CALGARY, ALBERTA--(Marketwired - May 2, 2017) -

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Manitok Energy Inc. (the "Corporation" or "Manitok") (TSX VENTURE:MEI) is pleased to provide highlights from its 2016 independent reserves evaluation and announce its financial results for the fiscal year-ended December 31, 2016.

2016 Independent Reserves Evaluation

Sproule Associates Limited ("Sproule"), Manitok's independent qualified reserves evaluator based in Calgary, Alberta, prepared a reserves estimation and economic evaluation effective December 31, 2016 in respect of Manitok's oil and natural gas properties ("2016 Sproule Report"). Sproule also prepared the reserves estimation and economic evaluation effective December 31, 2015 ("2015 Sproule Report") and together with the 2016 Sproule Report, the "Sproule Reports"). The reserves estimates stated herein are effective as at December 31, 2016 and 2015 (as applicable) and are extracted from the Sproule Reports. The Sproule Reports have been prepared in accordance with the definitions, standards and procedures contained in the Canadian Oil and Gas Evaluation Handbook ("COGE Handbook") and National Instrument 51-101 Standards of Disclosure for Oil and Gas Activities ("NI 51-101").

2016 Year-End Reserves Highlights

Below are highlights from the Sproule Reports. Full details 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:

- Manitok achieved significant reserves growth in 2016 despite it being a challenging year in our industry. Based on the 2016 Sproule Report, total proven developed producing ("PDP") reserves were 9,671 Mboe (27% oil), total proved ("TP") reserves were 17,008 Mboe (30% oil) and total proved plus probable ("P+P") reserves were 28,154 Mboe (29% oil). The Corporation's PDP reserves increased by 61%, TP reserves increased by 71% and P+P reserves increased by 60% from the 2015 Sproule Report to the 2016 Sproule Report.

- Manitok replaced its 2016 production by 217% with the increase in PDP reserves, 420% with the increase in TP reserves and 625% with the increase in P+P reserves through a successful drilling program in its southern Alberta core area in the fourth quarter of 2016 and several successful acquisitions in 2016.

- The Corporation's 2016 average finding, development and acquisition ("FD&A") costs, including the change in future development capital ("FDC"), are $7.15/boe for TP reserves and are $6.02/boe for P+P reserves.

- Recycle ratios are 1.9 times, using 2016 FD&A costs including FDC, for TP reserves and are 2.2 times for P+P reserves. The recycle ratios above are based on an average fourth quarter 2016 operating netback of $13.42/boe, including the realized gain on financial instruments of $1.64/boe, which is representative of current commodity prices.

- When considering the reserves generated from the 4th quarter drilling program in 2016 alone, the F&D costs, including FDC, were $10.39/boe and $19.41/boe respectively for P+P and TP reserves. This includes all drilling, completions, equipping, facilities expansion and tie-in costs in 2016 relative to reserve additions in 2016.

- Year over year, Manitok increased its reserve life index ("RLI") by 36%, to 9.4 years from 6.9 years, on TP reserves, and by 27%, to 15.6 years from 12.2 years, on P+P reserves[(1)].

- The pre-tax net present value discounted at 10% ("NPV10%")[(2)] of PDP, TP and P+P reserves increased by approximately 30%, 43% and 44% respectively, to $114.9 million, $188.3 million and $299.8 million respectively, in the 2016 Sproule Report as compared to the 2015 Sproule Report.

- The net asset value on a P+P NPV10% valuation ("NAV") is about $0.81 per share diluted (current share price of $0.13), assuming an undeveloped land value of approximately $33.3 million (valued at $100/acre), net debt of about $74.5 million at March 31, 2017 and other obligations, and having 262,819,832 common shares outstanding.

[(1)] Production rate used to calculate the 2016 RLI is based on the estimated average production rate for 2017 on PDP reserves disclosed in the 2016 Sproule Report and the 2015 RLI is based on the estimated average production rate for 2016 on PDP reserves disclosed in the 2015 Sproule Report.

[(2)] Estimates of future net revenues whether discounted or not do not represent fair market value.*Reserves Tables*

The following table summarizes Manitok's working interest oil and natural gas reserves based on the 2016 Sproule Report, *using the 2016 Sproule Report forecast price assumptions:*

Summary of Oil and Natural Gas Reserves as at December 31, 2016(1)(2)

Reserve Category	*Light and Medium Crude Oil(3)*		*Natural Gas(6)*		*Natural Gas Liquids*		*Total*	
	Gross(4) (Mbbls)	*Net(5) (Mbbls)*	*Gross(4) (Mmcf)*	*Net(5) (Mmcf)*	*Gross(4) (Mbbls)*	*Net(5) (Mbbls)*	*Gross(4) (Mboe)*	*Net(5) (Mboe)*
Proved								
Developed Producing	*2,733.5*	*2,165.0*	*34,437*	*29,418*	*1,197.7*	*878.9*	*9,670.7*	*7,946.9*
Developed Non-Producing	*488.0*	*426.4*	*6,791*	*5,807*	*381.4*	*288.4*	*2,001.2*	*1,682.6*
Undeveloped	*1,986.5*	*1,662.0*	*15,400*	*13,990*	*782.7*	*677.3*	*5,335.8*	*4,671.1*
Total Proved	*5,207.9*	*4,253.4*	*56,627*	*49,216*	*2,361.9*	*1,844.6*	*17,007.7*	*14,300.6*
Probable	*3,052.9*	*2,424.9*	*39,259*	*34,112*	*1,550.3*	*1,168.7*	*11,146.3*	*9,278.9*
Total Proved Plus Probable	*8,260.6*	*6,678.3*	*95,887*	*83,328*	*3,912.2*	*3,013.3*	*28,154.0*	*23,579.5*

(1) Based on Sproule's December 31, 2016 forecast prices and costs. The forecast of commodity prices used in the 2016 Sproule Report can be found at www.sproule.com*.*

(2) Columns may not add due to rounding of individual items.

(3) Estimates of reserves of light and medium oil includes an immaterial amount of reserves related to heavy crude oil.

(4) Gross reserves are the Corporation's working interest share before deduction of royalty obligations and without including any royalty interests.

(5) Net reserves are the Corporation's working interest share after deduction of royalty obligations, plus royalty interests in such reserves.

(6) Estimates of reserves of natural gas include solution gas and both associated and non-associated gas.

The following table is a summary of the net present value of future net revenue associated with Manitok's reserves based on the 2016 Sproule Report before deducting future income tax expense and calculated at various discount rates:

Net Present Values of Future Net Revenue Before Income Taxes

Reserve Category	*Value Before Income Taxes Discounted at (%/year)(1)(2)(3)*				
	0% (M$)	*5% (M$)*	*10% (M$)*	*15% (M$)*	*20% (M$)*
Proved					
Developed Producing	*162,419*	*134,410*	*114,872*	*100,804*	*90,242*
Developed Non-Producing	*35,481*	*26,619*	*20,899*	*17,027*	*14,276*
Undeveloped	*100,890*	*70,698*	*52,549*	*40,832*	*32,731*
Total Proved	*298,790*	*231,727*	*188,320*	*158,662*	*137,249*
Probable	*224,823*	*153,514*	*111,459*	*84,601*	*66,328*
Total Proved Plus Probable	*523,613*	*385,241*	*299,780*	*243,264*	*203,577*

(1) Based on Sproule's December 31, 2016 forecast prices and costs. The forecast of commodity prices used in the 2016 Sproule Report can be found at www.sproule.com*.*

(2) Columns may not add due to rounding of individual items.

(3) Estimates of future net revenues whether discounted or not do not represent fair market value.

The following table is a reconciliation of Manitok's gross reserves as derived from the Sproule Reports:

Reserves Reconciliation of Gross Reserves(1)(2)

	Gross Proved (Mboe)	*Gross Probable (Mboe)*	*Gross Proved Plus Probable Mboe)*
December 31, 2015	*9,938.4*	*7,687.2*	*17,625.6*
Discoveries, extensions and infill drilling	*978.2*	*1,494.8*	*2,473.0*
Acquisitions (dispositions)	*8,383.1*	*2,891.8*	*11,274.9*
Technical revisions(3)	*(339.7)*	*(641.4)*	*(981.1)*
Economic factors	*(268.2)*	*(286.0)*	*(554.2)*
Production over the year	*(1,684.2)*	*-*	*(1,684.2)*

December 31, 2016	*17,007.7*	*11,146.3*	*28,154.0*

(1) Gross reserves are the Corporation's working interest share before deduction of royalty obligations and without including any royalty interests.

(2) Columns may not add due to rounding of individual items.

(3) "Technical Revisions" resulted mainly from operating costs and gas shrinkage increases as well as reservoir performance in the Wayne and Rockyford areas.

The full text of Manitok's year-end report containing its audited financial statements as at and for the year ended December 31, 2016, the related management's discussion and analysis, NI 51-101 reserves disclosure and Manitok's annual information form for the year ended December 31, 2016 is available electronically on Manitok's profile on SEDAR at www.sedar.com and also on Manitok's website at www.manitokenergy.com on or before May 2, 2017.

2016 Year-End Results and Relevant Subsequent Events

Below are notable items from Manitok's audited financial statements as at and for the year ended December 31, 2016, the notes related thereto and the related management's discussion and analysis. Full details are available electronically on Manitok's profile on SEDAR at www.sedar.com and also on Manitok's website at www.manitokenergy.com:

- Production in 2016 averaged 4,602 boe/d (44% light oil and liquids) as compared to 4,480 boe/d (49% light oil and liquids) in 2015.
- Fourth quarter production averaged 6,123 boe/d (39% light oil and liquids), a 37% increase over production of 4,459 boe/d (49% light oil and liquids) in the fourth quarter of 2015.
- Recorded funds from operations of $18.5 million in 2016, a 39% decrease over funds from operations of $30.4 million in 2015.
- Operating netback including the realized gain or loss on financial instruments was $18.45/boe in 2016, a 28% decrease over the operating netback of $25.67/boe in 2015.
- Combined operating and transportation costs averaged $14.63/boe in 2016, which remained consistent with $14.85/boe incurred in 2015.
- Combined operating and transportation costs averaged $12.37/boe in the fourth quarter of, which is a 14% decrease from $14.39/boe incurred in the fourth quarter of 2015.
- Capital expenditures before acquisition and divestitures were $20.3 million as compared to $15.9 million in 2015. Capital expenditures after acquisition and divestitures were $39.8 million as compared to $40.6 million in 2015.
- On September 29, 2016, Manitok executed and closed an asset purchase agreement for the acquisition of approximately 1,750 boe/d of production (34% oil and liquids) which includes approximately 90,000 acres (55,800 net) of undeveloped land, and facilities in the Willesden Green area. Total consideration for the acquisition was $13.5 million comprised of $9.0 million of cash and $4.5 million of CEL Units, part of a marketed underwritten offering of 212,071 Collateralized Exchange Listed Units of Manitok ("CEL Units") for total aggregate gross proceeds of $21.2 million.
- On November 29, 2016, Manitok closed an equity financing completed by way of a short form base shelf prospectus as supplemented by a prospectus supplement dated November 22, 2016 and raised net proceeds of $4.5 million.
- As at December 31, 2016, net bank debt was $42.2 million and net debt was $75.2 million, which includes CEL Units and long-term financial obligations.
- As at March 31, 2017, Manitok anticipates its net bank debt will be approximately $41.5 million and its total net debt to be approximately $74.5 million, which includes CEL Units and long term financing obligations.
- Manitok's annual financial statements as at and for the year ended December 31, 2016 have been qualified with a going concern note relating to the uncertainty surrounding meeting capital commitments and liquidity in the current low price commodity environment.
- Manitok announced an acquisition on May 1, 2017, which included $3.5 million of net working capital ($3.0 million cash), and 430 boe/d of production. Both the immediate benefit of the cash and additional cash flow from the assets will reduce Manitok's debt and provide an improvement to its liquidity going forward.

OPERATIONAL AND FINANCIAL SUMMARY

	Three months ended December 31		Twelve months ended December 31	
	2016	2015	2016	2015
Operating				
Average daily production				

Light oil (bbls/d)	1,864	2,002	1,709	2,077
Natural gas (mcf/d)	22,281	13,540	15,417	13,607
NGLs (bbls/d)	545	200	323	135
Total (boe/d)	6,123	4,459	4,602	4,480
Average realized sales price				
Light oil ($/bbl)	56.43	47.83	48.11	52.70
Natural gas ($/mcf)	3.23	2.73	2.49	2.92
NGLs ($/bbl)	30.63	27.88	26.54	35.64
Total ($/boe)	31.67	31.01	28.07	34.38
Netback and Cost ($ per boe)				
Petroleum and natural gas sales	31.67	31.01	28.07	34.38
Processing revenue	0.31	1.16	0.49	0.48
Realized gain (loss) on financial instruments	1.64	18.20	12.25	14.58
Royalty expenses	(7.82)	(8.30)	(7.73)	(8.92
Operating expenses, net of recoveries	(11.59)	(12.67)	(13.30)	(12.69
Transportation and marketing expenses	(0.78)	(1.72)	(1.33)	(2.16
Operating netback(1)	13.43	27.68	18.45	25.67
General and administrative expenses, net of recoveries	(3.39)	(3.29)	(3.90)	(4.06
Interest and financing expenses	(3.10)	(3.71)	(3.62)	(3.02
Funds from operations netback(1)	6.94	20.68	10.93	18.59
Financial				
Petroleum and natural gas revenue ($000)	17,848	12,720	47,280	56,210
Funds from operations ($000)(1)	4,038	8,488	18,540	30,390
Per share - basic ($)(1)	0.02	0.10	0.10	0.40
Per share - diluted ($)(1)	0.02	0.10	0.10	0.40
Net loss ($000)	(16,421)	(5,258)	(24,694)	(27,195
Per share - basic ($)	(0.07)	(0.06)	(0.13)	(0.36
Per share - diluted ($)(2)	(0.07)	(0.06)	(0.13)	(0.36
Common shares outstanding				
End of period - basic	262,819,832	143,936,115	262,819,832	143,936,115
End of period - diluted	325,592,540	150,334,260	325,592,540	150,334,260
Weighted average for the period - basic and diluted	239,616,115	85,729,418	191,462,156	76,292,523
Capital expenditures, net of divestitures ($000)	27,569	2,847	39,793	40,597
Adjusted working capital (surplus) deficit ($000)(1)	9,074	(8,951)	9,074	(8,951
Drawn on credit facilities ($000)	33,083	62,398	33,083	62,398
Net bank debt ($000) (1)	42,157	53,447	42,157	53,447
Senior Secured Notes ($000)	18,138	-	18,138	-
Long-term financial obligations ($000)	14,856	14,948	14,856	14,948
Net debt ($000) (1)	75,151	68,395	75,151	68,395

(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 Measures paragraph in the Advisories section of this MD&A. 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.

About Manitok

Manitok is a public oil and gas exploration and development company focused on Lithic Glauconitic light oil in southeast Alberta and Cardium light oil in west central Alberta. The Corporation utilizes its expertise, combined with the latest recovery techniques, to develop the remaining oil and liquids-rich natural gas pools in its core 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 the anticipated net bank debt and total net debt as at March 31, 2017 and the likelihood of Manitok's ability to comply with its working capital covenant in the future. 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-IFRS 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"), including International Financial Reporting Standards ("IFRS") 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 the MD&A and Annual Report 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 (loss) as determined in accordance with IFRS, 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 acquisition-related expenses and 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, the deferred premium on financial instruments and provisions. 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 senior secured notes and 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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