RAZOR ENERGY CORP. ANNOUNCES CONSOLIDATION ACQUISITION IN THE KAYBOB AREA OF WEST CENTRAL ALBERTA AND INCREASED TERM LOAN FACILITY

January 15, 2018 - Calgary, Alberta - Razor Energy Corp. ("Razor" or the "Company") (TSXV: RZE) (www.razor-energy.com) is pleased to announce that it has completed the acquisition of certain non-operated working interest positions to consolidate its existing Kaybob Triassic Units 1 and 2 from an arm's length company (the "Kaybob Assets") for cash consideration of $4.9 million, subject to customary adjustments (the "Acquisition"). The Kaybob Assets are characterized by low decline, light oil focused production with abundant infrastructure that directly complement Razor's existing asset portfolio. The Acquisition has been funded with Razor's existing cash reserves.

THE ACQUISITION

The Acquisition increases Razor's operated working interest position in:

- Kaybob Triassic Unit #1 from 52.95% to 93.48%; and
- Kaybob Triassic Unit #2 from 73.25% to 100.00%.

On a pro forma basis including this acquisition, using field production estimates, the Company expects January 2018 production to exceed 4,900 boe/d, of which 85% is light oil and natural gas liquids.

The Acquisition consolidates and enhances Razor's existing asset base with reactivation and re-entry opportunities, in addition to future drilling upside with proven deliverability of light oil from the Montney formation.

The Acquisition has an effective date of November 1, 2017.

ASSET SUMMARY

Total purchase price(1)	$4.9 million
Current production (November 2017)	260 boe/d
Annual decline rate	15%
Run rate cash flow(2)	$1.9 million

ACQUISITION METRICS

Current production (November 2017)	$18,850 per boe/d
Run rate cash flow(2)	2.54x

(1) Subject to normal adjustments for a transaction of this nature and adjustments related to the exercise of ROFRs.

(2) *Run rate cash flow does not have any standard meaning prescribed by IFRS and therefore may not be comparable with the calculation of similar measures for other entities. Refer to "Non-IFRS measures". Run rate cash flow is based on annualized current production of 260 boe/d multiplied by the operating netback for the Kaybob Assets of $20.62/boe.*

Razor continually strives to deliver on its commitment to shareholders to acquire, consolidate or otherwise add, organically or inorganically, complementary assets to further strengthen its value proposition.

Haywood Securities Inc., Canaccord Genuity Corp. and Eight Capital acted as strategic advisors to Razor in respect of the Acquisition.

INCREASED TERM LOAN FACILITY

Razor has secured an increase of $15.0 million in its existing non-revolving term loan facility from Alberta Investment Management Corporation ("AIMCo"), on behalf of certain of AIMCo's clients, for an amended principal amount of $45.0 million (the "Amended Term Loan Facility"). The terms of the Amended Term Loan Facility are materially unchanged from the term loan facility established in January, 2017. Principal continues to be due in January, 2021 with an interest rate of 10%, payable semi-annually. As consideration for the Amended Term Loan Facility, 255,600 common shares of Razor have been issued to AIMCo.

The proceeds of the increased Term Loan Facility will be used by Razor to fund its development program and for general corporate purposes.

After the issuance of the Razor shares to AIMCo and the shares purchased to date under the previously announced normal course issuer bid, Razor currently has 15,767,534 shares issued and outstanding.

ABOUT RAZOR

Razor is a publicly-traded junior oil and gas development and production company headquartered in Calgary, Alberta, concentrated on acquiring, and subsequently enhancing, producing oil and gas properties primarily in Alberta. The Company is led by experienced management and a strong, committed Board of Directors, with a long term vision of growth focused on efficiency and cost control in all areas of the business.

Razor started operations in the first quarter of 2017, through an acquisition of producing assets in the Swan Hills area. In the second quarter of 2017, Razor added to its asset base with the acquisition of complementary assets in the Kaybob area. These predominantly light oil assets provide a foundation for strong shareholder return through abundant low risk operations. Razor plans to concurrently grow Swan Hills and Kaybob, and execute on similar acquisitions, using its experience to extract upside value.

Razor is a pivotal leading-edge enterprise, balancing creativity and discipline, focused on growing an enduring energy company.

Razor currently trades on TSX Venture Exchange under the ticker "RZE".

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READER ADVISORIES

FORWARD-LOOKING STATEMENTS: *This press release contains forward-looking statements. More particularly, this press release contains statements concerning, but not limited to: the anticipated annual decline rate, the timing of the Acquisition, payment of the purchase price in respect of the Acquisition, expected production and run rate cash flow related to the Acquisition and the Company's acquisition strategy. In addition, the use of any of the words "anticipate", "believe", "expect", "plan", "intend", "estimate", "propose", "project", "can", "will", "should", "continue", "may", and similar expressions are intended to identify forward-looking statements. The forward-looking statements contained herein are based on certain key expectations and assumptions made by the Company, including but not limited to expectations and assumptions concerning the availability of capital, current legislation, receipt of required regulatory approval, the success of future drilling and development activities, the performance of existing wells, the performance of new wells, the Company's growth strategy, general economic conditions, availability of required equipment and services and prevailing commodity prices. Although the Company believes that the expectations and assumptions on which the forward-looking statements are based are reasonable, undue reliance should not be placed on the forward-looking statements because the Company can give no assurance that they will prove to be correct. Since forward-looking statements address future events and conditions, by their very nature they involve inherent risks and uncertainties. Actual results could differ materially from those currently anticipated due to a number of factors and risks. These include, but are not limited to, risks associated with the oil and gas industry in general (e.g., operational risks in development, exploration and production; delays or changes in plans with respect to exploration or development projects or capital expenditures; as the uncertainty of reserve estimates; the uncertainty of estimates and projections relating to production, costs and expenses, and health, safety and environmental risks), commodity price and exchange rate fluctuations, changes in legislation affecting the oil and gas industry and uncertainties resulting from potential delays or changes in plans with respect to exploration or development projects or capital expenditures. Please refer to the risk factors identified in the annual information form and management discussion and analysis of the Company which is available on SEDAR at www.sedar.com.*

The forward-looking statements contained in this press release are made as of the date hereof and the Company undertakes no obligation to update publicly or revise any forward-looking statements or information, whether as a result of new information, future events or otherwise, unless so required by applicable securities laws.

NON-IFRS MEASURES: *This press release contains the terms "operating netback" and "run rate cash flow", which do not have standardized meanings prescribed by IFRS and therefore may not be comparable with the calculation of similar measures by other companies. Operating netback equals total petroleum and natural gas sales less royalties and* *operating costs calculated on a boe basis. Razor considers operating netback as an important measure to evaluate its operational performance as it demonstrates its field level profitability relative to current commodity prices. The operating netback was derived using the Corporation's internal accounts of historical and accrued Kaybob Triassic Units 1 & 2 operating costs, royalty rates, and applying then current WTI pricing of US$56.64, Light Sweet Edmonton $70.40, and NGX AB-5a of 2.32/mcf. Run rate cash flow is based on annualized current production of 260 boe/d multiplied by the operating netback for the Kaybob Assets of $20.62/boe.*

ADVISORY ON PRODUCTION INFORMATION: *Unless otherwise indicated herein, all production information presented herein has presented on a gross basis, which is the Company's working interest prior to deduction of royalties and without including any royalty interests.*

BARRELS OF OIL EQUIVALENT: *The term "boe" or barrels of oil equivalent may be misleading, particularly if used in isolation. A boe conversion ratio of six thousand cubic feet of natural gas to one barrel of oil equivalent (6 Mcf: 1 bbl) is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead. Additionally, given that the value ratio based on the current price of crude oil, as compared to natural gas, is significantly different from the energy equivalency of 6:1; utilizing a conversion ratio of 6:1 may be misleading as an indication of value.*