



Petro-Victory Energy Corp Closes CAD\$10.9 Million Private Placing

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CALGARY, February 21, 2022 /CNW/ - Petro-Victory Energy Corp. (“Petro-Victory” or the “Company”) (TSX-Venture Symbol: VRY) is pleased to announce that the private placing of Units announced on February 10, 2022, as amended according to the announcement on February 16, 2022, (“Placing”) has now closed.

The Company issued 5,437,800 Units at a price of CAD\$2.00, for gross proceeds of CAD\$10,875,600. The Units comprised: (i) one common share in the capital of the Company (“Common Share”), (ii) one-half of one (1/2) transferable share purchase warrant entitling the holder thereof to acquire one Common Share at a price of CAD\$2.25 per share (“Series A Warrant”), and (iii) one-half of one (1/2) transferable share purchase warrant entitling the holder thereof to acquire one Common Share at a price of CAD\$2.75 (“Series B Warrant”) per share (collectively the “Warrants”). The rights under the Warrants will last for a period of twenty-four (24) months following the closing date.

The Placing remains subject to TSX Venture Exchange final acceptance.

Richard Gonzalez, Petro-Victory CEO commented:

“I’m pleased that we’ve now closed the private placement of CAD\$10.9 million. This oversubscribed placing has expanded our shareholder base to include blue-chip institutional investors and provides the funds required for a significant program of activity over the coming year amongst broader growth in the business.

“As we progress with our fully funded drilling program and bring into production some of the reserves described in our 31 December 2020 reserves report from GLJ, we will be de-risking the significant net asset value associated with those volumes and hope to see this more fully reflected in our market value.”

“We are now pressing ahead with operations on the ground and look forward to updating the market on progress.”

About Petro-Victory Energy Corp.

Petro-Victory Energy Corp. is engaged in the acquisition, development, and production of crude oil and natural gas resources in Brazil. The company holds 100% operating and working interests in nineteen (19) licenses totaling 129,524 acres in two (2) different producing basins in Brazil. Petro-Victory generates accretive shareholder value through disciplined investments in high impact, low risk assets. The Company’s Common Shares trade on the TSX Venture Exchange (“TSXV”) under the ticker symbol VRY.

Early Warning Disclosure

ACAM LP (“ACAM”), of Jersey, Channel Islands, acquired ownership of 3,200,000 Units in the Placing. Prior to the private placement, ACAM held no securities of the Company. After giving effect to the Placing, ACAM beneficially owns and controls a total of 3,200,000 Shares, 1,600,000 Series A Warrants and 1,600,000 Series B Warrants. These securities represent 21.8% of the Company's issued and outstanding voting securities on a non-diluted basis and 30.29% of the Company's issued and outstanding shares on a partially diluted basis assuming exercise of ACAM's Series A Warrants and Series B Warrants only and assuming conversion of the Restricted Voting Shares. ACAM acquired the Units for investment purposes.

ACAM intends to evaluate its investment in the Company and to increase or decrease its shareholdings from time to time as it may determine appropriate.

579 Max, Ltd. (“579 Max”), acquired ownership of 64,000 Units in the Placing. Prior to the Placing, 579 Max owned and exercised control over an aggregate of 2,210,125 Common Shares and 0 Restricted Voting Shares of the Issuer, representing an interest of approximately 23.91% of the issued and outstanding voting securities of the Issuer on a non-diluted basis and 17.69% of the issued and outstanding securities of the Issuer assuming conversion of the Restricted Voting Shares.

As a result of the Placing participation, 579 Max, of Texas, USA, will own and exercise control over an aggregate of 2,274,125 Common Shares, 32,000 Series A Warrants, 32,000 Series B Warrants and 0 Restricted Voting Shares of the Company representing approximately 15.49% of the issued and outstanding voting securities of the Company on a non-diluted basis and 12.99% of the issued and outstanding shares on a partially diluted basis assuming exercise of 579 Max's Series A Warrants and Series B Warrants only and assuming conversion of the Restricted Voting Shares.

579 Max acquired the Units for investment purposes. 579 Max intends to evaluate its investment in the Company and to increase or decrease its shareholdings from time to time as it may determine appropriate. 579 Max is a company controlled by T. Lynn Bryant, a director of the Company.

Full particulars of these holdings can be reviewed in the Early Warning Reports to be filed by such parties on SEDAR.

Insider Participation

Management and Directors will participate in the placement for a total of approximately CAD\$364,800. A portion of the Placing constituted a related party transaction within the meaning of TSX Venture Exchange Policy 5.9 and Multilateral Instrument 61-101 (“MI 61-101”) as certain insiders of the Company subscribed for an aggregate of 182,400 Units pursuant to the Placing. The Company is relying on the exemptions from the valuation and minority shareholder approval requirements of MI 61-101 contained in sections 5.5(b) and 5.7(1)(a) of MI 61-101, as the fair market value of the participation in the Placing by insiders does not exceed 25% of the market capitalization of the Company, as determined in accordance with MI 61-101. The Company did not file a material change report in respect of the related party transaction at least 21 days before the closing of the Placing, which the Company deems reasonable in the circumstances in order to complete the Placing in an expeditious manner.

All securities issued in connection with the Placing will not be able to be traded in Canada, or through the facilities of the TSX Venture Exchange, for a period of four months and one day from the date of closing.

Cautionary Note

Neither the TSXV nor its Regulation Services Provider (as that term is defined in the policies of the TSXV) accepts responsibility for the adequacy or accuracy of this release.

This press release does not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of these securities, in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of such jurisdiction. The securities 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 within the United States unless an exemption from such registration is available.

Advisory Regarding Forward-Looking Statements

In the interest of providing Petro-Victory's shareholders and potential investors with information regarding Petro-Victory's future plans and operations, certain statements in this press release are "forward-looking statements" within the meaning of the United States Private Securities Litigation Reform Act of 1995 and "forward-looking information" within the meaning of applicable Canadian securities legislation (collectively, "forward-looking statements"). In some cases, forward-looking statements can be identified by terminology such as "anticipate", "believe", "continue", "could", "estimate", "expect", "forecast", "intend", "may", "objective", "ongoing", "outlook", "potential", "project", "plan", "should", "target", "would", "will" or similar words suggesting future outcomes, events or performance. The forward-looking statements contained in this press release speak only as of the date thereof and are expressly qualified by this cautionary statement.

Specifically, this press release contains forward-looking statements relating to but not limited to: our business strategies, plans and objectives, and drilling, testing and exploration expectations. These forward-looking statements are based on certain key assumptions regarding, among other things: our ability to add production and reserves through our exploration activities; the receipt, in a timely manner, of regulatory and other required approvals for our operating activities; the availability and cost of labor and other industry services; the continuance of existing and, in certain circumstances, proposed tax and royalty regimes; and current industry conditions, laws and regulations continuing in effect (or, where changes are proposed, such changes being adopted as anticipated). Readers are cautioned that such assumptions, although considered reasonable by Petro-Victory at the time of preparation, may prove to be incorrect.

Actual results achieved will vary from the information provided herein as a result of numerous known and unknown risks and uncertainties and other factors.

The above summary of assumptions and risks related to forward-looking statements in this press release has been provided in order to provide shareholders and potential investors with a more complete perspective on Petro-Victory's current and future operations and such information may not be appropriate for other purposes. There is no representation by Petro-Victory that actual results achieved will be the same in whole or in part as those referenced in the forward-looking statements and Petro-Victory does not undertake any obligation to update publicly or to revise any of the included forward-looking statements, whether as a result of new information, future events or otherwise, except as may be required by applicable securities law.

For further information

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