

THIS PRESS RELEASE IS NOT FOR PUBLICATION OR DISSEMINATION IN THE UNITED STATES. FAILURE TO COMPLY WITH THIS RESTRICTION MAY CONSTITUTE A VIOLATION OF UNITED STATES SECURITIES LAW.



PRESS RELEASE

MANITOK ENERGY INC. ANNOUNCES THE ACQUISITION OF NATURAL GAS PRODUCTION AND RELATED STRATEGIC PIPELINE SYSTEM AND A YEAR OVER YEAR FIRST QUARTER PRODUCTION INCREASE OF 39%

April 27, 2017, Calgary, Alberta – Manitok Energy Inc. ("**Manitok**" or the "**Corporation**") (TSX-V: MEI) is pleased to announce that it has completed an acquisition from an Alberta based oil and gas company to acquire a 100% working interest in approximately 1.1 Mmcf/d (175 boe/d) of natural gas production, based on field estimates, in the Carseland, Alberta area (the "**Acquisition**"). In addition to the current production, the Acquisition includes 13 sections of developed P&NG rights to the base of the Belly River formation complete with full 3D seismic coverage, and approximately 170 kilometers of related gathering systems extending over 3 townships. The Corporation paid a cash consideration of \$75,000 and assumed discounted abandonment liabilities of approximately \$400,000 (10% discount rate) for the Acquisition.

The Acquisition is of value to Manitok in the following ways:

- the acquired gathering system contains a segment of pipeline that will facilitate a lower cost tie-in for four Manitok wells; two Basal Quartz ("**BQ**") wells located on the surface pad at 3-16-23-25W4M and two Lithic Glauco ("**LG**") wells located on the surface pad at 07-03-23-25W4M. The location of the existing pipeline is expected to reduce the installation costs associated with the tie-ins by about \$1.0 million;
- the acquired gathering system extends Manitok's infrastructure reach in its core Carseland area over 3.5 townships making it less costly to tie in wells drilled in the future as well as increasing the potential for securing future third party volumes for the Carseland gas plant; and
- Manitok has estimated recompletion potential in approximately 40 of the acquired wellbores and the lands associated with the Acquisition are contiguous to the Corporation's Carseland block.

Production and Operations Update

Based on field estimates, Manitok's net production averaged 6,120 boe/d (38% oil and liquids) during the first quarter of 2017 which is a 39% increase over first quarter 2016 average production of 4,407 boe/d (46% oil). Approximately 75 boe/d was lost to unanticipated production down time during the quarter.

The year over year production increase was achieved even though there has not been any additional production added from drilling since December 2016 due to the inability to complete (i.e.: fracture stimulate) the last two horizontal wells that were drilled late in 2016. Manitok was unable to complete

the final two wells of the 2016 drilling program due to the lack of availability of frac crews over the winter drilling season. ManitoK expects to complete and production test these two wells late in the second quarter of 2017 and, if successful, tie them in at the same time as the three wells discussed in more detail below.

With the acquisition of the additional pipeline infrastructure in the Carseland area, ManitoK anticipates it will tie-in the following three horizontal wells late in the second quarter of 2017:

- **02-09-23-25W4M (now 102/07-09-23-25W4M by name change) (the "07-09 well")**: a lower BQ well that was drilled in 2014 and production tested for 206 consecutive hours until stable flowing conditions were observed. During the test period, the 07-09 well averaged 22.8 bbl/d oil and 989.6 Mcf/d natural gas for an average total of 186.2 boe/d and during the last 24 hours of the test period, the 07-09 well produced 15.1 bbl/d oil and 992.6 Mcf/d natural gas for an average of 179.0 boe/d;
- **03-09-23-25W4M (the "03-09 well")**: a middle BQ well that was drilled in 2014 and production tested for 147 consecutive hours until stable flowing conditions were observed. During the test period, the 03-09 well averaged 137.2 bbl/d oil and 623.0 Mcf/d natural gas for an average total of 240.1 boe/d and during the last 24 hours of the test period, the 03-09 well produced 153.5 bbl/d oil and 1,208.0 Mcf/d natural gas for an average of 353.0 boe/d; and
- **10-04-23-25W4M (the "10-04 well")**: a LG well that was drilled in 2016 and production tested for 253 consecutive hours until stable flowing conditions were observed. During the test period, the 10-04 well averaged 170.8 bbl/d oil and 402.6 Mcf/d natural gas for an average total of 237.3 boe/d and during the last 24 hours of the test period, the 10-04 well produced 215.5 bbl/d oil and 514.7 Mcf/d natural gas for an average of 300.5 boe/d.

ManitoK anticipates adding approximately 800 boe/d (45% oil) of initial production from these three already completed wells and further anticipates additional volumes at Carseland when the two yet to be completed wells referred to above are successfully completed.

Projected Disclosure Timing – Year-End Financials, Year-End Reserves and Quarterly Financials

ManitoK expects to announce its year-end financial results and to disclose its year-end reserves information on or about May 1, 2017. First Quarter 2017 financial results will be released no later than May 30, 2017.

About ManitoK

ManitoK is a public oil and gas exploration and development company focused on Lithic Glauconitic light oil in southeast Alberta and Cardium light oil in west central Alberta. The Corporation utilizes its expertise, combined with the latest recovery techniques, to develop the remaining oil and liquids-rich natural gas pools in its core areas of the Western Canadian Sedimentary Basin.

For further information view our website at www.manitokenergy.com or contact:

ManitoK Energy Inc.

Massimo M. Geremia

President and Chief Executive Officer

Telephone: 403-984-1751

Email: mass@manitok.com

Cautionary Statements:

Forward-looking Information

This press release contains forward-looking statements. The forward-looking statements in this press release are based on certain key expectations and assumptions made by Manitok, including expectations and assumptions concerning Manitok's operational and drilling plans, development and growth potential of Manitok's properties, commodity prices, the anticipated benefits of the Acquisition and the anticipated availability of capital.

Although Manitok believes that the expectations and assumptions on which the forward-looking statements are based are reasonable, undue reliance should not be placed on the forward-looking statements because Manitok 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. Actual results could differ materially from those currently anticipated due to a number of factors and risks. These include, but are not limited to, risks associated with adverse market conditions, the inability of the Corporation to complete the Acquisition at all or on the terms announced, the TSX Venture Exchange not approving the Acquisition, Manitok's lender not approving the Acquisition and the risks associated with the oil and gas industry in general (e.g., operational risks in development, exploration and production; delays or changes in plans with respect to exploration or development projects or capital expenditures; the uncertainty of reserves estimates; the uncertainty of estimates and projections relating to production, costs and expenses; and health, safety and environmental risks), uncertainty as to the availability of labour and services, commodity price and exchange rate fluctuations, unexpected adverse weather conditions, general business, economic, competitive, political and social uncertainties, capital market conditions and market prices for securities and changes to existing laws and regulations. Certain of these risks are set out in more detail in the AIF, which is available on Manitok's SEDAR profile at www.sedar.com.

Forward-looking statements are based on estimates and opinions of management of Manitok at the time the statements are presented. Manitok may, as considered necessary in the circumstances, update or revise such forward-looking statements, whether as a result of new information, future events or otherwise, but Manitok undertakes no obligation to update or revise any forward-looking statements, except as required by applicable securities laws.

Well Production Test Information

Manitok cautions readers that the well production results reported herein may not be indicative of long term well performance. Readers are advised to refer to all available publicly disclosed information about the Company's areas of operation and well type curves in order to assess the probable long term well performance associated with the production test results disclosed herein.

Barrels of Oil Equivalent

The term barrels of oil equivalent ("boe") may be misleading, particularly if used in isolation. Per boe amounts have been calculated using a conversion ratio of six thousand cubic feet (6 mcf) of natural gas to one barrel (1 bbl) of crude oil. The boe conversion ratio of 6 mcf to 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. 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 on a 6:1 basis may be misleading as an indication of value.

Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.