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NEW STRATUS ENERGY ANNOUNCES NON-BROKERED PRIVATE PLACEMENT AND INVESTOR RELATIONS AGREEMENT

News Release

Calgary, Alberta, December 1st, 2020 – New Stratus Energy Inc. (TSX.V - NSE) (“New Stratus” or the “Corporation”) announces that it intends to complete a non-brokered private placement of up to 3,275,000 units of the Corporation (“Units”) at \$0.40 per Unit for total gross proceeds of up to \$1,310,000 (the “Offering”). Each Unit will be comprised of one common share of the Corporation (“Common Share”) and one-half of one common share purchase warrant (“Warrant”), with each whole Warrant exercisable for one Common Share at an exercise price of \$0.55 per Common Share for a period of 24 months from the date of issuance of the Warrant. Depending on market conditions, the Corporation reserves the right to increase the maximum gross proceeds under the Offering, subject to the approval of the TSX Venture Exchange (the “TSXV”).

The Corporation intends to use the net proceeds from the Offering for exploration activities in its block VMM-18, the evaluation of other opportunities and general corporate purposes. The closing of the Offering is subject to regulatory approval, including the approval of the TSXV.

The Corporation also announces that it has retained the services of Storyboard Communications Corp. (“Storyboard”) to provide investor relations services to the Corporation, subject to approval of the TSXV. Storyboard will initiate and maintain contact with the financial community, shareholders, investors and other stakeholders for the purpose of increasing awareness of the Corporation and its activities. Storyboard provides corporate communications and technology solutions to public and private companies looking to maintain strong, transparent, and productive relationships with their stakeholders and customers.

The investor relations agreement is for an initial term of six months, which may be extended by agreement of the parties. Storyboard will be paid a monthly fee of \$6,000 for the initial term and will be reimbursed for all approved reasonable out of pocket expenses. Currently, Storyboard has no direct or indirect material interest in New Stratus securities. Mauricio Ostos, a consultant of Storyboard, has been granted 75,000 options to purchase Common Shares exercisable at \$0.47 per Common Share. The options are subject to the vesting provisions and the terms and conditions of the Corporation’s stock option plan and policy 4.4 of the TSXV. Mauricio Ostos is the son of a director New Stratus, Marino Ostos.

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Forward-Looking Information and Reader Advisory

Certain information set out in this news release constitutes forward-looking information, including information relating to the Offering and the use of proceeds therefrom. Forward-looking statements (often, but not always, identified by the use of words such as "expect", "may", "could", "anticipate" or "will" and similar expressions) may describe expectations, opinions or guidance that are not statements of fact and which may be based upon information provided by third parties. Forward-looking statements are based upon the opinions, expectations and estimates of management of the Corporation as at the date the statements are made and are subject to a variety of known and unknown risks and uncertainties and other factors that could cause actual events or outcomes to differ materially from those anticipated or implied by such forward-looking statements. In light of the risks and uncertainties associated with forward-looking statements, readers are cautioned not to place undue reliance upon forward-looking information. Although the Corporation believes that the expectations reflected in the forward-looking statements set out in this news release, it can give no assurance that such expectations will prove to have been correct. The forward-looking statements of the Corporation contained in this news release are expressly qualified, in their entirety, by this cautionary statement.

This news release is not an offer of securities for sale in the United States. Securities may not be offered or sold in the United States or to or for the account or benefit of U.S. persons (as such terms are defined in Regulation S under the United States Securities Act of 1933, as amended (the "**U.S. Securities Act**")), absent registration or an exemption from registration. The securities offered have not been and will not be registered under the U.S. Securities Act or any state securities laws and, therefore, may not be offered for sale in the United States, except in transactions exempt from registration under the U.S. Securities Act and applicable state securities laws. This news 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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