



NEWS RELEASE

RUBELLITE ENERGY INC. ANNOUNCES ACHIEVEMENT OF FOURTH QUARTER 2022 PRODUCTION GUIDANCE, SUCCESSFUL LAND ACQUISITIONS AND PROVIDES STRONG OPERATIONAL UPDATE

Calgary, Alberta – January 17, 2023 (TSX:RBY) – Rubellite Energy Inc. ("Rubellite" or the "Company"), a pure play Clearwater oil exploration and development company, is pleased to release its preliminary fourth quarter 2022 and current production results, announce a material expansion in Rubellite's land base and prospect inventory at Figure Lake, and provide an operational update, all of which highlight successful advancement of Rubellite's growth focused business plan centered around the attractive Clearwater play. Highlights include:

- Preliminary Q4 2022 average oil sales production, based on field estimates, of 2,180 bbl/d;
- Current oil sales production, based on field estimates, of over 2,700 bbl/d;
- Strong preliminary performance from new development wells rig released at Marten Hills and in the Figure Lake area, relative to Rubellite's type curve;
- Ongoing one-rig development program at Figure Lake on track to deliver Q1 2023 oil sales production at the high end of previous corporate guidance of 2,200 – 2,600 bbl/d;
- Continued expansion of Figure Lake land base, adding 30.75 net sections in Q4 2022 and January 2023; and
- Spud of first well in Dawson/Peavine area Northern Exploration Program.

PRODUCTION

Rubellite is pleased to report that the Company recorded preliminary fourth quarter oil sales production of 2,180 bbl/d, based on field estimates, at the high end of the fourth quarter guidance range of 1,950 – 2,200 bbl/d. The Company produced close to an additional 70 bbl/d which was not recorded as sales during the quarter, building inventory to fill new tank volumes for oil processing and water separation at pad sites.

Ten (7.9 net) wells were rig released in Rubellite's two-rig fourth quarter development drilling program at Marten Hills and Figure Lake and began to contribute materially to the ramp up of oil sales production volumes throughout December as new multi-lateral wells were rig released and achieved full recovery of oil-based drilling mud ("OBM"). OBM is not recorded as sales production as the OBM is recovered and re-used in future drilling operations to the maximum extent possible or, when no longer re-usable it is sold, and in both cases credited back to drilling capital.

Field estimates of production through the first two weeks of January averaged over 2,700 bbl/d, in excess of the high end of Rubellite's Q1 2023 production guidance, with three wells recently rig-released at Figure Lake producing OBM load fluid and therefore not yet included in the sales production estimate.

OPERATIONS UPDATE

Three (0.9 net) new wells drilled in the fourth quarter at Marten Hills fully recovered OBM from the drilling process and completed their respective IP30 production periods, recording average production rates of 231 bbl/d, close to double the Marten Hills type curve⁽¹⁾ IP30 of 120 bbl/d. With primary development on the Company's Marten Hills acreage now complete, the Company will continue to monitor the performance of several offsetting waterflood pilots and assess the potential for secondary recovery on its acreage at Marten Hills later in 2023.

At Figure Lake, a total of eight (8.0 net) multi-lateral horizontal wells were spud and seven (7.0 net) were rig released during the fourth quarter. Development drilling operations were focused on two existing pads, adding three (3.0 net) horizontal multi-lateral wells to the pad at 1-13-63-18W4 (the "1-13 Pad") and three (3.0 net) horizontal multi-lateral wells on the pad to the north at 9-23-63-18W4 (the "9-23 Pad"). Two wells were also spud on a new pad at 3-26-63-18W4 (the "3-26 Pad"), with one well rig-released in mid-December and the second rig released January 6, 2023. All three new wells drilled at the 1-13 Pad have recovered their OBM load fluid and progressed through their respective IP30 production periods, recording IP30 rates ranging from 126 to 212 bbl/d to average 159 bbl/d as compared to the Figure Lake type curve⁽¹⁾ IP30 of 115 bbl/d. Thus far, one of the three wells drilled on the 9-23 Pad in the fourth quarter has fully recovered its OBM and recorded an average IP30 production rate of 166 bbl/d. The other two wells on the 9-23 Pad are in their IP30 periods and performing commensurate with the first well's performance, trending above the Figure Lake type curve⁽¹⁾. Positive results continued from the 3-26 Pad, with the well rig released in mid-December now approximately

midway through its IP30 period and again tracking above type curve. The second well on the 3-26 Pad commenced OBM recovery operations after its rig release in early January and has just recently begun producing heavy oil sales volumes. Performance from the new Figure Lake wells is very positive thus far and will be monitored closely to inform future corporate production projections as operating parameters are optimized.

Operationally, Rubellite intends to keep one drilling rig running continuously at Figure Lake until break up in late March, to drill a total of seven (7.0 net) wells during the first quarter of 2023, focusing primarily on infill development drilling at the 9-23 and 3-26 Pads to grow production. The second drilling rig moved north to the Dawson/Peavine area in early January to execute the horizontal multi-lateral drilling in Rubellite's Northern Exploration Program.

Rubellite began operations in its Northern Exploration Program in the fourth quarter with the drilling of a vertical evaluation well at 7-24-83-9W5, including coring operations to ascertain the nature of the Clearwater reservoir and quality of heavy oil on its 43.75 net section land block at Cranberry Lake. While detailed core and fluid analysis work is ongoing, the Company has no immediate plans to drill a follow-on horizontal multi-lateral well. The first horizontal multi-lateral well at Dawson (5-16-81-16W5) spud January 9, 2023 and drilling operations are expected to continue for approximately two weeks. In late January, the drilling rig is expected to move to the first of two multi-lateral wells planned at Peavine for this winter. Licenses have been acquired to execute additional Northern Exploration activities as performance dictates and timing allows.

⁽¹⁾ Type curve assumptions are based on the Total Proved plus Probable Undeveloped reserves contained in the McDaniel Reserve Report as disclosed in the Company's Annual Information Form which is available under the Company's profile on SEDAR at www.sedar.com. "McDaniel" means McDaniel & Associates Consultants Ltd. independent qualified reserves evaluators. "McDaniel Reserve Report" means the independent engineering evaluation of the crude oil, natural gas and NGL reserves, prepared by McDaniel with an effective date of December 31, 2021 and a preparation date of March 9, 2022.

LAND ACQUISITIONS

Rubellite is also pleased to announce that the Company has been successful in executing multiple land acquisition transactions in the Figure Lake area to expand its Clearwater play land position, adding 30.75 net sections of prospective land, a high percentage of which directly brackets the reservoir sweet spot identified by the recent successful development drilling activities at the 1-13, 9-23 and 3-26 Pads at Figure Lake. The transactions include a Land Acquisition and Drilling Commitment Agreement with the Buffalo Lake Métis Settlement whereby Rubellite plans to drill a minimum of four multi-lateral wells prior to December 31, 2023.

Q1 2023 OUTLOOK

Rubellite is on track to achieve its combined Q4 2022 and Q1 2023 capital expenditure (see "Non-GAAP and Other Financial Measures") guidance released November 10, 2022 of approximately \$33.0 to \$41.0 million to continue its two-rig drilling program through to the end of the first quarter of 2023 to drill, complete, equip and tie-in 7 (7.0 net) multi-lateral horizontal development / infill wells at Figure Lake in the first quarter of 2023 and to execute its four to six (3.0 to 4.0 net) well Northern Exploration program. Forecast drilling activities are expected to be fully funded from adjusted funds flow and the Company's credit facility. The Figure Lake drilling program in Q4 2022 was partially funded by the last of the Figure Lake GORR drilling payments.

Factoring in the positive initial performance from the Q4 2022 drilling program to date, production sales volumes for the first quarter of 2023 are expected to average at the high end of the previous November 10, 2022 guidance of 2,200 to 2,600 bbl/d.

Rubellite also plans to continue exploration activities to pursue additional prospective land capture and de-risk acreage.

An updated Corporate Overview presentation has been posted to the Company's website at www.rubelliteenergy.com.

ADDITIONAL INFORMATION

About Rubellite

Rubellite is a Canadian energy company engaged in the exploration, development and production of heavy crude oil from the Clearwater formation in Eastern Alberta, utilizing multi-lateral drilling technology. Rubellite has a pure play Clearwater asset base and is pursuing a robust organic growth plan focused on superior corporate returns and funds flow generation while maintaining a conservative capital structure and prioritizing environmental, social and governance ("ESG") excellence. Additional information on Rubellite can be accessed at the Company's website at www.rubelliteenergy.com and on SEDAR at www.sedar.com.

The Toronto Stock Exchange has neither approved nor disapproved the information contained herein.

For additional information please contact:

Rubellite Energy Inc.
Suite 3200, 605 - 5 Avenue SW Calgary, Alberta, Canada T2P 3H5
Telephone: 403 269-4400 Fax: 403 269-4444 Email: info@rubelliteenergy.com

Susan L. Riddell Rose President and Chief Executive Officer
Ryan A. Shay Vice President Finance and Chief Financial Officer

BOE VOLUME CONVERSIONS

Barrel of oil equivalent ("boe") may be misleading, particularly if used in isolation. In accordance with NI 51-101, a conversion ratio for conventional natural gas of 6 Mcf:1 bbl has been used, which is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead. In addition, utilizing a conversion on a 6 Mcf:1 bbl basis may be misleading as an indicator of value as the value ratio between conventional natural gas and heavy crude oil, based on the current prices of natural gas and crude oil, differ significantly from the energy equivalency of 6 Mcf:1 bbl. A conversion ratio of 1 bbl of heavy crude oil to 1 bbl of NGL has also been used throughout this news release.

The following abbreviations used in this news release have the meanings set forth below:

bbl	barrels
bbl/d	barrels per day
boe	barrels of oil equivalent
MMboe	million barrels of oil equivalent

INITIAL PRODUCTION RATES

Any references in this news release to initial production rates and IP30 rates are useful in confirming the presence of hydrocarbons; however, such rates are not determinative of the rates at which such wells will continue production and decline thereafter and are not necessarily indicative of long-term performance or ultimate recovery. Readers are cautioned not to place reliance on such rates in calculating the aggregate production for the Company. Such rates are based on field estimates and may be based on limited data available at this time.

UNAUDITED FINANCIAL INFORMATION

Certain anticipated operating and financial results for 2022 included in this news release such as production information and capital expenditures are based on unaudited estimated results. These estimated results are subject to change upon completion of the audited financial statements for the year ended December 31, 2022, and changes could be material.

NON-GAAP AND OTHER FINANCIAL MEASURES

Throughout this news release and in other materials disclosed by the Company, Rubellite employs certain measures to analyze financial performance, financial position and cash flow. These non-GAAP and other financial measures do not have any standardized meaning prescribed under IFRS and therefore may not be comparable to similar measures presented by other entities. The non-GAAP and other financial measures should not be considered to be more meaningful than GAAP measures which are determined in accordance with IFRS, such as net income (loss), cash flow from operating activities, and cash flow from investing activities, as indicators of Rubellite's performance.

Non-GAAP Financial Measures

Capital Expenditures: Rubellite uses capital expenditures related to exploration and development to measure its capital investments compared to the Company's annual capital budgeted expenditures. Rubellite's capital budget excludes acquisition and disposition activities as well as the accounting impact of any accrual changes.

FORWARD-LOOKING INFORMATION

Certain information in this news release including management's assessment of future plans and operations, and including the information contained under the headings "Production", "Operations Update" and "Q1 2023 Outlook" may constitute forward-looking information or statements (together "forward-looking information") under applicable securities laws. The forward-looking information includes, without limitation, statements with respect to: future capital expenditure and production forecasts; the anticipated sources of funds to be used for capital expenditures; the number of drilling rigs to be operated over certain time periods; expectations as to drilling activity plans in various areas and the benefits to be derived from such drilling including the production growth; expectations respecting Rubellite's future exploration, development and drilling activities and Rubellite's business plan; and including the information and statements contained under the heading "Q1 2023 Outlook".

Forward-looking information is based on current expectations, estimates and projections that involve a number of known and unknown risks, which could cause actual results to vary and in some instances to differ materially from those anticipated by Rubellite and described in the forward-looking information contained in this news release. In particular and without limitation of the foregoing, material factors or assumptions on which the forward-looking information in this news release is based include: the successful operation of the its assets; forecast commodity prices and other pricing assumptions; forecast production volumes based on business and market conditions; foreign exchange and interest rates; near-term pricing and continued volatility of the market including inflationary pressures; accounting estimates and judgments; future use and development of technology and associated expected future results; the ability to obtain regulatory approvals; the successful and timely implementation of capital projects; ability to generate sufficient cash flow to meet current and future obligations; Rubellite's ability to operate under the management of Perpetual Energy Inc. pursuant to the management services and operating agreement; the ability of Rubellite to obtain and retain qualified staff and equipment in a timely and cost-efficient manner, as applicable; the retention of key properties; forecast inflation, supply chain access and other assumptions inherent in Rubellite's current guidance and estimates; the continuance of existing tax, royalty, and

regulatory regimes; the accuracy of the estimates of reserves volumes; ability to access and implement technology necessary to efficiently and effectively operate assets; and the ongoing and future impact of the coronavirus and the war in Ukraine and related sanctions on commodity prices and the global economy, among others.

Undue reliance should not be placed on forward-looking information, which is not a guarantee of performance and is subject to a number of risks or uncertainties, including without limitation those described herein and under "Risk Factors" in Rubellite's Annual Information Form and MD&A for the year ended December 31, 2021 and in other reports on file with Canadian securities regulatory authorities which may be accessed through the SEDAR website (www.sedar.com) and at Rubellite's website (www.rubelliteenergy.com). Readers are cautioned that the foregoing list of risk factors is not exhaustive. Forward-looking information is based on the estimates and opinions of Rubellite's management at the time the information is released, and Rubellite disclaims any intent or obligation to update publicly any such forward-looking information, whether as a result of new information, future events or otherwise, other than as expressly required by applicable securities law.