December 14, 2016

RAGING RIVER EXPLORATION INC. ANNOUNCES 2017 CAPITAL BUDGET OF $310 MILLION AND CONFIRMATION OF INCREASE IN THE CREDIT FACILITIES TO $400 MILLION

CALGARY, ALBERTA (December 14, 2016) Raging River Exploration Inc. ("**Raging River**" or the "**Company**") (TSX:RRX) announces that the Company's board of directors (the "Board") has approved a 2017 capital budget of $310 million.

The budgeted capital expenditures are expected to increase average production to 22,500 boe/d (93% oil) representing a year over year production per share growth of 25% in 2017. The approved capital budget approximates forecasted cash flow of $310 million at WTI of US$54.00/bbl. The commitment to the protection of the balance sheet is paramount with expected exit 2017 net debt of approximately $210 million representing a 0.7 times debt to forecasted 2017 funds flow from operations.

2016 BUDGET & OPERATIONS UPDATE

With the weather cooperating through November and early December, the Raging River team has caught up in its execution efforts. Exit production guidance of 21,600 boe/d has been exceeded based on the field estimated production numbers for the first 10 days of December. To continue strong production additions into 2017, the Board has expanded the 2016 exploration and development capital budget to $210 million, an increase of $15 million. This is expected to allow Raging River to enter 2017 with 35-40 drilled uncompleted wells in addition to getting a head start on the significant facility projects scheduled for the first quarter.

It is now expected that at total of 282 net wells will be drilled in 2016. This is inclusive of 7 net wells that have been drilled as new injection wells for our existing waterfloods.

2017 GUIDANCE

Maintenance capital to hold production flat at fourth quarter levels of 20,250 boe/d is $220 million inclusive of a $35 million allocation to Enhanced Oil Recovery ("EOR") initiatives.

In setting our capital budget of $310 million, the Company factored in current commodity pricing and the strength of our 3,600 well inventory. Raging River determined that a prudent approach was to execute on a budget which approximated cash flow as the returns on capital from the development program significantly exceed corporate thresholds. This budget will provide production per share growth of approximately 25% while maintaining a strong balance sheet with approximately $190 million of available credit capacity to execute on any accretive acquisitions that arise. The resulting guidance is:

Average daily production	
Crude oil and NGL's (bbls/d)	20,900
Natural gas (mcf/d)	9,600
Barrels of oil equivalent (boe/d)	22,500
Pricing	
Crude oil - WTI ($US/bbl)	54.00
Exchange rate ($Cdn/$US)	1.32
Natural gas - AECO ($/GJ)	3.00
Cdn Light Sweet ($Cdn/bbl)	66.66

Financial	
Operating cashflow ($000)	327,200
G&A ($000)	8,200
Financial charges ($000)	8,800
Cash taxes ($000)	-
Funds flow from operations ($000)	310,200
Per share – basic	1.34
2017 exit net debt ($000)	206,000
2017 exit net debt to funds flow from operations	0.66:1
Netbacks ($/boe)	
Oil and gas sales	57.27
Royalties	5.07
Operating expense	10.90
Transportation expense	1.45
Operating netback	39.85
G&A	1.00
Financial charges	1.07
Cash taxes	-
Funds flow netback	37.78
Capital expenditures	
Drilling, completion & equipping ($000)	260,000
Land, seismic and maintenance ($000)	10,000
Waterflood and gas conservation ($000)	40,000
Total ($000)	310,000

Approximately 85% or $260 million of the approved $310 million capital budget will be directed towards the development drilling of 336 net wells. We are strongly encouraged by the results of our 30 extended reach horizontal ("ERH") wells that were drilled in the third and fourth quarters of 2016. As a result, our 2017 budget will see approximately 135 ERH wells drilled across our asset base. Execution of this program will result in using approximately 9% of Raging River's currently defined economic drilling inventory of 3,600 net wells.

Based on encouraging results to date, the EOR program will continue to see significant capital allocation in 2017 including 9 new wells drilled for injection and the conversion of 60 horizontal wells from producers to injectors. The new drills, plus conversions when combined with waterflood infrastructure expenditures will result in 11.5% or $35 million of our total capital budget being dedicated to EOR.

EOR is a long term initiative expected to provide significant value creation to our shareholders. The long term benefits of dedicating approximately $25 million per year to EOR is predicted to result in an approximate 20-25% decrease to our corporate decline rate, provide rates of return of greater than 30% and be self-funding after four years.

Corporate social responsibility continues to be priority for the Company. Approximately $5 million of capital has been allocated to gas conservation and abandonments. The gas conservation projects will allow a meaningful reduction in our methane emissions while at the same time providing economic benefits to our shareholders through increased sales of natural gas associated with our oil production. Abandonment of wells and facilities that are no longer required for the development of our resources will continue to be a priority. Raging River continues to abandon and reclaim approximately 10% of the wells and facilities on our abandonment list annually, ensuring that our license liability rating is always in the top decile in the industry.

CREDIT FACILITY

Raging River's borrowing base was reviewed and the syndicate of lenders underwriting the Company's credit facilities have confirmed an increase in our borrowing facility to $400 million. The next borrowing base redetermination is scheduled for April 2017.

2018 AND BEYOND

Although no 2018 capital budget has been established, based on WTI prices remaining flat at approximately US$55/bbl, the Company anticipates continuing to grow at 15% production per share while underspending cashflow by approximately $50 million. 2018 exit production is forecast to be approximately 27,000 boe/d or 30% above fourth quarter 2016 levels.

Our 10 year business model is robust, defined and generates meaningful free cashflow and earnings above growth capital. The Company has been built to withstand the volatility in commodity prices and provide meaningful per share growth to our shareholders. The team at Raging River is proud to have delivered superior results to our shareholders. Since our inception in March 2012, we have delivered greater than 350% profitable production per share growth. During the longest commodity bear market in recent history which started in July 2014, your team has delivered greater than 60% profitable production per share growth. Per share growth has and will continue to be accomplished through excellence in execution, selective accretive acquisitions, maintenance of a pristine balance sheet and diligent development of new plays and play extensions.

Additional corporate information can be found on our website at www.rrexploration.com or on 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 capital budget for 2017 and details of the expenditures and expected timing of such expenditures related to such budget, expected year over year production per share growth, expectation that production growth will be accomplished while spending a near cashflow budget and maintaining the balance sheet at 0.66 times debt to trailing cashflow, average production guidance for 2017, anticipated 2017 exit net debt, expectations of maintaining a strong balance sheet in 2017, expected net debt to funds flow ratio, expectations with respect to increases in our 2016 capital budget including details of expected expenditures and the results from such expenditures, expectations of changes in commodity prices, amount of capital expenditures required to maintain production flat, expected free cashflow from a stay flat model, expected production per share growth and credit capacity, guidance relating to 2017 including expectations as to production, cashflow, general and administrative expenses, financial charges, cash taxes, operating expenses, transportation expenses, funds flow from operations, netbacks, net debt and debt to funds from operations, details of our drilling inventory, expected benefits from implementing EOR initiatives, expectations that gas conservation projects will allow a meaningful reduction in our methane emissions while providing economic benefits, intentions of carrying out abandonment and reclamation of certain wells and facilities, expected 2018 production growth and levels of capital expenditures relative to cashflow and expectations with respect to 2018 exit production, and expectation to continue to deliver production per share growth and expected factors contributing to such growth. In addition, the use of any of the words "guidance", "initial, "scheduled", "can", "will", "prior to", "estimate", "anticipate", "believe", "should", "unaudited", "forecast", "future", "continue", "may", "expect", 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 expectations and assumptions concerning the success of optimization and efficiency improvement projects, the availability of capital, current legislation, pipeline capacity, receipt of required regulatory approval, the success of future drilling and development activities, the performance of existing wells, the performance of new wells, 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, capital expenditures, acquisitions or other corporate transactions; 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. In particular, as no budget for 2018 has been approved or will be approved in the near future, Raging River's expectations and plans for its 2018 capital program and its 2018 guidance may change as circumstances change and as different opportunities arise, such as acquisition opportunities, and as the Company continues to evaluate its drilling results and opportunities. The Company has presented herein certain details relating to its 10 year business model. The 10 year business model presented does not represent management's expectations of the Company's future performance but rather is intended to present management's belief in the economic viability of the Company's long-term business. Readers should not use such 10 year business model as a presentation or forecast of the Company's future performance as such performance will differ as a result of a variety of factors including as a result of changes to assumptions and or the occurrence of the risks identified herein. To the extent any guidance or forward looking statements herein constitute a financial outlook, they are included herein to provide readers with an understanding of management's plans and assumptions for budgeting purposes and readers are cautioned that the information may not be appropriate for other purposes. Additional information on these and other factors that could affect Raging River's operations and financial results are included in the Company's Annual Information Form and other reports on file with Canadian securities regulatory authorities, which may be accessed through the SEDAR website (www.sedar.com).*

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.

NON-IFRS MEASURES: This document contains the terms "funds flow from operations" (sometimes referred to herein as "cashflow"), "net debt", "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 flow 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 "operating netback" and "funds flow netback" are useful supplemental measures of firstly, the amount of revenues received after royalties and operating and transportation costs and secondly, the amount of revenues received after the royalties, operating, transportation costs, general and administrative costs, financial charges and asset retirement obligations. Additional information relating to these non-IFRS measures, including the reconciliation between funds flow from operations and cash flow from operating activities, can be found in the Company's most recent management's discussion and analysis, which may be accessed through the SEDAR website (www.sedar.com).

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.

DRILLING LOCATIONS: Of the 3,600 drilling locations disclosed in this press release approximately 31% represent booked locations and approximately 69% represent unbooked locations. Booked locations are proved locations and probable locations derived from the Company's most recent independent reserves evaluation as prepared by Sproule as of December 31, 2015 and account for drilling locations that have associated proved and/or probable reserves, as applicable. Unbooked locations are internal estimates based on prospective acreage and an assumption as to the number of wells that can be drilled per section based on industry practice and internal review. Unbooked locations do not have attributed reserves or resources. Unbooked locations have been identified by management as an estimation of our multi-year drilling activities based on evaluation of applicable geologic, seismic, engineering, production and reserves information. There is no certainty that the Company will drill all unbooked drilling locations and if drilled there is no certainty that such locations will result in additional oil and gas reserves, resources or production. The drilling locations on which we actually drill wells will ultimately depend upon the availability of capital, regulatory approvals, seasonal restrictions, oil and natural gas prices, costs, actual drilling results, additional reservoir information that is obtained and other factors. While certain of the unbooked drilling locations have been derisked by drilling existing wells in relative close proximity to such unbooked drilling locations, the majority of other unbooked drilling locations are farther away from existing wells where management has less information *about the characteristics of the reservoir and therefore there is more uncertainty whether wells will be drilled in such locations and if drilled there is more uncertainty that such wells will result in additional oil and gas reserves, resources or production.*