

**VECTOR RESOURCES INC. AND RAZOR ENERGY CORP.
ANNOUNCE COMPLETION OF QUALIFYING TRANSACTION, NAME CHANGE, SHARE
CONSOLIDATION, TERM LOAN FACILITY AND STRATEGIC ASSET ACQUISITION**

Calgary, Alberta – January 31, 2017 – Vector Resources Inc. (“**Vector**”) (VCR.H: TSXV/NEX) and Razor Energy Corp. (“**Razor**” or the “**Company**”) are pleased to announce the completion of their previously announced business combination which constituted Vector’s qualifying transaction (the “**Qualifying Transaction**”) pursuant to the policies of the TSX Venture Exchange (the “**TSXV**”), as described in Vector and Razor’s press release of December 29, 2016.

Continuance, Name Change, Share Consolidation, and Share Structure

Subsequent to the completion of the Qualifying Transaction, Vector also completed, effective today: (i) the change in name of Vector to “Razor Energy Corp.” (the “**Name Change**”); and (ii) the consolidation of the common shares of Vector (“**Vector Shares**”) on the basis of one post-consolidation Vector Share for every 20 pre-consolidation Vector Shares (the “**Share Consolidation**”). Former holders of the common shares of Razor (“**Razor Shares**”) who are entitled to receive Vector Shares pursuant to the Qualifying Transaction will receive common shares in the name of Razor Energy Corp. on a post-Share Consolidation basis (“**New Razor Shares**”). The Name Change and Share Consolidation, as well as the continuance of Vector from Ontario into Alberta under the *Business Corporations Act* (Alberta) (the “**Continuance**”), were approved at the special meeting of the shareholders of Vector held on January 30, 2017. Vector expects to complete the Continuance on February 3, 2017.

Pursuant to the Qualifying Transaction the outstanding Razor Shares were exchanged for an aggregate of 179,525,708 Vector Shares. In addition, New Razor Shares have been issued to Alberta Investment Management Corporation (“**AIMCo**”) on behalf of certain of its clients, representing 10.05% of the New Razor Shares outstanding, as additional consideration for the Term Loan Facility described below.

As a result of the Qualifying Transaction and shares issued to AIMCo, the Company has approximately 10,187,224 New Razor Shares outstanding, on a post-Share Consolidation basis. In the event that the number of existing Vector Shares held by a shareholder is not evenly divisible by 20, the number of New Razor Shares issued to such shareholder shall be rounded up to the next greater whole number if the fractional entitlement is equal to or greater than 0.5 and shall be rounded down to the next lesser whole number if the fractional entitlement is less than 0.5.

Haywood Securities Inc., Canaccord Genuity Corp., and Jett Capital Advisors acted as strategic advisors to Razor in respect of the Qualifying Transaction.

Term Loan Facility

In connection with the Qualifying Transaction, Razor has secured a non-revolving term loan facility from AIMCo on behalf of certain of its clients, for a principal amount of \$30.0 million (the “**Term Loan Facility**”). The Term Loan Facility has a 4 year term with an interest rate of 10% and payable semi-annually. A portion of the proceeds of the Term Loan Facility were used by Razor to fund the purchase price in respect of the Acquisition (as described below). The

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

Asset Acquisition

Concurrent with the completion of the Qualifying Transaction and Term Loan Facility, Razor completed the previously announced acquisition of certain oil and gas interests in the Swan Hills area of Alberta (the “**Assets**”) for aggregate cash consideration of \$15.0 million (subject to adjustments) (the “**Acquisition**”).

The Assets consist of producing oil and gas assets and approximately 15,000 net acres of associated undeveloped land. Characteristics of the Assets and a summary of the Acquisition are provided below.

Ongoing development of the Assets will be focused on increasing light oil production from the Beaverhill Lake formation. Reactivations and optimization of existing primary and secondary recovery schemes will be the emphasis of near term capital activity.

As a result of reactivating 17 gross (15.8 net) wells since the effective date of September 1, 2016, production from the Assets was 3,034 boe/d based on sales levels in November, 2016. Management anticipates higher declines near-term from the reactivated wells due to flush production rates as compared to the base production declines. Razor remains encouraged with these results and will continue to focus on similar types of operations in the 2017 budget year. Further information with respect to Razor and the Assets is included in the filing statement filed on SEDAR in connection with the Qualifying Transaction.

Summary of the Acquisition

Total purchase price ⁽¹⁾	\$15.0 million
Production (November, 2016 sales)	3,034 boe/d
Commodity mix	90% oil and natural gas liquids
Forecasted annual decline rate on base production	12%
Net undeveloped land	15,088 net acres

Reserves:

Proved developed producing (“PDP”) reserves ⁽²⁾	5.6 MMboe
Total Proved (“TP”) reserves ⁽²⁾	8.3 MMboe
Proved plus probable (“P+P”) reserves ⁽²⁾	10.6 MMboe
P+P RLI ⁽³⁾	9.6 years

Reserves Value Before Tax / After Tax⁽⁴⁾ (PV10):

PDP reserve value ⁽²⁾	\$49.9 million / \$38.6 million
Proved reserve value ⁽²⁾	\$73.6 million / \$55.6 million
P+P reserve value ⁽²⁾	\$89.1 million / \$67.0 million

Notes to the table above:

- (1) The purchase price will be subject to normal adjustments for a transaction of this nature.
- (2) Working interest reserves before the calculation for royalties, before the consideration of royalty interest reserves, and before the effect of corporate taxes.

Reserves estimates are based on a reserves report prepared by Sproule Associates Limited (“**Sproule**”) on the Assets dated as of November 28, 2016 and effective as of October 31, 2016. The reserves were prepared in accordance with the Canadian Oil and Gas Evaluation Handbook by Sproule, an independent qualified reserves evaluator, in accordance with National Instrument 51-101 – *Standards of Disclosure for Oil and Gas Activities*. Reserve values are based on Sproule’s October 31, 2016 price forecast.

- (3) The reserve life index (“**RLI**”) is calculated by dividing P+P reserves estimated at October 31, 2016 with estimated production at closing.
- (4) Assuming availability of \$15.0 million of tax pools as at October 31, 2016.

After completing the Acquisition and Term Loan Facility, Razor’s cash on hand is \$12.0 million equating to a net debt position of \$18.0 million. Adjusting for net debt, the PDP reserve value before tax is \$31.9 million (\$3.13 per New Razor Share) and the Total Proved value before tax is \$55.6 million (\$5.46 per New Razor Share).

Haywood Securities Inc. acted as strategic advisor to Razor in respect of the Acquisition. Haywood Securities Inc. received a fee in connection with the Acquisition.

Razor Management and Board of Directors

The board of directors of the Company upon completion of the Qualifying Transaction consists of six directors, all of whom were the former directors of Razor, namely Doug Bailey, Frank Muller, Sony Gill, Sonny Mottahed, Vick Saxon and Stan Smith. The officers of the Company are Doug Bailey (President and Chief Executive Officer), Frank Muller (Senior Vice President and Chief Operating Officer), Kevin Braun (Chief Financial Officer), David Derkat (Vice President, Engineering), Stephen Sych (Vice President, Operations), Devin Sundstrom (Vice President, Production) and Hass Keshavji (Corporate Secretary). For further information please refer to the filing statement filed on SEDAR.

First Half 2017 Operational Outlook

Subject to board approval, Razor management intends to continue to reactivate certain shut-in light oil wells in the Swan Hills area. Razor intends to initially allocate approximately \$2.5 million in respect of this proposed development. Razor also plans to focus efforts on operational cost reductions while further optimizing its significant operated infrastructure and abundant natural resources at Swan Hills. Further information on the first half operational plans and associated budget will be released in mid-February, 2017.

Shareholder Information

Former holders of Razor Shares who are entitled to receive Vector Shares pursuant to the Qualifying Transaction (“**Former Razor Shareholders**”) will receive post-Share Consolidation New Razor Shares. Former Razor Shareholders are not required to take any action in order to receive the New Razor Shares to which they are entitled. Letters of transmittal will be mailed to registered holders of Vector Shares (other than Former Razor Shareholders) requesting them to forward the certificates representing their Vector Shares to Alliance Trust Company (“**Alliance**”) in exchange for certificates representing the number of New Razor Shares to which they are entitled. If a registered shareholder does not receive a letter of transmittal, please contact Alliance at the contact information below.

The TSXV has conditionally accepted the Qualifying Transaction. Subject to final TSXV acceptance, the Company will operate as a Tier 2 Oil and Gas Issuer listed on the TSXV under

the trading symbol “RZE”. Trading in New Razor Shares will remain halted until the TSXV issues the final bulletin in connection with the Qualifying Transaction. The Company expects that the TSXV’s final bulletin will be issued on or about February 6, 2017 and trading is currently expected to resume on February 7, 2017.

About Razor

Razor (“RZE-TSXV”) is a pivotal leading-edge enterprise, balancing creativity and discipline, focused on growing an enduring energy company.

Razor is a publicly-traded junior oil and gas development and production company headquartered in Calgary, Alberta. The Company’s efforts are concentrated on acquiring, and subsequently enhancing, producing oil and gas properties primarily in Alberta.

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Reader Advisory

This press release is not an offer of the securities for sale in the United States. The securities have not been registered under the U.S. Securities Act of 1933, as amended, and may not be offered or sold in the United States absent registration or an exemption from registration. This press release shall not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of the securities in any state in which such offer, solicitation or sale would be unlawful.

The recovery and reserve estimates of oil, NGLs and natural gas reserves provided herein are estimates only. Actual reserves may be greater than or less than the estimates provided herein. The estimated future net revenue from the production of the Asset’s natural gas and petroleum reserves does not represent the fair market value of the Asset’s reserves.

Abbreviations

boe	barrels of oil equivalent
boe/d	barrels of oil equivalent per day
MMboe	million barrels of oil equivalent

Unit Cost Calculation

For the purpose of calculating unit costs, natural gas volumes have been converted to a barrel of oil equivalent (“boe”) using six thousand cubic feet equal to one barrel unless otherwise stated. A boe conversion ratio of 6:1 is based upon an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead. This conversion conforms with

Canadian Securities Regulators' National Instrument 51-101 - *Standards of Disclosure for Oil and Gas Activities*. Boe's may be misleading, particularly if used in isolation.

Forward-Looking Statements

This news release contains forward-looking statements and forward-looking information within the meaning of applicable securities laws. The use of any of the words "expect", "anticipate", "continue", "estimate", "objective", "ongoing", "may", "will", "project", "should", "believe", "plans", "intends" and similar expressions are intended to identify forward-looking information or statements. More particularly and without limitation, this news release contains forward looking statements and information concerning the timing of the final TSXV acceptance of the Qualifying Transaction and resumption of trading of the New Razor Shares, the timing and completion of the Continuance, characteristics of the Assets, including anticipated declines, and Razor's operational outlook for the first half of 2017. The forward-looking statements and information are based on certain key expectations and assumptions made by the Company, including expectations and assumptions concerning the Company, Razor, the timely receipt of final regulatory approvals and the Assets. Although the Company believes that the expectations and assumptions on which such forward-looking statements and information are based are reasonable, undue reliance should not be placed on the forward looking statements and information because the Company can give no assurance that they will prove to be correct. By its nature, such forward-looking information is subject to various risks and uncertainties, which could cause the actual results and expectations to differ materially from the anticipated results or expectations expressed. Readers are cautioned not to place undue reliance on this forward-looking information, which is given as of the date hereof, and to not use such forward-looking information for anything other than its intended purpose. The Company undertakes no obligation to update publicly or revise any forward-looking information, whether as a result of new information, future events or otherwise, except as required by law.

Neither the TSXV nor its regulation services provider (as that term is defined in the policies of the TSXV) accepts responsibility for the adequacy or accuracy of this release.