

CALGARY, ALBERTA--(Marketwired - Jan 27, 2016) - [Rock Energy Inc.](#) (TSX:RE) ("Rock" or the "Corporation") announces that in light of recent industry conditions, Alberta Treasury Branches has rescinded its agreement to implement the syndicated credit facilities announced on December 10, 2015. As a result, Rock will maintain its existing credit facilities with its current lender (the "Current Credit Facility"). The Current Credit Facilities provide for a borrowing base of \$75 million with an agreement by the Corporation to cap drawn balances to \$65 million. The Current Credit Facility is being reviewed by the existing lender.

Rock is forecasting total net debt at year end 2015 of \$60 million, which is below the availability under the Current Credit Facility.

#### Additional-GAAP Measures

##### *Other additional GAAP measures*

This document also contains the terms "adjusted working capital deficiency" and "net debt" which do not have any standardized meaning prescribed by GAAP and may not be comparable with the calculation of similar measures for other entities.

Working capital is defined as the difference between current assets and current liabilities. Working capital (deficiency) is the term used when the difference between current assets and current liabilities is a negative number which is quite common in the oil and gas industry. Adjusted working capital, and adjusted working capital deficiency have been calculated excluding the unrealized gains on commodity price contracts from current assets and the unrealized losses on commodity price contracts and bank debt from current liabilities. Adjusted working capital and adjusted working capital (deficiency) represent operating liquidity available to the business and are included in the definition of the additional GAAP term "net debt".

Net debt has been calculated as bank debt plus adjusted working capital or adjusted working capital (deficiency). Net debt is used to calculate the debt-to-annualized-funds from operations ratio. Management believes these measures are useful supplementary measures of the total amount of current and long-term debt. Total capitalization is calculated as net debt plus shareholders' equity. Management believes this measure is a useful supplementary measure of the Corporation's managed capital.

#### Forward-Looking Statements and Advisories

Certain statements contained in this document may constitute forward-looking statements. 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", "expect", "forecast", "may", "will", "project", "predict", "potential", "targeting", "intend", "could", "might", "should", "believe" and similar expressions. These statements involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking statements. The Corporation believes that the expectations reflected in these forward looking statements are reasonable but no assurance can be given that these expectations will prove to be correct and such forward-looking statements included in this document should not be unduly relied upon. These statements speak only as of the date of this document. The Corporation does not intend, and does not assume any obligation, to update these forward-looking statements, except as required by applicable law.

#### Contact

Allen J. Bey  
President and Chief Executive Officer  
403.218.4380  
Todd Hirtle  
Vice President Finance and Chief Financial Officer  
403.218.4380