RMP ENERGY INC

NEWS RELEASE

October 31, 2016

RMP Energy Announces Strategic Ante Creek Asset Disposition

Calgary, Alberta – RMP Energy Inc. ("**RMP**" or the "**Company**") (TSX: RMP) is pleased to announce today the transformational sale of its Ante Creek asset for cash consideration of $114.3 million, subject to normal and customary closing adjustments. With the closing of the sale, at the end of this year, RMP is expected to have:

- No bank debt and positive working capital;
- Exit rate production of 3,200 to 3,300 boe/d (35% crude oil and NGL's) from Waskahigan and the Company's other non-core areas, with a low risk Montney development inventory at Waskahigan of high rate of return wells of up to 200 potential drilling locations;
- A highly prospective land position of 77.5 net sections and related infrastructure on an emerging Montney play at Gold Creek; and,
- Indicative bank credit facility of $40 million.

Ante Creek Asset Disposition

The Company has entered into a definitive purchase and sale agreement (the "**Sale Agreement**") for the strategic disposition of all of its crude oil and natural gas interests in the Ante Creek area of West Central Alberta for cash consideration of $114.3 million, subject to normal and customary closing adjustments (the "**Ante Creek Disposition**"). The net cash proceeds to be received at closing of the Ante Creek Disposition will be used to eliminate outstanding bank indebtedness.

The disposition of RMP's Ante Creek asset is transformational in nature and strategically re-positions the Company. Notwithstanding RMP's historical drilling success at Ante Creek and the commensurate contributions to corporate production and cash flow, the Ante Creek asset has entered into a more mature phase and is now transitioning to a secondary recovery stage. The assets to be sold under the Ante Creek Disposition include the following:

- Third quarter 2016 average production of approximately 4,300 boe/d (45% crude oil and NGLs), which represents approximately 53% of the Company's third quarter 2016 average corporate production;
- 6,789 Mboe of total proved reserves(1);
- 10,001 Mboe of total proved plus probable reserves(1); and,
- 69,888 net acres of land acreage and infrastructure facility and pipeline interests.

Note (1): Prepared by RMP's internal, qualified reserves evaluator effective September 1, 2016. Reflects "gross" reserves independently-evaluated and assigned by the Company's independent qualified reserves evaluator as of December 31, 2015 and adjusted by the Company for actual production for the period between January 1, 2016 and August 31, 2016, in accordance with National Instrument 51-101 – Standards of Disclosure for Oil and Gas Activities ("**NI 51-101**") and the Canadian Oil and Gas Evaluation Handbook (the "**COGE Handbook**").

The effective date of the Ante Creek Disposition is September 1, 2016 with an anticipated closing date on or about November 15, 2016.

On August 4, 2016, RMP announced that it had initiated a process to review strategic alternatives with a view to maximizing the value of the Company's large Montney resource base. As announced, the strategic review process was expected to include, among other alternatives, the addition of capital to further develop the potential of the assets, the sale of the Company or a portion of the Company's assets, a merger, farm-in or joint venture. The Company engaged FirstEnergy Capital Corp., now known as GMP Securities L.P. ("**GMP FirstEnergy**"), and Scotia Waterous Inc. as co-advisors to assist RMP with this process. GMP FirstEnergy coordinated and led the process.

After a thorough process and a comprehensive review and analysis of strategic alternatives, RMP's Board of Directors (the "**Board**"), based upon, among other things, the recommendation of RMP's special committee of independent directors formed to oversee the strategic review process and the verbal fairness opinion provided by GMP FirstEnergy on the consideration to be received by RMP pursuant to the Ante Creek Disposition, has unanimously approved entering into the Sale Agreement and has determined that the Ante Creek Disposition is in the best interests of RMP and its shareholders.

Pro-Forma Assets

Upon the completion of the Ante Creek Disposition, in addition to its Gold Creek and Waskahigan core assets, the Company's other remaining non-core assets will include Kaybob, Gilby and Pine Creek in West Central Alberta. Collectively, the Company's cash flow generating capabilities from its remaining suite of assets is expected to remain strong, as highlighted by RMP's forecasted 2017 pro-forma field operating netback of approximately $20/boe. RMP's third quarter 2016 production and crude oil and natural gas reserves from its remaining properties are highlighted below:

- Third quarter 2016 average production of approximately 3,800 boe/d (35% crude oil and NGLs);
- 17,450 Mboe of total proved reserves(1);
- 29,684 Mboe of total proved plus probable reserves(1); and,
- 170,090 net acres of land acreage.

Note (1): Prepared by RMP's internal, qualified reserves evaluator effective September 1, 2016. Reflects "gross" reserves independently-evaluated and assigned by the Company's independent qualified reserves evaluator as of December 31, 2015 and adjusted by the Company for (i) actual production for the period between January 1, 2016 and August 31, 2016 and (ii) internally-assigned and evaluated reserves for the Company's Gold Creek property prepared by RMP's internal, qualified reserves evaluator, in accordance with NI 51-101 and the COGE Handbook.

Pro-Forma Financial Condition and Go-Forward Operational Plan

On the completion of the Ante Creek Disposition, RMP will be a very well-capitalized, junior Montney exploration and production company. At closing and entering 2017, the Company's pro-forma cash flow along with an opening debt-free balance sheet and an undrawn $40 million bank credit facility anticipated to be finalized upon completion of the Ante Creek Disposition, will provide RMP with significant financial flexibility to dictate the extent and pace of its go-forward capital deployment.

The Ante Creek Disposition provides RMP with a capital structure conducive to the systematic and staged delineation of its highly prospective Gold Creek Montney asset in conjunction with its low-risk development of its Waskahigan Montney asset, both of which are key core areas for the Company. The short-term objective for the Company will be maintaining corporate production levels through low-risk development drilling at Waskahigan while de-risking the large resource potential of its Gold Creek land position, which with drilling success will provide RMP with operating leverage to accelerate growth in 2018.

Subject to completion of the Ante Creek Disposition, the Company's Board has approved a $45 million capital budget for 2017. The capital plan will include the drilling of three (3.0 net) Montney horizontal wells at Gold Creek and four (4.0 net) Montney horizontal wells at Waskahigan. RMP will also proceed with the installation of a gathering line and production equipment at Gold Creek, which will provide preliminary production data to allow the Company to assess full field development potential. Based on its 3-22-68-3W6M well (the "**3-22 Well**") flow test result and publicly available information, RMP is quite encouraged with and confident in the Montney reservoir potential at Gold Creek given that production from a Montney pool in close proximity to RMP's 3-22 Well indicates that there may be a significant hydrocarbon resource in the area. This proximal Montney pool was recently producing approximately 13,000 boe/d from 18 wells. Drilling extension of this reservoir's pool boundaries is continuing by area operators, along with the installation of third-party operated mid-stream production infrastructure.

The modest 2017 drilling program at Waskahigan is expected to offset corporate declines and maintain pro-forma base production levels. The scheduled tie-in of the Gold Creek 3-22 Well in addition to successful follow-up Gold Creek drilling will enhance RMP's 2017 production profile. The Company hopes to have completed the tie-in of the Gold Creek 3-22 Well by the end of the first quarter of 2017. Infrastructure commissioning and corresponding timing of expected production additions at Gold Creek, however, is dependent on 'weather-friendly' operating surface conditions during this forthcoming winter. The Company expects to have greater clarity on the progress of its key Gold Creek infrastructure initiatives during the first quarter of 2017. A second well will be drilled utilizing the same surface location in the first quarter and will be tested and produced through the new infrastructure. As such, RMP will provide updated guidance at the end of the first quarter of 2017.

At Gold Creek, the Company has amassed a large undeveloped land base consisting of 78 (77.5 net) sections (49,920 gross acres) of operated acreage. In 2017, RMP will start to delineate the areal extent of the hydrocarbon-bearing Middle Montney Formation trend in Gold Creek with the capital program outlined above, in anticipation of proving-up its Gold Creek land base for future development. Preliminary analysis of the financial impact on RMP's Gold Creek well economics, as a result of the Alberta Government's new *Modernized Royalty Framework* ("**MRF**"), suggests a significant, positive impact on the Company's estimated type-well net present value and the overall value of the Company's Montney light oil drilling inventory. The Gold Creek area may also qualify for the Alberta Government's *Emerging Resources Program* ("**ERP**"), which would be expected to further enhance the play economics. The Company estimates that it has potentially in excess of 100 locations at Gold Creek to drill, which are not included in the reserves assigned in the Company's year-end 2015 independent reserves report. Continued exploration and step-out drilling success, augmented with its sizeable acreage 'footprint', will position Gold Creek as a long-term growth asset for the Company. RMP's Gold Creek type-well used in its budget forecasting, determined by the Company's internal, qualified reserve evaluator's review and analysis of proximal Middle Montney well production performance, assumes an estimated first year risked average production rate between 360 boe/d to 535 boe/d (150 bbls/d to 225 bbls/d of light oil).

At Waskahigan, the Company's hybrid slick water ("**HSW**") fracture completion technique has resulted in improved well productivity, which has significantly improved the Waskahigan well project economics. The Company's Waskahigan type-well used in its budget forecasting, which is determined by RMP's internal, qualified reserves evaluator's review and analysis of the average well production profile of its nine producing HSW wells, assumes an estimated first year risked average production rate of 195 boe/d (125 bbls/d of light oil) The Company views its Waskahigan area as a moderate growth asset with a substantial future inventory of approximately 200 potential undeveloped drilling locations to which the HSW completion technique can be applied (of which only 52 locations have been assigned reserves in the Company's year-end 2015 independent reserves report).

Third Quarter 2016 Operations Update

On November 14, 2016, RMP expects to release its interim consolidated financial statements and Management's Discussion and Analysis for the three and nine months ended September 30, 2016. For the third quarter of 2016, RMP's average daily production was approximately 8,100 boe/d (weighted 40% light oil and NGLs). During the third quarter, one Waskahigan horizontal well (1.0 net) was drilled in addition to three (3.0 net) hybrid slick-water completions and corresponding tie-in operations. For 2016, a total of eight horizontal Montney oil wells (8.0 net) have been drilled, including four wells at Waskahigan, three wells at Ante Creek, and the Company's Gold Creek exploration 3-22 Well.

As disclosed on August 4, 2016, RMP's production during the month of October was recently impacted by third-party outages on both the Pembina and Alliance sales pipeline systems. For an eight day period commencing October 12, 2016, the Company's Montney production at both Waskahigan and Ante Creek was temporarily curtailed. RMP's Kaybob production was also affected as a result of Alliance's mainline pipeline upgrade outage.

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Abbreviations

bbl or bbls	barrel or barrels	Mcf/d	thousand cubic feet per day
Mbbl	thousand barrels	MMcf/d	million cubic feet per day
bbls/d	barrels per day	MMcf	Million cubic feet
boe	barrels of oil equivalent	Bcf	billion cubic feet
Mboe	thousand barrels of oil equivalent	psi	pounds per square inch
boe/d	barrels of oil equivalent per day	kPa	kilopascals
NGLs	natural gas liquids	GJ	Gigajoule
WTI	West Texas Intermediate	GJ/d	Gigajoules per day

Reader Advisories

The information in this news release contains certain forward-looking statements. These statements relate to future events or our future performance. All statements other than statements of historical fact may be forward-looking statements. Forward-looking statements are often, but not always, identified by the use of words such as "seek", "anticipate", "budget", "plan", "continue", "estimate", "approximate", "expect", "may", "will", "project", "predict", "potential", "targeting", "intend", "could", "might", "should", "believe", "would" and similar expressions. More particularly and without limitation, this news release contains forward-looking information relating to, the Ante Creek Disposition, including the use of proceeds therefrom and the anticipated closing date; the Company's expectation that the proceeds from the Ante Creek Disposition will eliminate the Company's bank indebtedness and that the Company will be bank debt free with positive working capital upon completion of the Ante Creek Disposition; the anticipated size of the Company's bank facilities upon completion of the Ante Creek Disposition; the Company's belief that its pro-forma cash flow along with undrawn bank facilities will provide the Company with significant financial flexibility to dictate the extent and pace of its go-forward capital deployment; the Company's plans in 2017 to delineate its Montney land position at Gold Creek in conjunction with modest, low-risk development of its Waskahigan asset; the Company's assets following completion of the Ante Creek Disposition; the Company's belief that upon completion of the Ante Creek Disposition, it will be a very well-capitalized, junior Montney exploration and production company; the Company's short-term objectives to maintain corporate production levels through low-risk development drilling at Waskahigan while de-risking the resource potential of its Gold Creek land position and its effect on accelerating growth in 2018; forecasted 2017 pro-forma field operating netback from RMP's remaining properties; anticipated exit rate production for 2016 from Waskahigan and the Company's other non-core areas; the Company's expected 2017 capital plan, including drilling plans, the number and type of wells to be drilled at each of Gold Creek and Waskahigan, the timing of completion of the tie-in of the Gold Creek 3-22 Well, and the installation of a gathering line and production equipment at Gold Creek; anticipated hydrocarbon resource potential in the Gold Creek area; RMP's expectation that its modest 2017 drilling program at Waskahigan will offset corporate declines and maintain pro-forma base production levels; the anticipated effect of the tie-in of the Gold Creek 3-22 Well and follow up Gold Creek drilling on the Company's 2017 production; the expected timing of RMP providing updated guidance; the Company's delineation, exploration and step-out drilling plans at Gold Creek; anticipated effect of the MRF on RMP’s Gold Creek well economics; RMP's expectation that the Gold Creek area may qualify for the ERP; estimated number of drilling locations at Gold Creek and the anticipated effect of exploration and step-out drilling success on the growth of the asset; estimated number of drilling locations at Waskahigan to which the HSW completion technique can be applied; and other matters described under the headings "*Pro-Forma Assets*" and "*Pro-Forma Financial Condition and Go-Forward Operational Plan*" in this news release.

Statements relating to "reserves" or "resources" are also forward-looking statements, as they involve the implied assessment, based on certain estimates and assumptions that the reserves or resources described can be profitably produced or recovered in the future. In this news release, any estimates of reserves for individual properties may not reflect the same confidence level as estimates of reserves and net revenue for all properties due to the effects of aggregation. Estimates of reserves have been made assuming that development of each property, in respect of which estimates have been made, will occur without regard to the availability of funding required for that development.

With respect to forward-looking statements contained in this news release, RMP has made assumptions regarding, but not limited to: conditions in general economic and financial markets; effects of regulation by governmental agencies; current and future commodity prices and royalty regimes; future exchange rates; royalty rates; future operating costs; availability of skilled labor; availability of drilling and related equipment; timing and amount of capital expenditures; the impact of increasing competition; the price of crude oil and natural gas; that the Ante Creek Disposition will be completed on the terms and timing anticipated; that the Company will have sufficient cash flow, debt or equity sources or other financial resources required to fund its capital and operating expenditures and requirements as needed; that the Company's conduct and results of operations will be consistent with its expectations; that the borrowing base under the Company's credit facility will be reduced to the amount anticipated; available pipeline capacity; that the Company will have the ability to develop the Company's properties in the manner currently contemplated; that the Company will be able to drill, complete and tie-in wells in the manner and on the timing described herein; current or, where applicable, proposed assumed industry conditions, laws and regulations will continue in effect or as anticipated; and the estimates of the Company's production and reserves volumes and the assumptions related thereto (including commodity prices and development costs) are accurate in all material respects.

These statements involve substantial known and unknown risks and uncertainties, certain of which are beyond the Company’s control, including: the impact of general economic conditions; industry conditions; changes in laws and regulations including the adoption of new environmental laws and regulations and changes in how they are interpreted and enforced; fluctuations in commodity prices and foreign exchange and interest rates; stock market volatility and market valuations; volatility in market prices for oil and natural gas; liabilities inherent in oil and natural gas operations; changes in income tax laws or changes in tax laws and incentive programs relating to the oil and gas industry; geological, technical, drilling and processing problems and other difficulties in producing petroleum reserves; obtaining required approvals of regulatory authorities; that the Ante Creek Disposition does not close on the terms or timing anticipated; that the Company is not bank debt free upon completion of the Ante Creek Disposition; unexpected drilling results; the Company's is unable to achieve its objectives; that the anticipated resource potential in the Gold Creek area is not achieved; changes in capital expenditures, reserves or reserves estimates and debt service requirements; the occurrence of unexpected events involved in the exploration for, and the operation and development of, oil and gas properties, including hazards such as fire, explosion, blowouts, cratering, and spills, each of which could result in substantial damage to wells, production facilities, other property and the environment or in personal injury; changes or fluctuations in production levels; delays in anticipated timing of drilling and completion of wells; lack of available capacity on pipelines; the lack of availability of qualified personnel; uncertainties associated with estimating oil and natural gas reserves; and ability to access sufficient capital from internal and external sources. Many of these risks and uncertainties and additional risk factors are described in the Company's Annual Information Form which is available at www.sedar.com.

The Company's actual results, performance or achievement could differ materially from those expressed in, or implied by, such forward-looking statements and, accordingly, no assurances can be given that any of the events anticipated by the forward-looking statements will transpire or occur or, if any of them do, what benefits that the Company will derive from them. The Company's forward-looking statements are expressly qualified in their entirety by this cautionary statement. Except as required by law, the Company undertakes no obligation to publicly update or revise any forward-looking statements.

This news release may disclose drilling locations in four categories: (i) proved undeveloped locations; (ii) probable undeveloped locations; (iii) unbooked locations; and (iv) an aggregate total of (i), (ii) and (iii). Proved undeveloped locations and probable undeveloped locations are booked and derived from the Company's most recent independent reserves evaluation effective 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 the Company's 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 the Company's 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 the Company will actually drill wells is ultimately dependent 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.

Certain information in this document related to the Montney reservoir potential at Gold Creek may constitute "analogous information" as defined in NI 51-101. Such information includes production and drilling results retrieved from a publically available source, being geoSCOUT for the month of September, 2016, which is an independent source. Management of RMP believes the information is relevant as it helps to define the reservoir characteristics and production profile of the Montney reservoir for potential hydrocarbon resources in the Gold Creek lands in which RMP has an interest. RMP is unable to confirm that the analogous information was prepared by a qualified reserves evaluator or auditor and is unable to confirm that the analogous information was prepared in accordance with NI 51-101. Such information is not an estimate of the production, reserves or resources attributable to lands held or to be held by RMP and there is no certainty that the production, reserves or resources data and economic information for the lands held or to be held by RMP will be similar to the information presented herein. The reader is cautioned that the data relied upon by RMP may be in error and/or may not be analogous to such lands held or to be held by RMP.

In this news release RMP has adopted a standard for converting thousands of cubic feet ("**mcf**") of natural gas to barrels of oil equivalent ("**boe**") of 6 mcf:1 boe. Use of boes may be misleading, particularly if used in isolation. The boe rate is based on an energy equivalent conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead. Given that the value ratio based on the current price of crude oil as compared to natural gas is significantly different than the energy equivalency of the 6:1 conversion ratio, utilizing the 6:1 conversion ratio may be misleading as an indication of value.

Certain type curves referred to in this news release represent estimates of the production decline and ultimate volumes expected to be recovered from wells over the life of the well. The type curves disclosed herein are management-generated type curves based on a combination of historical performance of older wells and management's expectation of what might be achieved from future wells. The type curves represent what management thinks an average well will achieve. Individual wells may be higher or lower but over a larger number of wells management expects the average to come out to the type curve. Over time type curves can and will change based on achieving more production history on older wells or more recent completion information on newer wells.

This press release contains certain oil and gas metrics, including field operating netback or operating netback, which do not have standardized meanings or standard methods of calculation and therefore such measures may not be comparable to similar measures used by other companies and should not be used to make comparisons. Such metrics have been included herein to provide readers with additional measures to evaluate the Company's performance; however, such measures are not reliable indicators of the future performance of the Company and future performance may not compare to the performance in previous periods and therefore such metrics should not be unduly relied upon. Field operating netback or operating netback refers to realized wellhead revenue less royalties, operating expenses and transportation costs per barrel of oil equivalent.

Field operating netback or operating netback is not a recognized measure under International Financial Reporting Standards ("**IFRS**") and does not have a standardized meaning. Management believes that such financial measure is useful supplemental information to analyze operating performance and provide an indication of the results generated by the Company's principal business activities. Investors should be cautioned that this measure should not be construed as an alternative to other measures of financial performance as determined in accordance with IFRS. The Company's method of calculating these measures may differ from other companies, and accordingly, they may not be comparable to similar measures used by other companies.