



Canacol Energy Ltd. Provides July Gas Sales, Tests Cornamusa 1 Discovery at 12.4 MMSCFPD

CALGARY, ALBERTA – (August 4, 2022) - Canacol Energy Ltd. ("Canacol" or the "Corporation") (TSX:CNE; OTCQX:CNNEF; BVC:CNEC) is pleased to provide the following information concerning its July 2022 natural gas sales and the test results of the Cornamusa 1 exploration well, along with near term drilling plans.

Gas sales averaged 197 MMscfpd

Realized contractual natural gas sales (which are gas produced, delivered, and paid for) were 197 million standard cubic feet per day ("MMscfpd") for July 2022.

Cornamusa 1 exploration well tests 12.4 MMscfpd

As announced in June 2022, the Corporation completed the drilling of the Cornamusa 1 exploration well located on the VIM-21 Block operated by Canacol Energy Colombia S.A.S. with 100% working interest. The well encountered multiple gas filled sandstones between 6,010 and 7,514 feet true vertical depth within the primary Cienaga de Oro ("CDO") sandstone reservoir target with average porosity of 21 percent. Following completion, the well was tied into the production facilities and tested. Following an initial clean up period, the well was flow tested for 29 hours at an average rate of 6.7 MMscfd. The final test rate was 12.4 MMscfd with a THP of 2244 psia and a choke of 27/64 in. The well was shut in for a build up period of 5 days, after which the well will be put on permanent production.

Forward Drilling Program – Claxon 1 exploration well and Canaflecha 2 development well.

The Corporation is currently drilling the Claxon 1 exploration well located on its 100% working interest VIM 5 E&P contract. Claxon 1 is located approximately 2 kilometers to the south of the recently announced Alboka 1 discovery which tested 33 MMscfpd from the CDO sandstone reservoir. Claxon 1 will target the same CDO sandstone reservoirs present at Alboka, and the Corporation anticipates that the well will take approximately 4 weeks to drill, complete, and test.

The other rig is being mobilized to drill the Canaflecha 2 development well located on the 100% working interest Esperanza E&E contract. The well is anticipated to spud in early August 2022 and is targeting gas within the Cienaga del Oro in the Canaflecha field discovered in 2008. The Corporation anticipates that the well will take approximately 4 weeks to drill, complete, and test.

Normal course issuer bid

During July 2022, the Corporation repurchased 86,632 shares at an average price of CAD \$2.25 per share. Thus far in 2022 the Corporation has repurchased a total of 5,394,332 shares for cancellation.

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 CNEC, 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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