West Lake Energy Announces Strategic Acquisition of New Core Area that Adds Significant Reserves and Growth Upside

CALGARY, September 8, 2021 – WEST LAKE ENERGY CORP. ("**West Lake**" or the "**Corporation**") is pleased to announce the closing of its acquisition of Boulder Energy Ltd. ("**Boulder**"), a privately held primarily light-oil producer with assets in the Brazeau area of West Central Alberta. The Boulder acquisition provides a new core area for the Corporation that targets the Belly River formation, characterized as low decline, high netback, assets with substantial development upside and low asset retirement obligations ("**ARO**"). The Belly River is a 350-metre thick, stacked channel system that offers multiple drilling locations/ reservoir targets. The acquisition provides substantial opportunity for future low-cost development and to increase reserve recovery through enhanced oil recovery ("**EOR**") programs.

"This acquisition is transformational for West Lake," said Bruce McDonald, CEO. "The Board and executive are focused on a new strategic direction, and this acquisition represents the first step in our plan to achieve our growth and value goals over the next few years. The Boulder asset is a great fit to our existing portfolio, adding a new core area where we can leverage our technical expertise while contributing significant primary and secondary development growth opportunities. This is a major milestone for the Corporation and positions us for future growth through increased enterprise value, production, reserves, netbacks and cash flow."

Acquisition Highlights

Complementary to West Lake's existing portfolio, the Boulder acquisition will add material established production and ample opportunity for future growth. Some of the highlights of the acquisition include:

- Large core area with approximately 140,000 net acres of highly concentrated land and well-developed infrastructure;
- Approximately 2,500 boepd of high quality light oil production (44˚ API);
- Low production decline of 17%;
- Proved and probable reserves of 32.8 mmboe (as of December 31, 2020), representing a reserve life index ("**RLI**") of 35.9 years;
- Large original-oil-in-place of 777 mmbbls with lower than 3% recovery factor to date;
- Over 160 identified drilling locations with significant water flood and EOR potential; and
- Low ARO with an Alberta Energy Regulator's Liability Management Rating ("**LMR**") of over 4x.

Boulder's assets are a great fit with West Lake's technical expertise. Over the next 18 months, the Corporation intends to develop the Belly River assets in an environmentally conscious and sustainable manner through a combination of optimization, multi-lateral drilling and secondary recovery. West Lake expects the assets to generate strong cash flow, which will not only be self-sustaining but can also fund significant growth through development. The acquisition is expected to provide significant value creation to stakeholders.

West Lake is committed to strong environment, safety, and governance practices ("**ESG**"). As part of this mandate, management is focused on identifying, evaluating, and implementing potential projects and opportunities to reduce its environmental footprint. Current ESG practices include using only recycled water in its fracking operations, decreasing emissions, utilizing voluntary carbon offsets where appropriate and exploring energy transition opportunities. The Boulder acquisition contributes to this goal by reducing the Corporation's ARO liability relative to its reserve base and increase its sustainability over the long term.

Financing

West Lake funded the acquisition with cash on-hand, a new term loan provided by ATB Financial and the sale of certain newly created gross overriding royalty ("**GORR**") interests.

Advisors

ATB Capital Markets Inc. acted as financial advisor to West Lake. Burnet, Duckworth & Palmer LLP acted as West Lake's legal advisor for the acquisition of Boulder, while McCarthy Tétrault LLP acted as West Lake's legal advisor for the sale of GORR.

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. 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. At the same time, West Lake is dedicated to strong environmental, social and governance practices, including potential future energy transition opportunities. Additional information about West Lake can be found on the Corporation's website at www.westlakeenergy.ca .

READER ADVISORIES

Oil And Gas Information Advisory

Barrels of oil equivalent ("**boe**") may be misleading, particularly if used in isolation. A boe conversion ratio of six thousand cubic feet of natural gas to one barrel of crude oil is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead. Given that the value ratio based on the current price of crude oil as compared to natural gas is significantly different from the energy equivalency conversion ratio of 6:1, utilizing a conversion on a 6:1 basis is misleading as an indication of value. Boe/d means barrels of oil equivalent per day.

Abbreviations

API	American Petroleum Institute
mmboe	million barrels of oil equivalent
mmbbls	million barrels

Non-GAAP Financial Measures

In this release, the Corporation references the term "free cash flow", which is a non-generally accepted account principle financial measure and is not a standardized financial measure under International Financial Reporting Standards. Such term should not be considered as an alternative to, or more meaningful than the terms "net income", "comprehensive income", "cash provided by operating activities" or "cash used in investing activities". Free cash flow is determined by the Corporation as adjusted funds flow less net capital expenditures and is considered a useful measure of West Lake's ability to invest in its capital program and settle outstanding debt and obligations.

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. In particular, this release contains, without limitation, forward-looking statements pertaining to the acquisition of the Boulder asset, its future potential and potential financial impact on the Corporation.

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; our ability to complete asset sales and the terms and timing of any such sales; the impact of regional and/or global health related events on energy demand; global energy policies going forward; the economic returns that we anticipate realizing from expenditures made on our assets; future crude oil, natural gas liquids and natural gas prices and differentials between light, medium and heavy oil prices and Canadian, WTI and world oil and natural gas prices; future capital expenditure levels; future crude oil, natural gas liquids and natural gas production levels; drilling results; future exchange rates and interest rates; future taxes and royalties; 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; our ability to obtain equipment in a timely manner to carry out development activities and the costs thereof; our ability to market our oil and natural gas successfully; our ability to obtain financing on acceptable terms; and our ability to add production and reserves through our development and exploitation activities.

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; the uncertainty of estimates and projections relating to reserves, production, costs and expenses; health, safety and environmental risks; commodity price and exchange rate fluctuations; interest rate fluctuations; marketing and transportation; loss of markets; environmental risks; competition; incorrect assessment of the value of acquisitions; failure to complete or realize the anticipated benefits of 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.

All figures are in Canadian dollars unless otherwise stated.

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