

# Avila Energy Corporation Is Pleased To Announce the Filing of Its Financial Report for the Three and Nine Months Ended September 30, 2023

CALGARY, AB / ACCESSWIRE / November 29, 2023 / Avila Energy Corporation ("Avila" or "Company" or "Avila Energy"), trading symbol trading symbol, (CSE:VIK),(OTC PINK:PTRVF) and (FRA:6HG0), is pleased to announce the filing of its Financial Report for the Three and Nine months ended September 30, 2023.

## Highlights

- Avila confirms its commitment as previously announced on November 14, 2023.; its upstream operations remains focused on the refinement of its goal to meet its first milestone of 650 boe/d where it is capable of consistently generating cash-flow that exceeds the total cost of the Company's operational (Opex) and general and administrative (G&A) obligations. Avila has defined this to be its "Break-even Point" for its upstream operations. By the end of 2023, this "Break-even Point" is expected to be based on daily production of 650 boe/d (80% natural gas and liquids and 20% heavy crude oil and condensates) and assumes it will realize an average price of CDN \$2.50/mcf for natural gas and a blended price of CDN \$75.00/bbl. for heavy crude oil, liquids, and condensates.
- In the third quarter of 2023, the Company's production averaged 295 boe/d and it is expected to recover to between 550 and 600 boe/d upon the completion of the turnarounds currently nearing completion. Additional initial workovers are anticipated to bring production to over 650 boe/d, its first milestone on its way to its initial goal of over 1,000 boe/d. The Company for the 9 months ended September 30, 2023, realized natural gas prices of \$2.97/mcf, \$0.47/mcf more than what the Company had budgeted in 2023 and realized a blended price of CDN \$92.21/bbl. for heavy crude oil, liquids and condensates, \$16.20/bbl. more than our target price of \$75.00/bbl. Both realized prices are encouraging indicators of future revenues for the Company.
- The Company believes that the combination of stronger than budgeted commodity prices being realized to date and the stabilization of operating expenses in the 3<sup>rd</sup> quarter positions the Avila to significantly continue to reduce its costs per boe upon reaching our first milestone of breakeven prior to yearend 2023. Upon the completion of the equity financing and remediation underway, the resulting recover of daily production will contribute to the Company reaching its first milestone of re-establishing profitable operations, Upstream, in east and west central Alberta, followed by reaching its goal of 1,000 boe/d, soon thereafter in 2024.
- Avila's Integrated Energy Solution ("Avila I.E.S."); its future Direct-to-Consumer business unit, "Downstream" that is complementary to its conventional "Upstream" and the initial delivery of "Midstream: services in now anticipated to commence in January of 2024. The ramp-up of *Avila I.E.S* is anticipated to be accelerated upon the Company reaching its second milestone of 1,000 boe/d of net daily production in the 1<sup>st</sup> quarter of 2024 that is stabilized and generating free cash-flow for the upstream business unit.

Avila Energy Corporation's Financial Statements and Management Discussion & Analysis are filed and can be found on SEDAR.COM or the Company's website [www.avilaenergy.com](http://www.avilaenergy.com) for the three (3) and nine (9) months ended September 30, 2023, and 2022.

### **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's long-term vision is to achieve through the implementation of a closed system of carbon capture and sequestration, an established path towards the material reduction of *Tier 1, Tier 2 and Tier 3* emissions and continues to work towards becoming a vertically integrated **Carbon Neutral Energy Producer**. The Company's goals are to be achieved by focusing on the application of proven geological, geophysical, engineering, and production techniques in combination with the delivery of Direct-to Consumer energy sales to both residential and commercial consumers.

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### **ON BEHALF OF THE BOARD**

Leonard B. Van Betuw

*President & CEO*

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### **Abbreviations**

bbls/d - barrels per day

BOE/d - barrels oil equivalent per day

NGLs - Natural Gas Liquids

Mboe - Thousands of barrels of oil equivalent

MMboe - Millions of barrels of oil equivalent

PDP - Proved Developed Producing

TP - Total Proved Reserves

TPP - Total Proved and Probable Reserves

IFRS - International Financial Reporting Standards as issued by the International Accounting Standards Board

WTI - West Texas Intermediate, the reference price paid in U.S. dollars at Cushing, Oklahoma for the crude oil standard grade

### **Forward-Looking Information & Forward-Looking Statements Cautionary Statement**

Certain information in this news release, including the operations at the Company's properties, constitute forward-looking statements under applicable securities laws. Although Avila Energy Corporation believes that the expectations reflected in these forward-looking statements are reasonable, undue reliance should not be placed on them because Avila Energy Corporation can give no assurance that they will prove to be correct. Since forward-looking statements address future events and conditions, by their very nature they involve inherent risks and uncertainties. The forward-looking statements contained in this news release are made as at the date of this news release and the Company does not undertake any obligation to update publicly or to revise any of the included forward-looking statements, whether as a result of new information, future events or otherwise, except as may be required by applicable securities laws. This release includes certain statements that may be deemed "forward-looking statements." All statements in this release, other than statements of historical facts, that address future production, reserve potential, exploration drilling, exploitation activities and events or developments that the Company expects are forward-looking statements. 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 market prices, exploitation, and exploration successes, continued availability of capital and financing, and general economic, market or business conditions. It should not be assumed that the estimates of net present value of future net revenue attributable to the Company's reserves presented above represent the fair market value of the reserves. The recovery and reserve estimates of the Company's oil, NGL, and natural gas reserves provided herein are estimates only and there is no guarantee that the estimated reserves will be recovered. 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. Barrel ("bbl") of oil equivalent ("boe") amounts may be misleading particularly if used in isolation. All boe conversions in this report are calculated using a conversion of six thousand cubic feet of natural gas to one equivalent barrel of oil (6 mcf=1 bbl) and is based on an energy conversion method primarily applicable at the burner tip and does not represent a value equivalency at the well head. This news release shall not constitute an offer to sell or the solicitation of any offer to buy, nor shall there be any sale of these securities in any jurisdiction in which such offer, solicitation or sale would be unlawful. The securities offered have not been and will not be registered under the U.S. Securities Act of 1933, as amended, and may not be offered or sold in the United States absent registration or applicable exemption from the registration requirements of the U.S. Securities Act and applicable state securities laws. Trading in the securities of Avila Energy Corporation should be considered highly speculative. Neither the Canadian Stock Exchange nor its Regulation Services Provider (as that term is defined in the policies of the Canadian Stock Exchange) accepts responsibility for the adequacy or accuracy of this release. For more information on the Company, Investors should review the Company's registered filings which are available at [www.sedar.com](http://www.sedar.com).

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