



## KAISEN ENERGY CORP. ANNOUNCES YEAREND 2020 RESULTS

**April 8, 2021**

*CALGARY, ALBERTA—Kaisen Energy Corp. ("Kaisen") announces the financial and operating results for the year ended December 31, 2020. The unaudited condensed financial statements, notes, and Management's Discussion and Analysis ("MD&A") pertaining to the period are attached. All figures reported herein are in Canadian dollars unless otherwise stated.*

### **MANAGING DIRECTOR'S MESSAGE:**

Kaisen and many other upstream oil and gas producers in Western Canada continue to deal with an extremely challenging situation brought on by the Covid-19 global pandemic. While we have seen considerable improvement in the wellhead price for heavy oil lately, the availability of capital for upstream producers remains very limited. The lack of capital remains a significant impediment to the recovery of the oil and gas industry in Western Canada.

The low and volatile oil prices led Kaisen to shut in most of its production during the first quarter of 2020. During the third quarter, Kaisen began the process of restoring oil production with the improved oil pricing. This has continued in to the fourth quarter and more recently. However, the lack of capital has impeded the company's ability to restore its production and cashflow and get caught up on amounts owed.

While we search for incremental capital, our major shareholder has continued to fund ongoing operations through subordinated secured funding for which we are grateful. While we were hopeful for more specific government assistance that would allow energy companies to recover from the economic impacts which have hit oil companies particularly hard, little has been forthcoming. It is clear that we will not be able to survive for long without accessing some incremental capital.

Kaisen continues to take a low-cost technical approach to managing the assets as best we can.

We appreciate the support shown by shareholders, employees, and contractors as we look to improve the fortunes of Kaisen.



**ADVISORY:**

*Certain information in this message, including management's assessment of future-plans and operations, contains forward-looking information that involves risk and uncertainty.*

*Readers are cautioned not to place undue reliance on forward-looking statements as there can be no assurance that the plans, intentions or expectations upon which they are based will occur. Such information, although considered reasonable by management at the time of preparation, may prove to be incorrect and actual results may differ materially from those anticipated. Kaisen assumes no obligation to update forward-looking statements should circumstances or management's estimates or opinions change. Forward-looking statements contained in this message are expressly qualified by this cautionary statement.*

**FOR FURTHER INFORMATION, PLEASE CONTACT:**

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