



Petro-Victory Energy Corp Acquires 19 Oil Blocks Increasing Brazil Portfolio to 257,604 Acres (1,042 km²)

CALGARY, April 14, 2022 /CNW/ - Petro-Victory Energy Corp. (“Petro-Victory” or the “Company”) (TSX-Venture Symbol: VRY) is delighted to announce that it has secured 19 new oil and gas blocks in the Company’s core operating area, the Potiguar Basin onshore Brazil. This acquisition cements Petro-Victory’s status as one of the largest landholders in the highly petroliferous basin.

Highlights

- The Company secured 19 new blocks in the onshore Potiguar Basin through its participation in the Agencia Nacional do Petroleo Gas Natural e Biocombustiveis of Brazil (“ANP”) 3rd Oferta Permanente (“Permanent Offer Round”);
- The acquisition of the blocks adds an additional 128,080 acres (518 sq km) almost doubling (+99%) the Company’s existing portfolio of 19 blocks covering 129,524 acres (524 sq km);
- Upon completion the Company will hold a combined acreage position of 257,604 acres (1,042 sq km) making it one of the largest portfolios in Brazil’s most prolific onshore basin;
- The new blocks have 3D seismic coverage which the Company has already successfully sourced from ANP pre-bid allowing the Company to target specific blocks in its bidding strategy and to fast-track its future work program;
- In securing this dominant acreage position, the Company has committed to Work Program Guarantees of US\$1,723,402 with total Signing Bonuses of US\$226,943;

Bid Round Success

The Company today announces that it has successfully participated in the Agencia Nacional do Petroleo Gas Natural e Biocombustiveis of Brazil (“ANP”) 3rd Oferta Permanente (“Permanent Offer Round”) held in Rio de Janeiro, Brazil on April 13, 2022. Petro-Victory has been awarded 19 new oil and gas blocks in the Potiguar Basin, Brazil. This new acquisition will increase the Petro-Victory Brazil portfolio to 38 blocks (37 of those blocks in the Potiguar Basin) and represents a 99% increase in the Company’s total acreage. The 19 new blocks cover 128,080 acres (518 sq km) and are located adjacent to Petro-Victory’s operating infrastructure at the Andorinha, Alto Alegre, and Trapia oil fields allowing for low-cost organic expansion.

In addition, the new acquisitions are adjacent to some of the largest producing fields in the Basin. The Potiguar Basin covers an area of approximately 60,000 km² with over 1 billion barrels of oil produced onshore from >70 onshore oil fields in the basin. Onshore Potiguar has almost exclusively been held by Petrobras until the recent divestiture processes and Permanent Offer rounds allowing new entrants to enter this highly prolific Basin. The current oil production from the Potiguar Basin is ~32,000 bopd.

The Permanent Offer Round is a new initiative in Brazil which allows independent E&P companies to bid on blocks relinquished by Petrobras as they exit the onshore Brazil upstream market. The Permanent Offer Round was highly competitive with 79 E&P companies qualified by ANP to participate in the bid round.

The closure and signing date for the 19 new blocks is expected in Q4 2022, with the initial signature bonus payable on completion estimated to be US\$227,000 in addition to US\$1,723,402 in work program related guarantees.

Brazil Portfolio Summary

The Company has announced that it will commence a drilling and work-over program in Q2 2022 on its Andornihã and Sao Joao fields with 4 new wells and a number of work-overs targeting total production of over 1,000 bopd by year end. Ahead of commencing with the new drilling and work-over program, the Company intends to release an updated reserve report to the market before the end of April 2022.

Petro-Victory now holds 38 blocks in the highly prolific Potiguar Basin focusing on high impact low-risk production drilling targets. There are 29 historical wells drilled across the 19 new blocks, with the majority of the drilled wells establishing the presence of oil and gas shows. The blocks have 3D seismic coverage which the Company has already successfully sourced from ANP. The immediate work program consists of a re-evaluation of the drilled wells, reprocessing and mapping of seismic data, followed by ranking the numerous oil and gas targets across the portfolio to solidify the drilling and work-over program for 2023 and beyond.

Richard F Gonzalez, Petro-Victory CEO commented:

“Petro-Victory’s success in the 3rd Permanent Offer Round is the culmination of six years of disciplined capital expenditure, focused work, and execution in Brazil. We now have one of the largest portfolios in Brazil’s most exciting onshore Basin, materially increasing our drilling inventory, reserves and future production for many years to come. We appreciate, value and honor the continued trust placed in us by our shareholders.”

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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