



**NXT ANNOUNCES UPDATE ON STATUS OF
US \$5.8 MILLION SURVEY CONTRACT FOR
PETROLEOS MEXICANOS ("PEMEX")**

Highlights

- **First US \$2.9 million progress payment received from PEMEX**
- **Additional US \$2.9 million payments anticipated by year end**
- **NXT well capitalized to execute its growth strategy**

CALGARY, ALBERTA, November 5, 2012 - NXT Energy Solutions Inc. ("NXT" or the "Company") (TSX-V:SFD; OTC:NSFDF) announces an update on the status of its US \$5.8 million SFD® aerial survey contract with Petrolēos Mexicanos ("PEMEX"), the National Oil Company of Mexico, and the 4th largest exploration & production company in the world.

The project had an initial value of US \$4.73 million, which was expanded to a total of US \$ 5.8 million shortly after completion of the initial SFD® data acquisition operations. NXT has collected, as scheduled, its first US \$2.87 million, which was due under the initial project scope of US \$4.73 million. A second contract progress billing of US \$1 million will be issued shortly, with payment due 30 days thereafter.

Data interpretation operations for the expanded project are well underway and NXT has delivered preliminary findings to PEMEX. NXT's final recommendations report is scheduled to occur in November, 2012, following which the final contract billing of US \$1.9 million will be issued under the US \$5.8 million project.

"We are pleased with how smoothly the project is progressing and are looking forward to presenting the final results to PEMEX when they visit our data interpretation center in the coming weeks", noted George Liszicasz, NXT's President and CEO. "With \$4 million cash, no debt, and additional PEMEX contract billings of US \$2.9 million expected to be received by year-end, we are well positioned to continue to expand our client base and execute our growth strategy."

NXT also advises that it will be holding its Annual and Special General Meeting for the fiscal year ended December 31, 2011 on Tuesday November 27, 2012 at 3 pm at the Petroleum Club in Calgary.

In addition, NXT has been invited to present at the International Oil & Gas Conference being hosted by Mackie Research Capital Corporation in Toronto on November 7, 2012. Andy Steedman, V-P of Operations, will be presenting and meeting with institutional investors at the conference.

NXT is a Calgary based company whose proprietary airborne Stress Field Detection ("SFD®") survey system provides a survey method that can be used both onshore and offshore to remotely identify areas with exploration potential for traps and reservoirs. The SFD® survey system enables our clients to focus their hydrocarbon exploration decisions concerning land commitments, data acquisition expenditures and prospect prioritization on areas with the greatest potential. SFD® is environmentally friendly and unaffected by ground security issues or difficult terrain, and is the registered trademark of NXT Energy Solutions Inc. NXT provides its clients with an effective and reliable method to reduce time, costs, and risks related to exploration.

This news release does not constitute an offer to sell or a solicitation of an offer to buy any of the securities in the United States. The company's securities have not been and will not be registered under the United States Securities Act of 1933, as amended (the "U.S. Securities Act") or any state securities laws and may not be offered or sold within the United States unless an exemption from such registration is available.

Forward-Looking Statements

This news release may include forward-looking statements. When used in this document, words such as “intends”, “plans”, “anticipates”, “expects” and “scheduled”, are forward-looking statements. Forward-looking statements are subject to a wide range of risks and uncertainties, and although the Company believes that the expectations represented by such forward-looking statements are reasonable, there can be no assurance that such expectations will be realized. Any number of factors can cause actual results to differ materially from those in the forward-looking statements. Risk factors facing NXT are described in its most recent MD&A for the year ended December 31, 2011 which has been filed electronically by means of the System for Electronic Document Analysis and Retrieval (“SEDAR”) located at www.sedar.com. Such forward-looking statements are made as at the date of this news release, and the Company assumes no obligation to update or revise them, either publicly or otherwise, to reflect new events, information or circumstances, except as may be required under applicable securities law.

Specific forward looking statements include the planned timing and completion of the Mexico survey project. Specific risk factors related to the contract include potential performance penalties, which are standard clauses for these types of contracts.

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