COELACANTH ANNOUNCES Q2 2022 FINANCIAL AND OPERATING RESULTS

CALGARY, ALBERTA (August 29, 2022) – COELACANTH ENERGY INC. (TSXV – CEI) ("Coelacanth" or the "Company") is pleased to announce its financial and operating results for the three and six months ended June 30, 2022. All dollar figures are Canadian dollars unless otherwise noted.

HIGHLIGHTS

- Commenced active oil and natural gas operations on May 31, 2022 as a result of the closing of an arrangement agreement between Coelacanth, Leucrotta Exploration Inc. ("Leucrotta"), Vermilion Energy Inc. ("Vermilion"), and the shareholders of Leucrotta (the "Arrangement") whereby Leucrotta transferred approximately $44.7 million cash, net of transaction costs, and certain oil and natural gas assets primarily located in the Two Rivers area of British Columbia ("Two Rivers Assets") to Coelacanth in exchange for one common share of Coelacanth and 0.1917 of a common share purchase warrant of Coelacanth (one whole warrant being an "Arrangement Warrant") for each common share of Leucrotta held. Vermilion then acquired all of the issued and outstanding common shares of Leucrotta in exchange for $1.73 cash.

- Completed the Vermilion private placement and management private placement as outlined in the Arrangement for proceeds of $21.9 million.

- Received proceeds of $7.8 million on exercise of 28.9 million Arrangement Warrants (additional $6.8 million received subsequent to June 30, 2022).

Financial and operational results below present the carved-out historic financial position, results of operations and cash flows of Leucrotta's Two Rivers Assets for all prior periods up to and including May 31, 2022 and the actual results of operations from May 31, 2022 forward include the actual historical results of Coelacanth after assuming the Two Rivers Assets upon close of the Arrangement.

FINANCIAL RESULTS	**Three Months Ended June 30**			**Six Months Ended June 30**		
($000s, except per share amounts)	**2022**	2021	% Change	**2022**	2021	% Change
Oil and natural gas sales	**2,334**	1,666	40	**4,022**	4,229	(5)
Cash flow used in operating activities	**(1,713)**	(872)	96	**(2,373)**	(1,300)	83
Per share - basic and diluted [(1)]	**(0.01)**	(-)	100	**(0.01)**	(-)	100
Adjusted funds flow (used) [(1)]	**22**	(877)	(103)	**(451)**	(1,313)	(66)
Per share - basic and diluted	**-**	(-)	(100)	**(-)**	(-)	-
Net loss	**8,062**	2,562	215	**9,608**	4,780	101
Per share - basic and diluted	**0.03**	0.01	200	**0.03**	0.02	50
Capital expenditures [(1)]	**870**	249	249	**1,167**	327	257
Working capital [(1)]				**74,792**	105	71,130
Common shares outstanding (000s)						
Weighted average - basic and diluted	**319,428**	289,792	10	**304,692**	289,792	5
End of period - basic				**399,738**	-	na
End of period - fully diluted				**462,478**	-	na

(1) See "Non-GAAP and Other Financial Measures" section.

OPERATING RESULTS [1]	Three Months Ended June 30			Six Months Ended June 30		
	2022	2021	% Change	**2022**	2021	% Change
Daily production [2]						
Oil and condensate (bbls/d)	**70**	110	(36)	**70**	123	(43)
Other NGLs (bbls/d)	**16**	30	(47)	**19**	33	(42)
Oil and NGLs (bbls/d)	**86**	140	(39)	**89**	156	(43)
Natural gas (mcf/d)	**1,676**	2,550	(34)	**1,713**	2,745	(38)
Oil equivalent (boe/d)	**365**	565	(35)	**375**	614	(39)
Oil and natural gas sales						
Oil and condensate ($/bbl)	**134.69**	73.91	82	**124.20**	67.88	83
Other NGLs ($/bbl)	**58.76**	25.39	131	**51.37**	28.68	79
Oil and NGLs ($/bbl)	**120.53**	63.47	90	**108.79**	59.58	83
Natural gas ($/mcf)	**9.13**	3.70	147	**7.36**	5.11	44
Oil equivalent ($/boe)	**70.21**	32.41	117	**59.44**	38.04	56
Royalties						
Oil and NGLs ($/bbl)	**37.52**	21.39	75	**34.12**	20.43	67
Natural gas ($/mcf)	**2.54**	0.64	297	**1.89**	1.12	69
Oil equivalent ($/boe)	**20.48**	8.19	150	**16.71**	10.20	64
Operating expenses						
Oil and NGLs ($/bbl)	**13.84**	12.33	12	**13.37**	12.35	8
Natural gas ($/mcf)	**2.36**	1.49	58	**2.24**	1.63	37
Oil equivalent ($/boe)	**14.09**	9.79	44	**13.43**	10.42	29
Transportation expenses						
Oil and NGLs ($/bbl)	**3.38**	2.81	20	**3.45**	2.44	41
Natural gas ($/mcf)	**1.04**	1.31	(21)	**0.85**	1.33	(36)
Oil equivalent ($/boe)	**5.55**	6.63	(16)	**4.69**	6.56	(29)
Operating netback [3]						
Oil and NGLs ($/bbl)	**65.79**	26.94	144	**57.85**	24.36	137
Natural gas ($/mcf)	**3.19**	0.26	1,127	**2.38**	1.03	131
Oil equivalent ($/boe)	**30.09**	7.80	286	**24.61**	10.86	127
Depletion and depreciation ($/boe)	**(14.50)**	(18.94)	(23)	**(14.75)**	(21.78)	(32)
General and administrative expenses ($/boe)	**(31.45)**	(24.87)	26	**(32.29)**	(22.68)	42
Share based compensation ($/boe)	**(246.37)**	(12.99)	1,797	**(129.09)**	(8.77)	1,372
Gain on insurance proceeds ($/boe)	**19.76**	-	100	**9.71**	-	100
Finance expense ($/boe)	**(2.78)**	(0.86)	223	**(2.17)**	(0.65)	234
Finance income ($/boe)	**2.69**	-	100	**1.32**	-	100
Other income ($/boe)	**-**	-	-	**0.66**	-	100
Net loss ($/boe)	**(242.56)**	(49.86)	386	**(142.00)**	(43.02)	230

(1) See "Oil and Gas Terms" section.
(2) See "Product Types" section.
(3) See "Non-GAAP and Other Financial Measures" section.

Selected financial and operational information outlined in this news release should be read in conjunction with Coelacanth's unaudited interim financial statements and related Management's Discussion and Analysis ("MD&A") for the three and six months ended June 30, 2022, which are available for review under the Company's profile on The System for Electronic Document Analysis and Retrieval ("SEDAR") at www.sedar.com.

COMMON-CONTROL TRANSACTION

On May 31, 2022 Coelacanth commenced active oil and natural gas operations as a result of the closing of an arrangement agreement between Coelacanth, Leucrotta Exploration Inc. ("Leucrotta"), Vermilion Energy Inc. ("Vermilion"), and the shareholders of Leucrotta (the "Arrangement") whereby Vermilion acquired all of the issued and outstanding common shares of Leucrotta in exchange for $1.73 cash for each common share of Leucrotta held.

Pursuant to an asset conveyance agreement between Coelacanth and Leucrotta made as of May 31, 2022, and immediately prior to the closing of the Arrangement, Leucrotta transferred approximately $44.7 million cash, net of transaction costs, and certain oil and natural gas assets primarily located in the Two Rivers area of British Columbia ("Two Rivers Assets") to Coelacanth in exchange for one common share of Coelacanth ("Coelacanth Share"), and 0.1917 of a common share purchase warrant of Coelacanth (one whole warrant being an "Arrangement Warrant") for each common share of Leucrotta held.

Since the shareholders of Coelacanth and Leucrotta were the same both before and after the conveyance of the Two Rivers Assets (at the time Coelacanth was a wholly-owned subsidiary of Leucrotta), this transaction was deemed a common-control transaction. The financial and operational results below present the historic financial position, results of operations and cash flows of the transferred Two Rivers Assets for all prior periods up to and including May 31, 2022 on a carve-out basis as if they had operated as a stand-alone entity subject to Leucrotta's control. The financial position, results of operations and cash flows from March 24, 2022 (the date of incorporation of Coelacanth) to May 31, 2022 include both the Two Rivers Assets and Coelacanth on a combined basis and from May 31, 2022 forward include the actual historical results of Coelacanth after assuming the Two Rivers Assets upon close of the Arrangement.

FINANCINGS

Vermilion Financing

Pursuant to and concurrent with the closing of the Arrangement, Vermilion purchased 53.3 million Coelacanth Shares at a price of $0.27 per Coelacanth Share for total gross proceeds of $14.4 million.

Management Financing

On June 10, 2022, Coelacanth closed a non-brokered private placement of 14.0 million units (the "Coelacanth Units") to certain officers, employees and directors of Coelacanth at a price of $0.27 per Coelacanth Unit for total gross proceeds of $3.8 million. Each Coelacanth Unit is comprised of one Coelacanth Share and one Coelacanth Share purchase warrant (a "Warrant"). The Warrants are exercisable at a price of $0.27 per Coelacanth Share and expire on June 10, 2027.

Concurrently on June 10, 2022, Coelacanth closed a non-brokered private placement of 13.8 million flow-through units ("Flow-through Units") to certain officers, employees and directors of Coelacanth at a price of $0.27 per Flow-through Unit for total gross proceeds of $3.7 million. Each Flow-through Unit is comprised of one Coelacanth Share issued on a flow-through basis in respect of Canadian development expenses ("CDE") under the Income Tax Act (Canada) ("Flow-Through Share") and one flow-through CDE common share purchase warrant ("Flow-Through Warrant"). The Flow-Through Warrants are exercisable at a price of $0.27 per Flow-Through Share and expire on June 10, 2027.

Arrangement Warrants

On May 31, 2022, 55.6 million Arrangement Warrants were issued to shareholders of Leucrotta. Each Arrangement Warrant entitled the holder to acquire one Coelacanth Share at an exercise price of $0.27 per share at any time on or before 30 days following the closing of the Arrangement. The expiry date was subsequently extended to August 2, 2022. A total of 54.2 million Arrangement Warrants were exercised by August 2, 2022 for total proceeds of $14.6 million while 1.3 million Arrangement warrants expired unexercised.

OPERATIONS UPDATE

Pursuant to the Arrangement, Coelacanth acquired approximately 150 net sections of Montney rights at Two Rivers in northeast British Columbia that are largely delineated and ready for development. The Montney lands are estimated to contain over 8.9 billion bbls of Original Oil in Place ("OOIP") and 8.6 trillion cubic feet of Original Gas in Place ("OGIP").(1)

Coelacanth is in the planning stages of materially expanding the infrastructure as well as preparing for pad development. Coelacanth management successfully executed a test pad at Mica as part of Leucrotta using longer horizontal wells and increasing the frac intensity to improve returns and will look to expand on its success into the Two Rivers area that is located north of Mica.

Coelacanth has a business plan to reach production of 25,000 boe/d within a 4-year period as outlined in its latest presentation(2) and looks forward to updating on its progress in the near future.

(1) OGIP (Original Gas in Place) and OOIP (Original Oil in Place) are equivalent to Total Petroleum Initially In Place ("TPIIP") - see definition below. The OGIP and OOIP estimates quoted above are internal estimates performed by a Qualified Reserves Evaluator ("QRE") in accordance with the Canadian Oil and Gas Evaluations Handbook ("COGEH"). The effective date of the estimates is April 1, 2021.

TPIIP, as defined in COGEH, is that quantity of petroleum that is estimated to exist originally in naturally occurring accumulations. It includes that quantity of petroleum that is estimated, as of a given date, to be contained in known accumulations, prior to production, plus those estimated quantities in accumulations yet to be discovered (equivalent to "total resources"). There is no certainty that any portion of the resources will be discovered. If discovered, there is no certainty that it will be commercially viable to produce any portion of the resources.

(2) Corporate presentation available at www.coelacanth.ca.

OIL AND GAS TERMS

The Company uses the following frequently recurring oil and gas industry terms in the news release:

Liquids

Bbls	Barrels
Bbl/d	Barrels per day
NGLs	Natural gas liquids (includes condensate, pentane, butane, propane, and ethane)
Condensate	Pentane and heavier hydrocarbons

Natural Gas

Mcf	Thousands of cubic feet
Mcf/d	Thousands of cubic feet per day
MMbtu	Million of British thermal units
MMbtu/d	Million of British thermal units per day

Oil Equivalent

Boe	Barrels of oil equivalent
Boe/d	Barrels of oil equivalent per day

Disclosure provided herein in respect of a boe may be misleading, particularly if used in isolation. A boe conversion rate of six thousand cubic feet of natural gas to one barrel of oil equivalent has been used for the calculation of boe amounts in the news release. This boe conversion rate is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead.

NON-GAAP AND OTHER FINANCIAL MEASURES

This news release refers to certain measures that are not determined in accordance with IFRS (or "GAAP"). These non-GAAP and other financial measures do not have any standardized meaning prescribed under IFRS and therefore may not be comparable to similar measures presented by other entities. The non-GAAP and other financial measures should not be considered alternatives to, or more meaningful than, financial measures that are determined in accordance with IFRS as indicators of the Company's performance. Management believes that the presentation of these non-GAAP and other financial measures provides useful information to shareholders and investors in understanding and evaluating the Company's ongoing operating performance, and the measures provide increased transparency to better analyze the Company's performance against prior periods on a comparable basis.

Adjusted funds flow (used)

Management uses adjusted funds flow (used) to analyze performance and considers it a key measure as it demonstrates the Company's ability to generate the cash necessary to fund future capital investments and abandonment obligations and to repay debt, if any. Adjusted funds flow (used) is a non-GAAP financial measure and has been defined by the Company as cash flow from (used in) operating activities excluding the change in non-cash working capital related to operating activities, and expenditures on decommissioning obligations. Management believes the timing of collection, payment or incurrence of these items involves a high degree of discretion and as such may not be useful for evaluating the Company's cash flows. Adjusted funds flow (used) is reconciled from cash flow from (used in) operating activities as follows:

	Three Months Ended June 30		**Six Months Ended June 30**	
($000s)	**2022**	2021	**2022**	2021
Cash flow used in operating activities	**(1,713)**	(872)	**(2,373)**	(1,300)
Add (deduct):				
Decommissioning expenditures	**24**	30	**179**	42
Change in non-cash working capital	**1,711**	(35)	**1,743**	(55)
Adjusted funds flow (used) (non-GAAP)	**22**	(877)	**(451)**	(1,313)

Operating netback

Management considers operating netback an important measure as it demonstrates its profitability relative to current commodity prices. Operating netback is calculated as oil and natural gas sales less royalties, operating expenses, and transportation expenses and is calculated as follows:

	Three Months Ended June 30		**Six Months Ended June 30**	
($000s)	**2022**	2021	**2022**	2021
Oil and natural gas sales	**2,334**	1,666	**4,022**	4,229
Royalties	**(681)**	(421)	**(1,130)**	(1,133)
Operating expenses	**(469)**	(503)	**(909)**	(1,159)
Transportation expenses	**(184)**	(341)	**(317)**	(729)
Operating netback (non-GAAP)	**1,000**	401	**1,666**	1,208

Capital expenditures

Coelacanth utilizes capital expenditures as a measure of capital investment on property, plant, and equipment, exploration and evaluation assets and property acquisitions compared to its annual budgeted capital expenditures. Capital expenditures are calculated as follows:

($000s)	Three Months Ended June 30 **2022**	2021	Six Months Ended June 30 **2022**	2021
Capital expenditures – property, plant, and equipment	**693**	167	**711**	225
Capital expenditures – exploration and evaluation assets	**177**	82	**456**	102
Capital expenditures (non-GAAP)	**870**	249	**1,167**	327

Capital Management Measures

Working capital
Management uses working capital as a measure to assess the Company's financial position. Working capital is calculated as current assets less current liabilities.

Non-GAAP Financial Ratios

Adjusted Funds Flow (Used) per Share
Adjusted funds flow (used) per share is a non-GAAP financial ratio, calculated using adjusted funds flow (used) and the same weighted average basic and diluted shares used in calculating net loss per share.

Operating netback per boe
The Company utilizes operating netback per boe to assess the operating performance of its petroleum and natural gas assets on a per unit of production basis. Operating netback per boe is calculated as operating netback divided by total production for the applicable period.

Supplementary Financial Measures

The supplementary financial measures used in this news release (primarily average sales price per product type, and certain per boe and per share figures) are either a per unit disclosure of a corresponding GAAP measure, or a component of a corresponding GAAP measure, presented in the financial statements. Supplementary financial measures that are disclosed on a per unit basis are calculated by dividing the aggregate GAAP measure (or component thereof) by the applicable unit for the period. Supplementary financial measures that are disclosed on a component basis of a corresponding GAAP measure are a granular representation of a financial statement line item and are determined in accordance with GAAP.

PRODUCT TYPES

The Company uses the following references to sales volumes in the news release:

Natural gas refers to shale gas
Oil and condensate refers to condensate and tight oil combined
Other NGLs refers to butane, propane and ethane combined
Oil and NGLs refers to tight oil and NGLs combined
Oil equivalent refers to the total oil equivalent of shale gas, tight oil, and NGLs combined, using the conversion rate of six thousand cubic feet of shale gas to one barrel of oil equivalent as described above.

The following is a complete breakdown of sales volumes for applicable periods by specific product types of shale gas, tight oil, and NGLs:

Sales Volumes by Product Type	Three Months Ended June 30 **2022**	2021	Six Months Ended June 30 **2022**	2021
Condensate (bbls/d)	9	17	10	18
Other NGLs (bbls/d)	16	30	19	33
NGLs (bbls/d)	25	47	29	51
Tight oil (bbls/d)	61	93	60	105
Condensate (bbls/d)	9	17	10	18
Oil and condensate (bbls/d)	70	110	70	123
Other NGLs (bbls/d)	16	30	19	33
Oil and NGLs (bbls/d)	86	140	89	156
Shale gas (mcf/d)	1,676	2,550	1,713	2,745
Natural gas (mcf/d)	1,676	2,550	1,713	2,745
Oil equivalent (boe/d)	365	565	375	614

FORWARD-LOOKING INFORMATION

This document contains forward-looking statements and forward-looking information within the meaning of applicable securities laws. The use of any of the words "expect", "anticipate", "continue", "estimate", "may", "will", "should", "believe", "intends", "forecast", "plans", "guidance" and similar expressions are intended to identify forward-looking statements or information.

More particularly and without limitation, this news release contains forward-looking statements and information relating to the Company's oil and condensate, other NGLs, and natural gas production, operating expenses, capital programs, and working capital. The forward-looking statements and information are based on certain key expectations and assumptions made by the Company, including expectations and assumptions relating to prevailing commodity prices and exchange rates, applicable royalty rates and tax laws, future well production rates, the performance of existing wells, the success of drilling new wells, the availability of capital to undertake planned activities, and the availability and cost of labour and services.

Although the Company believes that the expectations reflected in such forward-looking statements and information are reasonable, it can give no assurance that such expectations will prove to be correct. Since forward-looking statements and information address future events and conditions, by their very nature they involve inherent risks and uncertainties. Actual results may differ materially from those currently anticipated due to a number of factors and risks. These include, but are not limited to, the risks associated with the oil and gas industry in general such as operational risks in development, exploration and production, delays or changes in plans with respect to exploration or development projects or capital expenditures, the uncertainty of estimates and projections relating to production rates, costs, and expenses, commodity price and exchange rate fluctuations, marketing and transportation, environmental risks, competition, the ability to access sufficient capital from internal and external sources and changes in tax, royalty, and environmental legislation. The forward-looking statements and information contained in this document are made as of the date hereof for the purpose of providing the readers with the Company's expectations for the coming year. The forward-looking statements and information may not be appropriate for other purposes. The Company undertakes no obligation to update publicly or revise any forward-looking statements or information, whether as a result of new information, future events or otherwise, unless so required by applicable securities law.

Coelacanth is an oil and natural gas company, actively engaged in the acquisition, development, exploration, and production of oil and natural gas reserves in northeastern British Columbia, Canada.

Further Information

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