



## Canacol Energy Ltd. Announces Pricing of U.S.\$500 Million Private Offering of 5.75% Senior Notes

CALGARY, Alberta, Nov 16, 2021 -- Canacol Energy Ltd. ("Canacol") (TSX:CNE) (OTCQX:CNNEF) (BVC:CNE.C) is pleased to announce the pricing and terms of its offering (the "Offering") of senior unsecured notes in the aggregate principal amount of U.S.\$500 million (the "2028 Notes"). The 2028 Notes will pay interest semi-annually at a rate of 5.75% per annum, and will mature in 2028, unless earlier redeemed or repurchased in accordance with their terms. The 2028 Notes will be fully and unconditionally guaranteed by certain subsidiaries of Canacol. The settlement and closing of the 2028 Notes offering is expected to take place on November 24, 2021, subject to customary closing conditions.

The 2028 Notes will be offered in a private placement to qualified institutional buyers in the United States pursuant to Rule 144A under the Securities Act of 1933, as amended (the "Securities Act"), to non-U.S. persons in transactions outside the United States pursuant to Regulation S under the Securities Act and pursuant to certain prospectus exemptions in Canada.

Canacol intends to primarily use the net proceeds of the Offering to (i) refinance its outstanding 7.250% Senior Notes due 2025 (the "2025 Notes") pursuant to the Tender Offer and Consent Solicitation described in Canacol's press release dated November 8, 2021 (the "Tender Offer"), (ii) pay the fees and expenses of the Offering and the Tender Offer, (iii) to refinance certain other existing indebtedness of Canacol, and (iv) for general corporate purposes, including capital expenditures.

By replacing the 2025 Notes, Canacol will benefit from (i) replacing the 2025 Notes that bear an interest rate of 7.250% with the 2028 Notes that bear an interest rate of 5.75%; (ii) a Note indenture that will contain less restrictive covenants; (iii) deferring the maturity date of Canacol's most significant indebtedness by three years; and (iv) additional liquidity to be used towards capital expenditures.

This press release is neither an offer to sell nor a solicitation of an offer to buy the 2028 Notes, nor shall there be any sale of these securities in any state or jurisdiction in which such an offer, solicitation or sale would be unlawful prior to the registration or qualification under the securities laws of any such state or jurisdiction.

The 2028 Notes have not been registered under the Securities Act, or the securities laws of any other jurisdiction, and may not be offered or sold in the United States absent registration or an applicable exemption from registration requirements. The Offering is being made exclusively to qualified institutional buyers in the United States pursuant to Rule 144A under the Securities Act, to non-U.S. persons in transactions outside the United States pursuant to Regulation S under the Securities Act and pursuant to certain prospectus exemptions in Canada.

### **About Canacol**

Canacol is a natural gas exploration and production company with operations focused in Colombia. Canacol'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 news release contains "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995 and applicable Canadian securities legislation. All statements other than statements of historical fact contained in this news release may be forward-looking statements. Such statements can generally be identified by words such as "may," "target," "could," "would," "will," "should," "believe," "expect," "anticipate," "plan," "intend," "foresee" and other similar words or phrases. In particular, forward-looking statements herein include, but are not limited to, statements relating to the proposed Offering. Such forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in the forward-looking statements. Canacol believes that the expectations reflected in such forward-looking statements are reasonable, but no assurance can be given that these



expectations will prove to be correct and such forward-looking statements should not be unduly relied upon. The forward-looking statements are expressly qualified in their entirety by this cautionary statement. The forward-looking statements are made as of the date of this news release and Canacol assumes no obligation to update or revise them to reflect new events or circumstances, except as expressly required by applicable securities law. Further information regarding risks and uncertainties relating to Canacol and its securities can be found in the disclosure documents filed by Canacol with the securities regulatory authorities, available at [www.sedar.com](http://www.sedar.com).

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