LOGAN

ENERGY CORP.

MANAGEMENT'S DISCUSSION & ANALYSIS
AS AT AND FOR THE THREE AND SIX MONTHS ENDED
JUNE 30, 2025 AND 2024

INTRODUCTION

Logan Energy Corp. ("Logan" or the "Company") is a Calgary based company that is engaged in the business of exploration, development and production of crude oil and natural gas properties and assets, focused in the Montney resource trend in the areas of Simonette and Pouce Coupe in northwest Alberta and in the Flatrock area of northeastern British Columbia. The Company has also recently established a position within the greater Kaybob Duverney oil play with assets in the North Simonette, Ante Creek and Two Creeks areas. Common shares of Logan are listed on the TSX Venture Exchange ("TSXV") and trade under the symbol "LGN".

*The following Management's Discussion and Analysis ("**MD&A**") has been prepared by management as of August 12, 2025, in accordance with the requirements of National Instrument 51-102 – Continuous Disclosure Requirements. This MD&A should be read in conjunction with the Company's unaudited condensed interim financial statements and related notes as at and for the three and six months ended June 30, 2025 and 2024 (the "**Interim Financial Statements**") and the audited annual financial statements and related notes for the years ended December 31, 2024 and 2023 (the "**Annual Financial Statements**"). Additional information relevant to the Company, including Logan's Annual Information Form for the year ended December 31, 2024 (the "**AIF**"), can be found on SEDAR+ at www.sedarplus.ca and the Company's website at www.loganenergycorp.com.*

*Unless otherwise noted, the financial information in this MD&A has been prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board ("**IFRS Accounting Standards**"), also known as Canadian generally accepted accounting principles ("**GAAP**"). This MD&A contains forward-looking statements, non-GAAP financial measures and other financial and non-financial measures. **Non-GAAP financial measures and ratios reported in this MD&A have been identified using capital letters and are defined herein.** Readers are cautioned that the MD&A should be read in conjunction with the Company's disclosures under the headings "Non-GAAP and Other Financial Measures", "Other Measurements", "Risk and Uncertainties" and "Forward-Looking Statements" included in this MD&A. All dollar amounts are quoted in thousands of Canadian dollars ("**CA$**"), the reporting and functional currency of the Company, unless otherwise indicated.*

SECOND QUARTER 2025 HIGHLIGHTS

- Logan reported record quarterly average production of 12,013 BOE per day (41% liquids) in the second quarter, up 20% from 9,974 BOE per day (34% liquids) in the first quarter and up 65% from 7,277 BOE per day (36% liquids) in the second quarter of 2024.
- Production growth was achieved through successful execution of the Company's organic development program. Capital expenditures were $68.6 million for the three months ended June 30, 2025, or $42.4 million net of proceeds from dispositions.
    - At Simonette, Logan brought 2 (1.0 net) Lower Montney wells on production in April which were completed in the previous quarter.
    - At Pouce Coupe, Logan completed and brought on production a 5 (5.0 net) well pad in June. Additionally, the Company drilled and completed a 4 (4.0 net) well pad which was subsequently brought onstream in the third quarter.
    - During the quarter Logan completed construction of its 40 mmcf/d gas plant, battery and compression facilities at Pouce Coupe (the "**Pouce 4-19 Facility**"), as well as associated gathering and sales pipelines. The Company generated $26.0 million of cash proceeds through the previously announced sale of a 35% non-operated working interest in the Pouce 4-19 Facility which closed on May 30, 2025 (the "**Facility Interest Sale**").
- Logan realized a significant improvement in its Operating Netback and delivered record Adjusted Funds Flow for the quarter through its oil-weighted production growth together with lower cash costs.
    - The Company's Operating Netback after hedging averaged $27.86 per BOE in the second quarter, up 32% from $21.03 per BOE in the first quarter and up 81% from $15.38 per BOE in the same quarter of the previous year.
    - Adjusted Funds Flow was $27.2 million for the quarter ended June 30, 2025, up 70% from $16.0 million in the previous quarter and up 211% from $8.7 million in the comparative quarter ended June 30, 2024.
- As of June 30, 2025, Logan had Net Debt of $107.9 million or 1.0 times its annualized Adjusted Funds Flow for the second quarter. The Company's Net Debt to Adjusted Funds Flow ratio is expected to moderate in the second half of 2025 as approximately 80% of Logan's budgeted capital expenditures were incurred in the first half of the year.

FINANCIAL AND OPERATING HIGHLIGHTS

	Three months ended June 30			Six months ended June 30		
(CA$ thousands, except as otherwise noted)	**2025**	2024	%	**2025**	2024	%
FINANCIAL HIGHLIGHTS						
Oil and gas sales	**41,992**	26,544	58	**76,677**	50,974	50
Net income (loss) and comprehensive income (loss)	**17,311**	416	nm	**16,917**	(1,575)	nm
$ per common share, basic and diluted	**0.03**	0.00	-	**0.03**	(0.00)	-
Cash provided by operating activities	**20,374**	3,394	500	**36,069**	20,194	79
Adjusted Funds Flow (1)	**27,170**	8,744	211	**43,153**	18,589	132
$ per common share, basic(1)	**0.05**	0.02	150	**0.07**	0.04	75
$ per common share, diluted (1)	**0.04**	0.02	100	**0.07**	0.04	75
Capital Expenditures before A&D (1)	**68,643**	46,104	49	**164,928**	81,286	103
Acquisitions, net of dispositions	**(26,230)**	-	-	**(41,954)**	300	nm
Total assets	**517,169**	248,390	108	**517,169**	248,390	108
Net Debt (1)	**107,865**	19,604	450	**107,865**	19,604	450
Shareholders' equity	**294,387**	175,122	68	**294,387**	175,122	68
Common shares outstanding (000s), end of period (2)	**595,675**	465,537	28	**595,675**	465,537	28
OPERATING HIGHLIGHTS AND NETBACKS (5)						
Average daily production						
Crude oil (bbls/d)	**4,255**	2,148	98	**3,521**	1,965	79
Condensate (bbls/d) (3)	**255**	223	14	**277**	244	14
Natural gas liquids (bbls/d) (3)	**360**	250	44	**333**	270	23
Natural gas (mcf/d)	**42,857**	27,934	53	**41,208**	28,006	47
BOE/d	**12,013**	7,277	65	**10,999**	7,147	54
% Liquids (4)	**41%**	36%	14	**38%**	35%	9
Average realized prices, before financial instruments						
Crude oil ($/bbl)	**80.65**	100.54	(20)	**84.30**	95.73	(12)
Condensate ($/bbl) (3)	**77.41**	99.44	(22)	**82.12**	93.68	(12)
Natural gas liquids ($/bbl) (3)	**43.21**	53.68	(20)	**47.20**	52.76	(11)
Natural gas ($/mcf)	**1.94**	1.44	35	**2.14**	1.96	9
Combined average ($/BOE)	**38.41**	40.09	(4)	**38.52**	39.19	(2)
Netbacks ($/BOE) (5)						
Oil and gas sales	**38.41**	40.09	(4)	**38.52**	39.19	(2)
Processing and other revenue	**0.65**	1.04	(38)	**0.66**	1.20	(45)
Royalties	**(2.01)**	(4.35)	(54)	**(2.80)**	(3.77)	(26)
Operating expenses	**(9.29)**	(17.46)	(47)	**(10.80)**	(16.08)	(33)
Transportation expenses	**(2.05)**	(3.57)	(43)	**(2.06)**	(3.75)	(45)
Operating Netback, before hedging (5)	**25.71**	15.75	63	**23.52**	16.79	40
Realized gain (loss) on financial instruments	**2.15**	(0.37)	nm	**1.26**	(0.35)	nm
Operating Netback, after hedging (5)	**27.86**	15.38	81	**24.78**	16.44	51
General and administrative expenses	**(1.56)**	(2.33)	(33)	**(1.62)**	(2.35)	(31)
Financing income (expenses) (6)	**(1.40)**	0.35	nm	**(1.08)**	0.60	nm
Realized foreign exchange gain (loss)	**(0.01)**	0.01	nm	**-**	-	-
Settlement of decommissioning obligations	**(0.04)**	(0.20)	(80)	**(0.40)**	(0.39)	3
Adjusted Funds Flow Netback (5)	**24.85**	13.21	88	**21.68**	14.30	52

(1) "Adjusted Funds Flow", "Capital Expenditures before A&D", and "Net Debt (Surplus)" do not have standardized meanings under IFRS Accounting Standards, refer to "Non-GAAP and Other Financial Measures" section of this MD&A.

(2) Refer to "Share Capital" section of this MD&A.

(3) Condensate is a natural gas liquid ("**NGLs**") as defined by NI 51-101. See "Other Measurements".

(4) "Liquids" includes crude oil, condensate and NGLs.

(5) "Netbacks" are non-GAAP financial ratios calculated per unit of production. "Operating Netback", and "Adjusted Funds Flow Netback" do not have standardized meanings under IFRS Accounting Standards, refer to " Non-GAAP and Other Financial Measures " section.

(6) Financing expense, net of financing income excluding non-cash accretion of decommissioning obligations.

RESULTS OF OPERATIONS

PRODUCTION

	Three months ended June 30			Six months ended June 30		
Average daily production	**2025**	2024	%	**2025**	2024	%
Crude oil (bbls/d)	**4,255**	2,148	98	**3,521**	1,965	79
Condensate (bbls/d)	**255**	223	14	**277**	244	14
NGLs (bbls/d)	**360**	250	44	**333**	270	23
Natural gas (mcf/d)	**42,857**	27,934	53	**41,208**	28,006	47
Combined average (BOE/d)	**12,013**	7,277	65	**10,999**	7,147	54
% Liquids	**41%**	36%	14	**38%**	35%	9

Logan achieved corporate record average production of 12,013 BOE per day during the second quarter of 2025, an increase of 65% from 7,277 BOE per day in the same quarter of 2024. The significant increase in production is driven primarily by Logan's organic drilling program as well as volumes added from the acquisition of certain assets in the Simonette area during the fourth quarter of 2024, partly offset by natural declines. Logan brought 5 (5.0 net) wells on production at Pouce Coupe and 2 (1.0 net) wells at Simonette mid-way through the current quarter, in addition to the 4 (4.0 net) wells brought on production at Simonette in the first quarter. The Company's crude oil production has doubled compared to the same quarter of the previous year and Logan's average liquids weighting increased to 41% in the second quarter as recent drilling activity targeted oilier prospects.

Production for the six months ended June 30, 2025 averaged 10,999 BOE per day, an increase of 54% from 7,147 BOE per day in the comparative period of 2024, reflecting success of the Company's drilling program as noted above.

REVENUE

	Three months ended June 30			Six months ended June 30		
(CA$ thousands, unless otherwise indicated)	**2025**	2024	%	**2025**	2024	%
Oil and gas sales, before royalties						
Crude oil	**31,227**	19,648	59	**53,724**	34,234	57
Condensate	**1,799**	2,020	(11)	**4,117**	4,159	(1)
NGLs	**1,414**	1,221	16	**2,846**	2,595	10
Natural gas	**7,552**	3,655	107	**15,990**	9,986	60
Oil and gas sales	**41,992**	26,544	58	**76,677**	50,974	50
Royalties	**(2,202)**	(2,883)	(24)	**(5,583)**	(4,901)	14
Oil and gas sales, net of royalties	**39,790**	23,661	68	**71,094**	46,073	54
Processing and other	**719**	692	4	**1,322**	1,549	(15)
	40,509	24,353	66	**72,416**	47,622	52

Oil and Gas Sales

The Company's oil and gas sales were $42.0 million and $76.7 million for the three and six month periods ended June 30, 2025, up by 58% and by 50% over the corresponding periods of 2024. The increase in sales revenue was driven by Logan's oil weighted production growth and improved natural gas pricing, partly offset by lower crude oil pricing. While Logan's realized crude oil pricing (before financial instruments) decreased by 20% and 12% in the current periods of 2025, Logan's combined average realized price only decreased by 4% to average $38.41 per BOE during the current quarter and by 2% to average $38.52 in the first half of 2025.

Average Realized Prices

	Three months ended June 30			Six months ended June 30		
(CA$ thousands, unless otherwise indicated)	**2025**	2024	%	**2025**	2024	%
Average realized prices, before financial instruments						
Crude oil ($/bbl)	**80.65**	100.54	(20)	**84.30**	95.73	(12)
Condensate ($/bbl)	**77.41**	99.44	(22)	**82.12**	93.68	(12)
NGLs ($/bbl)	**43.21**	53.68	(20)	**47.20**	52.76	(11)
Natural gas ($/mcf)	**1.94**	1.44	35	**2.14**	1.96	9
Combined average ($/BOE)	**38.41**	40.09	(4)	**38.52**	39.19	(2)
Average realized prices, after financial instruments						
Crude oil ($/bbl)	**84.92**	96.71	(12)	**86.75**	93.05	(7)
Condensate ($/bbl)	**77.41**	99.44	(22)	**82.12**	93.68	(12)
NGLs ($/bbl)	**43.21**	53.68	(20)	**47.20**	52.76	(11)
Natural gas ($/mcf)	**2.12**	1.64	29	**2.27**	2.06	10
Combined average ($/BOE)	**40.56**	39.72	2	**39.78**	38.84	2
Benchmark commodity prices						
WTI Cushing Oklahoma (US$/bbl) (1)	**63.74**	80.57	(21)	**67.58**	78.76	(14)
WTI Cushing Oklahoma (CA$/bbl) (2)	**88.19**	110.25	(20)	**95.33**	107.03	(11)
Mixed Sweet Blend (“MSW”) (CA$/bbl) (3)	**84.25**	105.30	(20)	**89.79**	98.72	(9)
Conway propane (US$/gallon) (4)	**0.71**	0.72	(1)	**0.79**	0.75	5
NYMEX Henry Hub (US$/mmbtu) (5)	**3.44**	1.89	82	**3.55**	2.07	71
NYMEX – AECO 7A Basis (US$/mmbtu)	**(1.96)**	(0.84)	133	**(2.10)**	(0.78)	169
AECO 7A (CA$/GJ) (6)	**1.96**	1.36	44	**1.94**	1.65	18
AECO 5A (CA$/GJ) (7)	**1.60**	1.12	43	**1.83**	1.74	5
Exchange rate (CA$/US$) (8)	**1.38**	1.37	1	**1.41**	1.36	4

(1) Source: NYMEX WTI monthly average
(2) Calculated based on the US$ WTI price multiplied by the average CA$/US$ exchange rate for the month
(3) Source: Weighted average trade volume and price per Net Energy and NGX
(4) Source: Oil Price Information Service (“OPIS”)
(5) Source: Canadian Gas Price Reporter (NYMEX Settle)
(6) Source: Canadian Gas Price Reporter (NGX AB-NIT Month Ahead Index 7A)
(7) Source: Canadian Gas Price Reporter (NGX AB-NIT Same Day Index 5A)
(8) Source: WM/Refinitiv noon rate

Crude oil and condensate represented 35% of production volumes and contributed to 75% of oil and gas sales revenue (before royalties) during the first half of 2025, compared to 31% of production and 75% of sales in the first half of 2024, reflecting weaker benchmark pricing. The Company’s combined average realized price for crude oil and condensate of $80.46 per barrel for the three months ended June 30, 2025, decreased 20% from $100.44 per barrel in the same quarter of the previous year. The U.S. dollar benchmark WTI crude oil price fell by 21% quarter over quarter, with a stronger CA$/US$ exchange rate softening the impact. Additionally, the Company’s realized pricing benefited from a modest narrowing of Canadian crude oil differentials. The MSW crude oil reference price averaged a discount of US$2.83 (CA$3.94) per barrel relative to WTI in the current quarter compared to a discount of US$3.62 (CA$4.95) per barrel in the prior quarter. New marketing arrangements effective in May 2024 resulted in a change in presentation of certain oil pipeline tariffs as a reduction of revenue rather than transportation expenses. Due to this change in presentation, Logan’s average realized price reported for crude oil and condensate sales for the first half of 2025 decreased 12% from the first half of 2024, compared to a 9% decrease in the MSW reference price over the same period.

NGLs held relatively steady at 3% and 4% of the Company’s production and contributed approximately 4% and 5% of oil and gas sales revenue (before royalties) for the six month periods ended June 30, 2025 and 2024. Logan realized

an average price of $47.20 per barrel (50% of CA$WTI) during the six months ended June 30, 2025, down from $52.76 per barrel (49% of CA$WTI) in the prior period, reflecting the decline in the underlying oil benchmark pricing.

Natural gas represented 62% of production volumes and contributed to 21% of oil and gas sales revenue (before royalties) during the first half of 2025, compared to 65% of production and 20% of sales in the prior period, reflecting improved natural gas pricing. Logan currently sells 100% of its gas under AECO based contracts. During the six months ended June 30, 2025, the AECO 7A and 5A natural gas reference prices increased by 18% and 5% compared to the prior period. The Company's realized price for gas sales averaged $2.14 per MCF during the first half of 2025, up 9% from $1.96 per MCF in the first half of 2024.

Commodity Price Risk Management

Due to the capital-intensive nature of the Company's growth plan, Logan utilizes commodity price risk management contracts to reduce volatility of cash flows and protect project economics. The following table summarizes outstanding commodity price risk management contracts in place as of June 30, 2025:

Commodity / Contract Type	Notional Volume	Reference Price	Fixed Contract Price	Remaining Term
FX - collar	US$1.5MM per month	CA$/US$	$1.410 to $1.448	July 1 to December 31, 2025
Crude oil – swap	1,000 bbls/d	Edm SW Basis	US$(4.10) per barrel discount to WTI	July 1 to December 31, 2025
Crude oil – swap	2,250 bbls/d	WTI	US$70.62 per barrel	July 1 to September 30, 2025
Crude oil – swap	1,500 bbls/d	WTI	US$69.35 per barrel	October 1 to December 31, 2025
Crude oil – swap	500 bbls/d	WTI	CA$102.05 per barrel	July 1 to December 31, 2025
Crude oil – short call	500 bbls/d	WTI	CA$102.05 per barrel	July 1 to December 31, 2025
Natural gas – swap	20,000 GJ/d	AECO	CA$2.17 per GJ	July 1 to October 31, 2025
Natural gas – swap	20,000 GJ/d	AECO	CA$3.12 per GJ	November 1, 2025 to March 31, 2026
Natural gas – swap	20,000 GJ/d	AECO	CA$2.90 per GJ	April 1 to October 31, 2026
Natural gas – swap	15,000 GJ/d	AECO	CA$3.56 per GJ	November 1, 2026 to March 31, 2027

The fair value of contracts outstanding as at June 30, 2025, resulted in a derivative financial instrument asset of $3.0 million related to the natural gas contracts, $4.6 million asset related to the crude oil contracts and $0.5 million asset related to the foreign exchange contract, for a total asset of $8.1 million. As at December 31, 2024, the fair value of contracts outstanding was a derivative financial instrument asset of $1.9 million related to the natural gas contracts and a net $0.1 million liability related to the crude oil contracts, for a total net asset of $1.8 million.

The table below summarizes the realized and unrealized component of the gain (loss) on derivative financial instruments during the periods:

	Three months ended June 30			Six months ended June 30		
(CA$ thousands, unless otherwise indicated)	**2025**	2024	%	**2025**	2024	%
Realized gain (loss)	**2,349**	(244)	nm	**2,514**	(456)	nm
Unrealized gain (loss)	**10,003**	1,879	432	**6,218**	(239)	nm
Gain (loss) on derivative financial instruments	**12,352**	1,635	655	**8,732**	(695)	nm

Logan recognized a total gain on derivative financial instruments of $8.7 million during the six months ended June 30, 2025, comprised of $2.5 million of net realized gains together with unrealized gains of $6.2 million on the change in fair value of outstanding contracts during the period. The change in fair value resulted primarily due to the weakened outlook for crude oil prices and AECO natural gas prices in the near term, which increased the fair value of both oil and gas hedges at June 30, 2025. The total gain on derivative financial instruments of $12.4 million for the three months

ended June 30, 2025, includes an unrealized gain of $10.0 million primarily due to a softer outlook for AECO natural gas prices compared to the forward curve at March 31, 2025.

AECO 5A and 7A averaged $1.93 per GJ and $1.94 per GJ respectively for the period, compared to the average fixed price of $2.11 per GJ and $2.32 per GJ, resulting in a net realized gain of approximately $0.9 million on the Company's natural gas hedges for the six months ended June 30, 2025. The Company also realized a net gain of $1.7 million on hedged crude oil volumes as WTI averaged US$67.58 per barrel and CA$95.33 per barrel for the six months ended June 30, 2025 compared to the average fixed prices of US$71.12 per barrel and CA$102.05 per barrel during the period. Additionally, Logan realized a gain of $0.1 million on its foreign exchange contract and a loss of $0.2 million on its Edmonton Sweet Basis contract.

Additional information regarding the foregoing is provided under the heading "Risks and Uncertainties – Market Risks – Commodity Price Risk".

Royalties

	Three months ended June 30			Six months ended June 30		
(CA$ thousands, unless otherwise indicated)	**2025**	2024	%	**2025**	2024	%
Gross royalties, before GCA	**3,834**	3,315	16	**7,962**	6,020	32
Gas cost allowance ("**GCA**")	**(1,632)**	(432)	278	**(2,379)**	(1,119)	113
Royalties	**2,202**	2,883	(24)	**5,583**	4,901	14
$ per BOE	**2.01**	4.35	(54)	**2.80**	3.77	(26)
Average royalty rate (% of sales)	**5.2%**	10.9%	(52)	**7.3%**	9.6%	(24)

Royalty expenses consist primarily of Crown royalties paid to the provincial governments as well as payments to overriding royalty owners. Crown royalties are calculated based on commodity prices and individual well production rates, and as such are impacted by commodity price fluctuations, changes in production volumes and royalty incentive programs. Logan's gross royalties increased with production growth and closing of the GORR Sale on January 31, 2025. However, gross royalties did not increase in tandem with production increases over the period periods primarily due to a higher proportion of new production receiving the incentive royalty rate of 5% under the Alberta Modern Royalty Framework. The Company's estimated GCA credits increased from the prior period due to growth in Logan's operations. Additionally, GCA credits are trued-up annually by the Alberta Crown in the second quarter of each year. Logan received a favourable adjustment of $0.9 million in the current quarter related to the 2024 GCA, which further contributed to the decrease in Logan's average royalty rate in the current periods.

Processing and Other Revenue

	Three months ended June 30			Six months ended June 30		
(CA$ thousands, unless otherwise indicated)	**2025**	2024	%	**2025**	2024	%
Processing and other	**719**	692	4	**1,322**	1,549	(15)
$ per BOE	**0.65**	1.04	(38)	**0.66**	1.20	(45)

Processing and other revenue primarily relates to processing fees earned on third party volumes processed through ownership in the Simonette 13-11 Gas Plant. Processing and other revenue increased in the current quarter due to downtime in the prior year for a turnaround completed at the Simonette 13-11 Gas Plant in June of 2024. For the six months ended June 30, 2025, processing and other revenue decreased due to declining third party volumes processed at the Simonette 13-11 Gas Plant and downtime of third party volumes processed through other Logan owned infrastructure. The fluctuations in the $ per BOE driven by the movement in Logan's corporate production volumes for both periods in 2025.

OPERATING EXPENSES

	Three months ended June 30			Six months ended June 30		
(CA$ thousands, unless otherwise indicated)	**2025**	2024	%	**2025**	2024	%
Operating expenses	**10,161**	11,563	(12)	**21,501**	20,913	3
$ per BOE	**9.29**	17.46	(47)	**10.80**	16.08	(33)

The Company achieved a significant reduction in its per unit operating expenses with production growth driving operational efficiencies and leveraging ownership of core infrastructure. As a high proportion of the Company's operating expenses are fixed, total operating expenses for the first half of 2025 only increased by 3% compared to the first half of 2024, relative to 54% production growth over the same period. As a result, per unit operating expenses decreased by 33% to average $10.80 per BOE for the six months ended June 30, 2025. Logan's operating expenses averaged $9.29 per BOE for the second quarter of 2025, marking further improvement from the first quarter of the year which included higher costs of operating through the colder winter months as well as certain maintenance projects. A major turnaround was completed at the Simonette Gas Plant in the comparative quarter ended June 30, 2024, which contributed to the decrease in total and per unit expenses quarter-over-quarter.

TRANSPORTATION EXPENSES

	Three months ended June 30			Six months ended June 30		
(CA$ thousands, unless otherwise indicated)	**2025**	2024	%	**2025**	2024	%
Transportation expenses	**2,242**	2,361	(5)	**4,097**	4,872	(16)
$ per BOE	**2.05**	3.57	(43)	**2.06**	3.75	(45)

The Company's per unit transportation expenses have decreased by approximately 45% period over period as Logan's volumes continue to grow into its committed capacity, as well as pipeline connections in the Simonette area which reduced trucking costs. Additionally, new marketing arrangements resulted in a change in presentation of oil pipeline tariffs as a reduction of revenue rather than transportation expenses effective May 2024.

OPERATING NETBACKS

The components of Logan's Operating Netbacks are summarized below. All amounts expressed on a BOE equivalent basis are non-GAAP financial ratios.

	Three months ended June 30			Six months ended June 30		
($ per BOE)	**2025**	2024	%	**2025**	2024	%
Oil and gas sales	**38.41**	40.09	(4)	**38.52**	39.19	(2)
Processing and other revenue	**0.65**	1.04	(38)	**0.66**	1.20	(45)
Royalties	**(2.01)**	(4.35)	(54)	**(2.80)**	(3.77)	(26)
Operating expenses	**(9.29)**	(17.46)	(47)	**(10.80)**	(16.08)	(33)
Transportation expenses	**(2.05)**	(3.57)	(43)	**(2.06)**	(3.75)	(45)
Operating Netback, before hedging	**25.71**	15.75	63	**23.52**	16.79	40
Realized gain on derivatives	**2.15**	(0.37)	nm	**1.26**	(0.35)	nm
Operating Netback, after hedging	**27.86**	15.38	81	**24.78**	16.44	51

The Company has delivered material improvements in its Operating Netback through solid execution of its growth strategy and operational efficiencies achieved with scale. Logan's Operating Netback after hedging averaged $27.86 per BOE for the three months ended June 30, 2025, an 81% improvement from $15.38 per BOE in the same quarter of the previous year. For the six month period the Company's Operating Netback is up 51%. Despite weaker realized commodity prices, the improvement in netbacks was realized through oil-weighted production growth, realized gains on commodity hedges and meaningful reductions in per unit operating, transportation and royalty expenses.

GENERAL AND ADMINISTRATIVE ("G&A") EXPENSES

	Three months ended June 30			Six months ended June 30		
(CA$ thousands, unless otherwise indicated)	**2025**	2024	%	**2025**	2024	%
Gross G&A expenses	**2,918**	2,386	22	**5,630**	4,729	19
Overhead recoveries	**(1,211)**	(844)	43	**(2,408)**	(1,671)	44
Net G&A expenses	**1,707**	1,542	11	**3,222**	3,058	5
Gross G&A ($ per BOE)	**2.67**	3.60	(26)	**2.83**	3.64	(22)
Net G&A ($ per BOE)	**1.56**	2.33	(33)	**1.62**	2.35	(31)

The Company's gross G&A expenses have increased in the current year with hiring of additional staff and other overhead required to support the Company's growth. The impact is partly offset by overhead recoveries which increased in conjunction with higher capital expenditures. Logan has started to realize a meaningful reduction in its per unit G&A costs with production growth. For the first six months of 2025, G&A averaged $1.62 per BOE representing a 31% improvement from the previous year.

SHARE BASED COMPENSATION ("SBC")

	Three months ended June 30			Six months ended June 30		
(CA$ thousands, unless otherwise indicated)	**2025**	2024	%	**2025**	2024	%
Stock options	**1,332**	1,298	3	**2,113**	2,581	(18)
Share based compensation expense	**1,332**	1,298	3	**2,113**	2,581	(18)
$ per BOE	**1.22**	1.96	(38)	**1.06**	1.98	(46)

During the first six months of 2025, the Company's Board of Directors approved the grant of 18.4 million stock options with an average exercise price of $0.64 per share. SBC expense related to the stock options granted by Logan is recognized over the three-year vesting period using graded amortization which resulted in SBC expense of $1.3 million and $2.1 million during the three and six months ended June 30, 2025. SBC expense decreased from $2.6 million in six months ended June 30, 2024 due to the timing of the new option grants late in the first quarter of 2025. As of June 30, 2025, there were 41.0 million stock options outstanding representing 6.9% of Logan's total common shares issued and outstanding.

FINANCING

	Three months ended June 30			Six months ended June 30		
(CA$ thousands, unless otherwise indicated)	**2025**	2024	%	**2025**	2024	%
Interest and fees on bank debt	**1,328**	77	nm	**1,949**	164	nm
Interest income	**-**	(306)	(100)	**-**	(942)	(100)
Interest expense (income)	**1,328**	(229)	nm	**1,949**	(778)	nm
Financing cost of lease liabilities	**198**	1	nm	**198**	3	nm
Accretion of decommissioning obligations	**349**	248	41	**690**	483	43
Financing expense (income)	**1,875**	20	nm	**2,837**	(292)	nm
Financing expense (income) ($/BOE)	**1.72**	0.02	nm	**1.43**	(0.23)	nm
Average bank debt outstanding in period [(1)]	**59,409**	-	-	**36,377**	-	-

(1) Average of the actual daily balances outstanding during the respective periods.

Total interest and fees on bank debt includes interest on drawn balances, standby fees and amortization of upfront commitment fees on the Credit Facility (defined herein). The Company incurred interest and fees of $1.3 million during

the second quarter and $1.9 million year-to-date in 2025. In the comparative period of 2024, the Credit Facility was undrawn, with fees more than offset by interest income earned during the periods. Additional information regarding the Company's Credit Facility is provided under the headings of "Capital Resources and Liquidity".

Total financing expenses also include the financing cost of lease liabilities as well as non-cash accretion of decommissioning obligations. Financing expenses for the second quarter of 2025 include incremental lease financing costs following closing of the Facility Interest Sale on May 30, 2025.

DEPLETION, DEPRECIATION AND IMPAIRMENT ("DD&I")

	Three months ended June 30			Six months ended June 30		
(CA$ thousands, unless otherwise indicated)	**2025**	2024	%	**2025**	2024	%
Depletion and depreciation of PP&E	**14,731**	8,239	79	**26,940**	17,000	58
Depreciation of ROU Assets	**92**	40	130	**99**	80	24
Depletion and depreciation	**14,823**	8,279	79	**27,039**	17,080	58
Impairment of PP&E	**-**	-	-	**-**	-	-
Total DD&I expense	**14,823**	8,279	79	**27,039**	17,080	58
Depletion and depreciation ($ per BOE)	**13.56**	12.50	8	**13.58**	13.13	3
Total DD&I expense ($ per BOE)	**13.56**	12.50	8	**13.58**	13.13	3

The Company reported depletion and depreciation ("**D&D**") expense of $14.8 million ($13.56 per BOE) and $27.0 million ($13.58 per BOE) for the three and six months ended June 30, 2025. The increase in total D&D expenses relative to the comparative periods of 2024 is primarily due to higher production. D&D expenses per BOE have also increased due to higher costs to add reserves from recent development drilling and the Acquisition in late 2024 on a relative basis compared to legacy acquisition costs from the spin-out.

Logan assessed each of its cash generating units ("CGUs") for indicators of potential impairment and concluded there are no indicators of impairment as at June 30, 2025 and as at December 31, 2024.

INCOME TAXES

	Three months ended June 30			Six months ended June 30		
(CA$ thousands, unless otherwise indicated)	**2025**	2024	%	**2025**	2024	%
Current income tax	**-**	-	-	**-**	-	-
Deferred income tax	**3,675**	513	616	**3,791**	302	nm
Income tax expense	**3,675**	513	616	**3,791**	302	nm
Profit (loss) before income taxes	**20,986**	929	nm	**20,708**	(1,273)	nm
Effective tax rate	**17.5%**	55.2%	(68)	**18.3%**	(23.7%)	nm

Logan is subject to income taxes at a combined federal and provincial statutory tax rate of 23.0%. Logan's effective tax rate differs from the statutory tax rate due to non-deductible SBC expense and the non-taxable portion of the estimated capital gain on the Facility Interest Sale in the second quarter of 2025. A reconciliation of deferred income tax expense reported to the expected amount of tax expense or recovery based on the statutory rate is provided in note 11 of the Interim Financial Statements.

Logan's total available tax pools are estimated to be approximately $372.0 million as at June 30, 2025, up from $285.0 million as at December 31, 2024. The Company's estimated tax pools increased as capital expenditures exceeded cash flow during the period.

The composition of the Company's estimated tax pools is summarized in the table below:

(CA$ thousands, unless otherwise indicated)	Rate [1]	**June 30, 2025**	December 31, 2024
Canadian oil and gas property expenses (COGPE)	10%	**77,539**	95,929
Canadian development expenses (CDE)	30%	**154,250**	81,457
Canadian exploration expenses (CEE)	100%	**10,778**	10,235
Undepreciated capital cost (UCC) [2]	25%	**93,562**	58,641
Share issue costs (SIC)	5 years	**3,023**	4,312
Non-capital losses (NCL) [3]	100%	**32,818**	34,438
Total available tax pools (estimate)		**371,970**	285,012

(1) The deduction rates shown represent the maximum annual deduction permitted on a declining balance basis, except for share issue costs which are deductible on a straight-line basis over 5 years.

(2) The majority of the UCC balance relates to Class 41 assets which are deductible at 25% per year.

(3) NCLs expire in years 2043 to 2045.

NET INCOME (LOSS) AND COMPREHENSIVE INCOME (LOSS)

	Three months ended June 30			Six months ended June 30		
(CA$ thousands, unless otherwise indicated)	**2025**	2024	%	**2025**	2024	%
Revenue	**40,509**	24,353	66	**72,416**	47,622	52
Gain (loss) on derivative financial instruments	**12,352**	1,635	655	**8,732**	(695)	nm
Expenses						
Operating	**10,161**	11,563	(12)	**21,501**	20,913	3
Transportation	**2,242**	2,361	(5)	**4,097**	4,872	(16)
General and administrative	**1,707**	1,542	11	**3,222**	3,058	5
Share-based compensation	**1,332**	1,298	3	**2,113**	2,581	(18)
Financing expense (income)	**1,875**	20	nm	**2,837**	(292)	nm
Depletion, depreciation and impairment	**14,823**	8,279	79	**27,039**	17,080	58
Gain on sale of assets	**(312)**	-	-	**(520)**	-	-
Transaction costs	**24**	-	-	**127**	-	-
Foreign exchange loss (gain)	**23**	(4)	nm	**24**	(12)	nm
	31,875	25,059	27	**60,440**	48,200	25
Net income (loss) before income taxes	**20,986**	929	nm	**20,708**	(1,273)	nm
Deferred income tax expense	**3,675**	513	616	**3,791**	302	nm
Net income (loss) and comprehensive income (loss)	**17,311**	416	nm	**16,917**	(1,575)	nm
WA Shares outstanding – basic (000s)	**595,675**	465,537	28	**595,675**	465,537	28
WA Shares outstanding – diluted (000s) [1]	**622,621**	504,526	23	**624,902**	503,750	24
Net income (loss) $ per share, basic and diluted [1]	**0.03**	0.00	-	**0.03**	(0.00)	-

(1) In computing the diluted loss per common share for the six months ended June 30, 2024, the Company excluded the effect of warrants as they were anti-dilutive to the loss. The diluted weighted average shares outstanding excludes the impact of outstanding stock options as they were not dilutive during the current and prior periods.

Logan reported net income of $17.3 million for the second quarter and $16.9 million year-to-date in 2025. The Company's profitability has improved materially relative to the comparative periods with revenue and production growth driving a significant reduction in the majority of per unit cash costs, more than offsetting higher financing and depletion expenses. Net income reported for the three and six months ended June 30, 2025 includes an unrealized gain of $10.0 million and $6.2 million on the change in fair value of derivative financial instruments, compared to an unrealized gain of $1.9 million and an unrealized loss of $0.2 million in the prior periods.

CASH PROVIDED BY OPERATING ACTIVITIES AND ANALYSIS OF OTHER NON-GAAP MEASURES

The tables in this section outline the components of the Company's cash provided by operating activities as well as the average netback ($ per BOE) for each component. The subtotals provided in the table for Operating Income and Adjusted Funds Flow are used by Logan as key performance measures but are not intended to replace cash provided by operating activities, net income or other measures of financial performance calculated in accordance with IFRS Accounting Standards. Refer to advisories under the heading "Non-GAAP and Other Financial Measures".

Second quarter of 2025 ("Q2/25") compared to Second quarter of 2024 ("Q2/24")

Amounts are CA$ thousands, except as noted	**Q2/25**	Q2/24	%	**Q2/25 $/BOE**	Q2/24 $/BOE	%
Oil and gas sales, net of royalties	**39,790**	23,661	68	**36.40**	35.74	2
Processing and other revenue	**719**	692	4	**0.65**	1.04	(38)
Operating expenses	**(10,161)**	(11,563)	(12)	**(9.29)**	(17.46)	(47)
Transportation expenses	**(2,242)**	(2,361)	(5)	**(2.05)**	(3.57)	(43)
Operating Income, before hedging [(1)]	**28,106**	10,429	169	**25.71**	15.75	63
Realized gain on derivative financial instruments	**2,349**	(244)	nm	**2.15**	(0.37)	nm
Operating Income, after hedging [(1)]	**30,455**	10,185	199	**27.86**	15.38	81
G&A expenses	**(1,707)**	(1,542)	11	**(1.56)**	(2.33)	(33)
Financing income (expenses) [(2)]	**(1,526)**	228	nm	**(1.40)**	0.35	nm
Realized foreign exchange gain (loss)	**(16)**	4	nm	**(0.01)**	0.01	nm
Settlement of decommissioning obligations	**(36)**	(131)	(73)	**(0.04)**	(0.20)	(80)
Adjusted Funds Flow [(1)]	**27,170**	8,744	211	**24.85**	13.21	88
Transaction costs	**(24)**	-	-	**(0.02)**	-	-
Change in non-cash working capital	**(6,772)**	(5,350)	27	**(6.19)**	(8.08)	(23)
Cash provided by operating activities	**20,374**	3,394	500	**18.64**	5.13	263
AFF per share [(1)]						
Basic ($ per common share)	**0.05**	0.02	150			
Diluted ($ per common share)	**0.04**	0.02	100			

(1) Refer to "Non-GAAP and Other Financial Measures" section of this MD&A.

(2) Excludes non-cash accretion of decommissioning obligations.

Logan generated $27.2 million of Adjusted Funds Flow for the three months ended June 30, 2025, up 211% from $8.7 million in the same three month period of 2024. The increase in Adjusted Funds Flow was driven by production and revenue growth, together with lower per unit operating, transportation, and G&A expenses. Realized gains on commodity price risk management contracts also strengthened cash flows during the current quarter. The impact is partly offset by higher financing costs to fund the Company's growth.

The Company's reported Adjusted Funds Flow differs from cash provided by operating activities of $20.4 million reported under IFRS due to changes in non-cash working capital and minor transaction costs. The change in non-cash working capital varies each period based on seasonal changes in corporate activity levels, the impact of production levels and commodity prices on accrued revenue receivable, and timing of processing payments, among other factors. In the second quarter of 2025, the net decrease in non-cash operating working capital is primarily due to an increase in operating accounts receivable with production growth at June 30, 2025 as compared to March 31, 2025. In the comparative second quarter of 2024, the net decrease in non-cash operating working capital was primarily due to an increase in operating accounts receivable at June 30, 2024 as compared to March 31, 2024 due to production downtime in March.

Six months ended June 30, 2025 ("H1/25") vs Six months ended June 30, 2024 ("H1/24")

Amounts are CA$ thousands, except as noted	**H1/25**	H1/24	%	**H1/25 $/BOE**	H1/24 $/BOE	%
Oil and gas sales, net of royalties	**71,094**	46,073	54	**35.72**	35.42	1
Processing and other revenue	**1,322**	1,549	(15)	**0.66**	1.20	(45)
Operating expenses	**(21,501)**	(20,913)	3	**(10.80)**	(16.08)	(33)
Transportation expenses	**(4,097)**	(4,872)	(16)	**(2.06)**	(3.75)	(45)
Operating Income, before hedging [(1)]	**46,818**	21,837	114	**23.52**	16.79	40
Realized gain on derivative financial instruments	**2,514**	(456)	nm	**1.26**	(0.35)	nm
Operating Income, after hedging [(1)]	**49,332**	21,381	131	**24.78**	16.44	51
G&A expenses	**(3,222)**	(3,058)	5	**(1.62)**	(2.35)	(31)
Financing income (expenses) [(2)]	**(2,147)**	775	nm	**(1.08)**	0.60	nm
Realized foreign exchange gain (loss)	**(8)**	2	nm	**-**	-	-
Settlement of decommissioning obligations	**(802)**	(511)	57	**(0.40)**	(0.39)	3
Adjusted Funds Flow [(1)]	**43,153**	18,589	132	**21.68**	14.30	52
Transaction costs	**(127)**	-	-	**(0.06)**	-	-
Change in non-cash working capital	**(6,957)**	1,605	nm	**(3.50)**	1.23	nm
Cash provided by operating activities	**36,069**	20,194	79	**18.12**	15.53	17
AFF per share [(1)]						
Basic and diluted ($ per common share)	**0.07**	0.04	75			

(1) Refer to "Non-GAAP and Other Financial Measures" section of this MD&A.

(2) Excludes non-cash accretion of decommissioning obligations.

Logan generated $43.2 million of Adjusted Funds Flow for the six months ended June 30, 2025, up 132% from $18.6 million in the same period of 2024. The increase in Adjusted Funds Flow was driven by production and revenue growth, together with lower per unit operating, transportation, and G&A expenses. Realized gains on commodity price risk management contracts also strengthened cash flows during the current period. The impact is partly offset by higher financing costs to fund the Company's growth.

The Company's reported Adjusted Funds Flow differs from cash provided by operating activities of $36.1 million reported under IFRS due to changes in non-cash working capital and minor transaction costs. The change in non-cash working capital varies each period based on seasonal changes in corporate activity levels, the impact of production levels and commodity prices on accrued revenue receivable, and timing of processing payments, among other factors. In the first half of 2025, the net decrease in non-cash operating working capital is primarily due to an increase in operating accounts receivable with production growth at June 30, 2025 as compared to December 31, 2024. In the comparative period of 2024, the net increase in non-cash operating working capital was primarily due to an increase in operating accounts payable and accrued liabilities at June 30, 2024 as compared to December 31, 2023.

CASH USED IN INVESTING ACTIVITIES AND CAPITAL EXPENDITURES

The following table summarizes Capital Expenditures during the three and six months ended June 30, 2025 and 2024. The term Capital Expenditures does not have a standardized meaning under IFRS Accounting Standards and may not be directly comparable to measures used by other companies. The most directly comparable GAAP measure is cash used in investing activities which was $47.9 million and $101.2 million for the three and six months ended June 30, 2025, respectively (see the reconciliation provided under the heading "Non-GAAP and Other Financial Measures").

CAPITAL EXPENDITURES	Three months ended June 30			Six months ended June 30		
(CA$ thousands)	**2025**	2024	%	**2025**	2024	%
Land and seismic	**1,077**	188	473	**1,830**	745	146
Drilling and completion	**49,962**	32,390	54	**102,120**	51,202	99
Facilities, pipeline and well equipment	**17,018**	13,131	30	**59,421**	26,618	123
Production optimization and other	**586**	395	48	**1,557**	2,721	(43)
Capital Expenditures before A&D [(1)]	**68,643**	46,104	49	**164,928**	81,286	103
Acquisitions	**-**	-	-	**920**	300	207
Dispositions	**(26,230)**	-	-	**(42,874)**	-	-
Capital Expenditures [(1)]	**42,413**	46,104	(8)	**122,974**	81,586	51

(1) Refer to "Non-GAAP and Other Financial Measures" section for the reconciliation to cash used in investing activities.

The Company's Capital Expenditures before A&D were $68.6 million during the second quarter and $164.9 million year-to-date in 2025, more than double the level of capital spending in the same period of 2024. The Company continues to execute on its stated growth strategy with an active drilling program and construction of important infrastructure in its core areas. During the first half of 2025:

- At Simonette, Logan completed and brought on production 6 (5.0 net) wells including: a 2 (1.0 net) well pad on the recently acquired Lower Montney oil acreage at South Simonette; a two well pad at North Simonette with co-development targeting the Duvernay and Montney; and a two well pad at South Simonette targeting the Middle Montney gas condensate window.
- At Pouce Coupe, the Company drilled, completed and brought on production a 5 (5.0 net) well pad late in the second quarter with an additional 4 (4.0 net) well pad drilled and completed in the reporting period and subsequently brought on production in the third quarter.
- Logan completed construction of its 40 mmcf/d gas plant, battery and compression facilities at Pouce Coupe, as well as associated gathering and sales pipelines. Commissioning of the Pouce Coupe infrastructure is an important milestone for the Company, positioning Logan for a material step-change in growth of its Pouce Coupe property.
- Capital expenditures for the period also include significant investment in pipeline infrastructure at South Simonette and other facility debottlenecking projects.

The following table summarizes the number of net working interest wells drilled, completed and brought on production during the periods:

DRILLING ACTIVITY	Three months ended June 30		Six months ended June 30	
Number of Net Wells	**2025**	2024	**2025**	2024
Drilled [(1)]	**4.0**	3.0	**11.0**	6.0
Completed	**9.0**	4.0	**14.0**	4.0
On production	**6.0**	3.0	**10.0**	3.0
Service/disposal [(1)]	**-**	-	**-**	-

(1) Wells are counted as drilled based on the rig release date.

The Company generated $42.9 million of net cash proceeds from dispositions during the period, as described further below.

2025 Dispositions

GORR Sale

On January 31, 2025, closed the sale of a newly created 2.5% gross overriding royalty on the Company's lands in the Pouce Coupe area (the "**GORR Sale**") for net cash proceeds of $16.6 million after closing adjustments.

(CA$ thousands)	**GORR Sale**
Gross proceeds	17,000
Closing adjustments	(356)
Cash proceeds, after closing adjustments	**16,644**
Disposition of property, plant and equipment	7,585
Deferred gain	9,059
Carrying value of net assets disposed	**16,644**

Judgement was required in determining the allocation of the GORR Sale proceeds, which was determined to be comprised of: (i) payment for partial disposal of an interest in property, plant and equipment ("**PP&E**") to be recognized as a disposition of PP&E; and (ii) an upfront payment received for future oil and gas extraction services that will generate future royalties to be recognized as a deferred gain.

The deferred gain was calculated based on the discounted future cash flows of future development and operating costs multiplied by the 2.5% royalty rate to derive the upfront payment received for future extraction services of $9.1 million. The deferred gain will be recognized in net income (loss) as a gain on sale of assets over the reserve life of the Pouce Coupe area, as future development of the Pouce Coupe land occurs as this is estimated to approximate the efforts the Company will incur towards the implied extraction performance obligation.

The remaining proceeds were compared to the carrying value attributable to the partial disposal of PP&E, with no further gain or loss recorded. The Company applied judgment in determining the carrying value of PP&E to be disposed, which was derived based on the proportion of proved and probable reserve value disposed through the GORR Sale.

In connection with the GORR Sale, Logan committed to spend a minimum of $50.0 million to drill and complete wells on the GORR lands in the Pouce Coupe area prior to December 31, 2026. As of June 30, 2025, Logan has fully satisfied this commitment with its existing capital expenditure budget and has no further drilling commitments.

Facility Interest Sale

On May 30, 2025, Logan closed the sale of a 35% non-operated working interest in Logan's Pouce 4-19 Facility for gross cash proceeds of $26.0 million. Logan retained operatorship and the remaining 65% working interest. At closing, Logan entered into a long-term take-or-pay commitment with the purchaser to access their working interest capacity, thereby maintaining first-priority access to 100% of the divested facility capacity to meet the needs of the Company's long-term development forecast. Monthly fees under the take-or-pay are based on a sliding scale structure with reference to natural gas pricing.

(CA$ thousands)	**Facility Interest Sale**
Cash proceeds	**26,000**
Disposition of property, plant and equipment	13,198
Recognition of ROU asset	(13,198)
Recognition of lease liability	26,000
Carrying value of net assets disposed	**26,000**

The Facility Interest Sale was accounted for as a sale leaseback transaction, with a lease liability and right-of-use ("**ROU**") asset recognized accordingly. A lease liability of $26.0 million was recognized based on the present value of the expected lease payments over the term of the take-or-pay commitment at closing, discounted at Logan's incremental borrowing rate of 8.8%. A ROU asset of $13.2 million was recognized equal to the carrying value of the disposed 35% interest in the Pouce 4-19 Facility, resulting in no gain or loss on disposition. As the monthly fees under the take-or-pay are based on a sliding scale structure with reference to natural gas pricing, the lease liability is revalued at each period end based on the then current natural gas price. Adjustments to the lease liability recognized are offset to the ROU asset. For the three months ended June 30, 2025, no adjustments to the lease liability were required. As at June 30, 2025, a $0.25 per GJ increase to natural gas pricing would not impact the expected lease payments under the take-or-pay commitment nor the resulting lease liability, as natural gas pricing was below the floor of the sliding scale structure. However, an increase (decrease) of $0.25 per GJ would increase (decrease) annual lease payments by $0.2 million and the lease liability by $1.7 million, based on movements within the sliding scale structure of the fees.

Other dispositions

Additionally, Logan completed minor dispositions of non-core assets for total proceeds of $0.2 million during the six months ended June 30, 2025.

2025 Acquisitions

Logan completed minor property acquisitions during the six months ended June 30, 2025, for aggregate cash consideration of $0.9 million. The consideration was allocated $1.4 million to E&E assets and $0.5 million to decommissioning obligations.

2024 Acquisitions

On December 17, 2024, Logan closed the acquisition of an operated 50% working interest in certain crude oil and natural gas assets located in the Simonette area of northwest Alberta, primarily targeting the Montney, and 100% of the vendor's interest in certain Simonette gross overriding royalties ("**GORR**") for total cash consideration of $60.2 million after estimated closing adjustments. The acquisition of the GORR will reduce royalty expenses going-forward as the GORR acquired was on the Company's existing Simonette lands. Adjustments to the purchase price of $52.0 million were approximately $8.2 million between the effective date of September 1, 2024 and closing. The Acquisition included current production of approximately 795 BOE per day (48% liquids), 25 net (52.5 gross) sections of Montney acreage, 16 gross 5-10% gross overriding royalty sections and interests in infrastructure, including a 9 million barrel water reservoir and an oil battery.

The table below summarizes the estimated fair value of the identifiable assets acquired and liabilities assumed on the closing date:

(CA$ thousands)	**December 17, 2024**
Purchase price	52,000
Estimated closing adjustments [(1)]	8,247
Cash consideration, after closing adjustments	**60,247**
Exploration and evaluation assets	5,860
Property, plant and equipment	58,971
Decommissioning obligations [(2)]	(1,984)
Deferred capital obligation [(3)]	(2,600)
Fair value of net assets acquired [(1)]	**60,247**

(1) The fair values of identifiable assets and liabilities acquired are based on management's best estimates based on information available at the time of preparing the Annual Financial Statements. The reader is cautioned that future revisions to these estimates over the measurement period (one year from the closing date of the acquisition) could result in a change from the amounts reported herein.

(2) The aggregate fair value of decommissioning obligations acquired of $2.0 million was estimated by discounting the inflated cost estimates using a "credit-adjusted risk-free rate" of 10.4% on the December 17, 2024 closing date of the acquisition. Subsequent remeasurement of the decommissioning obligations acquired at a risk-free rate under Logan's accounting policy resulting in an increase in the present value of the decommissioning obligations acquired by $2.4 million to $4.4 million.
(3) Logan agreed to carry 100% of the capital costs to drill the first joint well on the acquired acreage. The cost to carry the vendor's working interest was estimated to be $2.6 million which has been fully incurred by Logan as of June 30, 2025.

The fair value of property plant and equipment ("**PP&E**") acquired was estimated based on fair value less cost of disposal ("**FVLCD**") methodology (Level 3 fair value measurement), calculated using the present value of the expected future cash flows after-tax. The projected cash flows used in the FVLCD calculation were derived from a report on Logan's oil and gas reserves prepared by McDaniel & Associates Consultants Ltd., an independent qualified reserve evaluator, as of December 31, 2024 (the "**2024 McDaniel Report**"). The cash flows estimates from the 2024 McDaniel Report were internally updated by Logan to adjust for the 15 days between close and December 31, 2024. The fair value of PP&E is highly sensitive to the discount rate used in the FVLCD calculation. Holding all other assumptions constant, if the discount rate increased by 1% (or decreased by 1%) the fair value of PP&E would decrease by $3.3 million (increase by $3.6 million).

Other Acquisitions

Logan completed other minor property acquisitions during the year ended December 31, 2024, for aggregate cash consideration of $0.4 million. The consideration was allocated $0.2 million to PP&E, $0.3 million to E&E assets and $0.1 million to decommissioning obligations.

CAPITAL RESOURCES AND LIQUIDITY

Logan's capital management objectives are to maintain a flexible capital structure in order to execute on strategic opportunities throughout the business cycle, respond to changes in economic conditions, meet its financial obligations and fund future settlements of decommissioning obligations.

As at June 30, 2025, the Company considers its capital structure to include shareholders' equity, bank debt and working capital. Logan uses "Net Debt (Surplus)" as a capital management measure and is calculated by the Company as bank debt, net of Adjusted Working Capital. Net Debt (Surplus) and Adjusted Working Capital are both non-GAAP financial measures. "Adjusted Working Capital" is calculated by Logan as current liabilities less current assets, excluding derivative financial instrument assets and liabilities and provisions and other liabilities.

The significant components of the Company's capital structure and Net Debt are summarized below:

(Assets) Liabilities *(CA$ thousands, except as noted)*	**June 30, 2025**	December 31, 2024
Cash	**(507)**	(324)
Accounts receivable	**(25,012)**	(13,081)
Prepaid expenses and deposits	**(4,299)**	(1,512)
Accounts payable and accrued liabilities	**71,047**	41,429
Adjusted Working Capital, deficit (1)	**41,229**	26,512
Bank debt	**66,636**	1,303
Net Debt (1)	**107,865**	27,815
Total shareholders' equity	**294,387**	275,357

(1) Refer to "Non-GAAP and Other Financial Measures" section of this MD&A.

Logan had Net Debt of $107.9 million as at June 30, 2025. Net Debt increased compared to Net Debt of $27.8 million at December 31, 2024, primarily due to capital expenditures which exceeded cash flow provided by operating activities during the period. During the six months ended June 30, 2025, the Company utilized $36.1 million in cash provided by operating activities, $42.9 million of net proceeds from dispositions, and borrowings under its Credit Facility and to fund the Company's exploration and development capital expenditures of $164.9 million and acquisition costs of $0.9 million.

The Company monitors its capital structure and short-term financing requirements using a "Net Debt to Annualized AFF Ratio", which is calculated by Logan as the Company's Net Debt (calculated above) relative to its "Annualized Adjusted Funds Flow" (calculated below). The reader is cautioned that "Adjusted Funds Flow" does not have standardized meaning under IFRS Accounting Standards and may not be directly comparable to measures of other companies where similar terminology is used (see "Non-GAAP and Other Financial Measures"). Logan utilizes Adjusted Funds Flow as a key performance measure in the Company's financial forecasts and public guidance because it reflects the net cash flow generated from routine business operations, excluding changes in non-cash working capital. "Annualized Adjusted Funds Flow" is calculated by multiplying Adjusted Funds Flow for the most recently completed quarter by a factor of 4; management considers this annualized measure to be more representative of the Company's current financial position than a 12-month trailing measure. Management believes that the Net Debt to Annualized AFF Ratio provides investors with information to understand the Company's liquidity risk and its ability to repay bank debt and fund future capital expenditures.

Three months ended *(CA$ thousands)*	**June 30, 2025**	December 31, 2024
Cash provided by operating activities	**20,374**	12,004
Change in non-cash operating working capital	**6,772**	4,285
Add back: transaction costs	**24**	400
Adjusted Funds Flow for the quarter	**27,170**	16,689
Factor to Annualize	**4**	4
Annualized Adjusted Funds Flow	**108,680**	66,756
Net Debt	**107,865**	27,815
Net Debt to Annualized AFF Ratio	**1.0 x**	0.4 x

As at June 30, 2025, Logan had Net Debt of $107.9 million, which is approximately 1.0 times the Company's Annualized Adjusted Funds Flow for the second quarter of 2025. The capital intensive nature of Logan's operations may create a working capital deficiency position during periods with high levels of capital investment. The Company maintains sufficient unused bank credit lines to satisfy such working capital deficiencies. As at June 30, 2025, the Company's Net Debt of $107.9 million represented 72% of the authorized borrowing amount available under the Credit Facility of $150.0 million.

Logan is well positioned to execute on its short and longer term growth strategy. Future exploration and development capital expenditures are expected to be funded by cash provided by operating activities and borrowings under the Company's Credit Facility. In order to maintain or adjust its capital structure in the future, the Company may issue new common shares or other equity securities, issue debt, adjust capital expenditures and acquire or dispose of assets.

Logan's existing capital resources, including undrawn capacity under its bank Credit Facility (defined below), are sufficient to satisfy its financial obligations for the next twelve months. The following table outlines a contractual maturity analysis for the Company's financial liabilities as at June 30, 2025:

(CA$ thousands)	1 year	2 to 3 years	4 to 5 years	> 5 years	Total
Accounts payable and accrued liabilities	71,047	-	-	-	71,047
Credit Facility [(1)]	5,369	71,188	-	-	76,557
Undiscounted lease liabilities	3,150	6,375	6,174	30,416	46,115
Total	**79,566**	**77,563**	**6,174**	**30,416**	**193,719**

(1) Includes interest and standby fees at annual rates of 7.2% and 0.8%, respectively, being the applicable rates on the Credit Facility (defined herein) as at June 30, 2025. For purposes of the above table, principal repayment is assumed on the term maturity date of April 3, 2027.

CREDIT FACILITY

(CA$ thousands)	**June 30, 2025**	December 31, 2024
Bank loan	**67,500**	2,150
Unamortized issue costs	**(864)**	(847)
Bank debt	**66,636**	1,303

The Company has a revolving committed term credit facility with National Bank of Canada (the "**Lender**") (the "**Credit Facility**"). As at June 30, 2025, the authorized borrowing amount available under the Credit Facility was $150.0 million, comprised of a $25.0 million operating facility and a $125.0 million loan facility.

The Credit Facility has a revolving period of 364 days extendible annually at the request of the Company subject to approval of the Lender. Effective May 14, 2025, the current revolving period was extended to April 3, 2026, with a term-out to April 3, 2027, if not renewed. The borrowing base is subject to semi-annual reviews occurring by May 31st and by November 30th of each year, based upon the Company's annual independent engineering report or updates thereto. The borrowing base may also be subject to redetermination upon, among other things, disposing of material properties or acquiring inactive decommissioning obligations subject to certain thresholds. Repayments of principal are not required until the term maturity date, provided the Company is in compliance with all covenants, representations and warranties.

The Credit Facility is secured by a first fixed and floating charge debenture over all of the Company's assets and a general assignment of book debts. Borrowings are available by way of direct advances, CORRA loans, or letters of credit/guarantees. The Credit Facility bears interest at market rates that fluctuate plus an applicable margin based on the net debt to earnings before interest, taxes, depreciation and amortization ("**EBITDA**") ratio of the Company. The Company incurs standby fees on the undrawn facility which also fluctuate based on the pricing grid.

Following amendments to the Credit Facility effective May 14, 2025, the Company is not subject to any financial covenants, however the Credit Facility does include other standard business operating covenants, including but not limited to limitations on acquisitions and dispositions, distributions and hedging arrangements. As of the date hereof, Logan is in compliance with all covenants.

Letter of Credit Facility

The Company has a demand letter of credit facility (the "**LC Facility**") which provides Logan with $5.0 million of incremental credit capacity to issue letters of credit. The letters of credit may be issues for general corporate purposes and are limited to a term of one year from the date of issuance. Letter of credit obligations, when incurred, are repayable on demand. The LC Facility provides Logan with additional liquidity as letters of credit issued under the LC Facility will not reduce the borrowing capacity under the Credit Facility. As at June 30, 2025, the Company had $3.8 million of issued but undrawn letters of credit outstanding under the LC Facility.

SHARE CAPITAL

Common shares of Logan are listed on the TSXV and trade under the symbol "LGN". The volume weighted average trading price ("**VWAP**") of the Company's common shares on the TSXV for the three and six months ended June 30, 2025 was $0.60 per share and $0.64 per share, respectively. The VWAP for the comparative three and six months ended June 30, 2024 was $0.89 per share and $0.86 per share, respectively.

The Company is authorized to issue an unlimited number of common shares, an unlimited number of preferred shares and an unlimited number of special shares, each without par value. As of June 30, 2025 and as of the date hereof, there are 595.7 million common shares outstanding. There are no preferred shares or special shares outstanding.

The total number of outstanding securities of the Company is provided below:

Number of securities outstanding (000s)	December 31, 2024	**June 30, 2025**	**August 12, 2025**
Common shares	595,675	**595,675**	**595,675**
Warrants [1]	64,286	**64,286**	**64,286**
Stock options [2]	22,603	**40,995**	**40,995**
Total securities outstanding [3]	682,564	**700,956**	**700,956**

(1) The warrants entitle the holder to purchase common shares of Logan at an exercise price of $0.35 per common share on or before July 12, 2028.

(2) As of the date hereof, there are 41.0 million stock options outstanding with an average exercise price of $0.78 per share and an average remaining term to expiry of 3.9 years.

(3) The total number of securities outstanding is provided for information purposes only. This calculation does not factor in whether the securities are in-the-money or the number of shares deemed to be repurchased under the treasury stock method in accordance with IFRS Accounting Standards. As such it should not be viewed as an alternative to the diluted weighted average number of common shares outstanding determined in accordance with IFRS Accounting Standards, as presented in the table below.

The table below summarizes the weighted average number of common shares outstanding (000s) used in the calculation of diluted EPS and diluted AFF per share:

	Three months ended June 30			Six months ended June 30		
(000s)	**2025**	2024	%	**2025**	2024	%
WA Shares outstanding, basic	**595,675**	465,537	28	**595,675**	465,537	28
Dilutive effect of outstanding securities [1][2]	**26,946**	38,989	(31)	**29,227**	38,213	(24)
WA Shares outstanding, diluted	**622,621**	504,526	23	**624,902**	503,750	24

(1) Stock options outstanding from the respective dates of grant were excluded from the dilutive effect of outstanding securities as the stock options were not dilutive based on the treasury stock method during the periods ended June 30, 2025 and June 30, 2024.

(2) The outstanding securities were antidilutive to Logan's net loss per share in the six months ended June 30, 2025, however they are dilutive to AFF per share.

COMMITMENTS

The following table summarizes the Company's contractual commitments as of June 30, 2025:

(CA$ thousands)	2025	2026	2027	2028	2029	Thereafter
Gas transportation [1]	3,679	5,358	6,618	12,726	12,241	49,793
Liquids transportation [2]	298	149	-	-	-	-
Processing fees [3]	3,816	7,638	5,018	5,769	4,138	17,889
Capital commitments [4]	-	-	-	-	-	-
Total commitments [5]	7,793	13,145	11,636	18,495	16,379	67,682

(1) Logan has firm transportation commitments on natural gas pipelines in Alberta until October 2035.

(2) Relates to upstream NGLs transportation contract in place until March 2026.

(3) Processing fee commitments relate to the following agreements: (i) firm capacity for natural gas gathering and processing at the NorthRiver Fourth Creek and Gordondale East gas plants until March 2027; (ii) firm capacity for natural gas gathering and processing at the CSV Simonette Gas Plant until September 2040; and (iii) and a commitment to make-whole, in the event of a shortfall (if any) on partner capital recovery on certain projects at the CSV Simonette Gas Plant, of up to $1.6 million that may become payable in February 2028.

(4) Pursuant to the GORR Sale (see "Dispositions"), Logan entered into a commitment to spend a minimum of $50.0 million to drill and complete wells on the gross overriding royalty lands in the Pouce Coupe area prior to December 31, 2026, with the commitment fulfilled as of June 30, 2025.

(5) The commitments table does not include lease liabilities. A contractual maturity of the Company's financial liabilities and undiscounted lease payments is provided under the heading "Capital Resources and Liquidity".

OFF-BALANCE SHEET ARRANGEMENTS

Except for the commitments and contingencies disclosed herein, the Company does not believe it has any off-balance sheet arrangements that have, or are reasonably likely to have, a current or future impact of the Company's financial condition, results of operations, liquidity or capital expenditures.

SUMMARY OF QUARTERLY INFORMATION

The table below summarizes selected financial and operational information over the past eight quarters:

(CA$ millions, except as noted)	**Q2 2025**	Q1 2025	Q4 2024	Q3 2024	Q2 2024	Q1 2024	Q4 2023	Q3 2023
Revenue	**40,509**	31,907	27,608	29,011	24,353	23,269	27,187	15,458
Net income (loss) and comprehensive income (loss)	**17,311**	(394)	(150)	6,280	416	(1,991)	11,391	(10,708)
$ per share, basic and diluted	**0.03**	(0.00)	(0.00)	0.01	0.00	(0.00)	0.02	(0.03)
Cash provided by operating activities	**20,374**	15,695	12,004	18,233	3,394	16,800	11,176	5,158
Adjusted Funds Flow [(1)]	**27,170**	15,983	16,689	17,641	8,744	9,845	15,392	5,159
Capital Expenditures [(1)]	**42,413**	80,561	98,835	31,419	46,104	35,482	40,719	38,680
Total assets	**517,169**	461,755	365,450	267,304	248,390	244,787	234,638	218,390
Working capital surplus (deficit)	**(37,490)**	(58,286)	(26,573)	(31,720)	(21,603)	13,881	41,633	67,374
Long-term liabilities	**147,979**	93,693	46,274	35,839	31,881	31,280	32,983	25,675
Shareholders' equity	**294,387**	275,744	275,357	182,734	175,122	173,408	174,116	162,165
Average daily production (BOE/d)	**12,013**	9,974	9,526	9,942	7,277	7,017	7,515	5,394
% Oil and NGLs	**41%**	34%	32%	35%	36%	33%	35%	24%
Average realized price ($ per BOE)	**38.41**	38.64	33.11	33.40	40.09	38.26	41.44	35.24
Operating Netback, before hedging ($ per BOE) [(1)]	**25.71**	20.85	19.94	19.82	15.75	17.87	23.63	10.94
Operating Netback, before hedging, % of average realized price	**67%**	54%	60%	59%	39%	47%	57%	31%

(1) "Adjusted Funds Flow", "Capital Expenditures" and "Operating Netbacks" do not have standardized meanings under IFRS Accounting Standards, refer to "Non-GAAP and Other Financial Measures".

Logan was spun-out of Spartan Delta Corp. on June 20, 2023 and Logan commenced active operations and its drilling program in the third quarter of 2023. An equity private placement and exercise of transaction warrants related to the spin-out were completed in July 2023 for aggregate net proceeds of approximately $102.2 million, funding Logan's working capital surplus as at September 30, 2023. The net loss reported for the third quarter of 2023 primarily resulted from a one-time charge of $9.8 million of share based compensation expense. Logan continued its capital program through the fourth quarter, spending $40.7 million. Net income for the fourth quarter increased with higher production resulting from wells brought on production, as well as an $8.4 million reversal of PP&E impairment.

In the first quarter of 2024, revenue and Adjusted Funds Flow was impacted by unplanned production downtime resulting from a pipeline failure, compounded by lower realized pricing. The net loss in the first quarter was further driven by an unrealized loss on derivatives and incremental depletion resulting from a pipeline replacement. New production at Pouce Coupe in the second quarter of 2024 drove up Logan's liquids-weighting, combating significant declines to natural gas commodity pricing in the quarter. New well production was partly offset by planned production downtime for a turnaround at the Simonette 13-11 gas plant in June of 2024 which contributed to higher operating expenses during the second quarter. Production reached a peak in the third quarter of 2024 with 3.0 net wells brought on production at Simonette, driving operational efficiencies in operating and transportation expenses. Natural gas pricing continued to decline over the summer of 2024, with average pricing hitting a 20 year quarterly average low in the third quarter. Net income in the third quarter of 2024 also included the impact of unrealized hedging gains. Revenue and Adjusted Funds Flow in the fourth quarter of 2024 reflect production declines with the timing of Logan's capital

program, as improvement in natural gas commodity pricing was offset by softer crude oil pricing. Logan raised net proceeds of $90.7 million through private placements completed in the fourth quarter of 2024 which were used to fund the Acquisition of $60.2 million and repay bank debt. Logan's 2024 capital program included drilling 9.0 net wells, with locations drilled at Pouce Coupe, Simonette, Lator and Ante Creek, with 7.0 net wells completed brought on production. Additionally, the Company progressed construction of the Pouce 4-19 Facility, expected to be commissioned in the second quarter of 2025.

Revenue in the first quarter of 2025 reflects growth in production, higher liquids weighting and recovering natural gas pricing as compared to the immediately proceeding quarter. Logan continued its active capital program through the first quarter, spending $80.6 million in capital expenditures (net of proceeds from dispositions) with 4.0 net wells brought on production and a further 6.0 net wells drilled. Logan closed the GORR Sale for net proceeds of $16.6 million with proceeds used to partially fund capital expenditures. The net loss in the first quarter was driven by an unrealized loss on derivative financial instruments. Revenue in the second quarter of 2025 reflects a corporate record for production, including a 53% increase in oil production compared to the proceeding quarter, mitigating weaker commodity pricing. Adjusted Funds Flow increased 70% from the first quarter of 2025 with record production driving higher revenue and further economies of scale in cash costs. Capital expenditures of $42.4 million (net of proceeds from dispositions) included bringing 6.0 net wells drilled in the first quarter on production, drilling and completing a further 4.0 wells brought on production in the third quarter and commissioning of the Pouce 4-19 Facility. Proceeds of $26.0 million from the Facility Interest Sale which closed on May 30, 2025 were used to repay bank debt. Net income for the second quarter reflects improved Operating Netbacks and an unrealized gain on derivative financial instruments.

MATERIAL ACCOUNTING POLICIES

The material accounting policies applied by the Company are described in note 3 of the Annual Financial Statements as at December 31, 2024.

Future accounting pronouncements

On April 9, 2024, the IASB issued a new standard IFRS 18 Presentation and Disclosure in Financial Statements (“IFRS 18”) which will replace IAS 1. While many of the existing principles of IAS 1 are retained with limited changes, IFRS 18 introduces changes to the presentation of, and disclosure requirements related to, the Statement of Net Income (Loss) and Comprehensive Income (Loss). IFRS 18 is effective for annual reporting periods beginning on or after January 1, 2027. Logan is currently assessing the impact of adopting of IFRS 18, which will be adopted on its effective date.

Additionally, in May 2024 the IASB issued amendments to IFRS 7 Financial Instruments: Disclosures and IFRS 9 Financial Instruments relating to settling financial liabilities using an electronic payment system and assessing contractual cash flow characteristics of financial assets. The amendments will be effective on January 1, 2026. Logan is assessing the full impact of this amendment.

SIGNIFICANT ESTIMATES AND JUDGEMENTS

The timely preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amount of assets, liabilities, income and expenses. Actual results may differ materially from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are reviewed and for any future years affected. The significant judgements, estimates and assumptions made by management are consistent with those outlined in note 2 of the Annual Financial Statements, except as noted below.

Sale of Royalty Interests

Accounting for the sale of a gross overriding royalty ("**GORR**") interest on the Company's production, or a portion thereof, requires judgement. The specific terms of the transaction are considered to determine whether an interest in the reserves of the respective property has been disposed as of the closing date of the transaction. Consideration is given to whether the counterparty is entitled to the associated risks and rewards over the life of the property including the contractual terms and implicit obligations related to production over the life of the property, the option of settling the GORR in cash or in kind and the associated commitments, if any, to develop future expansions or projects at the property. Judgment is also required in determining the allocation of proceeds between the disposition of reserves, if any, a deferred gain related to an upfront payment for future oil and gas extraction services that will generate future royalties, and ultimately whether any gain or loss is recorded in net income (loss) at the time of the transaction. Details of the judgements applied by the Company are provided in note 8 of the Interim Financial Statements.

Sale Leaseback Transaction

Identification of a sale leaseback transaction requires judgement in determining if the associated risks and rewards of the asset have transferred to the counterparty to constitute a sale and if simultaneously entered agreements to access the asset post sale constitute a lease. Consideration is given to the life and income earning potential of the asset, firm capacity access to the asset and operatorship, amongst other transaction specific factors. Once a sale leaseback transaction is identified, further judgements are required in the measurement of the disposed asset carrying value and recognition of the ROU asset, the present value of lease liability and any resulting gain or loss on sale recognized. Management considers cost of the asset disposed, the term of the lease and renewal options, expected magnitude of payments under the lease, specific factors of the agreement and the Company's incremental borrowing rate when estimating the initial recognition of the ROU asset and lease liability. Details of the judgements applied by the Company are provided in note 8 of the Interim Financial Statements.

RISKS AND UNCERTAINTIES

The business of exploring for, developing and producing crude oil and natural gas reserves is inherently risky. The Company is subject to both risks that directly affect Logan's business and operations, as well as indirect risks that impact third parties or industry generally. The following information is a summary only of certain risk factors relating to the Company and should be read in conjunction with the Company's AIF for the year ended December 31, 2024 which can be found at www.sedarplus.ca. Prospective investors should carefully consider the risk factors set out below and consider all other information contained in this MD&A and in the Company's other public filings before making an investment decision. The risks set out below are not an exhaustive list, nor should be taken as a complete summary or description of all the risks associated with the Company's business and the oil and natural gas business generally.

Market Risks

Market risk is the risk that changes in market conditions, such as commodity prices, interest rates and foreign exchange rates, will affect the Company's cash flows, net income or fair value of financial instruments. Logan's risk management objective is to manage and control market risk exposures within acceptable limits, while maximizing long-term returns. The Company may utilize derivative financial instruments and physical delivery sales contracts to manage market risks. All such transactions are conducted in accordance with the Company's risk management policies.

a) Commodity Price Risk

Commodity price risk is the risk that future cash flows will fluctuate as a result of changes in commodity prices. Inherent to the business of producing oil and gas, the Company's revenue and cash provided by operating activities is subject to commodity price risk. Commodity prices are impacted by world economic events that dictate the levels of supply and demand as well as the currency exchange rate relationship between the Canadian and U.S. dollar. A stronger Canadian dollar compared to the U.S. dollar could negatively impact the commodity prices realized by Logan, even with no change in the underlying commodity U.S. benchmark.

From time to time, Logan may enter into agreements to receive fixed prices on its oil and natural gas production to offset the risk of revenue losses if commodity prices decline. Similarly, the Company may enter into agreements to fix the differential or discount pricing gap which exists, and may fluctuate between different grades of crude oil, NGLs and natural gas and the various market prices received for such products. However, if commodity prices increase or differentials narrow beyond the levels set in such agreements, Logan may be prevented from realizing the full benefits of price increases above the levels of the derivative instruments used to manage price risk and the Company may nevertheless be obligated to pay royalties on such higher prices, even though not received by it, after giving effect to such agreements. In addition, if the Company enters into hedging arrangements it may be exposed to the risk of financial loss in certain circumstances, including instances in which: production falls short of the hedged volumes or prices fall significantly lower than projected; there is a widening of price-basis differentials between delivery points for production and the delivery point assumed in the hedge arrangement; the counterparties to the hedging arrangements or other price risk management contracts fail to perform under those arrangements; and/or a sudden unexpected material event impacts crude oil and natural gas prices.

Details of outstanding risk management contracts are provided under the heading "Commodity Price Risk Management" in this MD&A and in note 4 to the Annual Financial Statements. The fair values of derivative financial instruments are designated as Level 2 in the fair value hierarchy and are highly sensitive to changes in underlying commodity prices.

The table below illustrates the stand-alone impact of changes in specified benchmark prices and differentials on net income before income taxes, holding all other variables constant, of risk management contracts in place as at June 30, 2025:

(CA$ thousands)	Change in price	Positive movement	Negative movement
AECO	+/- CA$0.25 per GJ	(3,006,250)	3,006,250
WTI	+/- CA$5.00 per barrel	(2,185,000)	2,185,000
Edm SW Basis [(1)]	+/- CA$0.50 per barrel	(92,000)	92,000
CA$/US$ exchange rate [(2)]	+/- $0.01	(90,000)	90,000

(1) Edm SW Basis refers to the Edmonton Light Sweet crude oil reference price relative to WTI. A positive movement means that the differential is narrowing and a negative movement means that the differential widening.

(2) A positive movement refers to appreciation of the U.S. dollar relative to the Canadian dollar and vice versa.

b) Interest Rate Risk

Interest rate risk is the risk that future cash flows will fluctuate as a result of changes in market interest rates. Although the Company currently has no bank debt outstanding, under the Credit Facility interest rates will fluctuate based on the bank prime rate plus an applicable margin. The Company will be exposed to interest rate risk on its bank debt. Based on the balance of bank debt drawn of $67.5 million at June 30, 2025, a change in the market rate of interest by 50 basis points would increase (decrease) annualized interest expense by approximately $0.3 million. The Company does not currently have any interest rate risk management contracts in place.

c) Currency Risk

Currency risk is the risk that future cash flows will fluctuate as a result of changes in foreign exchange rates. Logan is exposed to fluctuations of the Canadian to U.S. dollar exchange rate given the Company's realized pricing in Canadian dollars is directly influenced by U.S. dollar denominated benchmark pricing and on U.S. denominated derivative financial instruments. During the period, the Company entered into a foreign exchange collar on a notional US$1.5 million per month from February to December 2025, with a floor of $1.410 and a ceiling of $1.448 CA$/US$ to effectively convert a portion of its U.S. dollar denominated WTI oil hedges to CAD equivalent. The fair value of the foreign exchange collar was $0.5 million at June 30, 2025.

Credit Risk

Credit risk is the risk of potential loss to the Company if the counterparty to a financial instrument fails to meet its contractual obligations. As at June 30, 2025, the Company's financial assets include cash and cash equivalents, accounts receivable, deposits and derivative financial instruments. Cash and cash equivalents are held on deposit with a Canadian chartered bank. The Company's credit risk exposure arises primarily from receivables from oil and gas marketers, the counterparty to derivative financial contracts and joint venture partners. The oil and gas industry has a pre-arranged monthly clearing day for payment of revenues from all buyers of oil and natural gas; this occurs on the 25th day following the month of sale. As a result, the Company's production revenues are current. All other accounts receivable are generally contractually due within 30 days, however the collection period is typically between 60 to 90 days. Amounts outstanding for more than 90 days are generally considered "past due" and relate primarily to receivables from the Company's joint venture partners. When determining whether amounts that are past due are collectible, management assesses the creditworthiness and past payment history of the counterparty, as well as the nature of the past due amount. As at June 30, 2025 and at December 31, 2024, Logan's expected credit loss provision was $0.1 million.

Liquidity Risk

Liquidity risk is the risk that a company will not be able to meet its financial obligations as they become due. The Company prepares and regularly updates its capital and operating budget to forecast future cash flows to ensure, to the extent possible, that it will have sufficient liquidity to meet its obligations. As at June 30, 2025, Logan's financial liabilities include accounts payable and accrued liabilities, lease liabilities and bank debt. A contractual maturity analysis is provided in the "Capital Resources and Liquidity" section of this MD&A. Logan's existing capital resources are sufficient to satisfy its financial obligations for the next twelve months.

NON-GAAP AND OTHER FINANCIAL MEASURES

This MD&A contains certain financial measures and ratios, as described below, which do not have standardized meanings prescribed by IFRS Accounting Standards or GAAP. As these non-GAAP and other financial measures are commonly used in the oil and gas industry, the Company believes that their inclusion is useful to investors. The reader is cautioned that these amounts may not be directly comparable to measures for other companies where similar terminology is used.

The non-GAAP and other financial measures used in this MD&A, represented by the bolded, capitalized and defined terms outlined below, are used by Logan as key measures of financial performance and are not intended to represent operating profits nor should they be viewed as an alternative to cash provided by operating activities, net income or other measures of financial performance calculated in accordance with IFRS Accounting Standards.

Non-GAAP Financial Measures

Operating Income and Operating Netback

Operating Income, a non-GAAP financial measure, is a useful supplemental measure that provides an indication of the Company's ability to generate cash from field operations, prior to administrative overhead, financing and other business expenses. "**Operating Income**" is calculated by Logan as oil and gas sales, plus processing and other revenue, less royalties, operating and transportation expenses. The Company refers to Operating Income expressed per unit of production as an "**Operating Netback**" which is a non-GAAP financial ratio. Logan considers Operating Netback an important measure to evaluate its operational performance as it demonstrates its field level profitability relative to current commodity prices.

The components of Logan's Operating Income and Operating Netbacks are outlined below:

	Three months ended June 30			Six months ended June 30		
(CA$ thousands, unless otherwise indicated)	**2025**	2024	%	**2025**	2024	%
Oil and gas sales	**41,992**	26,544	58	**76,677**	50,974	50
Processing and other revenue	**719**	692	4	**1,322**	1,549	(15)
Royalty expenses	**(2,202)**	(2,883)	(24)	**(5,583)**	(4,901)	14
Operating expenses	**(10,161)**	(11,563)	(12)	**(21,501)**	(20,913)	3
Transportation expenses	**(2,242)**	(2,361)	(5)	**(4,097)**	(4,872)	(16)
Operating Income, before hedging	**28,106**	10,429	169	**46,818**	21,837	114
Realized gain (loss) on derivative financial instruments	**2,349**	(244)	nm	**2,514**	(456)	nm
Operating Income, after hedging	**30,455**	10,185	199	**49,332**	21,381	131
Production (BOE)	**1,093,181**	662,137	65	**1,990,809**	1,300,704	53
Operating Netback, before hedging ($/BOE)	**25.71**	15.75	63	**23.52**	16.79	40
Operating Netback, after hedging ($/BOE)	**27.86**	15.38	81	**24.78**	16.44	51

Adjusted Funds Flow

"**Adjusted Funds Flow**" is calculated by Logan as cash provided by operating activities before changes in non-cash working capital and adding back transaction costs (if any). Logan utilizes Adjusted Funds Flow as a key performance measure in the Company's annual financial forecasts and public guidance. Logan believes Adjusted Funds Flow provides useful information to understand the cash flows generated by the Company's operations during the current production period excluding the impact of timing of payments and cash receipts. Transaction costs, which primarily include legal and financial advisory fees, regulatory and other expenses directly attributable to execution of acquisitions and dispositions ("**A&D**"), are excluded to provide a measure representing cash flow generated by the Company's routine business operations. For greater clarity, incremental overhead expenses related to ongoing integration and restructuring post-acquisition (if applicable) are not adjusted and are included in Logan's general and administrative expenses. The Company refers to Adjusted Funds Flow expressed per unit of production as an "**Adjusted Funds Flow Netback**".

The following table reconciles cash provided by operating activities as determined in accordance with IFRS Accounting Standards to the Company's definition of Adjusted Funds Flow:

	Three months ended June 30			Six months ended June 30		
(CA$ thousands)	**2025**	2024	%	**2025**	2024	%
Cash provided by operating activities	**20,374**	3,394	500	**36,069**	20,194	79
Change in non-cash operating working capital	**6,772**	5,350	27	**6,957**	(1,605)	nm
Add back: transaction costs	**24**	-	-	**127**	-	-
Adjusted Funds Flow	**27,170**	8,744	211	**43,153**	18,589	132

Adjusted Funds Flow per share ("**AFF per share**")

AFF per share is a non-GAAP financial ratio used by the Logan as a key performance indicator. The basic and diluted weighted average common shares ("**WA Shares**") outstanding used in the calculation of AFF per share is calculated using the treasury stock method under the same methodology as net income per share.

The table below outlines the calculation of AFF per share:

	Three months ended June 30			Six months ended June 30		
(CA$ thousands, except for share amounts)	**2025**	2024	%	**2025**	2024	%
Adjusted Funds Flow	**27,170**	8,744	211	**43,153**	18,589	132
WA Shares outstanding (000s) – basic	**595,675**	465,537	28	**595,675**	465,537	28
WA Shares outstanding (000s) – diluted	**622,621**	504,526	23	**624,902**	503,750	24
AFF per share						
Basic ($ per common share)	**0.05**	0.02	150	**0.07**	0.04	75
Diluted ($ per common share)	**0.04**	0.02	100	**0.07**	0.04	75

Net Debt (Surplus) and Adjusted Working Capital

Throughout this MD&A, references to "**Net Debt**" or "**Net Surplus**" includes bank debt, net of Adjusted Working Capital. Net Debt (Surplus) and Adjusted Working Capital are both non-GAAP financial measures. "**Adjusted Working Capital**" is calculated as current liabilities less current assets, excluding derivative financial instrument assets and liabilities and provisions and other liabilities. As at June 30, 2025, Adjusted Working Capital includes cash and cash equivalents, accounts receivable, prepaid expenses and deposits, and accounts payable and accrued liabilities. A summary of the significant components of Adjusted Working Capital and Net Debt (Surplus) are provided under the heading "Capital Resources and Liquidity".

A reconciliation to working capital determined in accordance with GAAP is also provided below:

(CA$ thousands)	**June 30, 2025**	December 31, 2024
Current liabilities	**74,803**	43,819
Current assets	**(37,313)**	(17,246)
Working capital deficit	**37,490**	26,573
Adjusted for current portion of:		
Derivative financial instrument assets	**7,495**	2,329
Derivative financial instrument liabilities	**-**	(576)
Provisions and other liabilities	**(3,756)**	(1,814)
Adjusted Working Capital, deficit	**41,229**	26,512
Bank debt	**66,636**	1,303
Net Debt	**107,865**	27,815

Net Debt (Surplus) to Annualized AFF Ratio

The Company monitors its capital structure and short-term financing requirements using a "Net Debt (Surplus) to Annualized AFF Ratio", which is a non-GAAP financial ratio calculated as the Company's Net Debt (Surplus) relative to its Annualized Adjusted Funds Flow. "Annualized Adjusted Funds Flow" is calculated by multiplying Adjusted Funds Flow for the most recently completed quarter by a factor of 4.

Management believes that this ratio provides investors with information to understand the Company's liquidity risk and its ability to repay bank debt and fund future capital expenditures (see "Capital Resources and Liquidity").

Three months ended *(CA$ thousands)*	**June 30, 2025**	December 31, 2024
Cash provided by operating activities	**20,374**	12,004
Change in non-cash operating working capital	**6,772**	4,285
Add back: transaction costs	**24**	400
Adjusted Funds Flow for the quarter	**27,170**	16,689
Factor to Annualize	**4**	4
Annualized Adjusted Funds Flow	**108,680**	66,756
Net Debt	**107,865**	27,815
Annualized Adjusted Funds Flow	**108,680**	66,756
Net Debt to Annualized AFF Ratio	**1.0 x**	0.4 x

Capital Expenditures

Logan uses "**Capital Expenditures before A&D**" to measure its capital investment level compared to the Company's annual budgeted capital expenditures for its organic drilling program, excluding acquisitions or dispositions (if any). "**Capital Expenditures**" is calculated by adding cash acquisition costs, net of proceeds from dispositions to Capital Expenditures before A&D. The directly comparable GAAP measure is cash used in investing activities. The following table details the composition of capital expenditures and its reconciliation to cash used in investing activities:

	Three months ended June 30		Six months ended June 30	
(CA$ thousands)	**2025**	2024	**2025**	2024
Exploration and evaluation assets	**1,147**	13,034	**2,084**	23,657
Property, plant and equipment	**67,496**	33,070	**162,844**	57,629
Capital Expenditures before A&D	**68,643**	46,104	**164,928**	81,286
Acquisitions	**-**	-	**920**	300
Dispositions	**(26,230)**	-	**(42,874)**	-
Capital Expenditures	**42,413**	46,104	**122,974**	81,586
Change in non-cash investing working capital	**5,475**	1,217	**(21,780)**	(9,398)
Cash used in investing activities	**47,888**	47,321	**101,194**	72,188

Supplementary Financial Measures

The supplementary financial measures used in this MD&A (primarily average sales price per product type, royalty rates, and certain per BOE and per share figures) are either a per unit disclosure of a corresponding GAAP measure, or a component of a corresponding GAAP measure, presented in the financial statements. Supplementary financial measures that are disclosed on a per unit basis are calculated by dividing the aggregate GAAP measure (or component thereof) by the applicable unit for the period. Supplementary financial measures that are disclosed on a component basis of a corresponding GAAP measure are a granular representation of a financial statement line item and are determined in accordance with GAAP.

OTHER MEASUREMENTS

All dollar amounts are referenced in Canadian dollars, except when noted otherwise. This MD&A contains various references to the abbreviation "**BOE**" which means barrels of oil equivalent. Where amounts are expressed on a BOE basis, natural gas volumes have been converted to oil equivalence at six thousand cubic feet per barrel. A BOE conversion ratio of six thousand cubic feet per barrel is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead and is significantly different than the value ratio based on the current price of crude oil and natural gas. This conversion factor is an industry

accepted norm and is not based on either energy content or current prices. Such abbreviation may be misleading, particularly if used in isolation.

Throughout this MD&A, “crude oil” or “oil” refers to light and medium crude oil product types as defined by National Instrument 51-101 Standards of Disclosure for Oil and Gas Activities (“NI 51-101”). Condensate is a natural gas liquid as defined by NI 51-101. References to “natural gas liquids” or “NGLs” throughout this MD&A comprise pentane, butane, propane and ethane, being all NGLs as defined by NI 51-101 other than condensate, which is disclosed separately by Logan due to the significant difference in value per barrel. References to “liquids” includes crude oil, condensate and NGLs. References to “gas” relates to natural gas.

ABBREVIATIONS

A&D	acquisitions and dispositions
AECO	Alberta Energy Company “C” Meter Station of the NOVA Pipeline System, the Canadian benchmark price for natural gas
AIF	refers to the Company’s 2024 Annual Information Form dated March 19, 2025
API	American Petroleum Institute gravity
bbl	barrel
bbls/d	barrels per day
BOE	barrels of oil equivalent
BOE/d	barrels of oil equivalent per day
DUC	drilled, uncompleted well
G&A	general and administrative expenses
GAAP	refers to Canadian Generally Accepted Accounting Principles, which incorporate IFRS Accounting Standards for public companies
GJ	gigajoule
GORR	gross overriding royalty
H1	six months ending June 30
H2	six months ending December 31
mbbls	one thousand barrels
mBOE	one thousand barrels of oil equivalent
mcf or MCF	one thousand cubic feet
mcf/d	one thousand cubic feet per day
MM	millions of dollars
mmbtu	one million British thermal units
mmcf	one million cubic feet
mmcf/d	one million cubic feet per day
MSW	Mixed Sweet Blend crude oil
nm	“not meaningful”, generally with reference to a percentage change
NGLs	natural gas liquids
NYMEX	New York Mercantile Exchange
Q1 2025	first quarter of 2025
Q2 2025	second quarter of 2025
Q1 2024	first quarter of 2024
Q2 2024	second quarter of 2024
Q3 2024	third quarter of 2024
Q4 2024	fourth quarter of 2024
TSXV	TSX Venture Exchange
US$	United States dollar
WTI	West Texas Intermediate, price paid in US$ at Cushing, Oklahoma, for crude oil of standard grade
YoY	Year-over-year change

FORWARD-LOOKING STATEMENTS

Certain statements contained within this MD&A constitute forward-looking statements within the meaning of applicable Canadian securities legislation. All statements other than statements of historical fact may be forward-looking statements. Forward-looking statements are often, but not always, identified by the use of words such as "anticipate", "budget", "plan", "endeavour", "continue", "estimate", "evaluate", "expect", "forecast", "monitor", "may", "will", "can", "able", "potential", "target", "intend", "consider", "focus", "identify", "use", "utilize", "manage", "maintain", “outlook”, "remain", "result", "cultivate", "could", "should", "believe", “project” and similar expressions (or grammatical variations or negatives thereof). The Company believes that the expectations reflected in such forward-looking statements are reasonable as of the date hereof, but no assurance can be given that such expectations will prove to be correct and such forward-looking statements should not be unduly relied upon.

Without limitation, this MD&A contains forward-looking statements pertaining to:

- the intentions of management and the Company with respect to its growth strategy and business plan;
- Logan’s 2025 capital budget, including drilling programs and infrastructure development, the timing and anticipated results thereof;
- the expectation that the Company’s Net Debt to Adjusted Funds Flow ratio is expected to moderate in the second half of 2025;
- risks to Logan's business, operations and future outlook generally as described under the heading "Risk Factors";
- assumptions regarding future commodity benchmark pricing, including the ability to protect cash flow and preserve project economics through hedging;
- Logan's intention to maintain a flexible capital structure and to maintain a strong balance sheet to allow the Company to take advantage of opportunities, respond to changes in economic conditions and meet its obligations;
- Logan’s Credit Facility and its intention to maintain sufficient unused bank credit lines to satisfy working capital deficiencies;
- capital resources and liquidity, including Logan’s expectations regarding strategic dispositions and sources of funding for future development capital expenditures and acquisitions;
- the anticipated benefits of the Acquisition;
- estimates used to calculate decommissioning obligations and depletion, impairment and impairment reversal of PP&E;
- estimates used to calculate deferred income taxes and estimated available tax pools and the composition thereof;
- commitments and contingencies; and
- expectations for forecast commodity prices in 2025 and beyond.

The forward-looking statements and information are based on certain key expectations and assumptions made by Logan, including, but not limited to, expectations and assumptions concerning the business plan of Logan, the timing of and success of future drilling, development and completion activities and infrastructure projects, the performance of existing wells, the performance of new wells, the availability and performance of facilities and pipelines, the geological characteristics of Logan's properties, the successful integration of the recently acquired assets into Logan's operations, the successful application of drilling, completion and seismic technology, the Company's ability to secure sufficient amounts of water, prevailing weather conditions, prevailing legislation affecting the oil and gas industry, prevailing commodity prices, future commodity prices, price volatility, price differentials and the actual prices received for Logan's products, anticipated fluctuations in foreign exchange and interest rates, impact of inflation on costs, royalty regimes and exchange rates, the application of regulatory and licensing requirements, the availability of capital (including under the Credit Facility), labour and services, the creditworthiness of industry partners, general economic conditions and the ability to source and complete acquisitions.

Although Logan believes that the expectations and assumptions on which such forward-looking statements and information are based are reasonable, undue reliance should not be placed on the forward-looking statements and information because Logan can give no assurance that they will prove to be correct. By its nature, such forward-looking information is subject to various risks and uncertainties, which could cause the actual results and expectations to differ materially from the anticipated results or expectations expressed. These risks and uncertainties include, but are not limited to: fluctuations in commodity prices (including pursuant to 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, changes in industry regulations and legislation (including, but

not limited to, tax laws, royalties, and environmental regulations), 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, changes in the political landscape both domestically and abroad, wars (including ongoing military actions in the Middle East and Russia's invasion of Ukraine), hostilities, civil insurrections, foreign exchange or interest rates, increased operating and capital costs due to inflationary pressures (actual and anticipated), risks associated with the oil and gas industry in general, stock market and financial system volatility, impacts of pandemics, the retention of key management and employees, risks with respect to unplanned third-party pipeline outages and risks relating to inclement weather and severe weather events and natural disasters, such as fire, drought, flooding and extreme hot or cold temperatures, including in respect of safety, asset integrity and shutting-in production. The foregoing list is not exhaustive. Please refer to Logan's AIF dated March 19, 2025 for discussion of additional risk factors relating to Logan, which can be accessed on its SEDAR+ profile at www.sedarplus.ca or on the Company's website at www.LoganEnergyCorp.com.

This MD&A contains future-oriented financial information and financial outlook information (collectively, "**FOFI**") about Logan's prospective balance sheet strength, the Company's H2 2025 Net Debt to Adjusted Funds Flow 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 document was approved by management as of the date of this document and was provided for the purpose of providing further information about Logan's proposed business activities for 2025. Logan and its management believe that FOFI has been prepared on a reasonable basis, reflecting management's best estimates and judgments, and represent, to the best of management's knowledge and opinion, the Company's expected course of action. However, because this information is highly subjective, it should not be relied on as necessarily indicative of future results. Logan disclaims any intention or obligation to update or revise any FOFI contained in this document, 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 document should not be used for purposes other than for which it is disclosed herein. Changes in forecast commodity prices, exchange rates, differences in the timing of capital expenditures, and variances in average production estimates can have a significant impact on the Company's key performance measures. The Company's actual results may differ materially from these estimates.