

Canacol Energy Ltd. Wins Three New Conventional Gas Exploration Blocks in Colombia

CALGARY, ALBERTA - (December 9, 2019) - Canacol Energy Ltd. (“Canacol” or the “Corporation”) (TSX:CNE; OTCQX:CNNEF; BVC:CNEC) is pleased to announce it has successfully secured a 100% operated working interest in three new conventional gas exploration contracts in the recent bid round (Proceso Permanente de Asignación de Areas Ciclo 2) administered by Colombia’s hydrocarbon regulatory authority, the Agencia Nacional de Hidrocarburos.

Mr. Mark Teare, Senior Vice President, Exploration of the Corporation, commented: “Our success in the bid round enables us to build out our existing land position in the Lower Magdalena Valley basin where the Corporation has established itself as Colombia’s leading independent producer of conventional natural gas. Furthermore, with a view to expanding our exploration portfolio, we have established a new core conventional natural gas exploration area in the Middle Magdalena Valley basin where we have won two blocks totalling 160,666 net acres. We expect to initiate exploratory activity on our new blocks in 2020 with a view to drilling in 2021 and 2022.

By extending our exploration efforts for conventional natural gas to the Middle Magdalena Valley basin, the Corporation continues to execute its successful conventional gas exploration strategy to replace declining production from the mature gas fields located in the Guajira and at Cusiana-Cupiagua in the Llanos Basin.”

Under its wholly owned subsidiary CNE Oil & Gas S.A.S., Canacol was awarded conventional exploration contract VIM 33 (155,310 acres, 62,852 hectares) in the Lower Magdalena Valley basin, and conventional exploration contracts VMM 45 (12,422 acres, 5,027 hectares) and VMM 49 (148,244 acres, 59,992 hectares) in the Middle Magdalena Valley basin. On a net acreage basis, these conventional exploration contracts increase the Corporation’s land position for conventional natural gas in Colombia by 29 % from 1.1 mm net acres to 1.4 mm net acres.

The winning bids commit the Corporation to an exploratory work program including geological studies, seismic and wells over a three-year phase (Phase 1) on each of the exploration contracts. Once Phase 1 is complete, the Corporation has the option to extend the exploratory work program by an additional three years (Phase 2) on each of the exploration contracts.

Phase 1 commitments by exploratory contract are as follows:

Exploration Contract	Phase 1 Activity	
VIM-33	62 km2 3D Seismic	1 Exploration Well
VMM-45	Geological Studies	1 Exploration Well
VMM-49	200 km2 3D Seismic	3 Exploration Wells

Canacol is an 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.

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, 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.

Contact Investor Relations:

IR@canacolenergy.com

Ph: +57 (1) 621 1747

Ph: +(1) 403-561-1648

Website: canacolenergy.com