

## NEWS RELEASE

### TERRACE ANNOUNCES SHARE CONSOLIDATION

**July 7, 2021 – Vancouver, British Columbia – Terrace Energy Corp.** (TSXV: TZR) (the “**Company**”) announces that it is proceeding with a consolidation of its issued and outstanding share capital on the basis of one post-consolidated common share for every ten pre-consolidated common shares (the “**Consolidation**”). No fractional shares will be issued as any fractional share will be rounded to the nearest whole number. The new CUSIP number will be 88103M201 and the new ISIN number will be CA88103M2013. The Company’s name and stock symbol will remain unchanged following the Consolidation.

The Consolidation is subject to final confirmation by the TSX Venture Exchange (the “**Exchange**”). The Consolidation will be effective at the opening of markets on July 12, 2021. As a result of the Consolidation, the 772,844,821 common shares which are currently issued and outstanding will be reduced to approximately 77,284,482 common shares, subject to rounding.

Shareholders who hold their common shares through a securities broker or other intermediary and do not have common shares registered in their name will not be required to take any measures with respect to the Consolidation. Letters of transmittal with respect to the Consolidation will be mailed shortly to all registered shareholders of the Company. All registered shareholders who submit a duly completed letter of transmittal along with their respective share certificate(s) representing the pre-consolidated common shares to the Company’s transfer agent, Computershare Trust Company of Canada, will receive a certificate representing the post-consolidated common shares.

**“Dave Gibbs”**

**Dave Gibbs, CEO**

**Terrace Energy Corp.**

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NEITHER TSX VENTURE EXCHANGE NOR ITS REGULATION SERVICES PROVIDER (AS THAT TERM IS DEFINED IN POLICIES OF THE TSX VENTURE EXCHANGE) ACCEPTS RESPONSIBILITY FOR THE ADEQUACY OR ACCURACY OF THIS RELEASE.

#### **Cautionary Note Regarding Forward-Looking Statements**

*This news release contains forward-looking statements relating to the effective date of the Consolidation, the number of common shares outstanding following the Consolidation, the treatment of fractional shares in the Consolidation 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 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. Important factors that could cause actual results to differ materially from the Company's expectations include those relating to the ability to complete the Consolidation on the effective date, the number of post-Consolidation common shares being different from the number set out herein and the treatment of fractional shares in the Consolidation being different from what is set out herein and other risks detailed from time to time in the filings made by the Company with securities regulations.*

*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 the Company. 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 the Company will update or revise publicly any of the included forward-looking statements as expressly required by applicable law.*