



Early Warning Report Avila Energy Corporation

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CALGARY, AB / ACCESSWIRE / December 29, 2022 / This news press release is issued pursuant to National Instrument 62-104 - *Take-Over Bids and Issuer Bids* and National Instrument 62-103 - *The Early Warning System and Related Take-Over Bid and Insider Reporting Issues*.

Leonard Van Betuw ("**Mr. Van Betuw**") announces that he has been disposed of 3.2% of the common shares he holds in Avila Energy Corporation ("**Avila**") as a result of an issuance of common shares pursuant to an offering of flow-through units and charity flow-through units closed on December 23, 2022 (the "**Issuance**").

On December 23, 2022, Avila issued 22,196,708 Common Shares from treasury pursuant to the Issuance. Prior to the Issuance, Mr. Van Betuw held 16.02% of the issued and outstanding common shares of Avila as a result of a related party transaction between the Issuer and 611890 Alberta Inc. (now Avex Energy Inc.) closed on September 14, 2022. Following the Issuance, Mr. Van Betuw's holdings held fell to 12.8% (the "**Dilution**").

The Dilution arose solely as a result of the Issuance without any action being taken by Mr. Van Betuw.

A report respecting this acquisition will be electronically filed with the Securities Commission in each jurisdiction where the Issuer is reporting and will be available for viewing on SEDAR at www.sedar.com.

(signed) "Leonard Van Betuw"

Leonard Van Betuw
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About Avila Energy Corporation

The Company is an emerging CSE listed corporation trading under the symbol ('VIK'), and in combination with an expanding portfolio of 100% Owned and Operated oil and natural gas production, pipelines and facilities is a licensed producer, explorer, and developer of Energy in Canada. The Company through the implementation of a closed system of carbon capture and sequestration and an established path underway towards the material reduction of Tier 1, Tier 2 and Tier 3 emissions continues to work towards becoming an integrated low-cost Carbon Neutral Energy Producer. The Company continues to grow and achieve its results by focusing on the application of a combination of proven geological, geophysical, engineering, and production techniques.

For further information, please contact:

Peter Nesveda, Vice President of Corporate Affairs, and Investor relations
Leonard Van Betuw, President & CEO or Jennifer Ottosen, CFO

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ON BEHALF OF THE BOARD

Leonard B. Van Betuw
President & CEO

Cautionary and Forward-Looking Statements

Certain information set forth in this news release contains forward-looking statements or information (“forward-looking statements”), including details about the business of the Company. 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, including, but not limited to the successful closing of the Offering, the anticipated closing date of the Offering, the anticipated use of proceeds and the availability of the Listed Issuer Financing Exemption for the Offering. By their nature, forward-looking statements are subject to numerous risks and uncertainties, some of which are beyond the Company’s control, including the impact of general economic conditions, industry conditions, volatility of commodity prices, currency fluctuations, environmental risks, operational risks, competition from other industry participants, stock market volatility. Although the Company believes that the expectations in its forward-looking statements are reasonable, its forward-looking statements have been based on factors and assumptions concerning future events which may prove to be inaccurate. Those factors and assumptions are based upon currently available information. Such statements are subject to known and unknown risks, uncertainties and other factors that could influence actual results or events and cause actual results or events to differ materially from those stated, anticipated or implied in the forward-looking statements. Accordingly, readers are cautioned not to place undue reliance on the forward-looking statements, as no assurance can be provided as to future results, levels of activity or achievements. Risks, uncertainties, material assumptions and other factors that could affect actual results are discussed in the Company’s public disclosure documents available at www.sedar.com. Furthermore, the forward-looking statements contained in this document are made as of the date of this document and, except as required by applicable law, the Company does not undertake any obligation to publicly update or to revise any of the included forward-looking statements, whether as a result of new information, future events or otherwise. The forward-looking statements contained in this document are expressly qualified by this cautionary statement.

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 or developments may differ materially from those in the forward-looking statements. Factors that could cause actual results to differ materially from those in forward looking statements include sale price, consumer demand, manufacturing costs, interest rates, continued availability of capital and financing, and general economic, market or business conditions. It should not be assumed that the estimates of future revenue and gross margins are to be relied upon and there is no guarantee that the estimated revenue and gross margins will be realized. Further, there is no assurance that the forecast prices and costs assumptions will be attained, and variances could be material. Investors are cautioned that any such statements are not guarantees of future performance and those actual results or developments may differ materially from those projected in the forward-looking statements