

Red Rock Energy 2012

Red Rock Energy Inc. (TSX-V: RRK)
February 2, 2012



Reader Advisory:

This presentation may contain forward-looking information including expectations of future production, operating costs, commodity prices, administrative costs, commodity price risk management activity, acquisitions and dispositions, capital spending, access to credit facilities, income taxes, regulatory changes, and other components of cash flow and earnings. Attendees are cautioned that assumptions used in the preparation of such information may prove to be incorrect. Events or circumstances may cause actual results to differ materially from those predicted, a result of numerous known and unknown risks, uncertainties, and other factors, many of which are beyond the control of the company. These risks include, but are not limited to, the risks associated with the oil and gas industry, commodity prices and exchange rate changes. Industry related risks could include, but are not limited to, operational risks in exploration, development and production, delays or changes in plans, risks associated to the uncertainty of reserve estimates, health and safety risks and the uncertainty of estimates and projections of production, costs and expenses. The reader is cautioned not to place undue reliance on this forward-looking information.

Attendees are further cautioned that the preparation of financial statements in accordance with generally accepted accounting principles requires management to make certain judgments and estimates that affect the reported amounts of assets, liabilities, revenues and expenses. Estimating reserves is also critical to several accounting estimates and requires judgments and decisions based upon available geological, geophysical, engineering and economic data. These estimates may change, having either a negative or positive effect on net earnings as further information becomes available, and as the economic environment changes.



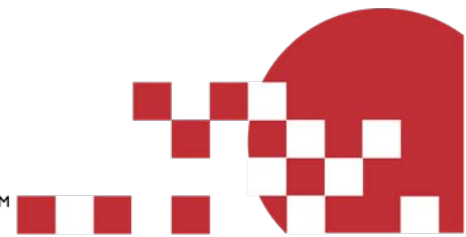
- Publicly traded company
 - Listed on the TSX-V Exchange 2007
 - Symbol “RRK”

- Gross IPO proceeds of \$6.3 million
 - 44 million shares issued and outstanding
 - \$0.70 /share issue price
 - \$3.5 million flow-through

- Uranium Assets – divestment update

- Oil Focus – A new team, proven & capable

- Management firmly aligned with shareholders
 - 28% management ownership



- **Geology :** Scott McDougall, P.Geol
 - 25+ years of exploration and development in WCSB
 - APEGGA gold medal (Geology) recipient
 - Member of CSPG & APEGGA

- **Land :** David Lewis, B.Comm
 - 30+ years experience in petroleum land management
 - Member of Canadian Association of Petroleum Landmen (CAPL)

- **Engineering :** Calvin Folden P.Eng
 - 34+ years of oil & gas engineering & operations experience
 - Member of SPE and APEGGA

- **Operations :** Earl Scott, P.Eng
 - 25+ years of oil & gas engineering & operations experience
 - Member of APEGGA



- **President & CEO:** Sandy L. Loutitt, BA Econ
 - Extensive experience in finance and development
 - Founder and President of Builders Capital Inc., private equity lender

- **CFO** Mike Matishak, CA
 - Extensive public company experience
 - Primarily mid-tier finance and resource based companies

- **Director & VP:** David Pinkman, BA, LLB
 - Former securities lawyer; extensive public company experience
 - Served on the boards of a number of public and private companies

- **Director:** David M. Lewis, B.Comm
 - 30+ years of experience in the energy industry
 - Founded a number of public and private energy companies world wide

- **Director:** Brent Walter, LLB
 - Securities lawyer
 - Pro-Venture Law LLP council
 - Director and officer of a number of public and private companies



Production of light oil in the Western Canadian Sedimentary Basin

1. Exploitation - re-entry of existing well bores
 - 2 well re-completion program & tie-in, budgeted & planned
2. Development - expansion of existing fields and offsets
 - 1 well production test & tie-in, budgeted & planned
 - Bluesky discovery well, nearest Bluesky pool produced 6.8M barrels of oil
 - **Region demonstrates significant scope for expansion to field level developments, as example Red Rock staff have mapped 1.48 million barrels recoverable with IP of 1,600+ bbl/d in an analogy field with expectations of 5-6 more field size developments of this scope**
3. Exploration - high impact projects in and near existing fields
 - Technical team has history of successful discovery & development
 - Multi-zone targets (Baldonnel, Bluesky, Halfway)
 - Widespread opportunities (Crown land, farm-in or JV)

Current core area is located in N.E. BC







Work program defined for winter 2011/12

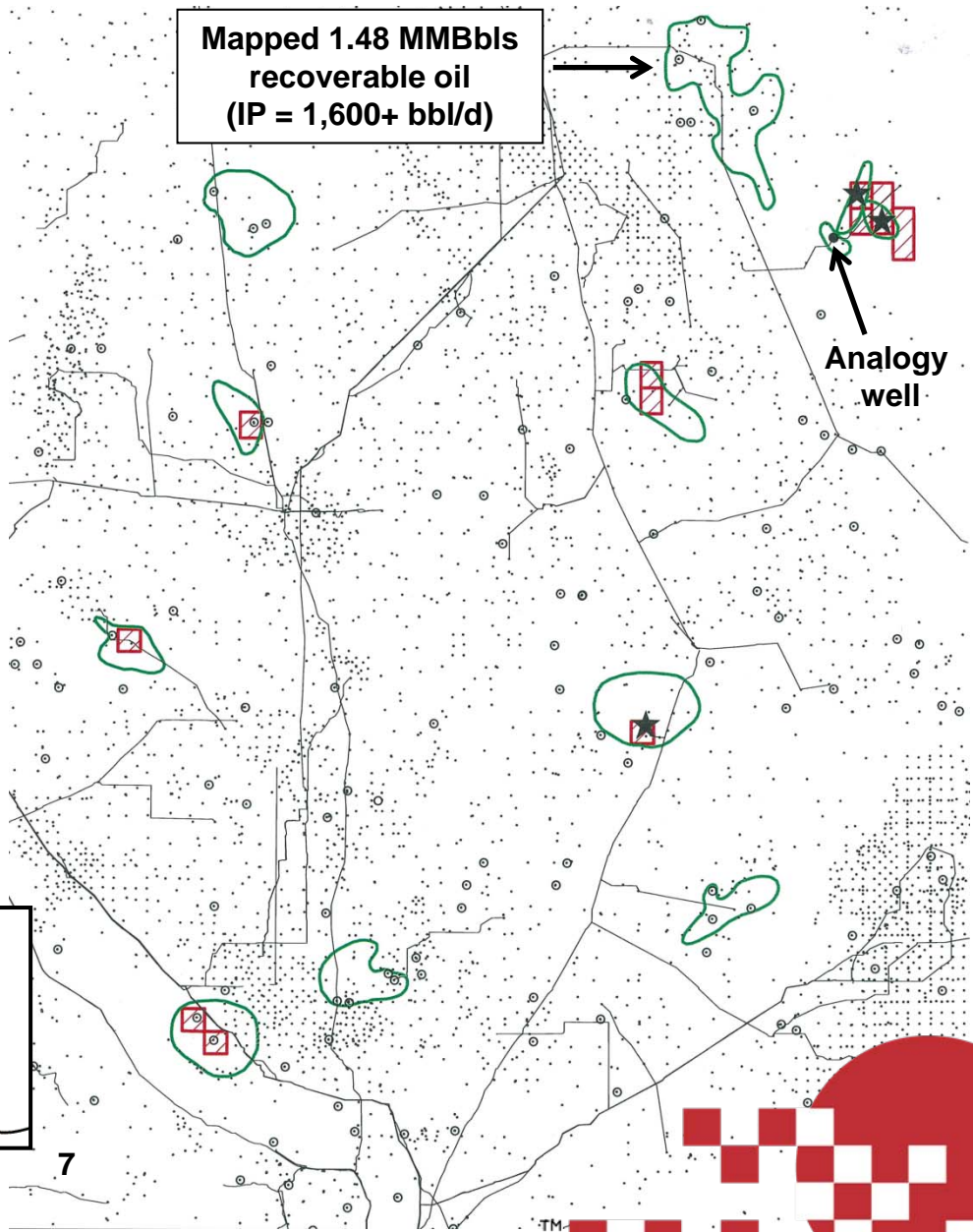


Concept & Prospect Inventory

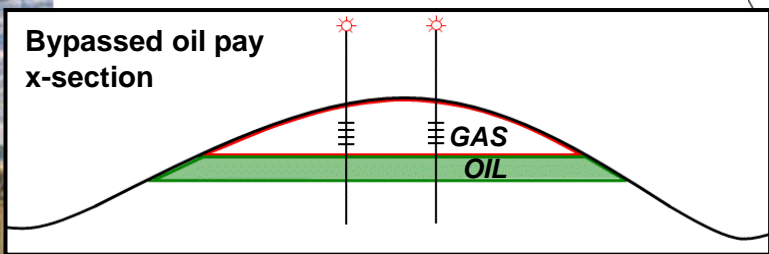
RRK Land Position
13 sections (8,883 acres)
100% WI

Legend

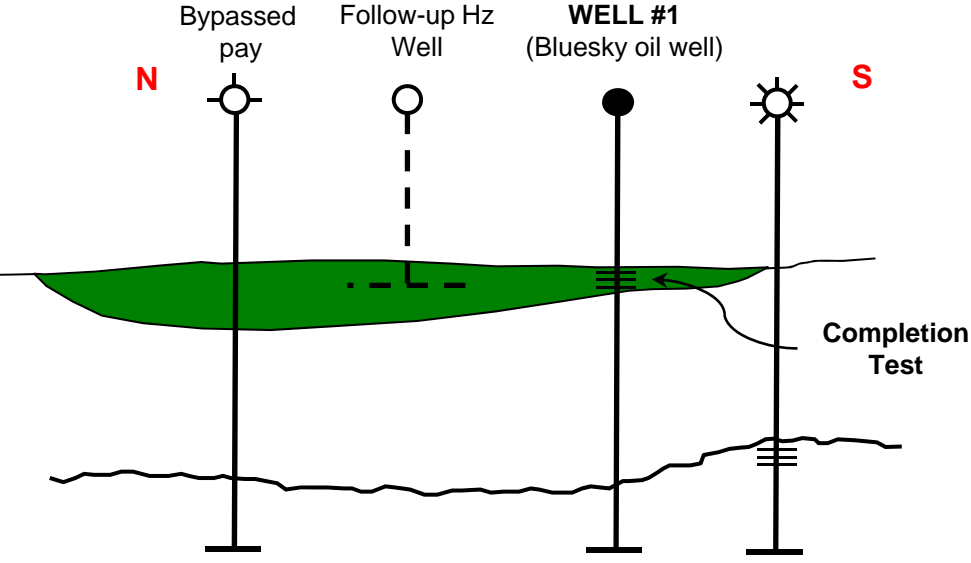
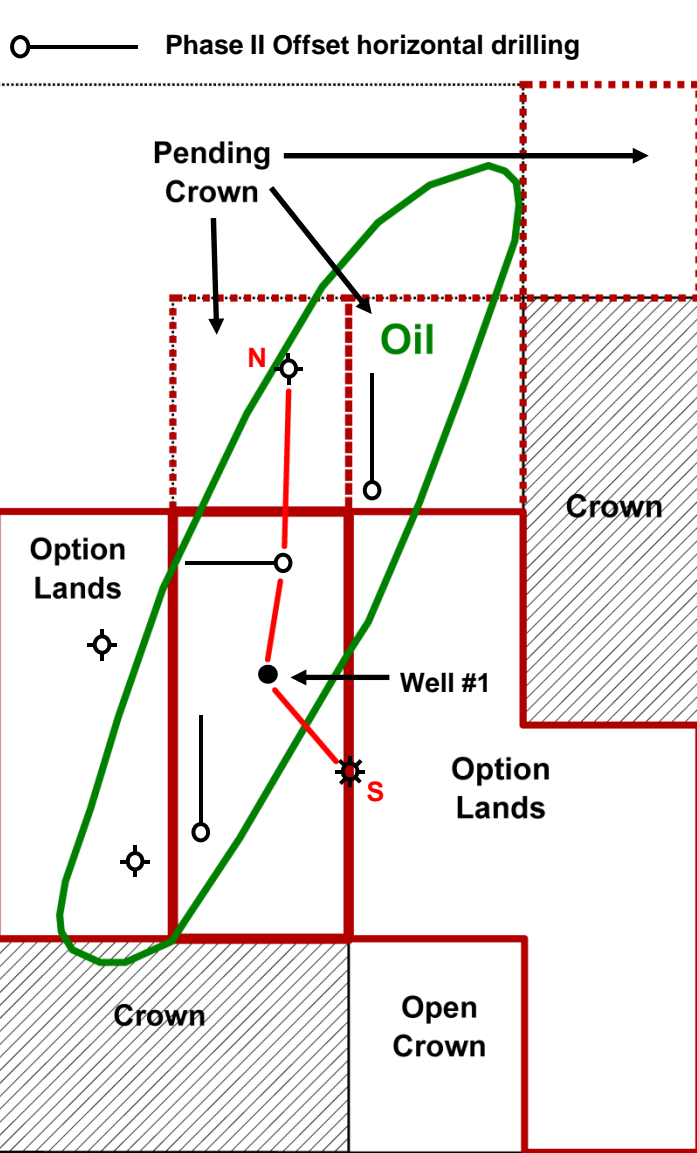
-  Mapped Oil Pool Outlines
-  Analogy Well
-  3 Well Program 2011-2012
-  Oil show
-  RRK Lands
-  Pipelines



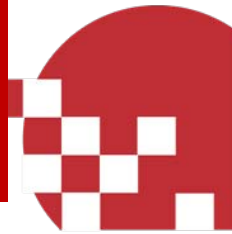
Prospect Inventory



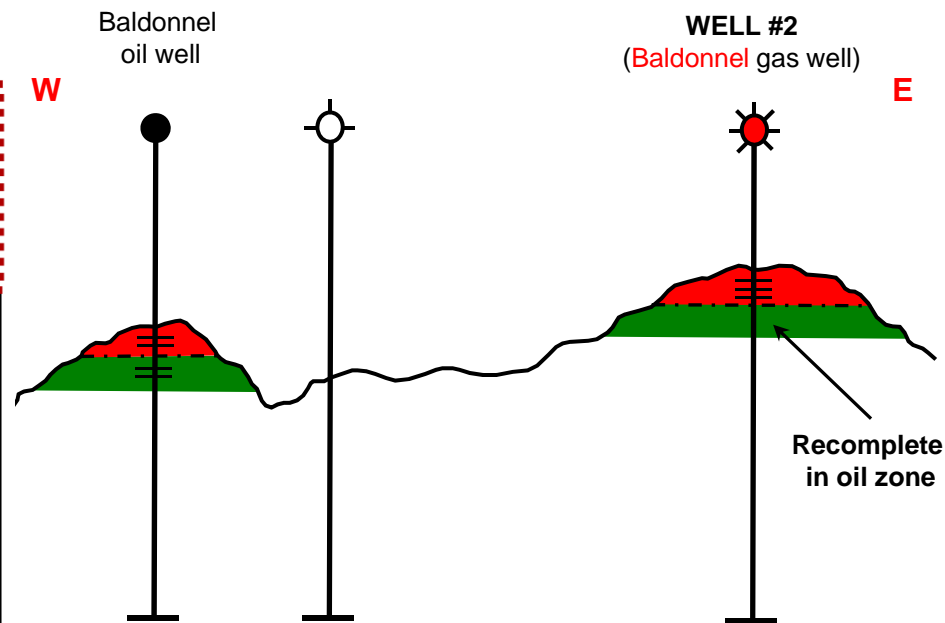
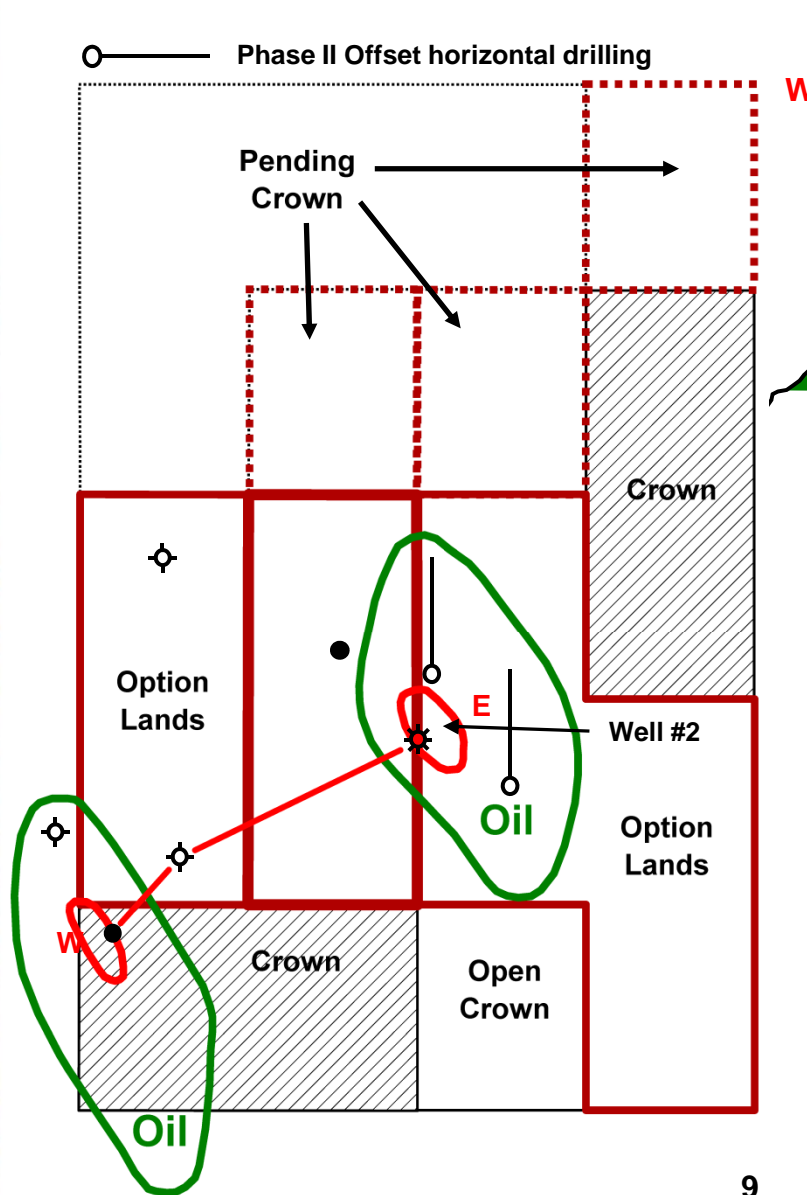
Well #1 - Placing on production (Phase I)



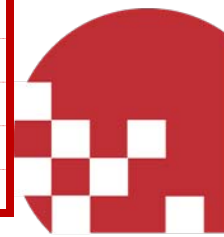
Metrics		
Reserves (10% recovery)	50,000	bbl
IP	70	bopd
Decline	70/30 db	%/yr
CAPEX	820,000	\$
OPEX	26	\$/bbl
Royalties	16	\$/bbl
Price	80	\$/bbl
IRR	66	%
NPV ₁₀	595,000	\$
Payout	0.9	yrs
F&D	16	\$/bbl
Netback	38	\$/bbl
Recycle Ratio	2.4	



Well #2 – Recompletion (Phase I)

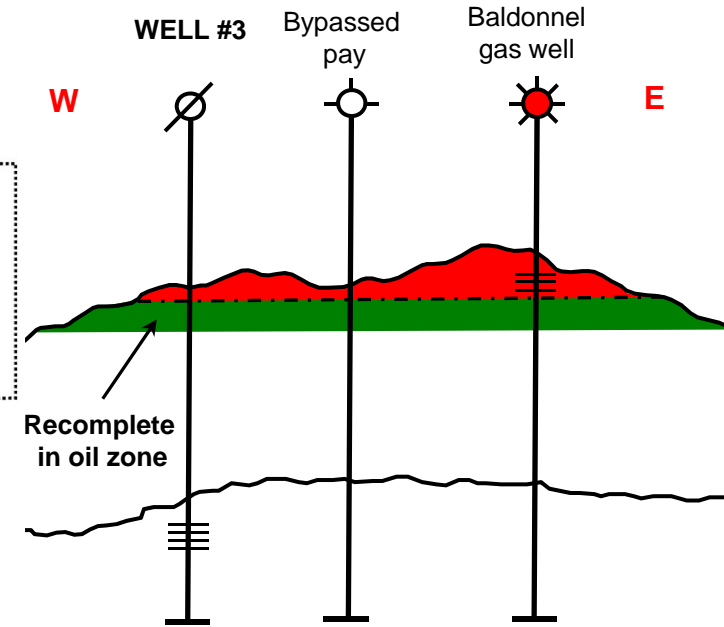
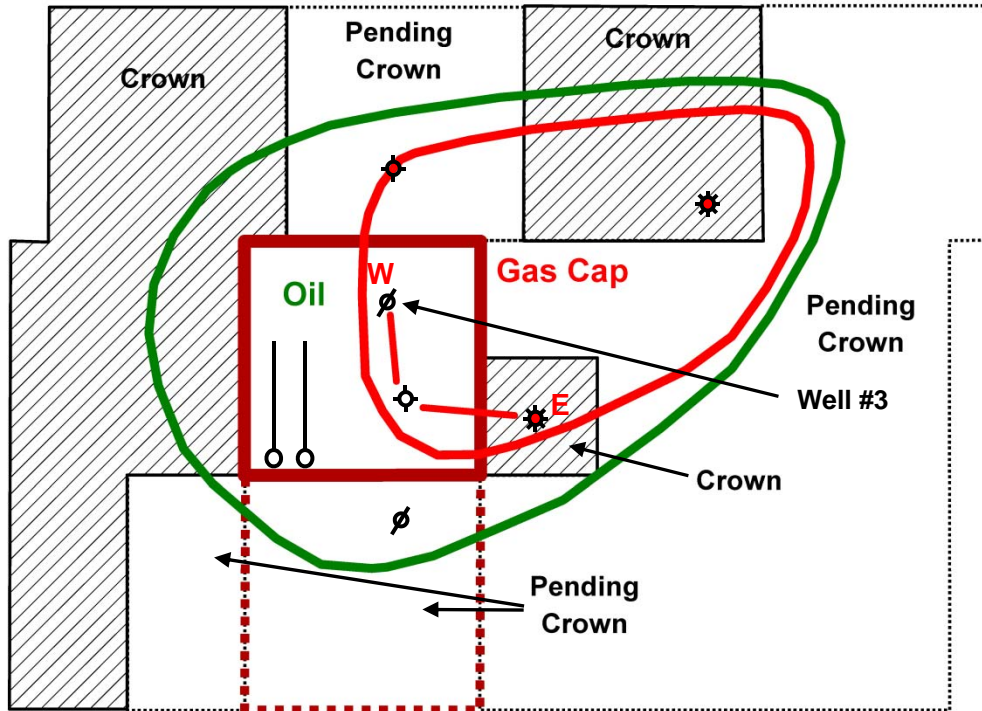


Metrics		
Reserves (10% recovery)	55,000	bbl
IP	75	bopd
Decline	50/30 db	%/yr
CAPEX	790,000	\$
OPEX	18	\$/bbl
Royalties	17	\$/bbl
Price	80	\$/bbl
IRR	92	%
NPV ₁₀	1,200,000	\$
Payout	0.8	yrs
F&D	14	\$/bbl
Netback	45	\$/bbl
Recycle Ratio	3.2	



Well #3 – Recompletion (Phase I)

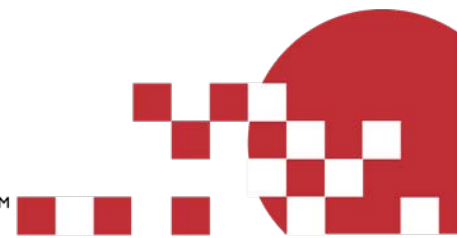
○ — Phase II Offset horizontal drilling



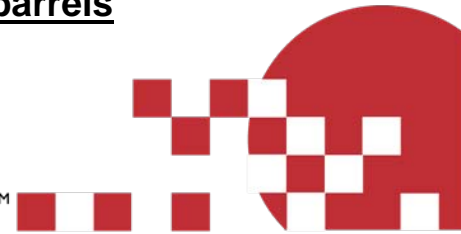
Metrics		
Reserves (10% recovery)	52,000	bbl
IP	70	bopd
Decline	30/30 db	%/yr
CAPEX	860,000	\$
OPEX	20	\$/bbl
Royalties	19	\$/bbl
Price	80	\$/bbl
IRR	59	%
NPV ₁₀	925,000	\$
Payout	1.2	yrs
F&D	17	\$/bbl
Netback	41	\$/bbl
Recycle Ratio	2.4	

Phase I Work Program Metrics

Metrics	Well 1	Well 2	Well 3	
Reserves (10% recovery)	50,000	55,000	52,000	bbl
IP	70	75	70	bopd
Decline	70/30	50/30	30/30	%/yr
CAPEX	820,000	790,000	860,000	\$
OPEX	26	18	20	\$/bbl
Royalties	16	17	19	\$/bbl
Price	80	80	80	\$/bbl
IRR	66	92	59	%
NPV ₁₀	595,000	1,200,000	925,000	\$
Payout	0.9	0.8	1.2	yrs
F&D	16	14	17	\$/bbl
Netback	38	45	41	\$/bbl
Recycle Ratio	2.4	3.2	2.4	



- Management & Technical Team
 - Experienced management team & proven technical team with a history of success
- Program
 - Phase I (2011-2012): Placing well on production & re-completions
 - Phase II (2012-2013): Offset horizontal development drilling opportunities
- Land Inventory
 - 100% WI in 13 sections (8,883 acres) within core area
- Future Development & Acquisitions
 - Continually identifying & evaluating unexploited prospects/pools
 - Identified 10 bypassed pay prospects to date within core area & 6 additional drilling prospects outside of core area (1 MMbbls of oil per section)
 - Mapped an existing gas pool with 1.48 MMbbls of bypassed pay oil & potential IP of 1,600+ bbl/d, this analogy has been identified in multiple other sites
 - **Initial low risk/low cost recompletions that can easily be transformed into field level developments within the scope of 1.5 million barrels of oil in each field**



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