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[Manitok Energy Inc.](#) ("Manitok" or the "Corporation") (TSX VENTURE:MEI) is pleased to announce that it has entered into an asset purchase agreement with a private company for the acquisition of a 14 Mmcf/d natural gas processing plant in the Carseland area along with approximately 450 mcf/d net (75 boe/d net) of natural gas production, the related gathering systems, 5,760 acres of undeveloped land at a 100% working interest and an 11 kilometre sales gas line tied into the ATCO south sales system. Total cash consideration for the acquisition is \$4.75 million prior to customary closing adjustments (the "Acquisition"). The Acquisition is anticipated to close on or about March 4, 2016. The Acquisition furthers Manitok's strategy of decreasing reliance on third party facilities.

Manitok's oil and gas production in the area has been restricted to date due to the natural gas liquids ("NGLs") content of Manitok's Lithic Glauco ("LG") wells relative to the processing plant's ability to adequately handle NGLs. Manitok is planning minor plant modifications that would increase the ability of the processing plant to handle NGLs which will reduce the current restrictions on its producing LG wells and allow Manitok to tie-in 2 additional Basal Quartz ("BQ") wells located on pad-site 03-16-023-25W4M. Manitok anticipates these plant modifications to be completed in the second quarter of 2016. Manitok has identified 4 to 6 potential LG oil drilling locations on the acquired lands.

Production Update

Based on field estimates, Manitok has averaged 4,332 boe/d (43% oil and liquids) during the first two weeks of February 2016.

Financial Update

In an effort to reduce outstanding bank indebtedness, Manitok has monetized the following crude oil hedges for a total cash payment of \$12.3 million from its counterparty:

- 500 bbls/d swap transaction at \$79.75 CAD WTI for the 2016 and 2017 calendar years;
- 500 bbls/d collar transaction from \$70.50 to \$85.50 CAD WTI net of the deferred premium for the 2017 calendar year; and
- 500 bbls/d collar transaction from \$66.85 to \$86.85 CAD WTI net of the deferred premium for the 2017 calendar year.

Manitok's anticipated 2016 oil production, net of royalties, remains fully hedged with a swap of 500 bbls/d of crude oil at \$80.15 CAD WTI and collar transactions for 1,000 bbls/d of crude oil from an average price of \$68.68 to \$86.18 CAD WTI net of the deferred premium. The mark-to-market value of the remaining hedges is approximately \$12 million.

Manitok estimates its net bank debt to be approximately \$39 million as at February 29, 2016. In conjunction with the hedge monetization, Manitok's credit facility has been revised from \$60 million to \$50 million.

About Manitok

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

Forward-looking Information Cautionary Statement

This press release contains forward-looking statements. More particularly, this press release contains statements concerning the terms of the Acquisition, the anticipated timing of the completion of the plant modification by Manitok following the completion of the Acquisition, and the anticipated amount of net bank debt as of February 29, 2016.

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 prevailing market conditions, the intentions of its lender, commodity prices, the anticipated benefits of the Acquisition, the anticipated benefits of successful plant modification and the 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, Manïtok'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 Manïtok's SEDAR profile at www.sedar.com.

Forward-looking statements are based on estimates and opinions of management of Manïtok at the time the statements are presented. Manïtok 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 Manïtok 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 "adjusted working capital (surplus) deficit" and "net bank 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.

Adjusted working capital (surplus) 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. Manïtok uses net bank debt as a measure to assess its financial position and it includes outstanding bank indebtedness plus adjusted working capital (surplus) deficit.

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.

Contact

[Manïtok Energy Inc.](http://www.manitokenergy.com)

Massimo M. Geremia
President & Chief Executive Officer

403-984-1751

mass@manitok.com

www.manitokenergy.com