

CGX and Frontera Discover 114 Feet (35 Meters) of Net Pay at Wei-1 Well, Offshore Guyana

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342 Feet (104 meters) of Total Net Pay Discovered to Date on North Corentyne, Confirming the Significant Potential of the Corentyne Block

Wei-1 Maastrichtian Rock Quality Analogous to Recent Discoveries Reported in The Basin¹

Results Further Demonstrate the Potential for a Standalone Shallow Oil Resource Development Across the Corentyne Block

Houlihan Lokey Supporting Active Pursuit of Strategic Options for Corentyne Block Including Potential Farm Down

Conceptual Field Development Plan Completed

CGX Announces Filing of Third Quarter 2023 Financial Statements

Toronto, November 9, 2023 - [CGX Energy Inc.](#) (TSXV: OYL) ("CGX") and [Frontera Energy Corp.](#) (TSX: FEC) ("Frontera"), the majority shareholder of CGX and joint venture (the "Joint Venture") partner of CGX in the Petroleum Prospecting License for the Corentyne block offshore Guyana, are pleased to announce today the discovery of a total of 114 feet (35 meters) of net pay at the Wei-1 well on the Corentyne block, approximately 200 kilometers offshore from Georgetown, Guyana.

The Joint Venture believes that the rock quality discovered in the Maastrichtian horizon in the Wei-1 well is analogous to that reported in the Liza Discovery on Stabroek block¹. Results further demonstrate the potential for a standalone shallow oil resource development across the Corentyne block. The Joint Venture has discovered total net pay of 342 feet (104 meters) to date on the Corentyne block, as summarized below.

Feet of Net Pay Wei-1 Kawa-1 Total Net Pay by Zone

Maastrichtian	13	68	81
Campanian	61	66	127
Santonian	40	76	116
Coniacian*	-	18	18
Total Net Pay	114	228	342

*Coniacian targeted in Kawa-1 well only.

The Joint Venture also announces that Houlihan Lokey, a leading global investment bank and capital markets expert, is supporting active pursuit of strategic options for the Corentyne block, including a potential farm down, as it seeks to develop this potentially transformational oil investment in one of the most attractive oil and gas destinations in the world today, Guyana. There can be no guarantee that the review of strategic options will result in a transaction.

Gabriel de Alba, Chairman of Frontera's Board of Directors, and Co-Chairman of CGX's Board of Directors, commented:

"On behalf of the Joint Venture, I am pleased to announce the discovery of 114 feet (35 meters) of net pay at the Wei-1 well. The proven presence of medium sweet crude oil in high-quality Maastrichtian cored reservoir

at the Wei-1 well, combined with the previous discovery of 68 feet of hydrocarbon log pay in Maastrichtian blocky sands in the Kawa-1 well in 2022, confirmed the significant potential of the Corentyne block. With the Joint Venture's two-well drilling program now complete, and as a result of inbound expressions of interest from various global third parties, the Joint Venture is working with Houlihan Lokey to support a review of strategic options for the Corentyne block, including a potential farm down, as it progresses its efforts to maximize value from its potentially transformational investments in Guyana."

Orlando Cabrales, Chief Executive Officer of Frontera, commented:

"The independent lab results from the Wei-1 well are particularly encouraging for the Maastrichtian zone. Results indicate that the rock quality in the Maastrichtian at Wei-1 is analogous to that reported in the Liza discovery on Stabroek block, further demonstrating the potential for a standalone shallow oil resource development across the entire Corentyne block. In addition, the Joint Venture believes that, further potential upside exists in the Campanian, in which mobile light oil was proven in downhole analysis of samples and the Santonian, which has log pay and remains a potential target for future developments. As is normal course following discoveries such as those made by the Joint Venture at Wei and Kawa, additional appraisal activities will be required to further assess commerciality and as input to optimize subsurface and production system development planning."

Professor Suresh Narine, Executive Co-Chairman of CGX's Board of Directors, commented:

"These are exciting times for the Joint Venture. The Wei-1 well met the Joint Venture's expectations with the successful discovery of oil. Wei-1 also delivered a tremendous amount of data, which the Joint Venture is now incorporating into its geologic and geophysical models to update its initial evaluation of Kawa, and the potential in the Maastrichtian in particular, as well as its view of the potential of the remaining undrilled prospects including the prospective areas in between the Wei-1 and Kawa-1 wells. Armed with this information, the Joint Venture is leveraging Houlihan Lokey's extensive expertise in the global O&G sector to complete a strategic review of options for the Corentyne block in one of the most exciting exploration basins in the world."

Wei-1 Results

The Wei-1 well, located approximately 14 kilometres northwest of the Joint Venture's previous Kawa-1 discovery, was safely drilled by the NobleCorp Discoverer semi-submersible mobile drilling unit in water depth of approximately 1,912 feet (583 metres) to a total depth of 20,450 feet (6,233 meters). The Wei-1 well targeted Maastrichtian, Campanian and Santonian aged stacked sands within channel and fan complexes in the northern section of the Corentyne block. As reported on June 28, 2023, the Joint Venture's data acquisition program at the Wei-1 well included wireline logging, MDT fluid samples and sidewall coring throughout the various intervals. Based on this data acquisition program and additional information provided through the independent laboratory analysis process, the Joint Venture is pleased to report the following:

- In the Maastrichtian, Wei-1 test results confirm 13 feet (4 meters) of net pay in high quality sandstone reservoir with rock quality consistent with that reported in the Liza discovery on Stabroek block¹. Fluid samples retrieved from the Maastrichtian and log analysis confirm the presence of sweet medium crude oil with a gas-oil ratio (GOR) of approximate 400 standard cubic feet per barrel.
- In the Campanian, petrophysical analysis confirms 61 feet (19 meters) of net pay almost completely contained in one contiguous sand body with good porosity and moveable oil. Oil sampled during MDT testing as well as samples analyzed downhole confirm the presence of light crude oil.
- In the Santonian, petrophysical analysis confirms 40 feet (12 meters) of net pay in blocky sands with indications of oil in core samples.
- Current interpretation of the Campanian and Santonian horizons show lower permeability than the high-quality Maastrichtian, the Joint Venture believes these horizons may offer additional upside potential in the future.

There were no safety or environmental incidents throughout Wei-1 well operations.

Total costs associated for the Wei-1 well are now estimated to be within \$185-\$190 million following the

successful implementation of several initiatives. Following the agreement reached between CGX and Frontera, the Company will transfer up to 4.7% of its participating interest in the Corentyne block in exchange for Frontera's funding CGX's unexpected additional costs associated with the Wei-1 well, which amount to approximately \$16.5 million. If the maximum transfer occurs, the Company will retain a 27.3% participating interest, while Frontera will hold a 72.7% participating interest in the Corentyne block. We anticipate that this transaction will be completed during December of 2023.

Conceptual Field Development Planning Completed

Based on results from the Wei-1 and Kawa-1 wells, the Joint Venture retained SIA, a Subsea 7 - Schlumberger Joint Venture, to complete a conceptual field development plan for the northern portion of the Corentyne block including subsea architecture, development well planning, production and export facilities and other considerations. As is normal course following discoveries such as those made by the Joint Venture at Wei-1 and Kawa-1 wells, additional appraisal activities will be required before commerciality can be determined. While such additional appraisal activities will be necessary, as a result of the third-party analysis of the Wei-1 well test results, the Joint Venture believes that a potential development of the Maastrichtian horizon may have lower associated development costs and be completed on a faster timeline than a broader development of both the shallow and deep zones on the entire Corentyne block.

Filing of Third Quarter 2023 Financial Statements

CGX today released its unaudited Consolidated Financial Statements for the third quarter of 2023, together with its Management, Discussion and Analysis - Quarterly Highlights (the "Financial Disclosures"). These Financial Disclosures will be posted on the Company's website at www.cgxenergy.com and on SEDAR at www.sedarplus.ca. All values in the Financial Disclosures are in United States dollars unless otherwise stated.

About CGX

CGX is a Canadian-based oil and gas exploration company focused on the exploration of oil in the Guyana-Suriname Basin and the development of a deep-water port in Berbice, Guyana.

Neither the Toronto Stock Exchange, TSX Venture Exchange nor their regulation services providers (as that term is defined in the policies of the Toronto Stock Exchange and TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

About Frontera

[Frontera Energy Corp.](http://www.fronteraenergy.com) is a Canadian public company involved in the exploration, development, production, transportation, storage, and sale of oil and natural gas in South America, including related investments in both upstream and midstream facilities. The Company has a diversified portfolio of assets with interests in 27 exploration and production blocks in Colombia, Ecuador, and Guyana, and pipeline and port facilities in Colombia. Frontera is committed to conducting business safely and in a socially, environmentally, and ethically responsible manner.

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Advisories

Cautionary Note Concerning Forward-Looking Statements:

This press release contains forward-looking information within the meaning of Canadian securities laws. Forward-looking information relates to activities, events, or developments that CGX and Frontera believe, expect, or anticipate will or may occur in the future. Forward-looking information in this press release includes, without limitation, statements relating to the anticipated completion and cost of well activities, and the Joint Venture's review of strategic options with respect to the Corentyne block. All information other than historical fact is forward-looking information.

Forward-looking information reflects the current expectations, assumptions, and beliefs of CGX and Frontera based on information currently available to them and considers the experience of CGX and Frontera and their perception of historical trends. Although CGX and Frontera believe that the assumptions inherent in the forward-looking information are reasonable, forward-looking information is not a guarantee of future performance and accordingly undue reliance should not be placed on such information. Forward-looking information is subject to a number of risks and uncertainties, some that are similar to other oil and gas companies and some that are unique to CGX and Frontera. The actual results of CGX or Frontera may differ materially from those expressed or implied by the forward-looking information, and even if such actual results are realized or substantially realized, there can be no assurance that they will have the expected consequences to, or effects on, either of CGX or Frontera. The annual information form of Frontera for the year ended December 31, 2022, and CGX's and Frontera's management's discussion and analysis for the year ended December 31, 2022, and quarter ended September 30, 2023, and other documents each of CGX and Frontera filed from time to time with securities regulatory authorities describe the risks, uncertainties, material assumptions and other factors that could influence actual results and such factors are incorporated herein by reference. Copies of these documents are available without charge by referring to each company's profile on SEDAR+ at www.sedarplus.ca. All forward-looking information speaks only as of the date on which it is made and, except as may be required by applicable securities laws, each of CGX and Frontera disclaims any intent or obligation to update any forward-looking information, whether as a result of new information, future events or results or otherwise.

Oil and Gas Information Advisories:

References to "medium crude oil" and "light crude oil" in this press release correspond to the "light crude oil and medium crude oil combined" product type, as defined in National Instrument 51-101 - Standards of Disclosure for Oil and Gas Activities ("NI 51-101").

Certain disclosures in this news release constitute "anticipated results" for the purposes of NI 51-101 because the disclosure in question may, in the opinion of a reasonable person, indicate the potential value or quantities of resources in respect of the Joint Venture's resources or a portion of its resources. Without limitation, the anticipated results disclosed in this news release include "net pay" (and variations thereof) attributable to the resources of the Joint Venture. Such estimates have been prepared by the Joint Venture and have not been prepared or reviewed by an independent qualified reserves evaluator or auditor. Such terms should not be interpreted to mean there is any level of certainty in regard to the hydrocarbons present, or that hydrocarbons may be produced profitably, in commercial quantities, or at all. Anticipated results are subject to certain risks and uncertainties, including those described herein and various geological, technical, operational, engineering, commercial, and technical risks. In addition, the geotechnical analysis and engineering to be conducted in respect of such resources is not complete. Such risks and uncertainties may cause the anticipated results disclosed herein to be inaccurate. Actual results may vary, perhaps materially.

Analogous Information:

Certain information in this news release may constitute "analogous information" as defined in NI 51-101. Such information includes reservoir information retrieved from government or other publicly available sources, regulatory agencies or other industry participants that are independent of Frontera and CGX. The Joint Venture believes the information is relevant as it may help to define the reservoir characteristics of certain lands in which the Joint Venture holds an interest. The Joint Venture is unable to confirm that the analogous information was prepared by a qualified reserves evaluator or auditor and is unable to confirm that

the analogous information was prepared in accordance with NI 51-101. Such information is not an estimate of the resources attributable to lands held by the Joint Venture and there is no certainty that the resources data and commercial viability for the lands held by the Joint Venture will be similar to the information presented herein. The reader is cautioned that the data relied upon by the Joint Venture may be in error and/or may not be analogous to such lands held by the Joint Venture.

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¹ See Analogous Information Advisory

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