



## **Canacol Energy Ltd. Announces Adoption of Shareholder Rights Plan**

**CALGARY, ALBERTA, April 22, 2013** – Canacol Energy Ltd. ("Canacol" or the "Corporation") (TSX: CNE, BVC: CNEC) today announces that its Board of Directors has approved the adoption of a shareholder rights plan (the "Rights Plan"), effective Friday, April 19, 2013.

Canacol's Board of Directors and management consider its current market valuation to be in contrast to the advancement of the Corporation and its business at this time. As a result, the Board of Directors undertook a review to consider the need for a shareholder rights plan. The purpose of the Rights Plan is to provide shareholders and the Board of Directors with adequate time to consider and evaluate any unsolicited take-over bid made for Canacol's common shares, provide the Board of Directors with adequate time to identify, develop and negotiate value-enhancing alternatives, and to encourage the fair treatment of shareholders in order to maximize shareholder value.

The Rights Plan has been accepted for filing by the Toronto Stock Exchange, subject to certain conditions, including ratification by Canacol's shareholders at a meeting of shareholders to be held within six months from the adoption of the Rights Plan. If shareholders do not ratify the Rights Plan within such time frame, then the Rights Plan ceases to be in effect. Canacol is not aware of any pending or threatened unsolicited take-over bid.

In implementing the plan, the Board of Directors declared the distribution of one right for each Canacol common share outstanding at the close of business on April 19, 2013. Also, one right will be issued with respect to each common share of Canacol issued after April 19, 2013. The rights trade with and are represented by Canacol's common share certificates and no further action will be required by shareholders. Rights certificates will not be distributed to shareholders and the rights do not become exercisable or separable unless one or more specified events occur.

Pursuant to the terms of the Rights Plan, any bid that meets certain criteria intended to protect the interests of all shareholders will be deemed to be a "permitted bid" and will not trigger the Rights Plan. These criteria require, among other things, that the bid be made by way of a take-over bid circular to all holders of common shares other than the offeror under the bid, and remain open for acceptance by shareholders for at least 60 days. In the event a take-over bid that does not meet the permitted bid requirements of the Rights Plan, the rights issued under the plan will entitle shareholders, other than any shareholder or shareholders involved in the take-over bid, to purchase additional common shares of Canacol at a significant discount to the market price. At any time prior to the rights becoming exercisable, Canacol's Board of Directors may waive the operation of the plan with respect to certain particular events before they occur.

A copy of the Rights Plan agreement will be filed at [www.sedar.com](http://www.sedar.com).

Canacol is an exploration and production company with operations focused in Colombia and Ecuador. Canacol Shares trade on the TSX and the Colombia Stock Exchange under ticker symbol CNE and CNEC, respectively.

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