

Canacol Energy Ltd. Tests 3,007 BOPD From Barco in Leono 2 Well

CALGARY, ALBERTA - (February 19, 2014) - Canacol Energy Ltd. ("Canacol" or the "Corporation") (TSX:CNE; OTCQX:CNNEF; BVC:CNEC) is pleased to announce the second flow test result from the Leono 2 appraisal well located on the LLA23 Exploration and Production ("E&P") Contract in the Llanos Basin of Colombia. The Corporation has an 80% operated working interest in the LLA23 contract, with Petromont Colombia S.A. Sucursal Colombia holding the remaining 20% interest. As previously reported, the Leono 2 well encountered 121 feet ("ft") of net oil pay in four separate reservoirs, and tested at a gross rate of 1,328 barrels of oil per day ("bopd") (1,062 bopd net) in the C7 reservoir.

The Leono 2 well was spud on January 11, 2014 and reached a total depth of 12,610 feet measured depth ("ft md") on January 26, 2014 with strong oil and gas shows encountered while drilling through the primary reservoir targets. The well encountered 121 ft of net oil pay in the following reservoirs: 10 ft of net oil pay within the C7 reservoir with an average porosity of 19 %, 60 ft of net oil pay within the Barco reservoir with an average porosity of 18%, 26 ft of net oil pay within the Gacheta reservoir with an average porosity of 24%, and 25 ft of net oil pay within the Ubaque reservoir with an average porosity of 19%.

The Barco reservoir was perforated from 10,974 – 10,979 ft md and flowed at a stable gross rate of 3,007 barrels of oil per day ("bopd") (2,406 bopd net) of 37^o API oil and 14,000 standard cubic feet of gas @ 150^o F with 3% water cut using an electro-submersible pump set to a frequency of 37 hertz. Water cut fell throughout the course of the test and management believes the produced water to be related to completion fluids used to the drill the well.

The Corporation plans to leave the well on production from the Barco, subject to the approval of the Agencia Nacional de Hidrocarburos. The Corporation plans to commence drilling of the Pantro 1 exploration well located approximately 2 kilometers to the south of the Leono discovery. Pantro 1 is anticipated to spud in mid-March 2014, and will take approximately 6 weeks to drill, complete, and production test. Upon completion of the Pantro 1 exploration well, the Corporation plans to drill the first of three additional appraisal wells at Leono starting in late April, 2014, followed by the drilling of the Tigro 1 exploration well located approximately 2 km to the south of the Pantro 1 exploration well this coming summer. The Corporation will provide updates when relevant information becomes available.

Canacol is an exploration and production company with operations focused in Colombia and Ecuador. The Corporation's common stock trades on the Toronto Stock Exchange, the OTCQX in the United States of America, and the Colombia Stock Exchange under ticker symbol CNE, CNNEF, and CNE.C, respectively.

This press release contains certain forward-looking statements within the meaning of applicable securities law. Forward-looking statements are frequently characterized by words such as "plan", "expect", "project", "intend", "believe", "anticipate", "estimate" and other similar words, or statements that certain events or conditions "may" or "will" occur, including without limitation statements relating to estimated production rates from the Corporation's properties and intended work programs and associated timelines. Forward-looking statements are based on the opinions and estimates of management at the date the statements are made and are subject to a variety of risks and uncertainties and other factors that could cause actual events or results to differ materially from those projected in the forward-looking statements. The Corporation cannot assure that actual results will be consistent with these forward looking statements. They are made as of the date hereof and are subject to change and the Corporation assumes no obligation to revise or update them to reflect new circumstances, except as required by law. Prospective investors should not place undue reliance on forward looking statements. These factors include the inherent risks involved in the exploration for and development of crude oil and natural gas properties, the uncertainties involved in interpreting drilling results and other geological and geophysical data, fluctuating energy prices, the possibility of cost overruns or unanticipated costs or delays and other uncertainties associated with the oil and gas industry. Other risk factors could include risks associated with negotiating with foreign governments as well as country risk associated with conducting international activities, and other factors, many of which are beyond the control of the Corporation.

Data obtained from the initial testing results at the well identified in this press release, including barrels of oil produced and levels of water-cut, should be considered to be preliminary until a further and detailed analysis or interpretation has been done on such data. The well test results obtained and disclosed in this press release are not necessarily indicative of long-term performance or of ultimate

recovery. The reader is cautioned not to unduly rely on such results as such results may not be indicative of future performance of the well or of expected production results for the Corporation in the future.

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