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Canacol Energy Ltd. Announces Award of the Pacarana TEA Located Adjacent to its Capella Oil Discovery in Colombia

CALGARY, ALBERTA- Canacol Energy Ltd. ("Canacol" or the "Corporation") is pleased to announce that it has been awarded the Pacarana Technical Evaluation Area ("Pacarana TEA") by the National Hydrocarbon Agency of Colombia. The Pacarana block is located immediately adjacent and to the south of the Ombu E&P contract which contains the Corporations Capella heavy oil discovery which is currently under appraisal.

The Corporation has a 100% working interest in the block, which is approximately 470,022 hectares in size and is located in the Caguan – Putumayo Basin of Colombia. An interpretation of the existing geotechnical data on the block identifies prospective structural trends similar to the Capella heavy oil discovery located immediately to the north on the Ombu E&P contract. The work obligations associated with the contract require the Corporation to acquire 2,240 km of aeromagnetic and gravity data and conduct geotechnical studies including the interpretation of available LandSat image data over a period of 12 months, for an anticipated cost of approximately US \$406,000.

Charle Gamba, President and CEO of Canacol, stated "This contract provides us with access to potentially material exploration prospects similar in nature to its Capella heavy oil discovery on the Ombu E&P contract, which is located immediately adjacent to and on trend with the Pacarana contract. The award of this contract reflects the execution of the Corporations strategy of focusing on organic growth in our core operating countries."

Canacol is a Canadian based international oil and gas corporation with operations in Colombia, Brazil and Guyana. Canacol is publicly traded on TSX Venture Exchange (TSXV: CNE). The Corporation's public filings may be found at www.sedar.com.

This press release may contain statements within the meaning of safe harbour provisions as defined under Securities Laws and Regulations. The above statements are based on the current expectations and beliefs of Canacol's management and are subject to a number of risks and uncertainties that may cause the actual results to differ materially from those described above.

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. 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. A barrel of oil equivalent (boe) is derived by converting gas to oil in the ratio of six thousand cubic feet of gas to oil and may be misleading, particularly if used in isolation. A boe conversion is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead, especially in various international jurisdictions.

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