CALGARY, ALBERTA--(Marketwired - June 1, 2015) -

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Manitok Energy Inc. (the "Corporation" or "Manitok") (TSX VENTURE:MEI) announces its financial and operating results for the first quarter of 2015.

The full text of Manitok's first quarter report containing its unaudited condensed interim financial statements as at and for the three months ended March 31, 2015 and the related management's discussion and analysis are available electronically on Manitok's profile on the System for Electronic Document Analysis and Retrieval ("SEDAR") at www.sedar.com and also on Manitok's website at www.manitokenergy.com.

First Quarter 2015 Results

- Production averaged 4,504 boe/d (52% light oil and liquids) which is an 11% increase over production of 4,072 boe/d (56% light oil and liquids) in the fourth quarter of 2014.
- Increased average production per diluted share by 9% when compared to the fourth quarter of 2014.
- Recorded funds from operations of $7.9 million ($0.12 per diluted share) which is a 26% decrease over funds from operations of $10.8 million ($0.16 per diluted share) in the fourth quarter of 2014 due to the decline in commodity prices.
- Recorded a realized gain on financial instruments of $5.5 million in the first quarter of 2015, which highlights the positive impact of the crude oil and natural gas hedging program for 2015 funds from operations.
- Operating netback was $25.48/boe, which is a 27% decrease over the operating netback of $34.69/boe in the fourth quarter of 2014 due to the decline in commodity prices and increased operating costs associated with the new facility fees and production from the Entice area.
- Capital expenditures were approximately $4.9 million, which included one (1.0 net) well completion, equipment and facilities in the Stolberg and Entice areas and 13,440 acres (6,720 net) of land acquired in a Crown land sale.
- At March 31, 2015, net debt was approximately $75.6 million, which is 2.4 times annualized first quarter of 2015 funds from operations.

Operational and Financial Summary

Three months ended	March 31, 2015		December 31, 2014		March 31, 2014	
Operating						
Average daily production						
Light oil (bbls/d)	2,269		2,257		3,028	
Natural gas (mcf/d)	13,049		10,713		13,352	
NGLs (bbls/d)	61		30		98	
Total (boe/d)	4,504		4,072		5,351	
Average realized sales price						
Light oil ($/bbl)	48.77		71.96		96.92	
Natural gas ($/mcf)	2.89		3.83		6.51	
NGLs ($/bbl)	52.85		67.29		97.92	
Total ($/boe)	33.66		50.45		72.88	
Undeveloped land (end of period)						
Gross (acres)	294,295		306,776		309,528	
Net (acres)	272,729		290,971		293,197	
Netback and Cost ($ per boe)						
Petroleum and natural gas sales	33.66		50.45		72.88	
Realized gain (loss) on financial instruments	13.54		6.67		(4.10	)
Royalty income	-		-		0.02	
Royalty expenses	(8.47	)	(11.61	)	(22.23	)
Operating expenses, net of recoveries	(10.38	)	(7.65	)	(7.35	)
Transportation and marketing expenses	(2.87	)	(3.17	)	(3.21	)
Operating netback[(1)]	25.48		34.69		36.01	
General and administrative expenses, net of recoveries	(4.34	)	(4.59	)	(3.51	)
Interest and financing expenses	(1.62	)	(1.39	)	(0.41	)
Interest and other income	0.02		0.02		0.01	
Funds from operations netback[(1)]	19.54		28.73		32.10	
Financial						

Petroleum and natural gas revenue ($000)	13,645	18,902	35,112
Funds from operations ($000)(1)	7,918	10,766	15,461
Per share - basic ($)(1)	0.12	0.16	0.21
Per share - diluted ($)(1)	0.12	0.16	0.21
Net income (loss) ($000)	(3,401)	(2,774)	331
Per share - basic ($)	(0.05)	(0.04)	-
Per share - diluted ($)(2)	(0.05)	(0.04)	-
Common shares outstanding			
End of period - basic	65,279,607	65,279,607	71,615,406
End of period - diluted	71,719,880	70,588,213	77,689,147
Weighted average for the period - basic	65,279,607	65,924,473	73,097,543
Weighted average for the period - diluted	65,279,607	66,255,000	74,334,096
Capital expenditures ($000)	4,901	26,949	2,240
Adjusted working capital (surplus) deficit ($000)(1)	(2,313)	22,795	19,947
Drawn on credit facilities ($000)	75,379	53,258	6,685
Long-term financial obligation ($000)	2,494	2,500	-
Total net debt(1) ($000)	75,560	78,553	26,632

(1) Funds from operations, funds from operations per share, funds from operations netback, operating netback, adjusted working capital (surplus) deficit and net debt do not have standardized meanings prescribed by generally accepted accounting principles and therefore should not be considered in isolation. These reported amounts and their underlying calculations are not necessarily comparable or calculated in an identical manner to a similarly titled measure of other companies where similar terminology is used. Where these measures are used they should be given careful consideration by the reader. Refer to the Non-GAAP Financial Measures for more information.

(2) The basic and diluted weighted average shares outstanding are the same for periods in which the Corporation records a net loss.

2015 Guidance

The Corporation will not drill any wells in the Entice or Stolberg areas during the first half of 2015, due to the current low commodity price environment. Manitok anticipates a capital program of approximately $25.0 million for the second half of 2015, which includes some facility work and 6 wells in southern Alberta. Based on the successful 2014 drilling program, these wells will further delineate and develop the Lithic Glauconitic ("LG") and Basal Quartz ("BQ") formations and satisfy the capital commitment with PrairieSky Royalty Ltd.

Hedging

Oil Hedges

In 2015, Manitok has hedged 1,500 bbls/d of crude oil at an average price of $93.67 CAD WTI and recently added a hedge of 500 bbls/d of crude oil at $75.00 CAD WTI from June 2015 to December 2015, 500 bbls/d of crude oil at $80.15 CAD WTI for the 2016 calendar year and 500 bbls/d of crude oil at $79.75 CAD WTI for the 2016 and 2017 calendar year. The Corporation has also recently added option collar transactions for 1,000 bbls/d of crude oil from $68.70 to $86.20 CAD WTI net of the deferred premium for both the 2016 and 2017 calendar years.

Gas Hedges

In 2015, Manitok has 16,000 GJs/d of natural gas at an average price of $3.48 after the deferred premium.

Proposed Acquisition

The corporation continues to work toward closing the proposed acquisition previously announced on May 1, 2015 in June 2015.

About Manitok

Manitok is a public oil and gas exploration and development company focusing on conventional oil and gas reservoirs in the Canadian foothills and southeast Alberta. The Corporation will utilize its experience to develop the untapped conventional oil and liquids-rich natural gas pools in both the foothills and southeast Alberta areas of the Western Canadian Sedimentary Basin.

For further information view our website at www.manitokenergy.com.

Forward-looking Statements

This press release contains forward-looking statements. More particularly, this press release contains statements concerning operational and drilling plans for the first half of 2015, anticipated capital program for the first half of 2015, planned hedging activities and the anticipated timing of closing the proposed acquisition pursuant to an asset purchase agreement entered into with a public Alberta based resource company as announced on May 1, 2015.

While the Corporation anticipates remaining disciplined with its capital program, readers are cautioned that the Corporation may make adjustments to its capital program depending on business conditions and commodity prices throughout the fiscal year. Actual spending may vary due to a variety of factors, including changes to certain key expectations and assumptions set out below.

The forward-looking statements in this press release are based on certain key expectations and assumptions made by Manitok, including expectations and assumptions concerning the success of future drilling and development activities, the performance of existing wells, the performance of new wells, the successful application of technology, prevailing weather conditions, commodity prices, royalty regimes and exchange rates and the availability of capital, labour and services.

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 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.

Non-GAAP Financial Measures

This press release contains references to measures used in the oil and natural gas industry such as "funds from operations", "funds from operations netback", "funds from operations per share", "operating netback", "adjusted working capital deficit", and "net debt". These measures do not have standardized meanings prescribed by generally accepted accounting principles (" GAAP") and therefore should not be considered in isolation. These reported amounts and their underlying calculations are not necessarily comparable or calculated in an identical manner to a similarly titled measure of other companies where similar terminology is used. Where these measures are used, they should be given careful consideration by the reader. These measures have been described and presented in this press release in order to provide shareholders and potential investors with additional information regarding the Corporation's liquidity and its ability to generate funds to finance its operations.

Funds from operations should not be considered an alternative to, or more meaningful than, cash provided by operating, investing and financing activities or net income as determined in accordance with GAAP, as an indicator of Manitok's performance or liquidity. Funds from operations is used by Manitok to evaluate operating results and Manitok's ability to generate cash flow to fund capital expenditures and repay indebtedness. Funds from operations denotes cash flow from operating activities as it appears on the Corporation's Statement of Cash Flows before decommissioning expenditures and changes in non-cash operating working capital. Funds from operations is also derived from net income (loss) plus non-cash items including deferred income tax expense, depletion and depreciation expense, impairment expense, stock-based compensation expense, accretion expense, unrealized gains or losses on financial instruments and gains or losses on asset divestitures. Funds from operations netback is calculated on a per boe basis and funds from operations per share is calculated as funds from operations divided by the weighted average number of basic and diluted common shares outstanding. Operating netback denotes petroleum and natural gas revenue and realized gains or losses on financial instruments less royalty expenses, operating expenses and transportation and marketing expenses calculated on a per boe basis. Adjusted working capital deficit includes current assets less current liabilities excluding the current portion of the amount drawn on the credit facilities, the current portion of the fair value of financial instruments and the deferred premium on financial instruments. Manitok uses net debt as a measure to assess its financial position. Net debt includes current assets less current liabilities excluding the current portion of the fair value of financial instruments and the deferred premium on financial instruments, plus the long-term financial obligation.

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.

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