



CANADIAN OVERSEAS PETROLEUM LIMITED

Canadian Overseas Petroleum Limited Requests Management Cease Trade Order to Allow for Additional Time to Prepare Interim Financial Statements for the Period Ending March 31, 2021

Calgary, Alberta – May 12, 2021. Canadian Overseas Petroleum Limited (the “**Company**”) (**XOP**: CSE) & (**COPL**: LSE), an international oil and gas exploration and development company, today announces that it has requested a temporary Management Cease Trade Order (“**MCTO**”) from the Alberta Securities Commission (“**ASC**”) in connection with the Company’s filing of its unaudited interim financial statements and the applicable CEO and CFO certifications in respect of such filings for the period ended March 31, 2021 (collectively the “**Interim Filings**”).

The Company recently completed its acquisition of Atomic Oil and Gas LLC (“**Atomic**”) and Southwestern Production Corp. (“**SWP**”), two closely held oil and gas companies with producing oil and gas assets in Wyoming, United States (the “**Acquisition**”). The Acquisition closed on March 16, 2021 with an effective date of December 1, 2020. The Company has not yet received the audited financial statements of Atomic and SWP for the year ended December 31, 2020, which are required to complete the Interim Filings because of the effective date of the Acquisition. Therefore, the Company will now be further delayed in respect of preparing the Interim Filings. The Company is requesting the MCTO in order to secure additional time for the Company to prepare the interim financial statements for the period ended March 31, 2021.

Accordingly, the Company has applied to the ASC for the MCTO that will prohibit the management of the Company from trading in the securities of the Company until such time as the Interim Filings are filed. No decision has yet been made by the ASC on this application. The ASC may grant the application and issue the MCTO or it may impose an issuer cease trade order if the Interim Filings are not filed in a timely fashion.

The Company notes that:

- The Company is required to file its Interim Filings by May 15, 2021 (the “**Filing Deadline**”), as required pursuant to National Instrument 51-102 – Continuous Disclosure Obligations. At this time the Company is uncertain as to whether it will be able to complete its Interim Filings on or before the Filing Deadline.
- The Company and its auditors are working diligently to prepare and file the Interim Filings, on or before June 30, 2021.
- The Company confirms that, other than as disclosed in prior press releases, there is no material information concerning the affairs of the Company that has not been generally disclosed since the filing on April 28, 2021 of the Company’s latest annual financial reports for the years ended December 31, 2020 and 2019.

- Until the Company has filed the Interim Filings, members of the Company's management and other insiders are subject to an insider trading black-out.
- During the period of default and until filing of the Interim Filings, the Company intends to satisfy the provisions of the alternative information guidelines as required by National Policy 12-203 Management Cease Trade Orders.

About Atomic

Atomic is currently a closely-held private oil and gas company incorporated under the laws of the State of Colorado. COPL will acquire 100% of the shares of Atomic on closing of the acquisition on March 16, 2021. Atomic's assets are located in the Powder River Basin in Converse County, Wyoming, USA where it holds operated interests in 58,552 acres (gross) of contiguous leasehold. There are two oil production Units within the lease block: the Barron Flats Shannon Miscible Flood Unit (57.7% WI) and the Cole Creek Unit (66.7%), as well as one unitized exploration area - the Barron Flats Federal Unit (deep). Atomic has two affiliates: The Southwestern Production Corp, the operating entity; and Pipeco, a midstream company holding the pipeline and facility assets.

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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Forward-looking statements

This press release contains statements that constitute "forward-looking information" (collectively, "forward-looking statements") within the meaning of the applicable Canadian securities legislation. All statements, other than statements of historical fact, are forward-looking statements and are based on expectations, estimates and projections as at the date of this news release. Any statement that discusses predictions, expectations, beliefs, plans, projections, objectives, assumptions, future events or performance (often but not always using phrases such as "expects", or "does not expect", "is expected", "anticipates" or "does not anticipate", "plans", "budget", "scheduled", "forecasts", "estimates", "believes" or "intends" or variations of such words and

phrases or stating that certain actions, events or results “may” or “could”, “would”, “might” or “will” be taken to occur or be achieved) are not statements of historical fact and may be forward-looking statements. Forward-looking statements contained in this press release include, without limitation, statements relating to the timing for completion of the Interim Filings and the granting of the MCTO by the ASC and other statements that are not historical facts. In making the forward-looking statements contained in this press release, the Company has made certain assumptions. Although the Company believes that the expectations reflected in forward-looking statements are reasonable, it can give no assurance that the expectations of any forward-looking statements will prove to be correct. Known and unknown risks, uncertainties, and other factors may cause the actual results and future events to differ materially from those expressed or implied by such forward-looking statements. Accordingly, readers should not place undue reliance on the forward-looking statements and information contained in this press release. Except as required by law, the Company disclaims any intention and assumes no obligation to update or revise any forward-looking statements to reflect actual results, whether as a result of new information, future events, changes in assumptions, changes in factors affecting such forward-looking statements or otherwise. The securities of the company have not been registered under the United States Securities Act of 1933, as amended, and may not be offered or sold in the United States absent registration or an applicable exemption from the registration requirements. This release is issued for informational purposes only and does not constitute an offer to sell or the solicitation of an offer to buy any securities, nor shall there be any sale of any securities in any jurisdiction in which such offer, solicitation or sale would be unlawful.

The Canadian Securities Exchange (operated by CNSX Markets Inc.) has neither approved nor disapproved of the contents of this press release.