

NEWS RELEASE

TERRACE PROVIDES UPDATE ON EFFECTIVE DATE OF SHARE CONSOLIDATION

July 12, 2021 – Vancouver, British Columbia – Terrace Energy Corp. (TSXV: TZR) (the “**Company**”) announces an amendment to its previously issued news release regarding the 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**”).

The Company has not yet received approval for the Consolidation from the TSX Venture Exchange (the “**Exchange**”) and will publish a news release correcting the effective date upon receipt of approval from the Exchange.

“**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.