



Management's Discussion & Analysis ("MD&A")

For the three and nine month periods ended September 30, 2017

Dated: November 14, 2017

Management's Discussion and Analysis

Management's discussion and analysis ("**MD&A**") is the explanation by RMP Energy Inc. (the "**Company**" or "**RMP**") of its consolidated financial performance for the period covered by the interim condensed consolidated financial statements along with an analysis of the Company's financial position. The following commentary relates to and should be read in conjunction with the unaudited interim condensed consolidated financial statements of the Company for the three and nine month periods ended September 30, 2017 and 2016 and the audited consolidated financial statements and MD&A for the year ended December 31, 2016. All figures provided herein are reported in Canadian dollars unless otherwise stated. Unaudited financial and operating information for the three month period ended September 30, 2017 ("**Q317**"), in addition to the corresponding comparative quarter ended September 30, 2016 ("**Q316**"), are presented in tables within this MD&A. Additionally, unaudited financial and operating information for the nine month period ended September 30, 2017 ("**9M17**") and the comparative nine month period ended September 30, 2016 ("**9M16**") is disclosed.

The Company's interim condensed consolidated financial statements for the three and nine month periods ended September 30, 2017 and its audited annual 2016 consolidated financial statements, in addition to other disclosure documents, are available on the *System for Electronic Document Analysis and Retrieval* ("**SEDAR**") at www.sedar.com.

Conversions

In this MD&A, production and reserves data is commonly stated in barrels of oil equivalent using a six (6) to one (1) conversion ratio when converting thousands of cubic feet of natural gas to barrels of oil and a one-to-one conversion ratio for natural gas liquids ("**NGLs**"). Such conversion may be misleading, particularly if used in isolation. An oil equivalent conversion ratio of six (6) Mcf: one (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.

Forward-Looking Statements

Certain information regarding the Company contained herein may constitute forward-looking statements within the meaning of applicable securities laws. Forward-looking statements may include estimates, plans, expectations, intentions, opinions, forecasts, projections, anticipates, guidance or other similar statements that are not statements of fact. Although RMP believes that the expectations reflected in such forward-looking statements are reasonable, it can give no assurance that such expectations will prove to be correct. These statements are subject to certain risks and uncertainties and may be based on assumptions that could cause actual results to differ materially from those anticipated or implied in the forward-looking statements. The Company's forward-looking statements are expressly qualified in their entirety by this cautionary statement.

These forward-looking statements are subject to numerous risks and uncertainties, certain of which are beyond RMP's control, including but not limited to the following: the impact of general economic conditions; volatility in market prices for crude oil, natural gas and NGLs; industry conditions; foreign exchange currency fluctuation; imprecision of proved and/or probable reserve estimates; liabilities inherent in crude oil and natural gas operations; environmental risks; incorrect assessments of the value of acquisitions and exploration and development programs; competition from other crude oil and natural gas producers; the lack of availability of qualified personnel or management; changes in income tax laws or changes in tax laws and incentive programs relating to the crude oil and natural gas industry; hazards such as fire, explosion, blowouts and spills, each of which could result in substantial damage to wells, production facilities, other property and the environment or in personal injury; stock market volatility; ability to access sufficient capital from internal and external sources; the implementation of greenhouse gas emissions legislation and the other risks and uncertainties outlined in RMP's Annual Information Form for the year ended December 31, 2016 which is available on SEDAR.

Non-IFRS Measures

As an indicator of the Company's performance, the term *funds from (used in) operations* contained within the MD&A should not be considered as an alternative to, or more meaningful than, cash provided from (used in) operating, financing or investing activities, as determined in accordance with International Financial Reporting Standards ("IFRS"). This term does not have a standardized meaning, nor is it a financial measure, under IFRS. *Funds from (used in) operations* is widely accepted as a financial indicator of an exploration and production company's ability to generate cash which is used to internally fund exploration and development activities and to service debt. This measure is widely used by shareholders and investors in the valuation, comparison and investment recommendations of companies within the crude oil and natural gas exploration and production industry. *Funds from (used in) operations*, as disclosed within this MD&A, represents cash provided from operating activities before: decommissioning obligation cash expenditures, changes in non-cash working capital from operating activities and non-cash changes in deferred charge. The Company presents *funds from (used in) operations* per share whereby per share amounts are calculated consistent with the calculation of earnings per share. The following table reconciles RMP's cash provided from (used in) operating activities to *funds from (used in) operations*:

(\$000s)	Q317	Q316	9M17	9M16
Cash provided from (used in) operating activities	(2,659)	9,027	2,242	27,755
Decommissioning expenditures	60	9	60	184
Change in non-cash working capital and deferred charge	(694)	254	(394)	(1,728)
Funds from (used in) operations	(3,293)	9,290	1,908	26,211

The Company monitors its capital structure based on a non-IFRS financial metric consisting of the ratio of *total net debt*-to-annualized *funds from operations*. *Total net debt* and/or *net debt* does not have a standardized meaning, nor is it a defined financial liability or financial measure, under IFRS. *Total net debt* and/or *net debt* as disclosed within the MD&A, represents outstanding bank debt less deferred charge plus working capital deficiency (or minus working capital surplus) excluding unrealized amounts pertaining to risk management contracts.

This MD&A includes information up to and including November 14, 2017.

Abbreviations

The following are abbreviations that are contained within this MD&A commentary:

Crude Oil and Natural Gas Liquids		Natural Gas	
Bbl	barrel	Mcf	thousand cubic feet
boe	barrels of oil equivalent	Mcf/d	thousand cubic feet per day
Mboe	thousand barrels of oil equivalent	MMbtu	million British Thermal Units
Bbls/d	barrels per day	GJ	gigajoule
boe/d	barrels of oil equivalent per day	GJs/d	gigajoules per day
NGLs	natural gas liquids		

Business Overview and Strategic Discussion

RMP Energy Inc. is an independent crude oil and natural gas company headquartered in Calgary, Alberta, Canada with its head office located at suite 1200, 500 - 4th Avenue S.W., T2P 2V6. The Company is actively engaged in the exploration for, development and production of crude oil, natural gas and NGLs reserves primarily in the Western Canadian Sedimentary Basin within the province of Alberta, Canada. RMP's current operational focus is located in the Montney light crude oil fairway at Elmworth in West Central Alberta. The Company is incorporated under the laws of Alberta and its common shares are publicly listed and traded on the Toronto Stock Exchange ("TSX") under the trading symbol "RMP". As of November 13, 2017, RMP's market capitalization was approximately \$124 million.

Asset Disposition and Corporate Name Change

On October 17, 2017, RMP closed the previously-announced strategic asset disposition (the “**Transaction**”) to Tangle Creek Energy Ltd. (“**Tangle Creek**”) pursuant to which Tangle Creek acquired all of RMP’s crude oil and natural gas interests in the Waskahigan/Grizzly, Kaybob, Gilby and Pine Creek areas of West Central Alberta in addition to other minor Alberta properties (collectively, the “**Assets**”). After closing adjustments and before costs to sell, consideration received by the Company totaled approximately \$78.1 million, comprised of approximately \$69.1 million in cash and approximately 13.85 million Tangle Creek common shares (having a value of \$9.0 million based upon the issue price of Tangle Creek’s most recent equity financing completed in conjunction with the Transaction). The effective date of the Transaction is June 1, 2017. The Transaction was approved by overwhelming majority (over 99%) by the holders of common shares of the Company at a special meeting of shareholders held on October 13, 2017.

With the closing of the Transaction, the Company is now a geographically and geologically-focused Montney producer at Elmworth in West Central Alberta. RMP holds a large undeveloped land base at Elmworth consisting of 84 (83.5 net) sections (53,440 net acres) of operated Montney acreage, with substantial resource potential. Future delineation and development of the Company’s Elmworth assets will be focused on extended reach horizontals with increased frac and proppant intensity. These technical improvements coupled with operational efficiencies in spud-to-on-stream cycle times, emulsion management and infrastructure optimization is expected to provide the key to unlocking the vast potential of the Elmworth Montney fairway. The Company’s management team has significant experience using the most current technologies to drive costs out of unconventional resource development programs which has the potential to generate significant value to shareholders.

In conjunction with the Transaction and pursuant to approval by the holders of common shares of the Company, RMP will change its corporate name to “**Iron Bridge Resources Inc.**”. Ironbridge Gorge is located in Shropshire, England and is recognized as one of the birthplaces of the Industrial Revolution. It was here in 1709 that Abraham Darby perfected the technique of producing pig iron in a blast furnace fueled by coke rather than coal allowing for much cheaper production of iron. The name reflects the Company’s focus on innovation and cost efficiency in the unconventional resource revolution. The corporate name change is expected to become effective by November 30, 2017, concurrent with the filing of articles of amendment with the Registrar under the *Business Corporations Act (Alberta)*. The ticker symbol “**IBR**” has been reserved by the TSX for the Company’s use following the name change becoming effective. No action is required by shareholders with respect to the corporate name change. Each existing share certificate reflecting the former name will continue to be a valid share certificate of the Company until such certificate is transferred, re-registered or otherwise exchanged through the Company’s transfer agent.

New Management Team and Private Placement

On July 26, 2017, the Company announced a series of appointments that resulted in the formation of a new executive management team for the Company. The new team consists of Rob Colcleugh as Chief Executive Officer, Tim Krysak as President and Chief Operating Officer, Jeremy Smith as Vice President Engineering, Gregg Nixon as Vice President Completions and Production, Zoran Jankovic as Vice President Exploration and Dean Bernhard, who continues as RMP’s Vice President Finance and Chief Financial Officer (collectively the “**New Management Team**”). The appointments of the new executive members were effective as of August 1, 2017. Each member of the New Management Team has demonstrated a historical track record of operational excellence and long-term shareholder value generation in highly successful Canadian energy companies.

The incoming new executive members of the appointed New Management Team and current members of the Board of Directors participated in a private placement in the third quarter of 2017 resulting in the issuance of 5.35 million units of the Company (“**Units**”) at a purchase price of \$0.60 per Unit for gross proceeds of approximately \$3.2 million. Each Unit is comprised of one (1) common share (“**Common Share**”) and one (1) common share purchase warrant (“**Warrant**”). Each whole Warrant entitles the holder to purchase one (1) Common Share at a price of \$0.75 per share for a period of four (4) years following the date of issuance. The Warrants vest and become exercisable in equal tranches of one-third each upon the 20-day weighted average trading price of the Common Shares equaling or exceeding \$0.75, \$0.90 and \$1.05, respectively.

Ante Creek Disposition

During the comparative nine month period of 2016, on November 15, 2016, the Company closed the strategic disposition 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 received at the closing of the Ante Creek Disposition were used to eliminate outstanding bank indebtedness. The assets sold under the Ante Creek Disposition included reserves, land acreage and infrastructure facility and pipeline interests. The effective date of the Ante Creek Disposition was September 1, 2016.

Petroleum and Natural Gas Production

During the third quarter of 2017, RMP’s average daily production was 4,010 boe/d, with light crude oil and NGLs production accounting for 31% of the Company’s volumes. Third quarter output represents a 51% decrease from the comparative third quarter 2016 production of 8,119 boe/d, primarily the result of the Ante Creek Disposition. With the Ante Creek Disposition closing on November 15, 2016, RMP’s comparative third quarter 2016 production included Ante Creek field production for the entire quarter, while third quarter 2017 production does not include any Ante Creek field volumes. Third quarter 2017 production was 4% higher than the pro-forma, normalized third quarter 2016 production of 3,871 boe/d (excluding all volumes attributable to the Ante Creek field). The Company’s reported third quarter 2017 production level includes production contribution from the Waskahigan/Grizzly, Kaybob, Gilby and Pine Creek areas of West Central Alberta, in addition to other minor Alberta properties, which were collectively sold on October 17, 2017, pursuant to the aforementioned Transaction. The Company’s Elmworth Montney field produced 1,410 boe/d during the third quarter of 2017.

Production for the three months ended September 30, 2017 increased by 13% from the preceding second quarter of 2017, primarily the result of the commissioning and start-up of the Company’s 100% owned and operated Elmworth 2-23 oil battery and gas handling facility (“**2-23 Facility**”). The start-up of the 2-23 Facility marks an important corporate milestone as it enables the Company to begin realizing commercial benefit and return of its capital investment from its new core area, which encompasses 84 (83.5 net) sections (53,440 net acres) of acreage prospective in the Montney reservoir. The Company’s core Elmworth Montney property produced 1,410 boe/d, on average, for the third quarter of 2017, with a light oil and NGLs weighting of 29%. Only two of the Company’s Elmworth drilled wells produced concurrently during the third quarter due to gas compression restrictions at its 2-23 Facility. In early-October 2017, additional compression was installed and as a result, the Elmworth 2-23 Facility is presently handling the crude oil, emulsion and natural gas production from all three (3.0 net) of the Company’s Montney horizontal wells drilled at the same surface lease pad as the 2-23 Facility. The 2-23 Facility now has capacity to handle 1,500 Bbls/d of crude oil, approximately 16 MMcf/d of natural gas and 7,500 Bbls/d of emulsion.

	Q317	Q316	% Change	9M17	9M16	% Change
Crude oil (Bbls/d)	869	2,924	(70)	911	3,482	(74)
Natural gas (Mcf/d)	16,700	29,163	(43)	14,500	31,121	(53)
NGLs (Bbls/d)	358	335	7	266	316	(16)
Oil equivalent (boe/d)	4,010	8,119	(51)	3,594	8,984	(60)

Petroleum and Natural Gas Sales and Commodity Pricing

The Company’s petroleum and natural gas (“**P&NG**”) sales may fluctuate significantly from period-to-period as a result of changes in market commodity prices and/or the Company’s production volumes. Revenue from the sale of the Company’s petroleum (crude oil and natural gas liquids) and natural gas is recognized when the risks and rewards of ownership of the commodity is transferred to the purchaser, based on volumes delivered to purchasers’ contractual delivery points and when collection is reasonably assured by the Company. RMP takes greater than 95% of its working interest production “in-kind” and it is marketed and sold through three primary commodity purchasers.

The West Texas Intermediate (“**WTI**”) at Cushing, Oklahoma is the benchmark reference price for North American crude oil prices. Canadian oil prices, including RMP’s crude oil, are based on price postings, which is WTI-adjusted for transportation, quality and the U.S./Canadian dollar currency conversion rates. In the third quarter of 2017, the average WTI crude oil benchmark price of US\$48.20/Bbl remained relatively consistent with the preceding second quarter of 2017 price of US\$48.15/Bbl and increased by 7% from the comparative third quarter 2016 price of US\$44.94/Bbl.

The Nymex Henry Hub natural gas price averaged US\$2.95/Mcf for the three month period ended September 30, 2017, resulting in a decrease of 6% from the preceding second quarter of 2017 average price of US\$3.14/Mcf. In comparison to the third quarter of 2016, the Nymex Henry Hub natural gas price increased by 6%. RMP's natural gas sales are priced with reference to the Alberta AECO 5A market reference price. The Canadian AECO natural gas price of \$1.65/Mcf for the third quarter of 2017 decreased by 41% over the preceding second quarter of 2017 price of \$2.78/Mcf and decreased by 31% from the comparative third quarter of 2016 price of \$2.38/Mcf.

The Company's total P&NG sales for the three month period ended September 30, 2017 including realized risk management commodity contract settlements decreased by 15% to \$8.1 million from the preceding second quarter of 2017 amount of \$9.6 million and decreased by 63% from the corresponding third quarter 2016 sales level of \$22.0 million. For the first nine months of 2017, RMP realized total P&NG sales of \$27.1 million, representing a 58% decrease in comparison to the first nine months of 2016. Lower production output as a result of the Ante Creek disposition primarily accounted for the decrease in realized revenues in both the third quarter of 2017 and the nine months ended September 30, 2017 in comparison to the respective 2016 comparative periods.

The following table highlights RMP's realized commodity prices and market benchmark prices:

	Q317	Q316	% Change	9M17	9M16	% Change
RMP prices (net realized commodity contract settlements)						
Natural gas (\$/Mcf)	1.87	2.64	(29)	2.56	2.11	21
Crude oil (\$/Bbl)	53.93	52.85	2	57.45	46.22	24
NGLs (\$/Bbl)	27.91	22.96	22	36.69	21.38	72
Oil equivalent (\$/boe)	21.94	29.47	(26)	27.63	25.98	6
Industry benchmark prices						
WTI Cushing oil (US\$/Bbl)	48.20	44.94	7	49.38	41.40	19
Nymex Henry Hub spot gas (US\$/Mcf)	2.95	2.79	6	3.05	2.34	30
AECO spot gas (\$/Mcf)	1.65	2.38	(31)	2.37	1.87	27
Exchange rate (US\$/C\$)	0.7980	0.7668	4	0.7658	0.7572	1

The following table provides the breakdown of petroleum and natural gas sales into natural gas, crude oil and NGLs sales:

(\$000s)	Q317	Q316	% Change	9M17	9M16	% Change
(net realized commodity contract settlements)						
Crude oil sales	4,311	14,216	(70)	14,293	44,087	(68)
Natural gas sales	2,866	7,091	(60)	10,148	18,015	(44)
NGLs sales	918	708	30	2,664	1,849	44
P&NG sales	8,095	22,015	(63)	27,105	63,951	(58)

Commodity Price Risk Management

As a means of managing commodity price volatility and its impact on RMP's funds from operations, from time-to-time the Company may enter into various derivative financial instruments and physical delivery commodity contract arrangements, primarily commodity price contracts, to manage fluctuations in crude oil and natural gas market prices. Any such contracts are entered into with investment grade counter-parties that RMP believes present minimal credit risk. The Company does not utilize derivative financial instruments for speculative trading purposes.

The following table summarizes the natural gas derivative contract outstanding at September 30, 2017:

Natural Gas:

Remaining Term	Contract Type	Volume (GJs/d)	Reference Point	Contract price per GJ
Financial:				
October 1, 2017 – October 31, 2017	Swap	3,000	AECO 5A	Cdn. \$ 3.00

RMP recognized realized gains of \$0.4 million and \$0.5 million, respectively, from its risk management commodity contracts for the three and nine months ended September 30, 2017 (three and nine months ended September 30, 2016: realized losses of \$92 thousand and \$137 thousand, respectively). There were no outstanding risk management commodity contracts as at November 14, 2017.

The Company recognizes the fair value of its risk management commodity contracts on the statement of financial position each reporting period with the change in fair value being recognized as an unrealized gain or loss on the statement of loss. For the three and nine month periods ended September 30, 2017, the Company recorded a \$71 thousand unrealized loss and a \$0.3 million unrealized gain, respectively, in relation to the outstanding commodity contract (three and nine months ended September 30, 2016: \$0.6 million unrealized gain and \$0.7 million unrealized loss, respectively).

Petroleum and Natural Gas Royalties

Petroleum and natural gas royalties for the third quarter amounted to \$0.8 million, with a corporate effective royalty rate of 10.4%, as compared to third quarter 2016 royalties of \$3.4 million with a corporate effective royalty rate of 15.2%. The decline in RMP's third quarter 2017 effective royalty rate from the comparative third quarter of 2016 is primarily attributable to royalties from the Ante Creek field not being reflected in the third quarter of 2017 as a result of the Ante Creek Disposition. The Ante Creek field had a higher average royalty rate in comparison to the Company's other producing fields. Thus, upon the removal of the Ante Creek field, the Company's average royalty rate is lowered.

The third quarter of 2017 corporate effective royalty rate was higher than the preceding second quarter of 2017 corporate effective royalty rate of 4.7%. The increase in the effective royalty rate from the preceding second quarter of 2017 is primarily the result of the inclusion of a Crown royalty annual adjustment credit recorded in the second quarter of 2017 resulting from the Crown's annual recalculation and adjustment of its gas cost allowance credit.

Royalties for the nine months ended September 30, 2017 were \$2.0 million (7.7% royalty rate), compared to \$9.4 million (14.7% royalty rate) for the same nine month period in 2016. Aggregate royalties for the three and nine month periods ended September 30, 2017 were significantly lower than the respective comparative periods in 2016 due to the lower P&NG revenues recorded in the period.

(\$000s)	Q317	Q316	% Change	9M17	9M16	% Change
Crown	676	3,240	(79)	1,683	9,171	(82)
Freehold and overrides	123	110	12	357	260	37
Total royalties	799	3,350	(76)	2,040	9,431	(78)
Corporate royalty rate (%) ⁽¹⁾	10.4	15.2	(32)	7.7	14.7	(48)

(1) Royalty rate is based on P&NG sales, excluding any realized gains or losses from risk management commodity contract settlements.

On January 1, 2017, the Alberta Government's new royalty framework for the province's oil and gas industry, the Modernized Royalty Framework ("MRF") became effective. Wells drilled prior to January 1, 2017 will continue to be governed by the previous "Alberta Royalty Framework" for a period of 10 years until January 1, 2027. The MRF is structured in three phases: (i) Pre-Payout, (ii) Mid-Life, and (iii) Mature. During the Pre-Payout phase, a fixed 5% royalty will apply until the well reaches payout. Well payout occurs when the cumulative revenue from a well is equal to the Drilling and Completion Cost Allowance (determined by a formula that approximates drilling and completion costs for wells based on depth, length and historical costs). Post-payout, the Mid-Life phase applies a higher royalty rate than the Pre-Payout phase. Mid-life phase royalty rates are determined by resource and commodity market prices. In the Mature phase, once a well reaches the tail end of its cycle and production falls below a Maturity Threshold of 40 boe/d, the royalty rate will move to a sliding scale (based on volume and price) with a minimum royalty rate of 5%. The downward adjustment of the royalty rate in the Mature phase is intended to account for the higher per-unit fixed cost involved in operating an older well.

Operating Expenses

Total operating expenses for the third quarter were \$4.9 million or \$13.25 on an oil-equivalent per unit basis, as compared to the field production costs in the third quarter of 2016 of \$4.2 million or \$5.58 per boe. Operating expenses were \$11.7 million or \$11.95 per boe for the nine months ended September 30, 2017 as compared to \$13.0 million or \$5.27 per boe for the nine months ended September 30, 2016. Per-unit operating expenses for the three and nine months ended September 30, 2017 increased from the respective comparative 2016 periods as a result of lower current year production volumes covering the fixed operating cost component. Additionally, the Ante Creek field had a lower per-unit cost profile in comparison to RMP's other producing fields as a whole. As such, the disposition of the Ante Creek field from the Company's asset portfolio had the effect of increasing the Company's overall per-unit operating costs from its remaining producing assets. The Company's per-unit operating costs in the third quarter in comparison to the preceding second quarter were higher. A higher level of well workovers, pump replacement activity and compressor maintenance at Waskahigan and Kaybob, in addition to prior period third-party gas plant adjustments at Kaybob, resulted in the higher per-unit costs in the third quarter.

	Q317	Q316	% Change		9M17	9M16	% Change
Total (\$000s)	4,889	4,165	17		11,724	12,970	(10)
Per unit (\$/boe)	13.25	5.58	137		11.95	5.27	127

Transportation Expenses

RMP incurs transportation costs on the crude oil and natural gas it delivers up to the title transfer point. In the third quarter of 2017, these costs primarily encompassed oil sales pipeline tariffs, pipeline fuel surcharges and transportation costs associated with firm receipt usage of a mid-stream natural gas sales pipeline. The cost of transporting and distributing natural gas and crude oil production to market delivery points during the quarter ended September 30, 2017 amounted to \$2.2 million or \$6.03 per boe as compared to \$2.6 million or \$3.51 per boe for the comparative third quarter of 2016 and \$1.2 million or \$3.79 per boe for the preceding second quarter of 2017. The increase in the Company's per unit transportation costs in the third quarter of 2017 from the comparative third quarter of 2016 and from the preceding second quarter is primarily the result of additional oil transportation take-or-pay financial commitments commencing July 1, 2017, upon the completion and in-service of the Pembina Peace Pipeline Phase III Expansion. Subsequent to the quarter-end, however, the take-or-pay commitments were mitigated as a result of the closing of the asset disposition Transaction wherein a significant portion of these commitments were permanently assigned to the purchaser. Please refer to the "Commitments" section of this MD&A for further details.

Aggregate transportation costs for the nine months ended September 30, 2017 were significantly lower (44%) than the comparative nine month period in 2016 due to lower production output realized in the 2017 period.

	Q317	Q316	% Change		9M17	9M16	% Change
Total (\$000s)	2,226	2,623	(15)		4,456	7,887	(44)
Per unit (\$/boe)	6.03	3.51	72		4.54	3.20	42

General and Administrative Expenses

General and administrative ("G&A") expenses for the third quarter amounted to \$3.3 million or \$8.88 on an oil-equivalent per unit basis, as compared to \$1.6 million (\$2.14 per boe) for the third quarter of 2016 and \$1.3 million (\$4.00 per boe) for the preceding second quarter of 2017. Third quarter 2017 G&A was higher than the comparative third quarter of 2016 and the preceding second quarter due to costs in the aggregate amount of approximately \$2 million incurred in connection with the Company's executive management restructuring undertaken in the quarter and associated financial advisory fees and legal fees. RMP presently employs 15 head office personnel and also engages the services of three consultants on a part-time basis.

(\$000s)	Q317	Q316	% Change		9M17	9M16	% Change
Gross	3,568	1,963	82		7,348	5,687	29
Recoveries and capitalized	(292)	(362)	(19)		(907)	(1,040)	(13)
Expensed	3,276	1,601	105		6,441	4,647	39
Per unit (\$/boe)	8.88	2.14	315		6.56	1.89	247

Share-Based Compensation

Share-based compensation (“SBC”) costs are non-cash charges which reflect the estimated value of stock options and incentive awards issued to directors, officers and employees of RMP. The value of the award is recognized as an expense over the period from the grant date to the date of final vesting of the award. The Company capitalizes a portion of share-based compensation expense which is directly attributable to personnel involved in exploration and development capital investment activities. RMP utilizes the fair value method for measuring share-based compensation expenses. Compensation cost is measured at the grant date based on the fair value of the option using a Black-Scholes option pricing model and is recognized over the option vesting period. Some of the inputs to the option valuation model are subjective, including assumptions regarding expected stock price volatility, forfeiture rates, interest rates and terms to exercise. This compensation expense may not represent actual cash compensation realized by the recipients of the awards upon future exercise.

As of September 30, 2017, total unrecognized compensation cost of \$2.6 million, related to 10.4 million unvested stock options, is expected to be recognized in future periods over the remaining vesting terms. As of the date of this MD&A, 11,148,000 stock options with a weighted average exercise price of \$0.82 per option are outstanding and exercisable at various dates through to September 20, 2022. During the third quarter of 2017, a total of 7,365,000 options were granted at a weighed average exercise price of \$0.65 per option and 3,185,000 options were forfeited as a result of the restructuring and management change.

On September 7, 2017, the Company closed the aforementioned private placement resulting in the issuance of 5.35 million Warrants. A portion of the private placement gross proceeds was allocated to the Warrants based upon the difference in the Unit offering price and the closing value of the Company’s common shares on the date of closing of the private placement. The fair value of the Warrants was calculated using the Black-Scholes pricing model using the following assumptions: an expected life of four (4) years, a volatility rate of 65.21% and a risk-free interest rate of 1.60%. The difference between the fair value of the Warrants and the value allocated on initial grant will be recognized as stock-based compensation over the vesting term of the Warrants with a corresponding increase to the Warrants carrying value. For the three month period ended September 30, 2017, the Company recorded SBC expense of \$11 thousand in respect to the Warrants.

The Company has a long-term incentive plan (the “Plan”) whereby RMP can issue incentive awards to employees, officers, directors and other service providers of the Company in the form of common shares of RMP. The awards granted vest as to one-third on each of the first, second and third anniversaries from the date of grant and have an expiry date of December 15th of the tenth year following the year in which the award was granted. As at September 30, 2017, a total of 879,667 restricted common share awards were outstanding and exercisable at various dates through to December 15, 2027. A service cost recovery of \$78 thousand related to the restricted common share awards has been recognized and recorded in share-based compensation expense for the three month period ended September 30, 2017 as a result of forfeitures in the period. As of September 30, 2017, total unrecognized SBC of \$0.3 million, related to 0.7 million unvested restricted common share awards, is expected to be recognized in future periods over the remaining vesting terms.

The Company recognized a SBC recovery of \$0.2 million, net of capitalization, for the third quarter of 2017 as compared to a SBC expense of \$0.9 million for the comparative third quarter of 2016 and \$0.4 million for the preceding second quarter of 2017. The decrease in SBC recognized during the quarter is due to the forfeiture of both unvested options and unvested restricted common share awards in the period resulting in the reversal of the previously recognized SBC related to the unvested options and restricted common share awards. Net SBC expense for the nine month period ended September 30, 2017 decreased by 75% from the comparative 2016 nine month period to \$0.6 million as a result of the aforementioned forfeitures and due to the graded vesting methodology required under IFRS which results in a higher recognized expense in the first year or first tranche of the option grant.

(\$000s)	Q317	Q316	% Change	9M17	9M16	% Change
SBC (pre-capitalization)	(251)	1,267	(120)	1,010	3,746	(73)
SBC (capitalized)	58	(383)	(115)	(366)	(1,168)	(69)
SBC (net)	(193)	884	(122)	644	2,578	(75)

Finance Expenses

(\$000s)	Q317	Q316	% Change	9M17	9M16	% Change
Interest on bank debt	198	986	(80)	536	2,805	(81)
Accretion of decommissioning obligations	83	102	(19)	250	297	(16)
Total finance expense	281	1,088	(74)	786	3,102	(75)
Average bank debt level ⁽¹⁾	31,592	109,793	(71)	23,596	111,113	(79)
Average bank debt interest rate (%)	4.3	3.2	34	3.9	3.2	22
Average bank Prime lending rate (%)	3.0	2.7	11	2.8	2.7	4

(1) Average bank debt based on simple average within respective periods.

Interest Charges

The Company's interest expense primarily includes cash interest paid on outstanding bank indebtedness and stand-by fees, which are bank charges calculated based on undrawn available bank credit. During the quarter ended September 30, 2017, RMP incurred \$0.2 million in interest charges related to its outstanding bank debt, which is 80% lower than the \$1.0 million incurred for the comparative 2016 period due to lower outstanding bank debt. Lower average outstanding bank debt levels also resulted in an 81% decrease in RMP's interest expense for the nine month period ended September 30, 2017, as outlined in the table above.

RMP has floating interest rate bank debt, which subjects the Company to interest rate risk. The borrowings under the Company's Credit Facility are subject to interest at a rate equal to the Lender's prime rate plus 2.0%.

Accretion Expense

Accretion expense represents the change in the time value of the decommissioning and restoration obligations. Accretion expense was \$83 thousand for the three month period ended September 30, 2017. Please refer to the "Decommissioning Obligations" section hereafter.

The total decommissioning obligation liability may increase over a period based on new decommissioning obligations incurred from drilling wells, constructing facilities or acquiring operations. Similarly, this total obligation can be reduced as a result of abandonment work undertaken which reduces future obligations or as a result of dispositions. Adjusting the underlying assumptions used in the decommissioning obligation calculation, such as abandonment timing, cost estimates, the inflation or the discount rate, may increase or decrease the total decommissioning obligation liability.

Under IFRS, non-cash accretion expenses related to decommissioning obligations are presented as part of finance expenses.

Depletion and Depreciation

The Company's depletion and depreciation expense is computed on a unit-of-production basis using proved plus probable oil and gas reserves. The unit-of-production rate takes into account capital expenditures incurred to-date, in conjunction with future development capital expenditures required to develop those proved plus probable reserves. As a result, the depletion and depreciation provision, on an oil equivalent per-unit basis, may fluctuate period-to-period primarily due to changes in the underlying proved plus probable reserves base and in the amount of costs subject to depletion and depreciation. These capital costs are segregated and depleted on an area-by-area or field component basis relative to the respective underlying proved plus probable reserves base. The carrying value of undeveloped land in exploration and evaluation assets, which has no proved

and/or probable reserves assigned to it, is depreciated over its term to expiry which is also charged to depletion and depreciation expense.

RMP's depletion and depreciation expense for the quarter ended September 30, 2017 amounted to \$4.8 million. On a combined unit-of-production basis, the depletion and depreciation provision for the third quarter of 2017 was \$12.92 per boe. The decrease in per unit depletion and depreciation expense for both the three and nine month periods ended September 30, 2017 from the comparable 2016 rates is a result of the non-cash impairment charges recorded against property, plant and equipment in the fourth quarter of 2016. Furthermore, the Company reclassified its assets that were disposed of in the asset disposition Transaction to Tangle Creek on October 17, 2017 as *assets held for sale* commencing on August 31, 2017, the date in which the purchase and sale agreement was signed. *Assets held for sale* are not subject to depletion or depreciation. Thus, all assets related to Waskahigan/Grizzly, Kaybob, Gilby and Pine Creek in addition to other minor Alberta properties, were not depleted or depreciated for the month of September 2017.

	Q317	Q316	% Change	9M17	9M16	% Change
Depletion and depreciation – (\$000s) ⁽¹⁾	4,768	15,104	(68)	16,946	49,912	(66)
Depletion and depreciation - per unit (\$/boe)	12.92	20.22	(36)	17.27	20.28	(15)

(1) Includes depletion of the capitalized portion of the decommissioning obligation which was capitalized to the property, plant and equipment balance and is being depleted over the life of the Company's proved plus probable reserves.

Deferred Taxes

Deferred income taxes arise from differences between the accounting and tax basis of assets and liabilities. The estimate of deferred income taxes is based on the current tax status of the Company, enacted legislation and management's best estimates of future events. The effective tax rate differs from the statutory tax rate as it primarily takes into consideration permanent differences, adjustments for changes in tax rates and other tax legislation, and the actual amounts subsequently reported on RMP's corporate tax return. For the quarter ended September 30, 2017, the Company recorded a deferred tax expense of \$41.3 million as a result of the derecognition of the Company's previously recorded deferred tax asset due to the uncertainty whether sufficient taxable income will be available to allow the deferred tax asset to be recovered as a result of the restructuring of the Company's asset base.

(\$000s)	Q317	Q316	% Change	9M17	9M16	% Change
Deferred tax expense (reduction)	41,305	(1,102)	-	39,798	(5,754)	-

During the quarter, RMP was not subject to any corporate cash income tax due to significant tax pool balances, which aggregate to approximately \$393 million. The Company estimates that it will not incur current income taxes in the foreseeable future given its significant tax pool balances and expectations of, among other things, future capital expenditure levels and funds flow from operations.

The following table outlines the Company's estimated tax pools as at September 30, 2017 and December 31, 2016:

Tax Pool Category ⁽¹⁾	Deduction Rate	September 30, 2017 (millions)	December 31, 2016 (millions)
Canadian exploration expense (CEE)	100%	\$ 10.4	\$ 7.1
Canadian development expense (CDE)	30%	115.9	125.9
Canadian oil and gas property expense (COGPE)	10%	5.6	4.3
Non-capital losses (NCL)	100%	146.6	101.9
Undepreciated capital cost (UCC)	25%	111.4	112.9
Share issue costs and other	Various	3.5	5.5
Total		\$ 393.4	\$ 357.6

(1) Actual tax pool amounts may vary as corporate tax returns are finalized and filed.

Operations Netback per Boe and Funds from (used in) Operations per Boe

The following table highlights the Company's operating netback and funds from (used in) operations on a per boe basis for the three and nine month periods ended September 30, 2017 and 2016.

(Columns may not add due to rounding) (\$/boe)	Q317	Q316	% Change	9M17	9M16	% Change
Petroleum and natural gas sales	20.73	29.60	(30)	27.07	26.03	4
Realized gain (loss) on risk management contracts	1.21	(0.12)	-	0.55	(0.06)	-
Royalties	(2.17)	(4.48)	(52)	(2.08)	(3.83)	(46)
Operating expenses	(13.25)	(5.58)	137	(11.95)	(5.27)	127
Transportation	(6.03)	(3.51)	72	(4.54)	(3.20)	42
Operating netback	0.49	15.90	(97)	9.06	13.68	(34)
General and administrative expenses	(8.88)	(2.14)	315	(6.56)	(1.89)	247
Interest expense	(0.54)	(1.32)	(59)	(0.55)	(1.14)	(52)
Funds from (used in) operations	(8.93)	12.44	(172)	1.94	10.65	(82)

Cash Provided from (used in) Operating Activities, Funds from (used in) Operations and Net Loss

RMP's profit and cash flow generating capability is primarily a function of commodity prices, the cost to add proved and probable reserves through drilling and acquisitions and the cost to produce its reserves.

(\$000s, except share data)	Q317	Q316	% Change	9M17	9M16	% Change
Cash provided from (used in) operating activities	(2,659)	9,027	(129)	2,242	27,755	(92)
Per share – basic and diluted	(0.02)	0.06	(133)	0.01	0.19	(95)
Funds from (used in) operations	(3,293)	9,290	(135)	1,908	26,211	(93)
Per share – basic and diluted	(0.02)	0.06	(133)	0.01	0.18	(94)
Net loss	(151,799)	(4,469)	-	(157,411)	(20,511)	-
Per share – basic and diluted	(1.00)	(0.03)	-	(1.04)	(0.14)	-

Decommissioning Obligations

As at September 30, 2017, the Company recorded decommissioning obligations of \$2.6 million for estimated future costs to plug and abandon its crude oil and natural gas wells and to dismantle and remove associated production facilities, as compared to \$14.2 million at December 31, 2016. For the nine month period ended September 30, 2017, the liability decreased by a total of \$11.6 million, which is comprised of: i) \$0.7 million of liabilities incurred as a result of RMP's drilling program for the first nine months of 2017; ii) \$0.7 million decrease due to a change in discount rate from 2.31% to 2.47%; iii) \$0.3 million of accretion; iv) \$0.1 million of actual decommissioning cash expenditures incurred; and, v) \$11.9 million decrease as a result of the decommissioning obligations associated with the *assets held for sale* being transferred to *liabilities associated with assets held for sale*.

Capital Expenditures

In the third quarter of 2017, the Company incurred total capital expenditures of approximately \$7.8 million. Drilling and completion costs for the third quarter were \$4.1 million, primarily relating to one (1.0 net) horizontal well drilled in the Elmworth field in the third quarter of 2017. Third quarter 2017 field facilities and well equipment costs were \$2.8 million, which primarily pertains to the remaining construction costs and additional expansion costs for compression and inlet separation at the 2-23 Facility in the Elmworth field of West Central Alberta, in addition to tie-in costs related to the Elmworth horizontal well drilled in the quarter. The Company invested \$0.8 million in Montney land in the Elmworth area in September 2017.

On March 15, 2017, RMP exchanged undeveloped land assets in the Waskahigan area with an arm's-length party on a non-monetary basis. The lands disposed of by the Company had a nil net book value as the lands had been fully depreciated. The acquired lands were measured at fair value. The exchange resulted in the recognition of a \$0.5 million gain.

The composition of RMP's capital investment program is outlined as follows:

(\$000s)	Q317	Q316	% Change	9M17	9M16	% Change
Land ⁽¹⁾	758	144	426	1,275	5,880	(78)
Seismic	-	-	-	-	31	(100)
Drilling and completions	4,115	7,072	(42)	19,303	24,384	(21)
Field facilities and well equipment	2,820	1,477	91	17,948	3,806	372
Total exploration and development	7,693	8,693	(12)	38,526	34,101	13
Other ⁽²⁾	137	162	(15)	434	510	(15)
Property acquisitions	-	-	-	-	10,020	(100)
Property dispositions	-	(752)	(100)	-	(752)	(100)
Total capital expenditures	7,830	8,103	(3)	38,960	43,879	(11)

(1) 9M17 excludes non-monetary land additions of \$500 thousand (9M16: \$384 thousand).

(2) Q317 includes capitalized G&A of \$133 thousand (Q316: \$155 thousand) and excludes non-cash capitalized stock-based compensation recovery of \$59 thousand (Q316: \$383 thousand expense).

Liquidity and Capital Resources

RMP's primary sources of cash in the third quarter of 2017 to fund its capital expenditures were drawings on the Company's Credit Facility and the aforementioned private placement.

The Company's historical net debt levels are directly related to its funds from operations, capital expenditures, common share financings and acquisition and disposition activity. RMP exited the third quarter with net debt of approximately \$36.8 million as compared to a net debt level of \$0.9 million as at December 31, 2016.

(\$000s)	September 30, 2017	December 31, 2016	% Change
Bank debt	33,179	-	-
Working capital deficit ⁽¹⁾	3,613	885	308
Net debt	36,792	885	-
Credit Facility borrowing limit	35,000	40,000	(13)
Book capitalization ⁽²⁾	334,684	333,646	-
Market capitalization ⁽³⁾	100,172	114,737	(13)

(1) Reflects current assets (excluding non-cash risk management) plus deferred charge less current liabilities (excluding non-cash risk management).

(2) Reflects the book value of share capital, as reported on the Company's statements of financial position.

(3) Based on the market closing price of RMP's stock and the outstanding number of common shares at period-end.

On September 7, 2017, the Company closed a private placement to the directors and new management team resulting in the issuance of 5.35 million units of the Company ("Units") at a purchase price of \$0.60 per Unit for gross proceeds of approximately \$3.2 million. Each Unit is comprised of one (1) common share and one (1) common share purchase warrant ("Warrant"). Each whole Warrant entitles the holder to purchase one (1) common share at a price of \$0.75 per share for a period of four (4) years following the date of issuance. The Warrants vest and become exercisable in equal tranches of one-third each upon the 20-day weighted average trading price of the common shares on the TSX equalling or exceeding \$0.75, \$0.90 and \$1.05, respectively.

During the third quarter of 2017, the Company used \$2.7 million in operating activities and incurred cash expenditures relating to capital investing activities of \$4.5 million. Historically, RMP has funded its exploration and development capital program primarily through a combination of cash provided from operating activities, drawdowns on the Company's bank Credit Facility or by issuing equity. Such sources of funding continue to be available to RMP.

As at September 30, 2017, the Company had an uncommitted revolving, reducing operating demand loan (the "Credit Facility") with a Canadian bank (the "Lender"), with a maximum borrowing base limit of \$35.0 million. Upon closing of the aforementioned asset disposition Transaction, the Company repaid the outstanding Credit Facility and the maximum borrowing base limit was reduced to \$5.0 million. The Credit Facility is payable on demand and borrowings under the Credit Facility bear interest at a rate equal to the Lender's prime rate plus 2.0% per annum on the outstanding principal (payable monthly).

The Credit Facility is secured by a demand debenture in the principal amount of \$75.0 million with a floating charge over all assets of the Company and contains one financial covenant, an adjusted working capital ratio of at least 1:1. The adjusted working capital ratio is calculated by: dividing the summation of current assets less unrealized hedging gains plus any undrawn availability under the Credit Facility by the summation of current liabilities less unrealized hedging losses and less any current portion of bank debt. The Company was in compliance with this covenant as at September 30, 2017 and expects that it will continue to be in compliance with this financial covenant under its Credit Facility. As at September 30, 2017, the Company had \$33.2 million of total bank debt, which was subsequently paid off in conjunction with the asset disposition Transaction. As of the date of this MD&A, the Company did not have any bank debt drawn.

Adjusted working capital bank financial covenant:

(\$000s)	September 30, 2017
Current assets	
Current assets	96,765
Less: unrealized hedging gains	(193)
Add: undrawn availability under the Credit Facility	250
Total current assets	96,822
Current liabilities	
Current liabilities	56,107
Less: unrealized hedging losses	-
Less: current portion of bank debt	(33,179)
Total current liabilities	22,928
Adjusted working capital ratio	4.22

LIQUIDITY (\$000s)	Q317	Q316
Cash and cash equivalents, beginning of period	-	-
Net cash from (used in):		
Operating activities	(2,659)	9,027
Financing activities	7,169	(3,901)
Investing activities	(4,510)	(5,126)
Change in cash and cash equivalents	-	-
Cash and cash equivalents, end of period	-	-

Capital Structure and Resources

The Company's capital resources consist primarily of cash provided from operations, available bank lines of credit and the issuance of equity. RMP's management believes the Company will have the necessary capital resources to fund its planned 2017 capital spending program and meet working capital requirements primarily through the cash provided from the asset disposition Transaction, cash provided from operations and the aforementioned September 2017 private placement. RMP's cash provided from operations depends on a number of factors, including commodity prices, production volumes, royalties, operating and transportation expenses, and foreign exchange rates.

The Company's objectives when managing its capital structure are to maintain an optimal capital structure in order to reduce its cost of capital, safeguard the business as a going concern, maintain financial flexibility to preserve its access to capital markets and its ability to meet financial obligations, and to finance internally-generated growth in addition to potential acquisitions. RMP manages its capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of its underlying assets. The Company considers its capital structure to include shareholders' equity, debt and working capital. To maintain or adjust the capital structure, RMP may from time-to-time, issue common shares, dispose of assets, raise debt and/or adjust its capital spending to manage its current and projected debt levels.

RMP monitors its capital structure based on the current and projected ratio of total net debt-to-annualized funds from operations. The Company's objective is to maintain a net debt-to-annualized funds from operations ratio of less than two times, however, the ratio is affected by business cycles and may increase at certain times. For example, as a result of acquisitions or a precipitous decrease in commodity prices. To facilitate the management of this ratio, the Company prepares annual capital

budgets and business plan forecasts, which are updated on a regular basis depending on varying factors such as general market conditions and successful capital deployment.

Common Share and Warrant Information

RMP's authorized capital consists of an unlimited number of voting common shares. The number of common shares of the Company outstanding as at September 30, 2017 was 156.5 million.

		2017		
		Q317	Q217	Q117
TSX Share Price:	High	\$ 0.68	\$ 0.84	\$ 0.90
	Low	\$ 0.42	\$ 0.52	\$ 0.63
	Close	\$ 0.64	\$ 0.62	\$ 0.72
Average daily trading volume		251,548	291,171	452,749
Shares outstanding - period end		156,518,232	151,019,234	151,019,234
Weighted average basic and diluted		152,455,375	151,019,234	150,987,836

		2016 Quarterly Comparison			
		Q416	Q316	Q216	Q116
TSX Share Price:	High	\$ 1.07	\$ 1.28	\$ 1.97	\$ 1.68
	Low	\$ 0.62	\$ 0.90	\$ 1.11	\$ 0.99
	Close	\$ 0.76	\$ 1.04	\$ 1.24	\$ 1.43
Average daily trading volume		707,045	1,414,356	2,436,402	1,666,903
Shares outstanding - period end		150,970,068	150,970,068	150,970,068	150,970,068
Weighted average basic and diluted		150,970,068	150,970,068	150,970,068	128,628,475

	TSX Trading Price Range		Total Period Volume
	High (\$)	Low (\$)	
2017 Monthly			
January	0.90	0.69	13,656,000
February	0.86	0.73	6,664,000
March	0.81	0.63	8,203,200
April	0.84	0.70	9,033,700
May	0.83	0.68	5,831,600
June	0.70	0.52	3,478,500
July	0.66	0.54	2,341,600
August	0.62	0.42	5,552,900
September	0.68	0.44	7,701,500

On September 7, 2017, the Company closed the aforementioned private placement, wherein a total of 5.35 million common shares of the Company were issued.

The following table provides a summary of the common shares, stock options, restricted share awards and warrants outstanding at the indicated dates:

	November 13, 2017	September 30, 2017	December 31, 2016
Common shares	156,528,232	156,518,232	150,970,068
Stock options	11,148,000	11,148,000	13,958,367
Restricted share awards	869,667	879,667	1,077,500
Warrants	5,349,999	5,349,999	-

Commitments

In the normal course of business, the Company has entered into various commitments that will have an impact on its future operations. These commitments primarily relate to debt repayments, an operating lease relating to RMP's corporate head office space, a field equipment operating lease and natural gas, crude oil and NGLs transportation. All such commitments and obligations reflect market conditions prevailing at the time of the respective contracts and none are with related parties. RMP believes it has sufficient sources of capital to fund all commitments and obligations as they may come due.

The following table summarizes the Company's various contractual obligations and commitments as at September 30, 2017:

(\$000s)	2017	2018	2019	2020	2021	Thereafter	Total
Bank debt ⁽¹⁾	-	33,179	-	-	-	-	33,179
Head office operating lease ⁽²⁾	154	616	205	-	-	-	975
Field equipment operating lease	75	75	-	-	-	-	150
Oil transportation ⁽³⁾	1,330	4,317	2,594	1,188	352	412	10,193
Gas transportation ⁽³⁾	980	3,278	114	113	84	25	4,594
NGLs transportation ⁽³⁾	29	109	90	70	57	196	551
Total	2,568	41,574	3,003	1,371	493	633	49,642

- (1) Refer to Note 6 in the interim condensed consolidated financial statements for the three and nine month periods ended September 30, 2017. As a result of the closing of the asset disposition Transaction to Tangle Creek subsequent to September 30, 2017, the Company's current Credit Facility limit is \$5.0 million. As of the date of this MD&A, the Company did not have any bank debt drawn.
- (2) Pertains to lease payments associated with the Company's Calgary, Alberta head office lease, including an estimate of the Company's share of operating, utilities, property taxes and parking for the duration of the office lease.
- (3) Subsequent to September 30, 2017, the Company's oil, gas and NGLs transportation commitments were reduced by approximately 50% as a result of the asset disposition Transaction with Tangle Creek which closed on October 17, 2017.

Financial Highlights

The following tables summarize the Company's key quarterly financial results for the past eight quarters:

	Q317	Q217	Q117	Q416	Q316	Q216	Q116	Q415
Production								
Natural gas (Mcf/d)	16,700	14,572	12,179	17,110	29,163	28,779	35,443	36,352
Oil and NGLs (Bbls/d)	1,227	1,127	1,177	1,801	3,259	3,628	4,510	5,198
Oil equivalent boe/d (6:1)	4,010	3,556	3,207	4,652	8,119	8,425	10,418	11,257
Commodity Prices ⁽¹⁾								
Natural gas (\$/Mcf)	1.87	3.03	2.98	2.79	2.64	1.60	2.09	3.26
Oil and NGLs (\$/Bbl)	46.34	53.93	58.47	54.21	49.78	48.86	36.25	48.69
Oil equivalent (\$/boe)	21.94	29.52	32.76	31.24	29.47	26.51	22.80	33.00

(\$000s, except per share amounts)	Q317	Q217	Q117	Q416	Q316	Q216	Q116	Q415
Financial Results								
P&NG sales ⁽¹⁾	8,095	9,552	9,458	13,371	22,015	20,325	21,611	34,178
Net loss	(151,799)	(2,854)	(2,758)	(65,508)	(4,469)	(7,779)	(8,263)	(32,380)
Per share – basic and diluted	(1.00)	(0.02)	(0.02)	(0.43)	(0.03)	(0.05)	(0.06)	(0.26)
Cash provided from (used in) operating activities	(2,659)	1,669	3,232	4,984	9,027	8,690	10,038	19,776
Per share – basic and diluted	(0.02)	0.01	0.02	0.03	0.06	0.06	0.08	0.16
Funds from (used in) operations	(3,293)	2,803	2,398	3,373	9,290	7,429	9,492	18,725
Per share – basic and diluted	(0.02)	0.02	0.02	0.02	0.06	0.05	0.07	0.15
Total assets	152,714	296,920	293,417	276,160	458,637	462,746	453,300	452,767
Total other long-term liabilities	2,607	45,040	35,834	14,230	124,732	136,472	122,901	140,919

(1) Commodity prices and petroleum and natural gas sales include realized gains or losses from risk management commodity contract settlements.

As indicated in the Financial Highlights, the Company's quarterly average daily production decreased to 8,425 boe/d in the second quarter of 2016 as a result of an unscheduled outage of a mid-stream-operated gas plant in the Kaybob area due to a mechanical failure of its sulphur-handling infrastructure, pared-back drilling activity and natural field declines. Quarterly average daily production of 8,119 boe/d in the third quarter of 2016 reflects reduced drilling activity and natural field declines. The decrease of quarterly average daily production to 4,652 boe/d in the fourth quarter of 2016 reflects the Ante Creek Disposition closing on November 15, 2016 and both crude oil and natural gas sales pipelines restrictions in October 2016. Quarterly average daily production of 3,207 boe/d in the first quarter of 2017 declined from the previous quarter as a result of the Ante Creek Disposition (no volume from the Ante Creek field is reflected in the first quarter 2017 production figure). The increase in production in the second quarter of 2017 as compared to the preceding first quarter of 2017 is attributable to the start-up and commissioning of the 2-23 Facility in Elmworth in June 2017. The increase in production to 4,010 boe/d in the third quarter of 2017 is due to production from the Elmworth field being reflected for the entire quarter.

RMP's petroleum and natural gas sales fluctuate from quarter-to-quarter as a result of changes in commodity prices and/or production volumes. Please refer to the "*Petroleum and Natural Gas Sales and Commodity Pricing*" section for additional information.

Quarterly net income is impacted by the fluctuations in petroleum and natural gas sales, non-cash impairment charges, gains recognized on the disposition of assets, and unrealized gains and losses on risk management contracts. Specifically, the significant decrease in commodity market prices has resulted in the Company recording non-cash impairment charges of \$37.3 million in the fourth quarter of 2015, \$115.6 million in the fourth quarter of 2016 and \$102.5 million in the third quarter of 2017, respectively, which has affected RMP's reported amount of earnings.

The Company's total assets have decreased primarily as a result of the above mentioned non-cash impairment charges to property, plant and equipment and the Ante Creek Disposition. The decrease in total other long-term liabilities in the first quarter of 2016 is primarily due to decreased bank debt drawdowns on the Company's bank credit facility as a result of a pared-back level of capital expenditures. The significant decrease in other long-term liabilities in the fourth quarter of 2016 is due to the Company paying off its entire outstanding bank debt balance in that quarter with the proceeds from the Ante Creek Disposition. The decline in other long-term liabilities in the third quarter of 2017 is a result of the classification of RMP's bank debt as current as at September 30, 2017 due to the demand nature of the Credit Facility and due to \$11.9 million of decommissioning obligations being transferred to a current liability position under *liabilities related to assets held for sale*.

Off-Balance Sheet Arrangements

The Company has no off-balance sheet arrangements, special purpose entities, financing partnerships or guarantees, other than as disclosed in this section. RMP has a head office lease agreement, as disclosed in the aforementioned *Commitments* table, which was entered into in the normal course of business operations. The lease has been treated as an operating lease rental arrangement whereby the lease payments are included in G&A expenses. No asset or liability value has been assigned to the lease on the statement of financial position as at September 30, 2017.

Disclosure Controls and Procedures and Internal Controls Over Financial Reporting

The Company has designed disclosure controls and procedures to provide reasonable assurance that: (i) material information relating to the Company is made known to the Company's CEO and CFO by others, particularly during the period in which the annual and interim filings are being prepared; and (ii) information required to be disclosed by the Company in its annual filings, interim filings or other reports filed or submitted by it under securities legislation is recorded, processed, summarized and reported within the time period specified in securities legislation.

The Company has designed internal controls over financial reporting to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS. The Company is required to disclose herein any change in the Company's internal controls over financial reporting that occurred during the period beginning on July 1, 2017 and ended on September 30, 2017 that has materially affected, or is reasonably likely to materially affect, the Company's internal controls over financial reporting.

No material changes in the Company's disclosure controls and procedures and its internal controls over financial reporting were identified during such period that have materially affected, or are reasonably likely to materially affect, the Company's internal controls over financial reporting.

It should be noted that a control system, including the Company's disclosure and internal controls and procedures, no matter how well conceived, can provide only reasonable, but not absolute assurance that the objectives of the control system will be met and it should not be expected that the disclosure and internal controls and procedures will prevent all errors or fraud.

Use of Estimates and Judgments

The preparation of consolidated financial statements in conformity with IFRS requires RMP's management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amount of assets, liabilities, income and expenses. Actual results may differ materially from these estimates.

Estimates and their underlying assumptions are reviewed on an ongoing basis and are based on the Company's management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Revisions to accounting estimates are recognized in the year in which the estimates are revised and for any future years affected.

Critical Judgments in Applying Accounting Policies

The following are critical judgments that management has made in the process of applying accounting policies and that have the most significant effect on the amounts recognized in the consolidated financial statements.

The Company's assets are aggregated into cash generating units for the purpose of calculating impairment. Cash generating units ("CGU" or "CGUs") are based on an assessment of the unit's ability to generate independent cash inflows. The determination of these CGUs was based on management's judgment in regards to geographical proximity, geology, production profile, shared infrastructure and similar exposure to market risk and materiality. Based on this assessment, the Company's CGUs are generally composed of significant development areas. The Company reviews the composition of its CGUs at each reporting date to assess whether any changes are required in light of new facts and circumstances.

Judgments are required to assess when impairment indicators exist and impairment testing is required. In determining the recoverable amount of assets, in the absence of quoted market prices, impairment tests are based on estimates of proved and/or probable reserves, production rates, future crude oil and natural gas prices, future costs, discount rates, market value of land and other relevant assumptions.

The application of the Company's accounting policy for exploration and evaluation assets requires management to make certain judgments as to future events and circumstances as to whether economic quantities of reserves have been found.

Judgments are made by management to determine the likelihood of whether deferred tax assets at the end of the reporting period will be realized from future taxable earnings.

Key Sources of Estimation Uncertainty

The following are key estimates and their assumptions made by management affecting the measurement of balances and transactions in these consolidated financial statements.

Estimation of recoverable quantities of proved and probable reserves include estimates and assumptions regarding future commodity prices, foreign currency exchange rates, discount rates and operating and transportation costs for future cash flows. It also requires the interpretation of complex geological and geophysical models in order to make an assessment of the size, shape, depth and quality of reservoirs, and their anticipated recoveries of reserves. The economic, geological and geophysical, and other technical factors used to estimate proved plus probable reserves may change from period to period. Changes in reported reserves can affect the non-cash impairment of assets, the provision for decommissioning obligations, the economic feasibility of exploration and evaluation assets, the recognition of deferred tax assets and the

amounts reported for depletion and depreciation of property, plant and equipment. These reserve estimates are prepared in accordance with the *Canadian Oil and Gas Evaluation Handbook* by independent qualified reserves engineers, who work with information provided by the Company to establish reserve determinations based on the guidance stipulated by National Instrument 51-101 – *Standards of Disclosure for Oil and Gas Activities*.

The Company estimates the decommissioning obligations for crude oil and natural gas wells and their associated production facilities. In most instances, removal of assets and remediation occurs many years into the future. Amounts recorded for the decommissioning obligations and related accretion expense require assumptions regarding removal date, future environmental legislation, the extent of reclamation activities required, the engineering methodology for estimating cost, inflation estimates, future removal technologies in determining the removal cost, and the estimate of the liability specific discount rates to determine the present value of these cash flows.

In a business combination, management makes estimates of the fair value of assets acquired and liabilities assumed which includes assessing the value of crude oil and natural gas properties based upon the estimation of recoverable quantities of proved and probable reserves being acquired.

The Company's estimate of the depletion and depreciation of property, plant and equipment is based on estimates of proved and probable reserves and the associated future development costs.

The Company's estimate of non-cash share-based compensation is dependent upon estimates of historic stock price trading volatility, interest rates, expected terms to exercise and forfeiture rates.

The Company's estimate of the fair value of derivative financial instruments is dependent on estimated forward crude oil and natural gas prices, expected interest rates, expected future foreign currency exchange rates and expected volatility in these variables.

The deferred tax asset or liability is based on estimates as to the timing of the reversal of temporary differences, substantively enacted tax rates and the likelihood of assets being realized.

Accounting Pronouncements

The following pronouncements from the International Accounting Standards Board ("**IASB**") will become effective for financial reporting periods beginning on or after January 1, 2017 and have not yet been adopted by the Company. These new or revised standards permit early adoption with transitional arrangements depending upon the date of initial application:

- IFRS 15 – "*Revenue from Contracts with Customers*" contains a single model that applies to contracts with customers and two approaches to recognizing revenue: at a point in time or over time. The model features a contract-based five-step analysis of transactions to determine whether, how much and when revenue is recognized. New estimates and judgmental thresholds have been introduced, which may affect the amount and/or timing of revenue recognized. The new standard is effective for annual periods beginning on or after January 1, 2018.
- IFRS 9 – "*Financial Instruments*" addresses the classification and measurement of financial assets, and is the first step to replace IAS 39 – "*Financial Instruments: Recognition and Measurement*." IFRS 9 uses a single approach to determine whether a financial asset is measured at amortized cost or fair value, replacing the multiple rules in IAS 39. The single approach in IFRS 9 is based on how an entity manages its financial instruments in the context of its business model and the contractual cash flow characteristics of the financial assets. IFRS 9 also requires a single impairment method to be used, replacing the multiple methods in IAS 39. The mandatory effective date of IFRS 9 is for annual periods beginning on or after January 1, 2018 and must be applied retrospectively with some exemptions.
- IFRS 16 – "*Leases*" requires the recognition of most leases on the balance sheet, and effectively removes the classification of leases as either finance or operating leases and treats all leases as finance leases for lessees with exemptions for short-term leases where the lease term is twelve months or less and for leases of low value items. IFRS 16 accounting treatment for lessors is unchanged, which provides the choice of classifying a lease as either a finance or operating lease. The new standard is effective for annual periods beginning on or after January 1, 2019.

The Company is currently assessing the effect of adopting these standards on its consolidated financial statements. The Company will adopt IFRS 15, IFRS 9 and IFRS 16 when the standards are effective.

Business Risks and Uncertainties

The Company's exploration and development activities are focused in the Western Canadian Sedimentary Basin within the province of Alberta, which is characterized as being highly competitive with competitors varying in size from small junior producers to significantly larger, fully-integrated energy companies possessing greater financial and personnel resources. In the normal course of business, RMP is exposed to a variety of business risks and uncertainties that can have an effect on its financial condition.

The Company recognizes certain risks inherent in the crude oil and natural gas industry, such as access to crude oil and natural gas services, weather-related delays with drilling and operational plans, finding and developing crude oil and natural gas reserves at economic costs, drilling risks, producing crude oil and natural gas in commercial quantities, environmental and safety risks, and commodity price and political risks and uncertainties. RMP has engaged professional senior management and seasoned technical personnel, possessing many years of experience in the crude oil and natural gas business and intellectual capacity, to address, prudently manage and mitigate these risks. Please see the Company's website to reference the backgrounds and qualifications of RMP's senior leadership team, which can be sourced at www.rmpenergyinc.com under the *Management* hyperlink contained on the website face page.