TUKTU RESOURCES LTD. ANNOUNCES SECOND QUARTER 2025 RESULTS AND OPERATIONS UPDATE

CALGARY, ALBERTA August 20, 2025 - **Tuktu Resources Ltd.** ("**Tuktu**" or the "**Company**") (TSXV: TUK) is pleased to announce its financial and operating results for the three and six months ended June 30, 2025, as well as an operations update. Selected financial and operating information should be read in conjunction with Tuktu's unaudited interim condensed financial statements and related management's discussion and analysis ("MD&A") for the three and six months ended June 30, 2025, copies of which are available on the Company's SEDAR+ profile at www.sedarplus.ca.

Financial and Operating Highlights

The following table summarizes selected highlights for the three and six months ended June 30, 2025, and June 30, 2024:

($, except share #'s)	**Three months ended, June 30,**			**Six months ended, June 30,**		
	2025	2024	change	**2025**	2024	change
Financial Highlights						
Petroleum and natural gas sales	**2,438,608**	623,872	291%	**5,713,170**	1,152,246	396%
Cash flow from (used in) operating activities	**(429,622)**	(1,943,319)	78%	**641,012**	(2,041,278)	131%
Per share - basic & diluted	**(0.00)**	(0.02)	90%	**0.00**	(0.02)	114%
Adjusted funds flow from (used in) operations [1]	**(81,126)**	(1,738,903)	95%	**272,525**	(1,915,660)	114%
Per share - basic & diluted	**(0.00)**	(0.01)	98%	**0.00**	(0.02)	106%
Net loss	**(71,370)**	(992,419)	(93)%	**(800,847)**	(1,169,934)	(32)%
Per share - basic & diluted	**(0.00)**	(0.01)	(97)%	**(0.00)**	(0.01)	(69)%
Total capital expenditures [1]	**787,477**	1,264,048	(38)%	**6,560,879**	1,264,048	419%
Adjusted working capital [1]	**2,939,702**	(504,177)	683%	**2,939,702**	(504,177)	683%
Number of common shares outstanding						
Common shares outstanding, end of period	**265,563,547**	142,894,858	86%	**265,563,547**	142,894,858	86%
Weighted average basic & diluted	**265,505,684**	125,387,715	112%	**264,253,306**	120,166,287	120%
Operating Highlights						
Average production volumes						
Crude oil (bbl/d)	**298**	43	593%	**328**	23	1,326%
Natural gas (mcf/d)	**1,943**	2,156	(10)%	**2,011**	2,177	(8)%
Total (boe/d)	**622**	402	55%	**663**	386	72%
% natural gas	**52%**	89%	(41)%	**51%**	94%	(46)%
Average realized prices						
Crude oil ($/bbl)	**78.23**	97.85	(20)%	**83.91**	94.94	(12)%
Natural gas ($/mcf)	**1.79**	1.23	46%	**2.01**	1.91	5%
Petroleum and natural gas sales ($/boe)	**43.09**	17.04	153%	**47.60**	16.41	190%
Operating netback ($/boe)						
Petroleum and natural gas sales	**43.09**	17.04	153%	**47.60**	16.41	190%
Royalties	**(11.95)**	(1.39)	760%	**(14.20)**	(1.74)	716%
Operating expenses	**(20.79)**	(18.22)	14%	**(20.74)**	(12.92)	61%
Transportation expenses	**(0.69)**	(1.06)	(35)%	**(1.05)**	(1.22)	(14)%
Operating netback [1]	**9.66**	(3.63)	366%	**11.61**	0.53	2,090%

[1] See Non-IFRS Measures, Non-IFRS Financial Ratios and Capital Management Measures

Second Quarter 2025 Highlights

- Production volumes averaged 622 boe/d (52% natural gas, 48% crude oil), an increase of 55% as compared to the second quarter of 2024.

- Operating netbacks (see "Non-IFRS Measures, Non-IFRS Ratios and Capital Management Measures" below) increased to $9.66/boe from ($3.63)/boe in the same period of 2024. Tuktu's realized sales price increased to $43.09/boe, due to the oil production growth and realized crude oil price of $78.23/bbl in the quarter.

- The Company's operations generated petroleum and natural gas sales of $2.4 million and adjusted funds flow used in operations (see "Non-IFRS Measures, Non-IFRS Ratios and Capital Management Measures" below) of $81 thousand in the second quarter of 2025 improving from $1.7 million in the second quarter of 2024.

Operations Update

Tuktu continues to advance its new light oil play within the upper Banff and Big Valley formations. The Company's discovery well in the Alberta Deep Basin continues to produce at about 200 bbl/d of oil and has produced approximately 97,000 bbl of oil since being placed on production one year ago. Tuktu has an 80% working interest in this well.

The offset horizontal well, drilled in the first quarter of 2025, continues to produce intermittently at lower than anticipated rates averaging 10 bbl/d of oil. The Company continues to work to enhance run time and production rates. The performance difference between these two wells, located only 315 meters apart, is interpreted to be a result of the location of fractures in the reservoir and the regional faults that cause this natural fracturing is readily visible on the Company's 2D seismic. The horizontal well provided additional valuable information in confirming the primary economic driver of the play is related to the fracture system as opposed to regional reservoir permeability and porosity.

Going forward, Tuktu plans to target such fracture systems, leveraging the expertise the management team acquired drilling analogous carbonate reservoirs in the foothills.

Tuktu's board of directors has approved an incremental capital budget of $1.0 million for the remainder of 2025, which is focused on the Company's Penny light oil asset in Southern Alberta. This capital budget includes a four well optimization program and a well recompletion targeting the Big Valley formation

About Tuktu Resources Ltd.

Tuktu is a publicly traded junior oil and gas development company headquartered in Calgary, Alberta with producing oil and gas properties in southern Alberta. For additional information about Tuktu please contact:

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ADVISORIES

Forward-Looking and Cautionary Statements

Certain information contained in the press 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 (including variations and negatives thereof). Forward-looking statements in this press release include statements regarding, among other things: Tuktu's business, strategy, objectives, strengths and focus; the Company's drilling program, including its next drilling location, drilling technique and timing of same; the performance and other characteristics of the Company's properties, including the Company's recently drilled southern Alberta Deep Basin horizontal well; the Company's incremental capital budget of $1.0 million to be used towards its Penny light oil asset; management's ability to execute on its four well optimization program and well recompletion targeting the Big Valley formation; management's expectations regarding reservoir characteristics and recovery factors and interpretation of its 2D seismic data, including localized areas of enhanced permeability and recoverable reserves; the potential for additional capital programs; 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 press release, the Company has made assumptions regarding, among other things: the timing and success of future drilling; future commodity prices, price volatility, price differentials and the actual prices received for Tuktu's products; fairway characteristics; 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; access to capital; 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: 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; stock market and financial system volatility; 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 and the crisis in Israel and Gaza); determinations by the Organization of Petroleum Exporting Countries and other countries (collectively referred to as OPEC+) regarding production levels and the risk of an extended period of low oil and natural gas prices; 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 material adverse effect on the Canadian, U.S. and global economies, and by extension the Canadian oil and natural gas industry and demand and/or market price for the Company's products and/or otherwise adversely affects the Company; risks with respect to unplanned pipeline outages; severe weather conditions and risks related to climate change, such as fire, drought and flooding and extreme hot or cold temperatures, including in respect of safety, asset integrity and shutting-in production; 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 Tuktu, please refer to the Company's annual information form for the year ended December 31, 2024, and its most recent MD&A, which are available on the Company's SEDAR+ profile at www.sedarplus.ca.

The forward-looking statements contained in this press 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.

Disclosure of Oil and Gas Information

Unit Cost Calculation: The term barrels of oil equivalent ("boe") may be misleading, particularly if used in isolation. A boe conversion ratio of six thousand cubic feet per barrel (6 Mcf/bbl) of natural gas to barrels of oil equivalence is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead. All boe conversions in this press release are derived from converting gas to oil in the ratio mix of six thousand cubic feet of gas to one barrel of oil. This conversion conforms with National Instrument 51-101 – *Standards of Disclosure for Oil and Gas Activities* ("NI 51-101").

Product types: References to "oil" or "crude oil" in this press release include light crude oil, medium crude oil, heavy oil and tight oil product types combined as defined in NI 51-101. References to "gas" or "natural gas" relate to conventional natural gas as defined in NI 51-101.

Non-IFRS Measures, Non-IFRS Financial Ratios and Capital Management Measures

This press release includes various specified financial measures, including non-IFRS financial measures, non-IFRS financial ratios, capital management measures and capital management ratios as further described herein. These measures do not have a standardized meaning prescribed by International Financial Reporting Standards ("IFRS") and, therefore, may not be comparable with the calculation of similar measures by other companies.

Total capital expenditures includes capital expenditures on exploration and evaluation assets, property, plant and equipment and property acquisition and proceeds on property disposition. Management uses the term "capital expenditures" as a measure of capital investment in exploration and production activity, as well as property acquisitions and dispositions. See the MD&A for a detailed calculation and reconciliation of capital expenditures to cash flow used in investing activities, which is the most directly comparable measure presented in accordance with IFRS.

Operating Netback is a non-IFRS financial measure calculated as petroleum and natural gas sales, less royalties, operating costs and transportation expenses. This metric can also be calculated on a per boe basis, which results in a non-IFRS financial ratio. The Company uses this measure to evaluate its operational performance. See the MD&A for a detailed calculation and reconciliation of operating netback and operating netback per boe to the most directly comparable measures presented in accordance with IFRS.

Adjusted Funds Flow from (used in) Operations is a capital management measure calculated by taking cash flow from (used in) operating activities and adding back changes in non-cash working capital, decommissioning costs incurred and transaction costs. Management considers adjusted funds flow from (used in) operations to be a key measure to assess the performance of the Company's oil and gas properties and the Company's ability to fund future capital investment. Adjusted funds flow from (used in) operations is an indicator of operating performance as it varies in response to production levels and management of costs. Changes in non-cash working capital, decommissioning costs incurred and transaction costs vary from period to period and management believes that excluding the impact of these provides a useful measure of the Company's ability to generate the funds necessary to manage the capital needs of the Company. See the MD&A for a detailed calculation and reconciliation of adjusted funds flow from (used in) operations to cash flow from (used in) operating activities, which is the most directly comparable measure presented in accordance with IFRS.

Adjusted working capital is a capital management measure calculated by taking working capital (current assets less current liabilities) and adding back the warrant liability and decommissioning obligations. Management believes that adjusted working capital assists management and investors in assessing Tuktu's short-term liquidity. See the MD&A for a detailed calculation and reconciliation of adjusted working capital to working capital, which is the most directly comparable measure presented in accordance with IFRS.

Abbreviations

bbl	barrels of oil
bbl/d	barrels of oil per day
boe	barrels of oil equivalency
boe/d	barrels of oil equivalency per day
mcf	one thousand cubic feet
mcf/d	one thousand cubic feet per day
TSXV	TSX Venture Exchange

All amounts in this press release are stated in Canadian dollars unless otherwise specified.

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 press release.