

News release for Early Warning Report Regarding 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

leonard.v@avilaexpl.com

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

Emails: peter@intuitiveaustralia.com.au; leonard.v@avilaexpl.com; jennifer.o@avilaexpl.com

ON BEHALF OF THE BOARD

Leonard B. Van Betuw
President & CEO