

For Immediate Release



Raise Production Inc. Announces Second Quarter Financial Results and Provides Operations Update

CALGARY, Alberta – August 21, 2018 – Raise Production Inc. (TSX-V: RPC) ("Raise" or the "Company") has released its financial results for the three and six months ended June 30, 2018.

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.

For the six months ended June 30, 2018, revenue earned on the Company's High Angle Reciprocating Pump ("HARP") increased 953% to \$208,000 and gross margin on these sales increased 880% to \$49,000 compared to the six months ended June 30, 2017. These increases are the result of the Company gaining traction in this market and it anticipates additional revenue growth and increased gross margins over the remainder of the year as manufacturing costs are reduced due to increased sales volumes.

As previously stated in the Company's press release dated June 4, 2018, it closed the second and final tranche of its financing with Synergy Energy Holdings, LLC ("SEH") and its private equity owners, Crestview Partners and B29 Investments, LP. The gross proceeds on the final tranche were \$872,000 and total gross proceeds for the two closings with SEH were \$3,500,000 before share issuance costs. The Company is now in a financial position to continue its commercialization strategy in North America and select International locations.

HALS (High Angle Lift Solution)

The Company will be installing its HALS system for a Cardium player within the next few weeks. This will be the first install for a complete HALS system including the HARP that will be placed beyond the heel perforations deeper into the lateral wellbore. The Company also has candidates in the USA market for this system.

HARP (High Angle Reciprocating Pump)

Canada

The Company recently installed its first pump for a major oil producer in the Swan Hills area. The Company has now also resumed installations for its major customer in SE Saskatchewan where that operator has been purchased by a larger producer. Raise is working with the new producer to continue the supply of pumps and expand into other areas. Sales presence continues to improve in Canada with numerous projects in progress.

USA

The USA market is now ready to enter phase 2 of our introduction into commercialization. In phase 1 the Company proved that the HARP pumps were effective and provided increased production and in some

cases reactivated shut in wells where conventional pumps were either failing or could not be run. The Company has made material modifications for the deeper, more corrosive environments to provide a longer life cycle for the operators. Raise is pleased to say that this has been accomplished with valuable collaboration from our USA partner, Endurance Lift Solutions (“ELS”). The Company is now in the process of shipping inventory to the USA for use in Eagle Ford and Permian locations. This market is expanding rapidly over the next few quarters.

International

The Company has shipped components for its first three HARP installs into Romania with ELS’s wholly owned subsidiary, CDI Oilfield Services (“CDI”). Training will commence with the CDI personnel to ensure proper assembly and running procedures within the next week. CDI is the only approved vendor of reciprocating pumps to OMV Petrom S.A. who operate the majority of wells in Romania.

The Company has also entered into an agency agreement with CDI and its agent, Maktoom Trading & Contracting Company LLC, for the sale of Raise’s products in Oman. A recent visit concluded that there is substantial growth opportunity for the entire Raise product line in Oman.

RESULTS OF OPERATIONS

Statements of Loss and Comprehensive Loss

	Three months ended June 30		Six months ended June 30	
	2018	2017	2018	2017
Revenue	\$ 62,339	\$ 85,120	\$ 208,578	\$ 92,520
Cost of sales	44,570	80,887	159,178	87,479
Gross margin	17,769	4,233	49,400	5,041
Other income	5,741	14,133	5,741	16,993
Expenses:				
General and administration	417,651	447,649	808,855	739,947
Stock-based compensation	100,548	11,024	188,918	23,971
Research expenses	38,571	–	78,236	–
Depreciation and amortization	20,123	27,180	40,123	54,399
Finance costs	448	1,979	1,412	5,000
	577,341	487,832	1,117,544	823,317
Net loss and comprehensive loss	\$ (553,831)	\$ (469,466)	\$(1,062,403)	\$ (801,283)
Net loss per share – basic and diluted	\$ (0.01)	\$ (0.00)	\$ (0.01)	\$ (0.01)

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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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: the possibility that testing, 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.