



Avila Energy Corporation Closes First Tranche of \$1,033,000

Calgary, Alberta, October 31, 2023 – Avila Energy Corporation (“**Avila**” or the “**Company**” or “**Avila Energy**”), trading symbol, (CSE: VIK, OTCM: PTRVF and FRA:6HG0), is pleased to announce a closing of its first tranche of \$1,033,000 of its non-brokered private placement previously announced on September 20, 2023 (the “**Private Placement**”).

The Company issued 20,660,000 units at a price of \$0.05 (the “**Units**”) for gross proceeds of \$1,033,000. Each Unit is comprised of one common share (each a “**Common Share**”) in the share capital of the Company and one-half (1/2) common share purchase warrant (each a “**Warrant**”). Each full Warrant entitles its holder to purchase one additional common share at a price of \$0.12 for a period of 24 months following the closing.

The Company may pay finder’s fees of 8% in cash and 8% in warrants priced @ \$0.12 per share on a portion of the Private Placement, subject to compliance with the policies of the Canadian Securities Exchange (the “**CSE**”) and applicable securities legislation.

Two insiders of the Company, Mr. Leonard Van Betuw, CEO and Director and Mr. Jeffrey Decter, Director purchased an aggregate of 3,600,000 Units in the Private Placement. Any participation by insiders in the Private Placement would constitute a "related party transaction" as defined under Multilateral Instrument 61-101 Protection of Minority Security Holders in Special Transactions (“**MI 61-101**”). However, the participation is exempt from the formal valuation and minority shareholder approval requirements of MI 61-101 as the fair market value of the Units subscribed for by the insiders, nor the consideration for the Units paid by such insiders, exceeded 25% of the Company’s market capitalization. The Company did not file a material change report in respect of the related party transaction at least 21 days prior to the closing of the first tranche of the Private Placement, which the Corporation deems reasonable in the circumstances in order to close the first tranche of the Private Placement in an expeditious manner.

The proceeds of the Private Placement will be used for general working capital purposes. All securities issued pursuant to the Private Placement will be subject to a four-month-and-one day statutory hold period in accordance with applicable securities law.

The securities being referred to in this news release have not been, nor will they be, registered under the United States (U.S.) Securities Act of 1933, as amended, and may not be offered or sold in the U.S. or to, or for the account or benefit of, U.S. persons absent registration or an applicable exemption from the registration requirements. This news release does not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of the securities in any jurisdiction in which such an offer, solicitation or sale would be unlawful.

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

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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

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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.