

Coelacanth Announces 2023 Year-End Reserves

Calgary, Alberta--(Newsfile Corp. - April 18, 2024) - **COELACANTH ENERGY INC. (TSXV: CEI)** ("**Coelacanth**" or the "**Company**") is pleased to announce its 2023 year-end reserves as independently evaluated by GLJ Ltd. ("GLJ") effective December 31, 2023 (the "GLJ Report"), in accordance with National Instrument 51-101 ("NI 51-101") and the Canadian Oil and Gas Evaluation ("COGE") Handbook. All dollar figures are Canadian dollars unless otherwise noted.

Introduction

During 2023, Coelacanth completed successful Montney pad wells at both Two Rivers West and Two Rivers East. Longer wells and a new completion design was successfully executed on both pads resulting in materially improved productivity. Baseline productivity was established in the Upper Montney at Two Rivers West and the Lower and Basal Montney at Two Rivers East for future adjustments to completions and well designs.

While reserves booked in 2023 are significantly greater than in 2022, the aerial extent of the bookings comprise less than 7% of Coelacanth's approximately 97,300 acres of Montney land holdings in the Two Rivers area.

Coelacanth's business plan for the Two Rivers Montney Project includes:

- Delineating and establishing production on multiple Montney zones over its extensive land base.
- Constructing facilities and pipelines to process production and connect to established egress in the area.
- Accelerate production through pad drilling once infrastructure is constructed.

Coelacanth is currently:

- Completing the permit process for its Two Rivers East facility and pipelines.
- Finalizing engineering design and procuring long lead items for facility construction at Two Rivers East.
- Preparing for future pad drilling in late 2024 and early 2025 to coincide with facility completion in late Q1 2025.
- Initiating a third-party resource study to aid in well spacing and completion design as well as future delineation.
- Completing a detailed review of Two Rivers West regarding both wellbore and completion design and future infrastructure requirements.

Coelacanth is excited to initiate its business plan to aggressively develop the property, establish the ultimate reserve recoveries and move the established recoverable resource from land to its established producing reserve base.

Reserve Highlights

Coelacanth is pleased to report material reserve and value:

- Increased Total Proved plus Probable reserves by 216% to 14.1 million boe from 4.5 million boe.
- Increased Total Proved reserves by 426% to 10.5 million boe from 2.0 million boe.
- Increased Total Proved plus Probable Reserve value (net present value discounted at 10%) by 192% to \$93.9 million from \$32.2 million.

Reserves Summary

Coelacanth's December 31, 2023 reserves as prepared by GLJ effective December 31, 2023 and based on the GLJ (2024-01) future price forecast are as follows: ^(1,4)

Working Interest Reserves ⁽²⁾	Tight Oil (Mbbbl)	Shale Natural Gas (Mmcf)	NGLs (Mbbbl)	Total Oil Equivalent (Mboe) ⁽³⁾
Proved				
Producing	503	8,550	135	2,063
Developed non-producing	1,094	20,975	339	4,929
Undeveloped	694	15,260	245	3,483
Total proved	2,291	44,784	720	10,475
Probable	746	15,647	250	3,604
Total proved & probable	3,038	60,432	970	14,080

Notes:

(1) Numbers may not add due to rounding.

(2) "Working Interest" or "Gross" reserves means Coelacanth's working interest (operating and non-operating) share before deduction of royalties and without including any royalty interest of Coelacanth.

(3) Oil equivalent amounts have been calculated using a conversion rate of six thousand cubic feet of natural gas to one barrel of oil.

(4) Disclosure of Net reserves are included in Company's Annual Information Form ("AIF") dated April 16, 2024 filed on SEDAR+ at www.sedarplus.ca. "Net" reserves means Coelacanth's working interest (operated and non-operated) share after deduction of royalties, plus Coelacanth's royalty interest in reserves.

Reserves Values

The estimated future net revenues before taxes associated with Coelacanth's reserves effective December 31, 2023 and based on the GLJ (2024-01) future price forecast are summarized in the following table: ^(1,2,3,4)

	Discount factor per year				
(\$000s)	0%	5%	10%	15%	20%
Proved					
Producing	37,396	32,305	28,473	25,533	23,224
Developed non-producing	37,036	16,271	2,718	-6,510	-13,021
Undeveloped	57,889	41,446	30,717	23,367	18,111
Total proved	132,321	90,022	61,908	42,390	28,315
Probable	79,630	48,378	32,031	22,701	16,945
Total proved & probable	211,950	138,400	93,939	65,091	45,260

Notes:

(1) Numbers may not add due to rounding.

(2) The estimated future net revenues are stated prior to provision for interest, debt service charges or general administrative expenses and after deduction of royalties, operating costs, estimated well abandonment and reclamation costs and estimated future capital expenditures.

(3) The estimated future net revenue contained in the table does not necessarily represent the fair market value of the reserves. There is no assurance that the forecast price and cost assumptions contained in the GLJ Report will be attained and variations could be material. The recovery and reserve estimates described herein are estimates only. Actual reserves may be greater or less than those calculated.

(4) The after-tax present values of future net revenue attributed to Coelacanth's reserves are included in Company's AIF dated April 16, 2024 filed on SEDAR+ at www.sedarplus.ca.

Price Forecast

The GLJ (2024-01) price forecast is as follows:

Year	WTI Oil @ Cushing (\$US / Bbl)	Edmonton Light Oil (\$Cdn / Bbl)	AECO Natural Gas (\$Cdn / Mmbtu)	Chicago Natural Gas (\$US / Mmbtu)	Foreign Exchange (Cdn\$/US\$)
2024	72.50	89.40	2.01	2.60	0.7550
2025	75.00	94.04	3.42	3.70	0.7550
2026	76.99	95.31	4.30	4.01	0.7650
2027	78.53	97.22	4.39	4.10	0.7650
2028	80.10	99.16	4.47	4.18	0.7650
2029	81.70	101.14	4.56	4.27	0.7650
2030	83.34	103.16	4.65	4.35	0.7650
2031	85.00	105.23	4.75	4.45	0.7650
2032	86.70	107.33	4.84	4.54	0.7650
2033	88.44	109.48	4.94	4.63	0.7650
Escalate thereafter ⁽¹⁾	2.0% per year	2.0% per year	2.0% per year	2.0% per year	

Note:

(1) Escalated at two per cent per year starting in 2034 in the January 1, 2024 GLJ price forecast with the exception of foreign exchange, which remains flat.

Reserve Life Index ("RLI")

Coelacanth's RLI presented below is based on estimated Q4 2023 average production of 923 boe per day.

Reserve Category	RLI
Proved plus Probable Reserves	41.4
Proved Reserves	30.8

Reserves Reconciliation

The following summary reconciliation of Coelacanth's working interest reserves compares changes in the Company's reserves as at December 31, 2023 to the reserves as at December 31, 2022 based on the GLJ (2024-01) future price forecast: ^(1,2)

Total Proved	Tight Oil (Mbbbl)	Shale Natural Gas (Mmcf)	NGLs (Mbbbl)	Total Oil Equivalent (Mboe) ⁽³⁾
Opening balance	387	8,743	149	1,993
Discoveries	-	-	-	-
Extensions and improved recovery	1,882	35,190	568	8,315
Technical revisions	70	1,444	11	322
Acquisitions	-	-	-	-
Dispositions	-	-	-	-
Economic factors	-	-	-	-
Production	(48)	(593)	(8)	(155)
Closing balance	2,291	44,784	720	10,475

Proved plus Probable	Tight Oil (Mbbbl)	Shale Natural Gas (Mmcf)	NGLs (Mbbbl)	Total Oil Equivalent (Mboe) ⁽³⁾
Opening balance	907	19,284	328	4,450
Discoveries	-	-	-	-
Extensions and improved recovery	2,089	39,011	631	9,222
Technical revisions	89	2,729	19	563
Acquisitions	-	-	-	-
Dispositions	-	-	-	-
Economic factors	-	-	-	-
Production	(48)	(593)	(8)	(155)
Closing balance	3,038	60,432	970	14,080

Notes:

(1) Numbers may not add due to rounding.

(2) "Working Interest" or "Gross" reserves means Coelacanth's working interest (operating and non-operating) share before deduction of royalties and without including any royalty interest of Coelacanth.

(3) Oil equivalent amounts have been calculated using a conversion rate of six thousand cubic feet of natural gas to one barrel of oil.

Capital Expenditures

Capital allocation by category is as follows:

(\$000s)	2023	2022
Undeveloped land	1,006	1,164
Acquisitions	1,006	1,164
Drilling and completion	61,274	9,009
Facilities and related infrastructure	12,094	3,689
Geological, geophysical and other	239	42
Exploration and development expenditures	73,607	12,740
Total capital expenditures	74,613	13,904

Finding and Development Costs ("F&D") and Finding, Development and Acquisition Costs ("FD&A")

Coelacanth has presented FD&A and F&D costs below:

	2023		2022		2021 ⁽³⁾		3 Year Cumulative	
(\$000's, except where noted)	Proved	Proved & Probable	Proved	Proved & Probable	Proved	Proved & Probable	Proved	Proved & Probable
Exploration and development expenditures	73,607	73,607	12,740	12,740	795	795	87,142	87,142
Change in FDC ⁽¹⁾	90,598	77,759	11,400	33,748	6,300	6,300	108,298	117,807
F&D costs	164,205	151,366	24,140	46,488	7,095	7,095	195,440	204,949
Acquisitions	1,006	1,006	1,164	1,164	542	542	2,712	2,712
FD&A costs	165,211	152,372	25,304	47,652	7,637	7,637	198,152	207,661
Reserve Additions (Mboe) ⁽²⁾								
Exploration and development	8,637	9,784	1,169	3,400	614	712	10,420	13,896
Acquisitions	-	-	-	-	-	-	-	-
	8,637	9,784	1,169	3,400	614	712	10,420	13,896
F&D costs (\$/boe)	19.01	15.47	20.65	13.67	11.56	9.96	18.76	14.75
FD&A costs (\$/boe)	19.13	15.57	21.65	14.02	12.44	10.73	19.02	14.94

Notes:

(1) Future development capital ("FDC") expenditures required to recover reserves estimated by GLJ. The aggregate of the exploration and development costs incurred in the most recent financial period and the change during that period in estimated future development costs generally may not reflect total finding and development costs related to reserve additions for that period.

(2) Sum of extensions and improved recovery, technical revisions and economic factors in the reserves reconciliation included above.

(3) 2021 reserves relate to the Two Rivers Assets that were spun-out from Leucrotta Exploration Inc. ("Leucrotta") on May 31, 2022, and those numbers and volumes were derived from Leucrotta's December 31, 2021 reserves report as independently evaluated by GLJ.

For Coelacanth's full NI 51-101 disclosure related to its 2023 year-end reserves please refer to the Company's AIF dated April 16, 2024 filed on SEDAR+ at www.sedarplus.ca.

Forward-Looking Information

This news release contains forward-looking statements and forward-looking information within the meaning of applicable securities laws. The use of any of the words "expect", "anticipate", "continue", "estimate", "may", "will", "should", "believe", "intends", "forecast", "plans", "guidance" and similar expressions are intended to identify forward-looking statements or information.

More particularly and without limitation, this document contains forward-looking statements and information relating to the Company's oil, NGLs and natural gas production and reserves and reserves values, capital programs, and oil, NGLs, and natural gas commodity prices. The forward-looking statements and information are based on certain key expectations and assumptions made by the Company, including expectations and assumptions relating to prevailing commodity prices and exchange rates, applicable royalty rates and tax laws, future well production rates, the performance of existing wells, the success of drilling newwells, the availability of capital to undertake planned activities and the availability and cost of labor and services.

Although the Company believes that the expectations reflected in such forward-looking statements and information are reasonable, it can give no assurance that such expectations will prove to be correct. Since forward-looking statements and information address future events and conditions, by their very nature they involve inherent risks and uncertainties. Actual results may differ materially from those currently anticipated due to a number of factors and risks. These include, but are not limited to, the risks associated with the oil and gas industry in general such as operational risks in development, exploration and production, delays or changes in plans with respect to exploration or development projects or capital expenditures, the uncertainty of estimates and projections relating to production rates, costs and expenses, commodity price and exchange rate fluctuations, marketing and transportation, environmental risks, competition, the ability to access sufficient capital from internal and external sources and changes in tax, royalty and environmental legislation. The forward-looking statements and information contained in this document are made as of the date hereof for the purpose of providing the readers with the Company's expectations for the coming year. The forward-looking statements and information may not be appropriate for other purposes. The Company undertakes no obligation to update publicly or revise any forward-looking statements or information, whether as a result of new information, future events or otherwise, unless so required by applicable securities laws.

Reserves Data

There are numerous uncertainties inherent in estimating quantities of tight oil, shale gas, and NGLs reserves and the future cash flows attributed to such reserves. The reserve and associated cash flow information set forth above are estimates only. In general, estimates of economically recoverable tight oil, shale gas, and NGLs reserves and the future net cash flows therefrom are based upon a number of variable factors and assumptions, such as historical production from the properties, production rates, ultimate reserve recovery, timing and amount of capital expenditures, marketability of oil and natural gas, royalty rates, the assumed effects of regulation by governmental agencies and future operating costs, all of which may vary materially.

Individual properties may not reflect the same confidence level as estimates of reserves for all properties due to the effects of aggregation.

This news release contains estimates of the net present value of the Company's future net revenue from its reserves. Such amounts do not represent the fair market value of the Company's reserves.

The reserves data contained in this news release has been prepared in accordance with National Instrument 51-101 ("NI 51-101"). The reserve data provided in this news release presents only a portion of the disclosure required under NI 51-101. All of the required information will be contained in the Company's Annual Information Form for the year ended December 31, 2023, filed on SEDAR+ at

Reserves are estimated remaining quantities of oil and natural gas and related substances anticipated to be recoverable from known accumulations, as of a given date, based on the analysis of drilling, geological, geophysical and engineering data; the use of established technology, and specified economic conditions, which are generally accepted as being reasonable. Reserves are classified according to the degree of certainty associated with the estimates as follows:

Proved Reserves are those reserves that can be estimated with a high degree of certainty to be recoverable. It is likely that the actual remaining quantities recovered will exceed the estimated proved reserves.

Probable Reserves are those additional reserves that are less certain to be recovered than proved reserves. It is equally likely that the actual remaining quantities recovered will be greater or less than the sum of the estimated proved plus probable reserves.

Industry Metrics

This news release contains metrics commonly used in the oil and natural gas industry. Each of these metrics is determined by the Company as set out below or elsewhere in this news release. These metrics are "F&D costs", "FD&A costs", and "reserve-life index". These metrics do not have standardized meanings and may not be comparable to similar measures presented by other companies. As such, they should not be used to make comparisons.

Management uses these oil and gas metrics for its own performance measurements and to provide shareholders with measures to compare the Company's performance over time, however, such measures are not reliable indicators of the Company's future performance and future performance may not compare to the performance in previous periods.

"F&D costs" are calculated by dividing the sum of the total capital expenditures for the year (in dollars) by the change in reserves within the applicable reserves category (in boe). F&D costs, including FDC, includes all capital expenditures in the year as well as the change in FDC required to bring the reserves within the specified reserves category on production.

"FD&A costs" are calculated by dividing the sum of the total capital expenditures for the year inclusive of the net acquisition costs and disposition proceeds (in dollars) by the change in reserves within the applicable reserves category inclusive of changes due to acquisitions and dispositions (in boe). FD&A costs, including FDC, includes all capital expenditures in the year inclusive of the net acquisition costs and disposition proceeds as well as the change in FDC required to bring the reserves within the specified reserves category on production.

The Company uses F&D and FD&A as a measure of the efficiency of its overall capital program including the effect of acquisitions and dispositions. The aggregate of the exploration and development costs incurred in the most recent financial year and the change during that year in estimated future development costs generally will not reflect total finding and development costs related to reserves additions for that year.

"Reserve life index" or "RLI" is calculated by dividing the reserves (in boe) in the referenced category by the latest quarter of production (in boe) annualized. The Company uses this measure to determine how long the booked reserves will last at current production rates if no further reserves were added.

BOE Conversions

BOE's may be misleading, particularly if used in isolation. A BOE conversion ratio of 6 Mcf: 1 Bbl is

based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead.

Abbreviations

<i>Bbl</i>	<i>barrel</i>
<i>Mbbl</i>	<i>thousands of barrels</i>
<i>MMbtu</i>	<i>millions of British thermal units</i>
<i>Mcf</i>	<i>thousand cubic feet</i>
<i>MMcf</i>	<i>million cubic feet</i>
<i>NGLs</i>	<i>natural gas liquids</i>
<i>BOE</i>	<i>barrel of oil equivalent</i>
<i>MBOE</i>	<i>thousands of barrels of oil equivalent</i>
<i>WTI</i>	<i>West Texas Intermediate at Cushing, Oklahoma</i>

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