

For Immediate Release



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

CALGARY, Alberta – November 24, 2020 – Raise Production Inc. (TSX-V: RPC) ("Raise" or the "Company") has released its financial results for the three and nine months ended September 30, 2020. Selected financial and operational information is outlined below and should be read in conjunction with Raise's unaudited condensed interim financial statements and management's discussion and analysis for the period ended September 30, 2020 which are available on SEDAR at www.sedar.com.

HIGHLIGHTS FOR THE QUARTER

- The Company entered into an exclusive distribution agreement with Q2 Artificial Lift Services for the marketing, sale and installation of its HARP™ and REAL™ technologies for the North American market.
- Terms of the distribution agreement include Q2 Artificial Lift Services purchasing a majority of the Company's existing HARP™ inventory over a 6-month period valued at approximately \$390,000.
- The Company continues to implement actions to preserve its cash position while maintaining its ability to effectively service and supply its customers.
- The strategic alternatives process with Stifel FirstEnergy has concluded.

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; and
- 3) the Horizontal Artificial Recovery Technology ("HART™").

As stated in the Company's press release dated September 30, 2020, the Company has entered into an exclusive distribution agreement with Q2 Artificial Lift Services ("Q2 ALS"), headquartered in Red Deer, Alberta, for the marketing, sale and installation of its HARP™ and REAL™ technologies for the North American market. The Company and Q2 ALS are also in discussions regarding the HART™ technology.

Since the initial announcement, the Company has been working closely with Q2 ALS to provide sales and marketing training for a Calgary and regional sales initiative, create marketing material that defines how the complimentary product lines of REAL™ and HARP™ are sold and in the future, the HART™ technology. Concurrently with the sales and marketing training, the Company has provided product assembly and quality control training for specific field locations in Canada where the Raise technology is a fit and has already gained traction with customers. This training and product assembly initiative is being expanded to include target locations in the USA and other Canadian areas. The Company intends to have all targeted

locations trained and stocked with inventory including sales seminars at the field with customers by the beginning of 2021.

Raise is excited to gain increased visibility in the market with Q2 ALS's significantly larger customer base. The restrictions put in place due to COVID-19, such as work from home and group limiting protocols, have made it difficult for the Company to date in terms of any concentrated sales efforts in Calgary and conducting group training and field seminars in order to obtain new customers. The Company has moved its focus to webinars and other online meetings to reach new customers.

The Company believes that moving its operations and HARP™ distribution into the Q2 ALS locations will allow Raise to concentrate its efforts on the early commercial ready products such as the REAL™ and eventually the HART™ and move those to a commercial stage that can then be transferred seamlessly to the Q2 ALS distribution chain.

STRATEGIC ALTERNATIVES INITIATIVE AND CURRENT CASH POSITION

The review of strategic alternatives with Stifel FirstEnergy has concluded. The process was stalled significantly as a result of the COVID-19 pandemic. The Company determined that the exclusive distribution agreement with Q2 ALS was the best alternative to increase HARP™ and REAL™ sales at this point in time.

Raise has had to adapt quickly to the changing business landscape and reduced sales caused by the COVID-19 disruption. The Company believes its current cash position will be sufficient to satisfy its financial obligations into early 2021 based on its current sales forecasts and continued cost reductions. However, 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.

The Company's ability to accomplish its plans throughout 2020 and beyond is dependent upon the Company meeting its projected sales forecast for the remainder of the year and if this does not occur, obtaining additional financing to continue operations; however, there is no assurance that the Company will achieve these objectives.

The following steps have been taken to preserve cash while the Company continues to pursue additional cost reductions in all aspects of the business to weather through the COVID-19 disruption:

- A 33% reduction in employees through temporary layoffs and permanent terminations;
- Remaining staff have reduced working hours resulting in up to 40% salary reductions;
- The Canada Emergency Wage subsidy has been applied for and \$199,105 has been received to date for the first eight periods of the program;
- 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 terminated its office lease effective August 31, 2020 and moved to new premises which will result in over \$100k in annual savings;
- The Company shut down its internal manufacturing operations and sold existing unused machinery and equipment during the third quarter for net proceeds of \$160k; and
- The Company eliminated its finance lease liability of \$115k in October 2020 through the sale of its CNC ST-35Y machine no longer in use.

Eric Laing commented, "It's been a hard year simply due to the length of time the COVID-19 restrictions have been in place, weak demand and slow recovery of our industry. Uncertainty due to merger,

consolidation and rapidly changing customer initiatives have affected most parts of the oil and gas industry. The Company has adapted to the new environment as has its employees. We believe we will be stronger and leaner with a focus on positive cash flow and profitability coming out of this difficult time.”

The Company also announces the departure of Mr. Geoff Steele, Chief Technical Officer, after his 180-day layoff period. The Board of Directors and Management of Raise wish Mr. Steele well in his future endeavors.

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 continues to navigate through this extraordinary difficult period.

RESULTS OF OPERATIONS

Statements of Loss and Comprehensive Loss

	Three months ended Sept 30		Nine months ended Sept 30	
	2020	2019	2020	2019
Revenue from contracts with customers	\$ 55,029	\$ 305,378	\$ 284,683	\$ 748,889
Cost of sales	45,242	193,959	170,186	494,734
Gross margin	9,787	111,419	114,497	254,155
Other income	25,251	4,656	58,781	13,660
Expenses:				
General and administration	271,173	1,629,010	902,788	2,574,621
Finance costs	61,818	8,637	194,301	29,066
Depreciation and amortization	26,043	59,839	143,130	176,792
Stock-based compensation	63,826	64,603	133,462	143,884
Research expenses	–	49,746	50,194	129,401
Loss on disposal of assets	16,709	–	16,709	–
Inventory impairment	–	44,576	–	44,576
	439,569	1,856,411	1,440,584	3,098,340
Net loss and comprehensive loss	\$ (404,531)	\$(1,740,336)	\$ (1,267,306)	\$(2,830,525)
Net loss per share – basic and diluted	\$ (0.00)	\$ (0.02)	\$ (0.01)	\$ (0.02)

About Raise Production Inc.

The Company is a technologically driven and innovative oilfield service company that focuses its efforts on the production service sector, utilizing its proprietary products to enhance and increase ultimate production in both conventional and unconventional oil and gas wells.

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Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this news release.

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 continues to implement 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. Such statements relate to possible future events, including, but not limited to: the Company's business strategy, objectives, strength and focus; strategic alternatives; the distribution agreement with Q2 ALS and the impact thereof, including the marketing, sale and installation of HARP™ and REAL™ systems; discussions with Q2 ALS regarding HART™ technology; sales and marketing activities, including the expansion of such activities to target locations in the USA and Canada; increased visibility in the market; the Company's cash position and its ability to meet strategic objectives into 2021; and statements regarding the Company's future cashflow and profitability expectations. All statements other than statements of present or historical fact are forward-looking statements. 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.

The forward-looking statements or information contained in this press release 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 implement strategic objectives and plans; the ability to adequately protect proprietary information and technology from its competitors; the ability to obtain partnering opportunities; the ability to expand the Company's training and product assembly initiative to target locations; the ability to attract and retain key personnel and key collaborators; the ability to attract new customers and develop and maintain existing customers; 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 Company's expectations regarding the impacts, direct and indirect, of the COVID-19 pandemic on Raise's business, customers, business partners, employees, supply chain, other stakeholders and the overall economy; and the future demand for the Company's services and equipment, in particular, in light of the recent decline in oil prices in Canada and the United States and the COVID-19 pandemic.

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, regulatory changes, reliance on third party distributors including Q2 ALS, the risk that the low commodity price environment will be sustained for an indefinite period, the impact of the COVID-19 pandemic and the resulting effects on economic conditions, restrictions imposed by public health authorities or governments, fiscal and monetary responses by governments and financial institutions and disruptions to global supply chains and other general industry, economic, market and business conditions, delays or changes in plans with respect to developing, manufacturing, marketing and distributing and installing the Company's products. Readers are cautioned that the foregoing list of risks, uncertainties and assumptions are not exhaustive. 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.

This press release contains future-oriented financial information and financial outlook information (collectively, "FOFI") about Raise's cash position, profitability, sales, cost reductions, financing activities and components thereof, all of which are subject to the same assumptions, risk factors, limitations, and qualifications as a set forth in the above paragraph. FOFI contained in this document was approved by management as of the date of this document and was provided for the purpose of providing further information about Raise's future business operations. Raise disclaims any intention or obligation to update or revise any FOFI contained in this document, whether as a result of new information, future events or otherwise, unless required pursuant to applicable law. Readers are cautioned that the FOFI contained in this document should not be used for purposes other than for which it is disclosed herein.