HIGHWOOD ASSET MANAGEMENT LTD. ANNOUNCES THIRD QUARTER 2026 RESULTS AND OPERATIONAL UPDATE

NOT FOR DISSEMINATION IN THE U.S. OR THROUGH U.S. NEWSWIRES

Calgary, Alberta, November 10, 2026

Highwood Asset Management Ltd. ("**Highwood**" or the "**Company**") (TSXV: HAM) is pleased to announce its financial and operating results for the three and nine months ended September 30, 2026 and to provide an operational update. The Company also announces that its unaudited interim consolidated financial statements and associated Management's Discussion and Analysis ("**MD&A**") for the period ended September 30, 2026, are available on Highwood's website at www.highwoodmgmt.com and on SEDAR+ at www.sedarplus.ca.

Highlights

- Average corporate production was 2,494 boe/d for the third quarter of 2026, which was impacted by scheduled turnarounds in September at Highwood's Brazeau 6-27 facility and a third-party's turnaround on the gas plant that services the Brazeau area. As a result, oil production was shut in for approximately 8 days, while gas and NGLs were shut in and/or re-injected for approximately 23 days. The Brazeau 6-27 facility was anticipated to take 8-10 days while the third-party turnaround was originally anticipated to take approximately 18 days.

- For the third quarter of 2026 and post the disposition of Wilson Creek, Highwood delivered EBITDA of $3.8 million ($0.25 per share) and adjusted funds flow of $3.5 million ($0.23 per share).[(1)(2)]

- Highwood plans to advance a balanced capital program focused on continued drilling activity, enhanced recovery initiatives and the delineation of longer-dated growth opportunities. Highwood recently finished the drilling of its first well within the Twining area of Alberta in the Pekisko formation. Further, the Company recently spud one well within the Mannville stack in eastern Alberta and plans to spud an additional well within the next 30 days. At the same time, Highwood continues to increase waterflood activity at Brazeau, ultimately reducing sustaining capital by reducing corporate base declines.

- Furthermore, Highwood intends to further evaluate its lands in the Spruce Lake Area of Saskatchewan, including the potential application of steam-assisted gravity drainage (**"SAGD"**) development, and expects to pursue delineation work, strategic financing and partnership discussions over the coming months to advance these opportunities in a disciplined manner. Highwood plans to shoot 3D seismic over its Spruce Lake block late in the fourth quarter of 2026 and is evaluating financing alternatives to advance a first SAGD phase.

- Highwood has purchased and cancelled 170,054 common shares under its normal course issuer bid ("**NCIB**") since the first purchase on July 14, 2026 to October 31, 2026.

- Highwood's hedging program helps mitigate volatility in commodity pricing with approximately 1,100 bbls/day and 1,500 bbls/day of oil hedged throughout 2026 and 2027, respectively, at an average contract price of approximately $93.50CAD/bbl and $94.00CAD/bbl (WTI-NYMEX). In addition, the Company has approximately 3,000GJ/day of natural gas hedged in 2026 at an average contract price of approximately $3.17/GJ (AECO). [(3)]

- The Company is focused on maintaining a strong financial position to maintain flexibility to provide returns to shareholders. At September 30, 2026, Highwood had approximately $230 million in tax pools, including roughly $100 million in non-capital losses. Highwood does not anticipate being cash taxable for approximately three years or more.

Notes to Highlights:

(1) See "Caution Respecting Reserves Information" and "Non-GAAP and other Specified Financial Measures".
(2) Basic common shares at September 30, 2026 are 15,095,873 which includes shares held in trust.
(3) CAD amounts include USD denominated commodity contracts converted into CAD at a rate of approximately 1.41 USD/CAD

Summary of Financial & Operating Results

	Three Months Ended September 30,			Nine Months Ended September 30,		
	2026	2025	**%**	**2026**	2025	**%**
Financial (expressed in thousands)						
Petroleum and natural gas sales	**$ 15,469**	$ 23,753	(35)	**$ 80,029**	$ 76,706	4
Transportation pipeline revenues	**195**	462	(58)	**905**	1,638	(45)
Total revenues, net of royalties and commodity contracts [(1)]	**(5,908)**	18,326	(132)	**29,718**	76,461	(61)
Income (loss)	**(11,432)**	248	(4,710)	**4,783**	15,988	(70)
Funds flow from operating activities [(5)]	**5,218**	11,605	(55)	**29,339**	36,904	(20)
EBITDA [(5)]	**3,843**	13,896	(72)	**31,884**	42,829	(26)
Capital expenditures, net of dispositions	**6,518**	7,459	(13)	**(72,073)**	49,647	(245)
Net Debt [(2)]				**19,077**	116,723	(84)
Shareholders' equity (end of period)				**158,933**	148,206	7
Shares outstanding (end of period) [(6)]				**13,814**	14,328	(4)
Weighted-average basic shares outstanding				**14,012**	14,504	(3)

	Three Months Ended September 30,			Nine Months Ended September 30,		
	2026	2025	**%**	**2026**	2025	**%**
Operations [3]						
Production						
Crude oil (bbls/d)	**1,325**	2,787	(52)	**2,348**	2,824	(17)
NGLs (boe/d)	**310**	841	(63)	**714**	885	(19)
Natural gas (mcf/d)	**5,158**	9,749	(47)	**8,704**	10,046	(13)
Total (boe/d)	**2,494**	5,253	(53)	**4,513**	5,383	(16)
Average realized prices [4]						
Crude oil *(Cdn$/bbl)*	**111.70**	82.52	35	**107.37**	84.60	27
NGL *(Cdn$/boe)*	**40.28**	27.07	49	**35.72**	30.52	17
Natural gas *(Cdn$/mcf)*	**1.49**	0.56	167	**1.78**	1.50	18
Operating netback (per BOE) [5]	**29.77**	25.12	19	**35.83**	27.46	30

(1) Includes realized and unrealized gain and losses on commodity contracts.
(2) Net Debt consists of bank debt and working capital deficit excluding commodity contract assets and/or liabilities, current portion of decommissioning liabilities and lease liabilities.
(3) For a description of the boe conversion ratio, see "*Basis of Barrel of Oil Equivalent*".
(4) Before hedging.
(5) See "*Non-GAAP and Other Specified Financial Measures*".
(6) Shares outstanding are adjusted for treasury shares purchased and held in trust.

The three month period ended September 30, 2026 is the first period after the disposition of Wilson Creek which accounted for approximately 40% of the production in the comparative three month period.

Operational Update

Third quarter 2026 production averaged approximately 2,500 boe/d, reflecting Highwood's planned Brazeau turnaround and the third-party Keyera Brazeau gas plant turnaround in September 2026. Both turnarounds are complete, and there is no major planned maintenance for the remainder of 2026.

Drilling Update

Pekisko – Highwood recently drilled its first Pekisko horizontal in the Twining area of central Alberta in approximately 10 days, encountering good reservoir quality throughout the lateral. Completion is planned within the next 30 days.

Bonnyville Mannville – Highwood recently spud one well within the Mannville stack in the Bonnyville area of eastern Alberta and plans to spud a second well in the next 30 days, including the Company's first circulating string ("circ string") horizontal.

Spruce Lake SAGD Opportunity

Highwood plans to shoot a 3D seismic program over its Spruce Lake block late in the fourth quarter of 2026 to map the extent of the Colony channel and support the design of a first SAGD phase. Consistent with its prior disclosure, Highwood intends to leverage its longstanding industry relationships and energy infrastructure experience to fund its first SAGD phase with project-level capital financed alongside strategic industry partnerships and/or marketing off-take agreements; all structured to limit equity dilution

to existing Highwood shareholders. There can be no assurance that definitive agreements will be entered into or that the project will be financed on acceptable terms.

Outlook

The primary focus in the near-term is maintaining flexibility with lower leverage and continuing to focus on shareholder returns. Corporately, the Company is dedicated to growing Free Cash Flow, on a per share basis, while using prudent leverage to provide maximum flexibility for organic growth and/or other strategic M&A opportunities, with a longer-term goal to provide significant returns of capital to shareholders. Highwood will continue to review and assess opportunities which are accretive to the Company as Highwood seeks to grow its operations. The Company will also continue to assess land offerings in strategic areas where the Company sees significant growth opportunities.

Long Term Incentive Plan Grants

The Company has granted 160 thousand Performance Share Units ("**PSUs**") to Officers of the Company and 18 thousand Deferred Share Units ("**DSUs**") to non-management directors. All PSUs and DSUs were granted effective November 10, 2026 and pursuant to the Company's share based compensation plan and are subject to the terms of the applicable grant agreements and the requirements of the TSX Venture Exchange ("**TSXV**").

The PSUs granted vest on the third anniversary of the date of grant.

The DSUs shall vest on the first anniversary of the date of grant. The Company relied on exemptions provided for by Multilateral Instrument 61-101 for the grants to the Directors and Officers of the Company.

Further Information

For further information about the Company please contact:

Joel MacLeod
Executive Chairman
403.719.0499
investorrelations@highwoodmgmt.com

ADVISORIES

Forward-Looking Information

Certain information contained in the news release may constitute forward-looking statements and information (collectively, "forward-looking statements") within the meaning of applicable securities legislation that involve known and unknown risks, assumptions, uncertainties and other factors. Forward-looking statements may be identified by words like "anticipates", "estimates", "expects", "indicates", "intends", "may", "could" "should", "would", "plans", "target", "scheduled", "projects", "outlook", "proposed", "potential", "will", "seek" and similar expressions. Forward-looking statements in this news release include statements regarding, among other things: plans to continue the Company's active capital program while commodity prices remain strong; Highwood's business, strategy, objectives, strengths and focus; expected oil and total production; the Company's internal budget; the results and expansion of waterflood initiatives in Brazeau; the timing and results of drilling and completion operations at Pekisko and Bonnyville, including the use of circ string completions; the timing and scope of 3D seismic at Spruce Lake; the potential development of SAGD on the Company's Spruce Lake lands; the ability to obtain financing and/or partnership to advance SAGD properties; the timing of the release of third quarter results; the continuation of the NCIB; and the performance and other characteristics of the Company's properties and expected results from its assets. Such statements reflect the current views of management of the Company with respect to future events and are subject to certain risks, uncertainties and assumptions that could cause results to differ materially from those expressed in the forward-looking statements. With respect to forward-looking statements contained in this news release, the Company has made assumptions regarding, among other things: that commodity prices will be consistent with the current forecasts of its engineers; field netbacks; the accuracy of reserves estimates; average production rates; costs to drill, complete and tie-in wells; ultimate recovery of reserves; that royalty regimes will not be subject to material modification; future exchange and interest rates; supply of and demand for commodities; inflation; the availability of capital on satisfactory terms; the availability and price of labour and materials; the impact of increasing competition; conditions in general economic and financial markets; that the Company will be able to access capital, including debt, on acceptable terms; the receipt and timing of regulatory, exchange and other required approvals; the ability of the Company to implement its business strategies and complete future acquisitions; the Company's long term business strategy; and effects of regulation by governmental agencies.

Factors that could cause actual results to vary from forward-looking statements or may affect the operations, performance, development and results of the Company's businesses include, among other things: assumptions concerning operational reliability; risks inherent in the Company's future operations; the Company's ability to generate sufficient cash flow from operations to meet its future obligations; increases in maintenance, operating or financing costs; the realization of the anticipated benefits of future acquisitions, if any; the availability and price of labour, equipment and materials; competitive factors, including competition from third parties in the areas in which the Company intends to operate, pricing pressures and supply and demand in the oil and gas industry; fluctuations in currency and interest rates; inflation; risks of war, hostilities, civil insurrection, pandemics, political and economic instability overseas and its effect on commodity pricing and the oil and gas industry (including ongoing military actions between Russia and Ukraine, military action in Iran and the crisis in Israel and Gaza and related areas); severe weather conditions and risks related to climate change, such as fire, drought and flooding; terrorist threats; risks associated with technology; changes in laws and regulations, including environmental, regulatory and taxation laws, and the interpretation of such changes to the management team's future business; availability

of adequate levels of insurance; difficulty in obtaining necessary regulatory approvals and the maintenance of such approvals; general economic and business conditions and markets; and such other similar risks and uncertainties. The impact of any one assumption, risk, uncertainty or other factor on a forward-looking statement cannot be determined with certainty, as these are interdependent and the Company's future course of action depends on the assessment of all information available at the relevant time. For additional risk factors relating to Highwood, please refer to the Company's annual information form and management discussion and analysis for the year ended December 31, 2025, as well as the Company's management discussion and analysis for the period ended September 30, 2026, which are available on the Company's SEDAR+ profile at www.sedarplus.ca. The forward-looking statements contained in this news release are made as of the date hereof and the parties do not undertake any obligation to update 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.

FOFI Disclosure. *This news release contains future-oriented financial information and financial outlook information (collectively, "**FOFI**") about Highwood's prospective results of operations and production, and components thereof, all of which are subject to the same assumptions, risk factors, limitations and qualifications as set forth in the above paragraphs. FOFI contained in this news release was made as of the date of this news release and was provided for the purpose of providing further information about Highwood's anticipated future business operations. The Company disclaims any intention or obligation to update or revise any FOFI contained in this news release, whether as a result of new information, future events or otherwise, unless required pursuant to applicable law. Readers are cautioned that the FOFI contained in this news release should not be used for purposes other than for which it is disclosed herein. All FOFI contained in this news release complies with the requirements of Canadian securities legislation, including Canadian Securities Administrators' National Instrument 51-101 – Standards of Disclosure for Oil and Gas Activities. Changes in forecast commodity prices, differences in the timing of capital expenditures and variances in average production estimates can have a significant impact on the key performance metrics included in the Company's guidance for the remainder of 2026 and payout on wells contained in this news release. The Company's actual results may differ materially from such estimates.*

Currency. *All amounts in this news release are stated in Canadian dollars unless otherwise specified.*

Abbreviations.

API	*American Petroleum Institute gravity*	*m3*	*metres cubed*
bbl	*barrels of oil*	*mbbl*	*thousand barrels of oil*
bbls/d	*barrels of oil per day*	*mcf/d*	*thousand cubic feet per day*
m	*metres*	*km*	*kilometre*
boe	*barrels of oil equivalent*	*boe/d*	*boe per day*

Neither the 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 news release.

Caution Respecting Reserves Information

Readers should see the "Selected Technical Terms" in the Company's Annual Information Form dated March 16, 2026 that is available on the Company's SEDAR+ profile at www.sedarplus.ca for the definition of certain oil and gas terms.

*Disclosure in this news release of oil and gas information is presented in accordance with generally accepted industry practices in Canada and National Instrument 51-101 — Standards of Disclosure for Oil and Gas Activities ("**NI 51-101**"). Specifically, other than as noted herein, the oil and gas information regarding the Company presented in this news release is based on the report prepared by GLJ Ltd., independent petroleum consultants of Calgary, Alberta and dated February 27, 2026 evaluating the light and medium crude oil, conventional natural gas, shale gas, and natural gas liquids reserves attributable to Highwood's properties at December 31, 2025 (the "**Reserves Report**").*

This news release may disclose potential future drilling locations in two categories: (a) booked locations; and (b) unbooked locations. Booked locations are proposed drilling locations identified in the Reserves Report that have proved and/or probable reserves, as applicable, attributed to them in the Reserves Report. Unbooked locations are internal estimates based on prospective acreage and an assumption as to the number of wells that can be drilled per section based on industry practice and internal technical analysis review. Unbooked locations have been identified by members of management. Unbooked locations do not have proved or probable reserves attributed to them in the Reserves Report. Highwood's ability to drill and develop these locations and the drilling locations on which Highwood actually drills wells depends on a number of known and unknown risks and uncertainties. As a result of these risks and uncertainties, there can be no assurance that the potential future drilling locations identified in this news release will ever be drilled or if Highwood will be able to produce crude oil, natural gas and natural gas liquids from these or any other potential drilling locations.

The net present value of future net revenues attributable to reserves and resources included in this news release do not represent the fair market value of such reserves and resources. There is no assurance that the forecast prices and costs assumptions will be attained, and variances could be material. The recovery and reserve estimates of reserves and resources provided in this news release are estimates only and there is no guarantee that the estimated reserves or resources will be recovered. Actual reserves and resources may be greater or less than the estimates provided in this news release. The estimates of reserves and future net revenue for individual properties in this news release may not reflect the same confidence level as estimates of reserves and future net revenue for all properties, due to the effects of aggregation.

Basis of Barrels of Oil Equivalent – In this news release, the abbreviation boe means a barrel of oil equivalent on the basis of 1 boe to 6 Mcf of natural gas when converting natural gas to boes. Boes may be misleading, particularly if used in isolation. A boe conversion ratio of 6 Mcf to 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. Additionally, given the value ratio based on the current price of crude oil as compared to natural gas is significantly different from the energy equivalency of 6:1, utilizing a conversion ratio at 6:1 may be misleading.

References to "liquids" in this news release refer to, collectively, heavy crude oil, light crude oil and medium crude oil combined, and natural gas liquids.

Non-GAAP and other Specified Financial Measures

This news release contains financial measures commonly used in the oil and natural gas industry. These financial measures do not have any standardized meaning under IFRS and therefore may not be comparable to similar measures presented by other companies. Readers are cautioned that these non-GAAP measures should not be construed as an alternative to other measures of financial performance calculated in accordance with IFRS. These non-GAAP measures provide additional information that Management believes is meaningful in describing the Company's operational performance, liquidity and capacity to fund capital expenditures and other activities. Management believes that the presentation of these non-GAAP measures provide useful information to investors and shareholders as the measures provide increased transparency and the ability to better analyze performance against prior periods on a comparable basis.

"Adjusted funds flow" The Company considers adjusted funds flow to be a key capital management measure as it demonstrates the Company's ability to generate required funds to manage production levels and fund future capital investment. The Company calculates adjusted funds flow as adjusted EBITDA less net interest and adjusting for decommissioning expenditures incurred.

"Asset Level Free Cash Flow" is used as an indicator of the efficiency and liquidity of the Company's Assets, measuring its funds after capital expenditures available to manage debt levels, pursue acquisitions and assess the optionality to pay dividends and/or return capital to shareholders through activities such as share repurchases. The most directly comparable GAAP measure is cash flow from (used in) operating activities. Free Cash Flow is calculated as cash flow from (used in) operating activities, less interest, office lease expenses, cash taxes and capital expenditures.

"EBITDA" is a non-GAAP financial measure and may not be comparable with similar measures presented by other companies. EBITDA is used as an alternative measure of profitability and attempts to represent the cash profit generated by the Company's operations. The most directly comparable GAAP measure is cash flow from (used in) operating activities. EBITDA is calculated as cash flow from (used in) operating activities, adding back changes in non-cash working capital, decommissioning obligation expenditures and interest expense.

"funds flow from operations" is calculated as cash flow from (used in) operating activities before changes in working capital and long term accounts payable.

"Net Debt" represents the carrying value of the Company's debt instruments, including outstanding deferred acquisition payments, net of Adjusted working capital. The Company uses Net Debt as an alternative to total outstanding debt as Management believes it provides a more accurate measure in assessing the liquidity of the Company. The Company believes that Net Debt can provide useful information to investors and shareholders in understanding the overall liquidity of the Company.

"Net Debt / EBITDA" is calculated as net debt at the ending period of each financial quarter divided by the EBITDA for that period. The Company believes that Net Debt / EBITDA is useful information to investors and shareholders in understanding the time frame, in years, it would take to eliminate Net Debt based on current period Exit EBITDA.

“Senior Debt” represents the carrying value of the Company’s senior debt instruments. The Company uses Senior Debt as Management believes it is useful information to investors and shareholders as it provides amounts owed to senior lenders, which are typically secured.

"Senior Debt / EBITDA" is calculated as senior debt drawn at the ending period of each financial quarter divided by the EBITDA for that period. The Company believes that Senior Debt / EBITDA is useful information to investors and shareholders in understanding the time frame, in years, it would take to eliminate Senior Debt based on current period Exit EBITDA.