

Wedgemount Resources Signs Definitive Agreement to Acquire Oil and Gas Assets

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Vancouver, December 19, 2022 - [Wedgemount Resources Corp.](#) (CSE: WDGY) (OTCQB: WDGRF) ("Wedgemount" or the "Company"), is pleased to announce the signing of a Definitive Agreement (the "Agreement"), replacing the non-binding letter of intent announced October 27, 2022 for the acquisition of oil and gas assets (the "Assets") located in the prolific Permian Basin of West-Central Texas.

Highlights of the Assets:

- Premier location in the Permian Basin of West-Central Texas - North America's #1 oil producing region
- Partnered with San Antonio based turn-key oil field services operator with 20+ years track record in central Texas
- High netback 42 API light oil with associated natural gas
- Opportunity for low-cost optimization of producing and shut-in wells for significant organic production growth
- Low decline production base with favourable operating costs
- Multiple additional stacked shallow targets identified in unexploited oil-bearing formations accessible through conventional drilling

Wedgemount will acquire a 100% working interest in 640 acres including five leases, eleven producing wells and all surface facilities. Current production from the eleven wells is approximately 25 barrels of oil per day of high quality, low-decline, operated production. The area's geology consists of numerous hydrocarbon producing formations which will also be targeted by the Company. The acquisition exhibits the flexibility in Wedgemount's business strategy to target high quality assets in safe jurisdictions within the natural resources sector.

"Wedgemount is delighted to secure a highly scalable and profitable light oil asset in North America's most prolific producing hydrocarbon basin", remarked Wedgemount CEO, Mark Vanry. "The asset has tremendous production upside potential including low-cost optimization of existing wells, new vertical and horizontal wells, targeting of underdeveloped zones and the implementation of secondary recovery through water-flood. We're optimistic that together our local partner, we'll be able to add additional highly prospective targets in the immediate area during calendar 2023."

Terms of the Purchase

The vendor, Willowbend Investments Inc., is an arm's length Texas company (the "Vendor"). Pursuant to the Agreement, Wedgemount will pay the Vendor aggregate cash consideration of US\$1,500,000 in three installments: US\$250,000 on or before December 31, 2022; US\$500,000 on or before February 28, 2023; and US\$750,000 on or before March 31, 2023.

Private Placement

The Company also announces that it has arranged a non-brokered private placement (the "Offering") of up to 2,500,000 units (each a "Unit") at CAD\$0.20 per Unit for gross proceeds of up to \$500,000.

Each Unit will entitle the holder to receive one (1) common share in the capital of the Company (each a "Common Share") and one (1) transferable Common Share purchase warrant (each a "Warrant"). Each Warrant entitles the holder to acquire one (1) Common Share at CAD\$0.30 per Common Share for a period of twenty four (24) months from the date of issuance, subject to an accelerated expiry provision, whereby in the event the closing price of the Company's Common Shares on the Canadian Securities Exchange (the

"Exchange") exceeds CAD\$0.60 for a period of 20 consecutive trading days, at the Company's election, the 24 month period within which the Warrants are exercisable, will be reduced and the holders of the Warrants will be entitled to exercise their Warrants for a period of 30 days commencing on the day the Company provides notice, any outstanding Warrants not exercised during the 30 day period will expire.

In connection with the Offering, the Company may pay finder's fees to qualified non-related parties, in accordance with the policies of the Exchange, being 7% cash commission on total proceeds raised by the finder and 7% in Warrants on total Units sold by the finder.

The Company intends to use the net proceeds from the Offering for general working capital purposes and for cash consideration due in connection with the Agreement.

All securities issued under the Offering, including securities issuable on exercise thereof, will be subject to a hold period expiring 4 months and 1 day after issuance, in accordance with the rules and policies of the Exchange and applicable Canadian securities laws.

About Wedgemount Resources Corp.

Wedgemount Resources is a junior natural resources company focused on maximizing shareholder value through the acquisition, discovery and advancement of natural resource projects in North America.

On behalf of the Board of Directors,
[Wedgemount Resources Corp.](#)

Mark Vanry, President and CEO

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