

For Immediate Release



Raise Production Inc. Announces First Quarter Results and Provides Operations Update

CALGARY, Alberta – May 28, 2020 – Raise Production Inc. (TSX-V: RPC) ("Raise" or the "Company") has released its financial results for the three months ended March 31, 2020.

PRESIDENT'S UPDATE

The Company is pleased to provide an update to its shareholders on its financial results and recent activities related to its operations.

The Company has three systems that can be used independently or in combination in horizontal wellbores:

- 1) the High Angle Reciprocating Pump ("HARP™");
- 2) the Raise Efficient Artificial Lift ("REAL™") Horizontal Separator
- 3) the Horizontal Artificial Recovery Technology ("HART™").

HARP™ (High Angle Reciprocating Pump)

Canada

As stated in the Company's last press release dated April 28, 2020, due to recent events it is difficult to project sales with any certainty. However, the Company is now receiving requests for proposals and confirmed work to be done as soon as road conditions allow access to wellbores. The Company is pleased with the response from its customers as it enters into the end of the second quarter and looks forward to the third and fourth quarters with higher optimism based on recent customer feedback.

The Company continues to focus its efforts on how to sell its products and services as it believes the industry approach will be different for some time due to less face to face interactions, physical distancing and more reliance on conference calls and video communications. New initiatives have included targeted advertising with emphasis on social media as well as educational webcasts and video postings. Strategic pricing to target operating budgets and increased awareness on other aspects and features that relate to operational issues and cost savings for the customers is also being emphasized.

USA

The Company's USA partner, Endurance Lift Solutions ("ELS"), has been instrumental in design modifications allowing Raise to initiate the Generation 3 HARP™ technology that will allow successful installs in the deep Bakken and Permian wellbores. ELS has also provided design and guidance on a modified assembly which will allow the HARP™ technology to be run in conjunction with fiber glass rod strings which are manufactured by ELS in the USA.

Raise will now be able to offer the modified HARP™ in addition to other exclusive products from ELS, that have the potential to expand the commercial footprint and is complimentary to the Raise unique product line. These products have finished testing in the USA market and there are numerous extensive case studies to build on targeting the deeper more challenging well bores, particularly in the deeper Montney formation, a market which was previously difficult to penetrate. The Company is looking forward to a closer collaborative partnership with ELS into the future.

REAL™ (Raise Efficient Artificial Lift)

The REAL™ install in the Cardium wellbore was recently retrieved due to an unrelated completion issue (tubing leak). The Company's experience with this install led to the Generation 2 REAL™ technology being ready and available for commercial installations. The ability to retrieve the equipment was flawless after 8 months in operation in the horizontal section of the wellbore. Risk aversion and costs will continue to be factors in the commercialization of this product line. Although several operators did originally expect to install the REAL™ in the second quarter of 2020, the Company expects this may be delayed until the last quarter of 2020.

HART™ (Horizontal Artificial Recovery Technology)

The Company continues to pursue all available paths to bring this technology to the market and will update shareholders with updates as they occur.

STRATEGIC ALTERNATIVES INITIATIVE

The review of strategic alternatives with Stifel FirstEnergy has resumed, and the Company will provide further updates as deemed necessary by its board of directors.

UPCOMING

As stated in the Company's last press release, it has had to adapt quickly to the changing business landscape caused by the COVID-19 disruption. The following steps have been taken to preserve cash and weather through the next few months:

- Temporary layoffs of almost 40% of full-time employees;
- Remaining staff have reduced working hours resulting in up to 40% salary reductions;
- The Canada Emergency Wage subsidy has been applied for and granted to date;
- The Company's business model has been changed to focus on commercial products only with all research and development currently on hold except for minor modifications to existing products, if required;
- The Company has terminated its office lease effective August 31, 2020 and is actively looking for more cost-effective space that will further reduce monthly costs;

All stakeholders are encouraged to view our regular corporate progress through the Company's LinkedIn Profile and its website.

The Board of Directors and Management would like to thank all shareholders for their support and encouragement as the Company navigates through this extraordinary period.

RESULTS OF OPERATIONS

Statements of Loss and Comprehensive Loss

	Three Months ended March 31	
	2020	2019
Revenue from contracts with customers	\$ 118,877	\$ 213,725
Cost of sales	62,183	143,731
Gross margin	56,694	69,994
Other Income	1,869	6,825
Expenses:		
General and administration	437,272	461,802
Finance costs	65,826	10,964
Stock-based compensation	65,428	39,186
Depreciation and amortization	59,103	58,188
Research expenses	36,982	39,795
	664,611	609,935
Net loss	\$ (606,048)	\$ (533,116)
Net loss per share – basic and diluted	\$ (0.01)	\$ (0.00)

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The global impact of COVID-19 as well as the recent decline in oil prices in Canada and the United States have resulted in significant uncertainty as to the health of the global economy and specifically the oil and gas industry. The potential impact that these events will have on the Company's future sales and financial results cannot be reasonably estimated at this time. However, the influence of these recent developments has impacted the Company's customers' capital and operating spending budgets, which have resulted in a negative effect on the Company's short-term sales. The Company is currently implementing actions to preserve its cash position while maintaining its ability to effectively service and supply its customers.

Certain information included in this news release constitutes forward-looking statements under applicable securities legislation. Forward-looking statements or information typically contain or can be identified by statements that include words such as "anticipate", "assume", "based", "believe", "can", "continue", "depend", "estimate", "expect", "forecast", "if", "intend", "may", "plan", "project", "propose", "result", "upon", "will", "within" or similar words suggesting future outcomes or statements regarding an outlook. Such forward-looking statements or information are based on a number of assumptions that may prove to be incorrect. Assumptions have been made regarding, among other things: the ability to obtain financing to provide working capital to fund operations, the availability of credit, the ability to commercialize products and operations and meet projected sales forecasts, the potential to increase recoverable reserves for customers by utilization of the HARP™, REAL™ and HART™ systems, estimates regarding current and projected cash resources and cash flow anticipated sales, the ability to adequately protect proprietary information and technology from its competitors; the ability to obtain partnering opportunities; the ability to attract and retain key personnel and key collaborators; the availability of skilled labour, services and equipment, general economic and financial market conditions, the legislative and regulatory environment of the jurisdictions where the Company carries on business and the ability to successfully compete in targeted markets.

The forward-looking statements contained in this news release are made as of the date hereof and the Company does not undertake any obligation to publicly update or revise any of the included forward-looking statements, except as required by applicable Canadian securities law. Forward-looking statements are based upon the current opinions, estimates, projections, assumptions and expectations of management of the Company as at the effective date of such statements and, in some cases, information supplied by third parties. Although the Company believes that the expectations reflected in such forward-looking statements are based upon reasonable assumptions and that information received from third parties is reliable, it can give no assurance that those expectations will prove to have been correct. By its nature, forward-looking information involves numerous assumptions, known and unknown risks and uncertainties, both general and specific, that contribute to the possibility that the predictions, forecasts, projections and other forward-looking statement will not occur. These risks and uncertainties include but are not limited to: deployment and commercialization of the Company's products and regulatory changes. Accordingly, readers should not place undue reliance upon the forward-looking statements contained in this news release and such forward-looking statements should not be interpreted or regarded as guarantees of future performance and actual results or developments may differ materially from those projected in the forward-looking statements. For more information on the Company, investors should review the Company's continuous disclosure filings that are available at www.sedar.com.