NEWS RELEASE **MAY 4, 2017**

CARDINAL ENERGY LTD. ANNOUNCES FIRST QUARTER 2017 RESULTS

Calgary, Alberta – Cardinal Energy Ltd. ("Cardinal" or the "Company") (TSX: CJ) is pleased to announce its operating and financial results for the quarter ended March 31, 2017. The Company also announces that its unaudited financial statements and management's discussion and analysis for the quarter ended March 31, 2017, will be available on the System for Electronic Document Analysis and Retrieval ("SEDAR") at www.sedar.com and on Cardinal's website at www.cardinalenergy.ca.

Highlights from the first quarter of 2017:

- Completed an acquisition to expand our North operating area
- Drilled and completed 3 (2 net) successful horizontal wells in Mitsue
- Bantry drill results continue to improve

During the quarter we drilled and completed three horizontal multi stage frac wells in Mitsue. The intent of the drill program was to test three different play concepts within the Gilwood Unit. All three of the wells are successful light (41˚ API) oil wells. We have limited production data from the wells as frac delays pushed production out into Q2 for the wells. The production rates for each of the wells below are based on limited data and may vary as the wells continue to produce.

- 11-18 was drilled in an area of tighter reservoir quality within the Gilwood Unit. The horizontal well was drilled and successfully fractured and has produced an average of 533 boe/d over a 30 day test period ("IP30"). We are pleased with this result and believe that it sets up an inventory of up to 100 locations for this play type. It is expected that future wells drilled into this play type will average approximately $2.6 million per well to drill, case and complete and an additional $0.4 million to equip and tie in.

- 9-35 was drilled into a better quality reservoir with the idea of increasing recoveries within the field. The horizontal well was fractured and has produced an average of 223 boe/d over a 30 day test period. We believe that this well, and similar follow up locations, will have a decline rate that closely follows the natural pool decline of 8% per year. We estimate that future wells in this play type will cost $2.0 million to drill, case and complete and a further $0.4 million to equip and tie in. Based on mapping and drainage within the unit, Cardinal estimates that there are up to 40 further locations for this play type.

- 16-9 was drilled to exploit a third play concept in Mitsue. This was our first well drilled in the program and did not access reservoir continuously throughout the horizontal section of the well. Drilling and completions costs and results were improved on the subsequent wells taking into account lessons learned on this well. Although the IP30 of this well was only 50 boe/d, we expect to drill another well into this area in 2018 expecting much better results.

Our core Bantry area continues to deliver excellent drilling results. Our recent 16-26 Glauconite horizontal well had an IP30 of 518 boe/d and looks to be one of the strongest wells we have drilled in the Bantry area. On a group basis, the Glauconite horizontals continue to outperform the type curve our reserve evaluators have used in our 2016 year end engineering report.

We are currently drilling our 7th Glauconite horizontal well in Bantry and completing our 6th well. We expect to drill and complete 8 of our 9 planned Bantry wells by the end of Q2.

Cardinal closed an acquisition late in Q1 in our North operating area where we expect to build and develop a Dunvegan light oil drilling inventory. We plan to drill two light oil horizontal wells in the area in Q2/Q3 to be followed up with two additional wells later in the year. Cardinal has identified 15 additional locations on these lands and expects to be able to further increase its drilling inventory in the area as the year unfolds.

Cardinal had significant completion delays in Q1 but has caught up with its backlog of uncompleted wells. We intend to reschedule our completions program in the future to other quarters that are not as busy for these service providers.

Production averaged 14,600 boe/d in Q4/16, 15,200 boe/d in Q1/17 and, after having caught up with the completion backlog we are currently producing approximately 17,000 boe/d.

Operating costs are trending back down to normalized levels as we have reduced the workover frequency on our base production. Operating costs averaged $22.90 per boe in Q1 and are expected to drop to $20.00 per boe in Q2. Operating costs for 2017 are expected to remain in the $20.00 per boe range. The Alberta Government's carbon tax program has resulted in an increase in Cardinal's operating costs as of January 1, 2017. Net of this levy we expect to continue to lower operating costs on a per unit basis in 2017. We have also initiated several projects to reduce our dependence on the power grid and the effects of the carbon tax program.

Capital Spending

Our 2017 capital program, which had originally been weighted equally per quarter, will now be weighted to our first three quarters of the year. Q4 2017 is expected to have a reduced capital program.

Cardinal spent $21.2 million (37%) of its annual exploration and development capital budget for 2017 in the first quarter. In addition to the 3 (2 net) wells at Mitsue, the Company drilled five wells in Bantry and completed three of the wells prior to the end of the quarter. Expenditures included approximately $3.6 million for pipeline replacements and facility/well optimizations.

With the drilling success in Mitsue, we expect to increase our drilling activity in this area in 2018. The increased focus on light oil in the Gilwood and Dunvegan zones will help increase the overall netback of Cardinal's production base.

Cardinal continues to maintain an active hedging program with 43% of our 2017 crude oil production hedged at an average floor price of $62.73 Cdn/bbl.

Outlook

Cardinal continues to follow its business strategy of being a low decline, low risk oil producer. We continue to pursue conventional light oil acquisitions and drilling opportunities which in time will increase our operating netbacks and further enhance our sustainability.

Our goal is to create long term shareholder value through accretive growth and regular dividends. We recognize that the public markets are transitioning capital to larger producers and are evaluating several options that would give us increased market capitalization in an accretive manner.

Our drilling program in Mitsue has increased our knowledge of the play types. We are confident that the next round of Mitsue drilling will produce even better results and further set up the property for long term developments.

Cardinal experienced some service company challenges in Q1 2017 which we believe have been fixed on a go forward basis. We look forward to reporting a much stronger Q2 and building on those results through the balance of 2017.

Financial and Operating Highlights

($ 000's except shares, per share and operating amounts)	Three months ended March 31, 2017	2016	% Change
Financial			
Petroleum and natural gas revenue	62,574	33,424	87
Cash flow from operating activities	15,383	17,975	(14)
Adjusted funds flow[1]	14,586	7,758	88
basic and diluted per share	$ 0.19	$ 0.12	58
Earnings (loss)	7,562	(15,644)	(148)
basic and diluted per share	$ 0.10	$ (0.24)	(142)
Dividends declared	8,018	6,917	16
per share	$ 0.105	$ 0.105	-
Net bank debt [1]	94,374	97,022	(3)
Exploration and development capital	21,219	2,077	n/m
Acquisitions, net	28,710	175	n/m
Total capital expenditures	50,244	2,406	n/m
Weighted average shares outstanding			
basic (000s)	75,557	65,725	15
diluted (000s)	76,919	65,725	17
Operating			
Average daily production			
Crude oil and NGL (bbl/d)	13,009	12,597	3
Natural gas (mcf/d)	12,952	9,886	31
Total (boe/d)	15,168	14,245	6
Netback[1]			
Petroleum and natural gas revenue	$ 45.84	$ 25.78	78
Royalties	6.39	3.57	79
Operating expenses	22.96	21.50	7
Netback	$ 16.49	$ 0.71	n/m
Realized gain (loss)	$ (2.34)	$ 8.36	(128)
Netback after risk management [1]	$ 14.15	$ 9.07	56

[1] See non-GAAP measures

May Dividend

Cardinal confirms that a dividend of $0.035 per common share will be paid on June 15, 2017 to shareholders of record on May 31, 2017. 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.

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, our drilling plans and inventory, expected future drilling, completion and operating costs, future production and production decline rates, plans to reduce our dependence on the power grid and the effects of the Alberta carbon tax program, planned capital expenditures and the allocation thereof and the pursuit of light oil acquisitions and drilling opportunities.

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 "adjusted funds flow", "net bank debt", "netback" and "netback after risk management" 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 adjusted funds flow to analyze operating performance and assess leverage. Cardinal feels this benchmark is a key measure of profitability and overall sustainability for the Company. Adjusted funds flow is not intended to represent operating profits nor should it be viewed as an alternative to cash flow provided by operating activities, net earnings or other measures of performance calculated in accordance with GAAP. Adjusted funds flow is calculated as cash flows from operating activities adjusted for changes in non-cash working capital and decommissioning expenditures. Net bank debt is calculated as bank debt plus current liabilities less current assets (adjusted for the fair value of financial instruments and the current portion of the decommissioning obligation). Net bank debt is used by management to analyze the financial position, liquidity and leverage of Cardinal. 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. Netback after risk management includes realized gains or losses in the period on a boe basis.

Oil and Gas Advisories

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.

Certain production figures in this press release are based on initial, early and/or test or production/performance rates. Such 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. Declines may occur as a result of, among other things, well stabilizations and natural declines and, as such, may be lower than the initial volume amounts reported herein.

Drilling Locations

This press release discloses drilling locations in three categories: (i) proved locations; (ii) probable locations; and (iii) unbooked locations. Proved locations and probable locations are derived from the GLJ and Sproule Reports in accordance with National Instrument 51-101 effective December 31, 2016 and account for drilling locations that have associated proved and/or probable reserves, as applicable. Unbooked locations are internal estimates based on the Company’s prospective acreage and an assumption as to the number of wells that can be drilled per section based on industry practice and internal review. Unbooked locations do not have attributed reserves or resources. Of the 155 drilling locations referred herein, at December 31, 2016, 36 locations were booked and 119 are unbooked locations. Unbooked locations have been identified by management as an estimation of our multi-year drilling activities based on evaluation of applicable geologic, seismic, engineering, production and reserves information. There is no certainty that the Company will drill all unbooked drilling locations and if drilled there is no certainty that such locations will result in additional oil and gas reserves, resources or production. The drilling locations on which we actually drill wells will ultimately depend upon the availability of capital, regulatory approvals, seasonal restrictions, oil and natural gas prices, costs, actual drilling results, additional reservoir information that is obtained and other factors. While certain of the unbooked drilling locations have been derisked by drilling existing wells in relative close proximity to such unbooked drilling locations, other unbooked drilling locations are farther away from existing wells where management has less information about the characteristics of the reservoir and therefore there is more uncertainty whether wells will be drilled in such locations and if drilled there is more uncertainty that such wells will result in additional oil and gas reserves, resources or production.

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