

Canacol Energy Ltd. Provides Gas Sales and Drilling Update

CALGARY, ALBERTA - (July 16, 2020) - Canacol Energy Ltd. ("Canacol" or the "Corporation") (TSX:CNE; OTCQX:CNNEF; BVC:CNEC) is pleased to provide the following gas sales and drilling update.

Gas Sales

Realized contractual natural gas sales for June 2020 averaged approximately 165 million standard cubic feet per day ("MMscfpd"). In addition to the realized contractual gas sales (which are essentially gas produced, delivered, and paid for) the Corporation saw an additional 12 to 14 MMscfpd of gas sales nominations throughout the second quarter, which must be paid for during the remainder of 2020 for which delivery timing is at the discretion of the off taker, as outlined in the May 13, 2020 press release.

	April	May	June
Realized Contractual Gas Sales (MMscfpd)	136	158	165
Additional Nominations for Deferred Delivery (MMscfpd)	14	12	13
Total	150	170	178

Pandereta 8 development well encounters 168 feet of gas pay

Using the Pioneer 53 drilling rig the Pandereta 8 development well spud on June 27, 2020 and reached 9,524 feet measured depth on July 9, 2020. The well encountered 168 feet true vertical depth of net gas pay within the producing Cienega de Oro ("CDO") sandstone reservoir. The well is currently being completed and tied into the manifold to be placed on production. The rig will then be mobilized to spud the Pandereta 4 appraisal well during the first week of August 2020. The well will test a potential western extension of the Pandereta field and will take approximately 5 weeks to drill and complete.

Second rig contracted and mobilized to spud Porro Norte 1 exploration well

In June 2020 the Corporation contracted a second drilling rig, the Pioneer 302, which is currently being mobilized to spud the Porro Norte 1 exploration well located on its 100% operated VIM5 Exploration and Production contract. The well is anticipated to spud the third week of July 2020 and will take approximately 7 weeks to drill and test. Porro Norte 1 is probing a 4 way anticlinal structural closure defined on 2D seismic, and will target potential gas within the Porquero, CDO, and Cicucco sandstone and limestone reservoirs. The Porro Norte prospect is located approximately 25 kilometers to the north of the Pandereta field which produces from the CDO sandstone reservoir.

Canacol is a 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.

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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