Topaz Energy Corp. Closes Previously Announced Weyburn Royalty Acquisition and Equity Financing Including Exercise in Full of Over-Allotment Option

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CALGARY, Oct. 26, 2021 - Topaz Energy Corp. (TSX: TPZ) ("Topaz" or the "Company") is pleased to announce it has completed its previously announced bought-deal equity financing (the "Equity Financing") of common shares ("Common Shares") and acquisition of a newly-created 5% gross overriding royalty interest on Whitecap Resources Inc.'s working interest in the Weyburn Unit for $188.0 million in cash (the "Weyburn Royalty Acquisition").

Pursuant to the Equity Financing, Topaz issued 10,120,000 Common Shares, including 1,320,000 Common Shares issued pursuant to the exercise in full of an over-allotment option granted to the underwriters. The Common Shares were issued at a price of $17.10 per Common Share for total gross proceeds of $173.1 million. The Equity Financing was made through a syndicate of underwriters co-led by Peters & Co. Limited and National Bank Financial Inc. and included BMO Nesbitt Burns Inc., Scotia Capital Inc., RBC Dominion Securities Inc., ATB Capital Markets Inc., Desjardins Securities Inc., Raymond James Ltd., Stifel Nicolaus Canada Inc. and TD Securities Inc.

Concurrent with the closing of the Equity Financing and Weyburn Royalty Acquisition, certain directors, officers and employees of the Company and their associates purchased a total of 251,490 Common Shares at a price of $17.10 per Common Share on a private placement basis for gross proceeds of $4.3 million. The aggregate gross proceeds from the Equity Financing and concurrent private placement totalled approximately $177.4 million, with the proceeds used to fund a portion of the Weyburn Royalty Acquisition purchase price.

ADDITIONAL INFORMATION

Additional information about Topaz, including the financial statements and management's discussion and analysis for the three and six months ended June 30, 2021 as well as the Company's 2020 Annual Information Form are available electronically under the Company's profile on SEDAR, www.sedar.com, and on Topaz's website, www.topazenergy.ca.

ABOUT THE COMPANY

Topaz is a unique royalty and energy infrastructure company focused on generating free cash flow growth and paying reliable and sustainable dividends to its shareholders, through its strategic relationship with one of Canada's largest natural gas producers, Tourmaline Oil Corp., an investment grade senior Canadian E&P company, and leveraging industry relationships to execute complementary acquisitions from other high-quality energy companies, while maintaining its commitment to environmental, social and governance best practices. For further information, please visit the Company's website www.topazenergy.ca.

FORWARD-LOOKING STATEMENTS

This news release contains forward-looking statements and forward-looking information (collectively, "forward-looking statements") that relate to the Company's current expectations and views of future events. These forward-looking statements relate to future events or the Company's future performance. Any statements that express, or involve discussions as to, expectations, beliefs, plans, objectives, assumptions or future events or performance (often, but not always, through the use of words or phrases such as "will likely result", "are expected to", "expects", "will continue", "is anticipated", "anticipates", "believes", "estimated", "intends", "plans", "forecast", "projection", "strategy", "objective" and "outlook") are not historical facts and may be forward-looking statements and may involve estimates, assumptions and uncertainties which could cause actual results or outcomes to differ materially from those expressed in such forward looking statements. No assurance can be given that these expectations will prove to be correct and such forward-looking statements included in this news release should not be unduly relied upon. These statements speak only as of the date of this news release. In particular and without limitation, this news release contains forward-looking statements pertaining to the Company's business as described under the heading "About the Company" above. Forward-looking information is based on a number of assumptions including those highlighted in this news release and is subject to a number of risks and uncertainties, many of which are beyond the Company's control, which could cause actual results and events to differ materially from those that are disclosed in or implied by such forward-looking information. Such risks and uncertainties include, but are not limited to, the failure to complete acquisitions on the terms or on the timing announced or at all and the failure to realize some or all of the anticipated benefits of acquisitions including estimated royalty production, royalty production revenue growth, and the factors discussed in the Company's recently filed Management's Discussion and Analysis (See "Forward-Looking Statements" therein), Annual Information Form (See "Risk Factors" and "Forward-Looking Statements" therein) and other reports on file with applicable securities regulatory authorities and may be accessed through the SEDAR website (www.sedar.com) or Topaz's website (www.topazenergy.ca). Topaz does not undertake any obligation to update such forward-looking information, whether as a result of new information, future events or otherwise, except as expressly required by applicable law.

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