

CALGARY, ALBERTA--(Marketwired - Jul 13, 2015) - [Canacol Energy Ltd.](#) ("Canacol" or the "Corporation") (TSX:CNE) (OTCQX:CNNEF) (BVC:CNEC) is pleased to announce that the Autoridad Nacional de Licencias Ambientales ("ANLA") has approved the environmental permit enabling Promigas S.A. E.S.P. ("Promigas") to commence construction necessary to increase capacity of the existing Jobo to Cartagena natural gas pipeline. Promigas has all necessary materials located in the field and construction is anticipated to commence immediately. This expansion allows Canacol to increase net gas production by an additional 65 million standard cubic feet per day ("mmscfpd") (11,400 barrels of oil equivalent - "boepd") commencing December 1, 2015. Upon completion of this pipeline expansion, anticipated to be prior to December 1, 2015, the Corporation's net natural gas production will increase to approximately 83 mmscfpd (14,500 boepd).

Charle Gamba, President and CEO of Canacol, commented "The issuance of the environmental permit by the ANLA marks an important milestone for Canacol, allowing Promigas to commence construction of the pipeline expansion and ensure that Canacol's plan to more than triple its current gas production will be achieved by December 1, 2015. This new natural gas production, together with our existing natural gas and oil production, will see the Corporation exiting calendar 2015 with over 20,000 boepd of net production before royalty. Canacol's natural gas, produced under escalated US dollar denominated take or pay contracts, will ensure a significant and steady revenue stream for the Corporation through to calendar 2021."

In June of 2015 the Corporation awarded a contract to Promisol to expand the capacity of Canacol's existing gas processing facility located at Jobo from the current capacity of 50 mmscfpd to 140 mmscfpd. This expansion is anticipated to be completed in early November 2015. The Corporation is also completing the tie in of the Clarinete 1 well into the Jobo processing facility via a 12 kilometer flow line, which is scheduled to be completed in September 2015. The productive capacity of the Canacol's existing gas wells, located in the Nelson, Palmer, and Clarinete fields (Canacol 100% operated working interest), is approximately 120 mmscfpd (21,000 boepd), more than sufficient to deliver the total 83 mmscfpd (14,500 boepd) of gas required starting December 1, 2015.

The Corporation will provide updates as and when relevant information becomes available.

Canacol is an exploration and production company with operations focused in Colombia and Ecuador. 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.*

*BOE conversion - The term "boe" is used in this news release. Boe may be misleading, particularly if used in isolation. A boe conversion ratio of cubic feet of natural gas to barrels oil equivalent based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead. In this news release, we have expressed boe using the Colombian conversion standard of 5.7 Mcf: 1 bbl required by the Ministry of Mines and Energy of Colombia.*

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