



MORNING INK REPORT :: Razor Energy is a sunny spot in a gloomy oil patch

November 20, 2018

This month's Top Energy report highlights a worrying situation where we have seen insider commitment in the sector trending downward even as stocks become cheaper, at least in the short-term. That both are moving in the same direction suggests that risks are elevated even as value may exist over the longer term. Compelling opportunities among western Canada exploration and production companies are the exception rather than the rule in our latest Top Energy as only two such companies made the list with Sunny INK Edge outlooks. One of these is Razor Energy (RZE), last featured here on September 4th. Since that time, the stock is down 16.8%, although it has managed to outperform the S&P/TSX Capped Energy (down 18.5%) over that period. In addition, the day after our last report, Razor Energy declared a special one-time dividend of \$0.165 per share payable to shareholders of record on October 2nd.

Like most western Canada producers, Razor has not been without its challenges. Along with their Q3 results announced November 8th, management revised their annual production guidance due to a significant decrease in realized light oil prices to an average of 4,850 barrels of oil equivalent per day from 5,000 boe/day previously. In addition, capital spending in Q4 will be restricted. Razor reported Q3 production of 5,260 boe/day (85.7% liquids), up from 4,207 boe/day (88.2% liquids) in Q3 2017. Revenue came in at \$31.8 million, up from \$17.8 million in the comparable period. The company reported a Q3 net loss of \$2.3 million (loss \$0.15 per share) versus a loss of \$2.5 million (loss of \$0.16 per share) in Q3 2017. Insiders are still betting on the firm. Including the CEO and the CFO, they have spent a combined \$219,778 picking up shares in the public market since we last reported on Razor. Moreover, this buying comes at a time when the firm has been buying back shares.

Razor Energy (RZE)



Characteristics

	Buys (000's)	Sells (000's)
SEDI Market Volume (Last 10 Days)	8,800	0
Quoted Market Value	\$40,166,968	
Insider Holdings	\$0	
Holdings % of QMV	0.00%	

From September 11th to November 16th, Razor Energy (RZE) Chief Operating Officer, Senior Vice President, and Director Frank Muller acquired a total of 21,133 common shares on a direct ownership basis at an average price of \$2.87.

In addition, from September 7th to November 14th, President, Director, and CEO Doug Bailey acquired a total of 39,332 common shares (19,480 on a direct ownership basis) at an average price of \$2.94. Mr. Bailey is the largest insider equity holder at the company with 7.90% of shares outstanding.

From October 4th to October 19th, CFO Kevin Braun acquired a total of 1,942 common shares (1,842 on a direct ownership basis) at an average price of \$2.99. From September 14th to October 11th, Vice President of New Ventures Lisa Mueller acquired a total of 8,052 common shares (2,042 on a direct ownership basis) at an average price of \$3.01.

On October 4th, Vice President of Engineering Marc Bergevin acquired 1,197 common shares on a direct ownership basis at a price of \$3.00. Also buying on the day at the same price on a direct ownership basis were Vice President of Production Devin Sundstrom (1,842 shares) and Vice President of Operations Steven Sych (1,382 shares).

Finally, from September 5th to October 25th, Razor Energy bought back a total of 84,000 common shares at an average price of \$3.12 (not shown on chart). This is good for an estimated buyback yield of 2.35% over the trailing twelve months.

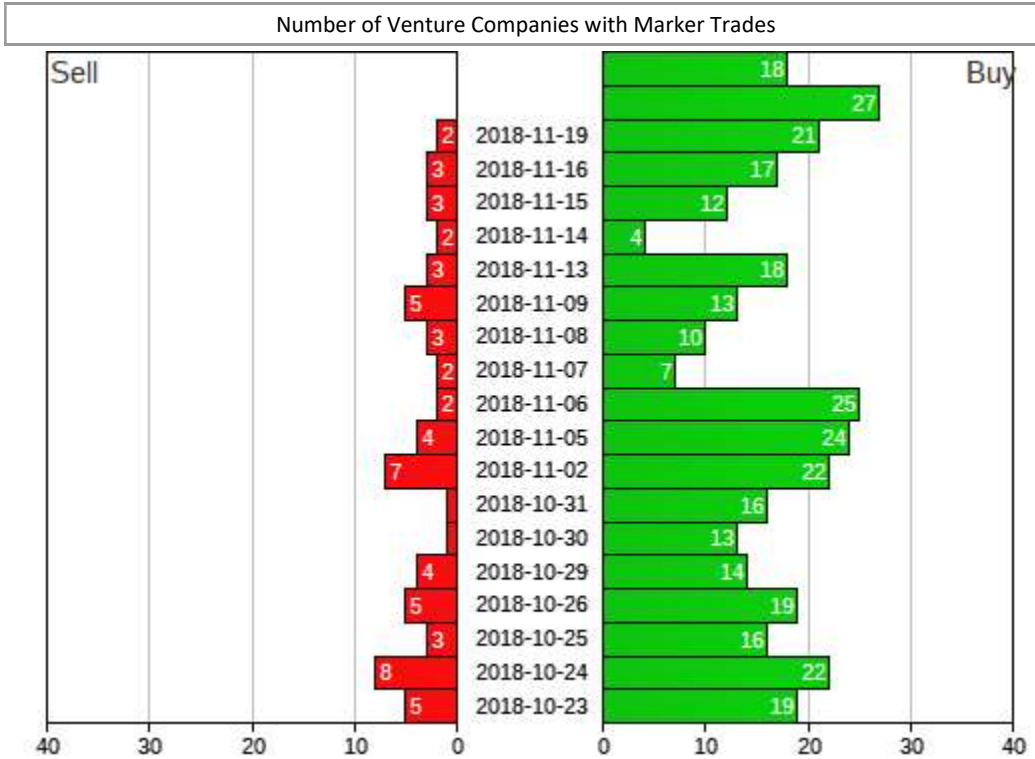
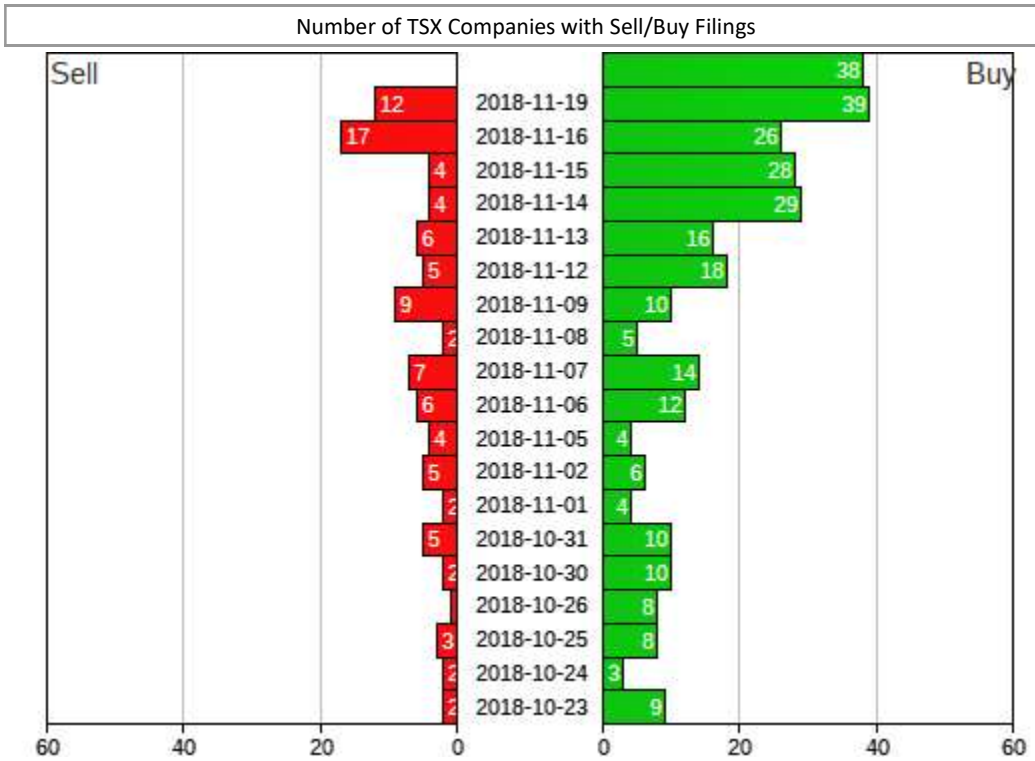
Razor Energy has above median ownership (direct & indirect holdings) by Officers and Directors compared to other micro-cap stocks in the Energy sector according to SEDI filings as of November 19th, 2018.

Razor Energy currently holds a sunny INK Edge outlook on the equally weighted V.I.P. criteria of valuations, insider commitment and price momentum which places it in the top 10% of all stocks ranked. INK outlook categories are designed to identify groups of stocks that have the potential to out- or under-perform the market. However, any individual stock could surprise on the up or downside. As such, outlook categories are not meant to be stock-specific recommendations.

Razor Energy is ranked second in the November edition of our Top Energy list on the basis of its composite INK Edge outlook ranking.

Disclosure: One or more INK employee owns shares of Razor Energy Corp.

INSIDER FILING TRENDS (SEDI DATA)



LEADERS

Last Trading Day's TSX Most Active (November 19, 2018)			
Issuer Name	Symbol	Trading Volume (000's)	Insiders
			90-Day Executive Bias
Bombardier	BBD.B	44,500	N/A
Aurora Cannabis	ACB	9,644	Selling
Crescent Point Energy	CPG	6,084	Buying
Baytex Energy	BTE	5,254	Selling
Moneta Porcupine Mines	ME	5,167	Buying
Cenovus Energy	CVE	5,082	N/A
Encana	ECA	4,695	Buying
RNC Minerals	RNX	4,313	Buying
Aphria	APHA	3,857	Buying
Enbridge	ENB	3,798	Selling

Last Trading Day's Venture Most Active (November 19, 2018)			
Issuer Name	Symbol	Trading Volume (000's)	Insiders
			90-Day Executive Bias
Sokoman Iron	SIC	9,457	Buying
Aben Resources	ABN	3,856	N/A
DataMetrex AI	DM	3,797	Buying
Kalytera Therapeutics	KALY	3,591	N/A
HashChain Technology	KASH	3,310	N/A
YDreams Global Interactiv	YD	2,892	N/A
Brigadier Gold	BRG.H	2,510	N/A
Aldershot Resources	ALZ	2,357	N/A
HIVE Blockchain Tech	HIVE	2,210	N/A
Goldstrike Resources	GSR	2,033	N/A

Last Trading Day's TSX Price Gainers (November 19, 2018)			
Issuer Name	Symbol	D/D Gain	Insiders
			90-Day Executive Bias
E-L Financial	ELF	\$7.00	N/A
Molson Coors Canada	TPX.B	\$2.78	N/A
Morguard	MRC	\$1.26	Selling
Enbridge	ENB	\$1.11	Selling
Stelco Holdings	STLC	\$1.01	N/A
West Fraser Timber Co.	WFT	\$0.99	Buying
SNC-Lavalin Group	SNC	\$0.92	N/A
Canadian National Railway	CNR	\$0.90	Selling
Ag Growth Intl	AFN	\$0.89	Selling
TFI International	TFII	\$0.76	Selling

LEADERS (CONT.)

Last Trading Day's Venture Price Gainers (November 19, 2018)			
Issuer Name	Symbol	D/D Gain	Insiders
			90-Day Executive Bias
Auralite Investments	AAAA	\$0.25	N/A
Covalon Technologies	COV	\$0.22	Selling
Karmin Exploration	KAR	\$0.17	Buying
Mosaic Capital	M	\$0.16	Buying
Novo Resources	NVO	\$0.14	N/A
Nexoptic Technology	NXO	\$0.10	N/A
Crown Point Energy	CWV	\$0.10	Buying
First Vanadium	FVAN	\$0.10	Selling
Distinct Infrastructure G	DUG	\$0.09	N/A
Starlight US Multi-Family	STUS.A	\$0.09	N/A

Last Trading Day's TSX Price Losers (November 19, 2018)			
Issuer Name	Symbol	D/D Loss	Insiders
			90-Day Executive Bias
Shopify	SHOP	22.47	Selling
Constellation Software	CSU	19.29	N/A
Fairfax Financial Holding	FFH	5.50	N/A
Methanex	MX	4.35	Selling
Canada Goose Holdings	GOOS	3.88	Selling
Boyd Group Income Fund	BYD.UN	3.45	Buying
Canopy Growth	WEED	3.22	Selling
BRP	DOO	2.75	Buying
Kinaxis Inc.	KXS	2.73	Buying
Spin Master	TOY	2.57	Selling

Last Trading Day's Venture Price Losers (November 19, 2018)			
Issuer Name	Symbol	D/D Loss	Insiders
			90-Day Executive Bias
People Corp	PEO	0.45	Selling
HLS Therapeutics	HLS	0.36	N/A
BioSyent	RX	0.30	Selling
Medicure	MPH	0.26	Buying
DiaMedica Therapeutics	DMA	0.25	N/A
The Flowr	FLWR	0.23	Selling
OrganiGram Holdings	OGI	0.20	Selling
Pieridae Energy	PEA	0.19	Buying
Emerald Health Therapeuti	EMH	0.18	N/A
Questor Technology	QST	0.13	N/A

LEADERS (CONT.)

Last Trading Day's TSX Percentage Gainers (November 19, 2018)			
Issuer Name	Symbol	D/D %Gain	Insiders
			90-Day Executive Bias
St. Augustine Gold & Copp	SAU	33.33%	N/A
Bombardier	BBD.B	23.95%	N/A
Karnalyte Resources	KRN	23.08%	N/A
Bombardier	BBD.A	20.22%	N/A
Moneta Porcupine Mines	ME	18.75%	Buying
Nickel Creek Platinum	NCP	17.65%	Buying
Argex Titanium	RGX	16.67%	N/A
Liberty Gold	LGD	15.25%	Buying
Zargon Oil & Gas	ZAR	15.00%	Selling
Hyduke Energy Services	HYD	14.29%	N/A

Last Trading Day's Venture Percentage Gainers (November 19, 2018)			
Issuer Name	Symbol	D/D %Gain	Insiders
			90-Day Executive Bias
Prospect Park Capital	PPK	60.00%	N/A
Pure Nickel	NIC	50.00%	N/A
BlueRush	BTV	50.00%	Buying
Intema Solutions	ITM.H	50.00%	N/A
East Asia Mineral	EAS	45.45%	N/A
Prospera Energy	PEI	38.46%	Buying
Simba Energy	SMB	33.33%	N/A
Tarku Resources	TKU	33.33%	N/A
Centurion Minerals	CTN	33.33%	Selling
Midnight Sun Mining	MMA	28.00%	Selling

Last Trading Day's TSX Percentage Losers (November 19, 2018)			
Issuer Name	Symbol	D/D %Loss	Insiders
			90-Day Executive Bias
Yorbeau Resources	YRB	-20.00%	Buying
New Millennium Iron	NML	-20.00%	N/A
ClearStream Energy	CSM	-20.00%	N/A
LXRandCo	LXR	-14.29%	Selling
DXI Energy	DXI	-14.29%	N/A
Akumin	AKU	-13.21%	N/A
SOPerior Fertilizer	SOP	-12.50%	Buying
Horizonte Minerals	HZM	-12.50%	Buying
TriMetals Mining	TMI	-12.50%	N/A
Lydian International	LYD	-12.00%	N/A

LEADERS (CONT.)

Last Trading Day's Venture Percentage Losers (November 19, 2018)			
Issuer Name	Symbol	D/D %Loss	Insiders
			90-Day Executive Bias
Claren Energy	CEN	-50.00%	Selling
Clarocity	CLY	-50.00%	N/A
Goldstrike Resources	GSR	-46.43%	N/A
CryptoStar	CSTR	-33.33%	N/A
Aben Resources	ABN	-28.95%	N/A
Pennine Petroleum	PNN	-25.00%	Buying
Silver Spruce Resources	SSE	-25.00%	Selling
Nippon Dragon Res.	NIP	-25.00%	Buying
Benchmark Metals	BNCH	-23.64%	Buying
Seaway Energy Services	SEW	-22.50%	Buying

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