



## **Petro-Victory Energy Corp. Commences Multi-well Drilling Program**

CALGARY, June 22<sup>nd</sup>, 2022 /CNW/ – Petro-Victory Energy Corp. (“Petro-Victory” or the “Company”) (TSX-Venture Symbol: VRY) is pleased to announce it has begun its 2022 multi-well drilling program commencing on its Galp-06 well in the Andorinha Field located in the Potiguar Basin.

### **Highlights**

- The Company has secured environmental drilling permits for a total of seven (7) development wells from Brazil’s Environmental Agency, Instituto de Desenvolvimento Sustentável Meio Ambiente (IDEMA);
- Civil works at four (4) drill sites and access routes have been completed;
- All long-lead items for the 2022 multi-well drilling program have been procured and delivered including casing, production tubing, pumps, and drilling fluids;
- The MAPEEN-01 drilling rig has completed testing and passed its final inspection;
- The MAPEEN-01 rig commenced drilling the first well at Galp-06;
- To maximize time and cost efficiencies, the Company has secured a second service rig to batch drill the surface holes at PVE-01, PVE-02 and PVE-03; and
- The service rig has commenced drilling the surface hole at PVE-01.

### **2022 Drilling Campaign Update**

The Company is pleased to announce that it has commenced drilling at the Galp-06 site as the first well in its 2022 multi-well drilling program.

Galp-06 is located 2.5 kilometers from producing oil wells and hydrocarbon discoveries in the Andorinha Field. Based on correlating reservoirs in Andorinha and 3-D seismic analysis, Petro-Victory is targeting hydrocarbons at depths of 1,130–1,230 meters at the Galp-06 location.

Utilizing the MAPEEN-01 rig, the Galp-06 drilling program will involve drilling down to a total depth of 1,250 meters, logging, casing, cementing, and then testing the target zones over the next 30 days.

To create drilling program timeline efficiencies and drive cost-effectiveness, the Company has secured a service rig to drill the top-hole sections to a depth of 350 meters at the three (3) additional new wells, PVE-01, PVE-02, PVE-03 on the Andorinha field. The service rig has commenced drilling the top hole section of PVE-01. Following the completion of Galp-06, the MAPEEN-01 rig will be mobilized to PVE-01 and kick off drilling at 350 meters to a total depth of 1250 meters.

The drilling and testing of four (4) new wells at Andorinha: Galp-06, PVE-01, PVE-02 and PVE-03 are targeting aggregate proved plus probable reserves of 483,000 barrels of oil with US\$22.1 million in net present value discounted at 10% as of December 31<sup>st</sup>, 2021 as evaluated by GLJ Ltd. (the “**GLJ Reserve Report**”), the Company’s independent qualified reserves evaluator.

Petro-Victory has proved plus probable reserves of 3,796,000 boe (Light and Medium Oil and Residue Gas) in Brazil as of December 31<sup>st</sup>, 2021 as per the GLJ Reserve Report.

This work, in addition to upcoming work-overs at the Trapia and Sao Joao fields, is expected to increase net company production to 1,000 barrels of oil per day within 12 months.

## **Richard F. Gonzalez, Petro-Victory CEO commented:**

“The Petro-Victory team has worked diligently over the last six years to acquire a portfolio of assets across two prolific oil-producing basins and develop a technical work program that is expected to deliver significant returns to our investors. Commencing our work program after years of investment is a monumental inflection point in our Company’s history and we look forward to sharing our success with 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 thirty-eight (38) licenses totaling 257,604 acres in two (2) 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 & Gas Advisories**

All reserve references in this press release are to gross reserves as at the effective date of the applicable evaluation. Gross reserves are Petro-Victory's total working interest reserves before the deduction of any royalties and including any royalty interests of Petro-Victory. The recovery and reserve estimates of Petro-Victory's crude oil, natural gas liquids and natural gas reserves provided herein are estimates only and there is no guarantee that the estimated reserves will be recovered. Actual crude oil, natural gas and natural gas liquids reserves may be greater than or less than the estimates provided herein. All estimates of reserves and future net revenue contained herein were derived from the GLJ Reserve Report, in accordance with the definitions, standards and procedures contained in the Canadian Oil and Gas Evaluation Handbook and National Instrument 51-101 Standards for Disclosure for Oil and Gas Activities, adjusted for change of working interests and sale of interests as a result of the Company's asset transactions, as reconciled on the reserves reconciliation slide. It should not be assumed that the present worth of estimated future cash flow presented herein represents the fair market value of the reserves. There is no assurance that the forecast prices and costs assumptions will be attained and variances could be material. The recovery and reserve estimates of Petro-Victory's crude oil, natural gas liquids and natural gas reserves provided herein are estimates only and there is no guarantee that the estimated reserves will be recovered. Actual crude oil, natural gas and natural gas liquids reserves may be greater than or less than the estimates provided herein.

**"reserves"** are estimated remaining quantities of oil and natural gas and related substances anticipated to be recoverable from known accumulations, as of a given date, based on (a) analysis of drilling, geological, geophysical, and engineering data; (b) the use of established technology; and (c) specified economic conditions, which are generally accepted as being reasonable and shall be disclosed. **Reserves are classified according to the degree of certainty associated with the estimates being "proved reserves", "probable reserves" and "possible reserves".**

In this press release **"1P"** means "proved reserves", those reserves that can be estimated with a high degree of certainty to be recoverable. It is likely that the actual remaining quantities recovered will exceed the estimated proved reserves.

In this press release “**2P**” means “proved plus probable reserves”, probable reserves being additional reserves that are less certain to be recovered than proved reserves. It is equally likely that the actual remaining quantities recovered will be greater or less than the sum of the estimated proved plus probable reserves.

The estimates of reserves and future net revenue for individual properties may not reflect the same confidence level as estimates of reserves and future net revenue for all properties, due to the effects of aggregation.

We have adopted the standard of six thousand cubic feet of natural gas to one barrel of oil ratio when converting natural gas to barrels of oil equivalent (“boe”). Boe may be misleading, particularly if used in isolation. A boe conversion ratio of 6 Mcf:1 barrel is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead. Given that the value ratio based on the current price of crude oil as compared to natural gas is significantly different than the energy equivalency of the 6:1 conversion ratio, utilizing the 6:1 conversion ratio may be misleading as an indication of value.

### **Drilling Locations:**

Of the four Andorinha drilling locations referenced in this press release, all have been assigned reserves in the GLJ Reserve Report. All are proved undeveloped except for GALP-06 which is probable undeveloped.

### **For further information**

Petro-Victory Energy Corp.

Richard F. Gonzalez, CEO-817-838-1819

Mark Bronson, CFO 817-838-4744