



COPL Announces Covenant Waiver and Operations Update

London, United Kingdom; Calgary, Canada: March 1, 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 announce that its operating affiliate, COPL America, has received a covenant waiver (“Waiver”) from its senior lender (the “Lender”) and, is also pleased to provide an operations and oil production update.

Covenant Waiver

Further to the news release of 1 February 2023, COPL America has executed a Waiver, with the support of its Lender, pursuant to which the measurement date of its 28 February 2023 liquidity covenant (the “Liquidity Covenant”) has been extended to 14 March 2023. The Liquidity Covenant will be measured based on average cash of \$2.5 million from the period, 15 January 2023 to 14 March 2023.

Operations Update

The Company has experienced several severe winter storms at its Wyoming operations from late December to late February. High snow accumulations from these winter storms coupled with ongoing high winds and lower than normal temperatures have impacted the production operations at the Company’s Barron Flats Shannon Unit and it’s Cole Creek field. The Company has augmented its normal snow clearing equipment with contracted D6 sized bulldozers to keep the field roads open daily to its production tanks. This extra equipment was needed due to ongoing snow drifting to heights of 8-10 feet due to recurrent high winds. Access to field production tanks has also been restricted by the lack of snow clearing on local rural public roads due to local government imposed low clearing priority during these winter storm events. Oil storage capacity in the field is limited, thus production is limited when removal of produced oil is restricted.

2023 Production Summary

- **January:** 1,080 bbl./d average
- **February:** 1,200 bbl./d average
- **Current:** 1,400 bbl./d
- **Shut-in:**



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- **Barron Flats Shannon Unit:** 150 bbl./d
- **Cole Creek:** 90 bbl./d

Arthur Millholland, President and CEO commented: “This has been a difficult winter in Wyoming and western North America in general. The weather we have experienced has been well above historical averages. The interruption in our production operations has been difficult for all of us. We conduct our field operations with safety of our field personnel and contracted services first. Ongoing conditions with very low temperatures, high winds and significant drifting snow have caused the Company to suspend operations during these storms. Those familiar with these conditions east of the Rocky Mountains in the north-western United States and Western Canada understand the issues to production operations and accompanying safety concerns related to field personnel. Most importantly our principal stakeholders understand this too, and are working with the Company to exit this period stronger than it entered.”

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 Converse and Natrona Counties 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 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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