# RAZOR ENERGY CORP. ANNOUNCES TRANSITION TO A SUSTAINABLE JUNIOR LIGHT OIL DIVIDEND AND GROWTH COMPANY AND CONFIRMS CASH DIVIDEND FOR SEPTEMBER 2018 PAYABLE OCTOBER 31, 2018

**October 1, 2018 - Calgary, Alberta** - Razor Energy Corp. ("Razor" or the "Company") (TSXV: RZE) announces that the September 2018 monthly cash dividend will be $0.0125 per share which will be paid on October 31, 2018. The record date for the dividend is October 15, 2018 and the ex-dividend date is October 12, 2018. The dividend will be paid monthly and is subject to commodity prices, production levels, and other factors.

The dividend is considered an "eligible dividend" for tax purposes.

Since inception in early 2017, Razor has delivered solid production, reserves, and cash flow growth. The Company has acquired and enhanced oil and gas assets that have predictable production profiles, very low declines, strengthening netbacks, and large oil in place. These factors have allowed us to confidently transition to a dividend and growth model able to support sustainable yield to our shareholders and also provide continuing annual per share growth.

Factors that support Razor's transition to a dividend and growth model are, yet not limited to:

- Capital efficiencies – light oil focused development plan has demonstrated capital efficiencies of under $10,000 per boepd.
- Decline rates – base decline rates have proven to be between 10% and 12%. Development activities enhancing production levels primarily consist of reactivations, stimulations, and other reservoir optimization initiatives.
- Hedging program – over the following 12 months, 40% to 85% of our forecasted light oil production is hedged at floor prices ranging from US$54.50/bbl to US$57.00/bbl.
- Debt position – term debt with the Alberta Investment Management Corporation (or "AIMCo") due to be repaid in January, 2021. AIMCo is also a major shareholder owning approximately 14% of the outstanding common shares of Razor.

The factors above reiterate the sustainability of a long term dividend and growth model.

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 and distributions to shareholders, 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 base with the acquisition of complementary assets in the Kaybob area. These predominantly light oil assets provide a foundation for strong economic returns through abundant low risk operations. Razor plans to concurrently grow Swan Hills and Kaybob, and execute on similar acquisitions and amalgamations, 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 news release contains forward-looking statements. More particularly, this news release contains statements concerning, but not limited to, the Company's dividend policy and dividend payments, future dividends, growth plans, and corporate strategy. In addition, the use of any of the words "anticipate", "believe", "intend", "may", "is", "will" 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. 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. There can be no assurances that the directors of the Company will declare any dividends in the future or, if dividends are declared, there can be no assurance as to the frequency or amount of such dividends. Please refer to the risk factors identified in the annual information form and management discussion and analysis of the Company for the period ended December 31, 2017, on SEDAR at www.sedar.com.

The forward-looking statements contained in this news 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.

**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.

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