



Canacol Energy Ltd. Provides Sales, Operations, and Medellin Pipeline Update

CALGARY, ALBERTA - (May 6, 2022) – Canacol Energy Ltd. ("Canacol" or the "Corporation") (TSX:CNE; OTCQX:CNNEF; BVC:CNEC) is pleased to provide the following information concerning its April 2022 natural gas sales, near term drilling plans, and its Medellin gas pipeline project.

Gas sales averaged 179 MMscfpd for April 2022

Realized contractual natural gas sales (which are gas produced, delivered, and paid for) were approximately 179 million standard cubic feet per day ("MMscfpd") for April 2022.

Near term drilling program

The Corporation completed the drilling of the Chirimia 1 sidetrack well, which spud on April 6, 2022 and reached a TD of 9,412 feet measured depth on April 14, 2022. The well encountered approximately 20 feet true vertical depth of net gas pay within the Cienaga de Oro ("CDO") sandstone reservoir with average porosity of 23 percent. The well will be completed and placed on production within the next 4 weeks.

The drilling rig has just spud the Alboka 1 exploration well located on the VIM 5 Exploration and Production ("E&P") contract. Alboka 1 is targeting gas bearing sands within the CDO sandstone reservoir.

A second drilling rig has been contracted and is currently being mobilized to drill the Cornamusa 1 exploration well located on the VIM 21 E&P Contract, which is expected to spud in the second half of May 2022. The Cornamusa 1 exploration well is targeting gas bearing sands within the CDO sandstone reservoir.

Both the Alboka 1 and Cornamusa 1 exploration wells should take approximately 5 weeks to drill, test, and complete.

Medellin pipeline update

On March 30, 2022, the Corporation's Jobo-Medellin Gas Pipeline project was declared as a Project of Strategic National Interest (PINE) by the Government of Colombia. This means that the entities of the Colombian state that have any influence or jurisdiction over matters that impact the project must support its efficient management and timely completion. In practice this designation should drastically improve the timing of the delivery of items critical to the project, including the issuance of the environmental license.

The Corporation has received binding offers from four different international pipeline construction consortiums which are currently under evaluation. Several of the proposals have an option to upsize the initial 100 MMscfpd of transportation capacity to 200 MMscfpd at Canacol's request.

As previously announced in August 2021 the Corporation executed an 11 year take or pay gas sales contract with Empresas Publicas de Medellin for 54 MMscfpd of the pipelines' initial capacity. The Corporation is currently negotiating additional long term take or pay contracts with clients located in the interior of Colombia to fill the remaining 46 MMscfpd of initial capacity.

About Canacol

Canacol is a natural gas exploration and production company with operations focused in Colombia. 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.





Forward-Looking Statements

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.

Realized contractual gas sales is defined as gas produced and sold plus gas revenues received from nominated take or pay contracts.

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