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UNITED STATES SECURITIES LAW**



NEWS RELEASE

JANUARY 29, 2026

**CARDINAL ENERGY LTD. ANNOUNCES UPSIZE TO PREVIOUSLY ANNOUNCED EQUITY
FINANCING TO \$95.15 MILLION**

THE BASE SHELF PROSPECTUS IS ACCESSIBLE, AND THE PROSPECTUS SUPPLEMENT AND
ANY AMENDMENT TO THE FOREGOING DOCUMENTS WILL BE ACCESSIBLE WITHIN ONE
BUSINESS DAY, ON SEDAR+

Calgary, Alberta – Cardinal Energy Ltd. ("**Cardinal**" or the "**Company**") (TSX: CJ) is pleased to announce that, as a result of strong demand, it has agreed with the syndicate of underwriters (the "**Underwriters**") co-led by RBC Capital Markets and CIBC Capital Markets, acting as joint-bookrunners, to increase the size of its previously announced bought deal equity financing from \$86.5 million to \$95.15 million (the "**Upsized Offering**").

The Underwriters have agreed to purchase for resale to the public, on a bought deal basis, 11,000,000 common shares in the capital of the Company ("**Common Shares**") at an issue price of \$8.65 per Common Share (the "**Offering Price**") for gross proceeds of \$95,150,000. The Company has granted the Underwriters an over-allotment option (the "**Over-Allotment Option**") exercisable by the Underwriters in whole or in part, from time to time, at any time up to and including the date that is 30 days following the closing of the Upsized Offering, to purchase up to an additional 1,100,000 Common Shares at the Offering Price. In the event that the Over-allotment Option is exercised in full, the gross proceeds of the Upsized Offering will be approximately \$104.67 million.

In all other respects, the terms and purpose of the Upsized Offering and use of proceeds therefrom will remain as previously disclosed in the January 28, 2026 news release.

The Upsized Offering is anticipated to close on or about February 4, 2026, which is after the January 30, 2026 record date for the dividend that the Company will pay to its shareholders on February 17, 2026. Accordingly, if closing of the Upsized Offering occurs after January 30, 2026, purchasers of the Common Shares under the Upsized Offering will not be eligible to receive the monthly dividend that will be paid by the Company on February 17, 2026 to shareholders of record on January 30, 2026.

The Common Shares will be distributed in all provinces of Canada (other than the province of Quebec) by way of a prospectus supplement (the "**Prospectus Supplement**") to the Company's base shelf prospectus dated March 28, 2024 (the "**Base Shelf Prospectus**") and by private placement in the United States to "qualified institutional buyers" pursuant to Rule 144A of the U.S. Securities Act of 1933.

Access to the Base Shelf Prospectus, the Prospectus Supplement, and any amendments to the documents are provided in accordance with securities legislation relating to procedures for providing access to a base shelf prospectus, a prospectus supplement and any amendment to the documents. The Base Shelf Prospectus, the Prospectus Supplement (when filed) and any amendments to these documents may be accessed for free on the System for Electronic Document Analysis and Retrieval ("SEDAR+") at www.sedarplus.ca. Alternatively, electronic or paper copies of the foregoing documents may be obtained, without charge, from: RBC Dominion Securities Inc., Attention: Distribution Centre, 180 Wellington Street West, 8th Floor, Toronto, Ontario M5J 0C2 or by email at DISTRIBUTION.RBCDS@RBCCM.COM or CIBC Capital Markets, 161 Bay Street, 5th Floor, Toronto, ON M5J 2S8 or by telephone at 1-416-956-6378 or by email at mailbox.canadianprospectus@cibc.com, by providing the contact with an email address or address, as applicable. The Base Shelf Prospectus and the Prospectus Supplement contain important, detailed information about the Company and the proposed Upsized Offering. Prospective investors should read the Base Shelf Prospectus and Prospectus Supplement (when filed) before making an investment decision.

The Upsized Offering is subject to customary regulatory approvals, including the approval of the TSX.

This news release is not an offer of securities of Cardinal for sale in the United States. The securities have not been and will not be registered under the U.S. Securities Act of 1933, as amended, and the securities may not be offered or sold in the United States except pursuant to an applicable exemption from such registration. No public offering of securities is being made in the United States. This news release shall not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of the securities in any jurisdiction in which such offer, solicitation or sale would be unlawful.

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 anticipated closing date of the Upsized Offering and the use of proceeds of the Upsized Offering.

Forward-looking statements regarding Cardinal are based on certain key expectations and assumptions of Cardinal concerning the completion of the Upsized Offering, the time for closing of the Upsized Offering and the manner the proceeds of the Upsized Offering will be used. 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 risk of the non-completion of the Upsized Offering; 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; engineering and design risks; financing risks; 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.

Although Cardinal believes that the expectations reflected in these forward-looking statements are reasonable, undue reliance should not be placed on them because Cardinal can give no assurance that they

will prove to be correct. Since forward looking statements address future events and conditions, by their very nature they involve inherent risks and uncertainties. The intended use of the net proceeds of the Upsized Offering may change if the board of directors of Cardinal determines that it would be in the best interests of Cardinal to deploy the proceeds for some other purpose and the closing date for the Upsized Offering may be changed. The forward-looking statements contained in this press release are made as of the date hereof and Cardinal undertakes no obligations to update publicly or revise any forward looking statements or information, whether as a result of new information, future events or otherwise, unless so required by applicable securities laws.

About Cardinal Energy Ltd.

Cardinal is a Canadian oil and natural gas production company with operations focused on low decline sustainable oil production in Western Canada. The Company's portfolio of conventional and SAGD project inventory offers a complimentary low decline, long life resource base that is ideally suited to sustain our commitment to meaningful dividend returns to shareholders.

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