.69	\$90.85	\$91.36	\$91.37	\$91.32	\$91.40	\$88.73	\$90.40	\$90.40	\$90.21
Avg Collar Floor Price (C\$/bbl)	\$84.09	\$83.79	\$84.42	\$84.48	\$84.16	\$84.37	\$84.07	\$90.40	\$90.40	\$86.74
Power Purchases										

Total Hedged (MW)	45	45	45	45	45	25	25	25	25	25
Avg Hedge Price (C\$/MWh)	\$75.87	\$75.88	\$75.88	\$75.88	\$75.88	\$70.19	\$70.19	\$70.19	\$70.19	\$70.19

2028 Hedge Portfolio ⁽¹⁾	Q128	Q228	Q328	Q428	2028
AECO Natural Gas Sales					
Total Hedged (GJ/d)	-	-	-	-	-
Avg Hedge Price (C\$/GJ)	-	-	-	-	-
WTI / C5 Sales					
Total Hedged (bbl/d)	785	750	-	-	382
Avg Collar Cap Price (C\$/bbl)	\$90.40	\$86.50	-	-	\$88.50
Avg Collar Floor Price (C\$/bbl)	\$90.40	\$86.50	-	-	\$88.50
Power Purchases					
Total Hedged (MW)	-	-	-	-	-
Avg Hedge Price (C\$/MWh)	-	-	-	-	-

(1) Includes forward physical sales contracts and financial derivative contracts as of Jun 30, 2024

(2) Includes Q2 YTD realized and unrealized balance of year hedges

CONFERENCE CALL DETAILS

A conference call and webcast to discuss the results will be held on Wednesday, August 14, 2024, at 8:30 a.m. MDT / 10:30 a.m. EDT. To register to participate via webcast please follow this link:

<https://edge.media-server.com/mmc/p/pjxnzwwq5>

Alternatively, to register to participate by telephone please follow this link:

<https://register.vevent.com/register/Bla68e134a86c9428bb7606c153eb0ce70>

A replay of the webcast will be available two hours after the conclusion of the event and may be accessed using the webcast link above.

ABOUT PIERIDAE

Pieridae is a Canadian energy company headquartered in Calgary, Alberta. The Company is a significant upstream producer and midstream custom processor of natural gas, NGLs, condensate, and sulphur from the Canadian Foothills and adjacent areas in Alberta and in northeast British Columbia. Pieridae's vision is to provide responsible, affordable natural gas and derived products to meet society's energy security needs. Pieridae's common shares trade on the TSX under the symbol "PEA".

For further information, visit www.pieridaeenergy.com, or please contact:

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Forward-Looking Statements

Certain of the statements contained herein including, without limitation, management plans and assessments of future plans and operations, Pieridae's outlook, strategy and vision, intentions with respect to future acquisitions, dispositions and other opportunities, including exploration and development activities, Pieridae's ability to market its assets, plans and timing for development of undeveloped and probable resources, Pieridae's goals with respect to the environment, relations with Indigenous people and promoting equity, diversity and inclusion, estimated abandonment and reclamation costs, plans regarding hedging, plans regarding the payment of dividends, wells to be drilled, the weighting of commodity expenses, expected production and performance of oil and natural gas properties, results and timing of projects, access to adequate pipeline capacity and third-party infrastructure, growth expectations, supply and demand for oil, natural gas liquids and natural gas, industry conditions, government regulations and regimes, capital expenditures and the nature of capital expenditures and the timing and method of financing thereof, may constitute "forward-looking statements" or "forward-looking information" within the meaning of applicable securities laws (collectively "**forward-looking statements**"). Words such as "may", "will", "should", "could", "anticipate", "believe", "expect", "intend", "plan", "continue", "focus", "endeavor", "commit", "shall", "propose", "might", "project", "predict", "vision", "opportunity", "strategy", "objective", "potential", "forecast", "estimate", "goal", "target", "growth", "future", and similar expressions may be used to identify these forward-looking statements. These statements reflect management's current beliefs and are based on information currently available to management.

Forward-looking statements involve significant risk and uncertainties. A number of factors could cause actual results to differ materially from the results discussed in the forward-looking statements including, but not limited to, the risks associated with oil and gas exploration, development, exploitation, production, processing, marketing and transportation, loss of markets, volatility of commodity prices, currency fluctuations, imprecision of resources estimates, environmental risks, competition from other producers, incorrect assessment of the value of acquisitions, failure to realize the anticipated benefits of acquisitions, delays resulting from or inability to obtain required regulatory approvals, ability to access sufficient capital from internal and external sources and the risk factors outlined under "Risk Factors" and elsewhere herein. The recovery and resources estimate of Pieridae's reserves provided herein are estimates only and there is no guarantee that the estimated resources will be recovered. As a consequence, actual results may differ materially from those anticipated in the forward-looking statements.

Forward-looking statements are based on a number of factors and assumptions which have been used to develop such forward-looking statements, but which may prove to be incorrect. Although Pieridae believes that the expectations reflected in such forward-looking statements are reasonable, undue reliance should not be placed on forward-looking statements because Pieridae can give no assurance that such expectations will prove to be correct. In addition to other factors and assumptions which may be identified in this document, assumptions have been made regarding, among other things: the impact of increasing competition; the general stability of the economic and political environment in which Pieridae operates; the timely receipt of any required regulatory approvals; the ability of Pieridae to obtain and retain qualified staff, equipment and services in a timely and cost efficient manner; the ability of the operator of the projects which Pieridae has an interest in to operate the field in a safe, efficient and effective manner; the ability of Pieridae to obtain financing on acceptable terms; the ability to replace and expand oil and natural gas resources through acquisition, development and exploration; the timing and costs of pipeline, storage and facility construction and expansion and the ability of Pieridae to secure adequate product transportation; future oil and natural gas prices; currency, exchange and interest rates; the regulatory framework regarding royalties, taxes and environmental matters in the jurisdictions in which Pieridae operates; timing and amount of capital expenditures; future sources of funding; production levels; weather conditions; success of exploration and development activities; access to gathering, processing and pipeline systems; advancing technologies; and the ability of Pieridae to successfully market its oil and natural gas products.

Readers are cautioned that the foregoing list of factors is not exhaustive. Additional information on these and other factors that could affect Pieridae's operations and financial results are included in reports on file with Canadian securities regulatory authorities and may be accessed through the SEDAR+ website (www.sedarplus.ca), and at Pieridae's website (www.pieridaeenergy.com).

Although the forward-looking statements contained herein are based upon what management believes to be reasonable assumptions, management cannot assure that actual results will be consistent with these forward-looking statements. Investors should not place undue reliance on forward-looking statements. These forward-looking statements are made as of the date hereof and Pieridae assumes no obligation to update or review them to reflect new events or circumstances except as required by applicable securities laws.

Forward-looking statements contained herein concerning the oil and gas industry and Pieridae's general expectations concerning this industry are based on estimates prepared by management using data from publicly available industry sources as well as from reserve reports, market research and industry analysis and on assumptions based on data and knowledge of this industry which Pieridae believes to be reasonable. However, this data is inherently imprecise, although generally indicative of relative market positions, market shares and performance characteristics. While Pieridae is not aware of any misstatements regarding any industry data presented herein, the industry involves risks and uncertainties and is subject to change based on various factors.

Additional Reader Advisories

Barrels of oil equivalent (“boe”) may be misleading, particularly if used in isolation. A boe conversion ratio of 6 Mcf: 1 boe is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead.

Abbreviations

Natural Gas

Mcf	thousand cubic feet
Mcf/d	thousand cubic feet per day
MMcf/d	million cubic feet per day
AECO	Alberta benchmark price for natural gas
GJ	Gigajoule

Power

MW	Megawatt
MWh	Megawatt hour

Liquids

bbl/d	barrels per day
boe/d	barrels of oil equivalent per day
WTI	West Texas Intermediate
Mbbl	Thousand barrels
MMbbl	Million barrels
MMboe	Million barrels of oil equivalent
<u>C2</u>	Ethane
<u>C3</u>	Propane
<u>C4</u>	Butane
<u>C5/C5+</u>	Condensate / Pentane

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