



West Lake Energy Announces Carbon Sequestration Hub Proposal, Setting the Foundation for a Transformational Green Energy Centre in Southern Alberta

CALGARY, ALBERTA, May 5, 2022 – WEST LAKE ENERGY CORP. (“**West Lake**” or the “**Corporation**”) is pleased to announce its submission of a proposal to the Government of Alberta for a permit to evaluate a potential Carbon Capture Sequestration Hub (the “**Hub**”). Located near Pincher Creek, Alberta, the project will provide an immediate solution to the need for carbon capture, utilization, and storage (“**CCUS**”) for Southern Alberta and the northwest United States.

As Canada transitions to a low-carbon future, abundant and cost-effective carbon storage will be a valuable resource, aiding in emission reduction while providing economic opportunities for local communities, industrial partners and Alberta’s agricultural sector. The Hub is expected to have the capacity to sequester over 2.7 million tonnes of CO₂ per year over its expected 30-year lifespan, providing low-cost, high-volume storage to the broader industry. This reduction is estimated to be about the same as a little over 580,000 cars off the road per year.¹

As part of the Company’s vision, the Hub is to be built around three key sources of carbon: a proposed on-site, self-contained blue ammonia plant (the “**Ammonia Plant**”) that will be used to produce fertilizer for the agricultural industry, BowArk Energy Ltd.’s (“**BowArk**”) approved gas-fired power generation station (the “**Power Station**”) and other industrial emitters in the area. The symbiotic socio-economic benefits of the CCUS, Ammonia Plant and Power Station for southern Alberta is presently unparalleled. There are no other facilities in southern Alberta that are currently able to provide carbon sequestration to existing and future emitters, baseload green power generation and a ready, cost-effective source of for fertilizer to Western Canada and the northwestern United States in addition to providing carbon sequestration solutions.

“This is a monumental project for southern Alberta and Canada,” said Bruce McDonald, CEO of West Lake. “We’re extremely excited about the potential of the Pincher Creek Hub project. Unique to the area, this venture represents a clean energy solution for not only West Lake but for the broader growth of the power, industrial and agricultural sector in Southern Alberta through the reduction and storage of carbon emissions. We can’t wait to see this new venture take off and the new industries that will be attracted to the area.”

Expected to generate hundreds of millions in annual revenue for southern Alberta, the green energy centre is expected to create a valuable economic benefit for the province and the surrounding communities including employment opportunities and training during all phases of construction and operation, support for local businesses and services, and generation of additional tax revenue. It will be an important asset to the infrastructure and economy of southern Alberta as the transition to low-carbon energy becomes more essential.

“We strongly support the Hub as a benefit to our land and stakeholders across Southern Alberta,” said Roland Milligan, Director of Development and Community services for Municipal District of Pincher Creek No. 9. “We believe in the creation of opportunities for our community and see this project as an important initiative for the future of the area. West Lake has been operating in the Municipal District since 2010. We

¹ <https://www.epa.gov/energy/greenhouse-gas-equivalencies-calculator>

are pleased to further strengthen our relationship and partner in the development of this important clean energy socio-economic project."

In addition to the Municipal District of Pincher Creek No. 9, the Hub has the support of several organizations, including, industry participants, clean energy developers, investment banks and First Nations groups. West Lake has also received initial interest in partnerships, CCUS services and investment in the various components the Pincher Creek/Waterton Hub project.

"West Lake has shown their innovation and dedication to building trust and true partnerships with First Nations communities," said Joe Dion, Chairman and CEO of Frog Lake Energy Resources Corp. "Having been involved with West Lake at Frog Lake, we're confident that that this project will be of great benefit to southern Alberta while furthering innovative ventures that not only support the community but respects and protects the environment."

Committed to responsible development, West Lake expects to minimize the Hub's environmental impact using advanced practices and repurposing the substantial infrastructure in the area. The Hub will leverage the environmental footprint of the existing surface leases and infrastructure for CO₂ sequestration, as well as the battery site for the blue Ammonia Plant. Furthermore, the Corporation has completed detailed review of existing well completions in the saline aquifer, identifying wells that can be repurposed for observation to help monitor subsurface injection.

The Hub has gained interest from BowArk and other industrial emitters as a vehicle towards attaining net-zero emissions, recognizing the benefit of a central CCUS and how the Hub can allow them to expand their operations to better serve Alberta. West Lake has also partnered with key industry experts in the development of this low-carbon green energy centre, such as VZFOX Canada Ltd. ("VZFOX") who is providing regulatory and engineering expertise.

Brad Sparkes, President of BowArk said, "Alberta is currently taking on the unprecedented challenge of transitioning its electricity grid to a low-carbon supply system. The Pincher Creek/Waterton Hub project will not only allow BowArk to continue supplying Alberta electricity but will allow us to expand our natural gas fired Drywood plant to supply much needed capacity to the power system while reducing emissions."

"It is an exciting time in our industry," said Vick Saxon, Director of VZFOX. "The past decade has transformed us into a resilient and a creative energy group. Our proposed green energy center combined with the CO₂ sequestration Hub is a testament to that and will prove to be a game changer for our province. It completes the full cycle value generation process based on our prolific subsurface reservoirs, while achieving net-zero emissions."

The green energy centre and the Hub are strategically situated both geographically and competitively. The Hub will be located approximately 50 kilometres from the United States border and within metres of existing highways, gas lines such as the Nova Gas Transmission pipeline and rail lines, allowing for ease of transportation, access to markets, security of Canadian gas supply and competitive pricing for all stakeholders.

Committed to sustainability, West Lake is responsibly developing the Pincher Creek / Waterton project as a step towards achieving net zero emissions, limiting its carbon footprint and supporting local communities through the creation of new economic ventures.

About West Lake Energy Corp.

West Lake Energy Corp. is a privately held Calgary-based oil and natural gas company focused on development and exploration in western Canada. Rooted in responsible petroleum development, West Lake is focused on creating new ventures that support its transition into the clean energy space as it becomes a leader in environmental and community investment and stewardship. Committed to

sustainability, the Corporation is implementing a growth strategy of selective acquisitions and exploration and development of its core areas through a combination of primary, secondary and enhanced oil recovery techniques to increase reserves, production and cash flows at attractive returns on capital. Additional information about West Lake can be found on the Corporation's website at www.westlakeenergy.ca .

READER ADVISORIES

Forward-Looking Statements

Certain statements contained in this document constitute forward-looking statements or information (collectively "forward-looking statements"). Forward-looking statements are typically identified by words such as "anticipate", "continue", "estimate", "expect", "forecast", "budget", "may", "will", "project", "could", "plan", "intend", "should", "believe", "outlook", "objective", "aim", "potential", "target" and similar words suggesting future events or future performance.

With respect to forward-looking statements contained in this document, we have made assumptions regarding, among other things: we will have the ability to continue as a going concern going forward and realize our assets and discharge our liabilities in the normal course of business; the impact of regional and/or global health related events on energy demand; our ability to execute our capital programs as planned without significant adverse impacts from various factors beyond our control, including weather, infrastructure access and delays in obtaining regulatory approvals and third party consents.

Although West Lake believes that the expectations and assumptions on which such forward-looking information is based are reasonable, undue reliance should not be placed on the forward-looking information because West Lake can give no assurances that they will prove to be correct. Since forward-looking information addresses future events and conditions, by its very nature it involves inherent risks and uncertainties. Actual results could differ materially from those currently anticipated due to a number of factors and risks. These include, but are not limited to: the risks associated with the oil and gas industry in general such as operational risks in development, exploration and production; the impact that any government assistance programs could have on the Company in connection with, among other things, the COVID-19 pandemic and other regional and/or global health related events; the possibility that we are not able to continue as a going concern and realize our assets and discharge our liabilities in the normal course of business; the impact on energy demands due to regional and/or global health related events; delays or changes in plans with respect to exploration or development projects or capital expenditures loss of markets; unanticipated operating events or environmental events that can impact operations (including extreme cold during winter months, wild fires and flooding); the risk that wars and other armed conflicts adversely affect world economies and the demand for resources, including the ongoing war between Russia and Ukraine; competition; failure to complete or realize the anticipated benefits of partnerships, acquisitions or dispositions; ability to access sufficient capital from internal and external sources; failure to obtain required regulatory and other approvals; reliance on third parties; and changes in legislation, including but not limited to tax laws, royalties and environmental regulations. Readers are cautioned that the foregoing list of factors is not exhaustive.

Unless otherwise specified, the forward-looking statements contained in this document speak only as of the date of this document. Except as expressly required by applicable securities laws, we do not undertake any obligation to publicly update or revise any forward.

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