NEWS RELEASE **MARCH 16, 2016**

CARDINAL ENERGY LTD. ANNOUNCES RESERVES AND FOURTH QUARTER AND 2015 YEAR-END RESULTS

Calgary, Alberta – Cardinal Energy Ltd. ("**Cardinal**" or the "**Company**") (TSX: CJ) is pleased to announce its operating and financial results for the quarter and year ended December 31, 2015 as well as its 2015 year end reserves.

2015 Financial and Operating Highlights

- During the fourth quarter of 2015 Cardinal completed an acquisition in the Slave Lake area of Alberta (the "**Mitsue Acquisition**") establishing a new core area. The acquired assets consisted of an aggregate of approximately 3,300 boe/d low decline light oil focused production. These assets are consistent with Cardinal's strategy of acquiring high working interest, operated, low decline light oil properties. The Mitsue Acquisition was also consistent with our business strategy of focusing future acquisitions on light oil properties.
- Cardinal lowered average unit operating costs by 7% to $22.43 per boe for the year ended December 31, 2015 compared to $24.15 per boe in 2014, despite an increase in fourth quarter unit operating costs due to increased operating costs from the Mitsue Acquisition.
- Cardinal's cash flow from operations was approximately $95 million in 2015 and 2014, despite the significant decline in commodity prices in 2015.
- Cardinal grew average production per basic share by 12% from 179 boe/d per million shares in 2014 to 201 boe/d per million shares in 2015.
- The Company attained record average daily production of 13,792 boe/d in Q4 2015.
- General and administrative expense ("G&A") decreased on a per boe basis from $4.91 in Q4 2014 to $1.92 in Q4 2015. On an annualized basis, G&A decreased 35% from $3.89 per boe in 2014 to $2.51 per boe in 2015.
- Achieved a total payout ratio after development capital expenditures and dividends of 87% for the year ended December 31, 2015.

2015 Reserve Highlights

- Net present value before tax discounted at 10% of total proved plus probable reserves ("2P") was $857 million.
- Increased total proved reserves ("1P") by 37% to 44.0 Mmboe. 1P reserves per share increased 20% from 2014 on both a basic and fully diluted basis. Proved reserves are 74% of Cardinal's 2P reserves.
- 2P reserves increased by 38% to 59.5 Mmboe in 2015. On a per share basis, 2P reserves increased by 21% on both a basic and fully diluted basis.
- Cardinal's reserves include 13 booked proved undeveloped locations and 8.8 booked probable undeveloped locations.
- All in future development costs used in the reserves evaluation is a conservative $44 million.

- Cardinal's proved producing reserve life index increased by 8% to 8.2 years, its proved reserves life index increased to 8.7 years and its 2P reserve life index increased to 11.8 years based on fourth quarter production of 13,792 boe/d.
- In 2015, Cardinal replaced 5 times its average daily production, primarily with proved producing reserves.
- Cardinal achieved recycle ratios of 2.6 including hedges and 1.4 excluding hedges on a 2P basis in 2015.
- 2015 finding and development costs were $9.87 on a 1P basis and $10.89 on 2P basis.
- Finding, development and acquisition costs in 2015 were $11.99 per boe on a 1P basis and $9.54 on a 2P basis. Cardinal considers FD&A costs as a more accurate measure of its yearly performance as acquisitions are a significant part of its business model.

FINANCIAL AND OPERATING HIGHLIGHTS

(000'S except shares, per share and per boe amounts)	Three months ended December 31,			Year ended December 31,		
	2015	2014	% Change	2015	2014	% Change
Financial						
Petroleum and natural gas revenue	43,300	63,159	(31)	178,100	206,685	(14)
Cash flow from operations	17,955	26,570	(32)	94,646	95,179	(1)
basic per share	$ 0.29	$ 0.47	(38)	$ 1.61	$ 2.18	(26)
fully diluted per share	$ 0.29	$ 0.46	(37)	$ 1.61	$ 2.12	(24)
Net earnings (loss)	938	26,879	(97)	(95,898)	53,806	(278)
basic per share	$ 0.01	$ 0.47	(98)	$ (1.63)	$ 1.23	(233)
fully diluted per share	$ 0.01	$ 0.46	(98)	$ (1.63)	$ 1.20	(236)
Dividends declared	13,664	11,920	15	49,911	32,588	53
per share	$ 0.21	$ 0.21	-	$ 0.84	$ 0.71	18
Net debt	146,185	54,065	170	146,185	54,065	170
Net debt to cash flow from operations	2.0	0.5	n/m	2.0	0.5	n/m
Development capital expenditures	11,055	10,042	10	36,571	37,873	(3)
Weighted average Shares outstanding						
basic	62,957	56,745	11	58,852	43,604	35
fully diluted	64,280	58,010	11	58,852	44,906	31
Operating						
Average daily production						
Crude oil and NGL (bbl/d)	12,176	10,197	19	10,792	7,102	52
Natural gas (mcf/d)	9,696	4,147	134	6,273	4,277	47
Total (boe/d)	13,792	10,888	27	11,838	7,815	51
Netback						
Petroleum and natural gas revenue	$ 34.13	$ 63.05	(46)	$ 41.22	$ 72.46	(43)
Royalties	4.20	8.83	(52)	5.19	9.60	(46)
Operating expenses	23.66	25.74	(8)	22.43	24.15	(7)
Netback	6.27	28.48	(78)	13.60	38.71	(65)
Realized gain (loss) on derivatives	11.02	4.75	132	11.59	(0.11)	n/m
Netback after risk management	$ 17.29	$ 33.23	(48)	$ 25.19	$ 38.60	(35)

Fourth Quarter and 2015 Operations

The fourth quarter of 2015 was focused on the closing and integration of the Mitsue Acquisition which added approximately 3,300 boe/d of light oil production to Cardinal. The main asset in the Mitsue Acquisition was the operated units in the Mitsue Gilwood Sand Units. The acquisition of these high working interest assets pursuant to the Mitsue Acquisition is consistent with our business strategy of focusing future acquisitions on light oil properties.

The Mitsue Acquisition increased Cardinal's unit operating costs, both in Q4 2015 and the first quarter of 2016. In Q4 2015, the Company averaged $23.66/boe in unit operating costs, an increase of 14.9% over Q3 2015. Cardinal has begun several initiatives that have and will further reduce unit operating costs both in the Mitsue area and for the rest of the Company. Cardinal expects to see a significant improvement in unit operating costs in Q2 2016, and further reductions throughout the year as the Company is able to apply capital to the field to further reduce day to day operating expenses.

Capital spending on the balance of Cardinal's assets in Q4 2015 were focused on the Bantry area. Cardinal significantly expanded its land position in this area adding 23 sections of crown lands and 19 sections of freehold lands in Q4. Throughout 2015, Cardinal added a total of 60 net sections of undeveloped land to this core area. In Q4 the Company also drilled and completed one net Glauconite well in Bantry and brought the well on production during the quarter.

In 2015 Cardinal drilled 8 (7.75 net) Glauconite horizontal drills at Bantry. At year end 7 of the 8 wells had been completed and brought on stream. These wells averaged 300 boe/d in the first 90 days of production(1) exceeding the forecast of the average GLJ undeveloped Glauconite location(2) by 40% (~85 boepd). The Glauconite horizontal wells drilled in Bantry by Cardinal in 2015 were booked by GLJ in the 2015 reserve evaluation at an average of 197 Mboe (2P) versus the assessed value of the undeveloped reserves in the reserve report, which Cardinal uses as its type curve, which are booked at an average of 140 Mboe (2P).

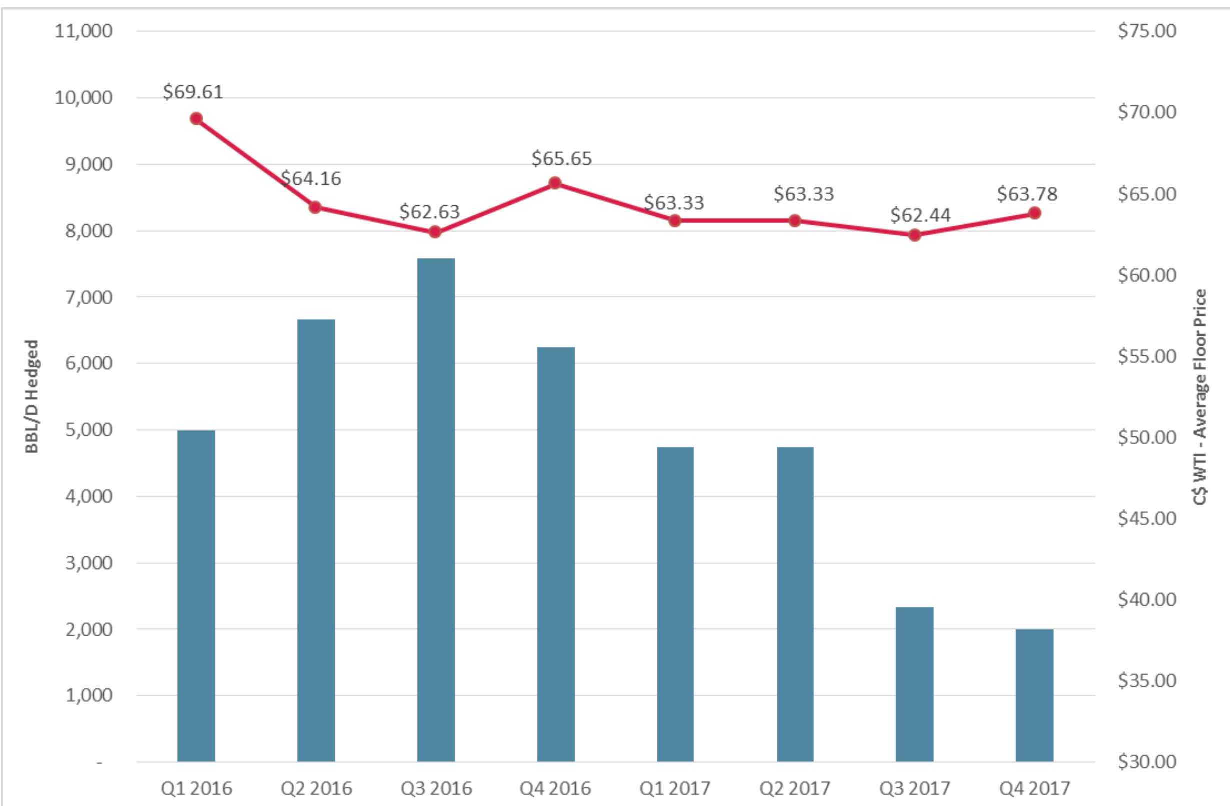
The low decline of Cardinal's asset base, combined with the exceptional drilling results, have enabled us to keep base production flat with very little in the form of capital expenditures.

(1) Production on a BOE basis for the 2015 drills considers the first month of production on an average daily rate, subsequent months are actual production rates where available. Natural gas and NGL production rates are based on historical production ratios.
(2) The average of the GLJ undeveloped Glauconite locations as estimated from the year end 2015 NI51-101 reserves evaluation.

Hedging Update

Cardinal maintains an active hedging program as part of its business strategy. The hedging program has recently been changed by the Board of Directors to allow the Company to hedge up to 75% of its production for the next 12 months, 50% of its production for the second year and 30% of its production for the third year.

Below is a current summary of the crude oil volumes currently hedged to WTI (in CAD).



In addition to the crude oil WTI hedges, Cardinal has also hedged approximately 6,000 bbl/d of WCS/WTI differential for the balance of 2016 at an average price of $18.24 per boe. Cardinal has also hedged about half of its anticipated 2016 natural gas production at various prices above $2/Mcf.

Summary of Reserves

Cardinal’s year end 2015 reserves were evaluated by independent reserves evaluators Sproule Associates Ltd. ("Sproule") and GLJ Petroleum Consultants ("GLJ"). These evaluations of all of the Company’s oil and gas properties were done in accordance with the definitions, standards and procedures contained in the Canadian Oil and Gas Evaluation Handbook ("COGE Handbook") and National Instrument 51-101 – Standards of Disclosure for Oil and Gas Activities ("NI 51-101"). Additional reserve information as required under NI 51-101 will be included in Cardinal’s Annual Information Form which will be filed on SEDAR on or before March 30, 2016.

Summary of Oil and Gas Reserves[1]
As at December 31, 2015

	Gross Reserves [2]				
	Oil & Liquids[3] (Mbbl)	Natural Gas[4] (Mmcf)	Equivalents (Mboe)	% of Total Proved	% of Total Proved & Probable
Proved producing	37,433	24,221	41,469	94%	70%
Proved non-producing	1,097	404	1,164	3%	2%
Proved undeveloped	1,259	585	1,357	3%	2%
Total proved [5]	**39,789**	**25,209**	**43,990**	**100%**	**74%**
Probable additional	14,110	8,550	15,535		26%
Total proved plus probable [5]	**53,899**	**33,759**	**59,525**		**100%**

(1) Based on Sproule’s December 31, 2015 price forecast.
(2) Gross reserves are the Company’s total working interest reserves before deduction of royalties and without including any of our royalty interests.
(3) Includes light and medium crude oil, heavy oil and natural gas liquids.
(4) Includes solution gas.
(5) Numbers may not add due to rounding.

Summary of Before Tax Net Present Values
As at December 31, 2015 [1]

	NPV Before Income Tax			
	0% (M$)	10% (M$)	Unit Values PV10/boe[2] ($/boe)	% of Total Proved & Probable PV10
Proved producing	842,984	668,665	16.12	78%
Proved non-producing	30,873	12,404	10.66	1%
Proved undeveloped	20,730	11,098	8.18	1%
Total proved [3]	**894,587**	**692,167**	**15.73**	**81%**
Probable additional	568,211	165,138	10.63	19%
Total Proved plus Probable [3]	**1,462,798**	**857,305**	**$14.40**	**100%**

(1) Based on Sproule’s December 31, 2015 price forecast.
(2) Unit values are based on gross reserves.
(3) Numbers may not add due to rounding.

Reserves Reconciliation

Gross Reserves		**MBOE**		**% Gas**
	Proved	Probable	Proved and Probable	2P
December 31, 2014	**32,078**	**10,952**	**43,030**	**7%**
Extensions & Improved Recovery	521	567	1,087	
Technical Revisions[1]	2,907	(492)	2,414	
Acquisitions[2]	13,188	4,662	17,850	
Economic Factors	(403)	(153)	(556)	
Production	(4,301)	-	(4,301)	
December 31, 2015	**43,990**	**15,535**	**59,525**	**9%**
% Revision change from December 31, 2014	8%	-7%	4%	
2015 Reserve Additions[3]	**16,213**	**4,583**	**20,796**	

(1) Technical revisions of 810 MBoe proved and 876 MBoe proved and probable reserves are a result of the post acquisition renegotiation of a gas processing contact in the Mitsue area which improved the economics and recoverable reserves for the remaining gas wells in this area.

(2) In accordance with the requirements of NI 51-101, the reserve estimates for acquisitions are the reserves as of December 31, 2015 plus production from date of acquisition date.

(3) 97% of the 1P reserve additions are proved producing reserves.

Reserves Growth Per Share

	Year end 2015				**Year end 2014**	
Reserves/Share, (boe/share)	**Basic**	**Fully Diluted**	**% change Basic**	**% change Fully Diluted**	**Basic**	**Fully Diluted**
Proved Producing	0.64	0.61	20%	20%	0.53	0.51
Total Proved	0.68	0.65	20%	20%	0.56	0.54
Total Proved and Probable	0.91	0.88	21%	21%	0.76	0.73
NPV10/Share ($/share)						
Proved Producing	10.27	9.89	-15%	-15%	12.09	11.66
Total Proved	10.63	10.24	-15%	-15%	12.48	12.04
Total Proved and Probable	13.16	12.68	-14%	-14%	15.27	14.73
Number of Shares (000's)	65,124	67,595			56,819	58,906

Outlook

Cardinal will continue to maintain a conservative approach to capital spending in 2016. Management believes it has done a prudent job of reducing G&A, unit operating costs and capital costs over the past 18 months. We believe that many of these costs savings will become permanent and that the overall cost structure of our business will have been permanently changed. We have now hedged an appropriate amount of our 2016 production to meet our budget expectations in 2016.

The low decline of our base production, allows us to drill a limited number of wells in 2016. We are still completing our technical review of the newly acquired assets in the Mitsue area and will focus our capital on low cost well recompletion and operating cost reduction initiatives in this area in 2016. If we see a modest increase in oil prices we expect to apply the extra cash flow towards drilling in the Mitsue area later this year.

Cardinal maintains a conservative borrowing policy. At year end we had approximately $92 million drawn on our $150 million credit facility. The credit facility is reviewed semi-annually and Cardinal does not expect any change in the amount of our credit facility at the next review, which is currently scheduled to be completed in May of 2016.

We expect that our dividend is safe to the downside in 2016 and we do not anticipate a dividend increase in 2016 unless we see a sizable sustained upward movement in the price of oil.

All in all, we are happy with the end results of a tumultuous 2015 and feel that the worst in commodity pricing is behind us.

Our staff, both in our head office and in the field has done a remarkable job adapting to our new pricing environment. They have become more efficient on a day to day basis and have brought forward countless ideas for cutting costs and operating more efficiently despite having had to endure salary and bonus reductions.

On behalf of all of the directors and officers of Cardinal, I would like to thank all our employees and field contractors for banding together and helping us navigate through a tough period.

Annual Filings

Cardinal also announces the filing of its Audited Financial Statements for the year ended December 31, 2015 and related Management's Discussion and Analysis with the Canadian securities regulatory authorities on the System for Electronic Analysis and Retrieval ("SEDAR"). In addition, Cardinal expects to file its Annual Information Form for the year ended December 31, 2015 on SEDAR on or prior to March 30, 2016. Electronic copies may be obtained on Cardinal's website at www.cardinalenergy.ca and on Cardinal's SEDAR profile at www.sedar.com.

March Dividend

Cardinal confirms that a dividend of $0.035 per common share will be paid on April 15, 2016 to shareholders of record on March 31, 2016. The Board of Directors of Cardinal has declared the dividend payable in either cash or common shares at the election of the shareholder. This dividend has been designated as an "eligible dividend" for Canadian income tax purposes.

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 all season access areas in Alberta.

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 the 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: our business strategies, plans and objectives, future cost reductions, production decline rates, dividend policy and plans, planned capital expenditures, our hedging plans and the anticipated results therefrom and the results of the semi-annual review of our credit facility. 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 commodity prices and exchange rates, applicable royalty rates, tax laws, future well production rates and reserve volumes, future operating costs, the performance of existing and future wells, the success of its exploration and development activities, the sufficiency and timing of budgeted capital expenditures in carrying out planned activities, 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, 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; 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; 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.

Non-GAAP measures

This press release contains the terms "cash flow from operations", "total payout ratio" and "netback" which do not have a standardized meaning prescribed by International Financial Reporting Standards ("IFRS" or, alternatively, "GAAP") and therefore may not be comparable with the calculation of similar measures by other companies. Cardinal uses cash flow from operations and total payout ratio to analyze operating performance and assess leverage. Cardinal feels these benchmarks are key measures of profitability and overall sustainability for the Company. Cash flow from operations and total payout ratio are not intended to represent operating profits nor should they be viewed as an alternative to cash flow provided by operating activities, net earnings or other measures of performance calculated in accordance with GAAP. Cash flow from operations is calculated as cash flows from operating activities adjusted for changes in non-cash working capital and decommissioning expenditures. Total payout ratio represents the ratio of the sum of dividends declared plus development capital expenditures necessary to maintain the Company's base production divided by cash flow from operations. Total payout ratio is another key measure to assess our ability to finance operating activities, capital expenditures and dividends. Netback is calculated on a boe basis and is determined by deducting royalties and operating expenses from petroleum and natural gas revenue. Netback is utilized by Cardinal to better analyze the operating performance of its petroleum and natural gas assets against prior periods.

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.

This press release contains a number of additional oil and gas metrics, including finding and development costs, finding, development and acquisition costs and recycle ratio, which do not have standardized meanings or standard methods of calculation and therefore such measures may not be comparable to similar measures used by other companies. Such metrics have been included herein to provide readers with additional measures to evaluate the Cardinal's performance; however, such measures are not reliable indicators of the future performance of Cardinal and future performance may not compare to the performance in previous periods.

Finding and developments costs and finding, development and acquisition costs are used as a measure of capital efficiency. Finding and development costs are calculated on a per boe basis by dividing the aggregate of the change in future development costs from the prior year for the particular reserve category and the costs incurred on development and exploration activities in the year by the change in reserves from the prior year for the reserve category. Development and exploration expenditures include costs of land and seismic, but exclude capitalized general and administration costs. The aggregate of the exploration and development costs incurred in the most recent financial year and the change during that year in estimated future development costs generally will not reflect total finding and development costs related to reserves additions for that year. Finding development and acquisition costs are calculated on a per boe basis by dividing the aggregate of the change in future development costs from the prior year for the particular reserve category and the costs incurred on development and exploration activities and property acquisitions (net of dispositions) in the year by the change in reserves from the year for the reserve category. Acquisition costs include the announced purchase price of acquisitions rather than the amounts allocated to property, plant and equipment and exploration and evaluation assets for accounting purposes. Recycle ratio was calculated by dividing operating netback per boe (both with and without hedges) by the finding, development and acquisition costs for the relevant reserve category for the year. Reserve life index is calculated based on the amount for the relevant reserve category divided by fourth quarter average daily production.

Drilling Locations

This press release discloses drilling locations in two categories: proved locations and probable locations. Proved locations and probable locations are derived from our most recent independent reserves evaluation as of December 31, 2015 and account for drilling locations that have associated proved and/or probable reserves, as applicable.

Other Oil and Gas Advisories

Unless otherwise indicated, all reserves reported in this press release are "gross reserves" which represent Cardinal's total working interest reserves prior to the deduction of royalties payable or royalty interests paid to the Company.

Future net revenue is a forecast of revenue, estimated using forecast prices and costs arising from the anticipated development and production of resources, net of associated royalties, operating costs, development costs and abandonment and reclamation costs. It should not be assumed that the future net revenues (NPV) undiscounted and discounted at 10% (PV10) included in this press release represent the fair market value of the reserves.

The estimates of reserves and future net revenue for individual properties may not reflect the same confidence level as estimates of reserves and future net revenue for all properties due to the effects of aggregation.

Any references in this press release to initial production rates are useful in confirming the presence of hydrocarbons, however, such rates are not determinative of the rates at which such wells will continue production and decline thereafter. While encouraging, readers are cautioned not to place reliance on such rates in calculating the aggregate production for the Company.

For further information, please contact:

Cardinal Energy Ltd.
M. Scott Ratushny
Chief Executive Officer and Chairman
(403) 216-2706

OR

Cardinal Energy Ltd.
Douglas Smith
Chief Financial Officer
(403) 216-2709

OR

Cardinal Energy Ltd.
Laurence Broos
VP Finance
(403) 727-2021

OR

Cardinal Energy Ltd.
Suite 600, 400 – 3rd Avenue S.W.
Calgary, Alberta T2P 4H2
Phone: (403) 234-8681
Facsimile: (403) 234-0603
Email: info@cardinalenergy.ca