

**For Immediate Release**



**Raise Production Inc. Announces Annual Results and Provides Operations Update**

CALGARY, Alberta – April 25, 2019 – Raise Production Inc. (TSX-V: RPC) ("Raise" or the "Company") has released its financial results for the year ended December 31, 2018.

**HIGHLIGHTS FOR THE YEAR**

- The Company continues to grow its foot print with the HARP™ technology in Canada.
- The Generation 2 HARP™ installs in the USA continue to perform well.
- Further Intellectual Property awards have been granted.
- For the year ended December 31, 2018, total revenue earned on the sales of the Company's HARP™ increased 27%.
- The Company anticipates additional revenue growth and increased gross margins over the remainder of 2019 and into 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™") formerly known as the High Angle Lift Solution ("HALS"); and
- 3) the Horizontal Artificial Recovery Technology ("HART™").

As part of the Company's commercialization effort, the decision was made to rebrand the HALS system as the Raise Efficient Artificial Lift ("REAL™") system.

During the last year the Company has advanced in many areas. The intrinsic value of the Company has been enhanced by additional Intellectual Property awards from international patent authorities that protect our products and methods. This includes the USA patent for the HARP™ system which validates the Company's ability to evolve decades old technology into a product suited for today's production in horizontal wellbores.

Additional highlights over the past year include:

- the Company added a highly experienced VP, Commercial Development in October 2018. Mr. Clint Booth has a proven track record to guide and execute the Company's sales and marketing initiatives;
- the Company added two new board members during the year, Mr. Dan Newman and Mr. Tom Kehoe. Mr. Newman represents our USA partner and shareholder, Endurance Lift Solutions. Mr.

Kehoe brings the Company a much-needed level of experience with investor relations and investment banking; and

- the Company successfully passed its external safety audit of the Certificate of Recognition (“COR”) program as recognized by the Alberta Association of Safety Partnerships with a 95% grade.

### **HARP™ (High Angle Reciprocating Pump)**

The Company has graduated to its Generation 2 version of the HARP™ technology with improvements based upon experience in various operating conditions across North America. This new version permits a wider net cast for applications in terms of the well depths and various well fluid conditions. Although Raise has experienced industry cost cuts and risk aversion to new technology from operators in Canada it continues to see excellent results from Generation 2 installs over the last six months. With increased productivity, reduced operating costs, mitigation of gas locking and more consistent run times we are confident that these initial installs will facilitate growth in sales with repeat and new customers in the coming months.

### **Canada**

The Company continues to grow its foot print with the HARP™ technology. Recent installs in northern Alberta have shown that the technology is proving valuable in newly drilled and fracked wellbores. Of three installs, two were new wells and the third an existing well experiencing severe gas lock issues which the HARP™ technology has eliminated. A fourth well for this customer has already been ordered for install at the end of the break-up season. The Company is data mining to identify operators in the same geographic area who are probably experiencing similar issues and are high potential sales targets.

The installation in the Cardium new wellbore, almost seven months ago has shown (from public production data based on an initial five months of production) that the decline curve has been flattened and that oil production is stabilized. Based on these results to date, Raise will be installing additional HARPs in the Northern (Montney) area and will continue to work with the Cardium producers to secure continuing growth in that area as primary targets.

### **USA**

The installs in the USA continue to perform well. Based on these results, the Company has recently shipped a total of 18 Generation 2 HARP™ systems to the Endurance distribution facility in Texas. The first eight HARP™ systems were shipped at the end of March 2019 and the remaining ten HARP™ systems were shipped the first week of April 2019. The Company is currently preparing proposals and well designs in conjunction with Endurance Lift Solutions (“ELS”) for potential installations.

### **REAL™ (Raise Efficient Artificial Lift)**

The Company is seeking early adopters and is confident that it will have an operator installing the REAL™ system over the next few months in Canada after break-up is finished. The Company believes the REAL™ system is ideal for Cardium, Montney and South-East Saskatchewan type reservoirs. The Company has engaged many operators and it has defined the install criteria and design for the REAL™ to ensure “life of the well” options for these operators. Risk aversion and costs are significant factors in the delay getting this technology to commercialization in the Canadian landscape. ELS in the USA has also been in discussions with operators for installs in Texas and Oklahoma and the Company is confident that this market may be the lead in the deployment of the REAL™ technology.

### **HART™ (Horizontal Artificial Recovery Technology)**

The Company has also been working diligently to define a partner for its HART™ technology throughout the last year and believes it will be able to continue its pursuit of the “stranded reserves” in the coming year.

The Company is confident that it can secure a partner to re-commence commercialization testing of the HART™ system within the next few months. All critical paths to the commercial product are identified and the Company will be ready with the new modified wellbore equipment within 6-7 months of project start to install into a Canadian wellbore.

### **New and Upcoming**

The Company was showcased in the EnergyNow daily news in Canada and the USA on April 22, 2019.

Please use the link below to view the article on the Company's LinkedIn page:

<https://www.linkedin.com/company/raise-production-inc/?viewAsMember=true>

The Company will also be updating its investor package and will have it available after the Q1 2019 report in early June 2019.

The Company is excited for the coming months and it looks forward to increasing its sales and customer base throughout North America and continuing to commercialize its other products.

The Company would like to thank all of its shareholders for their continued support and encouragement.

## **RESULTS OF OPERATIONS**

Statements of Loss and Comprehensive Loss

	2018	2017
<b>Revenue</b>	\$ 335,091	\$ 333,824
<b>Cost of sales</b>	270,037	258,838
<b>Gross margin</b>	65,054	74,986
<b>Other income</b>	26,649	22,381
<b>Expenses:</b>		
General and administration	1,960,083	1,576,892
Stock-based compensation	352,130	330,786
Research expenses	156,742	98,790
Depreciation and amortization	91,634	100,703
Inventory impairment	74,574	-
Finance costs	4,306	7,840
	2,639,469	2,115,011
<b>Net loss and comprehensive loss</b>	\$(2,547,766)	\$(2,017,644)
<b>Net loss per share – basic and diluted</b>	\$ (0.02)	\$ (0.02)

### **About Raise Production Inc.**

The Company is an 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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