

PRESS RELEASE

FOR IMMEDIATE RELEASE



NEW STANDARD ACHIEVED IN RESPONSIBLE AND TRANSPARENT ENERGY DEVELOPMENT AND PROCUREMENT

Calgary, February 10, 2020 – Seven Generations Energy Ltd. (7G) and Québec’s main natural gas distributor, Énergir s.e.c. (Énergir), have entered into a responsible natural gas supply agreement governed by the EO100™ Standard for Responsible Energy Development. Globally, this is the first transaction executed under the EO100™ framework and establishes a new standard for transparency across the value chain.

Developed by Énergir as a means to provide a better understanding of the product it purchases and distributes in order to ultimately reduce its footprint, this responsible procurement of natural gas initiative aims to promote business partnerships with proactive and responsible natural gas producers. This partnership represents a commitment to increased transparency through the public disclosure of relevant operational information and demonstrates leadership in implementing environmental, social and governance (ESG) best practices. Ultimately, the use of these best practices will help to reduce the environmental impact involved in natural gas development. Énergir aims to have approximately 20% of its system gas purchases dedicated to this initiative in the first year.

7G’s commitment to responsible energy development has been recognized through the EO100™ certification. The EO100™ Standard was developed according to the stringent requirements of the ISEAL Alliance, a global association that consolidates several leading sustainability standards, including those developed by the Forest Stewardship Council (FSC) and the Marine Stewardship Council (MSC). The certification was granted by Equitable Origin following a comprehensive and independent assurance process that verified 7G’s ESG performance through site-level assessments and discussions with key stakeholders, and ultimately recognizes 7G’s commitment to continuous improvement of its sustainable development practices.

The Pembina Institute, Canada’s leading clean energy think-tank, played a critical role as an advisor on more responsible production and procurement practices throughout this process. Working with Énergir, Pembina’s energy policy experts identified potential certification frameworks, engaged Énergir’s stakeholders to identify their concerns, recommended the Equitable Origin standard and observed the certification process as a third-party. Pembina also provided recommendations and counsel to Énergir on its initiative for the responsible procurement of natural gas.

This agreement, and accompanying natural gas supply transaction, is the result of extensive collaboration between four parties with diverse perspectives and a shared vision to address the concerns of their stakeholders. The initiative is intended to help foster further discussions with various stakeholder groups about the role of responsibly developed natural gas in the transition toward a low-carbon economy.

Leadership quotes from partner companies

In recognition of today's announcement, leaders from each of the companies involved in the process had the following comments:

"Stakeholder service, responsible development and diverse market access are core to our strategy. The collaboration across multiple stakeholder groups and Indigenous communities that led to the Equitable Origin certification and the Énergir responsible natural gas supply transaction, marks a milestone for 7G. This transaction will help fund and catalyze our newly created 7G Sustainability Fund that will support additional, innovative sustainability projects aimed at reducing our environmental footprint, broadening our Indigenous partnerships and supporting our responsible development. We would like to thank our partners – Énergir, Equitable Origin and the Pembina Institute – who's leadership and collaborative efforts have resulted in a forward-thinking approach. This certification and transaction demonstrates our ability to respond to the interests of our stakeholders and paves the way for future opportunities to deliver responsibly developed energy to like-minded companies and customers."

– Marty Proctor, President and Chief Executive Officer
Seven Generations Energy

"The realization of this initiative, thanks to this first transaction and the collaboration that led to it, allows us to better address the concerns of our stakeholders and customers that wish to participate in the energy transition. It is a step in the right direction, allowing us to have a better understanding of the impacts of our activities that fits our mission to provide increasingly sustainable ways to meet the energy needs of our customers and the communities we serve. Énergir is committed to actively contribute to the fight against climate change by decarbonizing our activities through numerous actions like promoting energy efficiency, injecting more renewable natural gas in our system. This initiative is aligned with this commitment."

– Stéphanie Trudeau, Executive Vice-President Quebec
Énergir

"Equitable Origin is delighted to award Seven Generations the first certification of a natural gas producer to the EO100™ Standard for Responsible Energy Development. Seven Generations is a pioneer in their industry for having demonstrated through independent verification that they are not only meeting the stringent requirements of the EO100™ Standard, but also going above and beyond in many areas of social and environmental performance."

– Soledad Mills, Chief Executive Officer
Equitable Origin

"Canadians are increasingly concerned about the impacts of natural gas production on our climate, water, air, and communities, including Indigenous Peoples. As well, we know the world needs to transition to less carbon-intensive sources of energy. For Canada to achieve its climate targets for 2050, demand will increase for cleaner sources of energy and will decrease for more carbon intensive sources. We support the producers that achieve better upstream environmental and climate outcomes and we expect they will have a competitive advantage to supply the market through this transition. Certification provides an incentive to produce natural gas at a higher standard than business as usual and offers companies such as Seven Generations a strong competitive advantage as the world decarbonizes. We applaud Seven Generations and Énergir for their leadership, and encourage other companies to follow in their footsteps."

– Chris Severson-Baker, Alberta Regional Director
Pembina Institute

About Seven Generations

Seven Generations is a low supply-cost energy producer dedicated to stakeholder service, responsible development and generating strong returns from its liquids-rich Kakwa River Project in northwest Alberta. 7G's corporate office is in Calgary, its operations headquarters is in Grande Prairie and its shares trade on the TSX under the symbol VII.

About Énergir

With more than \$8 billion in assets, Énergir is a diversified energy company whose mission is to find increasingly sustainable ways to meet the energy needs of its 525,000 customers and the communities it serves. In Québec, it is the leading natural gas distribution company and also produces, through its subsidiaries, electricity from wind power. Through its subsidiaries in the United States, the company operates in 15 states where it produces electricity from hydraulic, wind and solar sources, while serving as the leading electricity distributor and the sole natural gas distributor in Vermont. Énergir values energy efficiency and invests both resources and efforts in innovative energy projects such as renewable natural gas and liquefied and compressed natural gas. Through its subsidiaries, it also provides a variety of energy services. Énergir aspires to become the partner of choice for those striving for a better energy future.

About Equitable Origin

Equitable Origin (EO) is a non-profit organization incorporated in the U.S., governed by a multistakeholder board of directors. Equitable Origin's mission is to partner with business, communities and government to support responsible development of energy and natural resources. Equitable Origin created the world's first stakeholder-based, independent, voluntary standards system designed to drive higher social and environmental performance, greater transparency and more accountability in energy development. Equitable Origin works with a variety of stakeholders to foster dialogue, benchmark performance and promote best practices through the EO100™ Standard for Responsible Energy Development. Equitable Origin seeks to leverage market-based mechanisms to recognize and reward responsible energy producers and to empower energy purchasers to positively influence upstream impacts and to incentivize continuous improvement.

About Pembina Institute

The Pembina Institute is a non-profit think-tank that works to advance a prosperous clean energy future for Canada through credible policy solutions that support communities, the economy, and a safe climate. We have offices in Vancouver, Calgary, Edmonton, Ottawa, and Toronto.

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