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NEW STRATUS ENERGY ANNOUNCES FIRST CLOSING OF BROKERED PRIVATE PLACEMENT

Calgary, Alberta, July 21, 2021 – New Stratus Energy Inc. (TSX.V: NSE) (“**New Stratus**” or the “**Corporation**”) is pleased to announce that it has closed the first tranche of the previously announced brokered private placement led by Canaccord Genuity Corp. (the “**Lead Agent**”), as lead agent and sole bookrunner, on behalf of a syndicate of agents comprised of Echelon Wealth Partners Inc. and Paradigm Capital Inc. (together with the Lead Agent, the “**Agents**”). Upon closing of the first tranche, the Corporation issued 29,464,374 units (“**Units**”) of the Corporation at a price of \$0.30 per Unit, for gross proceeds of \$8.84 million (the “**Offering**”). Each Unit is comprised of one common share of the Corporation (a “**Common Share**”) and one-half of one Common Share purchase warrant (a “**Warrant**”). Each whole Warrant is exercisable for one Common Share at an exercise price of \$0.45 for a period of 24 months from July 21, 2021. The Corporation expects to close a second and final tranche of the brokered private placement on or about July 29, 2021.

As consideration for services rendered in connection with the Offering, the Corporation paid to the Agents a commission in the amount equal to 8% of the gross proceeds of the Offering.

The Corporation intends to use the net proceeds from the Offering for development and exploration activities on its Colombian block, VMM-18, the evaluation of other opportunities in its core assessment areas of Colombia, Ecuador, Peru and Venezuela, and general corporate purposes.

In accordance with applicable Canadian securities laws, all securities issued pursuant to the Offering will be subject to a four (4) month hold period ending November 22, 2021. The Offering remains subject to final approval from the TSX Venture Exchange.

The securities being offered have not been, nor will they be, registered under the United States Securities Act of 1933, as amended, and may not be offered or sold in the United States or to, or for the account or benefit of, U.S. persons absent registration or an applicable exemption from the registration requirements. This press release shall not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of the securities in any State in which such offer, solicitation or sale would be unlawful.

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Forward-Looking Information

Certain information set forth in this press release constitutes “forward-looking statements” and “forward-looking information” under applicable securities laws. All information other than statements of historical fact are forward-looking statements. Some of the forward-looking statements may be identified by words such as “expects”, “anticipates”, “believes”, “intends”, “projects”, “plans”, and similar expressions. This press release includes certain forward-looking statements concerning the Offering, including the expected closing date for the second tranche, and the use of the net proceeds, as well as management's objectives, strategies, beliefs and intentions. These statements are not guarantees of future performance. Such forward-looking statements necessarily involve known and unknown risks and uncertainties, including, for example, the risks inherent in oil and gas exploration and production activities, volatility in commodity prices, changes in political conditions, competitive risks and the availability of financing. Such risks and uncertainties may cause the Corporation’s actual performance and financial results in future periods to differ materially from any projections of future performance or results expressed or implied by such forward-looking statements. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. The Corporation undertakes no obligation to update forward-looking statements if circumstances or management’s estimates or opinions should change except as required by applicable securities laws. The reader is cautioned not to place undue reliance on forward-looking statements.

Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.