May 15, 2019

Viking Energy Group Announces Record First Quarter 2019 Results

Revenues of $9.3 Million, Up 330% Year-Over-Year
Income from Operations of $3.2 Million

HOUSTON, May 15, 2019 (GLOBE NEWSWIRE) -- via NEWMEDIAWIRE -- Viking Energy Group, Inc. (OTCQB: VKIN) (“Viking” or the “Company”), an independent exploration and production company focused on the acquisition and development of oil and natural gas properties, currently in Texas, Louisiana, Mississippi and Kansas, announced yesterday the Company's financial results for the first quarter ended March 31, 2019.

Key Financial Highlights for First Quarter 2019 (figures are approximate):

- Revenues increased by over 330% to $9.3 million as compared to the first quarter of 2018.
- Income from operations improved to a profit of $3.2 million as compared to a loss of $0.5 million in the first quarter of 2018
- Investment in proved Oil and Gas assets, under the full cost method, total $130 million.
- Total assets exceed $138 million

James Doris, Viking’s President and Chief Executive Officer, commented, “We are pleased with our progress in important areas, including achieving positive income from operations and reducing lease operating expenses as a percentage of revenue, but by no means are we satisfied. We remain steadfast in our goal to build value for our shareholders, and intend to continue to leverage the experience, sophistication and relationships of our technical and management team to execute on our business strategy and achieve profitability through acquisitions, development and responsible fiscal measures. We have the key pieces in place to significantly grow our business. We are very excited for what’s ahead in 2019.”

The following table summarizes the Company’s oil and gas activities by classification and geographical cost center for the three months ended March 31, 2019:

	December 31, 2018	Adjustments	Impairments	March 31, 2019
Proved developed producing oil and gas properties				
United States cost center	$ 81,936,721	$ 101,474	$ -	$ 82,038,195
Accumulated depreciation, depletion and amortization	(604,735)	(1,723,491)	-	(2,328,226)
Proved developed producing oil and gas properties, net	$ 81,331,986	$ (1,622,017)	$ -	$ 79,709,969
Undeveloped and non-producing oil and gas properties				
United States cost center	$ 51,973,719	$ 391,652	$ -	$ 52,365,371
Accumulated depreciation, depletion and amortization	(1,480,813)	(632,430)	-	(2,113,243)
Undeveloped and non-producing oil and gas properties, net	$ 50,492,906	$ (240,778)	$ -	$ 50,252,128
Total Oil and Gas Properties, Net	$ 131,824,892	$ (1,862,795)	$ -	$ 129,962,097

Selective Financial Results as disclosed in the Company's Form 10-Q for the Three Months Ended March 31, 2019:

- The Company had gross revenues of $9,346,592 for the three months ended March 31, 2019, as compared to $2,161,947 for the three months ended March 31, 2018, reflecting an increase in excess of 330% or $7,184,645. This substantial increase in revenue is primarily a result of the increased production from the certain oil and gas assets acquired at the end of 2018, but also is reflective of new drilling and enhancements to existing wells.

- The Company, through increased production from its latest acquisition, and controlling certain operational and administrative costs, generated an income from operations for the three months ended March 31, 2019 of $3,221,037, as compared to a loss from operations of $458,450 for the three months ended March 31, 2018.

Comparative Analysis of Revenue, LOE and Production Volumes:

The following tables highlight the Company's revenues, lease operating costs and production volumes for the three months ended March 31, 2019 as compared to those for the 2018 fiscal year (annually and quarterly):

Analysis of Total Revenues and corresponding Lease Operating Costs for the Three Months Ended March 31, 2019 as compared to the year ended December 31, 2018 on an annual basis as well as on a quarterly basis

	Financial Data for the Year Ended December 31, 2018					
	Quarter Ended Totals				Twelve Months	Qtr Ended
	3/31/2018	6/30/2018	9/30/2018	12/31/2018	12/31/2018	3/31/2019
Total Revenue - Oil and Gas	$ 2,161,947	$ 2,318,622	$ 1,895,932	$ 1,591,471	$ 7,967,972	$ 9,346,592
Lease Operating Costs (LOE)	1,008,268	1,035,474	913,331	878,476	3,835,549	2,599,394
Revenue in excess of lease operating costs	$ 1,153,679	$ 1,283,148	$ 982,601	$ 712,995	$ 4,132,423	$ 6,747,198
LOE as a % of Total Revenue	47 %	45 %	48 %	55 %	48 %	28 %
Revenue in excess of lease operating costs as a % of Total Revenue	53 %	55 %	52 %	45 %	52 %	72 %

Analysis of Crude Oil and Natural Gas Production for the Three Months Ended March 31, 2019 as compared to the year ended December 31, 2019 on an annual bassis as well as on a quarterly basis

Total Crude Production (bbls)	33,426	36,986	30,991	29,487	130,889	144,385
Avg $ / bbl	$ 61.47	$ 65.72	$ 63.61	$ 56.47	$ 62.05	$ 59.09
Total Gas Production (mcf)	41,616	1,169	6,665	7,235	56,685	522,408
Avg $ / mcf	$ 3.17	$ 7.90	$ 3.50	$ 3.67	$ 3.37	$ 3.09
BOE - Barrel of Oil Equivalent	40,362	37,181	32,102	30,693	140,337	231,453

Lease Operating Costs as a percentage of Total Revenues averaged between 45% and 55% throughout 2018, resulting in an annual average of 48%, with Revenue in Excess of Lease Operating Costs averaging 52%. For the Three Months Ended March 31, 2019, Lease Operating Costs were 28% of Total Revenues and Revenues in Excess of Lease Operating Costs were 72%.

Total Revenues of $9,346,592 for the Three Months Ended March 31, 2019 exceeded Total Revenues for the entire year of 2018 by $1,378,620.

For the three months ended March 31, 2019, the Company produced 144,385 barrels of crude oil as compared to 130,889 barrels of crude oil for the entire year of 2018. For the three months ended March 31, 2019, the Company produced 522,408 mcf of natural gas as compared to 56,685 mcf of natural gas for the entire year of 2018.

For further details please refer to Viking's Quarterly Report on Form 10-Q filed on May 14, 2019 with the Securities and Exchange Commission and available under "Investors -- SEC Filings" at www.vikingenergygroup.com.

About Viking Energy Group, Inc.

Viking is an independent exploration and production company focused on the acquisition and development of oil and natural gas properties in North America. The company owns oil and gas leases in Texas, Louisiana, Mississippi and Kansas. Viking targets under-valued assets with realistic appreciation potential.

For additional information, please visit: https://www.vikingenergygroup.com.

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 any statements that are not historical facts contained in this press release are "forward-looking statements" as that term is defined under the Private Securities Litigation Reform Act of 1995 ("PSLRA"), 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 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 ending December 31, 2018. We intend that all forward-looking statements be subject to the safe-harbor provisions of the PSLRA.

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