

Hertz Energy Announces Insider Participation in Previously Announced Private Placement

Vancouver, British Columbia--(Newsfile Corp. - October 15, 2026) - Hertz Energy Inc. (CSE: HZ) (OTCQB: HZLIF) (FSE: A340) ("Hertz" or the "Company") announces that further to its news release dated October 9, 2026, Coloured Ties Capital Inc. (TSXV: TIE) ("Coloured Ties") has agreed to participate in the Company's previously announced non-brokered private placement of up to \$1,607,400 (the "Offering").

Coloured Ties, which currently holds 1,176,300 common shares of the Company, representing approximately 6.21% of the Company's issued and outstanding common shares, has agreed to subscribe for up to 2,777,777 HD Units at a price of \$0.18 per HD Unit for gross proceeds of up to \$500,000. The aggregate size of the Offering and the terms of the HD Units and the Warrants remain as announced on October 9, 2026.

Assuming completion of the Offering as announced, Coloured Ties is expected to hold 3,954,077 common shares of the Company, representing approximately 14.96% of the Company's issued and outstanding common shares on a non-diluted basis and approximately 23.05% on a partially diluted basis, assuming exercise of the Warrants comprising the HD Units subscribed for by Coloured Ties and no other issuances. The Offering will not result in a change of control of the Company.

Mr. Kal Malhi, the Chief Executive Officer and a director of the Company, is also the Chief Executive Officer and a director of Coloured Ties and beneficially owns, directly and indirectly, approximately 25.6% of the outstanding common shares of Coloured Ties. Mr. Malhi declared his interest and abstained from voting on the approval of Coloured Ties' participation in the Offering.

Related Party Transaction

Coloured Ties is a "related party" of the Company for the purposes of MI 61-101 on the basis that Mr. Malhi and his spouse together beneficially own, or exercise control or direction over, more than 50% of the outstanding common shares of Coloured Ties. Its participation in the Offering constitutes a "related party transaction" within the meaning of Multilateral Instrument 61-101 - *Protection of Minority Security Holders in Special Transactions* ("**MI 61-101**"). The Company is relying on the exemption from the formal valuation requirement in section 5.5(a) of MI 61-101 and the exemption from the minority shareholder approval requirement in section 5.7(1)(a) of MI 61-101, on the basis that neither the fair market value of the securities to be issued to Coloured Ties, nor the consideration to be paid by Coloured Ties, exceeds 25% of the Company's market capitalization.

The material change report in respect of Coloured Ties' participation in the Offering will not be filed at least 21 days before the anticipated closing date of the Offering because the participation of Coloured Ties was not settled until shortly before the date of this news release and the Company wishes to complete the Offering in an expeditious manner.

Completion of the Offering remains subject to certain conditions, including receipt of all necessary regulatory approvals, including the final approval of the Canadian Securities Exchange. All securities issued under the Offering, and any Warrant Shares issued on exercise of the Warrants, will be subject to a statutory hold period expiring four months and one day from the date of issuance of such securities.

The securities referred to in this news release have not been and will not be registered under the United States Securities Act of 1933, as amended (the "U.S. Securities Act"), or any state securities laws and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons absent registration under the U.S. Securities Act and applicable state securities laws, unless an exemption from such registration is available. This news release does not constitute an offer to sell or a solicitation of an offer to buy any securities.

About Hertz Energy Inc.

Hertz Energy is a British Columbia-based junior exploration company focused on the exploration at its Lake George Antimony and Tungsten Project, which is adjacent to the Lake George Antimony Mine, which has been tendered by the Province of New Brunswick to Agnico Eagles Critical Minerals Division, Avenir Minerals. Additionally, Hertz is exploring its Craig Silver project in the Yukon, which has a small indicated high grade mineral resource and has been underexplored. Hertz also owns the Agastya Lithium project amidst Lift Power's Adina and Galine Lithium project.

On Behalf of the Board of Directors

Kal Malhi

Chief Executive Officer and Director

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For further information, please contact Mr. Kal Malhi or view the Company's filings at www.sedarplus.ca.

Neither the Canadian Securities Exchange nor its Regulation Services Provider accepts responsibility for the adequacy or accuracy of this news release.

Cautionary Statement Regarding "Forward-Looking" Information

This news release includes certain statements that may be deemed "forward-looking statements". Forward-looking statements in this news release include, but are not limited to, statements regarding the completion and timing of the Offering, the use of proceeds of the Offering, the incurring and renunciation of Qualifying Expenditures and their tax treatment, the receipt of regulatory approvals, and the Company's planned exploration programs. All statements in this news release, other than statements of historical facts, that address events or developments that the Company expects to occur, are forward-looking statements. Forward-looking statements are statements that are not historical facts and are generally, but not always, identified by the words "expects", "plans", "anticipates", "believes", "intends", "estimates", "projects", "potential" and similar expressions, or that events or conditions "will", "would", "may", "could" or "should" occur. Although the Company believes the expectations expressed in such forward-looking statements are based on reasonable assumptions, such statements are not guarantees of future performance and actual results may differ materially from those in the forward-looking statements. Factors that could cause the actual results to differ materially from those in forward-looking statements include market prices, the continued availability of capital and financing, the ability of the Company to complete the Offering on the terms announced or at all, the receipt of required regulatory and Exchange approvals, the tax treatment of the FT Shares, political and regulatory risks associated with mining and exploration, risks related to environmental regulation and liability, the potential for delays in exploration activities, risks and uncertainties relating to the interpretation of exploration results, the possibility that future exploration results will not be consistent with the Company's expectations, and general economic, market or business conditions. Investors are cautioned that any such statements are not guarantees of future performance and actual results or developments may differ materially from those projected in the forward-looking statements. Forward-looking statements are based on the beliefs, estimates and opinions of the Company's management on the date the statements are made. Except as required by applicable securities laws, the Company undertakes no obligation to update these forward-looking statements in the event that management's beliefs, estimates or opinions, or other factors, should change.



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