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This announcement contains inside information as stipulated under the Market Abuse Regulation (EU) No. 596/2014 and is in accordance with the Company's obligations under Article 17 of that Regulation. Upon the publication of this announcement, the inside information is considered to be in the public domain.

16 March 2021

Canadian Overseas Petroleum Limited

Proposed Transaction and Conditional Suspension of Listing

Calgary, Canada & London, United Kingdom, March 16, 2021 - Canadian Overseas Petroleum Limited ("**COPL**" or the "**Company**") (XOP: CSE) & (COPL: LSE), an international oil and gas exploration and development company, is pleased to announce that, following previous announcements by the Company on December 16, 2020 and more recently on March 9, 2021 regarding the proposed acquisition (the "**Proposed Acquisition**") of Atomic Oil and Gas LLC ("**Target**"), it has now agreed all final terms in relation to the Proposed Acquisition and it is anticipated that the Proposed Acquisition will complete after the market closes today.

As previously announced, the Proposed Transaction amounts to a reverse takeover under the Listing Rules. The Company is currently finalising various detailed financial due diligence on the Target and it has requested the Financial Conduct Authority ("**FCA**") to suspend its listing conditional upon the Proposed Transaction becoming wholly unconditional. Listing of the Company's common shares will remain suspended until such time as the Company either publishes a prospectus relating to the Proposed Transaction or submits a restoration request for approval by the FCA.

The Company will continue to update the market as and when appropriate.

About the Company:

COPL is an international oil and gas exploration, development and production company actively pursuing opportunities in the United States through the acquisition of Atomic Oil and Gas LLC with operations in Converse County Wyoming, and in sub-Saharan Africa through its ShoreCan joint venture company in Nigeria, and independently in other countries.

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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 satisfaction of all conditions precedent to the acquisition of Atomic, the ability to raise the necessary funding for continued 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.

Neither the CSE nor its regulation services provider accepts responsibility for the adequacy or accuracy of this release.