



Cardinal Energy Ltd. Announces Monthly Dividend for September and Increase to Fourth Quarter Dividend Rate

CALGARY, Alberta, Sept. 12, 2022 -- Cardinal Energy Ltd. ("**Cardinal**" or the "**Company**") (TSX: CJ) confirms that our September dividend of \$0.05 per common share will be paid on October 17, 2022 to shareholders of record on September 30, 2022. 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.

Cardinal expects to achieve Phase Three of our debt reduction / returns to shareholders plan early in the fourth quarter of this year, which is triggered when our net debt (bank debt and working capital deficiency) is less than \$50 million.

The achievement of this goal allows us to increase our returns to shareholders. The Board of Directors of Cardinal has approved an increase in our monthly dividend for the fourth quarter of 2022 from \$0.05 per common share to \$0.06 per common share. This represents a 20% increase in our monthly dividend.

Base Dividend	\$0.05/month
Incremental Dividend	<u>\$0.01/month</u>
TOTAL DIVIDEND	\$0.06/month

Cardinal will pay the increased dividend for the fourth quarter of 2022 (October/November/December). We will also continue to opportunistically use our normal course issuer bid to enhance shareholder value.

The Company's Board of Directors will continue to evaluate the dividend rate in context to oil pricing and our 2023 capital and asset retirement obligation budget in the fourth quarter of this year.

About Cardinal Energy Ltd.

Cardinal works to continually improve its Environmental, Social and Governance profile and operates its assets in a responsible and environmentally sensitive manner. As part of this mandate, Cardinal injects and conserves more carbon than it directly emits making us one of the few Canadian energy companies to have a negative carbon footprint.

Cardinal is the lowest decline conventional Canadian oil and natural gas company with operations focused on low decline oil in Western Canada.

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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: the declaration and payment of future dividends (including the dividend rates in respect thereof), expectations with respect to Cardinal's debt reduction plans, anticipated future net debt amounts, the sustainability of Cardinal's dividend based on commodity prices and Cardinal's expectation to re-evaluate its dividends policy in the fourth quarter.

Forward-looking statements regarding Cardinal are based on certain key expectations and assumptions of Cardinal concerning commodity prices, production volumes, allocation of funds to debt repayments, anticipated financial performance, business prospects, strategies, regulatory developments, current and future commodity prices and exchange rates, effects of inflation, applicable royalty rates, tax laws, industry conditions, availability of government subsidies and abandonment and reclamation programs, future well production rates and reserve volumes, future operating costs, the performance of existing and future wells, the success of our 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, 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; changes in dividend rates and policies; 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 abandonment and reclamation 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.

This press release contains future-oriented financial information and financial outlook information (collectively, "FOFI") about our prospective net debt amounts, 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.

Forward-Looking Non-GAAP Measure

This press release refers to Cardinal's future anticipated net debt, which is a forward looking non-GAAP financial measure and is not standardized financial measures under IFRS and might not be comparable to similar measures presented by other companies where similar terminology is used. As at June 30, 2022, Cardinal's net debt was \$62 million, as set forth in Cardinal's management discussion and analysis for the three and six month periods ended June 30, 2022. There is no significant difference between the forward looking net debt measure set forth herein and the net debt measure set forth in Cardinal's management discussion and analysis for the three and six month periods ended June 30, 2022 and available on SEDAR at www.sedar.com.