



Market Announcements Platform
ASX Limited
Exchange Centre
20 Bridge Street
Sydney NSW 2000

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Calima appoints CWL Energy for Canadian Operations Management

Highlights:

- Calima appoints leading Calgary based project management company, CWL Energy Management Ltd., to manage its Canadian operations.
- CWL Energy brings extensive local operating experience, knowledge and relationships into the Calima team.
- Remuneration of CWL Energy aligns interests via incentive compensation linked to the building of value for Calima shareholders.

Calima Energy Limited (ASX:CE1) ("Calima" or the "Company") operates 72,014 acres of drilling rights over acreage (the Calima Lands) in British Columbia considered to be prospective for the Montney Formation.

The Company is delighted to announce that it has appointed CWL Energy Management Ltd. (CWL Energy) to provide localised and regional project management services to support its activities in the Calima Lands.

CWL Energy draws on 40 years of experience in British Columbia and Alberta, working with a broad range of oil and gas companies active in the area. The company has been particularly active in Northeast British Columbia working with several large upstream and midstream companies and, since 2012, working closely with a successful producer whose lands offset those of Calima.

Doug Bedard, CWL Energy's Chief Executive Officer commented: *"This is an excellent project and we are excited to become part of the Calima team opening up the liquids rich Montney play in an area we know well. This project gives us a fantastic opportunity to demonstrate the value that our management philosophy can deliver to a project and we had no hesitation in aligning our remuneration*



to match up with value creation for Calima shareholders, having been successful with neighbouring operators for more than five years.”

Alan Stein, Calima’s Managing Director commented:

“CWL Energy brings a wealth of directly relevant local experience to the project and we are delighted to have them as a key part of our team. They have given us full operational capability in a timeframe, and on terms, that we could not replicate through organic growth.”

The CWL Energy project management and project support services agreement is for a term of up to 4 years, with a 3 month termination clause. Calima will pay CWL a monthly retainer for its project management and support services. Payments to CWL constitute expenditure under the Montney Project joint venture for the purposes of the Montney farm-in agreement.

The contractual arrangements with CWL Energy include short and long term financial incentives. Under the short term incentives, CWL Energy may elect to take all or a portion of their remuneration, on a six-monthly rolling basis, in Calima shares. Long term incentives, which are to be paid proportionately by the Montney Project joint venturers pro rata to their respective interest in the joint venture, further incentivise CWL Energy by linking the provision of their services to Calima to the creation of value for joint venture partners and Calima’s shareholders. Any issue of Calima shares to CWL under the incentive arrangements are subject to shareholder approval.

About CWL Energy: CWL Energy is part of the group of companies owned by the CARDON group (CARDON), who also own and operate Canada West Land Services Ltd. (CWL).

CWL Energy, provides a robust greenfield approach tailored to asset and investment management, including project and technical management services to the upstream oil and gas, midstream, and renewable energy industries. This approach manages all parts of the upstream value chain from initial investment and acquisition of infrastructure and energy assets through designing and implementing development plans, environmental and regulatory process, public consultation, stakeholder engagement, project management, technical services, procurement, operations, maintenance, integration and divestment of assets.

The company has a staff of 60 full time employees, and has been particularly active in Northeast British Columbia where it has been working with several large upstream and midstream companies. Since 2012 both companies have been working closely with a successful producer whose lands offset those of Calima. This experience will be directly relevant to the Calima project.

Recent oil and gas clients include Saguaro Resources, Polar Star, Tourmaline, Husky, Pembina, Encana, and Paramount Resources. www.cwlenergy.com



CWL has been operating for 40 years providing land, public consultation and project management services across several industrial sectors including upstream and midstream oil and gas, power generation and transmission, highways, water and infrastructure. The company has more than 30 full time employees and an extensive network of associates who operate out of their offices in Calgary, Fort St John and Regina.

Recent clients include TransNorthern Pipelines, the ATCO group of Companies, and TransCanada Pipelines. www.canadawestland.com.

For further information visit www.calimaenergy.com or contact:

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About Calima Energy

Calima Energy Limited (ASX:CE1) is an international oil and gas company with interests in an area of British Columbia that is considered to be highly prospective for the Montney Formation.