



## **Petro-Victory Energy Corp Signs Drilling Rig Contract for 2022 Multi-Well Program**

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CALGARY, April 4, 2022 /CNW/ - Petro-Victory Energy Corp. (“Petro-Victory” or the “Company”) (TSX-Venture Symbol: VRY) is pleased to announce the signing of a drilling and workover rig contract for its multi-well program, with mobilization and drilling of the first well of the 2022 program to commence in late Q2 2022.

### **Highlights**

- Company has signed an exclusive 8-month rig contract with Mapeen Engenharia e Manutenção for the provision of the MAPEEN-01 drilling rig;
- MAPEEN-01 is a 1000 horsepower rotary drilling rig with the use of top drive and is capable of drilling down to at least 1800m;
- MAPEEN-01 rig provides Petro-Victory with required flexibility as the rig can be configured for both drilling and workovers;
- Contract includes a flexible day-rate depending on rig use for drilling or workovers, significantly improving cost and operational flexibility;
- Initial 8-month contract period to commence on mobilization of the MAPEEN-01 rig to the first well location (PVE-01); and
- Rig will be used for drilling and testing of 4 new wells at the Andorinha field before executing a workover program on the Trapia and São João fields.

### **Rig Contract**

The Company has concluded its competitive tendering process and executed an agreement with Mapeen Engenharia e Manutenção for the provision of the MAPEEN-01 rig to execute its multi-well development well and workover program in 2022 with rig mobilization expected in early H2 2022 for an 8-month period.

To maximize efficiency of the drilling campaign, Petro Victory will mobilize a smaller rig to location in May 2022 to batch drill and case the top-hole sections of the 4 wells at Andorinha. Executing the program in this manner will lower the well costs and significantly improve the expected timelines for delivery of the wells.

The MAPEEN-01 will initially be used for drilling and testing of four new wells at Andorinha: PVE-01, PVE-02, PVE-03 (all locations environmentally permitted) and GALP-06 (subject to environmental permit). Together, these wells account for proved plus probable reserves of 485,000 barrels of oil and US\$16 million in NPV10 value, according to the Company's December 31, 2020 reserve report, produced by GLJ. Each well is estimated to take between 25-30 days to drill at an estimated cost of US\$600,000 and leverage existing production facilities on the Andorinha field. Given the recent rise in commodity prices, Petro Victory's crude trading in the domestic market benchmarked to Brent and the attractive fiscal terms for onshore Brazilian production, the Company expects payout on these wells within 60 days.

Following the execution of the four well program at Andorinha, the MAPEEN-01 will then carry out a program of workovers at Trapia and São João. During workover operations a lower rig rate will apply, providing greater operational flexibility, significantly lowering the cost of the program and improving the economics of the individual workovers.

**Richard Gonzalez, Petro-Victory CEO commented:**

“The signing of the Mapeen Engenharia e Manutenção rig contract is a significant step in Petro-Victory's operational plan to deliver its fully funded multi-well program this year.

We are excited to be entering an operationally intensive period to drive significant shareholder value by bringing on additional production from low-cost and low risk drilling locations across our portfolio.”

**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.

**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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