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## Canacol Energy Ltd. Provides Gas Sales and Drilling Update, and Notice of Change of Auditor

CALGARY, ALBERTA - (October 10, 2019) - Canacol Energy Ltd. ("Canacol" or the "Corporation") (TSX:CNE; OTCQX:CNNEF; BVC:CNEC) is pleased to provide the following gas sales and drilling update.

### **Q3 Realized Contractual Gas Sales Average 146 MMscfpd**

Natural gas sales for the third quarter of 2019 averaged approximately 146 million standard cubic feet per day ("MMscfpd"), compared to 120.5 MMscfpd for the second quarter of 2019. Natural gas sales for the first 9 days of October 2019 averaged 211 MMscfpd. As a result of the Promigas pipeline delay this year, whereby the expansion was to be delivered on June 1, 2019 but instead was delivered in full on August 24<sup>th</sup>, 2019, average annual gas sales for 2019 are forecast to be approximately 150 MMscfpd.

### **Clarinete 4 Encounters Record 297 Feet TVD of Net Gas Pay and tests 40 MMscfpd**

The Clarinete 4 development well was spud on September 3, 2019 and reached a total depth of 8,450 feet measured depth on September 18, 2019. The well encountered 297 feet true vertical depth ("ft TVD") of net gas pay in the Cienaga de Oro ("CDO") sandstone reservoir with average porosity of 22%.

The CDO reservoir was perforated from 7,120 to 7,252 ft TVD and tested at a final rate of 41.1 MMscfpd with no water over a test period of 24 hours. The well will be tied into the new 8 inch Clarinete to Jobo flow line by mid October 2019.

The Pandereta 5 appraisal well was spud on July 22, 2019, and reached a total depth of 10,520 ft md on August 12, 2019. No commercial quantities of gas were encountered within the primary CDO reservoir target and the well was plugged and abandoned. The result has no negative impact on the gas reserves currently assigned to the Pandereta field.

The drilling rig is currently being mobilized to the Arandala 1 exploration well. Arandala 1 is targeting prospective gas charged reservoirs within the shallow Porquero sandstone reservoir and is anticipated to spud in late October 2019. The well will take approximately 4 weeks to drill, complete and test. The Corporation will provide regular updates on the drilling program results as they become available.

### **Change in Auditor**

Canacol announces that it has changed its auditors from Deloitte LLP ("Former Auditor") to KPMG LLP ("Successor Auditor") effective October 4, 2019. At the request of the Corporation, the Former Auditor resigned as the auditor of the Corporation effective October 4, 2019 and the board of directors of the Corporation appointed the Successor Auditor as the Corporation's auditor effective October 4, 2019, until the next Annual General Meeting of the Corporation. The Corporation historically retained Deloitte for both audit and permissible advisory services. Given the quantum of permissible non audit services to the audit services being provided the Corporation, at the direction of its audit committee, has made the decision to segregate its service providers between audit and advisory services with Deloitte being retained for ongoing advisory and tax services.

There were no reservations in the Former Auditor's reports on the Corporation's financial statements for the period commencing at the beginning of the Corporation's two most recently completed financial years and ending on the date of resignation of the Former Auditor. There are no reportable events including disagreements, consultations, or unresolved issues as defined in National Instrument 51-102 – *Continuous Disclosure Obligations* ("NI 51-102") (Part 4.11) between the Corporation and the Former Auditor.

In accordance with NI 51-102, the notice of change of auditor, together with the required letters from the Former Auditor and the Successor Auditor, have been reviewed by the board of directors of the Corporation and filed on SEDAR.

Canacol is an 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.*

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