



NEWS RELEASE
CGX ENERGY INC.
(TSX-V | OYL)
October 20, 2021

**CGX ENERGY INC. PROVIDES OPERATIONAL UPDATE AND NOTICE OF
VIRTUAL PRESENTATION ON GUYANA-SURINAME BASIN, OFFSHORE
CORENTYNE BLOCK AND KAWA-1 OBJECTIVES**

Toronto, Canada, October 20, 2021 - CGX Energy Inc. (TSXV: OYL) (“CGX”) today announced that CGX and Frontera Energy Corporation (TSX: FEC) (“Frontera”), the majority shareholder of CGX and joint venture partner in the Petroleum Prospecting Licenses for the Corentyne and Demerara blocks offshore Guyana (the “**Joint Venture**”) will deliver an informational virtual presentation on the Guyana-Suriname basin, the offshore Corentyne block and the Kawa-1 well objectives. Senior technical members will host the virtual presentation on October 22, 2021 from 10:00 - 11:00 am EST. The objective of the virtual presentation is to share information about recent basin activity, geological modeling and drilling objectives. No current Kawa-1 drilling status updates will be provided at the time of the presentation. Participants can submit questions in advance to info@cgxenergy.com or ir@fronteraenergy.ca. Questions may also be submitted during the informational presentation. The Joint Venture cordially invites all shareholders, stakeholders and investors to attend the virtual presentation.

To participate in the informational presentation, visit:

<https://fronteraenergy.zoom.us/j/92332438398?pwd=UFN5dzVjL2Vzd1ZGVnY1WGxpUmRpdz09>

Or join by phone (for higher quality, dial a number based on your current location):

Colombia: +57 1 508 7702

Canada: +1 647 558 0588

US: +1 646 876 9923

United Kingdom: +44 131 460 1196

Switzerland: +41 43 210 71 08

Webinar ID: 923 3243 8398

Participant ID: 299787

Passcode: 206664

Drilling Update – Kawa-1

CGX and its Joint Venture partner Frontera commenced drilling operations on the Kawa-1 exploration well in late August 2021, utilizing the Maersk Discoverer - a six generation semi-submersible drilling rig. Operations have proceeded on schedule and the comprehensive planning by the CGX drilling team has resulted in effective contingency planning and a final well plan and design that has allowed the well to progress without a major individual setback to date. At this point, four of five planned casing strings have been landed and cemented in place with two contingency casing strings still available for use if required. Close to 70% of the planned footage has been drilled and the two main geological targets of the Kawa-1 well remain to be drilled, cased

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and evaluated with current expectations on reaching total depth consistent with the previous public disclosure of December 2021.

Kawa -1 Well

Kawa-1 targets are Campanian and Santonian stacked sandstone reservoirs, analogous to the discoveries on Block 58 in Suriname and potential deeper discoveries in the Stabroek block in Guyana. Since 2015, with the discoveries on the Stabroek block in Guyana and more recently with the discoveries on Block 58 in Suriname, exploration in the Guyana and Suriname basins have resulted in over 10 billion barrels of oil equivalent discovered resources to date, as has been publicly disclosed.

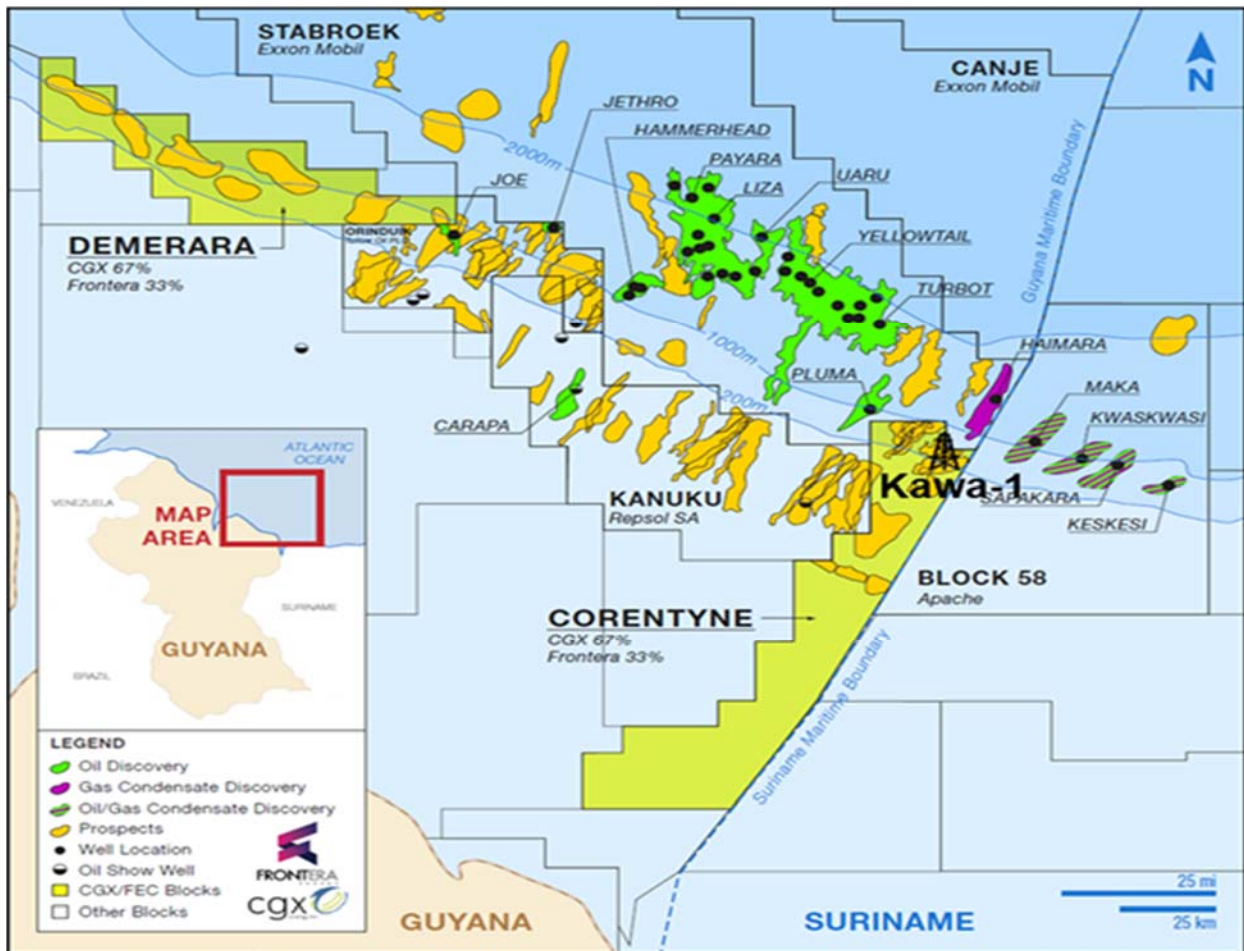


Figure 1- Regional Map of Recent discoveries and relationship to Kawa-1

- There is no certainty that any portion of the resources will be discovered. If discovered, there is no certainty that it will be commercially viable to produce any portion of the resources
- Acreage as of Dec 31, 2020. Block acreage reflects the proposed 25% relinquishment that has been submitted to the Government of Guyana. Final relinquishment details remain subject to government approval

Kawa-1 will test the Easternmost channel/lobe complex on the Northern section of the Corentyne block. The primary target at Kawa is a Santonian age channel/fan, with secondary targets in the Campanian and deeper Santonian. The primary target has the best and brightest amplitudes in the Santonian, and most definitive trap definition.

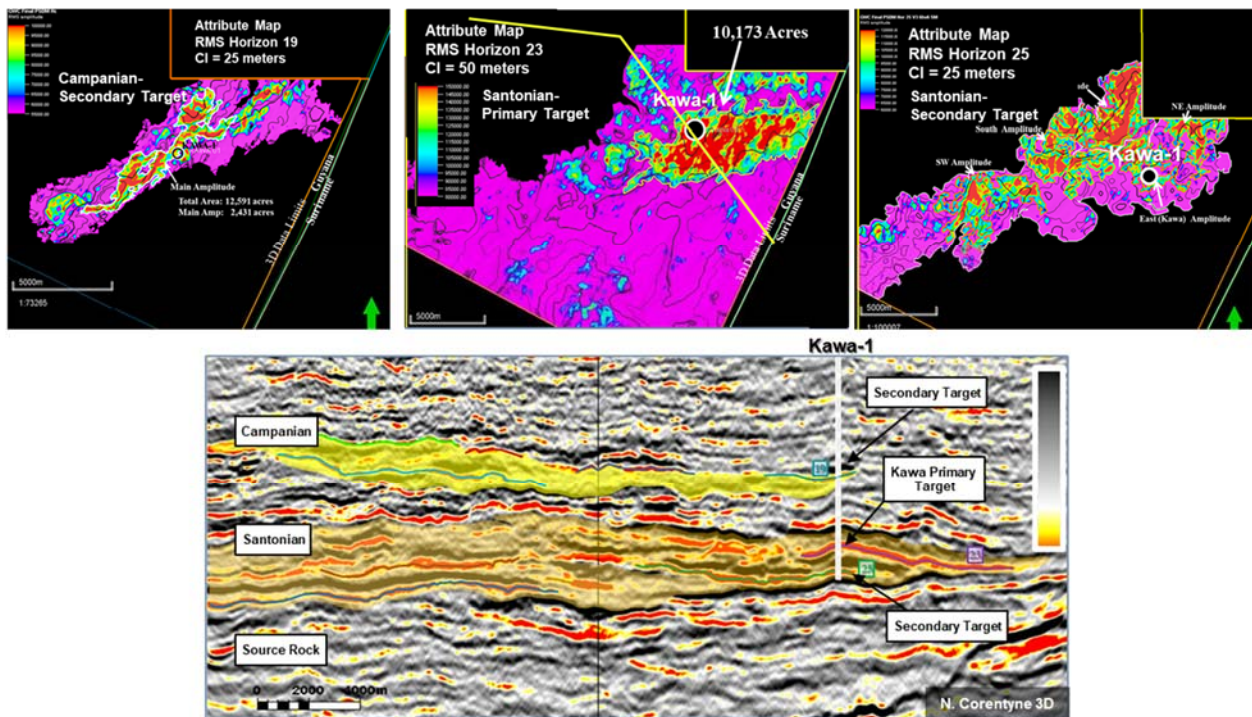


Figure 2- Kawa Seismic and Seismic Amplitudes

Berbice Deep Water Port on Schedule

Construction of the Berbice Deep Water Port (“**BDWP**”) continues to be on schedule; active construction is ongoing on the access road (55% completed), bridge from Corentyne Highway (68% completed), rip rap flood protection (93% completed), extension of electricity infrastructure to the port site (85% completed) and quayside laydown yard (26% completed). Work has commenced on infrastructure to deliver potable water to the port, with all permits and permissions in place. Requests for proposals have been advertised for the wharf platform and access trestle, capital dredging program, design and construction of all gates, buildings and fences, design and construction of firefighting and first aid structures and covered storage areas. Currently, evaluations of submitted proposals for the capital dredging and construction of the wharf platform and access trestle are underway. The Offshore Supply Base (“**OSB**”) portion of the port is expected to be fully operational Q3, 2022, with the Multi-Purpose Terminal, servicing agricultural, general, and containerized cargos being fully operational at the end of Q4, 2023.



Figure 3: Berbice Deep Water Port

About CGX

CGX is a Canadian-based oil and gas exploration company focused on the exploration of oil in the Guyana-Suriname Basin and the development of a deep water port in the Berbice, Guyana.

NEITHER THE TSX VENTURE EXCHANGE NOR ITS REGULATION SERVICES PROVIDER (AS THAT TERM IS DEFINED IN THE POLICIES OF THE TSX VENTURE EXCHANGE) ACCEPTS RESPONSIBILITY FOR THE ADEQUACY OR ACCURACY OF THIS RELEASE.

Cautionary and Forward-Looking Statements:

This news release contains estimates of completion of various activities. Such estimates are made using the information available to CGX. CGX believes these estimates are reasonable based on its information, but actual completion may be slightly different. The estimates of completion are based on achieving a target or completing a specific task and are not necessarily reflective of the passage of time estimated to complete. This news release also contains forward-looking statements. All statements, other than statements of historical fact, that address activities, events or developments that CGX believes, expect or anticipates will or may occur in the future (including, without limitation, statements regarding exploration and development plans and objectives with regards to the Kawa-1 well, including drilling plans, and the development of the BDWP and its future usage, including the OSB) are forward-looking statements. These forward-looking statements reflect the current expectations or beliefs of CGX, as the case may be, based on information currently available to them. Forward-looking statements are subject to a number of risks and uncertainties that may cause actual results to differ materially from those discussed in the forward-looking statements, and even if such actual results are realized or substantially

realized, there can be no assurance that they will have the expected consequences to, or effects on, the Company. Factors that could cause actual results or events to differ materially from current expectations include, among other things: the need to obtain any required regulatory approval; the ability of the Joint Venture to successfully explore and develop the offshore blocks, and to fund such exploration and development and the impact thereof of unforeseen costs and expenses; changes in equity and debt markets; perceptions of the prospects and the prospects of the oil and gas industry in the countries where the Company operates or has investments; and the other risks disclosed under the heading “Risk Factors” and elsewhere in the Company’s annual information form dated May 5, 2021 filed on SEDAR at www.sedar.com. Any forward-looking statement speaks only as of the date on which it is made and, except as may be required by applicable securities laws, CGX disclaims any intent or obligation to update any forward-looking statement, whether as a result of new information, future events or results or otherwise. Although CGX believes that the assumptions inherent in the cautionary and forward-looking statements applicable to it are reasonable, forward-looking statements are not guarantees of future performance and accordingly undue reliance should not be put on such statements due to the inherent uncertainty therein.

For further information, please contact: Tralisa Maraj, Chief Financial Officer at (832) 300-3200.