COELACANTH ANNOUNCES Q3 2023 FINANCIAL AND OPERATING RESULTS

CALGARY, ALBERTA (November 17, 2023) – COELACANTH ENERGY INC. (TSXV – CEI) ("Coelacanth" or the "Company") is pleased to announce its financial and operating results for the three and nine months ended September 30, 2023. All dollar figures are Canadian dollars unless otherwise noted.

HIGHLIGHTS

- Completed two Upper Montney wells on its 10-08 pad at Two Rivers West.
- Drilled five wells on its 5-19 pad at Two Rivers East. Four wells (three Lower Montney and one Basal Montney) are expected to be completed in Q4 2023.
- Subsequent to September 30, 2023, closed a bought-deal public financing issuing 100.0 million units of the Company ("Units") at a price of $0.80 per Unit for gross proceeds of $80.0 million. Each Unit is comprised of one common share of the Company and 0.33 common share purchase warrants of the Company. Each whole common share purchase warrant entitles the holder to purchase one common share at an exercise price of $1.05 per common share expiring on November 15, 2024.

Financial and operational results below present the carved-out historic financial position, results of operations and cash flows of Leucrotta's Two Rivers Assets for all prior periods up to and including May 31, 2022 and the results of operations from May 31, 2022 forward include the results of Coelacanth after assuming the Two Rivers Assets upon close of the Arrangement.

FINANCIAL RESULTS	**Three Months Ended September 30**			**Nine Months Ended September 30**		
($000s, except per share amounts)	**2023**	2022	% Change	**2023**	2022	% Change
Oil and natural gas sales	**679**	2,135	(68)	**2,459**	6,157	(60)
Cash flow used in operating activities	**(2,553)**	(6,732)	(62)	**(3,830)**	(9,105)	(58)
Per share - basic and diluted (1)	**(0.01)**	(0.02)	(50)	**(0.01)**	(0.03)	(67)
Adjusted funds flow (used) (1)	**(773)**	161	(580)	**(2,083)**	(290)	618
Per share - basic and diluted	**(-)**	-	-	**(-)**	(-)	-
Net loss	**(1,869)**	(830)	125	**(5,823)**	(10,438)	(44)
Per share - basic and diluted	**(-)**	(-)	-	**(0.01)**	(0.03)	(67)
Capital expenditures (1)	**31,176**	3,861	707	**39,957**	5,028	695
Adjusted working capital (1)				**23,516**	77,445	(70)
Common shares outstanding (000s)						
Weighted average - basic and diluted	**426,476**	418,556	2	**425,685**	343,064	24
End of period - basic				**426,670**	425,106	-
End of period - fully diluted				**469,781**	461,955	2

(1) See "Non-GAAP and Other Financial Measures" section.

OPERATING RESULTS [1]	Three Months Ended September 30			Nine Months Ended September 30		
	2023	2022	% Change	**2023**	2022	% Change
Daily production [2]						
Oil and condensate (bbls/d)	**39**	54	(28)	**46**	65	(29)
Other NGLs (bbls/d)	**7**	19	(63)	**12**	19	(37)
Oil and NGLs (bbls/d)	**46**	73	(37)	**58**	84	(31)
Natural gas (mcf/d)	**929**	1,567	(41)	**1,208**	1,664	(27)
Oil equivalent (boe/d)	**201**	334	(40)	**259**	361	(28)
Oil and natural gas sales						
Oil and condensate ($/bbl)	**99.00**	109.62	(10)	**93.73**	120.06	(22)
Other NGLs ($/bbl)	**28.07**	51.00	(45)	**33.97**	51.25	(34)
Oil and NGLs ($/bbl)	**88.43**	94.55	(6)	**81.69**	104.57	(22)
Natural gas ($/mcf)	**3.60**	10.39	(65)	**3.58**	8.32	(57)
Oil equivalent ($/boe)	**36.85**	69.40	(47)	**34.83**	62.56	(44)
Royalties						
Oil and NGLs ($/bbl)	**20.08**	30.44	(34)	**22.51**	33.03	(32)
Natural gas ($/mcf)	**0.79**	3.14	(75)	**0.82**	2.28	(64)
Oil equivalent ($/boe)	**8.26**	21.37	(61)	**8.82**	18.17	(51)
Operating expenses						
Oil and NGLs ($/bbl)	**18.92**	13.11	44	**17.68**	13.29	33
Natural gas ($/mcf)	**3.17**	2.15	47	**2.95**	2.21	33
Oil equivalent ($/boe)	**18.98**	12.94	47	**17.68**	13.28	33
Net transportation expenses [3]						
Oil and NGLs ($/bbl)	**2.40**	1.65	45	**1.86**	2.92	(36)
Natural gas ($/mcf)	**1.40**	1.38	1	**1.36**	1.01	35
Oil equivalent ($/boe)	**7.05**	6.81	4	**6.76**	5.35	26
Operating netback (loss) [3]						
Oil and NGLs ($/bbl)	**47.03**	49.35	(5)	**39.64**	55.33	(28)
Natural gas ($/mcf)	**(1.76)**	3.72	(147)	**(1.55)**	2.82	(155)
Oil equivalent ($/boe)	**2.56**	28.28	(91)	**1.57**	25.76	(94)
Depletion and depreciation ($/boe)	**(21.33)**	(15.41)	38	**(18.24)**	(14.95)	22
General and administrative expenses ($/boe)	**(47.09)**	(36.07)	31	**(46.70)**	(33.47)	40
Share based compensation ($/boe)	**(34.70)**	(15.99)	117	**(32.12)**	(93.74)	(66)
Gain on insurance proceeds ($/boe)	**-**	-	-	**-**	6.67	(100)
Finance expense ($/boe)	**(9.61)**	(5.77)	67	**(5.27)**	(3.30)	60
Finance income ($/boe)	**37.32**	16.23	130	**29.26**	5.98	389
Other income ($/boe)	**-**	1.75	(100)	**-**	1.00	(100)
Unutilized transportation ($/boe)	**(28.44)**	-	100	**(10.95)**	-	100
Net loss ($/boe)	**(101.29)**	(26.98)	275	**(82.45)**	(106.05)	(22)

(1) See “Oil and Gas Terms” section.
(2) See “Product Types” section.
(3) See “Non-GAAP and Other Financial Measures” section.

Selected financial and operational information outlined in this news release should be read in conjunction with Coelacanth’s unaudited condensed interim financial statements and related Management’s Discussion and Analysis (“MD&A”) for the three and nine months ended September 30, 2023, which are available for review under the Company's profile on SEDAR+ at www.sedarplus.ca.

COMMON-CONTROL TRANSACTION

On May 31, 2022, the arrangement agreement between Coelacanth, Leucrotta Exploration Inc. ("Leucrotta"), Vermilion Energy Inc. ("Vermilion"), and the shareholders of Leucrotta (the "Arrangement") closed and Vermilion acquired all of the issued and outstanding common shares of Leucrotta in exchange for $1.73 cash for each common share of Leucrotta held.

Pursuant to an asset conveyance agreement between Coelacanth and Leucrotta made as of May 31, 2022, and immediately prior to the closing of the Arrangement, Leucrotta transferred approximately $45.1 million cash, net of transaction costs, and certain oil and natural gas assets primarily located in the Two Rivers area of British Columbia ("Two Rivers Assets") to Coelacanth in exchange for one common share of Coelacanth ("Coelacanth Share"), and 0.1917 of a common share purchase warrant of Coelacanth (one whole warrant being an "Arrangement Warrant") for each common share of Leucrotta outstanding. The Coelacanth Shares and Arrangement Warrants were then transferred to the shareholders of Leucrotta.

Since the shareholders of Coelacanth and Leucrotta were the same both before and after the conveyance of the Two Rivers Assets (at the time Coelacanth was a wholly-owned subsidiary of Leucrotta), this transaction was deemed a common-control transaction. The financial and operational results below present the historic financial position, results of operations and cash flows of the transferred Two Rivers Assets for all prior periods up to and including May 31, 2022 on a carve-out basis as if they had operated as a stand-alone entity subject to Leucrotta's control. The financial position, results of operations and cash flows from March 24, 2022 (the date of incorporation of Coelacanth) to May 31, 2022 include both the Two Rivers Assets and Coelacanth on a combined basis and from May 31, 2022 forward include the results of Coelacanth after assuming the Two Rivers Assets upon close of the Arrangement.

OPERATIONS UPDATE

In Q3 2023, Coelacanth continued with development of its Two Rivers project. The Two Rivers project spans Coelacanth's 150 contiguous sections of Montney lands and is divided up geographically into two projects - Two Rivers West ("TRW") and Two Rivers East ("TRE").

Although the overall project has been geologically defined and production tested with vertical and horizontal wells, Coelacanth needed to address infrastructure and egress issues along with developing production type curves incorporating enhanced frac design.

During Q3 2023, Coelacanth:

- Drilled one Upper Montney well at TRE.
- Completed two Upper Montney wells at TRW (see news release dated October 23, 2023).
- Drilled five Montney horizontal wells on its 5-19 pad at TRE.

Since inception in June 2022, Coelacanth was able to accomplish many goals and objectives furthering its long-term development goals for the Two Rivers project:

- Secured 60 mmcf/d of firm gas transportation capacity.
- Signed an agreement with NorthRiver Midstream securing up to 60 mmcf/d of firm processing capacity.
- Received a license to drill up to 14 wells on the 5-19 pad at TRE.
- Drilled three Upper Montney horizontal wells at TRW (two completed in Q3 2023).
- Drilled six Montney horizontal wells at TRE (four to be completed in Q4 2023).
- Updated its enhanced frac design for completions at both TRW and TRE wells.
- Completed the engineering and design and secured a site to build a battery capable of handling approximately 20,000 boe/d.
- Initiated the process of permitting and securing land access to construct the gathering and sales pipelines to connect the 5-19 pad to the NorthRiver Midstream gathering system.

Subsequent to quarter-end, Coelacanth secured a frac crew to complete four wells at TRE including three Lower Montney wells and one Basal Montney well on the 5-19 TRE pad. In addition, Coelacanth secured an $80 million bought deal financing and a $1.5 million private placement financing to three key employees that will add additional funds that will have a material effect on the funding of the overall project. We look forward to updating our stakeholders on our progress as we achieve various milestones.

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)
Condensate	Pentane and heavier hydrocarbons

Natural Gas

Mcf	Thousands of cubic feet
Mcf/d	Thousands of cubic feet per day
MMcf/d	Millions of cubic feet per day
MMbtu	Million of British thermal units
MMbtu/d	Million of British thermal units 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.

NON-GAAP AND OTHER FINANCIAL MEASURES

This news release refers to certain measures that are not determined in accordance with IFRS (or “GAAP”). These non-GAAP and other financial measures do not have any standardized meaning prescribed under IFRS and therefore may not be comparable to similar measures presented by other entities. The non-GAAP and other financial measures should not be considered alternatives to, or more meaningful than, financial measures that are determined in accordance with IFRS as indicators of the Company’s performance. Management believes that the presentation of these non-GAAP and other financial measures provides useful information to shareholders and investors in understanding and evaluating the Company’s ongoing operating performance, and the measures provide increased transparency to better analyze the Company’s performance against prior periods on a comparable basis.

Non-GAAP Financial Measures

Adjusted funds flow (used)

Management uses adjusted funds flow (used) to analyze performance and considers it a key measure as it demonstrates the Company’s ability to generate the cash necessary to fund future capital investments and abandonment obligations and to repay debt, if any. Adjusted funds flow (used) is a non-GAAP financial measure and has been defined by the Company as cash flow used in operating activities excluding the change in non-cash working capital related to operating activities, movements in restricted cash deposits and expenditures on decommissioning obligations. Management believes the timing of collection, payment or incurrence of these items involves a high degree of discretion and as such may not be useful for evaluating the Company’s cash flows. Adjusted funds flow (used) is reconciled from cash flow used in operating activities as follows:

	Three Months Ended September 30		**Nine Months Ended September 30**	
($000s)	**2023**	2022	**2023**	2022
Cash flow used in operating activities	**(2,553)**	(6,732)	**(3,830)**	(9,105)
Add (deduct):				
Decommissioning expenditures	**925**	475	**1,677**	654
Restricted cash deposits	**-**	6,432	**(784)**	8,060
Change in non-cash working capital	**855**	(14)	**854**	101
Adjusted funds flow (used) (non-GAAP)	**(773)**	161	**(2,083)**	(290)

Net transportation expenses

Management considers net transportation expenses an important measure as it demonstrates the cost of utilized transportation related to the Company’s production. Net transportation expenses is calculated as transportation expenses less unutilized transportation and is calculated as follows:

	Three Months Ended September 30		**Nine Months Ended September 30**	
($000s)	**2023**	2022	**2023**	2022
Transportation expenses	**654**	210	**1,250**	527
Unutilized transportation	**(525)**	-	**(773)**	-
Net transportation expenses (non-GAAP)	**129**	210	**477**	527

Operating netback

Management considers operating netback an important measure as it demonstrates its profitability relative to current commodity prices. Operating netback is calculated as oil and natural gas sales less royalties, operating expenses, and net transportation expenses and is calculated as follows:

	Three Months Ended September 30		**Nine Months Ended September 30**	
($000s)	**2023**	2022	**2023**	2022
Oil and natural gas sales	**679**	2,135	**2,459**	6,157
Royalties	**(152)**	(658)	**(623)**	(1,788)
Operating expenses	**(350)**	(398)	**(1,249)**	(1,307)
Net transportation expenses	**(129)**	(210)	**(477)**	(527)
Operating netback (non-GAAP)	**48**	869	**110**	2,535

Capital expenditures
Coelacanth utilizes capital expenditures as a measure of capital investment on property, plant, and equipment, exploration and evaluation assets and property acquisitions compared to its annual budgeted capital expenditures. Capital expenditures are calculated as follows:

	Three Months Ended September 30		Nine Months Ended September 30	
($000s)	**2023**	2022	**2023**	2022
Capital expenditures – property, plant, and equipment	**15,785**	3,861	**22,344**	4,572
Capital expenditures – exploration and evaluation assets	**15,391**	-	**17,613**	456
Capital expenditures (non-GAAP)	**31,176**	3,861	**39,957**	5,028

Capital Management Measures

Adjusted working capital
Management uses adjusted working capital as a measure to assess the Company's financial position. Adjusted working capital is calculated as current assets and restricted cash deposits less current liabilities, excluding the current portion of decommissioning obligations.

($000s)	September 30, 2023	December 31, 2022
Current assets	**38,804**	67,938
Less:		
Current liabilities	**(22,631)**	(8,901)
Working capital	**16,173**	59,037
Add:		
Restricted cash deposits	**6,781**	7,389
Current portion of decommissioning obligations	**562**	1,312
Adjusted working capital (Capital management measure)	**23,516**	67,738

Non-GAAP Financial Ratios

Adjusted Funds Flow (Used) per Share
Adjusted funds flow (used) per share is a non-GAAP financial ratio, calculated using adjusted funds flow (used) and the same weighted average basic and diluted shares used in calculating net loss per share.

Net transportation expenses per boe
The Company utilizes net transportation expenses per boe to assess the per unit cost of utilized transportation related to the Company's production. Net transportation expenses per boe is calculated as net transportation expenses divided by total production for the applicable period.

Operating netback per boe
The Company utilizes operating netback per boe to assess the operating performance of its petroleum and natural gas assets on a per unit of production basis. Operating netback per boe is calculated as operating netback divided by total production for the applicable period.

Supplementary Financial Measures

The supplementary financial measures used in this news release (primarily average sales price per product type and certain per boe and per share figures) are either a per unit disclosure of a corresponding GAAP measure, or a component of a corresponding GAAP measure, presented in the financial statements. Supplementary financial measures that are disclosed on a per unit basis are calculated by dividing the aggregate GAAP measure (or component thereof) by the applicable unit for the period. Supplementary financial measures that are disclosed on a component basis of a corresponding GAAP measure are a granular representation of a financial statement line item and are determined in accordance with GAAP.

PRODUCT TYPES

The Company uses the following references to sales volumes in the news release:

Natural gas refers to shale gas
Oil and condensate refers to condensate and tight oil combined
Other NGLs refers to butane, propane and ethane combined
Oil and NGLs 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.

The following is a complete breakdown of sales volumes for applicable periods by specific product types of shale gas, tight oil, and NGLs:

Sales Volumes by Product Type	Three Months Ended September 30 2023	2022	Nine Months Ended September 30 2023	2022
Condensate (bbls/d)	**4**	9	**6**	11
Other NGLs (bbls/d)	**7**	19	**12**	19
NGLs (bbls/d)	**11**	28	**18**	30
Tight oil (bbls/d)	**35**	45	**40**	54
Condensate (bbls/d)	**4**	9	**6**	11
Oil and condensate (bbls/d)	**39**	54	**46**	65
Other NGLs (bbls/d)	**7**	19	**12**	19
Oil and NGLs (bbls/d)	**46**	73	**58**	84
Shale gas (mcf/d)	**929**	1,567	**1,208**	1,664
Natural gas (mcf/d)	**929**	1,567	**1,208**	1,664
Oil equivalent (boe/d)	**201**	334	**259**	361

CLOSING OF PRIVATE PLACEMENT

The Company is pleased to announce that, further to its press release dated November 15, 2023, it has closed its previously announced non-brokered private placement (the "**Offering**") to three key employees of 1,875,000 units of the Company ("**Units**"), at a price of $0.80 per Unit, for aggregate proceeds of $1,500,000. Each Unit consists of one common share in the capital of the Company and one common share purchase warrant. Each warrant entitles the holder to purchase one common share of the Company at a price of $0.80 per share expiring on November 16, 2028. The securities issued pursuant to the Offering are subject to a four month and one day hold period from the date of the closing of the Offering, in accordance with applicable securities laws.

READER ADVISORY

This document 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 news release contains forward-looking statements and information relating to the Company’s oil and condensate, other NGLs, and natural gas production, operating expenses, capital programs, and adjusted working capital. 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 labour 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.

Coelacanth is an oil and natural gas company, actively engaged in the acquisition, development, exploration, and production of oil and natural gas reserves in northeastern British Columbia, Canada.

The Company did not file a material change report in respect of the Offering more than 21 days prior to the closing of the Offering as the Company was unable to announce the Offering until the short form prospectus financing that was announced by the Company on November 15, 2023 had closed, following which time the Company deemed reasonable under the circumstances to close the Offering on an expeditious manner. The Company will file a material change report within 10 days following the date hereof, which will contain all prescribed disclosure relating to this related party transaction in connection with the Offering.

Further Information

For additional information, please contact:

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