



NEWS RELEASE

Kiwetinohk clarifies corporate sales; 26 - 27 thousand boe/d expected for November and December

Calgary, Alberta – November 16, 2022 – Kiwetinohk Energy Corp. (TSX: KEC) today clarifies its current sales by providing updated corporate sales levels and fourth quarter 2022 guidance. The Company is also increasing its annual guidance for 2022 and providing an operational update on its new well performance, well costs and expected investment payouts on new well pads.

Sales averaged approximately 17,000 boe/d for the month of October. Total corporate sales are expected to average between approximately 26 - 27 thousand boe/d for each of November and December for an expected fourth quarter average of approximately 23 - 24 thousand boe/d. This is a 40 - 46% increase over third quarter sales volumes of 16,486 boe/d reported on November 10, 2022. The six new Simonette wells are now producing through permanent production facilities and have contributed to recent peak daily sales rates of approximately 30 thousand boe/d.

The four well 04-34 pad at Simonette has been producing at approximately 12,500 boe/d (~55% natural gas and ~45% condensate) and the two well 07-17 pad at North Simonette has been producing at approximately 3,100 boe/d (~25% natural gas and ~75% condensate). Strong initial performance of these wells may result in steep decline rates typical of prolific shale wells. The Company's ultimate goal in modifying well designs is to achieve high initial productivity and larger recovery. Preliminary drilling, completion, equipment and tie-in (DCET) costs for the four well 04-34 pad are estimated at ~\$70 million while the two well 07-17 pad are estimated at ~\$27 million. The expected payout on these pads, based on current commodity pricing, is approximately six months for pad 04-34 and approximately eight months for pad 07-17. Management will be looking for additional DCET cost efficiencies going forward through improved execution and optimized well design.

With the addition of the new wells, the Simonette plants are operating near full capacity (including recycled gas lift volumes). This supports the Company's announced expansion plans to increase Simonette processing capacity by approximately 40 MMcf/d for a cost of \$45 - \$55 million as part its 2023 capital program. The capacity additions are expected to be available by year-end 2023, supporting further production growth opportunities into 2024. In addition to the plant expansions, Kiwetinohk will electrify the 05-31 plant to reduce Scope 1 emissions and is advancing grid access for the 10-29 facility.

"We are pleased with the performance of these new wells located in some of the deepest, highest pressure and highest temperature areas of the Kaybob Duvernay. The new production adds to continued low-decline base performance," said CEO Pat Carlson. "This production growth suggests good progress towards our mid-term goal of improved well economics and our 10-year strategic target of 300 MMcf/d of natural gas sales."

Guidance update

Sales for the fourth quarter are expected to average approximately 23 - 24 thousand boe/d, resulting in 2022 annual sales average of 17.4 - 17.6 thousand boe/d.

The Upstream division capital spending guidance range for the year has been reduced by \$10 million, or ~3.5%, to a range of \$265 - \$280 million. Increased production volumes directed toward owned infrastructure are expected to drive down operating costs during the quarter to \$8.00 - \$9.00/boe.

Kiwetinohk spud three additional wells on the 04-34 pad in late October and plans to spud two Placid Montney wells in early December. These five new wells are expected to come on production late in the first quarter or early in the second quarter of 2023.

Q4 2022 & annual 2022 financial & operational guidance		Q4 2022 November 16, 2022	Updated annual 2022 November 16, 2022	Annual 2022 November 10, 2022
Sales volumes¹	Mboe/d	23 - 24	17.4 - 17.6	16.0 - 18.0
Oil & liquids	Mbbl/d	11.0 - 11.5	8.2 - 8.3	8.0 - 8.8
Natural gas	MMcf/d	72 - 75	55 - 56	48 - 52
Sales volumes by market²	%	100%	100%	100%
Chicago	%	87% - 92%	80% - 85%	80% - 85%
AECO	%	8% - 13%	15% - 20%	15% - 20%
Financial				
Royalty rate	%	9% - 11%	10% - 12%	10% - 12%
Operating costs	\$/boe	\$8.00 - \$9.00	\$10.00 - \$11.00	\$10.00 - \$11.00
Transportation	\$/boe	\$5.75 - \$6.25	\$5.50 - \$6.00	\$5.50 - \$6.00
Corporate G&A expense ³	\$MM	\$5 - \$7	\$18 - \$20	\$18 - \$20
Cash taxes ⁴	\$MM	\$0	\$0	\$0
Capital	\$MM	109 - 129	280 - 300	290 - 310
Upstream	\$MM	103 - 118	265 - 280	275 - 290
DCET	\$MM	66 - 76	200 - 210	
Other	\$MM	37 - 42	65 - 70	
Green Energy	\$MM	6 - 11	15 - 20	15 - 20
Drilling - Fox Creek	wells	5	13	13
Duvernay	wells	3	11	11
Montney	wells	2	2	2
2022 Adjusted Funds Flow from Operations^{4,5}				
November 14 Strip	\$MM	\$88 - \$102	\$250 - \$264	\$225 - \$240
2022 Net debt to Adjusted Funds Flow from Operations^{4,5}				
November 14 Strip	x	0.4x - 0.6x	0.4x - 0.6x	0.7x

1 – Production and cash operating costs include Fox Creek plant turnarounds.

2 – Chicago sales of ~90% expected for rest of year.

3 – Includes G&A expenses for all divisions of the Company – Corporate, Upstream, Green Energy (power & hydrogen) and Business Development.

4 – Strip pricing as of November 14, 2022. November 10, 2022 Guidance used Q3/22 actual prices with US\$80/Bbl WTI flat; US\$5.00/MMBtu HH flat; US\$0.75/CAD flat thereafter for remainder of 2022. See "Non-GAAP Measures".

5 – Non-GAAP measure that does not have any standardized meaning under IFRS and therefore may not be comparable to similar measures presented by other entities. Please refer to the Corporation's MD&A as at and for the three months ended September 30, 2022 under the section "Non-GAAP Measures" available on Kiewitohk's SEDAR profile at www.sedar.com

About Kiewitohk

We, at Kiewitohk, are passionate about addressing climate change and the future of energy. Kiewitohk's mission is to build a profitable energy transition business providing clean, reliable, dispatchable, affordable energy. Kiewitohk 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.

Kiewitohk's common shares trade on the Toronto Stock Exchange under the symbol KEC.

Additional details are available within the year-end documents available on Kiewitohk's website at www.kiewitohk.com and SEDAR at www.sedar.com.

Oil and Gas Advisories

For the purpose of calculating unit costs, natural gas is converted to a barrel of oil equivalent using six thousand cubic feet of natural gas equal to one barrel of oil unless otherwise stated. The term barrel of oil equivalent (boe) may be misleading, particularly if used in isolation. A boe conversion ratio for gas of 6 Mcf:1 boe is based on an energy

equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead.

This news release contains disclosure regarding the expected payout of certain of the Company's wells and well pads. Well payout means the anticipated time period of production from a well or well pad required to fully pay for the DCET costs of such well or well pad. Payout is achieved when the revenues from the production of a well or well pad, less the associated royalties, transportation, operating and other costs, are equal to the DCET costs for the well or well pad. Management considers well payout estimates an important measure to evaluate its operational performance and capital allocation processes. Well payout estimates are, however, subject to numerous assumptions and risks and actual well payout time periods could, as a result, be materially different than anticipated. Accordingly, investors should not place undue reliance on well payout estimates. The well payout estimates contained herein are based on the following principal assumptions in addition to assumptions regarding well performance being consistent with management's expectations: (1) strip commodity pricing as of November 14, 2022, WTI being US\$86/bbl for Q4 2022 and US\$80/bbl for 2023 & HH being US\$6.00/MMBtu for Q4 2022 and US\$5.17/MMBtu for 2023, and exclusive of the Company's current commodity hedges, (2) the well pad DCET cost estimates set forth herein and (3) the 2022 annual royalty and cost estimates set forth herein.

The November 14 strip pricing used herein for guidance purposes and well payout metrics is derived from Bloomberg.

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:

- anticipated North American commodity prices;
- the Company's 10-year strategic objectives goal, including target of 300 MMcf/d of natural gas production;
- the Company's updated 2022 and Q4 2022 financial and operational guidance;
- the Company's operational and financial strategies and plans;
- drilling and completion activities on certain wells and pads, including cost efficiencies going forward;
- the anticipated production of certain wells and the timing thereof;
- the anticipated payout of certain wells and well pads; and
- the anticipated Simonette plant capacity additions and the timing and costs thereof and the effects of such additions on the Company's production.

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

- 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;
- general business, economic and market conditions;
- the ability of the Company to obtain qualified staff, equipment and services in a timely and cost efficient manner;
- future commodity prices and hedging results;
- costs associated with the Company's operations;
- currency, exchange and interest rates;

- the regulatory framework regarding royalties, taxes, 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 owned and third party facilities;
- the impact of war, hostilities, civil insurrection, pandemics (including Covid-19), instability and political and economic conditions (including the ongoing Russian-Ukrainian conflict) on the Company;
- the ability of the Company to successfully market its products; 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 in or affecting jurisdictions in which the Company operates;
- 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 Company's ability to enter into or renew leases;
- risks associated with rising capital, operating, labour, inputs and other costs;
- the timing of capital project completions;
- fluctuations in commodity 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;
- changes in royalties, taxes, and environmental legislation and regulations in the jurisdictions in which the Company operates;
- the Covid-19 pandemic and the duration and impact thereof;
- 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 [NTD: remove?]
- operational issues encountered in the energy business;
- 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 Measures

This news release contains measures that do not have a standardized meaning under generally accepted accounting principles (GAAP) and therefore may not be comparable to similar measures presented by other entities. These performance measures presented in this document should not be considered in isolation or as a substitute for performance measures prepared in accordance with GAAP and should be read in conjunction with the consolidated financial statements of the Company. 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 Corporation's MD&A as at and for the nine months ended September 30, 2022, under the section "Non-GAAP Measures" for a description of these measures, the reason for their use and a reconciliation to their closest GAAP measure where applicable. The Corporation's MD&A is available on Kiwetinohk's SEDAR profile at www.sedar.com

Future-Oriented Financial Information

Financial outlook and future-oriented financial information contained in this press release about prospective financial performance, financial position or cash flows is based on assumptions about future events, including economic conditions and proposed courses of action, based on management's assessment of the relevant information currently available. In particular, this press release contains expected adjusted funds flow from operations and net debt to adjusted funds flow from operations. These projections contain forward-looking statements and are based on a number of material assumptions and factors set out above and are provided to give the reader a better understanding of the potential future performance of the Company in certain areas. Actual results may differ significantly from the projections presented herein. These projections may also be considered to contain future oriented financial information or a financial outlook. The actual results of the Company's operations for any period will likely vary from the amounts set forth in these projections, and such variations may be material. See "Risk Factors" in the Company's AIF published on the Company's profile on SEDAR at www.sedar.com for a further discussion of the risks that could cause actual results to vary. The future oriented financial information and financial outlooks contained in this press release have been approved by management as of the date of this press release. Readers are cautioned that any such financial outlook and future-oriented financial information contained herein should not be used for purposes other than those for which it is disclosed herein.

Abbreviations

\$/boe	dollars per barrel equivalent
\$MM	millions of dollars
AIF	Annual Information Form
bbl/d	barrels per day
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)
HH	Henry Hub
DCET	drill, complete, equip and tie-in
Mbbl/d	millions of barrels per day
Mboe/d	millions of barrels of oil equivalent per day
Mcf/d	thousand cubic standard feet per day
MMcf/d	million cubic feet per day
WTI	West Texas Intermediate

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