



Canacol Energy Ltd. Provides Sales and Operations Update

CALGARY, ALBERTA - (January 4, 2022) – Canacol Energy Ltd. ("Canacol" or the "Corporation") (TSX:CNE; OTCQX:CNNEF; BVC:CNEC) is pleased to provide the following information concerning its December 2021 natural gas sales, the Clarinete 6 development well, near term drilling plans for 2022, and the Corporation's normal course issuer bid.

Gas sales averaged 183 MMscfpd for December 2021

Realized contractual natural gas sales (which are gas produced, delivered, and paid for) were 183 million standard cubic feet per day ("MMscfpd") for December 2021.

Clarinete 6 development well encounters 174 feet of net gas pay

The Clarinete 6 development well was spud on December 9, 2021 and reached a total depth of 7,478 feet measured depth on December 15, 2021. The well encountered 174 feet true vertical depth of net gas pay with an average porosity of 22% within the primary Cienaga de Oro sandstone reservoir target. The Clarinete 6 well was tied into the Clarinete production manifold and has been placed on permanent production.

Near term drilling program

The rig is currently mobilizing to drill the Toronja 2 development well, which is targeting gas bearing sandstones within the Porquero sandstone reservoir. Toronja 2 is anticipated to take approximately 3 weeks to drill and complete, and will be tied into permanent production by late January 2022. Following the completion of the Toronja 2 well, the rig will be mobilized to spud the Carambolo 1 exploration well, which the Corporation anticipates spudding in the latter half of February 2022. The Carambolo 1 exploration well will take approximately 5 weeks to drill and complete.

Normal course issuer bid

During December 2021, the Corporation repurchased 369,800 shares at an average price of \$3.18 per share. Since May 25, 2021 the Corporation has repurchased a total of 3,348,500 shares at an average price of \$3.24 per share.

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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