Obsidian Energy Announces New Asset-Based Organizational Structure with Heavy Oil and Light Oil Teams

New structure extends the growth strategy to sharpen execution and accelerate growth across its two core platforms

CALGARY, ALBERTA (November 16, 2026) – Obsidian Energy Ltd. ("Obsidian Energy" or the "Company") (TSX: OBE) (NYSE American: OBE) today announced it will move from our current functional model to two dedicated asset teams, Heavy Oil and Light Oil, effective December 1, 2026. This organizational structure supports the Company's growth across both platforms, building on our continued investment in Peace River heavy oil waterflood development and the acquisition of Belly River light oil assets in Wilson Creek.

"Creating dedicated Heavy Oil and Light Oil teams is the logical next step in our growth strategy and better aligns us on a go-forward basis to maximize shareholder value," said Stephen Loukas, President and Chief Executive Officer of Obsidian Energy. "Bringing development, production and field operations together within each team sharpens focus, execution, and accountability, positioning both platforms to increase production, expand inventory and deliver stronger returns. This structure strengthens coordination between field operations and development planning in Heavy Oil, where we are advancing full-field waterflood development at Nampa and West Dawson to drive further Clearwater development, as well as pursue various Bluesky growth initiatives. In Light Oil, it strengthens execution across our initiatives to debottleneck our infrastructure to support continued production growth and inventory expansion. I want to thank our teams for the work underway across both platforms as we build this next chapter."

As part of this new structure, Obsidian Energy is pleased to announce the following:

- **Jay McGilvary** will be appointed Vice President, Heavy Oil. Jay brings deep technical expertise and a strong track record of advancing the Company's development portfolio, including at Peace River. A Professional Geologist with over 20 years of industry experience, Jay joined the Company in 2017 and was named Vice President, Development in January 2025.
- **Gary Sykes**, Senior Vice President, Commercial & Development, will assume the responsibilities of Vice President, Light Oil, until a permanent successor is appointed. Gary joined Obsidian Energy in 2019, and was promoted to Senior Vice President in 2022. He brings broad commercial and development experience, including oversight of the Company's light oil portfolio which will provide continuity and leadership during this transition.

Cliff Swadling, Vice President, Operations, will be stepping down from his role effective December 31, 2026, supporting a one-month transition following the effective date of the new structure. We thank Cliff for his leadership and invaluable contributions over the past 10 years and wish him all the best in his future endeavours.

ABOUT OBSIDIAN ENERGY

Obsidian Energy is an intermediate-sized oil and gas producer with a well-balanced portfolio of high-quality assets, primarily in the Peace River, Willesden Green and Viking areas in Alberta. The Company's business is to explore for, develop and hold interests in oil and natural gas properties and related production infrastructure in the Western Canada Sedimentary Basin.

Obsidian Energy is headquartered in Calgary and listed on the Toronto Stock Exchange and NYSE American (TSX / NYSE American: OBE). To learn more, visit Obsidian Energy's website.

FORWARD-LOOKING STATEMENTS

This news release contains forward-looking statements or information (collectively "**forward-looking statements**") within the meaning of applicable Canadian and U.S. securities laws. The use of any of the words "expect", "anticipate", "continue", "estimate", "objective", "ongoing", "may", "will", "project", "should", "believe", "plans", "intends" and similar expressions are intended to identify forward-looking statements or information. In particular, this document contains forward-looking statements pertaining to, without limitation, the following: our expectations for how the new structure extends the growth strategy, strengthens coordination between field operations and development planning in Heavy Oil, and strengthens execution across our Light Oil initiatives. The forward-looking statements and information are based on certain key expectations and assumptions made by Obsidian Energy. Although Obsidian Energy 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 Obsidian Energy can give no assurance that they will prove to be correct. By its nature, such forward-looking statements and information are subject to various risks and uncertainties, which could cause the actual results and expectations to differ materially from the anticipated results or expectations expressed. Readers are cautioned that the assumptions used in the preparation of such forward-looking statements and information, although considered reasonable at the time of preparation, may prove to be imprecise and, as such, undue reliance should not be placed on such forward-looking statements and information. Obsidian Energy gives no assurance that any of the events anticipated will transpire or occur, or, if any of them do, what benefits Obsidian Energy will derive from them. The forward-looking statements and information contained in this news release are expressly qualified by this cautionary statement. Except as required by law, the Company does not undertake any obligation to publicly update or revise any forward-looking statements or information contained herein. Readers should also carefully consider the matters discussed that could affect Obsidian Energy, or its operations or financial results in Obsidian Energy's Annual Information Form (see "*Risk Factors*" and "*Forward-Looking Statements*" therein) for the year ended December 31, 2025, which is available on the SEDAR+ website (www.sedarplus.ca) website, EDGAR website (www.sec.gov) or Obsidian Energy's (www.obsidianenergy.com).

All figures are in Canadian dollars unless otherwise stated.

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