NEWS RELEASE

COELACANTH ENERGY INC. ANNOUNCES $52 MILLION REVOLVING BANK CREDIT FACILITY AND FALL DRILLING PROGRAM

CALGARY, ALBERTA (October 7, 2024) – Coelacanth Energy Inc. (TSXV: CEI) ("**Coelacanth**" or the "**Company**") announces that it has secured a $52 million bank credit facility and has commenced a 4-well drilling program at Two Rivers East.

TWO RIVERS EAST PROJECT

Coelacanth has commenced drilling on the 5-19 Pad at Two Rivers East with the first well spud on September 1st. The complete program consists of drilling and completing 3 Lower Montney wells, completing 1 previously drilled Upper Montney well, and drilling a Bluesky disposal well for a total cost of approximately $36 million. The 4 pad wells are scheduled to be completed starting late October 2024.

As previously released, the three 5-19 Lower Montney wells drilled in 2023 had tested at a per well average of 1,338 boe/d for a combined rate of 4,014 boe/d (54% light oil). The program above will be additive to this once the Two Rivers East facility is constructed and on-stream in April 2025. The Upper Montney has not produced in the immediate area but has been very prolific in the greater region. Management is looking forward to proving up the commerciality of this zone in the area as well as establishing expected oil/gas production mix.

Strategic benefits of this program are as follows:

- Accelerating the growth profile of the overall company
- Adding material drilling inventory through proving commerciality of Upper Montney
- Reducing risk in processing and transportation commitments
- Minimizing disruptions on start-up of new facility by having wells completed in advance
- Increasing financial and operational flexibility in 2025 capital program
- Creating additional production certainty for future decisions on third-party processing and build-out of additional facilities

Also as previously released, Coelacanth obtained all regulatory approvals to construct a new battery facility (“Facility”) at Two Rivers East designed for gas compression/dehydration, oil treating and water handling, plus gathering and transport lines to connect from the 5-19 Pad through the Facility to a mid-stream gathering line. Construction of the pipelines and the facility site have already commenced and estimated to be operational in April 2025.

BANK CREDIT FACILITY AND FINANCIAL UPDATE

Coelacanth secured 2 revolving bank credit facilities for a total of $52 million from its primary lender. The facilities are backed by reserves at Two Rivers West plus a $45 million Letter of Credit from a third party. The commitment from the third party is for a 2-year term. During the term, Coelacanth expects that the lending value of producing reserves at Two Rivers East will allow for the credit facility to be renegotiated and the Letter of Credit to be returned.

Coelacanth had also previously secured a commitment for approximately $22 million from a Mid-Stream company to finance a pipeline connecting Coelacanth facilities to the Mid-Stream Company's gathering system.

With over $60 million cash and no debt at the end of Q2 2024, Coelacanth estimates it will have approximately $40 million net debt plus the mid-stream commitment once the drilling program is completed and the facility is operational. Once operational and pending drilling success on the above program, Coelacanth's production should stabilize at over 6,000 boe/d until additional wells are drilled in the summer of 2025.

SHARE PURCHASE WARRANTS

As part of the $80 million bought deal financing completed in November 2023, Coelacanth had issued 33.3 million share purchase warrants ("Warrants") with a strike price of $1.05 per share that expire November 15, 2024. Coelacanth's Board of Directors has determined that extending the Warrant expiry date to June 30, 2025 is in the best interest of the Company and management will start the regulatory process to extend such Warrants.

Proceeds of the Warrant exercise, if any, would be used for additional pad drilling at Two Rivers East scheduled for summer of 2025.

FOR FURTHER INFORMATION PLEASE CONTACT:

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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 ga**s 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 C5-19 Lower Montney well was production tested for 5.8 days and produced at an average rate of 736 bbl/d oil and 2,660 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 Lower 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.

Production Rates

Any references to peak rates, test rates, IP30, IP90, IP180 or initial production rates or declines are useful for confirming the presence of hydrocarbons, however, such rates and declines are not determinative of the rates at which such wells will continue production and decline thereafter and are not indicative of long-term performance or ultimate recovery. IP30 is defined as an average production rate over 30 consecutive days, IP90 is defined as an average production rate over 90 consecutive days and IP180 is defined as an average production rate over 180 consecutive days. Readers are cautioned not to place reliance on such rates in calculating aggregate production for the Company.