

VECTOR RESOURCES INC.

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FOR IMMEDIATE RELEASE

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VECTOR RESOURCES INC. ANNOUNCES TERMINATION OF PROPOSED QUALIFYING TRANSACTION

October 13, 2016 - Vector Resources Inc. (“Vector” or the “Corporation”), a capital pool company, announces the termination of its proposed business combination (the **“Proposed Transaction”**) with Tectonica Australia Pty Ltd. (**“Tectonica”**). The Proposed Transaction, announced in its September 21, 2015, November 5, 2015, January 8, 2016, March 17, 22, April 4, 29, June 28, July 18, and August 15, 2016 press releases, was intended to constitute a “Qualifying Transaction” as such term is defined in Policy 2.4 of the TSX Venture Exchange (**“TSXV”** or the **“Exchange”**).

The terms of the definitive share exchange agreement between the parties effective as of November 4, 2015, as amended from time to time (the **“Definitive Share Exchange Agreement”**), have now expired due to the inability of the parties to raise the required financing, and the Proposed Transaction has effectively terminated. Both parties have agreed to continue to work together in an effort to complete the Proposed Transaction on a non-exclusive basis and are free to pursue alternative transactions.

The Corporation is requesting the resumption of trading of its shares from the Exchange. A further news release regarding the resumption of trading will be issued in due course.

About Tectonica Australia Pty Ltd.

Tectonica, a privately owned Australian company with operations in West Melbourne, Victoria, Australia, that develops and integrates advanced technology for application in the Defence and Law Enforcement markets. It has a track record of commercialising technology and developing innovative products for use by armoured vehicles, unmanned system and soldiers. Tectonica has developed a range of defence and law enforcement solutions in the areas of land navigation and, power and data management systems.

Tectonica is focused on providing government and defence industry customers with cutting edge technology to meet the capability challenges of the future. Its team of professional engineers has a track record in successfully commercialising technology and completing government contracts complemented by its prototyping and manufacturing capability that deliver its products to global markets

About the Corporation

Vector is a capital pool company. Since its incorporation, other than its initial public offering under the CPC Policy in November 2011 and the transactions in relation thereto, the Corporation has not commenced commercial operations and currently has no assets other than cash, receivables, and liabilities.

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Neither 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.

This Press Release is not for dissemination within the United States.

Forward-looking Statements

Certain statements in this document constitute "forward-looking statements" within the meaning of various security legislation inclusive of but not limited to the United States Private Securities Litigation Reform Act of 1995 and/or "forward-looking information" under the Securities Act (Ontario). These statements include, without limitation, completion of a proposed transaction and related financing, regulatory approvals and matters concerning the business, operations, and strategy of Vector and Tectonica. These statements generally can be identified by use of forward-looking word such as "may", "will", "would", "should", "intends", "proposes", "expects", "anticipates", "believes", "plans", "estimates", or "continue" or the negative thereof or similar variations. The proposed Transaction and related financing, and the future business, operations and performance of the Resulting Issuer discussed herein could differ materially from those expressed or implied by such statements. Such forward-looking statements are qualified in their entirety by the inherent risks and uncertainties surrounding future expectations, including that the Transaction contemplated herein is completed.

We made a number of assumptions in the preparation of these forward-looking statements which may prove to be incorrect. You should not place undue reliance on our forward-looking statements, which are subject to a multitude of risks and uncertainties that could cause actual results, future circumstances or events to differ materially from those projected in the forward-looking statements. These risks include, but are not limited to, the ability of Vector and Tectonica to obtain board and any necessary shareholder approval to complete a Definitive Agreement, a Business Combination, a proposed Transaction and related financing, or to satisfy the requirements of the Exchange with respect thereto, securing and maintaining corporate alliances, the need for additional capital and the effect of capital market conditions and other factors, including capital availability, the potential dilutive effects of any financing, the timing of programs to explore, develop and commercialize products, the timing and costs of obtaining regulatory approvals, estimates regarding capital requirements and future revenues, the timing and amount of investment tax credits, and other risks detailed from time to time in our public disclosure documents or other filings with the securities commissions or other securities regulatory bodies in Canada and the U.S as well as abroad. Additional risks and uncertainties relating to the Corporation and our business can be found in the "Risk Factors" section of our Prospectus dated September 28, 2011, as well as in our other public filings. The cautionary statements qualify all forward-looking statements attributable to Vector and Tectonica and persons acting on their behalves. Unless otherwise stated, the forward-looking statements are made as of the date hereof, and we disclaim any intention and have no obligation or responsibility, except as required by law, to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

Completion of the proposed transaction is subject to a number of conditions, including but not limited to, Exchange acceptance, and if applicable pursuant to Exchange Requirements, majority of the minority shareholder approval. Where applicable, the transaction cannot close until the required shareholder approval is obtained. There can be no assurance that the transaction will be completed as proposed or at all.

Investors are cautioned that, except as disclosed in the management information circular or filing statement prepared in connection with the transaction, any information released or received with respect to the

transaction may not be accurate or complete and should not be relied upon. Trading in the securities of a capital pool company should be considered highly speculative.

M Partners Inc., subject to completion of satisfactory due diligence, has agreed to act as sponsor in connection with the transaction. An agreement to sponsor should not be construed as any assurance with respect to the merits of the transaction or the likelihood of completion.

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