

Waskahigan Oil & Gas Corp.

FOR IMMEDIATE RELEASE

March 8, 2023

Strategic Options: Plan of Arrangement – Spinout of shares of subsidiary to shareholders of WOGC

Waskahigan Oil & Gas Corp (“**WOGC**” or the “**Company**”) (CSE: WOGC) has called an annual general and special meeting of shareholders for 7:00am April 4, 2023 at 203, 221 10th Avenue SE, Calgary, Alberta T2G 0V9 (the “**Meeting**”). At the Meeting, WOGC will be seeking shareholder approval for the following resolutions:

- (a) approval of a plan of arrangement (as described below);
- (b) consolidation of the issued and outstanding shares of WOGC on a 2:1 basis; and
- (c) approval of a name change of WOGC;

The WOGC shareholders will be asked to approve by special resolution (66 2/3%) and by majority of the minority, the plan of arrangement amongst WOGC, Fox Creek Energy Ltd. (“**FCE**”) (a wholly owned subsidiary of WOGC), and Odaat Oil Corp (“**Odaat**”) (wholly owned subsidiary of FCE). WOGC owns no assets other than the shares of FCE. FCE owns no assets other than the shares in Odaat. Odaat carries on the business of oil and gas exploration and production in Alberta.

The purpose of the proposed plan of arrangement is to facilitate Odaat’s ability to raise capital for the following purposes:

- (a) to pay for its proportionate share of the proposed tie-in pipeline from Odaat’s Deep Valley wells to the Canadian Natural Resources Limited (“**CNRL**”) pipeline thereby enabling Odaat to market natural gas from 5 Deep Valley wells;
- (b) to pay its proportionate share of the associated pipeline integrity inspection and servicing costs to reactivate Odaat’s pipelines in Deep Valley; and
- (c) to pay for the expenses associated with the upgrading of equipment at each Deep Valley well to meet current regulatory emission standards.

WOGC has been approached by a party which has expressed interest in acquiring control of WOGC for the purpose of pursuing a new business that would constitute a change of business. No agreement has been entered into at this time with respect to that possible change of business and change of control of WOGC.

Any agreement between WOGC and the party which has expressed interest in acquiring WOGC for the reasons explained above, will include conditions surrounding effecting a reverse takeover (“**RTO**”) such that FCE would no longer be a subsidiary of WOGC. There are 13,196,868 issued and outstanding common shares of WOGC and 13,196,868 issued and outstanding common shares of FCE. Upon plan implementation, WOGC would dividend 13,196,868 FCE common shares to the shareholders of WOGC on a 1:1 basis. Upon plan implementation, FCE would have one subsidiary (Odaat) which would carry on the oil and gas business. Upon plan implementation, FCE would become a reporting issuer in Alberta and British Columbia. Upon plan implementation, FCE would not trade on any stock exchange which may impact the liquidity of FCE shares. Implementation of the plan of arrangement is subject to a concurrent closing of the RTO. The resulting issuer (WOGC) would meet Canadian Securities Exchange (“**CSE**”) listing requirements and continue to trade on the CSE.

As part of the RTO transaction, the controlling shareholders of WOGC may be asked to sell their shares of WOGC. If they do so, they may re-invest some of the net sale proceeds into FCE by way of private placement or debt convertible into common shares to pay for the pipeline construction costs. Non-controlling shareholders will: (a) maintain their existing WOGC common shares in the RTO target; and (b) be issued FCE common shares as part of the arrangement.

Under applicable securities laws, “**minority approval**” is required if “**related parties**” receive a “**collateral benefit**” under a “**business combination**” (defined to include an arrangement) or are involved in a “**related party transaction**”. Gregory J. Leia is the controlling shareholder and a director and officer of WOGC. Gregory J. Leia, directly or indirectly, owns 7,634,100 common shares (57.88%). Gregory J. Leia is a shareholder and director of Smoky which is the secured creditor of WOGC. Tracy Zimmerman, director and CFO, owns 684,300 common shares (5%). Gerald Roe, a director owns 40,000 shares. Because all of the shareholders of WOGC (including Gregory J. Leia, Tracy Zimmerman and Gerald Roe) will receive the exact same consideration there is no “**collateral benefit**” to Gregory J. Leia, Tracy Zimmerman or Gerald Roe (assuming an arms length transaction). Notwithstanding, Justice C. Dario of the Court of King’s Bench of Alberta in Action 2301 02480 granted an interim order on March 6, 2023 which requires that the plan of arrangement be approved by a special resolution and a majority of the minority (excluding the shares owned by Mr. Leia, any related parties, Mr. Zimmerman and Mr. Roe). WOGC has scheduled a chambers application before Justice C. Dario on April 6, 2023 at 10:00am MST to obtain a final order approving the plan of arrangement (assuming the shareholder approve the plan).

WOGC is seeking approval of a 2:1 consolidation whether the plan of arrangement is approved or implemented or not. Management believes the consolidation may be necessary to raise the \$500,000 necessary to complete the pipeline and well upgrades. Even if the resolution is passed, management may decide not to implement the consolidation. It is customary to change the name of WOGC upon effecting a consolidation.

All of the above steps are subject to regulatory and stock exchange approval. No approvals have been obtained. The regulatory agencies may require a further shareholder meeting to approve the RTO. WOGC intends to seek a waiver of additional meetings if WOGC can provide written consents of 66 2/3% of the shareholders. **This means WOGC Shareholders may not be entitled to vote on a subsequently proposed business combination if the applicable corporate and securities laws and the corporate bylaws permit the approval of the RTO without the necessity of holding a special meeting for this purpose.**

WOGC shareholders will be provided dissent rights with respect to the plan of arrangement. Further, if the subsequent RTO is permitted without requiring the approval of the WOGC Shareholders at a meeting called for such purpose, then the WOGC Shareholders shall be given another opportunity to dissent within 30 days after key elements of that transaction are completed. There is no guarantee that WOGC will find a business combination which qualifies for any exchange. There is no guarantee that such business combination will be accepted by any exchange or if accepted the CSE may impose conditions on the listing which make it impossible to meet or that the shareholders will approve such business combination. For information about WOGC, please refer to the Information Circular filed on www.sedar.com on March 8, 2023.

About Waskahigan Oil & Gas Corp

Waskahigan Oil & Gas Corp is a junior oil and gas exploration and production company with assets in Northern Alberta. For further information, please contact:

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Forward-Looking Statements:

This news release states that readers should review the Information Circular for further information on the Company. The Information Circular includes certain forward-looking statements and forward-looking information (collectively, "forward-looking statements") within the meaning of applicable Canadian securities legislation. All statements, other than statements of historical fact, included herein including, without limitation, statements regarding future capital expenditures, anticipated content, commencement, and cost of exploration programs in respect of the Company's projects and mineral properties, anticipated exploration program results from exploration activities, resources and/or reserves on the Company's projects and mineral properties, and the anticipated business plans and timing of future activities of the Company, are forward-looking statements. Although the Company believes that such statements are reasonable, it can give no assurance that such expectations will prove to be correct. Often, but not always, forward looking information can be identified by words such as "pro forma", "plans", "expects", "will", "may", "should", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates", "believes", "potential" or variations of such words including negative variations thereof, and phrases that refer to certain actions, events or results that may, could, would, might or will occur or be taken or achieved. Forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to differ materially from any future results, performance or achievements expressed or implied by the forward-looking statements. Such risks and other factors include, among others, statements as to the anticipated business plans and timing of future activities of the Company, the ability of the Company to obtain sufficient financing to fund its business activities and plans, delays in obtaining governmental and regulatory approvals (including of the Canadian Securities Exchange), permits or financing, changes in laws, regulations and policies affecting oil and gas operations, the Company's operating history, currency fluctuations, title disputes or claims, environmental issues and liabilities, as well as those factors discussed under the heading "Risk Factors" in the Company's Information Circular and other filings of the Company with the Canadian Securities Authorities, copies of which can be found under the Company's profile on the SEDAR website at www.sedar.com. Readers are cautioned not to place undue reliance on forward-looking statements. The Company undertakes no obligation to update any of the forward-looking statements in this presentation or incorporated by reference herein, except as otherwise required by law.