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NEW STRATUS ENERGY ANNOUNCES FOURTH QUARTER AND YEAR END 2022 FINANCIAL AND OPERATING RESULTS & 2022 RESERVES

Calgary, Alberta, August 2, 2022 – New Stratus Energy Inc. (TSX.V - NSE) (“**New Stratus**” or the “**Corporation**”) is pleased to announce its financial and operating results for the three months and year ended March 31, 2022, our first quarter incorporating the acquisition of 100% of the shares of Repsol Ecuador S.A., which was completed on January 14, 2022. Subsequent to the year end, Repsol Ecuador S.A. completed a corporate name change to Petrolia Ecuador S.A.

Selected financial and operational information is outlined below and should be read in conjunction with the audited financial statements and the related management’s discussion and analysis (“**MD&A**”) for the year ended March 31, 2022. These filings are available on SEDAR at www.sedar.com and the Corporation’s web page (www.newstratusenergy.com). The financial statements and MD&A, as well as the financial and operating highlights outlined below, are presented in Canadian dollars.

Financial Highlights

<i>(in Canadian dollars, expect per share information)</i>	Three months ended March 31, 2022	Year Ended March 31, 2022
Financial		
Revenue	\$25,712,107	\$25,712,107
Net Income	\$18,117,270	\$14,838,761
Per share – basic	\$0.18	\$0.17
– fully diluted	\$0.15	\$0.14
Operating EBITDA ⁽¹⁾	\$13,352,418	\$10,783,906
Per share – basic	\$0.13	\$0.13
– fully diluted	\$0.11	\$0.10
Cash & Cash Equivalents	\$15,474,166-	\$15,474,166
Working Capital	\$29,145,628	\$29,145,628
Operating		
Average Daily Production		
Heavy Crude Oil (bopd)	5,305	5,305
Consumption Oil (bopd)	732	732
Sales Production	4,573	4,573

Netback ⁽¹⁾ (C\$/bopd)		
Service Tariff	\$48.41	\$48.41
Carry forward recovery	\$17.08	\$17.08
Net Revenue	\$65.49	\$65.49
Production Costs	\$22.85	\$22.85
Netback ⁽¹⁾	\$42.64	\$42.64

(1) Non-GAAP measure. Refer to “Non-GAAP and Other Financial Measures” within press release.

(2) Includes in-the-money dilutive instruments as at March 31, 2022 which include 9,390,000 stock options with a weighted average exercise price of \$0.21 and 37,099,304 warrants with a weighted average exercise price of \$0.32.

Reserves Information

Petrotech Engineering Ltd. assessed the Corporation’s reserves in its report dated effective March 31, 2022 (the “**Petrotech Report**”) which was prepared in accordance with the standards of the Canadian Oil and Gas Evaluation Handbook (the “**COGE Handbook**”) and National Instrument 51-101 – Standards of Disclosure for Oil and Gas Activities and is based on forecast prices and costs as at March 31, 2022. Additional information regarding reserves data and other oil and gas information is included in the Corporation’s Statement of Reserves Data and Other Oil and Gas Information for the year ended March 31, 2022, available on SEDAR at www.sedar.com.

All of the Corporation’s reserves are located in onshore Ecuador. On January 14, 2022, the Corporation acquired an indirect 35% working interest in Block 16 and Block 67 in Ecuador (the “**Blocks**”) pursuant to Service Operating Contracts held by Repsol Ecuador S.A. (now, Petrolia Ecuador S.A.). The Service Operating Contracts expire on December 31, 2022. The Corporation is negotiating with the Government of Ecuador to extend the Corporation’s rights to the Blocks through a production sharing contract.

The following tables are a summary of the Corporation’s reserves, as evaluated by Petrotech effective March 31, 2022. It should not be assumed that the estimates of future net revenue presented in the table below represent the fair market value of the reserves. The estimates of future net revenues are presented in United States dollars. There is no assurance that the forecast prices and cost assumptions will be attained, and variances could be material. The recovery and reserve estimates of our crude oil reserves provided herein are estimates only and there is no guarantee that the estimated reserves will be recovered. Actual reserves may be greater or less than the estimates provided herein. Reserves information may not add due to rounding.

Reserves Highlights

	Heavy Oil (Mbbbls)
Total proved developed producing	1,155.0
Total probable	9.7
Total proved plus probable	1,164.7
Total possible	9.8
Total proved plus probable plus possible	1,174.5

(1) Reserves have been presented on a gross basis which are the Corporation’s total working interest share before the deduction of any royalties and without including any royalty interests of the Corporation.

Net Present Value of Future Net Revenue

	Before Income Tax Discounted at 10%
	(US\$M)
Total proved developed producing	18,585
Total probable	254.9
Total proved plus probable	18,839
Total possible	257.4
Total proved plus probable plus possible	19,097.2

Contact Information:

Jose Francisco Arata
Chairman & Chief Executive Officer
jfarata@newstratus.energy

Wade Felesky
President & Director
wfelesky@newstratus.energy

Mario Miranda
Chief Financial Officer
mmiranda@newstratus.energy – (416) 363-4900

Forward-Looking Information

Certain information set forth in this news release constitutes “forward-looking statements”, and “forward-looking information” under applicable securities legislation (collectively, “**forward-looking statements**”). All statements other than statements of historical fact are forward-looking statements. Forward-looking statements may be identified by the use of conditional or future tenses or by the use of words such as “will”, “expects”, “intends”, “may”, “should”, “estimates”, “anticipates”, “believes”, “projects”, “plans”, and similar expressions, including variations thereof and negative forms. Forward-looking statements in this press release include the extension of the term of the Blocks and entering into a production sharing contract with the Government of Ecuador in respect of the Blocks instead of the Service Operating Contracts; and are based on the Corporation’s current internal expectations, estimates, projections, assumptions and beliefs, which may prove to be incorrect. Forward-looking statements are not guarantees of future performance and undue reliance should not be placed on them.

In respect of the forward-looking statements contained herein, the Corporation has provided them in reliance on certain assumptions that it believes are reasonable at this time, some or all of which may prove to be incorrect. Accordingly, readers should not place undue reliance on the forward-looking statements contained herein. Such forward-looking statements necessarily involve known and unknown risks and uncertainties, which may cause 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, and actual results and future events could differ materially from those anticipated in such statements. New Stratus 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. Actual results, performance or achievement could differ materially from those expressed in, or implied by, these forward-looking statements and, accordingly, no assurance can be given that any of the events anticipated by the forward-looking statements will transpire or occur, or if any of them do so, what benefits may be derived therefrom.

Non-GAAP and Other Financial Measures

This news release contains the financial terms "Operating EBITDA", "Operating Netback" and "Netback" that do not have a standardized definition under International Financial Reporting Standards ("IFRS"). These financial measures, together with measures prepared in accordance with IFRS, provide useful information to investors and shareholders, as management uses them to evaluate the operating performance of the Corporation. The Corporation's determination of these non-IFRS measures may differ from other reporting issuers, and therefore are unlikely to be comparable to similar measures presented by other companies. Further, these non-IFRS measures should not be considered in isolation or as a substitute for measures of performance or cash flows prepared in accordance with IFRS.

Operating EBITDA

EBITDA is a commonly used measure that adjusts net income (loss) as reported under IFRS to exclude the effects of income taxes, finance income and expenses, and depletion, depreciation and amortization expense. Operating EBITDA represents the operating results of the Company's primary business, excluding the following items: restructuring, severance and other costs, certain non-cash items (such as impairments, foreign exchange, costs under terminated pipeline contracts and share-based compensation) and gains or losses arising from the disposal of capital assets. In addition, other unusual or non-recurring items are excluded from operating EBITDA, as they are not indicative of the underlying core operating performance of the Company.

Operating EBITDA represents the results of the Corporation's primary business, excluding the items noted above. Other unusual or non-recurring items are excluded from operating EBITDA, as they are not indicative of the underlying core operating performance of the Corporation.

A reconciliation of net income (loss) to operating EBITDA is as follows:

<i>(in Canadian dollars)</i>	Three Months Ended March 31, 2022	Year Ended March 31, 2022
Earnings (loss) before income taxes	\$21,100,830	\$17,822,321
Interest expense (income)	\$(167,436)	\$(167,621)
Stock-based compensation	\$36,825	\$767,899
Foreign Exchange gain	\$(44,987)	\$(65,879)
Acquisition costs	\$2,956,360	\$2,956,360
Gain on acquisition	\$(18,010,552)	\$(18,010,552)
Discount rate gain	\$(95,553)	\$(95,553)
Other Income	\$(173,389)	\$(173,389)
Depletion and depreciation	\$7,750,320	\$7,750,320
Operating EBITDA	\$13,352,418	\$10,783,906

Netback

Netback is calculated as net revenue less royalties, production costs and transportation costs, divided by cumulative production volume for the period. Netback is used by the Corporation to better analyze the financial performance and to assess its overall corporate platform as it relates to production volumes.

Definitions

bopd	barrels of oil per day
Mbbl	one thousand barrels
US\$M	thousands of United States dollars

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