August 12, 2014

RAGING RIVER EXPLORATION INC. ANNOUNCES SECOND QUARTER OPERATING AND FINANCIAL RESULTS AND INCREASED 2014 GUIDANCE

CALGARY, ALBERTA – Raging River Exploration Inc. (the **"Company"** or **"Raging River"**) **(TSX:RRX)** announces its operating and financial results for the three and six months ended June 30, 2014. Selected financial and operational information is outlined below and should be read in conjunction with the unaudited interim financial statements and the related management discussion and analysis ("MD&A"). These filings will be available at **www.sedar.com** and the Company's website at www.rrexploration.com.

Financial and Operating Highlights

	Three months ended June 30, 2014	Three months ended June 30, 2013	Percent Change	Six months ended June 30, 2014	Six months ended June 30, 2013	Percent Change
Financial *(thousands of dollars except share data)*						
Petroleum and natural gas revenue	88,931	36,264	145	169,638	69,415	144
Funds from operations [1]	56,283	25,527	120	106,095	48,910	117
Per share - basic	0.32	0.16	100	0.60	0.31	94
- diluted	0.30	0.15	100	0.57	0.30	90
Net earnings	30,238	8,810	243	54,597	15,052	263
Per share - basic	0.17	0.06	183	0.31	0.10	210
- diluted	0.16	0.05	220	0.29	0.09	222
Development capital expenditures	27,789	9,536	191	99,807	47,143	112
Property and corporate acquisitions	-	1,047	(100)	-	1,047	(100)
Total capital expenditures	27,789	10,583	163	99,807	48,190	107
Net debt[3]	89,333	14,437	519	89,333	14,437	519
Shareholders' equity	437,159	273,703	60	437,159	273,703	60
Weighted average shares *(thousands)*						
Basic	179,438	156,757	14	177,460	156,757	13
Diluted	188,002	166,546	13	185,523	165,777	12
Shares outstanding, end of period (*thousands*)						
Basic	179,890	156,757	15	179,890	156,757	15
Diluted	195,104	180,829	8	195,104	180,829	8
Operating *(6:1 boe conversion)*						
Average daily production						
Crude oil and NGLs *(bbls/d)*	9,500	4,387	117	9,463	4,420	114
Natural gas *(mcf/d)*	2,765	1,401	97	2,518	993	154
Barrels of oil equivalent [2] *(boe/d)*	9,960	4,620	116	9,883	4,585	116
Netbacks						
Operating						
Oil and gas sales[3]	98.11	86.26	14	94.83	83.64	13
Royalties	(9.63)	(7.46)	29	(8.96)	(7.21)	24
Operating expenses	(11.99)	(12.78)	(6)	(12.24)	(12.72)	(4)
Transportation expenses	(1.99)	(2.25)	(12)	(2.00)	(2.23)	(10)
Field netback	74.50	63.77	17	71.63	61.48	17
Realized loss on derivatives	(2.34)	(0.49)	378	(2.10)	(0.18)	1,067
Operating netback *($/boe)*	72.16	63.28	14	69.53	61.30	13
General and administrative expense	(1.43)	(1.95)	(27)	(1.45)	(1.92)	(24)
Financial charges	(1.19)	(0.61)	95	(1.11)	(0.46)	141
Current taxes	(7.45)	-	100	(7.66)	-	100
Funds flow netback	62.09	60.72	2	59.31	58.92	1
Wells drilled						
Gross	23	5	360	98	50	96
Net	22.0	4	450	87.6	42.2	108
Success[4]	96%	100%	(5)	95%	100%	(5)

(1) See "Non-IFRS Measures"
(2) Boe conversion ratio for natural gas of 1 Boe: 6 Mcf has been used, which is based on an energy equivalency conversion method primarily applicable at the burner tip and does not necessarily 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.
(3) Excludes unrealized risk management contracts.
(4) 100% of wells drilled in the second quarter of 2014 were cased and completed however 1 (1.0 net) wells was junked and abandoned. Geological indications on this well were positive and it will be re-drilled at a later date.

SECOND QUARTER 2014 HIGHLIGHTS

- Achieved record average production of 9,960 boe/d (95% oil), an increase of 2% from the first quarter of 2014 and an increase of 116% over the comparable period in 2013.
- Increased average production guidance to 10,300 boe/d from 9,800 boe/d and increased exit guidance to 12,100 boe/d from 11,700 boe/d.
- Attained record corporate funds flow from operations of $56.3 million ($0.32/share basic), an increase of 13% from the first quarter 2014 funds flow from operations of $49.8 million.
- Achieved record operating netbacks of $72.16/boe and very strong funds flow netbacks of $62.09/boe.
- Achieved record earnings of $30.2 million ($0.17/share basic) or $33.36/boe.
- Attained industry leading general and administrative costs of $1.43/boe.
- Achieved a 6% reduction in operating costs to $11.99/boe from the comparable period in 2013.
- The Company spent $27.8 million on capital expenditures including $27.3 million on development activities in addition to $0.4 million on land. A total of 23 (22.0 net) horizontal Viking oil wells were drilled and completed, testing 14 (13.5 net) new sections.
- Decreased net debt to $89.3 million representing 0.4 times debt to the second quarter annualized cash flow.

CONSOLIDATION TRANSACTIONS

Raging River has completed a sequence of transactions of Viking light oil assets primarily in our core area of Forgan (the "Consolidation Transactions"). The details of the transactions are as follows:

Total cash consideration:	$4.5 million
Drilling commitment:	5 wells by March 31, 2015
Land prospective for Viking oil:	12,000 net acres
Total risked drilling locations:	125 net horizontal wells
Production:	30 bbls/d (100% light oil)

INCREASED 2014 GUIDANCE

Inclusive of the aforementioned Consolidation Transactions, the board of directors has approved an increase in our capital budget to $260 million. The continued success of our delineation efforts combined with the increased capital budget have resulted in our third guidance increase of 2014, as follows:

- Average production increasing 2% to 10,500 boe/d from 10,300 boe/d.
- Exit production guidance increasing 3% to 12,500 boe/d from 12,100 boe/d.

Balance sheet strength will be maintained with net debt to annualized fourth quarter cashflow now expected to be approximately 0.5 times.

OUTLOOK AND OPERATIONS UPDATE

A total of 23 (22 net) wells testing 14 (13.5 net) undrilled sections were drilled in the second quarter. In all cases the geological data was compelling with all wells cased and completed. However, during completion operations, one well encountered a casing collapse which resulted in the abandoning of the well. Given the geological success of this well, it will be re-drilled later in the year.

Third quarter to date, 30 (23.9 net) additional wells have been successfully drilled, testing 10 (8.3 net) new sections. These wells are currently in various stages of completion. The third quarter of 2014 is expected to be our busiest quarter on record with 75 to 80 net wells expected to be drilled during the quarter.

Area Highlights:

- Forgan:
  - 6 wells drilled in the first quarter of 2014 have all been on production greater than 120 days with average rates of 40 bbls/d of oil.
  - 18 (16.2 net) wells have been drilled since June with 10.9 net wells testing previously undrilled sections. These wells have successfully extended the boundaries of the proven economic edges of the play.
  - Added 15 net sections of land through the Consolidation Transactions previously mentioned.
- Beadle:
  - 19 (17.8 net) wells drilled since June 2014 at 100% success.
  - 9 (7.8 net) of the wells drilled since June have tested previously undrilled sections. Early time production results from these wells have been favorable again extending the boundaries of the proven economic edges of the play.
  - The 39 wells placed on production in the area in 2014 have shown 150 day average oil rates of 37 bbls/d which is consistent with the 30 wells drilled in the area in 2013.
- Plato:
  - 16 wells placed on production in the area in the first quarter of 2014 have shown six month average oil rates of 50 bbls/d, which are the strongest wells drilled in the area to date.

Raging River continues to refine completion techniques through pumping additional fracture stages and increased tonnage per well. The increased fracture stages and tonnages have increased our overall per well costs from historical averages of $875-900 thousand per well to approximately $910 thousand per well. The incremental cost of the larger completions are showing positive initial results with shallower decline profiles on our wells.

PRODUCTION UPDATE

Production levels moderated through breakup to lows of 9,600 boe/d and have now began to increase concurrent with capital activities with current production in excess of 10,500 boe/d.

EXECUTIVE APPOINTMENT

The board of directors is pleased to announce the appointment of Mr. Scott Rideout to the role of Vice President Land. Mr. Rideout spent the last 4 years with Surge Energy Inc., most recently as Manager Business Development and Land, and has 8 years of prior industry experience.

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 corporate presentation on our website at www.rrexploration.com

FOR FURTHER INFORMATION PLEASE CONTACT:

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ADVISORY ON PRODUCTION INFORMATION: Unless otherwise indicated herein, all production information presented herein has presented on a gross basis, which is the Company's working interest prior to deduction of royalties and without including any royalty interests.

NON-IFRS MEASURES: This document contains the terms "funds from operations" (or "cash flow"), "net debt", "field netback", "operating netback" and "funds flow netback", which do not have a standardized meaning prescribed by International Financial Reporting Standards ("IFRS") and therefore may not be comparable with the calculation of similar measures by other companies. Management uses funds from operations to analyze operating performance and leverage. Management believes "net debt" is a useful supplemental measure of the total amount of current and long-term debt of the Company. Mark-to-market risk management contracts are excluded from the net debt calculation. Management believes "field netback", "operating netback" and "funds flow netback" are useful supplemental measures of firstly, the amount of revenues received after royalties and operating and transportation costs, secondly, the amount of revenues received after royalties, operating, transportation costs and realized gain (loss) on derivatives, and thirdly, the amount of revenues received after royalties, operating, transportation costs, realized gain (loss) on derivatives, general and administrative costs, financial charges, current taxes and asset retirement obligations. Additional information relating to certain of these non-IFRS measures, including the reconciliation between funds from operations and cash flow from operating activities, can be found in the MD&A.

BARRELS OF OIL EQUIVALENT: The term "boe" or barrels of oil equivalent may be misleading, particularly if used in isolation. A boe conversion ratio of six thousand cubic feet of natural gas to one barrel of oil equivalent (6 Mcf: 1 bbl) is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead. Additionally, given that the value ratio based on the current price of crude oil, as compared to natural gas, is significantly different from the energy equivalency of 6:1; utilizing a conversion ratio of 6:1 may be misleading as an indication of value.

INITIAL PRODUCTION RATES: Any references in this press release to initial production rates are useful in confirming the presence of hydrocarbons, however, such rates are not determinative of the rates at which such wells will continue production and decline thereafter. Additionally, such rates may also include recovered "load oil" fluids used in well completion stimulation. While encouraging, readers are cautioned not to place reliance on such rates in calculating the aggregate production for the Company.