

Terrace Announces Approval of Recapitalization of Debts

VANCOUVER, BC, April 1, 2021 /CNW/ - Terrace Energy Corp. (the "**Company**") (TSXV: TZR) announces that further to its press release dated March 31, 2021, it has completed its previously announced plan of arrangement (the "**Plan of Arrangement**"), pursuant to which all of the Company's outstanding convertible secured notes due in April 2021 (the "**Notes**") and a guarantee claim (the "**Guarantee Claim**") in the amount of US\$500,000 have been exchanged for newly issued common shares of the Company.

As at the effective time of the Plan of Arrangement, the aggregate principal amount of the outstanding Notes, being \$33,070,000, and the principal amount of the Guarantee Claim, being \$628,750 (based on the applicable exchange rate quoted by the Bank of Canada on March 31, 2021) were exchanged for 673,960,000 common shares in the capital of the Company (the "**Common Shares**"). As a result of the transaction, the Company has a total of 772,844,821 Common Shares issued and outstanding as of the date hereof.

"Dave Gibbs"

Dave Gibbs, CEO

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CO: Terrace Energy Corp.

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