



NEWS RELEASE

Kiwetinohk announces CEO's Letter to Shareholders, accelerated capital plan, increases to its credit facilities and the filing of a renewal base shelf prospectus

Calgary, Alberta – May 27, 2024 – Kiwetinohk Energy Corp. (TSX: KEC) (“Kiwetinohk” or the “Company”) is pleased to announce the issuance of the Chief Executive Officer's Letter to Shareholders, an accelerated upstream capital spending program, a renewal and \$25.0 million increase to its revolving credit facility, a renewal and \$50.0 million increase to its Letter of Credit facility and the filing of a renewal base shelf prospectus.

“I am pleased to provide an updated letter to shareholders outlining some core elements of our strategy and how upstream, power and carbon capture and storage all fit within our scope of business. Within my letter I describe components of our energy transition strategy and discuss internal considerations on whether the power generation and carbon capture assets should be held in a separate corporate entity; Kiwetinohk's views on capturing and financing the energy transition investment opportunity; the main activities we have undertaken to secure and maintain our social license to operate; and how the Company is modifying well designs to add value to our upstream operations. The full letter is available on SEDAR+.

The Company has continued to achieve exceptional performance in our upstream business when compared to our 2024 operational goals. Given the strength of the Company's balance sheet, increased lending support from our banking syndicate, and confidence in our ability to execute Kiwetinohk's strategic plans as supported through a robust hedging program, the Board of Directors has approved the acceleration of 2024 capital expenditures to bolster 2025 production and lay the foundation to achieve our targeted 40,000 boe/d of upstream production in 2026 and sustaining it thereafter.” said Pat Carlson, Chief Executive Officer.

2024 Accelerated Capital Program

Kiwetinohk has announced an accelerated capital program in response to success achieved with the 2024 capital and operating program to date, strong liquids commodity prices and continued balance sheet strength. In combination with revising its development program, the Company has accelerated completion of the three well 9-11 Duvernay pad into late Q4 2024, redeploying the capital from a planned single Montney well in Placid to a new three well pad in Simonette which includes the drilling of two additional Duvernay wells and one Montney well.

The revised capital program is expected to have limited impact on 2024 production, however this acceleration in development activity is expected to increase average 2025

production by approximately 3 Mboe/d, or ~10% from previous estimates. The accelerated program is forecast to increase capital spending by approximately \$45 million in 2024 from previously disclosed guidance levels and results in a 17 well drilling program being executed during 2024.

Kiwetinohk's updated 2024 capital guidance is provided below. All other financial and operational results have remained consistent with previously disclosed guidance.

2024 Financial & Operational Guidance		Updated May 27, 2024	Previous May 7, 2024
Capital guidance	\$MM	\$320 - \$340	\$275 - \$295
Upstream	\$MM	\$315 - \$332	\$270 - \$287
DCET	\$MM	\$295 - \$310	\$250 - \$265
Plant expansion, production maintenance and other	\$MM	\$20 - \$22	\$20 - \$22
Power	\$MM	\$5 - \$8	\$5 - \$8

Increased Credit Capacity

Kiwetinohk's bank lenders, which include Bank of Montreal as lead lender and agent and co-leads ATB Financial and National Bank of Canada, recently completed their semi-annual borrowing base redetermination of the Company's Senior Secured Extendible Revolving Facility (the "Credit Facility") agreeing to renew and increase Kiwetinohk's borrowing base by seven percent, from \$375 million to \$400 million. Additionally, the maturity date was extended from May 31, 2025 to May 31, 2026. The borrowing base is comprised of an operating facility of \$65.0 million and a syndicated facility of \$335.0 million. Other lenders in the facility include Royal Bank of Canada, The Bank of Nova Scotia and Business Development Bank of Canada.

Concurrently with the increase in the Credit Facility, Kiwetinohk also amended and increased the unsecured demand revolving letter of credit facility (the "LC Facility") with Bank of Montreal (guaranteed by Export Development Canada) from \$75.0 million to \$125.0 million.

The increase in these credit facilities will provide:

- ample liquidity for current operations, including letters of credit requirements to support ongoing commodity marketing activities and the development of the Company's power portfolio; and
- additional funding flexibility, further bolstering the Company's strong operational cash flows, and supporting the Company's expanded 2024 capital program.

Kiwetinohk's next semi-annual credit facility borrowing base review is expected in November 2024.

Renewal of Base Shelf Prospectus

The Company filed a renewal preliminary short-form base shelf prospectus (the “Prospectus”) on May 16, 2024. The Prospectus, once final and receipted by the securities commissions, will provide financing flexibility and additional options for quicker access to equity and/or debt markets as the Company continues to pursue organic development and potential acquisition opportunities. The Prospectus will provide Kiwetinohk with the ability to efficiently issue securities of up to an aggregate amount of \$500 million over a period of 25 months, if and when desirable. There are no immediate plans to raise equity, debt or other forms of financing and net proceeds from the sale of any securities issued under the Prospectus could have a wide range of uses including to complete asset or corporate acquisitions, to finance potential future growth opportunities, to repay indebtedness, to finance the Company’s ongoing capital program, or for other general corporate purposes.

About Kiwetinohk

We, at Kiwetinohk, are passionate about addressing climate change and the future of energy. Kiwetinohk’s mission is to build a profitable energy transition business providing clean, reliable, dispatchable, affordable energy. Kiwetinohk develops and produces natural gas and related products and is in the process of developing renewable power, natural gas-fired power, carbon capture and hydrogen clean energy projects. We view climate change with a sense of urgency, and we want to make a difference. Kiwetinohk’s common shares trade on the Toronto Stock Exchange under the symbol KEC. Additional details are available within the year-end documents available on Kiwetinohk’s website at kiwetinohk.com and SEDAR+ at www.sedarplus.ca.

Forward looking information

Certain information set forth in this news release contains forward-looking information and statements including, without limitation, management’s business strategy, management’s assessment of future plans and operations. Such forward-looking statements or information are provided for the purpose of providing information about management’s current expectations and plans relating to the future. Forward-looking statements or information typically contain statements with words such as “anticipate”, “believe”, “expect”, “plan”, “intend”, “estimate”, “project”, “potential”, “may” or similar words suggesting future outcomes or statements regarding future performance and outlook. Readers are cautioned that assumptions used in the preparation of such information may prove to be incorrect. Events or circumstances may cause actual results to differ materially from those predicted as a result of numerous known and unknown risks, uncertainties and other factors, many of which are beyond the control of the Company.

In particular, this news release contains forward-looking statements pertaining to the following:

- the expected limited change to 2024 average daily production and the expected increase to 2025 average daily production as a result of the accelerated capital program;

- the liquidity and funding flexibility provided by the Company's increased credit and letter of credit facilities;
- the pathway to grow production to 40,000 boe/d and the Company's expectations and the associated timelines;
- the Company's expectations regarding potential uses of the renewed base shelf prospectus;
- drilling and completion activities on certain wells and pads, and the expected timing for certain pads to be brought on-stream;
- the anticipated production of certain wells under development, the timing thereof, and the resulting growth profile of production;
- the Company's accelerated 2024 capital expenditures budget and allocations thereof;
- the Company's detailed 2024 financial and operational guidance and adjustments to the previously communicated 2024 guidance, including anticipated increase in upstream capital expenditures;
- timing for the next scheduled redetermination of the borrowing base on the Company's consolidated Credit Facility; and
- the Company's business strategies, objectives, focuses and goals and expected or targeted performance and results;

Statements relating to reserves are also deemed to be forward looking information, as they involve the implied assessment, based on certain estimates and assumptions, that the reserves described exist in the quantities predicted or estimated and that the reserves can be profitably produced in the future.

In addition to other factors and assumptions that may be identified in this news release, assumptions have been made regarding, among other things:

- the ability to finance the accelerated capital program;
- the increased borrowing base under the Credit Facility providing ample liquidity for current operations, including letters of credit for ongoing marketing activities;
- the ability to achieve recognition of the value of the Company's Montney lands;
- the Company's ability to grow production to 40,000 boe/d;
- the timing and costs of the Company's capital projects, including drilling and completion of certain wells;
- the impact of increasing competition;
- the general stability of the economic and political environment in which the Company operates;
- the Company's expectations regarding well performance, operational timelines and performance;
- general business, economic and market conditions;
- royalty rates, costs, exchange rates, inflationary pressure and interest rates;
- the ability of the Company to obtain qualified staff, equipment and services in a timely and cost efficient manner;
- future commodity and power prices;
- the regulatory framework regarding royalties, taxes, power, renewable and environmental matters in the jurisdictions in which the Company operates;

- the ability of the Company to obtain the required capital to finance its exploration, development and other operations and meet its commitments and financial obligations;
- the ability of the Company to secure adequate product processing, transportation, fractionation and storage capacity on acceptable terms and the capacity and reliability of facilities;
- the impact of war, hostilities, civil insurrection, pandemics (including Covid-19), instability and political and economic conditions (including the ongoing Russian-Ukrainian conflict and conflict in the Middle East) on the Company;
- the ability of the Company to successfully market its products;
- expectations regarding access of oil and gas leases in light of caribou range planning; and
- the Company's operational success and results being consistent with current expectations.

Readers are cautioned that the foregoing list is not exhaustive of all factors and assumptions that have been used. Although the Company believes that the expectations reflected in such forward-looking statements or information are reasonable, undue reliance should not be placed on forward-looking statements as the Company can give no assurance that such expectations will prove to be correct.

Forward-looking statements or information involve a number of risks and uncertainties that could cause actual results to differ materially from those anticipated by the Company and described in the forward-looking statements or information. These risks and uncertainties include, among other things:

- those risks set out in the Annual Information Form (AIF) under “Risk Factors”;
- the ability of management to execute its business plan;
- general economic and business conditions;
- risks of war, hostilities, civil insurrection, pandemics (including Covid-19), instability and political and economic conditions (including the ongoing Russian-Ukrainian conflict and conflict in the Middle East) in or affecting jurisdictions in which the Company operates;
- the risks of the power and renewable industries;
- operational and construction risks associated with certain projects;
- the possibility that government policies or laws may change or governmental approvals may be delayed or withheld;
- risks relating to regulatory approvals and financing;
- the ability to market in Alberta for power projects;
- uncertainty involving the forces that power certain renewable projects;
- uncertainty regarding provincial and federal electricity regulations and policies;
- the Company's ability to enter into or renew leases;
- potential delays or changes in plans with respect to power and solar projects or capital expenditures;
- risks associated with rising capital costs and timing of project completion;
- fluctuations in commodity and power prices, foreign currency exchange rates and interest rates;
- risks inherent in the Company's marketing operations, including credit risk;

- health, safety, environmental and construction risks;
- risks associated with existing and potential future lawsuits and regulatory actions against the Company;
- uncertainties as to the availability and cost of financing;
- the ability to secure adequate processing, transportation, fractionation and storage capacity on acceptable terms;
- processing, pipeline and fractionation infrastructure outages, disruptions and constraints;
- financial risks affecting the value of the Company's investments; and
- other risks and uncertainties described elsewhere in this document and in Kiwetinohk's other filings with Canadian securities authorities.

Readers are cautioned that the foregoing list is not exhaustive of all possible risks and uncertainties.

The forward-looking statements and information contained in this news release speak only as of the date of this news release and the Company undertakes no obligation to publicly update or revise any forward-looking statements or information, except as expressly required by applicable securities laws.

Non-GAAP and other financial measures

This news release uses various specified financial measures including “non-GAAP financial measures” and “capital management measures”, as defined in National Instrument 52-112 Non-GAAP and Other Financial Measures Disclosure and explained in further detail below. The non-GAAP and other financial measures presented in this news release should not be considered in isolation or as a substitute for performance measures prepared in accordance with IFRS and should be read in conjunction with the Company's financial statements and MD&A. Readers are cautioned that these non-GAAP measures do not have any standardized meanings and should not be used to make comparisons between Kiwetinohk and other companies without also taking into account any differences in the method by which the calculations are prepared.

Please refer to the Company's MD&A as at and for the three months ended March 31, 2024, under the section “Non-GAAP and other financial measures” for a description of these non-GAAP financial measures and capital management measures, the reason for their use and a reconciliation to their closest GAAP measure where applicable. The Company's MD&A is available on Kiwetinohk's website at kiwetinohk.com or its SEDAR+ profile at www.sedarplus.ca.

Non-GAAP Financial Measures and Capital Management Measures

Capital expenditures is a non-GAAP measure that does not have a standardized meaning under IFRS and might not be comparable to similar financial measures presented by other companies. Its most directly comparable measure is cash flow used in investing activities. This measure should not be considered in isolation or construed as alternatives to their most directly comparable measure disclosed in the Company's

primary financial statements and MD&A or other measures of financial performance calculated in accordance with IFRS.

Abbreviations

\$/boe	dollars per barrel equivalent
AIF	Annual Information Form
boe	barrel of oil equivalent, including crude oil, condensate, natural gas liquids, and natural gas (converted on the basis of one boe per six Mcf of natural gas)
boe/d	barrel of oil equivalent per day
Mcf	thousand cubic feet
MD&A	Management Discussion & Analysis

For more information on Kiwetinohk, please contact:

Investor Relations

Investor Relations email: IR@kiwetinohk.com

Investor Relations phone: (587) 392-4395

Pat Carlson, Chief Executive Officer

Jakub Brogowski, Chief Financial Officer