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RAGING RIVER EXPLORATION INC. ANNOUNCES THE CLOSING OF $69 MILLION BOUGHT DEAL FINANCING AND $120 MILLION CAPITAL EXPENDITURE BUDGET FOR 2013

CALGARY, ALBERTA (December 18, 2012) Raging River Exploration Inc. ("**Raging River**" or the "**Company**") (TSXV:RRX) has closed its previously announced bought deal financing. A total of 26,000,000 Raging River common shares have been issued at a price $2.65 per share for gross proceeds of $68.9 million (the "**Financing**").

The syndicate of underwriters was co-led by Peters & Co. Limited and FirstEnergy Capital Corp. and included, Dundee Securities Ltd., Desjardins Securities Inc., Paradigm Capital Inc., CIBC, National Bank Financial Inc., Cormark Securities Inc., and Scotia Capital Inc.

The net proceeds from the Financing will be used to reduce outstanding indebtedness under the Company's current credit facility, a portion of which will be used to fund the acquisitions previously announced in a press release dated November 27, 2012 and as discussed below.

The acquisition of certain oil and gas assets from a senior energy producer closed on November 30, 2012. The acquisitions of the two private companies have substantially been completed, subject to satisfying the final closing conditions, including receiving the approval of the TSX Venture Exchange.

The Company confirms that its credit facility has been increased to $100 million from $65 million with the same terms and conditions as previously disclosed.

2013 GUIDANCE

The Company is also pleased to announce a $120 million capital development budget for 2013. 100% of the budget will be focused in our core southwest Saskatchewan Viking light oil resource play. Execution of the planned expenditures is expected to increase the 2013 average daily production by approximately 109% to 4,600 boe/d (95% oil) from our 2012 average of 2,200 boe/d. The 2013 forecast exit rate is expected to be approximately 5,400 boe/d, a greater than 45% increase from our 2012 forecast exit rate of 3,700 boe/d.

The 2013 budget includes the drilling of 115 net horizontal Viking oil wells. Total on-stream costs (drilling, completion and equipping) are expected to be $108 million or 90% of the approved budget. The remaining $12 million is allocated to land, seismic and maintenance capital throughout the Dodsland area. The budget will be financed through funds from operations, anticipated to be in excess of $80 million and, the utilization of our existing credit facility. Based on an assumed 2012 average Edmonton Light oil price of $80/bbl, the Company expects to exit 2013 with net debt of approximately $54 million or 0.65 times debt to trailing estimated 2013 funds from operations.

The 115 net wells to be drilled represent approximately 10% of our currently defined low risk drilling inventory. Based on the current pace of development, the Company has a 10 year drilling inventory positioning us for long term, sustainable per share production, reserves and value growth.

Raging River anticipates that the price differentials between WTI and Edmonton Light oil will remain volatile through 2013. We have therefore assumed an average price of $80/bbl for Edmonton Light.

The Company continues to actively manage our differentials through increasing our crude deliveries on rail and anticipate having up to 30% of our corporate oil volumes on rail in January.

We are pleased to report that our previously disclosed exit rate of 3,700 boe/d was achieved in early December. Our 2012 capital program has been completed and we anticipate being back actively drilling in early January 2013. Our budget contemplates drilling 30 net wells during the first quarter of 2013.

The Company's guidance for 2013 is as follows:

Average daily production	
Crude oil and NGLs *(bbls/d)*	4,400
Natural gas *(mcf/d)*	1,200
Barrels of oil equivalent *(boe/d)*	4,600
Exit barrels of oil equivalent *(boe/d)*	5,400
Financial	
Funds flow from operations ($000)	82,500
Per share – basic	0.53
2013 exit net debt ($000)	54,000
Pricing	
Edmonton Light oil *($/bbl)*	80.00
Raging River oil *($/bbl)*	75.00
Natural gas *($/GJ)*	3.00
Netbacks ($/boe)	
Operating	
Oil and gas sales	72.55
Royalties	(6.80)
Operating expenses	(12.50)
Transportation	(1.75)
Operating netback *($/boe)*	51.50
Capital expenditures	
Drilling, completion & equipping ($000)	108,000
Land, seismic and maintenance ($000)	12,000
Total ($000)	120,000

Raging River's experienced management team remains committed to operational and executional excellence to continue delivering per share value growth to our shareholders while maintaining balance sheet strength.

Additional corporate information can be found in our December corporate presentation on our website at www.rrexploration.com and at www.sedar.com.

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FORWARD LOOKING STATEMENTS: This press release contains forward-looking statements. More particularly, this press release contains statements concerning the anticipated terms relating to: the use of funds from the Financing, the 2013 capital budget, 2013 drilling plans, the Company's drilling inventory, the forecasted average daily production volumes for 2013 and 2012, funds from operations for 2013, expectations of increasing crude deliveries by rail, field operating netbacks for 2013, liquids weighting and year-end 2013 estimated net debt and, Raging River's growth strategy and anticipated growth plans for 2013 and beyond. In addition, the use of any of the words "guidance", "initial, "scheduled", "can", "will", "prior to", "estimate", "anticipate", "believe", "potential", "should", "unaudited", "forecast", "future", "continue", "may", "expect", "project", and similar expressions are intended to identify forward-looking statements. The forward-looking statements contained herein are based on certain key expectations and assumptions made by the Company, including but not limited to the success of optimization and efficiency improvement projects, the availability of capital, current legislation, receipt of required regulatory approval, the success of future drilling and development activities, the performance of existing wells, the performance of new wells, the ability of the Company to effectively manage price differentials, the closing of the corporate acquisitions discussed herein on the terms and timing expected, Raging River's growth strategy, general economic conditions, availability of required equipment and services and prevailing commodity prices. Although the Company believes that the expectations and assumptions on which the forward-looking statements are based are reasonable, undue reliance should not be placed on the forward-looking statements because the Company can give no assurance that they will prove to be correct. Since forward-looking statements address future events and conditions, by their very nature they involve inherent risks and uncertainties. Actual results could differ materially from those currently anticipated due to a number of factors and risks. These include, but are not limited to, risks associated with the oil and gas industry in general (e.g., operational risks in development, exploration and production; delays or changes in plans with respect to exploration or development projects or capital expenditures; as the uncertainty of reserve estimates; the uncertainty of estimates and projections relating to production, costs and expenses, and health, safety and environmental risks), commodity price and exchange rate fluctuations, changes in legislation affecting the oil and gas industry and uncertainties resulting from potential delays or changes in plans with respect to exploration or development projects or capital expenditures. Refer to the Listing Application on SEDAR at www.sedar.com and risks contained therein.

Any financial outlook or future oriented financial information in this press release, as defined by applicable securities legislation, has been approved by management of Raging River. Such financial outlook or future oriented financial information is provided for the purpose of providing information about management's reasonable expectations as to the anticipated results of its proposed business activities for the years of 2012 through 2013.

The forward-looking statements contained in this press release are made as of the date hereof and the Company undertakes no obligation to update publicly or revise any forward-looking statements or information, whether as a result of new information, future events or otherwise, unless so required by applicable securities laws.

Meaning of Boe: When used in this press release, Boe means a barrel of oil equivalent on the basis of 1 Boe to 6 thousand cubic feet of natural gas. Boe per day means a barrel of oil equivalent per day. Boe's may be misleading, particularly if used in isolation. A Boe conversion ratio of 1 Boe for 6 thousand cubic feet of natural gas is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead. As the value ratio between natural gas and crude oil based on the current prices of natural gas and crude oil is significantly different from the energy equivalency of 6:1, utilizing a conversion on a 6:1 basis may be misleading as an indication of value.

Non-IFRS Measures: The Company uses terms in this press release that are not measures recognized by International Financial Reporting Standards ("IFRS") and do not have standardized meanings prescribed by IFRS, including "funds flow from operations", "net debt" and "operating netback". Therefore, they may not be comparable to performance measures presented by others. For additional information relating to these measures and how the Company calculates these measures, see management's discussion and analysis for the period ended September 30, 2012, which is available on the SEDAR website at www.sedar.com.