

NEWS RELEASE
VITAL ENERGY INC.

December 23, 2015 - Calgary, Alberta - Vital Energy Inc. (“Vital” or the “Corporation”) announced today that it has completed the closing of the previously announced non-brokered private placement offering of 8% secured convertible debentures in the principal amount of \$2,125,000, subject to TSX Venture Exchange final approval. The debentures bear interest at the rate of eight percent (8%) per annum, calculated and paid quarterly and mature on December 23, 2017. The debentures are secured against the personal property of the Corporation and are convertible at the holder’s option into common shares of the Corporation at a conversion price of \$0.10 per common share. All securities issued in connection with the offering are subject to a hold period that expires on April 24, 2016. The net proceeds from the offering will be used to finance the Corporation’s oil and gas exploration and development program and for general working capital purposes.

All of the directors of the Corporation, purchased the debentures in the aggregate principal amount of \$2,125,000 under the offering. Vital has determined that exemptions from the various requirements of Multilateral Instrument 61-101 are available for the issuance of the debentures (Formal Valuation - Issuer Not Listed on Specified Markets; Minority Approval - Fair Market Value Not More Than \$2,500,000). No new insiders were created, nor has any change of control occurred, as a result of this private placement. No finder’s fees were paid on the proceeds of the closing.

Mr. Hai Zhou, a director of Vital, acquired debentures in the principal amount of \$1,950,000 under the private placement. Upon completion of the private placement, Mr. Zhou will own or control 32,858,879 common shares or approximately 54.31% of the total issued and outstanding common shares of Vital, debentures in the principal amount of \$1,950,000 and options to acquire 450,000 common shares. Assuming the conversion of the debenture and the exercise of such options, Mr. Zhou would own or control 52,808,879 or approximately 65.64% of the total issued and outstanding common shares of Vital. The purchase of the debentures by Mr. Zhou was made for investment purposes. Mr. Zhou may increase or decrease his investment in Vital depending on market conditions or any other relevant factors.

Vital Energy Inc. is a publicly traded junior oil and gas company (“VUX” TSXV) whose primary focus is developing light and medium crude oil production in Western Canada.

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Cautionary Statement

Neither the TSX Venture Exchange nor its Regulation Service Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release. No stock exchange, securities commission or other regulatory authority has approved nor disapproved the information contained herein.

Forward Looking Statements

This news release may contain certain forward-looking information. All statements included herein, other than statements of historical fact, is forward-looking information and such information involves various risks and uncertainties. There can be no assurance that such information will prove to be accurate, and actual results and future events could differ materially from those anticipated in such information. A description of assumptions used to develop such forward-looking information and a description of risk factors that may cause actual results to differ materially from forward-looking

information can be found in the Corporation's disclosure documents on the SEDAR website at www.sedar.com. The Corporation does not undertake to update any forward-looking information except in accordance with applicable securities laws.