NEWS RELEASE **NOVEMBER 7, 2024**

CARDINAL ENERGY LTD. ANNOUNCES THIRD QUARTER 2024 OPERATING AND FINANCIAL RESULTS

Calgary, Alberta – Cardinal Energy Ltd. ("Cardinal" or the "Company") (TSX: CJ) is pleased to announce its operating and financial results for the third quarter ended September 30, 2024.

FINANCIAL AND OPERATING HIGHLIGHTS FROM THE THIRD QUARTER OF 2024

- Third quarter production of 21,128 boe/d was impacted by a planned Company operated plant turnaround and an unplanned third-party facility turnaround as well as the voluntary shut-in of natural gas production due to pricing;

- Adjusted funds flow(1) of $65.7 million funded the Company's active third quarter drilling program and continued development of the Reford steam-assisted gravity drainage ("SAGD") program;

- Net debt of $119.2 million led to a net debt to adjusted funds flow ratio(1) of 0.5x. At the end of the third quarter, Cardinal was drawn 35% on its current $200 million credit facility;

- Development capital expenditures(1) were $33.2 million which included the drilling and completion of ten (9.3 net) wells throughout our Alberta and Saskatchewan areas. Cardinal drilled four (4.0 net) wells in Central Alberta, three (2.3 net) wells in Midale, two (2.0 net) wells in Northern Alberta and one (1.0 net) well in Southern Alberta which we expect will contribute to production of over 22,000 boe/d in the fourth quarter; and

- In the third quarter of 2024, exploration and evaluation expenditures of $21.5 million were spent on our Reford SAGD project. To date in 2024, the Company has incurred $48.4 million or approximately 30% of the forecasted project costs which continues to be on budget and on schedule.

(1) See non-GAAP and other financial measures.

The following table summarizes our third quarter financial and operating highlights:

($000's except shares, per share and operating amounts)	Three months ended Sept 30			Nine months ended Sept 30		
	2024	2023	% Chg	**2024**	2023	% Chg
Financial						
Petroleum and natural gas revenue	**147,991**	169,533	(13)	**457,570**	441,563	4
Cash flow from operating activities	**83,635**	58,647	43	**194,462**	160,956	21
Adjusted funds flow [1]	**65,724**	81,230	(19)	**200,357**	189,730	6
per share – basic	**0.41**	0.51	(20)	**1.26**	1.20	5
per share – diluted	**0.41**	0.51	(20)	**1.25**	1.19	5
Earnings / (Loss)	**25,136**	39,170	(36)	**82,537**	83,210	(1)
per share – basic	**0.16**	0.25	(36)	**0.52**	0.53	(2)
per share – diluted	**0.16**	0.24	(33)	**0.51**	0.52	(2)
Development capital expenditures [1]	**33,157**	28,092	18	**84,290**	81,446	3
Other capital expenditures [1]	**735**	622	18	**2,061**	2,080	(1)
Acquisitions, net	**-**	1,558	(100)	**-**	(7,570)	(100)
Capital expenditures	**33,892**	30,272	12	**86,351**	75,956	14
Exploration & evaluation expenditures	**21,533**	217	n/m	**48,415**	10,589	n/m
Common shares, net of treasury shares (000s)	**159,187**	158,306	1	**159,187**	158,306	1
Dividends declared	**28,653**	29,032	(1)	**86,804**	86,832	-
Per share	**0.18**	0.18	-	**0.54**	0.54	-
Total Payout ratio [1]	**94%**	70%	34	**85%**	89%	(4)
Bank debt				**69,134**	44,106	57
Adjusted working capital deficiency[1]				**50,040**	17,860	180
Net debt [1]				**119,174**	61,966	92
Net debt to adjusted funds flow ratio [1]				**0.5**	0.2	150
Operating						
Average daily production						
Light oil (bbl/d)	**6,826**	8,286	(18)	**7,205**	7,921	(9)
Medium/heavy oil (bbl/d)	**11,404**	10,147	12	**11,399**	10,186	12
NGL (bbl/d)	**778**	823	(5)	**814**	791	3
Conventional natural gas (mcf/d)	**12,719**	15,696	(19)	**13,871**	15,903	(13)
Total (boe/d)	**21,128**	21,872	(3)	**21,730**	21,549	1
Netback ($/boe) [1]						
Petroleum and natural gas revenue	**76.14**	84.25	(10)	**76.85**	75.06	2
Royalties	**(14.60)**	(15.66)	(7)	**(14.34)**	(14.08)	2
Net operating expenses [1]	**(24.40)**	(24.10)	1	**(24.73)**	(24.70)	-
Transportation expenses	**(0.92)**	(0.94)	(2)	**(1.06)**	(0.97)	9
Netback [1]	**36.22**	43.55	(17)	**36.72**	35.31	4
Realized gain/(loss) on commodity contracts	**0.52**	(0.11)	n/m	**0.18**	0.22	(18)
Interest and other	**(0.58)**	(0.83)	(30)	**(0.61)**	(0.78)	(22)
G&A	**(2.35)**	(2.25)	4	**(2.64)**	(2.50)	6
Adjusted funds flow [1]	**33.81**	40.36	(16)	**33.65**	32.25	4

[1] See non-GAAP and other financial measures.
n/m - Not meaningful or not calculable

THIRD QUARTER OVERVIEW

Adjusted funds flow for the third quarter of 2024 was $65.7 million ($0.41 per basic and diluted share). Adjusted funds flow for the third quarter was negatively impacted by the lower West Texas Intermediate ("WTI") oil price which decreased 7% from the second quarter average.

Average production for the third quarter of 2024 was 3% lower than the same period in 2023 as planned Company owned and unplanned third-party facility turnarounds impacted the third quarter production by approximately 500 boe/d. In addition, Cardinal continues to temporarily curtail low netback natural gas production of approximately 250 boe/d as a result of current natural gas prices. Cardinal anticipates bringing this production back on-stream when it is economically prudent to do so. The low-decline nature of our asset base and optimization efforts through 2024 continued to contribute to Cardinal's top decile base decline rate.

During the third quarter of 2024, net operating expenses per boe slightly increased by 1% over the same period in 2023, due to additional turnaround costs and higher carbon taxes, partially offset by decreased power prices.

We have maintained a strong financial position with prudent financial management and a disciplined approach to capital allocation. Cardinal's net debt closed the third quarter of 2024 at $119.2 million, an increase of $20 million over the prior quarter. The increase in net debt was forecasted during the quarter with a planned active drilling program combined with the ramp-up of the SAGD project. As at September 30, Cardinal was drawn 35% on its current $200 million credit facility. The Company's net debt to adjusted funds flow ratio remained low at 0.5x.

In the third quarter of 2024, the Company spent $33.2 million on development capital expenditures which included the drilling and completion of ten (9.3 net) wells as detailed below. Cardinal also spent $2.6 million on recompletions and workovers and continued with the enhanced oil recovery program of CO_2 injection at Midale which continues to enhance our low decline production profile.

During the third quarter, Cardinal spent $21.5 million on exploration and evaluation expenditures related to our Saskatchewan SAGD projects. To date in 2024, the Company has incurred $48.4 million on exploration and evaluation. As detailed below, the Reford project continues to track to our forecasted timeline and cost estimate.

SASKATCHEWAN THERMAL PROJECT UPDATE

Cardinal's planned 6,000 bbl/d SAGD project at Reford, Saskatchewan remains on schedule and on budget with completion of the initial development phase expected prior to the end of fiscal 2025.

In the third quarter of 2024, Cardinal invested $21.5 million in the Reford SAGD project. Significant progress was achieved on multiple fronts of the project including:

- Earthworks substantially completed;
- Site piling started and ongoing;
- Modular facility fabrication ongoing and on schedule, first modules expected on site in the fourth quarter of 2024;
- Water source testing complete with pipelining scheduled to start in the first quarter of 2025;
- Initial SAGD well pairs finalized, drilling to begin in the first quarter of 2025; and
- Operations team buildout ongoing.

On a percentage spent basis, the project is approximately 30% complete at the end of the third quarter of 2024 with initial steam expected in the third quarter of 2025. We continue to track to budget on both costs and timeline.

Delineation work on the potential second SAGD project at Kelfield is continuing with additional 3D seismic acquired during the quarter and with additional stratigraphic test wells planned for the fourth quarter of 2024, work is ongoing to assess potential source water resources for the project.

DRILLING OPERATIONS UPDATE

As budgeted, the third quarter conventional drilling program was the busiest of the year but added a modest amount of production as the new wells came on late in the third quarter or in the fourth quarter. Planned development drilling activity was completed across our asset base with ten (9.3 net) wells drilled across our asset base and detailed as follows:

- Two (2.0 net) light oil wells in our Northern Alberta Elmworth area were drilled and brought on stream, on type curve;
- Three (2.3 net) wells drilled at our Southeast Saskatchewan Midale field consisting of two injectors and one producer are currently being optimized;
- Three (3.0 net) heavy oil wells drilled on our Central Alberta Buffalo Clearwater equivalent project with two on stream at expectation and one currently continuing to clean-up;
- One (1.0 net) well drilled on our Central Alberta Wainwright Rex project is currently recovering load oil; and
- One (1.0 net) Ellerslie oil well drilled at Tide Lake in Southern Alberta. This was the first of a three (3.0 net) well program. With the second and third wells drilled in October, all three of these wells are just coming on production.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE ("ESG")

Cardinal continued our CO_2 sequestration activities in Saskatchewan, with approximately 29,500 tonnes sequestered during the third quarter of 2024. As part of our enhanced oil recovery operation at Midale, Saskatchewan, 5.7 million tonnes of CO_2 have been sequestered here. This has helped to reduce annual oil production decline rates within this project to approximately 3%.

Cardinal's safety record continues to be in the top tier of the industry, as is our regulatory compliance level.

During the first nine months of 2024 Cardinal deployed almost $7 million towards abandonment and reclamation activities, continuing with our proactive approach to reducing liabilities and the environmental footprint of our asset base. We remain on track to exceed our regulatory spend requirements for 2024.

OUTLOOK

The third quarter of 2024 continued to demonstrate the strength of Cardinal's low-decline asset base enabling us to deploy capital into our first SAGD project. As forecasted, our third quarter drilling program added a modest amount of production to quarterly volumes and despite the curtailment of approximately 250 boe/d of natural gas production and facility turnarounds, our low-decline asset base continued to maintain our production.

Cardinal will continue to pursue projects and opportunities that increase our sustainability and decrease our corporate risk. The Company's commitment to the Reford SAGD project will be fundamental in extending corporate reserve life and enhancing long-term sustainability. The project continues to progress on schedule and on budget. Capital for the remainder of 2024 will be focused on continuing advancement of the Reford project.

In addition to the development of the Reford SAGD project, Cardinal continued to build both on its successful 2024 development program across its conventional asset base and is progressing the development of our second planned SAGD project south of Reford at Kelfield, Saskatchewan. Volumes from the third quarter drilling program are expected to increase our production to over 22,000 boe/d.

On behalf of the Board of Directors, management and employees, Cardinal would like to thank our shareholders for their continued support.

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: the number of wells to be drilled, the timing and ability to complete new wells; forecasted fourth quarter 2024 production; the Company's Saskatchewan thermal project in its Reford, Saskatchewan operating area including the expected financial and operational benefits therefrom (including extending the Company's reserves life), future production levels, the potential incremental adjusted funds flow from Cardinal's Reford SAGD project, potential benefits of the project on corporate budgets and net operating expense, the timing of completion of the project, including first steam, expenditures continuing to track budgeted amounts, expected timing on certain planned works related to the Reford project, the ability to continue to efficiently deploy capital to enhance the quality, predictability, and sustainability of the Company's low-decline asset base including the future benefit on reserves; expected work on the Corporation's potential Kelfield SAGD project; the Company's ability to mitigate local area operating costs; the ability to fund and execute the Company's 2024 budget and capital program; the expectation of bringing curtailed natural gas production back on-stream when it is financially prudent to do so; and the Company business strategies, plans and objectives, future ESG and related environmental performance, and the quality of the asset base and decline rates.

In addition, information and statements relating to reserves are deemed to be forward-looking statements, as they involve implied assessment, based on certain estimates and assumptions, that the reserves described exist in quantities predicted or estimated, and that the reserves can be profitably produced in the future.

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, project development costs, 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, that Cardinal will complete its capital budget in the manner as currently contemplated, the timing and success of our cost cutting initiatives and power projects, the Reford project will be completed on time and on budget, 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 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; changes to budgets; that commissioning of the Reford project will not be on time or on budget; that the Reford project will not be operational on the time frames contemplated herein, or for the costs contemplated herein; that the Reford project will commence operations, without interruptions and at production levels currently contemplated; construction and related risks related to the Reford project, including as it relates to third party contractors; 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.

Supplemental Information Regarding Product Types

This news release includes references to 2024 and 2023 production. The Company discloses crude oil production based on the pricing index that the oil is priced from. The following table is intended to provide the product type composition as defined by NI 51-101.

	Light/Medium Crude Oil	Heavy Oil	NGL	Conventional Natural Gas	Total (boe/d)
Q3/2024	46%	40%	4%	10%	21,128
Q3/2023	45%	39%	4%	12%	21,872
9 months/2024	48%	37%	4%	11%	21,730
9 months/2023	46%	38%	4%	12%	21,549
Q3 Turnaround impact	39%	32%	7%	22%	500
Q4/2024 estimates	46%	40%	4%	10%	~22,000

Non-GAAP and Other Financial Measures

This news release contains certain specified measures consisting of non-GAAP financial measures, capital management measures, non-GAAP financial ratios, and supplementary financial measures. Since these specified financial measures may not have a standardized meaning, they must be clearly defined and, where required, reconciled with their nearest GAAP measure and may not be comparable with the calculation of similar financial measures disclosed by other entities.

Non-GAAP Financial Measures

Net operating expenses

Net operating expenses is calculated as operating expense less processing and other revenue primarily generated by processing third party volumes at processing facilities where the Company has an ownership interest, and can be expressed on a per boe basis. As the Company's principal business is not that of a midstream entity, management believes this is a useful supplemental measure to reflect the true cash outlay at its processing facilities by utilizing spare capacity to process third party volumes. The following table reconciles operating expenses to net operating expenses:

	Three months ended		**Nine months ended**	
	Sept 30, 2024	Sept 30, 2023	**Sept 30, 2024**	Sept 30, 2023
Operating expenses	**48,752**	49,404	**151,380**	148,518
Less: Processing and other revenue	**(1,330)**	(913)	**(4,140)**	(3,185)
Net operating expenses	**47,422**	48,491	**147,240**	145,333

Netback

Cardinal utilizes netback as key performance indicator and is utilized by Cardinal to better analyze the operating performance of its petroleum and natural gas assets against prior periods. Netback is calculated as petroleum and natural gas revenue deducted by royalties, net operating expenses, and transportation expenses. The following table reconciles petroleum and natural gas revenue to netback:

	Three months ended		**Nine months ended**	
	Sept 30, 2024	Sept 30, 2023	**Sept 30, 2024**	Sept 30, 2023
Petroleum and natural gas revenue	**147,991**	169,533	**457,570**	441,563
Royalties	**(28,369)**	(31,503)	**(85,370)**	(82,812)
Net operating expenses	**(47,422)**	(48,491)	**(147,240)**	(145,333)
Transportation expenses	**(1,787)**	(1,887)	**(6,306)**	(5,707)
Netback	**70,413**	87,652	**218,654**	207,711

Capital expenditures and development capital expenditures

Cardinal utilizes capital expenditures as a measure of capital investment on property, plant and equipment compared to the annual budgeted capital expenditure. Capital expenditures is calculated as cash flow from investing activities excluding change in non-cash working capital and exploration and evaluation. Cardinal utilizes development capital expenditures as a measure of capital investment on property, plant and equipment excluding capitalized G&A, other assets, net acquisitions and is compared to the annual budgeted capital expenditures. Other capital expenditures include capitalized G&A and office expenditures.

The following table reconciles cash flow from investing activities to total capital expenditures to total development capital expenditures:

	Three months ended		Nine months ended	
	Sept 30, 2024	Sept 30, 2023	**Sept 30, 2024**	Sept 30, 2023
Cash flow from investing activities	**45,402**	18,608	**123,747**	75,495
Change in non-cash working capital	**10,023**	11,881	**11,019**	1,036
Exploration and evaluation	**(21,533)**	(217)	**(48,415)**	(575)
Capital expenditures	**33,892**	30,272	**86,351**	75,956
Less:				
Capitalized G&A	**(296)**	(458)	**(1,273)**	(1,632)
Other	**(439)**	(164)	**(788)**	(448)
Acquisitions, net	**-**	(1,558)	**-**	7,570
Development capital expenditures	**33,157**	28,092	**84,290**	81,446

Adjusted working capital deficiency

Management utilizes adjusted working capital to monitor its capital structure, liquidity, and its ability to fund current operations. Adjusted working capital is calculated as current liabilities less current assets (adjusted for the fair value of financial instruments, current decommissioning obligation, and current lease liabilities). The following table reconciles working capital to adjusted working capital:

As at	**Sept 30, 2024**	Sept 30, 2023
Working capital deficiency	**60,706**	25,342
Lease liabilities	**(1,635)**	(1,366)
Decommissioning obligation	**(8,903)**	(6,811)
Fair value of financial instruments, net	**(128)**	695
Adjusted working capital deficiency	**50,040**	17,860

Net debt

Management utilizes net debt to analyze the financial position, liquidity and leverage of Cardinal. Net debt is calculated as bank debt plus adjusted working capital.

The following table reconciles bank debt to net debt:

As at	**Sept 30, 2024**	Sept 30, 2023
Bank debt	**69,134**	44,106
Adjusted working capital deficiency / (surplus)	**50,040**	17,860
Net debt	**119,174**	61,966

Funds flow

Management utilizes funds flow as a useful measure of Cardinal's ability to generate cash not subject to short-term movements in non-cash operating working capital. As shown below, funds flow is calculated as cash flow from operating activities excluding the change in non-cash working capital.

Adjusted funds flow

Management utilizes adjusted funds flow as a key measure to assess the ability of the Company to generate the funds necessary for financing activities, operating activities, capital expenditures and shareholder returns. As shown below, adjusted funds flow is calculated as funds flow excluding decommissioning expenditures since Cardinal believes the timing of payment or incurrence of these items involves a high degree of discretion and variability.

Expenditures on decommissioning obligations vary from period to period depending on the maturity of the Company's operating areas and availability of adjusted funds flow and are viewed as part of the Company's capital budgeting process.

Free cash flow

Management utilizes free cash flow as a measure to assess Cardinal's ability to generate cash, after taking into account the development capital expenditures, to increase returns to shareholders, repay debt, or for other corporate purposes. As shown below, free cash flow is calculated as adjusted funds flow less development capital expenditures.

The following table reconciles cash flow from operating activities, funds flow, adjusted funds flow, and free cash flow:

	Three months ended		Nine months ended	
	Sept 30, 2024	Sept 30, 2023	**Sept 30, 2024**	Sept 30, 2023
Cash flow from operating activities	**83,635**	58,647	**194,462**	160,956
Change in non-cash working capital	**(19,073)**	17,222	**(1,032)**	14,582
Funds flow	**64,562**	75,869	**193,430**	175,538
Decommissioning expenditures	**1,162**	5,361	**6,927**	14,192
Adjusted funds flow	**65,724**	81,230	**200,357**	189,730
Total development capital expenditures	**(33,157)**	(28,092)	**(84,290)**	(81,446)
Free cash flow	**32,567**	53,138	**116,067**	108,284

Non-GAAP Financial Ratios

Netback per boe

Cardinal utilizes operating netback per boe to assess the Company's operating performance of its petroleum and natural gas assets on a per unit of production basis. Netback per boe is calculated as netback divided by total production for the applicable period. The following table details the calculation of netback per boe:

	Three months ended		Nine months ended	
	Sept 30, 2024	Sept 30, 2023	**Sept 30, 2024**	Sept 30, 2023
Petroleum and natural gas revenue	**76.14**	84.25	**76.85**	75.06
Royalties	**(14.60)**	(15.66)	**(14.34)**	(14.08)
Net operating expenses	**(24.40)**	(24.10)	**(24.73)**	(24.70)
Transportation expenses	**(0.92)**	(0.94)	**(1.06)**	(0.97)
Netback per boe	**36.22**	43.55	**36.72**	35.31

Net debt to adjusted funds flow ratio

Cardinal utilizes net debt to adjusted funds flow to measure the Company's overall debt position and to measure the strength of the Company's balance sheet. Cardinal monitors this ratio and uses this as a key measure in making decisions regarding financing, capital expenditures and shareholder returns. Net debt to adjusted funds flow is calculated as net debt divided by the adjusted funds flow for the trailing twelve month period.

Total payout ratio

Cardinal utilizes this ratio as key measure to assess the Company's ability to fund financing activities, operating activities, and capital expenditures. Total payout ratio is calculated as the sum of dividends declared plus development capital expenditures divided by adjusted funds flow trailing twelve-month period.

Net operating expenses per boe

Cardinal utilizes net operating expenses per boe to assess Cardinal's operating efficiency of its petroleum and natural gas assets on a per unit of production basis. Net operating expense per boe is calculated as net operating expenses divided by total production for the applicable period.

Adjusted funds flow per boe

Cardinal utilizes adjusted funds flow per boe as a measure to assess the ability of the Company to generate the funds necessary for financing activities, operating activities, capital expenditures and shareholder returns on a per boe basis. Adjusted funds flow per boe is calculated using adjusted funds flow divided by total production for the applicable period.

Adjusted funds flow per basic share

Cardinal utilizes adjusted funds flow per share as a measure to assess the ability of the Company to generate the funds necessary for financing activities, operating activities, capital expenditures and shareholder returns on a per basic share basis. Adjusted funds flow per basic share is calculated using adjusted funds flow divided by the weighted average basic shares outstanding.

Adjusted funds flow per diluted share

Cardinal utilizes adjusted funds flow per share as a measure to assess the ability of the Company to generate the funds necessary for financing activities, operating activities, capital expenditures and shareholder returns on a per diluted share basis. Adjusted funds flow per diluted share is calculated using adjusted funds flow divided by the weighted average diluted shares outstanding.

Supplementary Financial Measures

NI 52-112 defines a supplementary financial measure as a financial measure that: (i) is, or is intended to be, disclosed on a periodic basis to depict the historical or expected future financial performance, financial position or cash flow of an entity; (ii) is not disclosed in the financial statements of the entity; (iii) is not a non-GAAP financial measure; and (iv) is not a non-GAAP ratio. The supplementary financial measures used in this news release are either a per unit disclosure of a corresponding GAAP measure, or a component of a corresponding GAAP measure, presented in the financial statements. Supplementary financial measures that are disclosed on a per unit basis are calculated by dividing the aggregate GAAP measure (or component thereof) by the applicable unit for the period. Supplementary financial measures that are disclosed on a component basis of a corresponding GAAP measure are a granular representation of a financial statement line item and are determined in accordance with GAAP.

Oil and Gas Metrics

The term "boe" or barrels of oil equivalent 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 equivalent (6 Mcf: 1 bbl) is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead. Additionally, given that the value ratio based on the current price of crude oil, as compared to natural gas, is significantly different from the energy equivalency of 6:1; utilizing a conversion ratio of 6:1 may be misleading as an indication of value.

The term "Payout" means the revenue from production from a well required to fully pay for the drilling, completion, equipping and tie-in of such well.

Market, Independent Third Party and Industry Data

Cardinal may use certain market, independent third party and industry data in respect of comparisons of Cardinal to certain peer entities, including as it relates to its decline rates, which data is based upon information from public sources, including as reported by such entities and other government or other independent industry publications and reports or based on estimates derived from such publications and reports. Cardinal has not conducted its own independent verification of such information. While Cardinal believes this data to be reliable, third party, 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. Cardinal had not independently verified any of the data from independent third party sources or ascertained the underlying assumptions relied upon by such sources.

About Cardinal Energy Ltd.

Cardinal is a Canadian oil and natural gas company with operations focused on low decline oil in Western Canada. Cardinal differentiates itself from its peers by having the lowest decline conventional asset base in Western Canada. Cardinal has recently announced the commencement of its first thermal SAGD oil development project which will further increase the long-term sustainability of the Company.

For further information:
M. Scott Ratushny, CEO or Shawn Van Spankeren, CFO or Laurence Broos, VP Finance
Email: info@cardinalenergy.ca
Phone: (403) 234-8681