Early Warning Report Issued Pursuant to National Instrument 62-103 in Connection with the Closing of the Private Placement of NXT Energy Solutions Inc.

Calgary, Alberta--(Newsfile Corp. - July 12, 2023) - Ataraxia Capital ("**Ataraxia**"), announces that it has filed an early warning report (the "**Early Warning Report")** under National Instrument 62-103 - *The Early Warning System and Related Take-Over Bid and Insider Reporting Issues* in connection with the purchase of a secured convertible debenture ("**Convertible Debenture**") of NXT Energy Solutions Inc. (the "**Company**") in a private placement (the "**Private Placement**") on July 10, 2023.

On July 10, 2023, Ataraxia acquired a secured Convertible Debenture from the Company in the amount of US$ 200,000 convertible into common shares ("**Shares**") or preferred shares of the Company.

Prior to the completion of the Private Placement, Ataraxia held 8,391,608 Shares of the Company representing 9.76% of the outstanding Shares of the Company on a partially diluted basis.

Upon completion of the Private Placement, Ataraxia holds 9,790,209 Shares of the Company representing 11.2% of the outstanding Shares of the Company on a partially diluted basis.

Ataraxia may acquire additional securities of the Company, dispose of some or all of the existing or additional securities it holds or will hold, or may continue to hold its current position, depending on market conditions and other relevant factors.

A copy of the Early Warning Report filed by Ataraxia will be available under the Company's profile on SEDAR at www.sedar.com.

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