

NOT FOR DISTRIBUTION TO U.S. NEWSWIRE SERVICES OR FOR DISSEMINATION IN THE UNITED STATES OF AMERICA.

[Manitok Energy Inc.](#) (the "Corporation") (TSX VENTURE:MEI) is pleased to announce that it has closed the acquisition of a 14 Mmcf/d natural gas processing plant, 5,760 acres of land at a 100% working interest, 450 mcf/d (75 boe/d net) of natural gas production and the gas gathering system associated with the production in the Carseland area of southeast Alberta on March 4, 2016 as previously announced on its press release dated March 2, 2016 for a total cash consideration of \$4.75 million prior to transaction costs and customary closing adjustments (the "Acquisition").

The key part of the Acquisition is the gas processing plant that will allow Manitok to optimize its current oil production in the area as well as adding a gas gathering system which runs from the gas plant to the south end of the Carseland oil field and will save the Corporation about \$1.3 million of future pipeline costs. Manitok's associated gas from its oil production in the area is currently processed through this facility. Based on an internal management estimate, if Manitok were to build its own gas processing plant and gathering system in the area the anticipated cost would be over \$12 million. Along with preserving capital, the Acquisition allows Manitok to control the pace of development of both the Lithic Glauco and Basal Quartz oil pools in the Carseland area, as well as to lower future operating costs in the area.

Manitok has immediately taken over operatorship of the facility and is working through the engineering required to upgrade the facility to handle a greater proportion of liquids. Manitok anticipates it may require up to \$1 million to complete the upgrade, which will be financed with second quarter funds from operations. It is anticipated the upgrade will be completed prior to the end of the second quarter of 2016.

Grant of Incentive Stock Options

The board of directors approved the granting of incentive stock options ("Options") under its stock option plan to certain of its directors and officers to acquire up to an aggregate of 7,050,000 common shares ("Common Shares") of the Corporation and the granting of Options to certain of its employees and consultants to acquire up to an aggregate of 3,371,000 Common Shares at an exercise price of \$0.16. The exercise price of \$0.16 per Common Share was derived from the volume weighted average closing price of the Common Shares for the ten trading days immediately preceding the grant date.

All of such Options are exercisable for a period of five years and 33 1/3% of the Options will vest one year after the date of the grant of such Options and the remainder will vest 33 1/3% per year thereafter.

Upon the granting of the Options described above, Manitok will have 15,140,933 Options outstanding. Currently, there are 3,482,933 Options with exercise prices between \$1.30 and \$3.12 per Common Share and there are another 1,149,500 Options with exercise prices between \$0.60 and \$0.84 per Common Share. In total, there are 4,632,433 Options that are well out of the money. There are 10,508,500 Options that are at the money which represents about 6.5% of the 161,079,746 outstanding Common Shares. Manitok's stock option plan currently limits the issuance of Options to no more than 10% of the issued and outstanding Common Shares.

About Manitok

Manitok is a public oil and gas exploration and development company focusing on conventional oil and gas reservoirs in southeast Alberta and the Canadian foothills. The Corporation will utilize its experience and expertise 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.

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

Forward-looking Information Cautionary Statement

This press release contains forward-looking statements. More particularly, this press release contains statements concerning the anticipated benefits to Manitok from the Acquisition, and specifically, the amount of future savings for Manitok in pipeline costs as a result of the completion of the Acquisition, anticipated timing of the completion of the plant upgrade by Manitok, the estimated cost of such upgrade and the anticipated source of funding for such upgrade.

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 obtain funding for the plant upgrade, the anticipated cost of the plant upgrade being higher than expected, unexpected delays in connection with the plant upgrade schedule 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.

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

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

Massimo M. Geremia

President and Chief Executive Officer

403-984-1751

mass@manitok.com

www.manitokenergy.com