

Razor Energy Corp.

Information Memorandum



Low decline light oil production base with material development upside

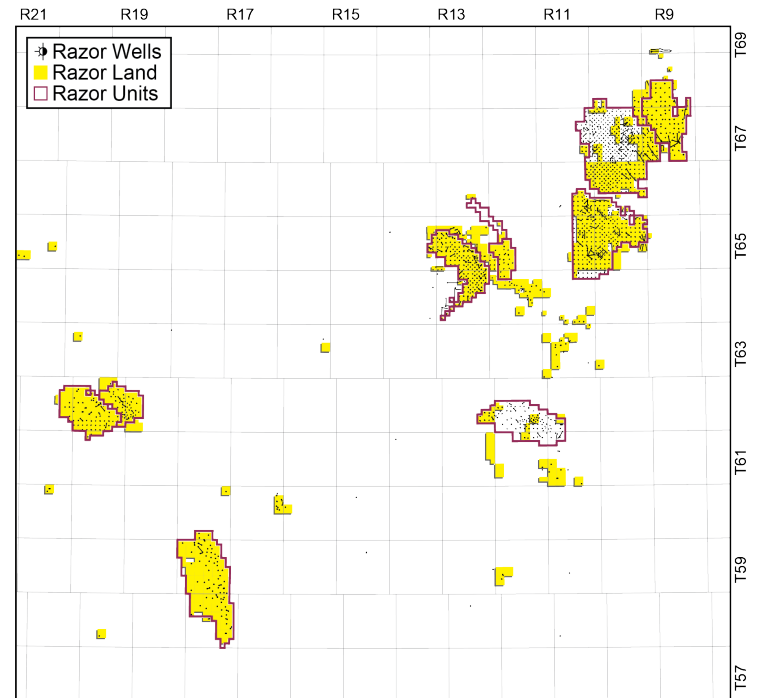
Razor Energy Corp. (“Razor” or the “Company”) has filed a Notice of Intention to Make a Proposal (the “Notice of Intention”) under the provisions of the Bankruptcy and Insolvency Act (Canada) (the “BIA”) with FTI Consulting Canada Inc. (“FTI”) acting as proposal trustee. Razor and FTI are seeking offers to purchase all or any part of the upstream oil and gas assets of Razor and have retained Peters & Co. Limited (“Peters & Co.”) as the sales agent to assist in this process.

Razor and FTI are open to evaluating a variety of proposals including but not limited to: a corporate sale, a sale of specific assets, an amalgamation or merger, or any other value maximizing alternatives (each a “Potential Transaction”). Any asset sale will be completed on an “as is, where is” basis and subject to approval of the Court. Confidential information will be made available to parties who execute a confidentiality agreement and the date for proposal submission will be noon on March 12, 2024.

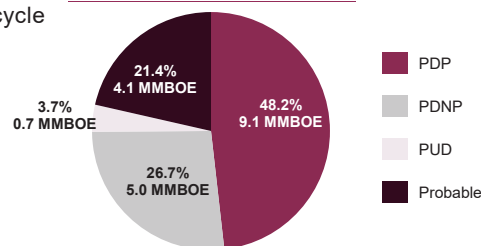
Highlights

- **Low Decline Oil Weighted Production Base:** production of ~2,580 boe/d (76% oil and liquids)¹ with a P+PDP decline rate of ~13%, ~900 boe/d is temporarily shut-in due to a partner dispute
- **Multiple Operated Positions with High Working Interest:** Razor operates several unit and non-unit positions at >90% working interest, allowing for complete control of development decisions; legacy development removes any land expiry concerns
- **Substantial Resource in Place:** ~2 billion barrels of operated gross OOIP with modest recovery to date; supports 2P RLI of ~14 years²
- **Scalable Oil Growth Opportunities:** Over 200 oil focused drilling locations identified across the Montney, Swan Hills and Mannville which are validated by proven offsetting analogues
- **Defined Optimization Projects:** Razor has identified a large number of reactivation, repair, and maintenance projects (“R&M”) that can provide additional production and reserves at a low cost and within a short period of time; ~3,000 boe/d identified
- **Strong Free Cash Flow Generation:** low decline rate combined with high liquids weighting results in significant free cash flow generation to fund future development or provide shareholder returns
- **Strategic Infrastructure in Place:** Razor operates central oil batteries and gathering infrastructure across properties with identified development inventory, allowing for half-cycle development moving forward

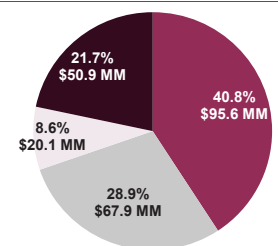
Asset Map



Reserves Volumes³



Reserves Values BT NPV10³



¹ Jan. 2024 production

² Based on 2023 average volumes before shut-in

³ Effective Dec. 31, 2022 as per Sproule Associates Limited

PETERS & CO. LIMITED CONTACT INFORMATION

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Asset Overview | Greater Swan Hills Operated

Undercapitalized asset base provides significant near term opportunity

1 South Swan Hills

- Package includes Razor's 90% working interest in the South Swan Hills Unit and adjacent non-unit lands
- Low decline production of ~1,030 boe/d (94% oil and liquids)^{1,2,3} is supported by an active waterflood
 - Successful optimization initiatives over the past 24 months has effectively stabilized oil volumes and resulted in ~200 bbl/d of production growth
- Historic vertical production targeted the reef margin and upper shoal units leaving behind material oil volumes in the reef interior yet to be recovered
- 35 openhole unstimulated locations identified targeting unswept reef interior layers
- Strategic infrastructure ownership through the Razor operated oil battery at 03-19-065-10W5 and ~30% WI in the Judy Creek Gas Plant
- Financial dispute with the operator of the Judy Creek Gas Plant has resulted in Razor's access to the plant being restricted since December 24, 2023
 - ~900 boe/d temporarily shut in
- It is anticipated a new operator entering these assets would have access to the Judy Creek Gas Plant promptly restored
- Additional 1,100 boe/d of behind pipe volumes can be brought back on for an estimated \$6.5MM of well and pipeline R&M

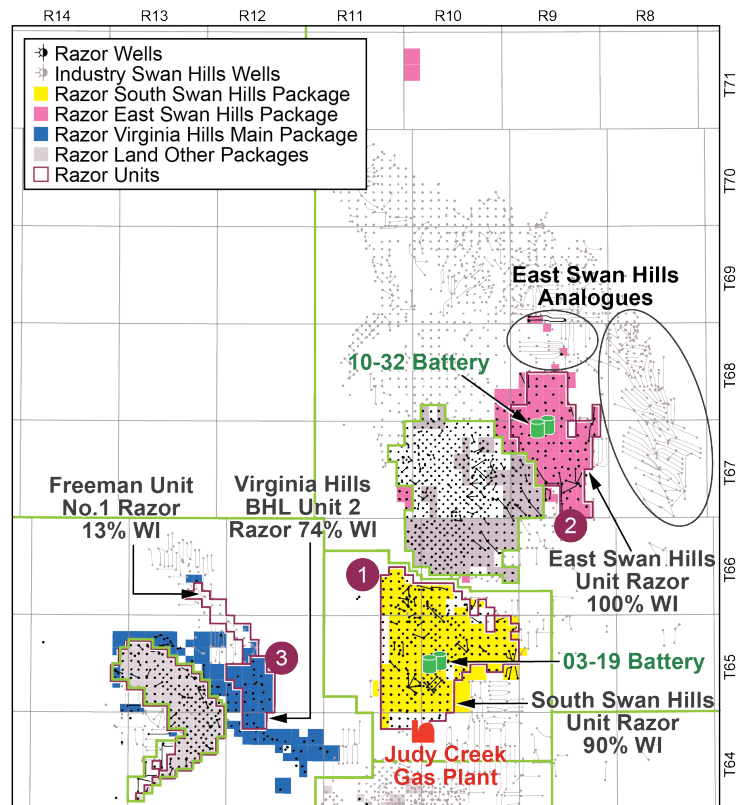
2 East Swan Hills

- Production of ~250 boe/d (83% oil and liquids)¹ from the waterflood supported East Swan Hills Unit (100% WI) and offsetting non-unit sections
- Identified R&M projects expected to add up to 475 boe/d of production for ~\$1.0MM of total estimated capital
- Infill drilling of the property, as seen in offsetting developments, provides the opportunity to meaningfully increase production and accelerate recovery of proven resource
- Offsetting developments have demonstrated successful horizontal waterflood implementation within the Swan Hills platform that is a strong geological analogue to Razor's position
- Wells are forecasted to provide EUR's of ~175 Mboe, payout in ~2.2 years and deliver IRRs of 37% (\$75 WTI/\$3.00 AECO)
- Illustrative development of the Swan Hills infill opportunity would allow for an estimated incremental 500 boe/d of production to be maintained for 7+ years, while only drilling 15 lower risk locations
 - Successful development validates additional 42 follow on locations

¹ 2023 average production from Jan. - Nov. 2023 as per Company lease operating statements

² Includes gas and NGL volumes allocated to Judy Creek Gas Plant

³ ~900 boe/d of Razor volumes have been temporarily shut in since Dec. 24, 2023



3 Virginia Hills Main

- Package includes Razor's operated position in Virginia Hills BHL Unit 2 (74% WI), operated non-unit interests (primarily Viking oil development) and a non-operated 13% WI in Freeman Unit No. 1
- Legacy production of ~130 boe/d (100% oil and liquids)¹
- Over 30 Hz multi-stage frac locations have been identified targeting the Swan Hills Platform within and adjacent to the Virginia Hills BHL Unit 2
- Reactivations and workovers have potential to add ~240 boe/d for an estimated \$1.3MM

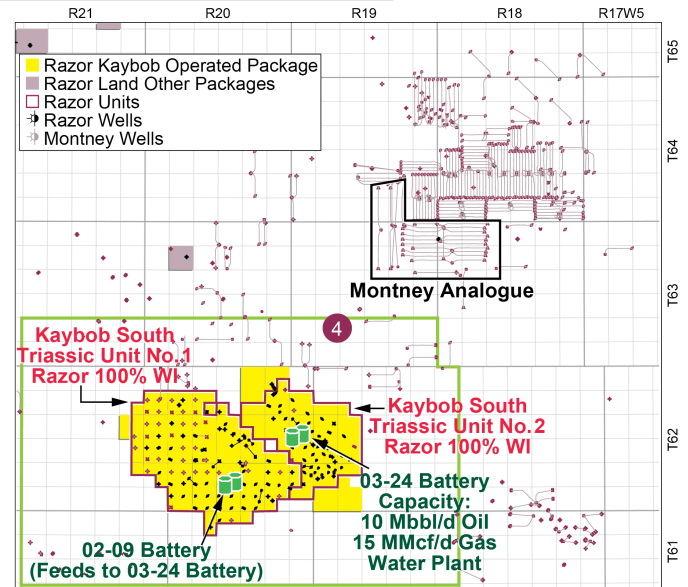


Asset Overview | Kaybob Operated, South District & Bellis

Analogue activity validates meaningful oil focused development opportunity

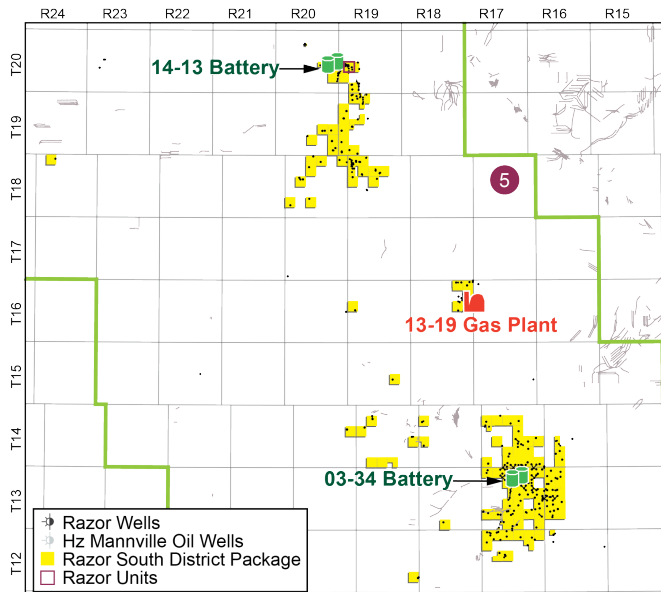
4 Kaybob Operated

- Production of ~470 boe/d (86% oil and liquids)¹ from the Kaybob South Triassic Units 1 (100% WI, historical waterflood) and 2 (100% WI, active waterflood)
 - Workover and pipeline repair projects expected to add up to ~400 boe/d of production for ~\$3.0MM of estimated total capital
- Development of the underlying Montney Sandstone could represent over 100 horizontal drilling locations, analogous to offsetting Montney oil developments to the north
- Montney Sandstone development in the offsetting Kaybob Triassic G pool demonstrates strong deliverability from a high-quality resource that extends southwest onto Razor’s land position
- Wells are forecasted to provide EUR’s of 350 Mboe, payout in ~1.2 years and deliver IRRs of ~80% (\$75 WTI/\$3.00 AECO)
- Illustrative development of the undeveloped Montney Sandstone would allow for an estimated incremental 2,800 boe/d of production to be maintained for a decade, while only drilling half of the identified inventory



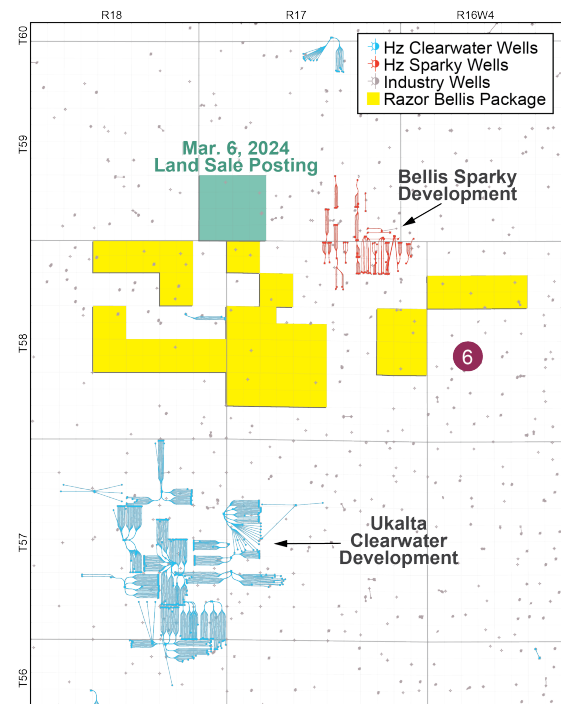
5 South District

- ~480 boe/d (33% oil and liquids)¹ primarily from vertical development of conventional Mannville targets and shallow gas
- Opportunity exists for Hz Mannville oil development benefitting from modern drilling and completions design
 - Historic Hz Mannville development across Razor’s position utilized short laterals and undersized completions
- Recent offsetting Hz Mannville oil activity is showing impressive results with well logs validating quality of resource across Razor’s land
- Potential for 50+ Hz locations targeting multiple Mannville sands
- Ability to add ~75 boe/d through an estimated \$0.6MM workover program



6 Bellis

- 23.5 undeveloped sections (100% WI) directly offsetting industry Clearwater activity at Ukalta
- Extension of Clearwater reservoir onto Razor’s land creates multilateral development opportunity
- No ARO with no wells or facilities owned by Razor
- Strong area land sale activity in 2024 with parcels transacting as high as at >\$0.5MM/section



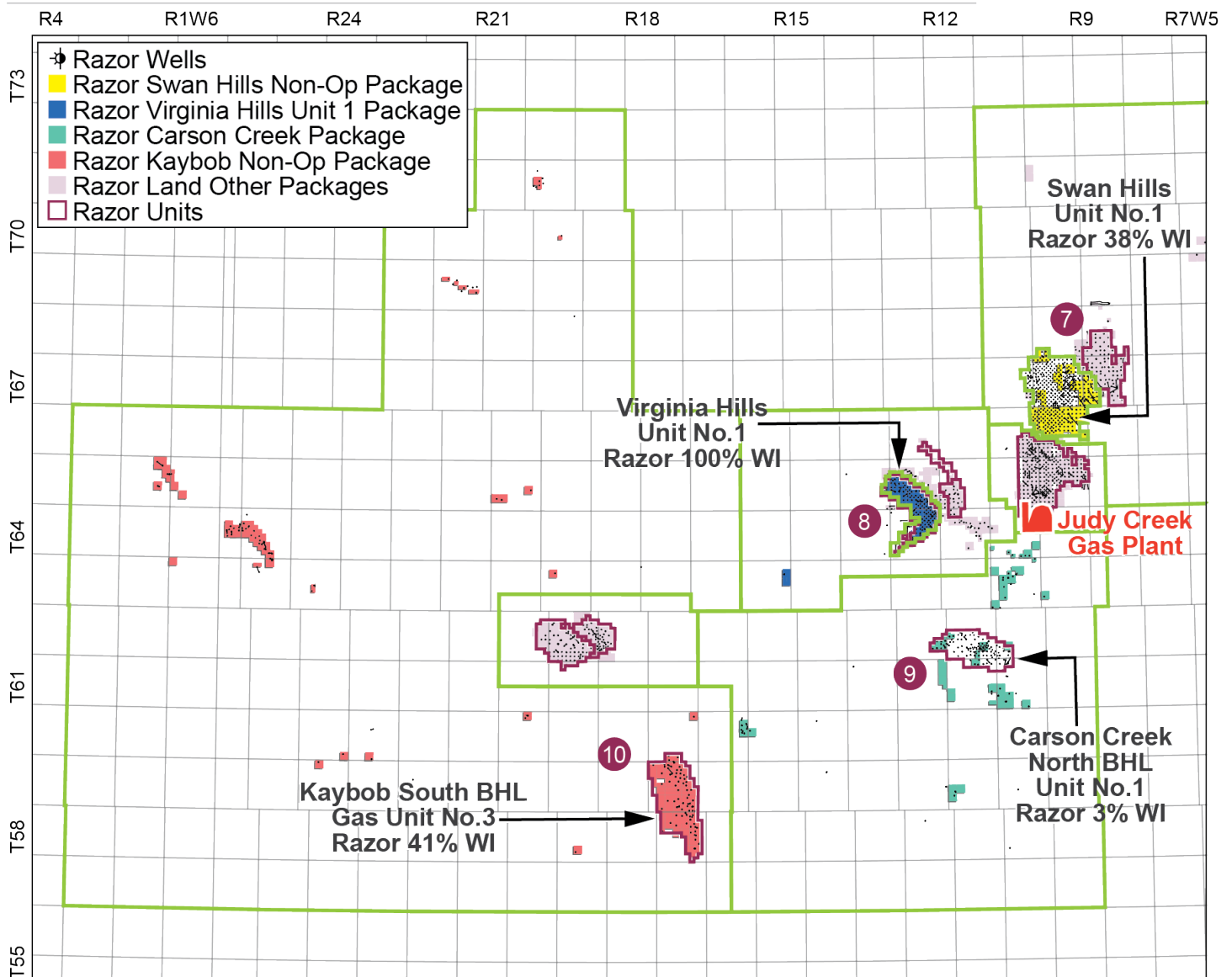
¹ 2023 average production from Jan. - Nov. 2023 as per Company lease operating statements





Asset Overview | Minor & Non-Operated Properties

Low decline production base with strong operating partners



7 Swan Hills Non-Op

- Production of ~850 boe/d (94% oil and liquids)¹ from the waterflood supported Swan Hills Unit No. 1 (38% WI)
- Opportunity to add ~2,000 boe/d through an estimated \$10MM reactivation and workover program
- Strong partner with CNRL operating the unit

8 Virginia Hills Unit 1

- ~30 boe/d (100% light oil)¹ from the Razor operated Virginia Hills Unit No. 1 (100% WI) and non-unit land

9 Carson Creek

- Production of ~115 boe/d (30% oil and liquids)¹ from the non-operated Carson Creek North BHL Unit No.1 (3% WI) and non-unit lands

10 Kaybob Non-Op

- Production of ~300 boe/d (61% oil and liquids)¹ from non-operated assets at Karr, Simonette, and the Kaybob South Beaverhill Lake Gas Unit No. 3 (41% WI)
- Identified R&M projects expected to add up to ~600 boe/d (net) of production for ~\$3.5MM of estimated total capital
- Strong partner with Paramount Resources operating each of the non-operated assets

¹ 2023 average production from Jan. - Nov. 2023 as per Company lease operating statements





Process Details and Contacts

Razor Energy Corp. ("**Razor**" or the "**Company**") has filed a Notice of Intention to Make a Proposal (the "**Notice of Intention**") under the provisions of the Bankruptcy and Insolvency Act (Canada) (the "**BIA**") with FTI Consulting Canada Inc. ("**FTI**") acting as proposal trustee. Razor and FTI are seeking offers to purchase all or any part of the upstream oil and gas assets of Razor and have retained Peters & Co. Limited ("**Peters & Co.**") as the sales agent to assist in this process

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Process: Razor and FTI are soliciting proposals for Potential Transactions involving the assets described within this document and the Virtual Data Room ("**VDR**").

Confidential Information: Access to confidential information will require execution of a confidentiality agreement ("**CA**"). Parties that execute the CA may receive access to the VDR containing technical and financial information.

Timeline: Date for proposal submission will be 12:00 PM MST on March 12, 2024.

Inquiries: Peters & Co. will act as the sole contact for all parties who have expressed an interest in this process ("**Interested Parties**"). The directors, officers and employees of Razor should not be contacted directly. All communications and inquiries should be directed to one of the Peters & Co. representatives listed below.

Contacts

| | | | |
|---|--|---|--|
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Disclaimer

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The information contained herein (the "**Information**") has been prepared in good faith to assist Interested Parties in completing their own independent evaluation of the assets, but does not purport to be all inclusive or to contain all of the information that an Interested Party may desire or that may be required by an Interested Party to properly evaluate the assets. In all cases, the Interested Parties should conduct their own independent investigation and analysis of the assets and the data set forth in this Information Memorandum.

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This Information Memorandum may include certain statements, estimates, forecasts and projections provided by the Company and with respect to the anticipated future performance of the assets. Such statements, estimates, forecasts and projections reflect various assumptions made by the Company, FTI and / or Peters & Co. concerning anticipated results, which may or may not prove to be correct. No representations or warranties are made as to the accuracy of such statements, estimates, forecasts or projections. The only Information that will have any legal effect will be that specifically represented or warranted in a definitive agreement, when, as and if executed, with respect to a possible Transaction and executed on behalf of the Company.

NEITHER THIS INFORMATION MEMORANDUM NOR ITS DELIVERY TO AN INTERESTED PARTY SHALL CONSTITUTE OR BE CONSTRUED TO BE AN OFFER TO SELL ANY SECURITIES OF THE COMPANY. THIS INFORMATION MEMORANDUM SHALL NOT BE DEEMED AN INDICATION OF THE STATE OF AFFAIRS OF THE COMPANY NOR CONSTITUTE ANY INDICATION THAT THERE HAS BEEN NO CHANGE IN THE BUSINESS OR AFFAIRS OF THE COMPANY SINCE THE DATE HEREOF.

