Entropy Inc. Provides Operational and Commercial Update

(TSX: AAV)

CALGARY, AB, Oct. 24, 2022 /CNW/ - Entropy Inc. ("Entropy" or the "Corporation"), a subsidiary of Advantage Energy Ltd. ("Advantage"), is pleased to provide an operational and commercial update as carbon capture and storage ("CCS") operations continue at the Glacier Gas Plant ("Glacier") in Alberta, Canada.

Operational Update

Following the commissioning and initial operations at the Glacier CCS project (see news releases dated July 5, 2022, and September 28, 2022), Entropy has completed a 14-day steady-state benchmarking trial using MEA (monoethanolamine, the industry-standard solvent). Entropy's proprietary Modular Carbon Capture™ process achieved a heat duty of 3.3 GJ/tonne, significantly lower than expectations for MEA with no additives or catalysts. Capture efficiency during the trial was approximately 90% from 5.6% CO_2 flue gas, with a reboiler temperature of 126 degrees Celsius and a runtime of 100%. This result was independently verified by researchers at the University of Regina's Clean Energy Technologies Research Institute ("CETRI").

Entropy has now purged MEA from the Glacier CCS plant and introduced Entropy23™, with the full suite of process configuration testing planned for the coming weeks and long-term results to be shared as major milestones are reached.

Alberta Carbon Sequestration Hubs

As announced by the Government of Alberta on October 4, 2022, Entropy has been awarded the opportunity to secure and evaluate certain carbon sequestration tenure rights for two highly prospective areas within the province.

The first project is located west of Calgary (the "Bow River Hub"), where Entropy and Inter Pipeline Ltd. ("IPL") plan to develop a carbon storage hub using extensive deep saline aquifers ideal for CO_2 sequestration in an area with several large emitters. Entropy's internal estimates suggest that emissions within the catchment area for the Bow River Hub exceed 5 Mtpa.

The second project is located north of the City of Grande Prairie (the "Grande Prairie Net Zero Gateway"), where Entropy, NorthRiver Midstream Inc. and Keyera Corp. plan to develop a carbon storage hub with a high permeability regional aquifer suitable for large-scale carbon storage. This hub is strategically located in proximity to major pipeline infrastructure and numerous mid-sized emitters.

Once the regulatory framework is completed, these strategic storage hubs will provide Entropy with the certainty required to develop several additional carbon capture projects in Alberta. Entropy continues to develop numerous projects in Alberta, some of which will utilize the awarded hubs and others that will be governed by existing industrial waste disposal regulations like the Glacier CCS project.

2022 Hydrocarbon Processing Award for Sustainability

Entropy is pleased to announce that our Modular Carbon Capture and Storage™ ("MCCS™") technology received the 2022 Hydrocarbon Processing Award for Sustainability, from Hydrocarbon Processing magazine. Hydrocarbon Processing is a respected, global, industrial publication that has covered technical advances, processes, and optimization developments throughout the hydrocarbon processing industry for decades. Over 100 nominations were submitted from more than eighteen countries and fourteen honorees were selected by an independent advisory board. This award reflects the hard work of numerous Entropy contributors, including solvent research and development at the University of Regina's CETRI, innovative process engineering and execution by the Allardyce Bower Consulting Inc. team and a wide range of technical and operational contributions from Advantage and Entropy staff. Entropy is honoured by the recognition from Hydrocarbon Processing and is pleased to join this prestigious group of recipients.

About Entropy Inc.:

Entropy is a privately-owned company, founded by Advantage and financed by the Brookfield Global Transition Fund, applying sophisticated science and engineering to develop commercial CCS projects. Entropy's technology is expected to deliver commercial profitability with an industry-leading cost structure using proprietary modular carbon capture and storage technology. Entropy intends to deploy this technology in the global effort to reduce and eventually eliminate carbon emissions. Further information is available at www.entropyinc.com.

Advisory

The information in this press release contains certain forward-looking statements, including within the meaning of applicable securities laws. These statements relate to future events or our future intentions or performance. All statements other than statements of historical fact may be forward-looking statements. Forward-looking statements are often, but not always, identified by the use of words such as "anticipate", "continue", "demonstrate", "expect", "may", "can", "will", "believe", "would" and similar expressions and include statements relating to, among other things: the anticipated timing of when the full suite of process configuration testing will occur at Glacier and Entropy's expectations that long-term results will be shared as major milestones are reached; the estimated emissions within the catchment area for the Bow River Hub; Entropy's expectations that once the regulatory framework is completed, these strategic storage hubs will provide Entropy with the certainty required to develop several additional carbon capture projects in Alberta; Entropy's expectations that its technology will deliver commercial profitability with an industry-leading cost structure using proprietary MCCS™ technology; and that Entropy will deploy its technology in the global effort to reduce and eventually eliminate carbon emissions. Entropy's actual decisions, activities, results, performance or achievement could differ materially from those expressed in, or implied by, such forward-looking statements and accordingly, no assurances can be given that any of the events anticipated by the forward-looking statements will transpire or occur or, if any of them do, what benefits that Entropy or Advantage will derive from them.

With respect to forward-looking statements contained in this press release, Entropy has made assumptions regarding, but not limited to: that the Glacier CCS project will successfully capture and sequester carbon from the combustion of natural gas; that the long-term operating costs of Glacier will not be greater than anticipated; that Entropy will achieve its anticipated Glacier performance milestones; that Entropy's existing engagements will lead to completed projects; that Entropy's CCS projects will reach final investment decision; conditions in general economic and financial markets; effects of regulation by governmental agencies; current and future commodity prices and royalty regimes; future exchange rates; royalty rates; future operating costs; availability of skilled labor; the impact of increasing competition; that Entropy will have sufficient cash flow, working capital, debt or equity sources or other financial resources required to fund its capital and operating expenditures and requirements as needed; that Entropy's conduct and results of operations will be consistent with expectations; that Entropy will have the ability to develop its technology in the manner currently contemplated; current or, where applicable, proposed assumed industry conditions, laws and regulations will continue in effect or as anticipated; and the anticipated benefits and results from Entropy's technology are accurate in all material respects. Readers are cautioned that the foregoing lists of factors are not exhaustive.

These statements involve substantial known and unknown risks and uncertainties, certain of which are beyond Entropy's control, including, but not limited to: the risk that the full suite of process configuration testing may not occur at Glacier when anticipated, or at all; the risk that Entropy may not achieve major milestones at Glacier; the risk that Entropy's strategic storage hubs may not provide Entropy with the certainty required to develop several additional carbon capture projects in Alberta; the risk that Entropy's technology may not deliver commercial profitability with an industry-leading cost structure using proprietary MCCS™ technology; the risk that Entropy's engagements may not lead to completed projects; changes in general economic, market and business conditions; industry conditions; actions by governmental or regulatory authorities including increasing taxes and changes in investment or other regulations; changes in tax laws and incentive programs; changes in carbon tax and credit regimes; competition from other producers; the lack of availability of qualified personnel or management; intellectual property and patent risks; credit risk; changes in laws and regulations including the adoption of new environmental laws and regulations and changes in how they are interpreted and enforced; ability to comply with current and future environmental or other laws; stock market volatility and market valuations; failure to achieve the anticipated benefits and results of Entropy's technology; failure to achieve the anticipated benefits of Entropy's relationships with third parties; ability to obtain required approvals of regulatory authorities; and the ability to access sufficient capital from internal and external sources.

Management has included the above summary of assumptions and risks related to forward-looking information above in order to provide readers with a more complete perspective on Entropy's future operations and such information may not be appropriate for other purposes. Entropy's actual results, performance or achievement could differ materially from those expressed in, or implied by, these forward-looking statements and, accordingly, no assurance can be given that any of the events anticipated by the forward-looking statements will transpire or occur, or if any of them do so, what benefits that Entropy or Advantage will derive therefrom. Readers are cautioned that the foregoing lists of factors are not exhaustive. These forward-looking statements are made as of the date of this news release and Entropy and Advantage disclaim any intent or obligation to update publicly any forward-looking statements, whether as a result of new information, future events or results or otherwise, other than as required by applicable securities laws.

SOURCE Advantage Energy Ltd.

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