



Petro-Victory Energy Highlights Transformational Partnerships and Acquisitions in Brazil

Built to Win in Volatile Markets: Strategic Partnerships Drive Scalable Growth Opportunities

DALLAS, April 10, 2025 /CNW/ - Petro-Victory Energy Corp. (TSXV: VRY) ("Petro-Victory" or the "Company"), an oil and gas exploration and production company focused on onshore Brazil, provided an update on its recent strategic milestones, including transformative partnerships and acquisitions that are accelerating the Company's growth and unlocking significant shareholder value.

Richard F. Gonzalez, CEO of Petro-Victory, commented: "The past 12 months have marked significant milestones for Petro-Victory. We have successfully executed multiple development agreements that both fortify our position in Brazil's onshore sector and validates the years of strategic work our experienced Board and management team have invested in building a high-quality asset base.

"With strategic capital partnerships in place, we have positioned Petro-Victory to realize the significant value across our portfolio, generate free cash flow, and deliver meaningful growth for our shareholders. Our focus remains on disciplined execution, scaling production, and driving profitability and free-cash flow."

Recent Acquisitions Underscore Strength of Partnership-Driven Growth Model

The recently announced Capixaba Energia acquisition serves as a proof point of Petro-Victory's highly effective partnership strategy. Despite macro uncertainty and commodity price volatility, Petro-Victory has positioned itself to grow by securing low-risk, high-upside assets with premier industry partners. As legacy producers look to scale back, Petro-Victory is charging ahead, leveraging this flexible, performance-based joint venture model to unlock value and capitalize on accelerated M&A opportunities across Brazil's onshore sector.

Key Highlights

- Establishment of Strategic Partnership with BlueOak Investments – Capital Partner
- PVE/BlueOak Partnership acquires Capixaba Energia – launching Strategic Growth Hub
- Development Agreement with Eneva, One of Brazil's largest energy operators – fully funded well commitment and fully funded seismic commitment followed by Joint Venture
- ATE Partnership – fully funded drilling of 2 in-field development wells at Andorinha Field followed by option for ATE to buy-in to the Company's assets at pre-determined pricing
- Acquisition of 13 Oil-Producing Fields from Brava Energia S.A. – adjacent to existing concessions
- Advancing large-scale resource potential in the source rock of the Potiguar Basin – 36.2 billion barrels of undiscovered oil originally in place
- Significant proven reserves per the company's Independent Reserve & Resource Report

Current Development Plan

- Fully funded workover and drilling campaign in the Espírito Santo Basin in 2025
- Full carry on 2 in-field development wells in the Potiguar Basin in 2025
- Full carry on one gas well + 3D seismic to develop the São João Field in 2026

A new corporate presentation has been uploaded to our website at www.petrovictoryenergy.com

Petro-Victory and BlueOak Investments Form Strategic Partnership to Accelerate Growth in Brazil's Onshore Oil & Gas Sector

In January 2025, Petro-Victory partnered with BlueOak Investments to establish a special purpose vehicle (SPV) dedicated to acquiring and developing oil and gas assets across Brazil and Latin America. This strategic alliance combines BlueOak's financial expertise and capital strength with Petro-Victory's deep operational capabilities, creating a platform for sustainable growth and value creation in the region's energy sector.

The first successful transaction under this partnership is the acquisition of Capixaba Energia, a producing oil and gas asset in the Espírito Santo Basin. BlueOak fully funded the initial payments for the USD \$17.5 million acquisition and has committed an additional USD \$5 million for capital expenditures to enhance production and operational efficiency.

Capixaba Energia – A Strategic Growth Hub

The Capixaba acquisition strengthens Petro-Victory's position in Brazil's onshore oil and gas sector, with established cash flow, proven production, and significant expansion potential.

Key Highlights:

- **Current Production & Growth Plan:** Producing approximately 400 boe/d (88% oil), with a planned workover and drilling campaign expected to significantly increase production.
- **Strategic Infrastructure:** The asset includes critical oil and gas infrastructure which will serve as a strategic regional hub.
- **Proven Reserves & Exploration Upside:** The acquisition includes four oil fields, including the Lagoa Parda Cluster, plus two exploration blocks near major producing assets. A new independent reserves report is expected to confirm additional upside.
- **Experienced Operators & Investors:** Petro-Victory's previous involvement in the Lagoa Parda Cluster provides deep technical expertise, while BlueOak's extensive investment experience in Latin America's oil and gas sector reinforces a strong foundation for success.
- **Joint Venture Agreement with BlueOak:** PVE will begin with a nominal equity position at closing and will become a relevant equity holder (20% and then 50%), upon reaching certain thresholds. No additional capital is required to be injected by the Company to attain the relevant equity position and the Company will be paid to operate the assets

With this acquisition, Petro-Victory and BlueOak are positioned for accelerated growth, leveraging their combined strengths to maximize

production, optimize operations, and drive long-term value in Brazil's energy market. The transaction is expected to close in the second quarter of 2025.

Petro-Victory and Eneva, One of Brazil's Largest Energy Operators, Partner to Develop São João Field's Natural Gas Resources

In September 2024, Petro-Victory entered into a Memorandum of Understanding (MOU) with Eneva, one of Brazil's leading integrated energy operators, to develop non-associated gas resources in the São João Field, located in the Barreirinhas Basin, Maranhão. This partnership combines Petro-Victory's 100% ownership and operational expertise in the São João Field with Eneva's extensive experience in gas monetization and infrastructure development.

Under the MOU, Eneva will fully fund the initial drilling and testing of a non-associated gas well, with additional commitments to acquire 3D seismic and subsequently establish a joint venture (JV) for long-term gas development and commercialization.

São João Field: Unlocking Gas Potential

The partnership positions Petro-Victory and Eneva to unlock significant natural gas resources, leveraging Eneva's proximity and expertise in LNG production and energy infrastructure.

Key Highlights:

- **Certified Gas Reserves:** São João Field holds an estimated 50.1 billion cubic feet (1.4 billion cubic meters) of non-associated gas, as per the December 31, 2023, GLJ reserve report.
- **Drilling & Testing Commitment:** Eneva will fund and execute all activities related to the drilling, logging, completion, and testing of a non-associated gas well targeting the Bom Gosto/Arpoador formations at a depth of approximately 3 km.
- **Seismic Exploration Option:** Upon completion of the initial well, Eneva may opt to finance and conduct a 3D seismic acquisition and interpretation program covering the entire São João Field.
- **Joint Venture Formation:** Upon completion of the well commitment and the seismic commitment, Eneva has the option to establish a joint venture (JV) with Petro-Victory, with Eneva holding a 72% interest and Petro-Victory retaining 28%. Petro-Victory will continue to receive 100% of revenues from oil production within the field.
- **Strategic Proximity & Infrastructure:** Eneva operates an onshore LNG production hub 250 km from São João Field, positioning the project for efficient gas monetization.
- **Regulatory Approval:** All activities, including the formation of the JV, are subject to approval by Brazil's National Petroleum Agency (ANP).

With this partnership, Petro-Victory and Eneva are positioned to develop a unified gas monetization strategy, contributing to Brazil's growing demand for natural gas while maximizing the value of the São João Field's resources

Petro-Victory and ATE Partner to Advance Oil & Gas Development in the Potiguar Basin

In June 2024, Petro-Victory entered into a definitive option agreement and assignment of interest with Azevedo Travassos Petróleo S/A ("ATE"), a pioneering Brazilian oil and gas company with a strong track record in exploration and production. This partnership brings together Petro-Victory's operational expertise and ATE's extensive industry experience to accelerate the development of key assets in the Potiguar Basin, Rio Grande do Norte.

Under the agreement, ATE will fully fund an initial work program across two Petro-Victory-owned and operated concessions, with a structured revenue-sharing model and an option for ATE to acquire a 50% stake in the assets at pre-determined pricing.

Strategic Development of Andorinha Field & POT-T-281 Block

The partnership is focused on unlocking additional production potential from two key assets in the Potiguar Basin, leveraging ATE's technical and financial resources to maximize operational efficiency and output.

Key Highlights:

- **Fully Funded Work Program:** ATE will cover 100% of costs for drilling and completing two wells in the Andorinha Field, as well as conducting a workover operation on the CR-2 well in the POT-T-281 block.
- **Revenue Sharing Model:** Until ATE recovers its capital investment, net income from these wells will be split 75% to ATE and 25% to Petro-Victory.
- **Petro-Victory Retains Operatorship:** Petro-Victory will continue to operate both assets, ensuring consistency in execution and oversight. ATE may offer engineering, construction, and well services at its discretion.
- **Certified Reserves & Acquisition Option:** An independent reserve report will be commissioned upon completion of the work program. ATE will have the option to acquire a 50% stake in both assets at \$10 per barrel of proven reserves (1P) and \$4 per barrel of probable reserves (2P), with the option exercisable within nine months following the completion of the work program.
- **Long-Term Growth Potential:** This collaboration aims to expand market reach, enhance operational synergies, and unlock additional value in the Potiguar Basin through ongoing technical and financial cooperation.

By combining collective expertise and resources, Petro-Victory and ATE are well-positioned to maximize production, optimize asset value, and explore future growth opportunities in Brazil's oil and gas sector.

Petro-Victory and ATE Partner for Acquisition of 13 Oil-Producing Fields in Brazil's Potiguar Basin

In February 2025, Petro-Victory entered into a Sale and Purchase Agreement (SPA) with Azevedo & Travassos Petróleo S.A. ("ATE") to acquire 13 oil-producing fields in the Potiguar Basin, located in Rio Grande do Norte, Brazil. The acquisition includes the Polo Porto Carão and Polo Barrinha clusters, currently operated by 3R RNCE S.A. and 3R Potiguar S.A., subsidiaries of Brava Energia S.A. This partnership combines Petro-Victory's operational expertise and ATE's strategic partnership to enhance both companies' growth in one of Brazil's most prolific onshore oil regions.

The deal, which is structured as a 50/50 partnership, highlights the potential for increased oil production and long-term operational synergies.

Polo Porto Carão & Polo Barrinha: Strategic Acquisition for Growth

This acquisition provides Petro-Victory with a substantial increase in production capacity and positions both companies for future expansion in

Brazil's key oil-producing region.

Key Highlights:

- **Oil Fields:** The acquisition includes 13 oil fields with fully operational production facilities, covering 38,301 acres, gross (10,151, net).
- **Production:** Current production is approximately 250 barrels of oil per day, gross (125, net), with plans for a high-impact work program designed to significantly increase production.
- **Reported Statistics:** The National Agency of Petroleum reports a 125-million-barrel oil-in-place volume with a 13.3% recovery factor.
- **Acquisition Value:** The total value of the acquisition is US \$15 million, with Petro-Victory's share being US \$7.5 million.
- **Payment Structure:** The payment will be made in four tranches, with Petro-Victory's contribution pro-rated at its 50% working interest:
 - US \$0.6 million paid at signing
 - US \$2.9 million to be paid at closing
 - US \$3.5 million to be paid one year after closing
 - US \$4.5 million to be paid two years after closing
 - US \$3.5 million to be paid with a 7% gross overriding royalty
- **Positive Deal Terms:** The company will receive credit at closing for cash generated from oil production and sales starting from the signing date.

Strategic Expansion in the Potiguar Basin

This partnership underscores Petro-Victory's commitment to expanding its onshore oil portfolio in Brazil. By leveraging ATE's expertise and combining resources, Petro-Victory is well-positioned to optimize production from these newly acquired assets and capture synergies with its existing holdings in the region. With this acquisition, Petro-Victory continues to grow its footprint in Brazil, enhancing its ability to maximize production and generate value for its stakeholders in the Potiguar Basin.

Advancing Large-Scale Resource Potential in the Potiguar Basin

Petro-Victory continues to assess the significant unconventional potential of the Pendencia Formation in Brazil's Potiguar Basin. Through the Company's position in 100% owned concessions, PVE controls a significant portion of this highly prolific basin, which spans 48,000 km², including 21,000 km² onshore. A third-party qualified reserve evaluator estimates that the company's concessions contain 36.2 billion barrels of undiscovered oil-in-place within the Pendencia Formation, underscoring the resource opportunity. While still in the early stages of assessment, these findings highlight the basin's strong potential for future development.

The geological characteristics of the Potiguar Basin further support its resource potential. Sediments in the basin can reach thicknesses of up to six kilometers, creating a favorable environment for hydrocarbon accumulation. The Pendencia Formation, which lies directly on basement igneous rocks, consists primarily of lacustrine sediments associated with the basin's rifting phase. Historically, significant oil discoveries have been made in the overlying Açu Formation, further validating the basin's prospectivity. Additionally, oil production from sands within the Pendencia Formation has confirmed its role as both an important source rock and a promising production target.

With complete ownership of its concessions and a strategic focus on unlocking the potential of the Pendencia Formation, Petro-Victory is well-positioned to leverage this significant resource base. As exploration and assessment efforts continue, the company stands to benefit from the upside potential within one of Brazil's most promising unconventional plays.

Summary of Reserves and Resources

As announced in the press release dated May 9, 2024, the Company's Independent Reserve and Resource Report as of December 31, 2023, and issued by GLJ, Ltd. dated April 25, 2024 ("GLJ Report") added development pending risked contingent resources of 8.4 MMboe. The GLJ Report is summarized below.

The Company holds 100% working interest in thirty-eight concessions. Six of the thirty-eight concessions have reserves included in the GLJ Report. The Company continues to invest geological and geophysical resources in further evaluation of the remaining thirty-two blocks. The additional thirty-two concession blocks, the newly acquired 13 fields in the Potiguar basin, and the partnership with BlueOak in Capixaba are not included in the reserve figures below.

Category	MMboe	Pre-Tax NPV ₁₀ *
Proved (1P)	3.4	US \$130.5 million (\$40.68/boe)
Proved + Probable (2P)	6.9	US \$257.7 million (\$40.05/boe)
Proved plus Probable plus Possible (3P)	10.1	US \$368.5 million (\$38.91/boe)
Development Pending Contingent Resources	8.4	US \$97.3 million

*Net present value before tax, discounted at 10%

Furthermore, the Company has identified 16 opportunities across 12 of the other blocks. Of these, seven opportunities represent economically viable prospects. The Company plans to drill three wells in 2025 and four wells in 2026 as part of its continued exploration and development strategy.

A new reserve report is expected to be released this month.

About Petro-Victory Energy Corp.

Petro-Victory Energy Corp. is an oil and gas company engaged in the acquisition, development, and production of crude oil and natural gas in Brazil. The Company holds interest in 55 licenses covering 295,829 acres, net across three producing basins⁽¹⁾. Through disciplined investments in high-impact, low-risk assets, Petro-Victory is focused on delivering sustainable shareholder value. The Company's common shares trade on the TSX Venture Exchange 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.

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING INFORMATION

This news release includes certain statements and information that constitute forward-looking information within the meaning of applicable Canadian securities laws. All statements in this news release, other than statements of historical facts are forward-looking statements.

Such forward looking statements or information are based on a number of assumptions, which may prove to be incorrect. Assumptions have been made regarding, among other things: conditions in general economic and financial markets; accuracy of assay results; geological interpretations from drilling results, timing and amount of capital expenditures; performance of available laboratory and other related services; future operating costs; and the historical basis for current estimates of potential quantities and grades of target zones. The actual results could differ materially from those anticipated in these forward looking statements as a result of risk factors, including the timing and content of work programs; results of exploration activities and development of mineral properties; the interpretation and uncertainties of drilling results and other geological data; receipt, maintenance and security of permits and mineral property titles; environmental and other regulatory risks; project costs overruns or unanticipated costs and expenses; availability of funds; failure to delineate potential quantities and grades of the target zones based on historical data; and general market and industry conditions. Forward-looking statements are based on the expectations and opinions of the Company's management on the date the statements are made. The assumptions used in the preparation of such statements, although considered reasonable at the time of preparation, may prove to be imprecise and, as such, readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date the statements were made. The Company undertakes no obligation to update or revise any forward-looking statements included in this news release if these beliefs, estimates and opinions or other circumstances should change, except as otherwise required by applicable 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, 2023 is contained in the Company's Form 51-101F1 for the year ended December 31, 2023 which has been filed on SEDAR+ (www.sedarplus.com) as part of the Annual Information Form. 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, 2023 and have been made assuming the development of each property in respect of which the estimate is made will occur, without regard to the likely availability to the reporting issuer of funding required for that development. The reserves and resource 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 the Petro Victory's reserves and resources 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 Company's reserves volumes and the contingent resource volumes should not be read as a combined total due to the different levels of uncertainty and inherent risks associated with both classifications of recoverable volumes. The recovery and reserve estimates of the Company's reserves and resources provided herein are estimates only, and there is no guarantee that the estimated reserves will be recovered. Actual reserves and resources 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.

With respect to the development pending risked contingent resources, there can be no certainty that the project will be developed on the timelines outlined within reserve and resource report. There is uncertainty that it will be commercially viable to produce any portion of the resources. The development of the project is dependent on several contingencies as described. Significant positive factors relevant to the estimate include existing test logs of the gas in the field and corporate commitment to the project. Significant negative factors relevant to the estimate include the economic viability of the project (with sensitivity to low commodity prices), access to commitment from future partners and/or amount of capital required to develop resources at an acceptable cost, and regulatory approvals for planned activities including stimulations and new infrastructure developments.

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.

ABBREVIATIONS

The following is a summary of abbreviations used in this news release:

boe/d	Barrels of oil equivalent per day
boe	Barrels of oil equivalent
Mboe	Thousands barrels of oil equivalent
MMboe	Million barrels of oil equivalent
US\$	United States Dollars

(1) Total portfolio under management as of the date of this release includes 49 concession contracts with 276,755 acres, net to Petro-Victory plus an additional 6 concessions and 19,074 acres in joint venture with BlueOak in Capixaba Energia.

View original content to download multimedia: <https://www.prnewswire.com/news-releases/petro-victory-energy-highlights-transformational-partnerships-and-acquisitions-in-brazil-302425187.html>

SOURCE Petro-Victory Energy Corp.

View original content to download multimedia: <http://www.newswire.ca/en/releases/archive/April2025/10/c5771.html>

%SEDAR: 00035917E

For further information: For further information: Petro Victory Energy Corp, Richard F. Gonzalez, CEO 214-971-2647, Daniel R. Wray, CFO

214-971-2647; Investor Relations Contact: Bryan Baritot, VRYIR@AllianceAdvisors.com, 716-861-0770

CO: Petro-Victory Energy Corp.

CNW 09:06e 10-APR-25