



NEWS RELEASE

DECEMBER 9, 2020

CARDINAL ENERGY LTD. ANNOUNCES EXTENSION OF CREDIT FACILITY

Calgary, Alberta – Cardinal Energy Ltd. ("**Cardinal**" or the "**Company**") (TSX: CJ) announces it has received approval from its syndicate of lenders to extend our credit facilities ("**Facilities**"). The Facilities were renewed at \$225 million and extend the revolving period and maturity date to May 31, 2021 and May 31, 2022, respectively. In this renewal Cardinal has received reserve based lending commitments from two new lenders, Export and Development Canada and Canadian Western Bank, while one previous lender, National Bank Financial, has been asked to exit.

The \$40.5 million lending commitment from EDC, based on its Business Credit Availability Program (the "BCAP"), has a tenure of up to two years and is renewable at maturity at EDC's discretion. Cardinal's syndicate of lenders has reviewed the Facilities and approved amendments to incorporate the EDC funding commitment and documentation supporting the lending commitment from EDC has been executed. Both new lenders join Cardinal's syndicate of lenders as highly aligned capital partners. The new commitments allowed for the exit of one of Cardinal's previous syndicate members and the reduction of commitments from two existing lenders while maintaining the \$225 million credit facility borrowing base under the Facilities. The completion of the bank financing was a condition of the recently announced private offering of second lien notes and common shares. The combination of both of these transactions will provide Cardinal with strong capital providers and ample liquidity.

Forward Looking Information

Certain statements contained in this press release constitute forward-looking information including, without limitation, the expectation that the proposed private placement and renewed credit facility will provide Cardinal with strong capital providers and ample liquidity. The use of any of the words "anticipate", "continue", "expect", "intend", "may", "will", "project", "should", "believe" and "confident" and similar expressions are intended to identify forward-looking information. These statements involve known and unknown risks, uncertainties and other factors which may cause actual results or events to differ materially from those anticipated in such forward-looking information.

Cardinal believes that the expectations reflected in such forward-looking information are reasonable but no assurance can be given that these expectations will prove to be correct and such forward-looking information included in this press release should not be unduly relied upon. These statements speak only as of the date of this press release. Cardinal undertakes no obligation to publicly update or revise any forward-looking information, whether as a result of new information, future events or otherwise, except as expressly required by applicable securities laws.

About Cardinal Energy Ltd.

One of Cardinal's goals is to continually improve our Environmental, Safety and Governance mandate and operate our assets in a responsible and environmentally sensitive manner. As part of this mandate, Cardinal injects and conserves more carbon than it directly emits making us one of the few Canadian energy companies to have a negative carbon footprint.

Cardinal is a Canadian oil focused company with operations focused on low decline light, medium and heavy quality oil in Western Canada.

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