

PETRO VIKING ENERGY INC.

TRANSACTION UPDATE

**For Immediate Release
Calgary, Alberta**

**June 21, 2012
Trading Symbol: "VIK"**

Calgary, Alberta - Mr. Giovanni DeFrancesco, President of Petro Viking Energy Inc. (the "Company") provides the following update on the status of its previously announced transaction in Namibia.

The Company has been informed that the Ministry of Mines and Energy of the Republic of Namibia has issued Petroleum Exploration Licenses on blocks 1810 and 2913B offshore Namibia to Grisham Assets Corp. ("Grisham"). As a result the Company is continuing with its due diligence and expects to execute a definitive agreement with Grisham shortly. The terms and conditions of the transaction, as disclosed in the Company's March 20, 2012 press release, have been amended such that the Company will acquire 100% of the issued and outstanding shares in the capital of Grisham for US\$4,000,000 cash and the issuance of 7,000,000 common shares at a deemed issue price of \$0.20 and 7,000,000 warrants of the Company. The transaction will not include block 1710 as previously announced.

The definitive agreement will include customary conditions to closing, plus the following specific conditions: (i) receipt of any applicable approvals by the Ministry of Mines and Energy (Namibia); (ii) completion of satisfactory due diligence on Grisham and all legal, financial, geological and technical documentation related to Blocks 1810 and 2913B; (iii) TSX Venture Exchange approval; and (iv) approval from the respective boards of the Company and Grisham.

The Company also announces the resignation of Kevin Patterson as a member of the Board of Directors, citing increased demands from his other business interests. The Company thanks Kevin for his valuable contributions as a member of the Board over the past year and the Company wishes him the best in all his future endeavors.

About Petro Viking

Petro Viking is a junior, independent oil and gas company focused on exploration for crude oil in western Canada.

The TSX-V has in no way passed upon the merits of the proposed transaction and has neither approved nor disapproved the contents of this press release.

For further information, please contact:

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TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

Except for historical information contained herein, this news release contains forward-looking statements that involve risks and uncertainties, including but not limited to the fact that the Company has not closed the acquisition of Grisham Assets Corp., as referred to in its press release dated March 20, 2012. Actual results may differ materially. The Company will not update these forward-looking statements to reflect events or circumstances after the date hereof. More detailed information about potential factors that could affect financial results is included in the documents filed from time to time with the Canadian securities regulatory authorities by the Company.