



Canacol Energy Closes Initial Advance Under DIP Financing

Calgary, Alberta (January 7, 2026) – (“Canacol” or the “Company”) refers to its prior announcement regarding the Company’s agreement for debtor-in-possession financing and related documentation (the “DIP Financing”). In that announcement, the Company disclosed entry into a commitment letter governing the DIP Financing (collectively, the “DIP Commitment Letter”) with an ad hoc group of holders of the Company’s 5.75% senior unsecured notes due 2028 and/or their affiliates, funds, and accounts that agreed to provide credit support in connection with the DIP Financing (the “DIP Lenders”). The DIP Financing and DIP Commitment Letter was approved by the Alberta Court of King’s Bench (the “Canadian Court”) pursuant to an Order of the Canadian Court dated December 11, 2025 (the “Second Amended and Restated CCAA Initial Order”). The Second Amended and Restated CCAA Initial Order was recognized by the United States Bankruptcy Court for the Southern District of New York (the “U.S. Court”) pursuant to a recognition order of the U.S. Court dated December 18, 2025, in the Company’s recognition proceedings under Chapter 15 of title 11 of the United States Bankruptcy Code.

The Company announces that closing and receipt of the net proceeds from the U.S.\$15 million initial advance under the DIP Commitment Letter occurred following satisfaction or waiver of all conditions precedent to such advance set out in the DIP Commitment Letter.

The Company continues to work with its advisors, KPMG Inc., in its capacity as the court-appointed Monitor of the Company in its CCAA Proceedings (in such capacity, the “Monitor”) and the DIP Lenders and their advisors towards satisfying the conditions precedent to subsequent advances under the DIP Commitment Letter. The Company is targeting funding of a second advance in the amount of U.S.\$30 million as early as January 30, 2026, subject to satisfaction or waiver of the applicable conditions precedent. The DIP Commitment Letter provides for such second advance to be completed on or prior to February 15, 2026.

In connection with the Company’s ongoing reporting obligations under the DIP Commitment Letter, the Company confirms that certain material non-public information regarding the Company and its affairs (“MNPI”) was provided to the DIP Lenders. The MNPI has been posted to the website of the Monitor, at: <https://kpmg.com/ca/canacol>, where such information is available for review by all persons. Additional information for stakeholders regarding Canacol, including regarding the CCAA proceeding and Chapter 15 proceedings, will be published on the Monitor’s website. Stakeholders should continue to monitor the Monitor’s website for material updates and other important information regarding Canacol, its business, operations and results, and its insolvency proceedings.

About Canacol

Canacol Energy Ltd. is a natural gas exploration and production company with operational activities in Colombia.

The Toronto Stock Exchange does not accept responsibility for the adequacy or accuracy of this release.

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”, “target”, “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.

Contact Information

Shareholders are reminded that any questions or concerns can be directed to the Company at:

For more information please contact Investor Relations:

South America: +571.621.1747

IR-SA@canacolenergy.com

Global: +1.403.561.1648

IR-GLOBAL@canacolenergy.com

<http://www.canacolenergy.com>

