



CARDINAL ENERGY LTD.

NEWS RELEASE

JUNE 8, 2023

CARDINAL ENERGY LTD. ANNOUNCES MONTHLY DIVIDEND FOR JUNE AND THE RELEASE OF OUR 2022 ESG REPORT

Calgary, Alberta – Cardinal Energy Ltd. ("**Cardinal**" or the "**Company**") (TSX: CJ) confirms that our June dividend of \$0.06 per common share will be paid on July 14, 2023 to shareholders of record on June 30, 2023. The Board of Directors of Cardinal has declared the dividend payable in cash. This dividend has been designated as an "eligible dividend" for Canadian income tax purposes.

Cardinal has released our 2022 Environmental, Social and Governance ("**ESG**") Report today, which outlines our commitment to operating in a responsible and sustainable manner, setting out our initiatives and outlining our progress in providing sustainable production, positive environmental performance and top tier shareholder returns. Our strong corporate emissions performance has continued in 2023 with ongoing CO₂ sequestration in Saskatchewan and further implementation of projects aimed at reducing emissions from our operations across Alberta, Saskatchewan and British Columbia. Our safety record continues to be in the top tier of the industry, as is our regulatory compliance level. We will continue with our commitment to reduce our environmental footprint with \$23 million in our 2023 budget for asset retirement obligations ("**ARO**"), more than 2.5 times our required regulatory spend requirements. The ESG Report is available on the Cardinal website at www.cardinalenergy.ca.

Cardinal has been closely monitoring the northern Alberta wildfires. With the situation improving, we have brought back on much of our production that was curtailed in response, and expect that all affected production will be back on by June 30, 2023. We estimate that the wildfires will impact our second-quarter production average by approximately 750 boe/d or 3.5% of forecasted production for the quarter.

Note Regarding Forward-Looking Statements

This press release contains forward-looking statements and forward-looking information (collectively "forward-looking information") within the meaning of applicable securities laws relating to Cardinal's plans and other aspects of Cardinal's anticipated future operations, management focus, objectives, strategies, financial, operating and production results. Forward-looking information typically uses words such as "anticipate", "believe", "project", "expect", "goal", "plan", "intend", "may", "would", "could" or "will" or similar words suggesting future outcomes, events or performance. The forward-looking statements contained in this press release speak only as of the date thereof and are expressly qualified by this cautionary statement.

Specifically, this press release contains forward-looking statements relating to: Cardinal's estimate that 2023 second-quarter production average will be impacted by the Alberta wildfires by 750 boe/d; Cardinal's intention to continue with its commitment to reduce its environmental footprint with \$23 million in its 2023 budget for ARO, Cardinal's intention to continue to improve its sustainability and decrease corporate risk, Cardinal's expectation that all affected production will be back on by June 30, 2023, our business strategies, plans and objectives, that the Company will continue to pursue projects and opportunities that increase our sustainability and decrease its corporate risk.

Forward-looking statements regarding Cardinal are based on certain key expectations and assumptions of Cardinal concerning anticipated financial performance, business prospects, strategies, regulatory developments, current and future commodity prices and exchange rates, effects of inflation, applicable royalty rates, tax laws, industry conditions, availability of government subsidies and abandonment and reclamation programs, future well production rates and reserve volumes, future operating costs, the performance of existing and future wells, the success of our exploration and development activities, the sufficiency and timing of budgeted capital expenditures in carrying out planned activities, the timing and success of our cost cutting initiatives and power projects, the availability and cost of labor and services, the impact of competition, conditions in general economic and financial markets, availability of drilling and related equipment, effects of regulation by governmental agencies, the ability to obtain financing on acceptable terms which are subject to change based on commodity prices, market conditions and drilling success and potential timing delays.

These forward-looking statements are subject to numerous risks and uncertainties, certain of which are beyond Cardinal's control. Such risks and uncertainties include, without limitation: the impact of continued wildfire activity in Cardinal's areas of operations and any required curtailments or other disruptions to normal course production, the impact of general economic conditions; volatility in market prices for crude oil and natural gas; industry conditions; currency fluctuations; imprecision of 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 producers; the lack of availability of qualified personnel, drilling rigs or other services; changes in income tax laws or changes in royalty rates and incentive programs relating to the oil and gas industry including abandonment and reclamation programs; 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; and ability to access sufficient capital from internal and external sources.

Management has included the forward-looking statements above and a summary of assumptions and risks related to forward-looking statements provided in this press release in order to provide readers with a more complete perspective on Cardinal's future operations and such information may not be appropriate for other purposes. Cardinal's actual results, performance or achievement could differ materially from those expressed in, or implied by, these forward-looking statements and, accordingly, no assurance can be given that any of the events anticipated by the forward-looking statements will transpire or occur, or if any of them do so, what benefits that Cardinal will derive there from. Readers are cautioned that the foregoing lists of factors are not exhaustive. 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 statements, whether as a result of new information, future events or results or otherwise, other than as required by applicable securities laws.

Statements herein with respect to Cardinal's comparative performance with respect to its safety record and regulatory compliance is based on information published by third party, government or other independent industry publications and reports or based on estimates derived from such publications and reports. The Corporation has not conducted its own independent verification of such information. While the Corporation believes this data to be reliable, market and industry data is subject to variations and cannot be verified with

complete certainty due to limits on the availability and reliability of raw data, the voluntary nature of the data gathering process and other limitations and uncertainties inherent in any statistical survey. The Corporation has not independently verified any of the data from independent third party sources referred to in this press release or ascertained the underlying assumptions relied upon by such source.

Supplemental Information Regarding Product Types

This news release includes reference to second quarter 2023 production impacted by wildfires in northern Alberta. The Company discloses crude oil production based on the pricing index that the oil is priced off of. The following table is intended to provide the product type composition as defined by NI 51-101.

	Light/Medium Crude Oil (boe/d)	Heavy Oil (boe/d)	NGL (boe/d)	Conventional Natural Gas (boe/d)	Total (boe/d)
Wildfire Impact	625	–	73	52	750

About Cardinal Energy Ltd.

Cardinal works to continually improve its Environmental, Social and Governance profile and operates its 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 and natural gas company with operations focused on low decline oil in Western Canada.

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