RAZOR ENERGY CORP. ANNOUNCES SECOND QUARTER 2022 RESULTS

August 25, 2022 - Calgary, Alberta - Razor Energy Corp. ("Razor" or the "Company") (TSXV: RZE) announces its second quarter 2022 financial and operating results. Selected financial and operational information is outlined below and should be read in conjunction with Razor's unaudited interim condensed consolidated financial statements and management's discussion and analysis for the three and six months ended June 30, 2022 which are available on SEDAR at www.sedar.com and the Company's website www.razor-energy.com.

All amounts are expressed in Canadian dollars. Certain metrics, including those expressed on an adjusted basis, are non-IFRS and other financial measures. See "Non-IFRS and Other Financial Measures" below.

RECENT HIGHLIGHTS

- **Increased Production:** Completed work on a group pipeline and associated wells in the Swan Hills area and in mid-August which, in conjunction with other activities, increased field estimated production to over 4,900 boe/d.
- **Geothermal Project:** FutEra Power Corp. ("FutEra"), a subsidiary of Razor entered the final construction stage of its Co-produced Geothermal Power Generation Project in Swan Hills, Alberta ("Geothermal Project"). The Geothermal Project will be capable of generating up to 21 MW of grid connected electricity, of which up to 30% will be sustainable clean power generation.
- **CO_2 Enhanced Oil Recovery:** Razor recently engaged Sproule Associates Limited to review the results of the CO_2 enhanced oil recovery ("EOR") pilot in Razor's South Swan Hills Unit ("SSHU").

Q2 2022 FINANCIAL AND OPERATIONAL HIGHLIGHTS

- **Production:** Averaged 4,340 boe/d in Q2 2022, representing a 38% increase from Q1 2021 and averaged 4,398 boe/d for the six months ended June 30, 2022, an increase of 43% compared to the same period in 2021.
- **Adjusted Funds Flow[1]:** Generated adjusted funds flow of $6.0 million ($0.25/share (basic and diluted)) in Q2 2022, representing an increase of $5.4 million from Q2 2021 driven by improved operating netbacks and higher production.
- **Operating Netback[1]:** Achieved an operating netback of $24.90/boe in Q2 2022, compared to $5.20/boe in Q2 2021.

1) Refer to "Non-IFRS and other financial measures."

NEAR AND MEDIUM-TERM OBJECTIVES

- Safely execute our production enhancement programs and commission the Geothermal Project.
- Reduce net debt through a measured investment in production enhancement while continuing to optimize operational and administrative costs.
- Actively identify and consider asset acquisitions and business combinations with other oil and gas producers, energy related service companies, and lower carbon electricity producers and technologies.

SELECT QUARTERLY HIGHLIGHTS

The following tables summarizes key financial and operating highlights associated with the Company's financial performance.

($000s, except for per share amounts and production)	Three Months Ended June 30 **2022**	2021	% Change	Six Months Ended June 30 **2022**	2021	% Change
Production						
Light oil (bbl/d)	**2,619**	1,983	32	**2,724**	1,968	38
Natural gas (mcf/d)[1]	**4,907**	3,673	34	**4,630**	3,707	25
NGLs (boe/d)	**904**	549	65	**903**	492	84
Total (boe/d)	**4,340**	3,145	38	**4,398**	3,077	43
Sales Volumes						
Light oil (bbl/d)	**2,597**	2,010	29	**2,736**	1,959	40
Natural gas (mcf/d)[1]	**4,514**	3,301	37	**4,211**	3,382	25
NGLs (boe/d)	**904**	549	65	**903**	492	84
Total (boe/d)	**4,253**	3,110	37	**4,340**	3,014	44
Oil inventory volumes (bbls)	**13,009**	9,784	33	**13,009**	9,784	33
Financial						
Oil and NGL sales	**36,624**	15,320	139	**69,548**	27,813	150
Natural gas sales	**3,242**	940	245	**4,952**	1,831	170
Blending and processing income	**916**	776	18	**1,819**	2,144	(15)
Other revenue	**521**	149	250	**1,003**	552	86
Total Revenue	**41,303**	17,185	140	**77,322**	32,340	139
Cash flow from operating activities	**1,315**	403	226	**3,719**	(3,119)	(219)
Funds flow[2]	**5,866**	362	1,520	**15,749**	(1,060)	(1,586)
Adjusted funds flow[2]	**6,047**	601	906	**15,708**	(260)	(6,142)
Net loss	**(2,278)**	(5,544)	(59)	**(3,054)**	(11,179)	(73)
Per share – basic and diluted	**(0.09)**	(0.26)	(65)	**(0.13)**	(0.53)	(75)
Weighted average number of shares outstanding	**24,392**	21,064	16	**23,856**	21,064	13
Total number of shares outstanding	**25,275**	21,064	20	**25,275**	21,064	20
Total Assets	**197,980**	155,385	27	**197,980**	155,385	27
Cash	**2,971**	2,710	10	**2,971**	2,710	10
Long-term debt (principal)	**82,718**	62,678	32	**82,718**	62,678	32
Net debt[2]	**99,617**	83,260	20	**99,617**	83,260	20
Netback ($/boe)[2]						
Oil and gas sales	**100.94**	56.81	78	**93.59**	53.22	76
Royalties	**(25.93)**	(7.66)	238	**(22.45)**	(6.20)	262
Adjusted net operating expenses[2 3]	**(37.88)**	(36.79)	3	**(35.42)**	(35.09)	1
Production enhancement expenses[2]	**(8.45)**	(4.94)	71	**(7.97)**	(6.41)	24
Transportation and treating	**(2.52)**	(2.04)	24	**(2.45)**	(2.19)	12
Realized gain (loss) on commodity contracts	**(1.26)**	(0.18)	600	**0.17**	(0.09)	(289)
Operating Netback[2]	**24.90**	5.20	379	**25.47**	3.24	686

1) Natural gas production includes internally consumed natural gas primarily used in power generation.
2) See "Non-IFRS and other financial measures"
3) Excludes production enhancement expenses incurred in the period.

SECOND QUARTER OPERATIONAL UPDATE

Production volumes in Q2 2022 averaged 4,340 boe/d, an increase of 37% from Q2 2021 volumes of 3,145 boe/d and represents a 3% decrease from Q1 2022 of 4,457 boe/d. Production volumes averaged 4,340 boe/d for the six months ended June 30, 2022, an increase of 44% from the same period in the prior year. Highlights of the causes for the differences in production volumes as compared to Q1 2022 are as follows:

- **Swan Hills** – production volumes increased 38% from the same period of 2021. Production in Q2 2022 was negatively impacted by decreased production of approximately 500 boe/d as a result of a non-operated partner reclaiming their working interest in certain properties. This decrease was partially offset by the Company beginning a production enhancement program in Swan Hills in Q2 2022, which has increased production by approximately 29 boe/d in Q2 2022 as compared to Q1 2022. In addition, the operator in Swan Hills Unit No.1 has embarked on various production enhancement activities and the Company anticipates production enhancement activities to continue throughout 2022.

- **Kaybob** – production volumes increased 41% from the same period in 2021 as the Company's production enhancement program was focused in the Kaybob area in Q1 2022 increasing production by 125 boe/d in Q2 2022 as compared to the prior quarter.

- **Southern Alberta** – production volumes increased 26% from the same period in 2021 as the result of the Company's production enhancement program positively impacting volumes for Q2 2022, increasing production 14 boe/d as compared to Q1 2022.

The increase in production volumes for both the three and six months ended June 30, 2022 as compared to the three and six months ended June 30, 2021 is largely due to production enhancement activities increased production 168 boe/d in Q2 2022 and 304 boe/d for the six months ended June 30, 2022 offset by various third party operational downtime, temporary infrastructure issues and reclaimed working interest by a non-operated partner as discussed above.

Adjusted net operating expenses increased $4.7 million or 44% on a total dollar basis and increased 3% on a per boe basis in Q2 2022 compared to the same period in 2021. The increase in the adjusted net operating expense on a total dollar basis was due primarily to fuel and electricity costs which increased $2.3 million in Q2 2022 as compared to Q2 2021, downhole service which increased $1.6 million in Q2 2022 as compared to Q2 2021, surface repairs and maintenance costs increased $0.9 million in Q2 2022 as compared to Q2 2021 and labour costs which increased $0.8 million in Q2 2022 as compared to Q1 2021. Adjusted net operating expenses on a per boe basis in Q2 2022 were consistent with Q2 2021.

The primary factors affecting operating costs on a $/boe basis are production levels, workover activity and electricity pricing. Inherent within the Company's hydrocarbon operations is a prominent fixed cost element, or those costs that are not correlated to production levels. On a relative basis these costs are higher with lower production. Razor's reactivation program continued during Q2 2022 and will extend into 2022/2023 with the majority of the costs being expensed. Furthermore, the electricity market has seen a continual rise in prices.

CAPITAL EXPENDITURES

Total capital expenditures, before grant proceeds was $9.4 million in Q2 2022 and $14.8 million for the six months ended June 30, 2022. For the six months ended June 30, 2022, Razor invested $13.1 million on its Geothermal Project.

CO_2 ENHANCED OIL RECOVERY

Razor recently engaged Sproule Associates Limited to review the results of the CO_2 EOR pilot in Razor's SSHU. The CO_2 pilot ran from June 2008 to August 2010 with 2 injectors and 6 oil producers. The review of the pilot project indicated the project appears to have resulted in incremental oil recovery of 4% in the pilot area from the lower reservoir layers with total CO_2 injection during the pilot totaling approximately 7% of the original hydrocarbon pore volume in the flooded layers. Additional and continued CO_2 injection should result in higher recoveries. It is expected the CO_2 flood could be expanded to additional regions of SSHU in future years to increase overall unit recoveries.

Currently, Razor is evaluating local, pipelined supplies of CO_2 as potential sources to possibly restart CO_2 injection in the original CO_2 pilot project region within the SSHU, which includes the possible use of emissions from FutEra's soon to be completed Geothermal Project.

The overall objectives of reactivating the pilot project and expand thereafter are to economically reduce CO_2 emissions and increase oil recovery in SSHU.

OUTLOOK

Razor

Razor continues to look forward with plans for the future while remaining focused on its mid to long-term sustainability. Razor recognizes multiple deep value streams in its assets and is actively engaged in liberating them for the benefit of shareholders. The Company has an extensive opportunity set of high-quality wells requiring reactivation, many of which have payout metrics which exceed the Company's economic thresholds. Razor will continue production enhancement activity throughout 2022. Most activities involve repairs and maintenance work which will be expensed for accounting purposes and operating netbacks will be reduced during this timeframe. In aggregate, the annual base decline of these wells is anticipated to be consistent with the Company's current corporate rate of approximately 12%.

The Company continues to focus on cost control on its operated properties. In addition to the planned production enhancement program, Razor will take a cautious and case-by-case approach to capital spending in 2022, focusing on low risk, capital efficient opportunities to increase field efficiencies and corporate netbacks.

The significant improvement in oil prices thus far in 2022 combined with a strong price outlook in the medium term, provides Razor with improved cash flow from operations and the Company anticipates reducing its net debt throughout 2022.

Razor has high reservoir quality, low decline, isolate carbonate Swan Hills reef light oil pools that contain large original oil in place with over 60 years of production history. Razor believes these reefs are ideally suited for carbon capture, utilization and storage and EOR purposes[1], in addition to geothermal power production and conventional open-hole horizontal development drilling upside.

FutEra

In May 2021, FutEra, a subsidiary of Razor entered the project execution stage of its Geothermal Project. On March 9, 2022, FutEra announced that it is fully financed and in final construction of its 21 MW Geothermal Project, of which up to 30% will be sustainable clean power generation. FutEra has successfully partnered with provincial and federal government agencies to invigorate the emerging geothermal industry. To date, Razor has received $16.3 million in government grants to support this power generation project. The total construction and commissioning budget for the Geothermal Project is $43.0 million. The Project is in final construction with commissioning and startup will commence in the fall.

Legacy oil and gas fields can face economic challenges with lower production levels and high fixed costs. However, these fields also have practical advantages when considering the existing infrastructure, pipelines, wells, and operational footprints. The Geothermal Project is an example of leveraging existing assets to lower carbon economic outcomes. Razor and FutEra continue to

[1] These programs have been successfully demonstrated by the previous operator's SSHU CO_2 EOR Injection Pilot which ran from 2008 to 2010 in addition to CO_2 injection programs carried out in the Swan Hills Unit No. 1 and Judy Creek oil pools from 2004 to 2010.

demonstrate the synergies and cooperation needed to define a type of transformation energy and sets the standard of how oil and gas companies can evolve into the 'energy and technology' companies necessary for the future of the Alberta energy complex.

FutEra's next phase of the Geothermal Project will be the design and implementation of a Carbon Capture with Usage and/or Sequestration ("CCUS") solution, with the objective to create a net negative carbon emitting power generation facility. This initiative is currently under evaluation for technical feasibility and economic viability.

With Razor's strategic acquisition of additional working interest in the Swan Hills area in the third quarter of 2021, FutEra has identified the potential for additional geothermal and/or natural gas power generation projects in Swan Hills Unit No.1. The volume and temperature of the produced fluids processed through two of the Unit's main facilities are highly analogous to FutEra's current Geothermal Project.

FutEra has identified and is in the process of reviewing and capturing additional projects including solar, geothermal, CCUS and other low carbon technologies. The long-term strategy of large scale power is also underway.

Continuing on the transition energy theme, on May 11, 2022 Razor closed a rights offering for $5.0 million of common shares issued on a flow-through basis in respect of Canadian renewable and conservation expense ("CRCE") within the meaning of the Income Tax Act (Canada). The proceeds will be used to fund certain eligible expenses yet to be incurred on the Geothermal Project, solar and eligible expenses on various early stage power projects including additional geothermal initiatives in 2022 and 2023.

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, and producing oil and gas from 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 currently trades on TSX Venture Exchange under the ticker "RZE.V".

www.razor-energy.com

About FutEra

FutEra leverages Alberta's resource industry innovation and experience to create transformational power and sustainable infrastructure solutions to commercial markets and communities, both in Canada and globally. Currently, it is developing a 21 MW co-produced geothermal and natural gas hybrid power project in Swan Hills, Alberta.

www.futerapower.com

About Blade

Blade Energy Services is a subsidiary of Razor. Operating in west central Alberta, Blade's primary services include fluid hauling, road maintenance, earth works including well site reclamation and other oilfield services.

www.blade-es.com

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READER ADVISORIES

FORWARD-LOOKING STATEMENTS:

This press release may contain certain statements that may be deemed to be forward-looking statements. Such statements relate to possible future events, including, but not limited to, the Company's objectives and anticipated results, including the Company's capital program and other activities; the Geothermal Project and its capacity, construction and commissioning budget; the CO_2 enhanced oil recovery; opportunities for power generation, oil blending and services integration; restarting wells; execution of production enhancement programs; future rates of production; expectations regarding commodity prices, cash flow from operating activities, working capital and net debt; possible business combination transactions; and future projects including solar, wind and other low carbon technologies. All statements other than statements of historical fact may be forward-looking statements. Forward-looking statements are often, but not always, identified by the use of words such as "anticipate", "believe", "expect", "plan", "estimate", "potential", "will", "should", "continue", "may", "objective" and similar expressions. The forward-looking statements 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 approvals, the timely performance by third-parties of contractual obligation, the success of future geothermal, 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 prevailing commodity prices, price volatility, price differentials and the actual prices received for the Company's products. 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 and geothermal electricity projects 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; variability in geothermal resources; as the uncertainty of reserve estimates; the uncertainty of estimates and projections relating to production, costs and expenses, and health, safety and environmental risks), electricity and commodity price and exchange rate fluctuations, changes in legislation affecting the oil and gas and geothermal industries and uncertainties resulting from potential delays or changes in plans with respect to exploration or development projects or capital expenditures. In addition, the Company cautions that COVID-19 or other global pandemics may have a material adverse effect on global economic activity and worldwide demand for certain commodities, including crude oil, natural gas and NGL, and may continue to result in volatility and disruption to global supply chains, operations, mobility of people and the financial markets, which could continue to affect commodity prices, interest rates, credit ratings, credit risk, inflation, business, financial conditions, results of operations and other factors relevant to the Company. The duration of the current commodity price volatility is uncertain. Please also refer to the risk factors identified in the most recent annual information form and management discussion and analysis of the Company which are 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.

This press release contains future-oriented financial information and financial outlook information (collectively, "FOFI") about Razor's prospective results of operations, sales volumes, including sale of inventory volumes, production and production efficiency, balance sheet, capital spending, cost and net debt reductions, operating efficiencies, investment infrastructure and components thereof, all of which are subject to the same assumptions, risk factors, limitations, and qualifications as a set forth in the above paragraph. FOFI contained in this document was approved by management as of the date of this document and was provided for the purpose of providing further information about Razor's future business operations. Razor disclaims any intention or obligation to update or revise any FOFI contained in this document, whether as a result of new information, future events or otherwise, unless required pursuant to applicable law. Readers are cautioned that the FOFI contained in this document should not be used for purposes other than for which it is disclosed herein.

NON-IFRS AND OTHER FINANCIAL MEASURES

This press release contains certain specified measure consisting of non-IFRS measures and non-IFRS financial ratios. Since these specified financial measures may not have a standardized meaning, they must be clearly defined and, where required, reconciled with their nearest IFRS measure. Accordingly, they may not be comparable to similar measures used by other companies

FUNDS FLOW AND ADJUSTED FUNDS FLOW
Funds Flow

Management utilizes funds flow as a useful measure of Razor's ability to generate cash not subject to short-term movements in non-cash operating working capital. As shown below, funds flow is calculated as cash flow from operating activities excluding change in non-cash working capital.

Adjusted funds flow

Management utilizes adjusted funds flow as a key measure to assess the ability of the Company to generate the funds necessary for financing activities, operating activities, and capital expenditures. As shown below, adjusted funds flow is calculated as funds flow excluding purchasing of commodity contracts, and decommissioning expenditures since Razor believes the timing of collection, payment or incurrence of these items involves a high degree of discretion and variability. Expenditures on decommissioning obligations vary from period to period depending on the maturity of the Company's operating areas and availability of adjusted funds flow and are viewed as part of the Company's capital budgeting process.

The following table reconciles cash flow from operating activities, funds flow and adjusted funds flow:

	Three Months Ended June 30,		**Six Months Ended June 30,**	
($000's)	**2022**	**2021**	**2022**	**2021**
Cash flow from (used in) operating activities	**1,315**	403	**3,719**	(3,115)
Changes in non-cash working capital	**4,551**	(41)	**12,030**	2,055
Funds flow	**5,866**	362	**15,749**	(1,060)
Decommissioning costs incurred	**127**	229	**445**	282
Sale (purchase) of commodity contracts	**54**	10	**(486)**	518
Adjusted funds flow	**6,047**	601	**15,708**	(260)

NET DEBT

Net debt is calculated as the sum of the long-term debt (includes AIMCo Term Loan, Amended Arena Term Loan and Promissory Notes) and lease obligations, less working capital (or plus working capital deficiency), with working capital excluding mark-to-market risk management contracts. Razor believes that net debt is a useful supplemental measure of the total amount of current and long-term debt of the Company.

Reconciliation of net debt	**June 30,**	**December 31,**
($000's)	**2022**	**2021**
Long term debt	**(74,111)**	(64,047)
Long term lease obligation	**(1,448)**	(435)
	(75,559)	(64,482)
Less: Working capital		
Current assets	**30,699**	22,108
Exclude commodity contracts	**1,915**	573
Current liabilities	**(56,672)**	(57,219)
	(24,058)	(34,538)
Net debt	**99,617**	99,020

Adjusted operating expenses

Adjusted operating expenses are regular field or general operating costs that occur throughout the year and do not include production enhancement expenses. Management believes that removing the expenses related to production enhancements from total operating expenses is a useful supplemental measure to analyze regular operating expenses.

Production enhancement expenses

Production enhancement expenses are expenses made by the Company to increase production volumes which are not regular field or general operating costs that occur throughout a year. Management believes that separating the expenses related to production enhancements is a useful supplemental measure to analyze the cost of bringing wells back on production and the related increases in production volumes.

Reconciliation of Adjusted Operating expenses, Production Enhancement Expenses and Operating Expenses

	Three Months Ended June 30,		Six Months Ended June 30,	
($000's)	**2022**	**2021**	**2022**	**2021**
Adjusted operating expenses	**15,496**	10,780	**29,308**	21,208
Production enhancement expenses	**3,337**	1,413	**6,347**	3,573
Operating expenses	**18,333**	12,193	**35,655**	24,781

Adjusted Net Operating Expenses

Adjusted net operating expenses equals adjusted operating expenses less net blending and processing income. Management considers adjusted net operating expenses and important measure to evaluate its operational performance.

	Three Months Ended June 30,		Six Months Ended June 30,	
($000's)	**2022**	**2021**	**2022**	**2021**
Adjusted operating expenses	**15,496**	10,780	**29,308**	21,208
Net blending and processing income	**(535)**	(255)	**(1,114)**	(1,182)
Adjusted net operating expenses	**14,961**	10,525	**28,194**	20,026

NET BLENDING AND PROCESSING INCOME

Net blending and processing income is calculated by adding blending and processing income and deducting blending and processing expense. Net blending and processing income may not be comparable to similar measures used by other companies.

	Three Months Ended		Six Months Ended June 30,	
($000's)	**2022**	**2021**	**2022**	**2021**
Blending and processing income	**916**	776	**1,819**	2,144
Blending and processing expenses	**(381)**	(521)	**(705)**	(962)
Net blending and processing income	**535**	255	**1,114**	1,182

1) Natural gas production includes internally consumed natural gas primarily used in power

OPERATING NETBACK

Operating netback is a measure that represents sales net of royalties and operating expenses. Management believes that operating netback is a useful supplemental measure to analyze operating performance and provide an indication of the results generated by the Company's principal business activities prior to the consideration of other income and expenses.

	Three Months Ended June 30,		Six Months Ended June 30,	
($000's)	**2022**	**2021**	**2022**	**2021**
Petroleum and natural gas sales[1]	**39,866**	16,260	**74,500**	29,644
Royalties	**(10,241)**	(2,193)	**(17,873)**	(3,454)
Adjusted net operating expenses	**(15,496)**	(10,780)	**(29,308)**	(21,208)
Production enhancement expenses	**(3,337)**	(1,413)	**(6,347)**	(3,573)
Transportation and treating expenses	**(995)**	(583)	**(1,952)**	(1,221)
Realized derivative gain (loss) on settlement	**(496)**	(52)	**132**	(52)
Operating netback	**9,301**	1,239	**19,152**	136

1) Natural gas production includes internally consumed natural gas primarily used in power generation.

NON-IFRS AND FINANCIAL RATIOS

Operating expenses per BOE

Operating expenses per boe is consists of adjusted operating expenses per boe and production enhancement expenses per boe. Operating expense per boe is a useful supplemental measure to calculate the efficiency of its operating expenses on a per unit of production basis.

	Three Months Ended June 30,		Six Months Ended June 30,	
($/boe)[1]	**2022**	**2021**	**2022**	**2021**
Adjusted operating expenses	**39.24**	37.67	**36.82**	38.07
Production enhancement expenses	**8.45**	4.94	**7.97**	6.41
Operating expenses per BOE	**47.69**	42.61	**44.79**	44.48

1) $/boe amounts are calculated using production volumes

	Three Months Ended June 30,		Six Months Ended June 30,	
($/boe)[1]	**2022**	**2021**	**2022**	**2021**
Adjusted operating expenses	**39.24**	37.67	**36.82**	38.07
Net blending and processing income	**(1.36)**	(0.89)	**(1.40)**	(2.12)
Adjusted net operating expenses per BOE	**37.88**	36.78	**35.42**	35.95

1) $/boe amounts are calculated using production volumes

Operating Netback per Boe

Operating netback per boe is used to calculate the results of Razor's operating efficiency of its petroleum and natural gas assets on a per unit of production basis. Net operating expense per boe is a useful supplemental measure to analyze operating performance and provide an indication of the results generated by the Company's principal business activities prior to the consideration of other income and expenses.

	Three Months Ended June 30,		Six Months Ended June 30,	
($/boe)[2]	**2022**	**2021**	**2022**	**2021**
Petroleum and natural gas sales[1]	**101.56**	56.81	**93.89**	53.22
Royalties	**(25.93)**	(7.66)	**(22.45)**	(6.20
Adjusted net operating expenses	**(37.88)**	(36.79)	**(35.42)**	(35.09
Production enhancement expenses	**(8.45)**	(4.94)	**(7.97)**	(6.41
Transportation and treating expenses	**(2.52)**	(2.04)	**(2.45)**	(2.19
Realized derivative gain (loss) on settlement	**(1.26)**	(0.18)	**0.17**	(0.09
Operating netback per BOE	**25.52**	5.20	**25.07**	3.24

1) Natural gas production includes internally consumed natural gas primarily used in power generation.
2) $/boe amounts are calculated using production volumes

ADVISORY PRODUCTION INFORMATION

Unless otherwise indicated herein, all production information presented herein is 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.

Neither the 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 news release.