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[Manitok Energy Inc.](#) (the "Corporation" or "Manitok") (TSX VENTURE:MEI) announces its financial and operating results for the year ended December 31, 2015 and provides an operational update.

The full text of Manitok's year-end results are contained in its audited financial statements as at and for the year ended December 31, 2015, the related management's discussion and analysis and Manitok's Annual Information Form for the year ended December 31, 2015 ("AIF"), copies of which are available electronically on Manitok's profile on the System for Electronic Document Analysis and Retrieval ("SEDAR") at [www.sedar.com](http://www.sedar.com) and also on Manitok's website at [www.manitokenergy.com](http://www.manitokenergy.com).

#### Year-End Results:

- Production in 2015 averaged 4,480 boe/d (49% light oil and liquids) as compared to 4,502 boe/d (57% light oil and liquids) in 2014.
- Recorded funds from operations of \$30.4 million in 2015, a 34% decrease over funds from operations of \$46.0 million in 2014.
- Operating netback including the realized gain or loss on financial instruments was \$25.67/boe in 2015, a 22% decrease over the operating netback of \$32.91/boe in 2014.
- Capital expenditures before acquisition and divestitures were \$16.1 million as compared to \$97.4 million in 2014. Capital expenditures after acquisition and divestitures were \$40.6 million as compared to \$69.7 million in 2014.
- As at December 31, 2015, Manitok reduced net bank debt by \$22.7 million to \$53.4 million from \$76.1 million as at December 31, 2014.
- On December 30, 2015, Manitok closed the first tranche of a private placement of 23,766,831 common shares ("Common Shares") in the capital of Manitok issued at a price of \$0.13 per Common Share and 35,079,500 Common Shares issued on a "flow-through" basis in respect of Canadian exploration expense under the *Income Tax Act* (Canada) ("Flow-through Shares") at a price of \$0.15 per Flow-through Share for total net proceeds of \$7.5 million, which were received in January 2016. The net cash proceeds from the Common Shares were used to reduce the Corporation's bank indebtedness and the net cash proceeds from the Flow-through Shares will be used to earn eligible Canadian exploration expenses. At the close of the first tranche of the equity financing, Manitok had 143,936,115 common shares outstanding.

#### Operational and Financial Summary

	Three months ended December 31		Twelve months ended December 31	
	2015	2014	2015	2014
<b>Operating</b>				
<b>Average daily production</b>				
Light oil (bbls/d)	2,002	2,257	2,077	2,508
Natural gas (mcf/d)	13,540	10,713	13,607	11,594
NGLs (bbls/d)	200	30	135	62
Total (boe/d)	4,459	4,072	4,480	4,502
<b>Average realized sales price</b>				
Light oil (\$/bbl)	47.83	71.96	52.70	92.57
Natural gas (\$/mcf)	2.73	3.83	2.92	4.93
NGLs (\$/bbl)	27.88	67.29	35.64	96.93
Total (\$/boe)	31.01	50.45	34.38	65.60
<b>Undeveloped land (end of period)</b>				
Gross (acres)	456,506	306,776	456,506	306,776
Net (acres)	426,783	290,971	426,783	290,971
<b>Netback and Cost (\$ per boe)</b>				
Petroleum and natural gas sales	31.01	50.45	34.38	65.61
Realized gain (loss) on financial instruments	18.20	6.67	14.58	(2.31)
Royalty expenses	(8.30)	) (11.61)	) (8.92)	) (19.68)
Operating expenses, net of recoveries	(11.51)	) (7.65)	) (12.21)	) (7.34)
Transportation and marketing expenses	(1.72)	) (3.17)	) (2.16)	) (3.37)

Operating netback <sup>(1)</sup>	27.68	34.69	25.67	32.91
General and administrative expenses, net of recoveries	(3.29)	(4.59)	(4.06)	(4.18)
Interest and financing expenses	(3.72)	(1.39)	(3.03)	(0.76)
Interest and other income	0.02	0.02	0.02	0.02
Funds from operations netback <sup>(1)</sup>	20.69	28.73	18.60	27.99
Financial				
Petroleum and natural gas revenue (\$000)	12,720	18,902	56,210	107,822
Funds from operations (\$000) <sup>(1)</sup>	8,488	10,766	30,390	45,980
Per share - basic (\$) <sup>(1)</sup>	0.10	0.16	0.40	0.66
Per share - diluted (\$) <sup>(1)</sup>	0.10	0.16	0.40	0.65
Net income (loss) (\$000)	(5,258)	(2,774)	(27,195)	(3,587)
Per share - basic (\$)	(0.06)	(0.04)	(0.36)	(0.05)
Per share - diluted (\$) <sup>(2)</sup>	(0.06)	(0.04)	(0.36)	(0.05)
Common shares outstanding				
End of period - basic	143,936,115	65,279,607	143,936,115	65,279,607
End of period - diluted	150,334,260	70,588,213	150,334,260	70,588,213
Weighted average for the period - basic	85,729,418	65,924,473	76,292,523	69,365,940
Weighted average for the period - diluted	85,729,418	66,255,000	76,292,523	70,321,234
Capital expenditures (\$000)	2,847	26,949	40,597	69,690
Adjusted working capital (surplus) deficit (\$000) <sup>(1)</sup>	(8,951)	22,795	(8,951)	22,795
Drawn on credit facilities (\$000)	62,398	53,258	62,398	53,258
Net bank debt (\$000) <sup>(1)</sup>	53,447	76,053	53,447	76,053
Long-term financial obligations (\$000)	14,948	2,500	14,948	2,500
Net debt (\$000) <sup>(1)</sup>	68,395	78,553	68,395	78,553

1. Funds from operations, funds from operations per share, funds from operations netback, operating netback, adjusted working capital (surplus) deficit, net bank debt 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 section of this press release.
2. The basic and diluted weighted average shares outstanding are the same for periods in which the Corporation records a net loss and when all the outstanding stock options and warrants are anti-dilutive.

#### Financial Update Subsequent to Year-End 2015

As at April 30, 2016, Manitok anticipates its net bank debt will be approximately \$44 million and its total net debt to be approximately \$59 million, which includes \$15 million of long term financing, secured only by field facilities, with a remaining term of 7.5 years. The Corporation's credit facility is currently \$49.2 million and is up for a customary review in June 2016. Details of the credit facility are in the 2015 fourth quarter report, a copy of which is available under Manitok's SEDAR profile at [www.sedar.com](http://www.sedar.com) and also on Manitok's website at [www.manitokenergy.com](http://www.manitokenergy.com).

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.

Manitok anticipates it will begin its 2016 drilling program in the second half of the year, with a minimum of approximately \$11 million of drilling and completion spending funded by its funds from operations, credit facility and proceeds from the recently announced equity financing. The Corporation will provide enough flexibility in its capital planning to be able to increase the drilling and completions spending should commodity prices improve over the course of 2016.

#### Operational Update

Manitok's production during the first two weeks of April 2016 has averaged approximately 4,447 boe/d (44% oil) based on field estimates. Manitok commenced the Carseland gas plant modifications in mid-April 2016 and expects to complete them before the end of the second quarter of 2016. The modifications will allow Manitok to significantly increase its throughput of liquid rich solution gas associated with the Lithic Glauconitic formation in the Carseland area. The Corporation anticipates the cost of the modifications to be approximately \$1.2 million.

#### 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 to develop the untapped conventional oil and liquids-rich natural gas pools in both the southeast Alberta and foothills areas of the Western Canadian Sedimentary Basin.

For further information view our website at [www.manitokenergy.com](http://www.manitokenergy.com).

### *Forward-looking Statements*

*This press release contains forward-looking statements. More particularly, this press release contains statements concerning the anticipated amount of net bank debt and total net debt as at March 31, 2016, operational and drilling plans, the development and growth potential of Manitok's properties, the anticipated amount of minimum drilling and completion spending and the anticipated source of funding for such minimum drilling and completion spending and the anticipated timing and cost of completing Carseland gas plant modification. 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, successful completion of the recently announced equity financing of the Corporation 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](http://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.*

*Any references in this press release to initial and/or final raw test or production rates and/or "flush" production rates are useful in confirming the presence of hydrocarbons, however, such rates are not determinative of the rates at which such wells will commence production and decline thereafter. These test results are not necessarily indicative of long-term performance or ultimate reserve recovery. While encouraging, readers are cautioned not to place reliance on such rates in calculating the aggregate production.*

### *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 (surplus) deficit", "net bank debt" 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, acquisition-related expenses 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 (recovery), 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 (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. Manitok uses net bank debt and net debt as a measure to assess its financial position. Net bank debt includes outstanding bank indebtedness plus adjusted working capital (surplus) deficit and net debt includes net bank debt plus the long-term financial obligations.*

### *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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