May 25, 2021

Viking Energy Group, Inc.

Viking Energy Group Announces Q1 Results

HOUSTON, TX, May 25, 2021 (GLOBE NEWSWIRE) -- via NewMediaWire -- Viking Energy Group, Inc. (OTCQB: VKIN) ("Viking" or the "Company"), a growth-oriented energy company with assets in the Gulf Coast and Mid-Continent regions, is pleased to share certain financial results for the quarter ended March 31, 2021.

Key Financial Highlights for Q-1 2021 (all figures are approximate):

- Revenues were $10.49 million as compared to $11.79 million in Q-1 2020
- Current Assets were $11.77 million as compared to $10.99 million in Q-1 2020
- Net Loss was ($9.05 million) as compared to a net income of $19.29 million in Q-1 2020[1], the majority of which loss was attributable to non-cash items, including:
    - a Change in the Fair Value of the Company's Derivatives (i.e. hedging contracts) ($5.67 mm);
    - Depreciation, depletion and amortization ($2.36 mm);
    - Amortization of Debt Discount ($1.06 mm);
    - Loss on Debt Settlement ($926k)
    - Value of Stock issuances ($274k); and
    - Accretion – ARO ($142k)
- $10.98 million improvement in Stockholder's Deficit since Dec. 31, 2020
- Adjusted EBITDA was $4.63 million as compared to $6.75 million in Q-1 2020

James Doris, Viking's President and Chief Executive Officer, commented, "*We are pleased with our Q1 results, especially following the unprecedented conditions experienced in 2020. We are extremely encouraged with the foundation we have established, and are intensely focused on pursuing growth opportunities.*"

About Viking Energy Group, Inc.
Viking is an energy company with assets in Texas, Louisiana, Mississippi and Kansas. For additional information, please visit: https://www.vikingenergygroup.com.

[1] The majority of the net income reported in Q1 of 2020 was attributable to a change in the fair value of the Company's derivates (i.e. hedging contracts) during the quarter.

Oil and Gas Revenues
(Unaudited)
For the Quarters Ended March 31,

2019	2020	2021
$ 9,346,592	$ 11,787,952	$ 10,494,079

ADJUSTED EBITDA (unaudited):

	Adjusted EBITDA For the Quarters Ended March 31		
	2019	2020	
Net Income (Loss)	$ (11,931,481)	$ 20,249,159	$
Non-Cash / Non-Oprating Items			
Stock Based Compensation	39,582	253,750	
Changes in Fair Value of Derivatives	9,745,583	(22,879,444)	
Loss on debt settlement	-	-	
Interest expense including amortization of debt discount	5,410,352	5,819,090	
Accretion - ARO	82,546	125,620	
Income tax benefit (expense)	-	-	
Depreciation, Depletion & Amortization	2,370,688	3,177,202	
Total Non-Cash Items	17,648,751	(13,503,782)	
Adjusted EBITDA	$ 5,717,270	$ 6,745,377	$

Note: The figures referenced in this press release above are approximate and in most cases have been rounded to the nearest $100,000. For specific amounts, please refer to Viking's Quarterly Report on Form 10-Q filed on May 24, 2021 with the Securities and Exchange Commission and available under "Investors -- SEC Filings" at www.vikingenergygroup.com.

Adjusted EBITDA - Non-GAAP Financial Measures

This press release contains "Adjusted EBITDA", a non-GAAP financial measure. The Company defines Adjusted EBITDA as net income (loss), adjusted for certain non-cash and non-operating items, such as stock-based compensation, changes in the fair value of derivative instruments, asset retirement obligation accretion expense, depreciation, depletion and amortization, interest expense and income tax (benefit) provision. We also exclude certain other non-cash items listed in the aforementioned table. Management believes the presentation of Adjusted EBITDA is useful because it allows external users of our financial statements, such as industry analysts, investors, lenders and rating agencies, to compare the results of our operations from period to period without regard to our financing methods or capital structure, and to have access to the same metrics that management uses to evaluate the Company's performance. Adjusted EBITDA is not a measure of financial performance under US GAAP and should be considered in addition to, not as a substitute for, net income (loss). The Company adjusts net income (loss) for these specific items to arrive at Adjusted EBITDA because they can vary substantially from company to company within the Company's industry depending upon accounting methods and book values of assets, capital structures and the method by which the assets were acquired. Adjusted EBITDA should not be considered as an alternative to, or more meaningful than, net income (loss) as determined in accordance with GAAP or as an indicator of the Company's liquidity. Certain items excluded from Adjusted EBITDA are significant components in understanding and assessing the Company's financial performance, such as cost of capital and tax structure, as well as the historic costs of depreciable assets, none of which are components of Adjusted EBITDA. The Company's computation of Adjusted EBITDA may not be comparable to other similarly titled measures of other companies or to such measure in our credit facility or any of our other contracts.

Forward-Looking Statements

This press release may contain forward-looking information within the meaning of Section 21E of the Securities Exchange Act of 1934, as amended, and Section 27A of the Securities Act of 1933, as amended. Any statements that are not historical facts contained in this press release are "forward-looking statements", which statements may be identified by words such as "expects," "plans," "projects," "will," "may," "anticipates," "believes," "should," "intends," "estimates," and other words of similar meaning. Such forward-looking statements are based on current expectations, involve known and unknown risks, a reliance on third parties for information, transactions that may be cancelled, and other factors that may cause our actual results, performance or achievements, or developments in our industry, to differ materially from the anticipated results, performance or achievements expressed or implied by such forward-looking statements. Factors that could cause actual results to differ materially from anticipated results include risks and uncertainties related to the fluctuation of global economic conditions or economic conditions with respect to the oil and gas industry, the COVID-19 pandemic, the performance of management, actions of government regulators, vendors, and suppliers, our cash flows and ability to obtain financing, competition, general economic conditions and other factors that are detailed in our filings with the Securities and Exchange Commission (“SEC”), including our Annual Report on Form 10-K for the year ended December 31, 2020, and our Quarterly Report on Form 10-Q for the quarter ended March 31, 2021. We intend that all forward-looking statements be subject to the safe-harbor provisions.

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