NEWS RELEASE **MAY 11, 2015**

CARDINAL ENERGY LTD. ANNOUNCES FIRST QUARTER RESULTS

Calgary, Alberta – Cardinal Energy Ltd. ("**Cardinal**" or the "**Company**") (TSX: CJ) is pleased to announce its operating and financial results for the three months ended March 31, 2015. The Company also announces that its unaudited financial statements and management's discussion and analysis for the quarter ended March 31, 2015, 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.

First Quarter Highlights

- Cardinal's total payout ratio for the first quarter of 2015 was 68% and it is expected the total payout ratio will be 82% for the year. The simple payout ratio for the quarter was 55% compared to 45% for the fourth quarter of 2014.
- The Company exited the first quarter of 2015 with net debt of $45.9 million (an $8.1 million reduction compared to December 31, 2014) and a net debt to cash flow from operations ratio of 0.5 while maintaining its dividend of $0.07 per share ($0.84 annualized). Cardinal is committed to the sustainability of its dividend and is well positioned for acquisition and other opportunities in 2015.
- In the first quarter of 2015 Cardinal decreased unit operating expenses by 10% to $23.20/boe from $25.74/boe in the fourth quarter of 2014.
- Cash flow from operations for the first quarter of 2015 increased 14% to $21.9 million compared to the corresponding period in 2014.
- First quarter production increased 77% to 11,023 boe/d compared to the first quarter of 2014. Capital expenditures for the first quarter totaled $2.8 million and were focused on production maintenance as the start of the 2015 drilling program was deferred to the second quarter of 2015 to maximize anticipated costs savings.

FINANCIAL AND OPERATING HIGHLIGHTS

	Three months ended March 31		
(000's except shares, per share and per boe amounts)	**2015**	2014	% Change
Financial			
Petroleum and natural gas revenue	**38,409**	41,287	(7)
Cash flow from operations	**21,944**	19,229	14
basic per share	**$ 0.38**	$ 0.53	(27)
fully diluted per share	**$ 0.38**	$ 0.51	(25)
Net (loss) earnings	**(12,847)**	897	n/m
basic per share	**$ (0.22)**	$ 0.02	n/m
fully diluted per share	**$ (0.22)**	$ 0.02	n/m
Dividends declared	**12,021**	5,992	101
per share	**$ 0.21**	$ 0.16	29
Net debt	**45,935**	3,867	n/m
Net debt to cash flow from operations	**0.5**	0.1	n/m
Development capital expenditures	**2,733**	9,927	(72)
Weighted average shares outstanding			
basic	**57,197**	36,502	57
fully diluted	**57,197**	38,552	48

	Three months ended March 31		
	2015	2014	% Change
Operating			
Average daily production			
Crude oil and NGL (bbl/d)	**10,225**	5,513	85
Natural gas (mcf/d)	**4,785**	4,333	10
Total (boe/d)	**11,023**	6,235	77
Netback ($/boe)			
Petroleum and natural gas revenue	**$ 38.72**	$ 73.58	(47)
Royalties	**4.87**	8.26	(41)
Operating expenses	**23.20**	23.83	(3)
Netback	**10.65**	41.49	(74)
Realized gain (loss) on derivatives	**15.10**	(2.76)	(647)
Netback after risk management	**$ 25.75**	$ 38.73	(34)

n/m = not meaningful greater than 300%

Guidance Confirmation

There has been no change to Cardinal's base capital expenditures budget ("budget") for 2015. The budget is anticipated to result in average and exit production for 2015 of approximately 11,200 boe/d and deploys total development capital of $30 million, including $5 million for land and seismic. We continue to expect $95 million in cash flow from operations based on a forecast WTI price of USD $55/barrel, an exchange rate of 0.80 $USD/CAD, a differential to WCS of $15.75 and the effect of our existing 2015 hedges. The budget achieves a total payout ratio of 82% in this lower commodity price environment.

The Company is well positioned in the current low price environment to execute its base capital budget and maintain production at 11,200 boe/d while maintaining a total payout ratio of less than 100%. If oil prices continue to improve and we continue to add to our existing 2015, 2016 and 2017 commodity hedges we will consider increasing our base capital budget and guidance for 2015.

We will continue to add to our hedge positions to ensure our future year capital programs and dividend payments are secure.

Cardinal continues to opportunistically hedge its oil production for 2015, 2016 and 2017.

Year	WTI Average Price	Amounts Hedged
2015	$88.83 (CDN)	4,785 boe/d
2016	$75.89 (CDN)	2,870 boe/d
2017	$78.60 (CDN)	500 boe/d

Cardinal continues to evaluate acquisition opportunities but still sees a significant gap between buyer and seller's expectations. We will continue to pursue accretive acquisitions but will remain disciplined in our approach.

During our first quarter of 2015 we were able to integrate all of our 2014 acquisitions and began the process of optimizing the base production and planning future development opportunities on our core assets.

We see various opportunities for drilling, recompletion and water flood optimization on our existing oil pools. Cardinal is also focused on increasing its drilling inventory in both Bantry and Wainwright in this depressed commodity environment. We see considerable savings in the areas of land acquisitions and seismic costs and will use this window to aggressively attempt to expand our unbooked drilling locations.

Appointment of President

The Board of Directors of Cardinal wish to announce that Mr. Shane Peet has been promoted from Chief Operating Officer to President of Cardinal effective today. Mr. Peet has done an exceptional job assisting in the acquisition and implementation of Cardinal's existing assets. The Management team of Cardinal now consists of:

- Mr. Scott Ratushny, Chairman and Chief Executive Officer
- Mr. Shane Peet, President
- Mr. Doug Smith, Chief Financial Officer
- Mr. Laurence Broos, VP Finance
- Mr. Tim Hyde, VP Exploration
- Mr. Craig Kolochuk, VP Land

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 dividend policy, future payout ratios, capital expenditure plans and 2015 budget, expected development capital, average and exit production, hedging plans and future acquisitions, drilling, completion and optimization 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 and future 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 increasing 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.

This press release contains future-oriented financial information and financial outlook information (collectively, "FOFI") about our prospective results of operations, cash flows, payout ratio and components thereof, all of which are subject to the same assumptions, risk factors, limitations, and qualifications as set forth in the above paragraphs. FOFI contained in this press release were made as of the date hereof and is provided for the purpose of describing our anticipated future business operations. We disclaim any intention or obligation to update or revise any FOFI contained in this press release, whether as a result of new information, future events or otherwise, unless required pursuant to applicable law. Readers are cautioned that the FOFI contained in this press release should not be used for purposes other than for which it is disclosed herein.

Non-GAAP measures

This press release contains the terms "cash flow from operations", “simple payout ratio”, "total payout ratio", “netback”, "net debt" and “net debt to cash flow from operations” 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. "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. "Simple payout ratio" represents the ratio of the amount of dividends declared, divided by cash flow from operations. "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. Simple payout ratio and total payout ratio are key measures to assess our ability to finance operating activities, capital expenditures and dividends. The term “net debt” is not recognized under GAAP and is calculated as bank debt plus working capital deficiency or minus working capital surplus (adjusted for the fair value of financial instruments and the current portion of the decommissioning obligation). “Net debt” is used by management to analyze the financial position, liquidity and leverage of Cardinal. “Net debt to cash flow from operations” is calculated as net debt divided by cash flow from operations for the most recent quarter, annualized. The ratio of net debt to cash flow from operations is used 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 dividend levels.

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