COPL Operations Update and Director Appointment

London, United Kingdom; Calgary, Canada: April 20, 2023 – Canadian Overseas Petroleum Limited and its affiliates ("COPL" or the "Company") (**XOP**: CSE) & (**COPL**: LSE), an international oil and gas exploration, production and development company with production and development operations focused in Converse and Natrona counties, Wyoming, USA, is pleased to give an update on its operations and announce the appointment of an additional Non-Executive Director.

Operations Update Highlights

- Construction of the Company's Barron Flats Shannon Unit ("BFSU") $4.5 million high pressure gas gathering system upgrade to commence in April;
    - Procurement of long lead items for the BFSU gas gathering system upgrade and upgrades to certain BFSU wellsite facilities is underway.
- Conversions of BFSU flowing wells to pumping-flowing wells have commenced;
- The second Cole Creek Unit ("CCU") recompletion for Frontier 1 oil production will commence in Q2 2023;
- Oil production is increasing as facility and winter/spring weather related issues are resolved;
- Frontier oil Joint Venture discussions are continuing, now focused on commercial terms.

Barron Flats Shannon Unit

The Company is embarking on a capital program to improve its production levels by resolving constraints and bottlenecks that have limited oil production at the Company's operated BFSU over 2022 to present. This program will allow for increased oil production currently restricted primarily due to high pressure produced associated/injectant gas. In addition, modifications to the configurations of high productivity flowing producing wells should reduce paraffin induced production interruptions in these wells thus increasing overall production and significantly reducing field operating costs.

Construction of the BFSU Gas Gathering System Upgrade is to commence on April 29 subject to weather. Construction to commissioning is expected to take approximately 2-3 months, with possible delays due to supply chain constraints around specialized associated upgraded wellsite equipment. The project consists of 5 miles of high-pressure steel pipe routed through the core area of the field. Initially, eight (8) wells of the 34 producing wells will be tied into the high-pressure system, with the current low pressure gas gathering system servicing the remaining wells. The system is designed to optimally capture additional wells with increased pressures as the field miscible flood matures. This aspect will reduce initial costs, as these tie-ins will be staged over time. In conjunction, upgrades to the wellsite facilities of the wells to be tied into the upgraded system will be made. These upgrades will include the addition of high-pressure separators and higher pressure rated treaters. Total cost to upgrade the system is estimated at $4.5 million.

Oil production from four high productivity flowing wells was impeded in 2022 to present due to paraffin plugging high in the tubing strings. Though the design of the well configurations for these wells allowed for treatments to mitigate these paraffin issues; the issues experienced nor their frequency were not foreseen. To increase average daily oil production from these wells, they will be converted to pumping-flowing wells with enhanced pressure rated wellsite equipment to permit safe and efficient operations. Field operating costs will also be reduced measurably due to the reduction in well interventions to remove paraffin blockages.

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After the commissioning of the upgraded gas gathering system and enhancements of the wellsite facilities, temporary gas flaring will cease with all gas recovered for miscible reinjection. In addition, the Company then intends to increase miscible gas injection from the current approximately 3.5 MMCF/d to a maximum of 8.5 MMCF/d through the purchase of additional natural gas and LPG. This will cause the miscible flood scheme to get back on track resulting in increased production volumes after injection volumes were reduced in 2022 due to high pressures experienced in certain production wells. Costs of this additional miscible injectant are substantially lower currently compared to 2022, the Company is not though in a position to forecast these future costs.

Cole Creek Unit

At the CCU, a second Frontier 1 recompletion will commence in Q2 once surface access restrictions due to melting snow and spring conditions allow. The Company is encouraged by its first unstimulated Frontier 1 recompletion at 11-27-35N-77W, which though completed in late December was shut-in for periods in the first quarter due to severe winter storms and high snow accumulations. This well is still under evaluation, with the issues encountered considered for the second recompletion campaign.

Production

The Company's crude oil production averaged 1,200 Bbls/d in Q1 2023 (gross). During the period severe winter storms caused multiple field shut downs due to high snow accumulations and low temperatures. Oil production on April 17th was approximately 1,000 Bbls/d (gross), with 350 Bbl./d (gross) shut in at the BFSU for a flowing to pumping-flowing well conversion and production facility repairs. These works have been completed, with the wells being returned to production in a staged step-up manner. In addition, there is a similar production volume (>300 Bbls/d) restricted due to pressure related facility constraints. These constraints will be alleviated on commissioning of the gas gathering upgrades. Increased production is being observed at certain low productivity wells due to miscible flood response. Production on these wells (pumping) is being optimized to increase daily production rates, with optimization interrupted throughout the winter months due to the multiple severe winter storms.

At the Cole Creek Unit, approximately 100 Bbls/d (gross) is currently shut in due to temporary access restrictions resulting from high snow melt and associated surface runoff.

Joint Venture Discussions

Discussions with a large oil company who approached the Company regarding the exploitation of its Frontier oil resources are continuing with current focus on commercial terms. These discussions, as well as the identity of the party involved, will remain confidential until their disclosure is appropriate by agreement. Substantial additional technical evaluation has been undertaken during this period, which has led to a better understanding, and increased confidence, of this resource.

Arthur Millholland, President and CEO commented: "Our recent Bond issue has allowed the Company to embark on long planned projects to remove the constraints and bottlenecks to our oil production from our Barron Flats miscible flood. We are embarking on these projects after a very difficult winter in Wyoming with near record snowfall and low temperatures experienced in multiple severe winter storms. Spring though has come, and with it the issues of warmer weather which will be temporary. The Joint Venture discussions continue to move forward and we are encouraged by their recent progress."

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Non-Executive Director Appointment

The Company is pleased to announce, Mr. Thomas Richardson of Oxford, United Kingdom, has been appointed as a Non-Executive Director effective April 20, 2023. Mr. Richardson will serve until his re-election at the Company's Annual and Special Meeting on May 30th, 2023.

Mr. Richardson has over 20 years of experience across banking and oil and gas. Mr. Richardson is currently Chairman of Fenikso Limited, an Oil & Gas company listed in the UK, where he has been on the board for over 2 years. Mr. Richardson has held various CEO roles including Metallon Corporation Limited, a private pan African Natural Resources and infrastructure investment company and Nice Tech Holdings AG, a private Food Tech company. Mr. Richardson served as CFO of Nostrum Oil & Gas Plc (until 2020) and oversaw the Company's admission to the Premium segment of the London Stock Exchange in 2014. Prior to joining Nostrum in 2011, Mr. Richardson worked for ING, JP Morgan and NM Rothschild covering investment banking, capital markets and credit & rates. Mr. Richardson has a B.Sc in Economics & Politics from the University of Bristol.

The Company welcomes Mr. Richardson to its Board of Directors.

About the Company:

COPL is an international oil and gas exploration, development and production company actively pursuing opportunities in the United States with operations in Wyoming.

The Company operates three Units: Cole Creek 100% WI, Barron Flats Shannon (Miscible) 85% WI and the Barron Flats Federal (Deep) 85% WI in addition to non-unitized lands 100% WI.

The Company's Wyoming operations are one of the most environmentally responsible with minimal gas flaring and methane emissions combined with electricity sourced from a neighbouring wind farm to power production facilities.

For further information, please contact:

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The Common Shares are listed under the symbol "XOP" on the CSE and under the symbol "COPL" on the London Stock Exchange.

This news release contains forward-looking statements. The use of any of the words "initial, "scheduled", "can", "will", "prior to", "estimate", "anticipate", "believe", "should", "forecast", "future", "continue", "may", "expect", and similar expressions are intended to identify forward-looking statements. The forward-looking statements contained herein are based on certain key expectations and assumptions made by the Company, including, but not limited to, the ability to raise the necessary funding for operations, delays or changes in plans with respect to exploration or development projects or capital expenditures. Although the Company believes that the expectations and assumptions on which the forward-looking statements are based are reasonable, undue reliance should not be placed on the forward-looking statements since the Company can give no assurance that they will prove to be correct since forward-looking statements address future events and conditions, by their very nature they involve inherent risks and uncertainties most of which are beyond the control of Canadian Overseas Petroleum Ltd. For example, the uncertainty of reserve estimates, the uncertainty of estimates and projections relating to production, cost overruns, health and safety issues, political and environmental risks, commodity price and exchange rate fluctuations, changes in legislation affecting the oil and gas industry could cause actual results to vary materially from those expressed or implied by the forward-looking information. Forward-looking statements contained in this news release are made as of the date hereof and Canadian Overseas Petroleum 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.*

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