
Acceleware Confirms New Test Site for RF XL Technology Pursuant to Agreements with Broadview Energy

A significant milestone in Acceleware's commercialization of RF XL clean-tech innovation, the new test site supports accelerated timelines and expanded global market potential

Calgary, AB, Canada – May 20, 2020 – Acceleware Ltd. (“Acceleware” or the “Company”) (TSX-V: AXE), a leader in the development of technologies enabling low-cost and environmentally-friendly extraction of heavy oil and bitumen, today announced that it has secured a new partner and test site for its commercial scale pilot of the Company’s transformative RF XL clean technology (the “Project”), described in more detail below. Acceleware is very pleased to enter into agreements with Broadview Energy (“Broadview”), a private oil and gas company with extensive heavy oil operating experience currently focused on developing thermal (SAGD) projects in West-Central Saskatchewan.

Details of the Agreements

Under the terms of the agreements, Acceleware will farm-in to Broadview’s Marwayne asset near Lloydminster in the Cold Lake Oil Sands area and Broadview will be added as a consortium partner for the Project. The agreements grant Acceleware certain access rights to the Marwayne asset to complete the Project and provide the terms for future RF XL purchases by Broadview from Acceleware (the “Broadview Partnership”). With favourable operating conditions that support accelerated timelines, Broadview’s Marwayne asset is expected to be highly suitable for the RF XL commercial-scale test — offering numerous attractive features including all-weather access, existing roads and well sites, and close proximity to key services and trades.

Acceleware believes that testing at Marwayne offers the most compelling heavy oil operating environment with an expedited path to commercialization of Acceleware’s RF XL clean technology. Key anticipated benefits of the Broadview Partnership include:

- immediate access to a viable and high-quality test site targeting the GP formation anywhere within the Marwayne asset;
- an option to conduct a subsequent test at a second location within the Marwayne asset at any time within five years of the spud date of Acceleware’s first test wells; and
- ownership and economic benefit from all petroleum substances produced in both the first and second tests subject to a gross overriding royalty of up to 7.5% payable to Broadview.

Acceleware has received conditional approval of the Broadview Partnership and Marwayne test site from its core funders, Sustainable Development Technology Canada (“SDTC”) and Emissions Reduction Alberta (“ERA”) pending the completion of a project update, including a detailed budget forecast, confirmation of Acceleware’s ability to fund the remaining milestones for the Project and revised determinations pertaining to environmental benefits.



“We are extremely pleased with the Broadview Partnership, which enables Acceleware to benefit from Broadview’s experience and agility while being able to access an optimal test site at Marwayne” said Geoff Clark, CEO of Acceleware. “The extensive engineering and de-risking work that we have completed over the past two years will be instrumental in validating the performance and potential of our RF XL clean technology. We greatly appreciate the continued support of our funding partners, SDTC and ERA, as we continue to advance commercialization of this clean-tech innovation.”

“Broadview looks forward to working with Acceleware to advance the RF XL technology as we recognize its significant potential benefit for business, industry and the environment in opening up a new era of growth within the heavy oil sector,” said John Festival, Broadview’s CEO. “Broadview is excited to have a front row seat at the Marwayne test site where we will support Acceleware’s efforts to validate their RF XL technology. Over the past 30+ years, Broadview’s personnel have trialed and closely monitored a number of different heavy oil recovery technologies. Broadview recognizes Acceleware’s RF XL technology as one of the biggest potential game-changers in heavy oil and bitumen recovery since SAGD (steam assisted gravity drainage) was commercialized over 20 years ago.”

Although situated within the Cold Lake Oil Sands region, the reservoir at the test site is classified as a heavy oil deposit and oil produced from the area has lower viscosity than a typical oil sands reservoir. As such, the results gleaned from the Project are expected to be more analogous to, and relevant for, conventional heavy oil operators in Alberta and Saskatchewan as well as operators developing heavy oil deposits in the Middle East, California, and Latin America. In addition, the depth of this test site is anticipated to allow Acceleware to demonstrate that the RF XL clean technology can be successfully deployed to heat reservoirs at depths consistent with both heavy oil and oil sands reservoirs. The Company believes that positive test results from the reservoir at Marwayne will open up a much larger addressable market for its RF XL clean technology upon commercialization, including the potential to re-invigorate the many CHOPs fields that have been shut-in and neglected in Alberta and Saskatchewan.

Acceleware intends to apply for regulatory approval of the Project as soon as possible and is currently working with its service and component supply partners to update the budget and schedule for the Project. Currently, the Company anticipates the budget will range between \$16 and \$20 million, of which approximately \$16 million has already been raised by Acceleware. This includes \$5.25 million in funding from SDTC, \$5 million from ERA and \$2 million from a major oilsands producer. In light of the prevailing economics facing the oilfield service sector, the Company believes there may be potential to secure material cost reductions in equipment and services that will be required to undertake the Project.

Acceleware had previously entered into an agreement with Prosper Petroleum Ltd. to perform the pilot test at their planned Rigel site. However, the significant delays in securing regulatory approval of the Rigel SAGD project prompted Acceleware to terminate that agreement effective May 19, 2020.

About RF XL Technology

RF XL is Acceleware’s patented and patent-pending Radio Frequency Heating technology, designed to improve the extraction of heavy oil and bitumen, with the possibility of saving significant production costs. When applied, RF XL has the potential to reduce both capital and operating costs, while offering significant environmental benefits, which include: (a) immediate GHG emission reductions; (b) a substantial decrease



in land use; (c) the elimination of external water use; (d) no requirement for solvents; and (e) no need for water treatment facilities or tailings ponds.

The Company believes that its RF XL Heating technology, as an electrically-driven process, can provide a clear pathway to zero-GHG production of heavy oil and oil sands and provide optimal alignment with industry and government goals to recognize innovation as a meaningful solution in the oil and gas industry's overall emission reduction plans. Learn more about Acceleware's innovative technology at <https://www.acceleware.com/technology/overview.html>.

About Acceleware

Acceleware (www.acceleware.com) is an innovator of clean-tech oil and gas technologies comprised of two business units: Radio Frequency (RF) Enhanced Oil Recovery and Seismic Imaging Software and Software Acceleration Services.

Acceleware is developing RF XL and Modular RF, its patented and patent-pending low-cost, low-carbon production technologies for heavy oil and oil sands that are materially different from any heavy oil recovery technique used today. They are designed to have significantly lower operating and capital costs, will use no water, require no solvent, have a small physical footprint, can be redeployed from site to site, and can be adapted to a multitude of reservoir types, while expected to greatly reduce and eventually eliminate production greenhouse gas emissions (GHGs). With Acceleware's RF technologies, tailings ponds are not required.

Our seismic imaging software solutions are state of the art for high fidelity imaging, providing the most accurate and advanced imaging available for oil exploration in complex geologies. Acceleware's professional services team accelerates computationally intense applications for clients to speed up product design, analyze data and help them make better business decisions.

Acceleware is a public company listed on Canada's TSX Venture Exchange under the trading symbol "AXE".

About Broadview

Broadview Energy (BVE) is a private oil and gas company focused on the development of heavy oil assets in Alberta and Saskatchewan. Through predecessor companies BlackRock Ventures, BlackCore Resources, BlackPearl Resources, Breaker Energy, and Renaissance Energy, Broadview's principals have discovered, assessed, piloted, commercialized, acquired, and divested many heavy oil plays across Western Canada over the past +30 years.

About Sustainable Development Technology Canada

Sustainable Development Technology Canada (SDTC) helps Canadian companies develop and deploy competitive, clean technology solutions, to help solve some of the world's most pressing environmental challenges: climate change, clean air, clean water and clean soil.

By taking a cross-Canada approach, from seed to scale, and in partnership with the best peers and experts, SDTC is the global benchmark for sustainable development innovation programming.

As an independent federal foundation and flagship program, SDTC's funding of Canadian entrepreneurs has created jobs, growth and long-term prosperity for Canada. Since inception, SDTC has invested over \$1.15 billion in 400 companies, creating 13,000 jobs. SDTC companies have reduced greenhouse gas

emissions by an estimated 18.1 megatonnes annually, equivalent to the energy it takes to heat 600 million homes.

About Emissions Reduction Alberta (ERA)

For 10 years, ERA has been investing the revenues from the carbon price paid by large final emitters to accelerate the development and adoption of innovative clean technology solutions. Since we were established in 2009, we have committed \$542 million toward 163 projects worth over \$4 billion that are helping to reduce GHGs, create competitive industries and are leading to new business opportunities in Alberta and beyond. These projects are estimated to deliver cumulative GHG reductions of 40 million tonnes by 2030.

Disclaimers

This press release contains “forward-looking information” within the meaning of Canadian securities legislation. Forward-looking information generally means information about an issuer’s business, capital, or operations that is prospective in nature, and includes disclosure about the issuer’s prospective financial performance or financial position.

The forward-looking information in this press release can be identified by the terms “anticipates”, “believes”, “expects” and derivatives thereof, and includes information about the benefits of the Broadview Partnership, the budget for the Project, the timing of the Project, the results of the Project and the advantages of the RF XL clean technology. Acceleware assumes that the current research and development effort including the commercial-scale test plans will result in commercial-ready products and that Acceleware will receive the necessary approvals and additional financing required for the Project.

Actual results may vary from the forward-looking information in this press release due to certain material risk factors. Certain of these risk factors are described in detail in Acceleware’s continuous disclosure documents, which are filed on SEDAR at www.sedar.com.

Acceleware assumes no obligation to update or revise the forward-looking information in this press release unless it is required to do so under Canadian securities legislation.

Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

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