



Investment Opportunity

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Avila Energy Corporation, listed and trading on the Canadian Securities Exchange (CSE:VIK), an established producer and developer of energy with exposure to domestic and international exploration, headquartered in Calgary, Alberta.

Diversified – Low-Risk, Proven Developed, Near-Term Production Growth

- 100% ownership of wells, pipelines and facilities and with over 58,000 net acres of mineral rights in proven regions with established production and abundant stacked geological potential for future develop of both oil and natural gas.
- Avila's emerging **Direct-to-Consumer Vertically Integrated Energy Business**; a sustainable business unit fueled by Natural Gas and the reduction of Avila's Tier 1, 2 emissions to net Zero through carbon capture and sequestration (CCS) in combination with the reduction in the consumers Tier 3 Emissions by 90% by 2027 through the installation and supply of energy utilizing the patented, and KIWA certified EnerTwin (CHP) micro-turbine; suppling electricity, heat and cooling.



Avila's Vertically Integrated Energy Business

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- ❖ **72 Wells, 5 Facilities and 300 kms of Pipelines in 2023**
 - ✓ 1,000 boe/d of production post-closing, Q1 2024
 - ✓ 1,500 boe/d projected average for the 12 months end December 31, 2024
 - ✓ 2,000 boe/d projected exit for conventional oil and natural production in 2024
- ❖ **Vertically Integrated Energy Business ramp up started in Q3 2023**
 - ✓ Initial marketing and sales in 2023 to meet anticipated Worldwide Exponential Growth by 2025
 - ✓ Initial installations scheduled for delivery in the 2nd Quarter of 2024 with CSA approval in 2024
 - ✓ Targeting North American pre-sales of > 1,000 EnerTwin product prior to manufacturing in 2025



Mr. Leonard B. Van Betuw President, CEO & Director

President of Avila Exploration and Development Canada Ltd since 2017. Mr. Van Betuw is a Geophysicist (BSc. Hons – 1987) with over 35 years' experience holding various positions in oil & gas exploration and development with various private and public companies including Can-Oxy (Yemen), Veritas Geophysical (Canada), Western Atlas International (Venezuela), Kinetex Resources (Canada/Colombia) and Quattro Exploration and Production.

Note to Reader- This Fact Sheet should not be read without reading the Disclaimer and Cautionary Statement



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Overview

Avila Energy Corporation an established producer, explorer, and developer of energy in western Canada with exposure to International opportunities. Currently Listed and trading on the CSE::VIK with its Headquarters in Calgary, AB.

Avila's diversified and growing portfolio of developed **100%** owned and operated 73.29 wells, 7 facilities and +300 kms of pipelines, provides investors with exposure to **5.26 million boe of Proven plus Probable Reserves.** ⁽⁵⁾⁽⁷⁾

Mission

To be a leading energy producer that delivers a diversified choice of environmentally responsible energy to consumers worldwide



Long Life, Low Decline Asset Base <10%



Expansion of Existing Facility increases capacity to 5,000 boe/d



100% operated, with an average 99% W.I.

Capitalization prior to Closing

Shares Outstanding (basic) ¹	151.899 MM
Book Value as of Dec. 1, 2023	\$27.95 MM
Working Capital ²	(\$ 3.649 MM)
Warrants, Options & Debentures ³	41.3 MM
Shares Outstanding (fully diluted) ⁴	193.20 MM

Reasons to Buy

Diversified energy exposure to established oil and natural gas resources with a **high impact ESG Plan**

Emerging alternative with 100% owned and operated producing assets in proven energy regions in Canada

Substantial growth upside fueled by proven near term catalysts, including an emerging downstream **Vertically Integrated Energy Business**

2023 Operational Snapshot

Foundation for the Company's balanced growth in 2023 is the consolidated developed and undeveloped mineral rights in Western Canada



East and West Central Alberta (Core Area)

Established land, reserves, pipelines, facilities and infrastructure with historically consistent & improving low-cost operating costs

- March 2023 production averaged 625 boe/d. ^{(6) (7)}
- 300+ kms 100% Owned & Operated, gathering & sales pipelines
- 3 Direct tie-ins to TC Energy Network for premium pricing
- Integrated Carbon Capture and Sequestration Underdevelopment
- Drilling Inventory: 15 Proved (PUD) – 4 Probable (PBUD)⁵



Alberta (above); installed capacity to handle 15,000 mcf/d and 1,200 bbls/d

(1) As reported on June 30, 2023.

(2) Projected as June 30, 2023, prior to the funding of \$3,000,000 in Debenture Financing closed on August 3, 2023.

(3) Including all warrants and conversion of debentures.

(4) Including the Conversion of all Debentures and Warrants to be issued upon the conversion of debentures.

(5) Based on independent reserves evaluation by Deloitte LLP – effective December 31, 2022. See "Reserves Data Disclosure". The estimated values disclosed do not represent fair market value.

(6) Production Mix: 94% Conventional natural gas, heavy crude oil 5%, natural gas liquids 1%.

(7) Barrel Oil Equivalent (BOE) based on 6:1 Mcf/bbl Gas, 1:1 bbl/bbl Liquids.



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CARBON NEUTRAL VERTICALLY INTEGRATED ENERGY BUSINESS

- ✓ Avila announced its plans in 2022 to develop a vertically integrated energy business targeting Direct-to-Consumer Energy sales.
- ✓ Avila on July 26th, 2023, completed the acquisition of the licensing rights to manufacture, sell, lease and service “EnerTwin” in Canada and the United States of America both are established and growing E.S.G. driven markets.
- ✓ EnerTwin, by MTT is a patented micro-turbine technology which can operate as a modular high-end combined cycle 3,2kWe power plant for domestic and SME applications
- ✓ Initial milestone, is to establish annual sales of over 2,000 units 2024/2025, and annual supply and service revenues of ~\$10M, at competitive prices, generating gross margins of up to 40%.
(assumes 750 customers by the end of 2024 and average revenues of \$575 per month per customer in 2025).
- ✓ For every 1,000 customers brought on-line its is estimated that there is a potential reduction of up to 20,000 tons annually in Tier 3 (Scope 3) CO2 emissions are achieved.
(based on a family of 4 emissions of 16 tons per year per person) ⁽¹⁾
- ✓ By early 2024 the target is to install the first of the Company’s initial 5,000 “EnerTwin” units that are to be serviced by Avila Energy in North America by the end of 2025



Upstream:

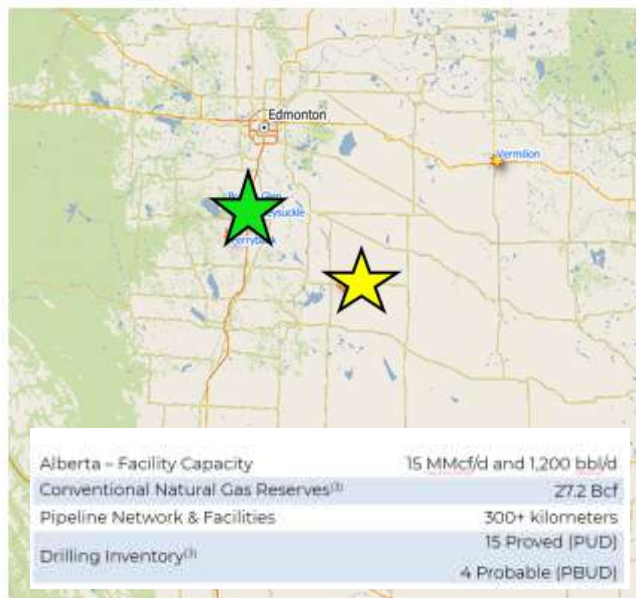
Near-term & Long-term Growth Catalysts

72 wells, 5 facilities and 300 kms of pipelines

December 2024 exit rate ⁽²⁾⁽³⁾⁽⁴⁾ >2,000 boe/d

Land (Gross Acres) 60,875 acres

2023 to 2025 diversify sources of revenue beyond Canada including the integration of **U.S. & International M&A Opportunities**



(1) Based on references and assumptions provided in the Company’s News Release dated November 14, 2022

(2) Based on independent reserves evaluation by Deloitte LLP – effective December 31, 2022. See “Reserves Data Disclosure”. The estimated values disclosed do not represent fair market value.

(3) Barrel Oil Equivalent (BOE) based on 6:1 Mcf/bbl Gas, 1:1 bbl/bbl Liquids.

(4) Conditioned to a capital expenditure of \$6.7 million.

Avila Energy - Executive Team

Leonard B. Van Betuw – President CEO and Director

Mr. Van Betuw was awarded a BSc (Hon.) Degree in Geophysics in 1987 becoming recognized for his expertise in the of design and delivery of geophysical exploration services for an extensive range of clients and institutions on 5 continents, maturing a comprehensive suite of exploration and development experiences in his initial 25 years as a Manager, Executive, and Geophysicist.

Early in Leonard's career, he spent most of his time abroad for various companies from 1998 to 1992. Early on Mr. Van Betuw began the formation of what will become his managerial skill sets. During these years, Mr. Van Betuw held various contract positions and consulting roles including Geophysicist for Can-Oxy in Yemen, Operations Supervision for Veritas Geophysical and Operations Manager in Canada and Venezuela with Western Atlas International. Between 1998 and 2006, Kintex Inc., was formed as a private company where Leonard acted as President. In 2006, the company while delivering ground-breaking services to both oil, natural gas and mining companies was acquired and went public as Kintex Resources Corporation where Mr. Van Betuw became President until 2010.

Mr. Van Betuw consulted as an advisor prior to being appointed President in 2011 of Quattro Exploration and Production Ltd., a TSX listed Junior Oil and Natural Gas Company. Subsequently the Company became a TSX Venture 50 Company in 2015 followed by his resignation in 2017.

In July of 2021, Leonard Van Betuw became President and CEO of Avila Energy Corporation.

Highly-Aligned Management and Board of Directors, Owning More than 30% of the Shares Outstanding

Jeff Decter

Director

Mrs. Anna Atencio, P. Eng. MS

Production & Facilities

Chris Valentine

Director

Mr. Lars Glimhagen

Corporate Secretary / CFO

Mr. Ryan Schnitzler

Land Manager

Mr. Peter Nesveda

Corporate Affairs & Investor Relations



Mr. Daniel Lucero

Resource Manager & Director

Mr. Peter Nesveda – International Investor Relations

Peter Nesveda brings over 30 years plus of international investor relations and corporate affairs experience having worked with more than 100 public and private companies in Australia, United Kingdom, Hong Kong, South Africa, Singapore, Canada, New Zealand, and the USA.

Peter combines a significant number of global contacts in the public and private sectors and has assisted in forming companies by way of strategic and cornerstone introductions. He brings all his skill set to work in support of emerging companies e.g.: investor relations, corporate affairs, introducing funders and financiers, helping build management teams and boards of directors.

Peter is a believer in the old saying put your money where your mouth is. He is always an investor into companies he advises and represents. Peter has assisted in numerous mergers, acquisitions, takeovers and has experience in resources, disruptive technology, the service sector, energy both in the fossil fuel and renewable energy sectors.

Over the last five years Peter has helped to launch numerous new companies operating in the disruptive technology sector. A number of companies Peter has worked with have gone on to achieve US billion-dollar market capitalized values.

Chris Valentine – Financial Advisor and Director

Prior to Co-founding Celeres, Mr. Valentine was a Co-Founder & Co-managing partner of TSU Capital, a boutique financial firm advisory headquartered in New York, offering strategic and advisory services for institutional clients with a focus on structured finance, financial services, real estate and energy.

Prior to forming TSU, Chris was one of the co-founders and Head of Investment Banking at Bonwick Capital Partners, a boutique investment bank in New York. Prior to forming Bonwick, Mr. Valentine accumulated a decade of experience in structured finance, private equity and M&A. Experience in emerging markets via founding Dubai-based consulting firm Valentine & Company as well as being a Director – Private Equity & Real Estate at Istithmar World (a Dubai Sovereign Wealth Fund). Significant investment exposure co-managing a \$3.8Bn portfolio of private equity investments in global financial services and a \$1.8Bn portfolio of real estate/lodging investments in Africa. Mr. Valentine began his career in the Global M&A Group at JPMorgan before joining Goldman Sachs, where he split his time between the Principal Finance Group in Structured Products and the Financial Institutions Group in Investment Banking. Accumulating extensive experience in corporate finance, mergers & acquisitions, private equity investment and direct portfolio management globally; previously a member of several boards of directors for financial services companies internationally.

Chris has a B.B.A. Finance (with an independent study in Actuarial Science) from Howard University in 2001.

Disclaimer & Forward-Looking Statements Cautionary Statement

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All dollar amounts stated in this Memorandum are expressed in Canadian currency, except where otherwise indicated.

In any disclosure related to Discovered Petroleum Initially-In-Place, the Company confirms that there is no certainty that it will be commercially viable to produce any portion of such resources.

Forward-Looking Information & Forward-Looking Statements Cautionary Statement

This presentation contains forward-looking information relating to capital expenditures, future drilling, drilling costs, production rates, cash flow, investment payouts, valuations, and other matters ("forward-looking statements"). These statements relate to future events or future performance. Forward-looking statements are often, but not always, identified by the use of words such as "anticipate", "budget", "plan", "estimate", "expect", "forecast", "may", "will", "project", "potential", "target", "intend", "could", "might", "should", "believe" and similar expressions. In particular, forward-looking information in this presentation includes, but is not limited to, statements with respect to: completion timing and method of funding thereof; productive capacity of wells, anticipated or expected production rates and anticipated dates of commencement of production; future payment of dividends, drilling and completion costs; results of our projects; the performance characteristics of properties; production levels; projections of market prices and costs; supply and demand for oil and natural gas and commodity prices; operating costs, general administrative costs, costs of services and other costs and expenses. Forward-looking statements are based on the opinions, assumptions and estimates of management at the date the statements are made and are subject to a variety of risks and uncertainties and other factors that could cause actual events or results to differ materially from those anticipated in the forward-looking statements. Although management believes that the expectations reflected in the forward-looking statements are reasonable, there can be no assurance that such expectations will prove to be correct. These statements are not guarantees of future performance and involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in the forward-looking information or forward-looking statements.

The Company cannot guarantee future results, level of activity, performance or achievements and there is no representation that the actual results achieved will be the same, in whole or in part, as those set out in the forward-looking statements. The forward-looking statements contained in this presentation are expressly qualified by this cautionary statement. We undertake no obligation to update or revise publicly any forward-looking statements except as required by applicable securities legislation. The forward-looking statements made herein relate only to events or information as of the date on which the statements are made. The reader is cautioned not to place undue reliance on forward-looking statements.

Some of the risks and other factors that could cause results to differ materially from those expressed in the forward-looking statements include, but are not limited to: general economic conditions in the Canada, the United States, Central and South America and globally; industry conditions including fluctuations in the price of oil and gas, governmental and environmental regulation of the oil and gas industry; geological, technical and drilling problems; unanticipated operating events; the ability to retain drilling rigs and other services; the availability of capital on acceptable terms; timing of capital expenditures, competition for suitable properties to acquire, failure to realize anticipated benefits of acquisitions and dispositions, weather conditions and other unanticipated operating events which can reduce production or cause delays, drilling success, resulting reserves production, ability to tie-in production, decline rates, commodity prices, exchange rates, interest rates, the need to obtain required approvals from regulatory authorities; volatility in market prices for commodities; liabilities inherent in oil and gas exploration operations; and changes in tax laws and incentive programs relating to the oil and gas industry and the other factors.

Readers are cautioned that this list of risk factors should not be construed as exhaustive.

Statements relating to "reserves" or "resources" are deemed to be forward-looking statements as they involve the implied assessment, based on certain estimates and assumptions that the reserves and resources described can be profitably produced in the future. Material assumptions applied to the forward-looking statements and forward-looking information include energy markets and the price of oil, drilling costs remaining at expected levels; drilling results, reserves, and production meeting expectations; condition of general economic and financial markets; cash flow, future operating costs and the Company's ability to obtain financing on acceptable terms.