WOLVERINE ENERGY AND INFRASTRUCTURE INC. ANNOUNCES STRATEGIC CANADIAN INFRASTRUCTURE ACQUISITIONS

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EDMONTON, AB, Dec. 20, 2021 /CNW/ - Wolverine Energy and Infrastructure Inc. (the "**Company**" or "**Wolverine**") (TSXV: WEII) is pleased to announce the closing of transactions involving environmental clearing assets. Wolverine has purchased the assets and business for total proceeds of C$11.25 million (the "**Acquisitions**"), funded through a combination of term debt and common equity, as further detailed in the table below. Following the close of the Acquisitions, Wolverine has become one of North America's largest environmental clearing companies. Both Acquisitions are non-arms length transactions.

These Acquisitions of environmental clearing assets and business are a continuation of Wolverine's strategy to focus on the asset classes and sectors which provide the Company with the best returns. Wolverine will continue to explore further acquisitions and divesting fully valued assets and asset classes with lower returns. By adding an operating location in British Columbia, and an office in Calgary, AB, the Acquisitions consolidate Wolverine's stronghold in key operating hubs while expanding the depth of services provided and coverage across Canada.

Shannon Ostapovich, President, states "The closing of both transactions allows Wolverine to further its ESG diversity strategy, while expanding its operations to be one of the largest environmental clearing companies throughout North America. Wolverine has been a leader in the space for the past 10 years and has significant industry expertise".

Acquisition Details and Strategic Rationale

The Acquisitions will add 41 environmental clearing units, with an additional 40 support units consisting of trucks, trailers and UTVs, located throughout Canada, positioning Wolverine with one of the largest fleets of environmental clearing assets in North America.

The Company attributes new replacement cost of over $20 million to the acquired assets. The acquired assets are forecasted to deliver an annual run rate EBITDA of approximately C$4.8 million, including immediate annual operational and administrative synergies, of which approximately 75% is currently contracted. Employees, contracts, and upcoming work will be transferred from the existing businesses to Wolverine.

Total Purchase Price	**$11.25 million**
Cash at Close	*$4.75 million*
Stock[(2)]	*$1.50 million*
Vendor Take Back	*$5.00 million*
EV / EBITDA[(1)]	**2.3x**
EV / New Replacement Cost	**56%**

(1) Forecasted annual run rate EBITDA; See cautionary statement below regarding GAAP and Non-GAAP Financial Measures
(2) 4,347,826 shares of WEII from treasury and 88,183 shares of Green Impact Partners Inc. (GIP) held by Wolverine
(3) All figures are in Canadian dollars (C$)

The Acquisitions are highly complementary to Wolverine's existing business units as it:

- **Expands upon current, fully utilized, Western Canadian operations**. Wolverine entered into the environmental clearing sector approximately 10 years ago and with these acquisitions, provides Wolverine with significant scale to expand its market position while operating one of the largest fleets of environmental clearing assets in North America;
- **ESG alignment to current Wolverine strategy**. The assets are considered to be one of the greenest solutions versus typical land clearing or spraying, with current operations closely tied to many strategic indigenous partners;
- **Further diversified operating locations, cliental and industries**. Following completion of the acquisitions, Wolverine has expanded service operations throughout Canada and has strong leads into the US, while focused on multiple industries.

<u>Cautionary Statements</u>

This news release shall not constitute an offer to sell or the solicitation of an offer to buy the Common Shares in any jurisdiction. The Common Shares to be issued in the transaction have not been and will not be registered under the United States Securities Act of 1933, as amended (the "U.S. Securities Act") or any state securities laws and may not be offered or sold in the United States except in certain transactions exempt from the registration requirements of the U.S. Securities Act and applicable state securities laws.

Neither the TSXV nor its Regulation Services Provider (as that term is defined in the policies of the TSXV) has in any way approved or disapproved the contents of this news release. The TSXV does not accept responsibility for the adequacy or accuracy of this release.

This press release contains forward-looking statements, including statements regarding forecasted EBITDA of the acquired assets, any future divestiture of assets and operational and administrative synergies. These statements are neither promises nor guarantees but involve known and unknown risks and uncertainties and are based on both the views of management and assumptions that may cause our actual results, levels of activity, performance or achievements to be materially different from any future results, levels of activities, performance or achievements expressed in or implied by these forward-looking statements. These risks, uncertainties and assumptions include those related to our revenue growth, operating results, industry and products, the general economy, contracted rate for the new assets, governmental policies and regulation, fluctuations in foreign exchange rates, operating expenses, ability to successfully commercialize and utilize the newly acquired assets, the effects and duration of COVID-19 as well as other risk factors and assumptions that may affect our actual results, performance or achievements or financial position. Readers should not place undue reliance on any such forward-looking statements, which speak only as of the date they were made. We disclaim any obligation to publicly update or revise such statements to reflect any change in our expectations or in events, conditions or circumstances on which any such statements may be based, or that may affect the likelihood that actual results will differ from those set forth in these forward-looking statements except as required by National Instrument 51-102. The contents of any website, RSS feed or twitter account referenced in this press release are not incorporated by reference herein.

<u>GAAP and Non-GAAP Financial Measures</u>

Management reviews the operational progress of its business units and investment programs over successive periods through the analysis of net income and EBITDA. The Company defines EBITDA as net income or loss from continuing operations before income taxes adjusted for interest expense (net), depreciation and amortization. Management uses EBITDA as a long-term indicator of operational performance since it ties closely to the Company's ability to generate sustained cash flow and such information may not be appropriate for other purposes.

The term EBITDA is not defined under Canadian generally accepted accounting principles ("**GAAP**") and is not a measure of operating income, operating performance or liquidity presented in accordance with GAAP. EBITDA has limitations as an analytical tool, and when assessing the Company's operating performance, investors should not consider EBITDA in isolation, or as a substitute for net loss, net profit or other consolidated statement of operations data prepared in accordance with GAAP. Among other things, EBITDA does not reflect the Company's actual cash expenditures. Other companies may calculate similar measures differently than the Company, limiting their usefulness as comparative tools. The company compensates for these limitations by relying primarily on its GAAP results and using EBITDA as supplemental information.

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