NEWS RELEASE

COELACANTH ENERGY INC. ANNOUNCES OPERATIONS UPDATE

CALGARY, ALBERTA (January 18, 2024) – Coelacanth Energy Inc. (TSXV: CEI) ("**Coelacanth**" or the "**Company**") announces that it has completed and tested 4 wells at its Two Rivers East Project including 3 Lower Montney Wells and 1 Basal Montney well on the 5-19 pad.

LOWER MONTNEY

The 3 Lower Montney wells (C5-19, D5-19, E5-19) were drilled with an average horizontal length of 3,140 metres and completed with approximately 2.5 tonnes of sand per horizontal metre. Drilling and completion costs came in slightly under budget at approximately $9.0 million per well. The wells were placed on test for clean-up for an average of 10 days until the frac water substantially dissipated and a stabilized rate was achieved. The test rates noted below are based on the final 24 hours of each test.

The average rate achieved for the 3 Lower Montney wells was 1,338 boe/d per well comprised of 729 bbls/d of 39 API light sweet oil and 3.7 mmcf/d of liquids-rich gas. The rates per well were similar as outlined in the table below:

Well	Oil – bbls/d	Gas – mmcf/d	Total - boe/d	% Light Oil
C5-19	818	3.2	1,345	61
D5-19	527	4.2	1,222	43
E5-19	841	3.6	1,448	58
Average	**729**	**3.7**	**1,338**	**54**

The Company is very pleased with the overall results and more particularly with the oil rates.

BASAL MONTNEY

The Basal Montney well (A5-19) was completed over 2,000 metres of horizontal length and placed on test for clean-up for 6 days. The well required nitrogen assist to keep it flowing and the Company decided to cut the test short due to the high daily testing cost. The Company plans

to run tubing and re-test the well on an extended basis in Q3 or Q4 2024. Although the well only recovered 7.3% of the frac water, it did flow 395 boe/d over its final 24 hours comprised of 223 bbls/d of 40 API light sweet oil and 1.0 mmcf/d of liquids-rich gas. A proper re-test will determine commerciality of the current drilling and frac design for future wells.

INFRASTRUCTURE & TAKEAWAY

As previously disclosed, Coelacanth has secured long-term takeaway and processing for up to 60 mmcf/d of gas and will now look to build required facilities and pipelines to handle the 5-19 and subsequent Pads. The Company is in the process of obtaining final regulatory approval with an estimated completion date of Q1 2025.

FINANCIAL

Coelacanth estimates that it had approximately $65 million of positive working capital and no debt at the end of 2023.

President & CEO, Rob Zakresky states, “Overall, Coelacanth believes this was a critical first step in its development as it not only proves success in the drilling and completions design but will allow for years of growth in both reserves and production as we expand the development and prove productivity over multiple potential Montney layers across our current land base of 150 contiguous sections of Montney”.

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Oil and Gas Terms

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

Liquids

Bbls	*Barrels*
Bbls/d	*Barrels per day*
NGLs	*Natural gas liquids (includes condensate, pentane, butane, propane, and ethane)*

Natural Gas

Mcf	*Thousands of cubic feet*
Mcf/d	*Thousands of cubic feet per day*
MMcf/d	*Millions of cubic feet 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.

Product Types

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

***Natural gas** refers to shale gas*
***Oil** refers to tight oil*
***NGLs** refers to butane, propane and pentanes combined*
***Liquids** 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.*

Forward-Looking Information

This news release 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 document contains forward-looking statements and information relating to the Company's oil, NGLs and natural gas production and capital programs. 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 labor 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 laws.

Test Results and Initial Production Rates

The A5-19 Basal Montney well was production tested for 5.9 days and produced at an average rate of 117 bbl/d oil and 630 mcf/d gas (net of load fluid and energizing fluid) over that period which includes the initial cleanup where only load water was being recovered. At the end of the test, flowing wellhead pressure and production rates were stable.

The C5-19 Lower Montney well was production tested for 5.8 days and produced at an average rate of 736 bbl/d oil and 2660 mcf/d gas (net of load fluid and energizing fluid) over that period which includes the initial cleanup where only load water was being recovered. At the end of the test, flowing wellhead pressure and production rates were stable.

The D5-19 Lower Montney well was production tested for 12.6 days and produced at an average rate of 170 bbl/d oil and 580 mcf/d gas (net of load fluid and energizing fluid) over that period which includes the initial cleanup where only load water was being recovered. At the end of the test, flowing wellhead pressure and production rates were stable.

The E5-19 Basal Montney well was production tested for 11.4 days and produced at an average rate of 312 bbl/d oil and 890 mcf/d gas (net of load fluid and energizing fluid) over that period which includes the initial cleanup where only load water was being recovered. At the end of the test, flowing wellhead pressure was stable and production was starting to decline.

A pressure transient analysis or well-test interpretation has not been carried out on these four wells and thus certain of the test results provided herein should be considered to be preliminary until such analysis or interpretation has been completed. Test results and initial production rates disclosed herein, particularly those short in duration, may not necessarily be indicative of long-term performance or of ultimate recovery.