



Source: Canadian Spirit Resources Inc.

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CORRECTING and REPLACING – Canadian Spirit Resources Inc. Announces Third Quarter 2022 Financial Results

CALGARY, Alberta, Dec. 02, 2022 (GLOBE NEWSWIRE) -- In a release issued on November 29, 2022 by Canadian Spirit Resources Inc. (TSXV:SPI) (OTCBB:CSPUF) under the same headline, please note that in the "STOCK OPTION GRANT" section, the price of \$0.825 per share should have read \$0.0825 per share. There have been no additional amendments to the prior release in this corrected release. The corrected release follows:

Canadian Spirit Resources Inc. ("CSRI" or the "Corporation") (TSXV:SPI) (OTCBB:CSPUF) announces the release of its interim financial results and Management Discussion and Analysis ("MD&A") for the three and nine month periods ended September 30, 2022.

Third Quarter 2022

This news release summarizes information contained in the unaudited interim financial statements and MD&A for the three and nine month periods ended September 30, 2022, and should not be considered a substitute for reading these full disclosure documents which are available on SEDAR at www.sedar.com or the Corporation's website at www.csri.ca.

The following summarizes certain selected financial data for the three and nine months ended September 30, 2022:

(all amounts are presented in Canadian dollars, unless otherwise indicated)

	Three months ended September 30, 2022		Nine months ended September 30, 2022	
	2022	2021	2022	2021
Natural gas sales (net)	\$ 25,267	\$ -	\$ 25,267	\$ -
Operating costs	(83,777)	(45,437)	(398,987)	(186,596)
Operating netback	\$ (58,510)	\$ (45,437)	\$ (373,720)	\$ (186,596)
Other income and gains	8,119	44	160,044	131
Other expenses	(339,491)	(219,422)	(940,806)	(704,004)
Net comprehensive loss for the period	\$ (389,882)	\$ (264,815)	\$ (1,154,482)	\$ (890,469)

The Corporation's loss and comprehensive loss for the nine months ended September 30, 2022 was \$1,154,482 (September 30, 2021 - \$890,469). When compared to the prior period ending September

30, 2021, there was an increase in loss of \$264,013. The Corporation generated net natural gas revenues of \$25,267 - the first natural gas revenues generated by the Corporation since 2018. Operating costs increased by \$212,391 in the nine month period ended September 30, 2022 as compared to the prior nine month period ended September 30, 2021 as a result of the costs to recommission the Ferrell Creek gas plant and the associated gathering system and wells. Further, general and administrative expenses increased by \$123,224 in the nine month period ended September 30, 2022 as compared to the prior nine month period ended September 30, 2021 due to: an increase in consulting fees of \$15,594; an increase in professional fees of \$65,115 due to an increase in audit fees (approximately \$54,000) and in legal fees (approximately \$9,500); an increase in directors fees of \$7,033 as a result of a modest increase in fees for committee chairs and meeting expenses; an increase of \$12,967 in investor relations and filing fees mainly due to filing fees related to the Corporation's private placement completed in the period and the issuance of additional news releases by the Corporation; an increase in insurance costs of \$17,325 as a result of increased premiums due to COVID-19 related concerns by insurance companies; and an increase of \$5,191 attributable to office supplies, software licenses and other due largely to higher computer software license costs. In addition, share-based compensation increased by \$96,160 due to stock options issued in Q3 2022 and the timing of vesting of the options. Offsetting these expense increases was by a gain on the sale of unutilized facilities of \$147,750.

	As of September 30, 2022	As of December 31, 2021
Working Capital:		
Current assets	\$ 1,449,098	\$ 1,354,860
Current liabilities	(704,509)	(445,368)
Working capital	744,589	\$ 909,492
Total assets	\$ 39,222,161	\$ 38,997,897
Shareholders' equity	\$ 36,720,688	\$ 36,649,592
Number of common shares outstanding	268,177,583	248,177,583

OPERATIONAL UPDATE

On November 9th, 2022, the Farrell Creek natural gas processing facility experienced a shut down related to cold weather. Work is underway to rectify the issue and the Corporation anticipates re-start of the Farrell Creek facility and associated Montney wells by mid-December 2022.

STOCK OPTION GRANT

The Corporation granted to certain directors and executive officers of the Corporation incentive stock options to purchase a total of up to an aggregate of 4,750,000 common shares in the capital of the Corporation pursuant to the terms of the Corporation's amended and restated stock option plan. The stock options vest as to one-quarter immediately, with one-quarter vesting on each of the dates six months, 12 months and 18 months subsequent to the effective date of the grant. All the stock options have a term of five years and may be exercised at a price of \$0.0825 per share. Following the grant of stock options, the Corporation has an aggregate of 13,375,000 stock options issued and outstanding at a weighted average exercise price of \$0.086 per stock option.

CSRI is a natural resource company focusing on the identification and development of opportunities in the unconventional natural gas sector of the energy industry.

Information regarding CSRI is available on SEDAR at www.sedar.com or the Corporation's website at www.csri.ca.

For further information, please contact:
Canadian Spirit Resources Inc.
Telephone (403) 618-2113
Louisa DeCarlo (louisa@danrichresources.com)

Forward-looking Information Cautionary Statement

This press release contains forward-looking statements. More particularly, this press release contains statements concerning: the re-starting of the Farrell Creek facility and associated Montney wells; reactivation operations; the potential production and cash flow increases; and oil and gas prices. The forward-looking statements in this press release are based on certain expectations and assumptions made by the Corporation. These assumptions include, but are not limited to, the performance of rectification activities by third parties, oil and gas prices, timing and success of operations, weather, well productivity, the Corporation's finances, and changes in the Corporation's business plans. Although the Corporation believes that the expectations and assumptions on which the forward-looking statements are based are reasonable, undue reliance should not be placed on the forward-looking statements because the Corporation can give no assurance that they will prove to be correct. Since forward-looking statements address future events and conditions, by their very nature they involve inherent risks and uncertainties. Actual results could differ materially from those currently anticipated due to a number of factors and risks. These include, but are not limited to, general business, economic, competitive, political and social uncertainties, general capital market conditions and market prices for securities, the actual results of future operations, competition, changes in legislation, including environmental legislation affecting the Corporation, the timing and availability of external financing on acceptable terms, and loss of key individuals. Forward-looking statements are based on estimates and opinions of management of the Corporation at the time the statements are presented. The Corporation may, as considered necessary in the circumstances, update or revise such forward-looking statements, whether as a result of new information, future events or otherwise, but the Corporation undertakes no obligation to update or revise any forward-looking statements, except as required by applicable securities laws.

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