PROSPERA
- ENERGY INC. -

PROSPERA ENERGY INC. PRESS RELEASE

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Prospera Energy Inc. Reorganizes to Strengthen the Balance Sheet

Calgary, Alberta, Canada, October 25, 2021:

This press release contains certain updates and forward-looking statements.

Towards the 2020 year end, Prospera Energy Inc. ("PEI" or the "Company") found itself in a challenging position. It had become exceedingly difficult to continue operations due to high and long outstanding liabilities. These circumstances were further amplified by the pandemic and drastic reduction in produced volumes.

In December 2020, Mr. Samuel David was appointed as President & CEO and to the Board of Directors of PEI. Mr. David's objective was to avert receivership and to reorganize the Company in order to strengthen the balance sheet and position PEI to move forward.

The restructuring coordinated by Mr. David was designed to allow PEI to attain efficiencies and profitability, through safe operations, while achieving environmental and regulatory compliance. This plan included:

- Structuring an Equity and Convertible Debenture Private Placement financing that raised 5.6 Cdn$. These proceeds were used to settle the secured creditors, settle the non-secured creditors through a combination of monthly payments and share debt settlement proposal, address environmental and regulatory compliances, and working capital to initiate the production optimization.
- Restructuring the Board of Directors with diverse business and technical background and forming an experienced management team, focused on technical delineation to optimize recovery cost effectively and safely.
- Aspiring to provide a positive perception for the oil & gas industry by eliminating all emissions, minimizing environmental disturbances, and conducting environmentally safe operations.

PEI reorganization efforts have resulted in liability reduction and production appreciation. Subsequent Quarter 3, 2021 financial statements will reflect these efforts. PEI looks forward to continued communication as the Company moves forward under new direction.

About Prospera

Prospera is a public oil and gas exploration, exploitation and development company focusing on conventional oil and gas reservoirs in Western Canada. Prospera will use its experience to develop, acquire and drill assets with potential for primary and secondary recovery.

For further information:

Sandra Lee-Chong, Corporate Liaison

Tel:	(403) 454-9010
email:	admin@prosperaenergy.com
Website:	www.prosperaenergy.com

FORWARD-LOOKING STATEMENTS

This news release contains forward-looking statements relating to the future operations of the Corporation and other statements that are not historical facts. Forward-looking statements are often identified by terms such as “will”, “may”, “should”, “anticipate”, “expects” and similar expressions. All statements other than statements of historical fact, included in this release, including, without limitation, statements regarding plans and objectives of the Corporation, are forward looking statements that involve risks and uncertainties. There can be no assurance that such statements will prove to be accurate and actual results and future events could differ materially from those anticipated in such statements.

Although Prospera believes that the expectations and assumptions on which the forward-looking statements are based are reasonable, undue reliance should not be placed on the forward-looking statements because Prospera can give no assurance that they will prove to be correct. Since forward-looking statements address future events and conditions, by their very nature they involve inherent risks and uncertainties. Actual results could differ materially from those currently anticipated due to a number of factors and risks. These include, but are not limited to, risks associated with the oil and gas industry in general (e.g., operational risks in development, exploration and production; delays or changes in plans with respect to exploration or development projects or capital expenditures; the uncertainty of reserve estimates; the uncertainty of estimates and projections relating to production, costs and expenses, and health, safety and environmental risks), commodity price and exchange rate fluctuations and uncertainties resulting from potential delays or changes in plans with respect to exploration or development projects or capital expenditures.

The reader is cautioned that assumptions used in the preparation of any forward-looking information may prove to be incorrect. Events or circumstances may cause actual results to differ materially from those predicted, as a result of numerous known and unknown risks, uncertainties, and other factors, many of which are beyond the control of Prospera. As a result, Prospera cannot guarantee that any forward-looking statement will materialize, and the reader is cautioned not to place undue reliance on any forward- looking information. Such information, although considered reasonable by management at the time of preparation, may prove to be incorrect and actual results may differ materially from those anticipated. Forward-looking statements contained in this news release are expressly qualified by this cautionary statement. The forward-looking statements contained in this news release are made as of the date of this news release, and Prospera 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 expressly required by Canadian securities law.

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SOURCE: Prospera Energy Inc.