



CARDINAL ENERGY LTD.

NEWS RELEASE

OCTOBER 30, 2015

CARDINAL ENERGY LTD. ANNOUNCES CLOSING OF LIGHT OIL ACQUISITION

CALGARY, ALBERTA – Cardinal Energy Ltd. ("**Cardinal**" or the "**Company**") (TSX: CJ) has closed the previously announced light oil acquisition (the "**Acquisition**") in the greater Mitsue area of Alberta for a total purchase price of approximately \$142.5 million.

The Company is also pleased to announce that it has entered into an agreement to sell a gas plant and associated infrastructure to a third party for estimated net proceeds to Cardinal of \$12.8 million. The sale is expected to close in mid-November.

The acquired assets are currently producing approximately 3,300 boe/d. With the close of the Acquisition, Cardinal will be producing approximately 14,500 boe/d.

The Acquisition was partially funded through a bought deal public financing (the "**Offering**") through a syndicate of Underwriters co-led by CIBC and RBC Capital Markets and included FirstEnergy Capital Corp., GMP Securities L.P., National Bank Financial Inc., Scotia Capital Inc., BMO Nesbitt Burns Inc., Macquarie Capital Markets Canada Ltd., Peters & Co. Limited and Dundee Securities Ltd. (collectively, the "**Underwriters**") which closed on October 6, 2015. Pursuant to the Offering, Cardinal issued 6,627,500 subscription receipts (the "**Subscription Receipts**") at \$8.30 per Subscription Receipt for gross proceeds of \$55,008,250 (including the over-allotment option) and \$50,000,000 aggregate principal amount of 5.50% extendible convertible unsecured subordinated debentures (the "**Debentures**"), for total combined gross proceeds of approximately \$105 million.

In accordance with the terms of the Subscription Receipts, each Subscription Receipt was exchanged for one common share of Cardinal ("**Common Share**") on October 30, 2015 upon the closing of the Acquisition and the proceeds from the sale of the Subscription Receipts were released from escrow. Holders of Subscription Receipts are not required to take any action in order to receive their Common Shares.

As a result of the closing of the Acquisition, the maturity date of the Debentures has been automatically extended from the initial maturity date of December 31, 2015 to December 31, 2020.

Trading in the Subscription Receipts on the TSX is expected to be halted today and the Subscription Receipts de-listed prior to market open on November 2, 2015.

Note Regarding Forward-Looking Statements and Other Advisories

This press release contains forward-looking statements and forward-looking information (collectively "forward-looking information") within the meaning of applicable securities laws regarding the timing of the halt and de-listing of the Subscription Receipts, the timing of the disposition of the gas plant and associated infrastructure and the anticipated sale proceeds therefrom. Forward-looking information typically uses words such as "anticipate", "believe", "project", "expect", "goal", "plan", "intend" or similar words suggesting future outcomes, statements that

actions, events or conditions "may", "would", "could" or "will" be taken or occur in the future. The forward-looking information is based on certain key expectations and assumptions made by the Company's management.

Although the Company believes that the expectations and assumptions on which such forward-looking information is based are reasonable, undue reliance should not be placed on the forward-looking information because Cardinal can give no assurance that they will prove to be correct. Since forward-looking information addresses future events and conditions, by its very nature they involve inherent risks and uncertainties. Cardinal may not realize the anticipated benefits of the Acquisition and the disposition of the gas plant and related infrastructure may not be completed on the anticipated timeframes, for the expected proceeds or at all. Management has included the above summary of assumptions and risks related to forward-looking information provided in this press release in order to provide securityholders with a more complete perspective on the Company's future operations and such information may not be appropriate for other purposes.

Readers are cautioned that the foregoing lists of factors are not exhaustive. Additional information on these and other factors that could affect Cardinal's operations or financial results are included in reports on file with applicable securities regulatory authorities and may be accessed through the SEDAR website (www.sedar.com).

These forward-looking statements are made as of the date of this press release and Cardinal disclaims any intent or obligation to update publicly any forward-looking information, whether as a result of new information, future events or results or otherwise, other than as required by applicable securities laws.

Advisory Regarding Oil and Gas Information

Where applicable, oil equivalent amounts have been calculated using a conversion rate of six thousand cubic feet of natural gas to one barrel of oil. Boes may be misleading, particularly if used in isolation. A boe conversion ratio of six thousand cubic feet of natural gas to one barrel of oil is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead. Utilizing a conversion ratio at 6 Mcf: 1 Bbl may be misleading as an indication of value.

About Cardinal Energy Ltd.

Cardinal is a junior Canadian oil focused company built to provide investors with a stable platform for dividend income and growth. Cardinal's operations are focused in Alberta.

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