**SURGE ENERGY INC. ANNOUNCES APPROVAL FOR RENEWAL OF NORMAL COURSE ISSUER BID**

CALGARY, ALBERTA (June 16, 2026) – Surge Energy Inc. ("Surge" or the "Company") (TSX: SGY) is pleased to announce that the Toronto Stock Exchange (the "TSX") has accepted Surge's notice of intention to renew the Company's normal course issuer bid ("NCIB") for its outstanding common shares ("Common Shares") in accordance with the rules and policies of the TSX.

The NCIB is an integral component of the Company's return of capital framework for the distribution of excess free cash flow, providing direct returns to Surge shareholders. Surge's Board of Directors and Management believe that at certain times the prevailing trading price of Surge's Common Shares does not reflect their underlying value. Consequently, the repurchase of Common Shares provides an opportunity to enhance the Company's per share metrics.

Based on Surge's independent reserve report for the year ended December 31, 2025, prepared by GLJ Ltd., the Company's net asset value ("NAV")[1], when run at US$75 WTI flat pricing, is $11.04 per share for total proved reserves, and $17.10 per share for proven and probable reserves. On this basis, Management is currently allocating up to $5 million per month towards share buybacks under the Company's NCIB.

Under the Company's current NCIB, which is set to expire on June 18, 2026, the Company is authorized to repurchase up to 9,597,280 Common Shares. As at June 5, 2026, Surge has repurchased an aggregate of 1,419,400 Common Shares under the Company's current NCIB, at a weighted average price of $7.67 per share. This represents approximately 1.4 percent of the Company's outstanding Common Shares when the expiring NCIB was approved on June 16, 2025[2].

Surge expects that the repurchase of Common Shares will benefit its remaining shareholders by increasing their equity ownership interest in the Company. In addition, Surge does not have to pay a dividend on the Common Shares that it acquires pursuant to the NCIB, thereby improving the Company's sustainability.

The Company had 99,693,219 Common Shares issued and outstanding as at June 5, 2026. The NCIB allows Surge to repurchase up to 9,696,283 Common Shares of the Company (representing approximately 10 percent of the 96,962,830 issued and outstanding Common Shares that comprise the public float as of June 5, 2026) over a period of twelve months commencing on June 19, 2026. The NCIB will expire no later than June 18, 2027. The actual number of Common Shares which may be repurchased pursuant to the NCIB will be determined by management of the Company. Any Common Shares that are repurchased by Surge under the NCIB will be cancelled.

Under the NCIB, Common Shares may be repurchased in open market transactions through the facilities of the TSX, on alternative Canadian trading systems, if eligible, or on other designated exchanges such as CBOE Canada Inc., Canadian Securities Exchange (CSE) or Nasdaq CXC Limited, in each case, in accordance with the rules of the TSX governing NCIBs. The price paid by the Company for any such Common Shares will be the prevailing market price at the time of repurchase.

The total number of Common Shares the Company is permitted to repurchase is subject to a daily purchase limit of 219,308 Common Shares, representing 25 percent of the average daily trading volume of 877,233 Common Shares on the TSX, calculated for the six-month period ended May 29, 2026. Notwithstanding the daily purchase limit, Surge may make one block purchase per calendar week which exceeds the daily repurchase restrictions.

[1] See Oil and Gas Advisories.
[2] Surge's share count on June 16, 2025 was 99,133,257 Common Shares outstanding.

The Company intends to approve the implementation of an automatic repurchase plan with its designated broker in order to facilitate purchases of Common Shares under the NCIB, at times when the Company ordinarily would not be active in the market due to regulatory restrictions or self-imposed blackout periods. Once implemented, purchases made pursuant to the automatic repurchase plan, if any, will be made by the Company's designated broker based upon the parameters prescribed by the TSX, applicable Canadian securities laws and the terms of the written agreement between the Company and its designated broker. If entered into, the automatic repurchase plan will constitute an "automatic plan" for purposes of applicable Canadian securities legislation and the form of agreement to be entered into has been reviewed by the TSX.

**Forward-Looking Statements**

This press release contains forward-looking statements. The use of any of the words "anticipate", "continue", "estimate", "expect", "may", "will", "project", "should", "believe" and similar expressions are intended to identify forward-looking statements. These statements involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking statements.

More particularly, this press release contains statements concerning: Surge's intention to commence the NCIB; the anticipated expiration date of the NCIB; the number of Common Shares to be repurchased pursuant to the NCIB, the timing of such purchases and the price to be paid for Common Shares repurchased; the amount the Company expects to allocate to monthly buybacks under the NCIB; the expectation that the repurchase of Common Shares will benefit its remaining shareholders by increasing their equity ownership interest in the Company; the expectation that the Company's sustainability will improve by not having to pay a dividend on the Common Shares repurchased pursuant to the NCIB; the implementation of an automatic purchase plan during the NCIB, the purchase of Common Shares thereunder by the Company's designated broker, that the automatic purchase plan will constitute an "automatic plan" for purposes of applicable Canadian securities legislation and the form of agreement to be entered into in respect of the automatic repurchase plan; and the exchanges through which the Company may make repurchases pursuant to the NCIB.

The forward-looking statements are based on certain key expectations and assumptions made by Surge, including expectations and assumptions around the performance of existing wells and success obtained in drilling new wells; Surge's belief that at times the prevailing trading price of the Common Shares does not reflect the underlying value of the Common Shares; anticipated expenses, cash flow and capital expenditures; the application of regulatory and royalty regimes; prevailing commodity prices and economic conditions; development and completion activities; the performance of new wells; the successful implementation of waterflood programs; the availability of and performance of facilities and pipelines; the geological characteristics of Surge's properties; the successful application of drilling, completion and seismic technology; the determination of decommissioning liabilities; prevailing weather conditions; exchange rates; licensing requirements; the impact of completed facilities on operating costs; the availability and costs of capital, labour and services; and the creditworthiness of industry partners.

Although Surge 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 Surge 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 condition of the global economy, including trade, public health, international conflict and other geopolitical tensions and events (including war, military action, terrorism, trade disputes, and international responses thereto); 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 constraint in the availability of services, adverse weather or break-up conditions; the imposition or expansion of tariffs imposed by domestic and foreign governments or the imposition of other restrictive trade measures, retaliatory or countermeasures implemented by such governments, including the introduction of regulatory barriers to trade and the potential effect on the demand and/or market price for Surge's products and/or otherwise adversely affects Surge; hedging risk; uncertainties resulting from potential delays or changes in plans with respect to exploration or development projects or capital expenditures; and failure to obtain the continued support of the lenders under Surge's bank line. Certain of these risks are set out in more detail in Surge's annual information form for the year ended December 31, 2025 dated March 4, 2026 and in Surge's management's discussion and analysis for the period ended March 31, 2026, both of which have been filed on SEDAR+ and can be accessed at www.sedarplus.ca.

The forward-looking statements contained in this press release are made as of the date hereof and Surge undertakes no obligation to update publicly or revise any forward-looking statements or information, whether as a result of new information, future events or otherwise, unless so required by applicable securities laws.

**Oil and Gas Advisories**

"**Net Asset Value (NAV)**" is calculated as reserve value discounted at 10% on a BTax basis, less the Company's net debt, a non-GAAP financial measure, at December 31, 2025 of $220.6 million and is divided by 98.9 million common shares outstanding as at December 31, 2025.

Management uses these oil and gas metrics for its own performance measurements and to provide shareholders with measures to compare our operations over time. Readers are cautioned that the information provided by these metrics, or that can be derived from the metrics presented in this press release, should not be relied upon for investment or other purposes.

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**Neither the TSX nor its Regulation Services Provider (as that term is defined in the policies of the TSX) accepts responsibility of the accuracy of this release.**