NEWS RELEASE **MARCH 17, 2020**

CARDINAL ENERGY LTD. ANNOUNCES FOURTH QUARTER 2019 YEAR-END FINANCIAL RESULTS AND UPDATED CAPITAL BUDGET AND DIVIDEND SUSPENSION

Calgary, Alberta – Cardinal Energy Ltd. ("**Cardinal**" or the "**Company**") (TSX: CJ) is pleased to announce its operating and financial results for the fourth quarter and year ended December 31, 2019.

2019 FINANCIAL HIGHLIGHTS

- Production for the fourth quarter of 2019 averaged 20,227 boe/d with crude oil production increasing by 1% over the third quarter of 2019. As the Company is no longer limited by the Alberta government's curtailment program, current production in March is approximately 21,500 boe/d (18,400 bbl/d of crude oil) or 10% higher than the fourth quarter of 2019 average;
- We generated $121.9 million or $1.06 per share of adjusted funds flow(1) in 2019 representing a 43% increase over 2018;
- Cardinal continued to generate free cash flow(1) during the quarter bringing the total free cash flow for 2019 to $40.3 million or 33% of adjusted funds flow which was utilized in part to reduce net debt(1) and reduce our outstanding common shares;
- Reduced 2019 net debt by $22 million or a reduction of 8% over the balance at December 31, 2018;
- Purchased and cancelled 1.7 million common shares under our normal course issuer bid ("NCIB") implemented in August 2019 and funded the acquisition of 2.3 million common shares through an independent trust for potential future settlement of restricted bonus awards. Subsequent to year-end, Cardinal has purchased and cancelled an additional 0.9 million common shares and an additional 0.3 million shares for the potential future settlement of restricted bonus awards;
- In 2019, reduced operating costs per boe from a high of $22.63/boe in the first quarter of 2019 to $20.31/boe in the fourth quarter of 2019 representing a 10% decrease in operating costs per boe throughout the year;
- Reduced general and administrative ("G&A") costs per boe to $2.14/boe, a 7% decrease over 2018; and
- Cardinal's total payout ratio decreased to 67% as compared to 127% in 2018 illustrating our disciplined capital and dividend program.

(1) See non-GAAP measures

Financial and Operating Highlights

($ 000's except shares, per share and operating amounts)	Three months ended December 31,			Year ended December 31,		
	2019	2018	% Chg	2019	2018	% Chg
Financial						
Petroleum and natural gas revenue	93,272	59,077	58	388,971	379,254	3
Cash flow from operating activities	31,714	6,968	355	119,979	88,767	35
Adjusted funds flow (1)	28,864	5,513	424	121,810	85,221	43
per share basic	0.25	0.05	400	1.06	0.74	43
per share diluted	0.25	0.05	400	1.06	0.74	43
Earnings (loss)	(15,094)	84,760	n/m	(34,340)	60,544	n/m
per share basic	(0.13)	0.73	n/m	(0.30)	0.53	n/m
per share diluted	(0.13)	0.70	n/m	(0.30)	0.52	n/m
Development capital expenditures (1)	19,621	13,453	46	63,603	61,592	3
Other capital expenditures	397	81	n/m	1,665	1,563	7
Acquisitions, net	112	163	(31)	396	(16,757)	n/m
Total capital expenditures	20,130	13,697	47	65,664	46,398	42
Common shares, net of treasury shares (000s)	113,657	116,197	(2)	113,657	116,197	(2)
Dividends declared	5,325	9,573	(44)	17,923	46,680	(62)
per share	0.045	0.080	(44)	0.15	0.395	(62)
Net debt (1)				247,599	269,689	(8)
Net debt to adjusted funds flow ratio (1)				2.0	3.2	(38)
Total payout ratio (1)				67%	127%	(47)
Operating						
Average daily production (2)						
Light oil (bbl/d)	8,100	8,394	(4)	8,069	8,724	(8)
Medium/heavy oil (bbl/d)	8,657	8,256	5	8,722	8,601	1
NGL (bbl/d)	893	972	(8)	932	770	21
Natural gas (mcf/d)	15,459	16,460	(6)	15,576	16,579	(6)
Total (boe/d)	20,227	20,365	(1)	20,319	20,858	(3)
Netback ($/boe) (1)						
Petroleum and natural gas revenue	50.12	31.53	59	52.45	49.82	5
Royalties	9.36	4.42	112	8.87	8.47	5
Net operating expenses	20.31	20.32	-	20.94	20.40	3
Transportation expenses	0.27	0.51	(47)	0.33	0.31	6
Netback	20.18	6.28	221	22.31	20.64	8
Realized loss on commodity contracts	0.79	(0.35)	n/m	1.98	5.54	(64)
Netback after risk management (1)	19.39	6.63	192	20.33	15.10	35
Interest and other	1.62	1.69	(4)	1.77	1.60	11
G&A	2.26	1.99	13	2.14	2.31	(7)
Adjusted funds flow netback (1)	15.51	2.95	426	16.42	11.19	47

(1) See non-GAAP measures
(2) See Supplemental Information Regarding Product Types

FOURTH QUARTER AND 2019 HIGHLIGHTS

Cardinal focused on long-term sustainability during 2019. As the Company's ability to grow its production was limited by the Alberta government's oil production curtailment program, Cardinal's focus was on debt repayment, share buybacks, operating cost reduction projects and infrastructure upgrades. Cardinal reduced its net debt by $22 million in 2019 while spending $10.2 million acquiring 3.9 million common shares for cancellation under our NCIB and through an independent trust for the potential future settlement of restricted bonus awards. In addition, during the first quarter of 2020, Cardinal has purchased and cancelled an additional 0.9 million common shares and acquired 0.3 million common shares through our independent trust for the potential future settlement of restricted bonus awards bringing the total common shares acquired to approximately 4.4% of the Company's outstanding shares prior to the implementation of these programs in 2019.

During 2019, West Texas Intermediate ("WTI") oil prices decreased 12% over 2018 to average $57.03 in 2019. The Alberta government's oil production curtailment program was implemented in 2019 which decreased inventory levels and stabilized Canadian oil pricing differentials. The Edmonton light ("MSW") pricing differential to WTI averaged USD$5.00/bbl, 55% narrower than 2018 while the Western Canadian Select ("WCS") differential averaged USD$12.75/bbl which was 52% narrower than the 2018 average. In the fourth quarter of 2019, the rules for the curtailment program were eased and Cardinal is not subject to curtailment at this time.

As a result of Cardinal's oil production no longer being curtailed, we increased our 2019 capital budget in the fourth quarter to take advantage of land earning farm-in drilling opportunities in our Bantry, Alberta area. During the fourth quarter of 2019, Cardinal drilled six (6.0 net) oil wells in Southern Alberta. Two (2.0 net) of these wells were completed in the fourth quarter, three (3.0 net) were completed in 2020 and one well was considered not commercially productive and was abandoned in the fourth quarter. During the quarter, Cardinal also spent $10.6 million on infrastructure and pipeline upgrades which include enhanced oil recovery projects in Midale, Saskatchewan and power generation projects in our Central Alberta business unit. Two of these power projects were completed in early 2020 and are expected to reduce annual power costs by approximately $1.6 million in 2020 and beyond bringing our total estimated annual power cost savings to approximately $2.3 million from our 2019 power generation projects.

With oil production being curtailed for most of 2019, Cardinal's average annual production decreased 3% from 2018. As a result of the accelerated fourth quarter drilling program, current oil production, based on field estimates, is averaging 18,400 bbl/d of crude oil, a 10% increase over the fourth quarter of 2019 average oil production. Operating costs in the first quarter of 2019 averaged $22.63/boe due to higher well servicing and power costs. With field operating efficiencies and power generation projects being implemented, the Company's goal was to reduce our costs by 8% through 2019. In the fourth quarter, operating costs per boe averaged $20.31/boe, a 10% decrease throughout the year. Average annual operating costs were $20.94/boe which are forecasted to decrease in 2020 as additional power generation projects and other field efficiencies are implemented.

The Company's adjusted funds flow remained strong during the fourth quarter of 2019 increasing to $28.9 million, an increase of 5% over the prior quarter and over 400% greater than the fourth quarter of 2018. Annual 2019 adjusted funds flow increased by 43% over 2018 to $121.8 million or $1.06 per diluted share. A combination of strong adjusted funds flow and a disciplined capital and dividend program led to a total payout ratio of 67% as compared to 127% in 2018. The Company's 2019 net debt to annual adjusted funds flow ratio decreased to a level within its targeted range of 2.0x from 3.2x in 2018.

OUTLOOK

In light of the rapidly changing world in which both COVID-19 and talk of supply increases from Saudi Arabia and Russia have dramatically decreased the price of crude oil, we felt it was necessary to protect our shareholders and our Company by making some rapid changes to the framework of our business.

As of March 9, 2020 we have significantly decreased our capital budget to a minimal level. Our original budget called for capital spending of $67 million with $27 million to be spent in Q1. As of March 9, we were able to safely suspend drilling and completion operations as well as other capital programs having spent approximately $22 million. This resulted in the drilling and completing of the majority of our Southern area drill program for the year and leaves us currently producing approximately 21,500 boe/d. We still have several wells that are completed but not tied in and one well requiring completion. We anticipate that the production from this drill program will allow us to maintain approximately the same average production levels as 2019 with minimal capital spending for the remainder of the year.

Our revised 2020 capital budget is now $31 million, of which $22 million has been spent and $9 million is planned for the balance of the year. These funds are necessary to complete scheduled facility turnarounds and to maintain safe operations as well as to maintain our base production. Our revised budget contemplates exiting 2020 at a similar net debt level as 2019.

As part of the revised capital program the Board of Directors has elected to suspend the dividend for March, April, May and June after which we will evaluate market conditions and either reinstate a dividend or continue with another temporary suspension.

We will continue to navigate through these challenging times by acting quickly to implement change on both the downside and the upside. We have reduced our office staff compensation to account for the reduced activity and will look for additional ways to reduce costs and other long term cost saving initiatives.

We thank our shareholders and stakeholders for their perseverance and look forward to coming out of this crisis with a stronger sustainable Company.

ANNUAL FILINGS

Cardinal also announces the filing of its Audited Financial Statements for the year ended December 31, 2019 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 will file its Annual Information Form for the year ended December 31, 2019 on SEDAR on or prior to March 30, 2019. Electronic copies may be obtained on Cardinal's website at www.cardinalenergy.ca and on Cardinal's SEDAR profile at www.sedar.com.

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: our business strategies, plans and objectives, plans with respect to the future settlement of restricted share awards, future annual power cost savings, future operating costs, plans to implement additional power generation projects and other field efficiencies, our drilling plans, our revised 2020 capital program and allocation thereof, anticipated 2020 production, adjusted funds flow and net debt, our dividend policy and plans, our plans to look for additional ways to reduce costs and long term cost saving initiatives, our Environmental, Safety and Governance mandate and plans to operate our assets in a responsible and environmentally sensitive manner.

Forward-looking statements regarding Cardinal are based on certain key expectations and assumptions of Cardinal concerning anticipated financial performance, business prospects, strategies, regulatory developments, production curtailments, 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 timing and success of our cost cutting initiatives and power projects, 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 including curtailment, 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; 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 government curtailment 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 press release includes references to 2019 and 2020 production. The Company discloses crude oil production based on the pricing index that the oil is priced off of. 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)
Q4/19	56%	27%	4%	13%	20,227
2019	55%	28%	5%	13%	20,319
Current - March, 2020	56%	27%	4%	13%	21,500

Advisory Regarding Oil and Gas Information

Where applicable, oil equivalent amounts have been calculated using a conversion rate of six thousand cubic feet of natural gas to one barrel of oil. Boes 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 is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead. Utilizing a conversion ratio at 6 Mcf: 1 Bbl may be misleading as an indication of value.

Non-GAAP measures

This press release contains the terms "development capital expenditures", "free cash flow", "adjusted funds flow", "adjusted funds flow per basic share", "adjusted funds flow per diluted share", "net debt", "net debt to adjusted funds flow ratio", "total payout ratio", "net operating expenses", "netback", "netback after risk management contracts" and "adjusted funds flow 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 adjusted funds flow, free cash flow, adjusted funds flow per basic and diluted share, net debt to adjusted funds flow ratio and total payout ratio to analyze operating performance and assess leverage. Cardinal feels these benchmarks are 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. As shown below, adjusted funds flow is calculated as cash flows from operating activities adjusted for changes in non-cash working capital, decommissioning expenditures and transaction costs. Free cash flow represents adjusted funds flow less dividends declared and less development capital expenditures. Development capital expenditures represents expenditures on property, plant and equipment (excluding capitalized G&A, other assets and acquisitions). Total payout ratio represents the ratio of the sum of dividends declared plus development capital expenditures divided by adjusted funds flow. The term "net debt" is not recognized under GAAP and as shown below, is calculated as bank debt plus the principal amount of convertible unsecured subordinated debentures ("convertible debentures") and current liabilities less current assets (adjusted for the fair value of financial instruments, the current portion of lease liabilities, the current portion of the decommissioning obligation and the current portion of the liability component of convertible debentures). Net debt is used by management to analyze the financial position, liquidity and leverage of Cardinal. Net debt is used by management to analyze the financial position, liquidity and leverage of Cardinal. Net debt to adjusted funds flow ratio is calculated as net debt divided by annual adjusted funds flow. 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 through processing third party volumes. Netback is calculated on a boe basis and is determined by deducting royalties, transportation costs and net operating expenses from petroleum and natural gas revenue. Netback after risk management contracts includes realized gains or losses on commodity contracts in the period on a boe basis. Adjusted funds flow netback is calculated as netback after risk management and also includes interest and other costs and G&A costs on a boe basis. Netback, netback after risk management contracts and adjusted funds flow netback are utilized by Cardinal to better analyze the operating performance of our petroleum and natural gas assets taking into account our risk management program, interest and G&A costs against prior periods.

	Three months ended		Nine months ended	
	December 31, 2019	December 31, 2018	December 31, 2019	December 31, 2018
Cash flow from operating activities	31,714	6,968	119,979	88,767
Change in non-cash working capital	(5,784)	(2,655)	(4,740)	(10,348)
Funds flow	25,930	4,313	115,239	78,419
Decommissioning expenditures	2,934	1,200	6,571	6,443
Transaction costs	-	-	-	359
Adjusted funds flow	28,864	5,513	121,810	85,221

	Year ended	
	December 31, 2019	December 31, 2018
Bank debt	173,308	211,443
Principal amount of Convertible Debentures	45,000	50,000
Working capital deficiency (1)	29,291	8,246
Net debt	247,599	269,689

(1) Includes current assets less current liabilities excluding the fair value of financial instruments, current decommissioning obligation, current lease liabilities, and the current portion of the liability component of convertible debentures.

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.

About Cardinal Energy Ltd.

One of Cardinal's goals is to continually improve our Environmental, Safety and Governance mandate and operate our assets in a responsible and environmentally sensitive manner. As part of this mandate, Cardinal injects and conserves more carbon than it emits making us one of the few Canadian energy companies to have a negative carbon footprint.

Cardinal is a Canadian oil focused company with operations focused on low decline light, medium and heavy quality oil in Western Canada.

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