



Canacol Energy Ltd. Provides Gas Sales and Drilling Update

CALGARY, ALBERTA – (September 5, 2023) - Canacol Energy Ltd. ("Canacol" or the "Corporation") (TSX:CNE; OTCQX:CNNEF; BVC:CNEC) is pleased to provide the following gas sales and drilling operations update.

August Gas Sales of 178 MMscfpd

Realized contractual natural gas sales (which are gas produced, delivered, and paid for) were 178 million standard cubic feet per day for August 2023.

Commencing the second week of August 2023 the Corporation experienced unusual and unexpected production capacity restrictions at some of its gas fields as a result of issues at the Jobo gas treatment facility as well as certain of its producing wells. As a result of the foregoing the Corporation has had to restrict gas deliveries under certain supply contracts dedicated to supplying non-essential gas demand, all in accordance with applicable Colombian regulations and in consultation with the relevant authorities. The Corporation is presently working on remediating this short-term disruption and expects to have production back to normal levels shortly.

Near Term Drilling Program

The Corporation spud the Cereza 1 exploration well on August 9, 2023 and reached a TD of 7,650 feet measured depth on August 20, 2023. The well encountered noncommercial quantities of gas within the Cienaga de Oro ("CDO") sandstone reservoir and was plugged and abandoned.

The Corporation is currently drilling the Fresa 2 appraisal well targeting sandstones of the CDO reservoir that are productive in the offsetting Fresa 1 exploration well drilled in 2021. The Corporation anticipates completing the drilling of the well within the next two weeks.

Two drilling rigs are currently being mobilized to drill the Agua Vivas 4 and Pandereta 9 development wells, with expected spud dates of the second week of September 2023 and the first week of October 2023 respectively. Both are infill development wells, and each will take approximately 4 weeks to drill and complete.

The Corporation is focusing on infill development drilling and workover opportunities to meet anticipated high gas demand during the El Niño season which is anticipated to start in fourth quarter 2023. The company will return to exploration drilling prior to year end.

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 CNEC, 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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