

**NEWS RELEASE**  
**VITAL ENERGY INC.**

**March 31, 2017 - Calgary, Alberta**

**Vital Energy Inc. (“Vital”)** announces that it has entered into an agreement with a Third Party whereby the Third Party has committed to spend up to ten million, five hundred thousand dollars (\$10,500,000.00) to, among other things, drill, frac, test, complete and equip up to seven (7) one mile horizontal test wells on one of Vital’s project areas. This will be “Phase 1” on a project that has identified an additional 27 drilling locations on the project lands. The primary target is medium gravity (21 degree) oil. Vital will be the Operator of the Phase 1 drilling program. Drilling is expected to commence immediately after spring break up 2017.

Under the terms of the agreement, the Third Party will pay up to \$10,500,000.00 for commitments that include paying 100% of the costs incurred to drill, frac, test, complete and equip up to seven (7) wells on the project lands. The Third Party will be entitled to receive 80% of the net profits generated by the sale of petroleum substances from the Phase 1 wells and their drilling spacing units. Once the Third Party has recovered 180% of its investment back from the 80% net profits interests, the Third Party will convert from its net profits interest to a non-convertible 5% gross overriding royalty in the Phase 1 wells and their respective drilling spacing units.

Under the terms of the agreement, the Third Party will have the right of first refusal to fund additional Phases of development drilling on the project lands, on the same terms and conditions as for the Phase 1 drilling program.

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

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*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 contains forward-looking statements relating to the future operations of Vital Energy Inc. and other statements that are not historical facts. Forward-looking statements are often identified by terms such as “will”, “may”, “should”, “anticipate”, “expects” and similar expressions. All statements other than statements of historical fact, included in this release, including, without limitation, statements regarding future plans and objectives of Vital Energy Inc., are forward looking statements that involve risks and uncertainties. There can be no assurance that such statements will prove to be accurate and actual results and future events could differ materially from*

*those anticipated in such statements. Important factors that could cause actual results to differ materially from Vital's expectations are exploration risks detailed from time to time in the filings made by the Corporation with securities regulations. The reader is cautioned that assumptions used in the preparation of any forward-looking information may prove to be incorrect. Events or circumstances may cause actual results to differ materially from those predicted, as a result of numerous known and unknown risks, uncertainties, and other factors, many of which are beyond the control of Vital. As a result, we cannot guarantee that any forward-looking statement will materialize and the reader is cautioned not to place undue reliance on any forward-looking information. Such information, although considered reasonable by management at the time of preparation, may prove to be incorrect and actual results may differ materially from those anticipated. Forward-looking statements contained in this news release are expressly qualified by this cautionary statement. The forward-looking statements contained in this news release are made as of the date of this news release, and Vital does not undertake any obligation to update publicly or to revise any of the included forward-looking statements, whether as a result of new information, future events or otherwise, except as expressly required by Canadian securities law.*