



Petro-Victory Energy Corp Announces 43% Increase in Proved Plus Probable Reserves of 6.939 Million Barrels of Oil Equivalent and PV10 Valuation of CAD\$346.3 million (USD\$255.7 million)

CALGARY, May 2nd, 2023 /CNW/ - Petro-Victory Energy Corp. ("Petro-Victory" or the "Company") (TSX-Venture Symbol: VRY) is delighted to announce a 43% increase of its before-tax value discounted at 10% ("PV10 Valuation") net proved plus probable reserves ("2P") from USD\$178.7 million in year-end 2021 proforma reserve report to USD\$255.7 million in year-end 2022¹.

As of December 31, 2022, total 2P reserves of 6.939 million barrels of oil equivalent and a PV10 Valuation of CAD\$346.3 million (USD\$255.7 million) has been assigned to the Company for the Andorinha, Sao Joao, Alto Alegre, Trapia, POT-T-281, and POT-T-391 fields in Brazil. This represents a 2P Net Asset Value of CAD\$16.94/share on an undiluted basis (20,429,849 shares in issue today). The reserves data set forth herein is based on an independent reserve assessment and evaluation prepared by GLJ, Ltd. dated April 28, 2023, with an effective date of December 31, 2022 ("The Reserve Report").

Reserve Report Highlights:

Proved Reserves ("1P"), Proved Plus Probable Reserves ("2P"), and Proved Plus Probable Plus Possible Reserves ("3P") were calculated for six (6) of the Company's thirty-eight (38) oil blocks.

Net 1P Reserves of 3.547 million barrels of oil equivalent with a PV10 Valuation of CAD\$178.9 million (USD\$132.2 million) or CAD\$8.76 /share. A value increase of 56% compared to the previous year's proforma reserve report.

Net 2P Reserves of 6.939 million barrels of oil equivalent with a PV10 Valuation of CAD\$345.9 million (USD\$255.6 million) or CAD\$16.94 /share. A value increase of 43% compared to the previous year's proforma reserve report.

Net 3P Reserves of 10.282 million barrels of oil equivalent with a PV10 Valuation of CAD\$491.1 million (USD\$362.8 million) or CAD\$24.04 /share. A value increase of 46% compared to the previous year's proforma reserve report.

Richard F. Gonzalez, Petro-Victory CEO commented:

"The new Reserve Report, covering only six (6) of our thirty-eight (38) oil blocks in Brazil, continues to affirm Petro-Victory's strategy of building consistent shareholder value by applying our focused technical and operational discipline in the identification of additional reserves for development and production across our portfolio of high-impact / low-risk onshore oil blocks.

Our operations are generating ongoing positive cash flow as we look to increase our oil production, cash flow, profitability, and reserves in 2023. I look forward to updating the market as operations progress."

¹ Refer to the section entitled "Oil and Natural Gas Advisories" for additional disclosures regarding oil and natural gas reserves, contingent resources and prospective resources. In addition refer to "Oil and – Natural Gas Advisories - Other Metrics" for additional disclosures and assumptions used in calculating net asset value and net asset value per share.

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 thirty-eight (38) licenses totaling 257,604 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.

Oil and Natural Gas Reserves

The disclosure in this news release summarizes certain information contained in the GLJ Reserves and Resources Report but represents only a portion of the disclosure required under National Instrument 51-101 (“NI 51-101”). Full disclosure with respect to the Company’s reserves as at December 31, 2022 is contained in the Company’s Form 51-101F1 for the year ended December 31, 2022 which has been filed on SEDAR (www.sedar.com). All net present values in this press release are based on estimates of future operating and capital costs and GLJ’s forecast prices as of December 31, 2022. The reserves definitions used in this evaluation are the standards defined by the Canadian Oil and Gas Evaluation Handbook (COGEH) reserve definitions, are consistent with NI 51-101 and are used by GLJ. The net present values of future net revenue attributable to Petro-Victory’s reserves estimated by GLJ do not represent the fair market value of those reserves. Other assumptions and qualifications relating to costs, prices for future production and other matters are summarized herein. The recovery and reserve estimates of the Company’s reserves provided herein are estimates only and there is no guarantee that the estimated reserves will be recovered. Actual reserves may be greater than or less than the estimates provided herein. Possible reserves are those additional reserves that are less certain to be recovered than probable reserves. There is a 10% probability that the quantities actually recovered will equal or exceed the sum of proved plus probable plus possible reserves.

Other Metrics

This press release contains metrics commonly used in the oil and natural gas industry, which have been prepared by management, including “net asset value” and “net asset value per share”. These terms do not have a standardized meaning and may not be comparable to similar measures presented by other companies and, therefore, should not be used to make such comparisons.

“Net asset value” is based on the before-tax net present value of the Company’s reserves as of December 31, 2022, discounted at 10% plus the Company’s net working capital balance as of December 31, 2022. Net working capital is a capital management measure. See “Non-GAAP and Other Financial Measures” below for further details.

“Net asset value per share” is based on the computation of net asset value divided by 20,429,849 basic shares (common shares and restricted voting combined) outstanding adjusted to Canadian dollars based on the foreign exchange rate on May 1, 2023.

BOE Disclosure

The term BARRELS OF OIL EQUIVALENT (“boe”) may be misleading, particularly if used in isolation. A boe conversion ratio of six thousand cubic feet per barrel (6 Mcf/bbl) of natural gas to barrels of oil equivalence is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead. All boe conversions in this news release are derived from converting gas to oil in the ratio mix of six thousand cubic feet of gas to one barrel of oil.

For further information

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