

Canacol Energy Ltd. Provides June Gas Sales, Makes New Discovery at Cornamusa 1

CALGARY, Alberta, July 07, 2022 -- Canacol Energy Ltd. ("Canacol" or the "Corporation") (TSX:CNE; OTCQX:CNNEF; BVC:CNEC) is pleased to provide the following information concerning its June 2022 natural gas sales and the results of the Cornamusa 1 exploration well, along with near term drilling plans.

Gas sales averaged 199 MMscfpd

Realized contractual natural gas sales (which are gas produced, delivered, and paid for) were 199 million standard cubic feet per day ("MMscfpd") for June 2022, representing the largest monthly sales volumes the Corporation has achieved since February 2020 after which Covid demand destruction ensued.

Cornamusa 1 exploration well successful

The Corporation completed the drilling of the Cornamusa 1 exploration well located on the VIM-5 Block operated by CNE OIL & GAS S.A.S. with 100% working interest. Cornamusa 1 was spud on June 5, 2022 and reached a total depth of 8,572 feet measured depth on June 21, 2022. 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. The well is currently being case and completed and be tied into permanent production and flow tested in the coming weeks.

Forward Drilling Program – Cornamusa 1 exploration well and Toronja 3 development well.

The Corporation is currently drilling the Toronja 3 development well located on its 100% working interest VIM 21 E&P contract. Toronja 3 is targeting gas bearing sandstone reservoirs within the Porquero Formation which are productive in the offsetting Toronja 1 and 2 wells.

The other rig is being mobilized to drill the Claxon 1 exploration well, which is anticipated to spud in late July. 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.

Executive Management Change

The Corporation announces that Mr. William Satterfield has been promoted to the role of Senior Vice President Exploration, replacing Mr. Mark Teare. Mr. Satterfield joined Canacol from Sanchez Oil and Gas Corporation where he served as Senior Vice President of New Ventures and Geosciences. Previously he worked for Occidental Petroleum for 22 years in the Americas, Middle East, Africa, and SE Asia in various geotechnical roles culminating as Exploration Manager in Bogota Colombia. Mr. Satterfield has a BSc and MA in geology from the University of Texas in Austin.

The Board of Directors and executive management team thank Mr. Teare for his leadership in the planning and execution of Canacol's exploration activities in Colombia which added significant value over the years. The Corporation wishes Mr. Teare continued success in all of his future endeavors.

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 CNE.C, 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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