

December 23, 2016



MCW Provides Disclosure Update

TORONTO, ONTARIO -- (Marketwired) -- 12/23/16 -- MCW Energy Group Limited (the "**Company**") (TSX VENTURE:MCW) (OTCQX:MCWEF), a Canadian holding company involved in the development of environmentally-friendly oil sands technologies, the production of oil from Utah's vast oil sands deposits, and remediation projects involving extraction of contaminating hydrocarbons, provides the following update to prior disclosure as the result of a review by staff of the Ontario Securities Commission.

At its Temple Mountain site in Utah, the Company's property contains an estimated 139,539,000 gross barrels of bitumen as disclosed in an independent resource evaluation report dated (the "**2015 Report**") January 16, 2015 prepared by Chapman Petroleum Engineering Ltd. ("**Chapman**") in accordance with the Canadian Oil and Gas Evaluation Handbook (COGEH). Of these bitumen in place volumes, it has been estimated that 87,817,000 barrels would be in favorable circumstances for a commercial mining operation, as stated in a previous Chapman report dated July 29, 2014, which was prepared for internal purposes. This previous report included an evaluation assuming the bitumen would be strip-mined and sold as a product for road construction and did not consider crude oil extraction from the sand. For that reason it was concluded that the project, under that scenario, was not covered under NI 51-101. It is our understanding that the government royalty on future production of these resources would be in the range of 15%, which would result in a net value of 76,644,000 barrels.

The Company's June 7, 2016 News Release contained a quote by its Chairman inadvertently referring to the "87 million barrel oil reserve", when it should have read "87 million barrel oil resource." Pursuant to the July 2015 amendments to NI 51-101 and current COGEH criteria, the 87,817,000 barrels of bitumen would be classified as a "Contingent Resource".

The contingencies with the Company's resource are that the technology in use is of the experimental nature, i.e. it has not been used at full capacity for an extended period of time and the commerciality of the overall project heavily relies on the stability of oil prices.

The Company's May 18, 2016 and July 26, 2016 News Releases disclosed that the Company was producing oil using a mobile extraction plant of Vivakor Inc. ("**Vivakor**") and that Vivakor Inc. was acting as operators of the Company's Maeser, Utah facilities. Despite not being a proven technology, Vivakor has created a tar sand extraction system process that operates totally green, totally enclosed and creates three beneficial use products. The system would fall under EPA guidelines as a secondary manufacturing facility. Once processed the tar sands have been up to one hundred percent recycled. The light ends are utilized in the hydrocarbon extraction process as a condensate, light to medium hydrocarbon streams are utilized as a waste oil to supply energy to the thermal process, the heavy carbon chain materials recirculate through the liquid flow chart of the machine and upgrade the oil as the process takes place and finally the solids leaving the unit can be used as an asphalt product.

The corporate presentation of the Company dated in Q3 2016 stated statewide petroleum resource estimates in Utah that are not part of the Company's petroleum lease.

The impairment accounting policy disclosed in paragraph 3(h) of the Company's interim financial statements for the period ended May 31, 2016 and in the Company's annual financial statements for the year ended August 31, 2015, notes that management is required to make assumptions and estimates about recoverable reserves, when it should have said "resource". The Company will change the terminology used in the audited consolidated financial statements for the year ended August 31, 2016 and in all subsequent periods from "reserves" to "resource" to more accurately represent the nature of its bitumen resource. The Company has and intends to in the future, use the independently calculated total resource and calculated production to both record the amortization of the carrying value of the mineral property and its potential amortization at the end of any reporting period.

About MCW Energy Group

MCW Energy Group Limited is focused on value creation via the development and implementation of (i) proprietary, environmentally-friendly oil sands technologies and remedial tailing ponds projects solutions (ii) expanding production capacities of its extraction plant in Asphalt, Ridge, Utah, and (iii) the formulation of worldwide joint ventures and the licensing of oil sands opportunities with worldwide with private and government entities within countries possessing extensive oil sands/oil shale deposits. MCW's management team is comprised of individuals who have extensive knowledge in both conventional and unconventional oil and gas projects and production, both in upstream and downstream industry sectors.

Certain statements contained in this press release constitute "forward-looking information" as such term is defined in applicable Canadian securities legislation. The words "may", "would", "could", "should", "potential", "will", "seek", "intend", "plan", "anticipate", "believe", "estimate", "expect" and similar expressions as they relate to the Company, increasing production levels from 250 bbl./day to 500 bbl./day, MCW having the necessary funds to complete the foregoing, commercial viability of the extraction technology of the Company and Vivakor, are intended to be forward-looking information. All statements other than statements of historical fact may be forward-looking information. Such statements reflect the Company's current views and intentions with respect to future events, and current information available to the Company, and are subject to certain risks, uncertainties and assumptions. Material factors or assumptions were applied in providing forward-looking information. Many factors could cause the actual results, performance or achievements that may be expressed or implied by such forward-looking information to vary from those described herein should one or more of these risks or uncertainties materialize. These factors include credit, market (including equity, commodity, foreign exchange, and interest rate), liquidity, operational (including technology and infrastructure), reputational, insurance, strategic, regulatory, legal, environmental, capital adequacy, and other risks. Examples of such risk factors include the general business and economic conditions in the regions in which the Company operates; the ability of the Company to execute on key priorities, including the successful completion of increasing production levels from 250 bbl./day to 500 bbl./day, business retention, and strategic plans and to attract, develop and retain key executives; difficulty integrating newly acquired businesses; the ability to implement business strategies and pursue business opportunities; disruptions in or attacks

(including cyber-attacks) on the Company's information technology, internet, network access or other voice or data communications systems or services; the evolution of various types of fraud or other criminal behaviour to which the Company is exposed; the failure of third parties to comply with their obligations to the Company or its affiliates; the impact of new and changes to, or application of, current laws and regulations; changes in world commodity markets or equity markets; the risks of the petroleum industry including, without limitation, those associated with the environment, delays in obtaining governmental approvals, permits or financing or in the completion of development or construction activities, title disputes, change in government and changes to regulations affecting the oil and gas industry; dependence on key suppliers; granting of permits and licenses in a highly regulated business; increased competition; changes in foreign currency rates; increased funding costs and market volatility due to market illiquidity and competition for funding; the availability of funds and resources to pursue operations; critical accounting estimates and changes to accounting standards, policies, and methods used by the Company; and the occurrence of natural and unnatural catastrophic events and claims resulting from such events; as well as those risk factors discussed or referred to in the Company's annual Management's Discussion and Analysis for the year ended August 31, 2015, filed with the securities regulatory authorities in certain provinces of Canada and available at www.sedar.com. Should any factor affect the Company in an unexpected manner, or should assumptions underlying the forward-looking information prove incorrect, the actual results or events may differ materially from the results or events predicted. Any such forward-looking information is expressly qualified in its entirety by this cautionary statement. Moreover, the Company does not assume responsibility for the accuracy or completeness of such forward-looking information. The forward-looking information included in this press release is made as of the date of this press release and the Company undertakes no obligation to publicly update or revise any forward-looking information, other than as required by applicable law.

Contingent Resources are those quantities of bitumen estimated, as of a given date, to be potentially recoverable from known accumulations using established technology or technology under development, but which are not currently considered to be commercially recoverable due to one or more contingencies. Contingencies may include such factors as economic, legal, environmental, political and regulatory matters or a lack of markets. There is no certainty that it will be commercially viable to produce any portion of the contingent resources disclosed in this release and the estimated values of future net revenue disclosed herein do not necessarily represent the fair market value of such contingent resources.

Discovered bitumen resources or discovered bitumen initially-in-place is that quantity of bitumen that is estimated, as of a given date, to be contained in known accumulations prior to production. The recoverable portion of discovered bitumen initially-in-place includes production, reserves and contingent resources; the remainder is unrecoverable. There is no certainty that it will be commercially viable to produce any portion of the discovered bitumen resources disclosed herein.

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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