



Canacol Energy Ltd. Announces George Gramatke as Chief Financial Officer

CALGARY, ALBERTA- (Tuesday, October 11, 2011) Canacol Energy Ltd. ("Canacol" or the "Corporation") (TSX:CNE) (BVC:CNEC) is pleased to announce Mr. George Gramatke as Chief Financial Officer, effective immediately. Mr. Gramatke will replace Mr. Brian Hearst, who has served the Corporation as Chief Financial Officer since 2009.

Mr. Gramatke is a Chartered Accountant with over 20 years of domestic and international finance and accounting experience. Most recently, Mr. Gramatke held Vice President, Finance and Chief Financial Officer positions with several public and private companies based in Calgary. Prior thereto, Mr. Gramatke was a Partner with PricewaterhouseCoopers in Russia and Central Asia, and a Senior Manager with KPMG in Canada.

Charle Gamba, President and CEO of the Corporation, stated "We are very pleased to have a person of George's caliber join the senior management team at Canacol. With \$115 million of cash on hand, a history of solid production growth, and a large exploration drilling program ahead of us, the Corporation is pleased to strengthen its management team as we prepare for continued growth."

Mr. Hearst will assume a financial consulting role with Canacol. The executive management team along with the Board of Directors wish to thank Mr. Hearst for his contribution to Canacol, and wish him success in his future ventures.

Canacol is a Canadian-based international oil and gas corporation with operations in Colombia, Guyana, and Brazil. Canacol is publicly traded on the Toronto Stock Exchange (TSX: CNE) and the Bolsa de Valores Colombia (BVC: CNEC). The Corporation's public filings may be found at www.sedar.com.

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.

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