



Canacol Energy Ltd. Announces the Early Tender Results of the Cash Tender Offer and Consent Solicitation for 7.250% Senior Notes due 2025

CALGARY, Alberta, November 22, 2021 – Canacol Energy Ltd. (TSX:CNE) (OTCQX:CNNEF) (BVC:CNE.C) (“**Canacol**”) and Credit Suisse Securities (USA) LLC (the “**Purchaser**”) today announced the early tender results in connection with the previously-announced offer by the Purchaser (directly or through an affiliate) to purchase for cash (the “**Tender Offer**”), and consent solicitation (the “**Consent Solicitation**”) with respect to, any and all of Canacol’s outstanding 7.250% Senior Notes due 2025 (the “**Notes**”) from each registered holder of the Notes (each, a “**Holder**” and, collectively, the “**Holders**”). The early tender deadline for the Tender Offer and the Consent Solicitation was 5:00 p.m., New York City time, on November 22, 2021 (such date and time, the “**Early Tender Time**” and “**Withdrawal Deadline**”). The terms and conditions of the Tender Offer and the Consent Solicitation are described in the offer to purchase and consent solicitation statement dated November 8, 2021 (the “**Statement**”) previously distributed to the Holders.

Canacol has been advised that, as of the Early Tender Time, U.S.\$287,629,000 in aggregate principal amount of the Notes, or approximately 89.88% of the Notes outstanding, had been validly tendered and not withdrawn pursuant to the Tender Offer and consents delivered pursuant to the Consent Solicitation. Tendered Notes may not be withdrawn after the Withdrawal Deadline, except as required by applicable law. All Notes validly tendered and not validly withdrawn at or prior to the Early Tender Time have been accepted in full by the Purchaser.

Holders who have validly tendered and not validly withdrawn their Notes at or prior to the Early Tender Time are eligible to receive U.S.\$1,065.85 for each U.S.\$1,000 principal amount of the Notes (the “**Total Consideration**”), which includes an early tender payment of U.S.\$50.00 per U.S.\$1,000 principal amount of the Notes (the “**Early Tender Payment**”), plus accrued and unpaid interest up to, but not including, the early settlement date for the Notes (the “**Early Settlement Date**”). The Early Settlement Date for the Notes is expected to occur on or about November 23, 2021. The Purchaser intends to pay for all Notes validly tendered and not withdrawn prior to the Early Tender Time, and accepted for purchase pursuant to the Tender Offer, on the Early Settlement Date.

The Requisite Consents pursuant to the Statement have been received and the supplemental indenture in connection with the Proposed Amendments (as defined in the Statement) is expected to be entered into promptly after the Withdrawal Deadline, on the Early Settlement Date.

Holders who have not yet tendered their Notes have until 11:59 p.m., New York City time, on December 7, 2021, unless extended by the Purchaser (such time and date, as it may be extended, the “**Expiration Date**”), to tender their Notes pursuant to the Tender Offer. Any Holders who validly tender their Notes after the Early Tender Time but at or prior to the Expiration Date will be eligible to receive an amount, paid in cash, equal to the Total Consideration minus the Early Tender Payment (such amount referred to as the “**Purchase Price**”), plus accrued and unpaid interest up to, but not including, the final settlement date (the “**Final Settlement Date**,” and which date is expected to be December 8, 2021, but which may change without notice).

Canacol has consented to the Purchaser making the Tender Offer and the Consent Solicitation on its behalf. It is intended that the Notes purchased by the Purchaser in the Tender Offer will be exchanged by the Purchaser with Canacol for certain new notes (the “**Exchange**”) issued in a new offering by Canacol (the “**New Offering**”). The obligation of the Purchaser to accept for purchase, and to pay for, Notes validly tendered pursuant to the Tender Offer is subject to, and conditioned upon, the satisfaction or waiver of certain conditions as set forth in the Statement, in the sole discretion of the Purchaser.





Subject to the results of the Tender Offer, Canacol intends to send a notice of redemption to the Trustee and the Holders of any outstanding Notes following the Early Settlement Date in accordance with the terms and conditions set forth in the Indenture, after giving effect to the Proposed Amendments, although Canacol has no legal obligation to do so and the selection of any particular redemption date is in their discretion. This statement of intent shall not constitute a notice of redemption under the Indenture.

The Information Agent and Tender Agent for the Tender Offer and Solicitation is D.F. King & Co., Inc. To contact the Information Agent and Tender Agent, banks and brokers may call +1 212-269-5550, and others may call U.S. toll-free: (877) 674-6273. Additional contact information is set forth below.

By Mail, Hand or Overnight Courier: By Facsimile Transmission:

48 Wall Street
22nd Floor
New York, NY 10005
USA

Attention: Michael Horthman

By E-mail:

canacol@dfking.com

(for eligible institutions only)
+1 212-709-3328

Attention: Michael Horthman

Confirmation by Telephone

+1 212-232-3233

Any questions or requests for assistance or for additional copies of this notice may be directed to the Dealer Managers and Solicitation Agents at their respective telephone numbers set forth below or, if by any Holder, to such Holder's broker, dealer, commercial bank, trust company or other nominee for assistance concerning the Tender Offer and Solicitation.

The Dealer Managers and Solicitation Agents for the Tender Offer and Solicitation are:

Citigroup Global Markets Inc.
388 Greenwich Street, Trading 4th Floor
New York, NY 10013
USA

Attention: Liability Management Group
U.S. Toll Free: 1-800-558-3745
Collect: +1 212-723-6106

Credit Suisse Securities (USA) LLC
Eleven Madison Avenue
New York, NY 10010
USA

Attention: Liability Management
U.S. Toll Free: 1-800-820-1653
Collect: +1 212-538-2147

This notice does not constitute or form part of any offer or invitation to purchase, or any solicitation of any offer to sell, the Notes or any other securities in the United States or any other jurisdiction, nor shall it or any part of it, or the fact of its release, form the basis of, or be relied on or in connection with, any contract therefor. This notice is also not a solicitation of any Consent to the Proposed Amendments. The Tender Offer and Solicitation are made only by and pursuant to the terms of the Statement and the information in this notice is qualified by reference to the Statement. None of the Purchaser, Canacol, the Dealer Managers or the Information Agent and Tender Agent makes any recommendations as to whether Holders should tender their Notes pursuant to the Tender Offer and deliver their Consents pursuant to the Solicitation.

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This notice to the market does not represent an offer to sell securities or a solicitation to buy securities in the United States or in any other jurisdiction. The New Offering was not and will not be registered or qualified under the U.S. Securities Act of 1933 ("**Securities Act**"), as amended, or the securities laws of any other jurisdiction. Consequently, the notes issued in the New Offering are prohibited from being offered or sold in any jurisdiction without the applicable registration, qualification or exemption from registration or qualification required under the Securities Act or the securities laws of any other jurisdiction, as applicable.

This notice to the market is released for disclosure purposes only, in accordance with applicable legislation. It does not constitute marketing material, and should not be interpreted as advertising an offer to sell or soliciting any offer to buy securities issued by Canacol. This notice to the market is not for distribution in or into or to any person located or resident in the United States, its territories and possessions, any state of the United States or the District of Columbia or in any jurisdiction where it is unlawful to release, publish or distribute this announcement.

Neither this notice to the market nor the Offer and Solicitation constitutes an offer to buy or a solicitation of an offer to sell Notes, and tenders of Notes in the Tender Offer will not be accepted from Holders, in any jurisdiction in which such offer or solicitation is unlawful. In those jurisdictions where the securities, blue sky or other laws require an offer to be made by a licensed broker or dealer and a Dealer Manager or its affiliate is such a licensed broker or dealer in such jurisdictions, the Tender Offer shall be deemed to be made on behalf of Canacol by such Dealer Manager or such affiliate, as the case may be, and no Tender Offer is made in any such jurisdiction where the relevant Dealer Manager or its affiliate is not so licensed.

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 Tender Offer and New 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.

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