JUNIOR GOLD REPORT
TELL YOUR STORY TO THOUSANDS OF RESOURCE INVESTORS

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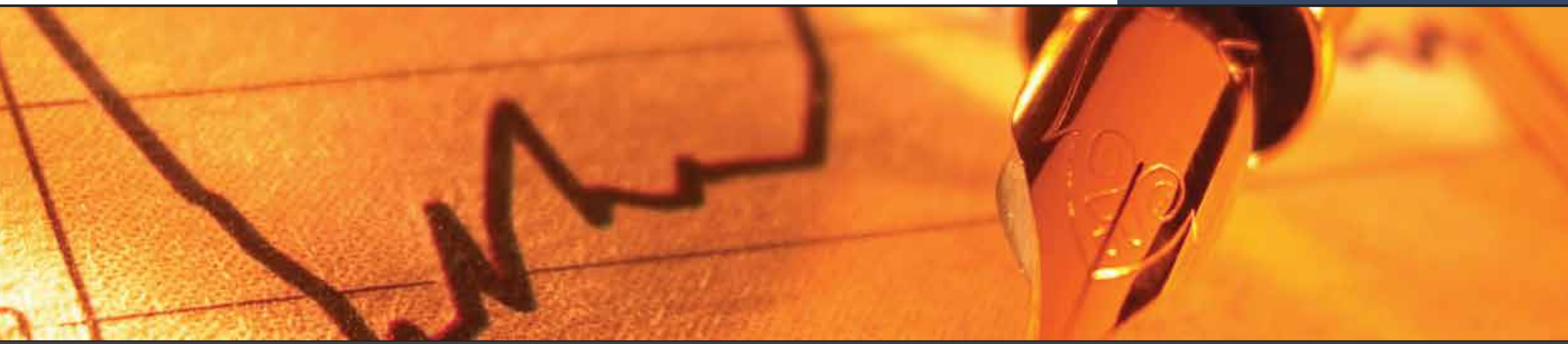


SPECIAL REPORT

Cardiff Energy Corporation

We introduced our readers to Cardiff Energy Corporation on April 20th of this year in the Gold Report interview titled, "Why Kal Kotecha is Sticking With his New Year's Resolution." http://www.theaureport.com/-pub/na/why-kal-kotecha -is-still-sticking-with-his-new-years-resolution. At that time, Cardiff was trading at $.06. Since then it has risen over 50% and is hovering around $.10. I received a few emails from subscribers indicating that they started to accumulate at the time of the Gold Report interview.

Cardiff Energy is an oil and gas explorer that is on the verge of another discovery right in the heart of America's prolific oil producing region. While some investors may reel at the thought of investing in a junior oil and gas explorer given this past year's sell off, we feel it's an opportune time to look at the sector.

As you will read below, Cardiff Energy has the right property in a past producing region where new discoveries are being made. The company has the right operating partner that is experienced in drilling in the region, and is willing to participate in the costs and potential reward.

THE COMPANY

Cardiff is an emerging junior oil and gas company engaged in the acquisition, exploration, development, and production of oil and gas properties. Cardiff is listed on the TSX Venture Exchange under the symbol CRS. The company has 36.8 million shares outstanding, which is fairly low considering the dilution the resource sector has experienced over the last year.

With an experienced management team, the company is now on the verge of making another discovery and developing its multi-zone oil and gas projects in Runnels County, Texas.

THE OIL AND GAS REGION IN RUNNELS COUNTRY

The company has 2 prospects in Runnels County which is situated in the West- central portion of Texas and is known to be a region of multi-zone potential. The first lease is 55.35 acres and was successfully tested in 2014. The second lease, which was acquired in September 2014, is 468 acres and is adjacent to the first lease, of which both have potential for oil and gas discoveries and production. Both prospects are leased by the company's wholly owned subsidiary Cardiff Energy (USA) Inc. They have entered into two separate partnerships and operating agreements with Martin Energies, LLC.

The region's trapping mechanism is low relief structures; it is possible to trap hydro carbons when porosity and structure coincide. Operators in the region generally have found low relief structures to be more prolific than high relief structures due to greater areal extent of the reservoirs. The shallower zones have similar trapping mechanisms.

Permitting in the region is not a concern for the company as it has already been issued to Cardiff, and the County is very open to oil and gas exploration and production. The location and proximity to the school is also not of a concern to the company as there are many wells located nearby. The school district has a royalty on many wells in the area and relies on the income from the wells.

PAST PRODUCTION IN THE REGION

Runnel County is not new to discoveries and production of oil. In the 1980's, Martin's Energy successfully operated several wells in the region. However, with the crash in the oil prices in the late 1980's the previous operator decided to shut down the drilling program and they eventually sold the lease.

The region has several past producing wells, this includes Bearcat #2, Smelley #2 and the Four Parcel Well.

In March, 1984, the Bearcat #2 well made the news and upon completion it flowed back at 156 barrels of oil with an impressive but unknown amount of casing head gas during the first 24 hours. This well produced 16,318 BO in the first 10 months plus an undetermined amount of natural gas.

Smelley #2 was drilled and completed in the Gardner lime and flowed 245 barrels of oil during the first 24 hours of production and only required a small 500 gallon acid treatment. This well produced 13,793 BO in the first 14 months and 29,519 BO in the first 26 months plus natural gas.

The Four Parcels well was drilled and completed in the Gardner Lime and flowed at 180 barrels of oil during its first 24 hours of production. It produced 13318 BO in the first 17 months.

CLAYTON # 1H PROPOSED HORIZONTAL DRILL PLAN

The company's main focus for drilling this summer is the Clayton #1H area which includes the Gardner Lime formation. It is expected to produce 50,000 barrels in total and the well should produce most of the oil in the first 3 years. The primary zone of interest within Clayton #1 is the Gardner Lime. Having produced hydro carbons in the area, there are no fewer than 14 different zones that will be drilled through on the way to the Gardner Lime targets.

The company plans to expand the well's size, flow rate and capabilities by using horizontal drilling technology. The up and coming drill program will target the Gardner Lime at Clayton#1, which is a fractured limestone approximately 15 feet thick. As mentioned, the region is well known for low relief structures and shallower zones have greater areal extent of the reservoirs. With horizontal drilling, the technology could dramatically increase the potential size of the well beyond the 50,000 BO expected.

The geology of the Gardiner Lime area is comparable to another major field in Texas called the Austin Chalk. In the past, the Austin Chalk has had a number of successful horizontal wells, of which some of the more prolific wells have had initial production of 1500 barrels of oil per day (BL/day). The company expects that the Gardiner lime should have similar flows as the Austin Chalk.

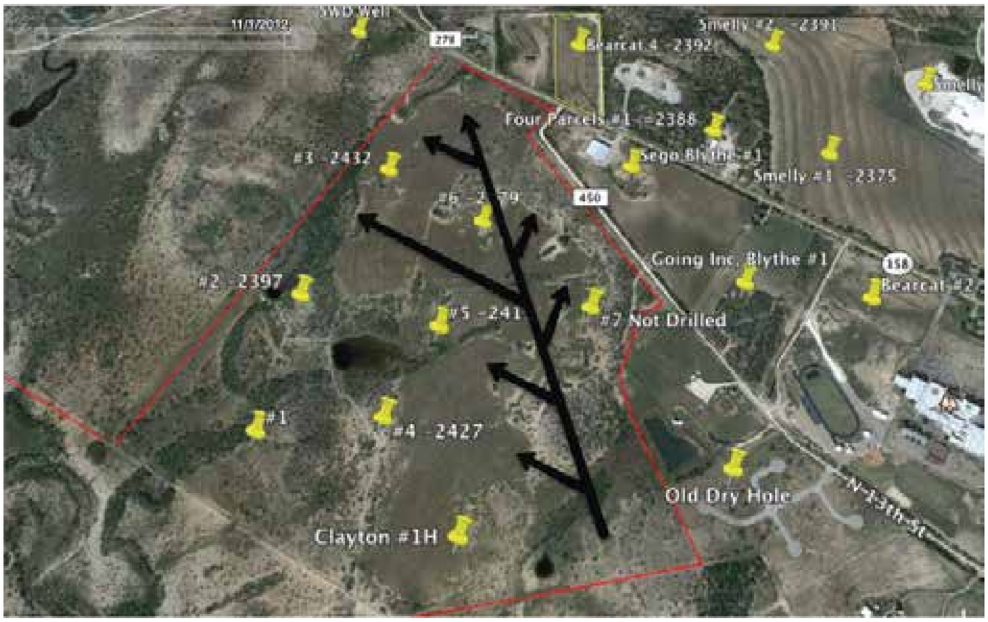
The planned drilling of the well in this region is expected to be to a depth of approximately 4100 feet with a horizontal leg of up to 3500 feet. Oil flows within the fractures in the limestone and the horizontal legs, it is then filled as an open hole completion. Because the nature of the limestone fractures and the method used for drilling, the oil is easily recoverable and flows well in the limestone fractures. For these wells, the company will not require expensive fracking methods to release the oil.

In fact, the cost of drilling horizontal wells in the area has come down significantly in the last 6 months. Cardiff's plan is to drill and complete the Clayton #1H well for $1.3M to completion to tanks, which is very cheap compared to drilling in other jurisdictions. Clayton well will be drilled on June 15, 2015 in conjunction with the operating partner Martin Energies, LLC.

PAST DRILLING AT BEARCAT #4

Back in the fall of 2014, the company already had success drilling in the region on the prospect know as Bearcat #4. Cardiff tested several zones and the Gardiner had stronger than expected gas production. The initial production rate was 180 BOPD in Palo Pinto and 250K cubic feet of gas in Gardner Lime.

In order to produce oil, the gas has to be vented. So at the time the well was then capped until a plan could be implemented to put the wells into production. This will require further testing, horizontal drilling and building a gas gathering system for both Bearcat as well as the Clayton well.



THE ECONOMICS AND RESERVES

While most oil and gas producers are worried about the recent crash in the price of the commodity, Cardiff is in an enviable position. The wells could produce profitably even if oil dips to $25 per barrel. It is sold at WTI pricing with no discount. Natural Gas can also be produced and a gathering system is very close by. Cardiff will tie in both the Bearcat #4 and Clayton #1H well for gas production.

Another important feature of drilling in the Gardner Lime is that it is a naturally fractured limestone and will not require a costly hydraulic fracture treatment.

From the various production zones already identified and after talking with the company President Jack Bal, the company expects the Gardner formation will produce 50,000 barrels in a horizontal well that drains 12 acres. A horizontal well can drain up to 100 acres and produce 5 to 10 times a vertical well. Below is an estimate of the potential reserves in barrels of oil.

Production Zone	Depth	Potential Reserves in bbls	Primary and Secondary Targets
The Gardner Lime	4045 ft	50,000	Primary
The Palo Pinto Lime	3350ft	30,000	Secondary
The Jennings Sands	3970ft	30,000	Secondary
The Jennings Lime	3870ft	30,000	To be monitored
The Gardner Sand	4120ft	50,000	To be monitored

PARTNERSHIP WITH MARTIN ENERGIES

Cardiff has partnered with Martin Energies; an experienced operator with an extensive track record of operating successful oil and gas projects in Runnels County since the 1980's. As discussed above, Martins was the operator in the 1980's on several different wells located within the region, so having them as a partner helps reduce the risk of putting these wells into production.

Martin Energy is very confident in these well's prospects which is why they have agreed to participate in the drilling, operations and cost associated to putting them into production.

Martin Energies has a 10% working interest in the Bearcat #4 well, Cardiff has 60%. Martin Energies will have a 25% working interest in the Clayton #1H well by paying 33% of the cost of the well. Martin Energies can participate in additional wells on the 468 acre parcel with the same formula as the Clayton well.

Since Martin Energies is will to pay for 33% of the cost for the Clayton #1H drilling program, Cardiff plans to raise between $800k to $1m in the next 30 days. Even though this will increase the float by about 10,000,000 shares, it is highly justified considering the upside potential these wells have if/when they go into production.

Looking at the chart below, we can see that volume has already started to pick up and the share price has started to rise. Once the financing is complete and they start drilling the new well, we can expect constant news flow over the summer and the share price should continue to rise with future success.

Last summer, before they started drilling Bearcat #4, the share price was building a base around $0.06. After drilling commenced and the results started coming in, the price of the shares raised 4 fold. While we can't say the same thing will happen this time around, we know the prospects for the horizontal drilling campaign this summer at Clayton #4H are significantly more than last years. We do expect the upside potential over the coming months will be just as rewarding for investors as they were last year.

We plan on following the company and news flow over the coming months; we will share this information with our readers as it becomes available.

For additional details please visit Cardiff's website at **www.cardiffenergy.com** and perform your own due diligence. Disclosure: Cardiff Energy is a client of Junior Gold Report, and is paying Junior Gold Report for marketing.

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