



Prospera Energy Announces a +500 bbls per Day Flowing Well and Continued Horizontal Drilling Success

CALGARY, Alberta, Dec. 14, 2023 -- Prospera Energy Inc. ("Prospera" or the "Company")
(TSX.V: PEI, OTC: GXRFF, FRA: OF6B, OF6B.SG, OF6B.F, OF6B.BE).

Prospera Energy Inc. is pleased to announce a medium light oil +500 barrels per day flowing well from a full day of production testing. This above gradient pressure reservoir will typically flow for a few months and will transition into an artificial lift system production of approximately +150 bbls per day of stabilized rate. A second well is also to come online within the next few days expecting similar production rates. Prospera will continue the medium light oil drilling development to increase production and diversify the heavy-light oil product mix to increase shareholder value.

Prospera is also delighted to announce the heavy oil drilling success of attaining lateral pay greater than 500 meters (m) that has realized initial production rates higher than 100+ bbls per day. The second group of horizontal transformation wells drilled has attained consistently +500m of lateral pay and the most recent (the 8th horizontal well) has attained +700m of lateral pay. The 9th well is expected to commence in the next few days.

Pleasantly, based on the drilling and optimization success PEI has achieved a high daily gross production rate of 1,577 BOEPD. As a result, Prospera is expected to exceed the year-end exit target of 1,800 BOEPD. These successful developments translate to significant additional reserve and appreciation of PEI net present value (NPV). Prospera's Joint Venture partners are in receivable and therefore in default position until remedied. Consequently, Prospera assumes 100% of the cash received from the partner's share of oil sales.

Prospera Energy will continue the phase 2 development transformation to optimize recovery from the significant remaining reserves and achieve operational excellence to become a low-cost producer. In 2024, PEI plans to further enhance recovery through (EOR) Enhanced Oil Recovery methods and add to existing production levels through strategic acquisitions to expand the core reserve base and to diversify the product mix.

The restructured Prospera remains steadfast in its commitment to eliminating the legacy arrears to landowners, regulators, and the local community. Prospera is sincerely thankful to all stakeholders for their cooperation and collaboration for PEI's continued growth. On behalf of the entire PEI team, Prospera wishes you and your family a very Merry Christmas, the best of the festive season, and safe holidays.

About Prospera

Prospera Energy Inc. (TSX.V: PEI, OTC: GXRFF, FRA: OF6B) is a publicly traded energy company based in Western Canada, specializing in the exploration, development, and production of crude oil and natural gas. Prospera is primarily focused on optimizing hydrocarbon recovery from legacy fields through environmentally safe and efficient reservoir development methods and production practices. Prospera was restructured in the first quarter of 2021 to become profitable and in compliance to regulation, environment, landowners, and service providers.

The company is in the midst of a three-stage restructuring process aimed at prioritizing cost effective operations while appreciating production capacity and reducing liabilities. Prospera has completed the first phase by optimizing low hanging opportunities, attaining free cash flow, while bringing operation to safe operating condition, all while remaining compliant. Currently, Prospera is executing phase II of the restructuring process, the horizontal transformation intended to accelerate growth and capture the significant remaining reserves (400 million bbls). These horizontal laterals allow PEI to reduce its environmental and surface footprint by eliminating the numerous vertical well leases along the lateral path. Phase III of Prospera's corporate redevelopment strategy is to optimize recovery through EOR applications. Further, Prospera will pursue its acquisition strategy to diversify its product mix. Its goal is to attain 50% light oil, 40% heavy oil and 10% gas.

PEI continues to apply efforts to minimize its environmental footprint. Also, efforts to reduce and eventually eliminate emissions, alongside pursuing innovative ESG methods to enhance API quality, thereby achieving higher margins and eliminating the need for diluents.

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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 future 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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