NEWS RELEASE

COELACANTH ENERGY INC. ANNOUNCES CAPITAL BUDGET & OPERATIONS UPDATE

CALGARY, ALBERTA (March 7, 2024) – Coelacanth Energy Inc. (TSXV: CEI) ("**Coelacanth**" or the "**Company**") announces that its Board of Directors has approved a capital budget ("Budget") of up to $128 million to be invested in 2024 and Q1 2025. Substantially all of the Budget will be spent at Two Rivers where Coelacanth is developing its large Montney acreage position. Approximately $80 million is to be invested in infrastructure at Two Rivers East where the Company had previously announced its successful first pad (see below) with drilling and completions estimated at $45 million including the drilling and completion of 4 additional Lower Montney wells on its 5-19 Pad plus complete a previously drilled Upper Montney well on the 5-19 Pad.

The infrastructure is anticipated to be completed for April 1, 2025, at which point Coelacanth will be able to produce a total of 10 wells from the 5-19 Pad (5 current wells and 5 new budgeted wells).

TWO RIVERS EAST

The Budget includes approximately $50 million for a new battery facility ("Facility") at Two Rivers East designed for gas compression/dehydration, oil treating and water handling, plus $20 million for gathering and sales lines to connect from the 5-19 Pad through the Facility to a mid-stream gathering line. Manufacturing of components for the Facility will commence shortly with in-field construction for both the Facility and pipelines scheduled for Q4 2024 and Q1 2025.

The project is anchored by the Lower Montney but has additional potential upside in both the Upper Montney and Basal Montney. As previous released, the average rate achieved for the 3 Lower Montney wells was 1,338 boe/d per well comprised of 729 bbls/d of 39 API light sweet oil and 3.7 mmcf/d of liquids-rich gas. The rates per well were similar as outlined in the table below:

Well	Oil – bbls/d	Gas – mmcf/d	Total – boe/d	% Light Oil
C5-19	818	3.2	1,345	61

D5-19	527	4.2	1,222	43
E5-19	841	3.6	1,448	58
Average	**729**	**3.7**	**1,338**	**54**

Of the 10 wells anticipated to come on-stream in April 2025, 8 are Lower Montney wells, 1 is an Upper Montney well, and 1 is a Basal Montney well.

TWO RIVERS WEST

Coelacanth had announced in October 2023 that it had completed the 2 Upper Montney wells on its 10-08 Pad at Two Rivers West and placed the first well (C10-08) on production at a rate of 542 boepd comprised of 225 bbls/d of 42 API light oil, 1.75 mmcf/d of liquids-rich gas, and approximately 26 bbls/d of ngls. The well produced at approximately that rate for the first 4 months but was restricted due to the large volume of water also being produced and the lack of pump capacity at Coelacanth's facility. Based on log properties, the water is likely being produced from the top of the Upper Montney where a localized wet zone was identified.

In February 2024, Coelacanth was able to increase pump capacity and ran a short-term test (2.2 days) on C10-08 with most of the restrictions removed to determine capability of the well. Removing the restrictions resulted in the well achieving a test rate of 1,284 boepd comprised of 376 bbls/d of oil, 5.0 mmcf/d of gas and 75 bbls/d of ngls. The test rate significantly exceeded expectations especially considering the rate achieved was after the well had already been producing for 4 months.

After the test, both the C10-08 and B10-08 were placed on production at restricted rates until modifications can be made to accommodate more water and gas handling and egress. Coelacanth is now in process of determining the infrastructure capital required to scale up the Two Rivers West Project that will include installing a new sales gas line in addition to adding gas compression and water handling.

From a go-forward perspective, the test provides valuable positive insights on the potential longer-term increased deliverability and ultimate recoveries per well from the Upper Montney at Two Rivers West. The C10-08 test also has a positive correlation to the Upper Montney Well at the 5-19 Pad (drilled but not completed) that has similar characteristics but does not include wet Upper Montney zone identified at Two Rivers West.

FINANCIAL

Coelacanth estimates that it had approximately $67 million of positive working capital and no debt at the end of 2023. Funding of its Budget is anticipated to come from cash on hand, cash flow and short-term debt.

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 gas** 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 2660 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.

For the short-term production test of the C10-08 Upper Montney well in February 2024, the well was production tested for 2 days and produced at an average rate of 359 bbl/d oil and 5236 mcf/d gas (net of load fluid and energizing fluid) over that period. This was an inline test to prove deliverability after four months of production. At the end of the test, flowing wellhead pressures and production were stable.

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.