



NEWS RELEASE
CGX ENERGY INC.
(TSX-V | OYL)
March 4, 2022

CGX Energy Provides Operational Update

Toronto, Canada, March 4, 2022 - CGX Energy Inc. (“CGX” or the “Company”) today provided additional details about the findings from the independent laboratory that analyzed the Kawa-1 well samples of cuttings from the four pay intervals in the Santonian mentioned in their March 2, 2022 press release. Kawa-1 was a first stage exploration well intended to identify the presence of hydrocarbons, which occurred. The well was then decommissioned by way of safely plugging and abandoning it, a standard practice and planned event. The Kawa-1 well was never intended to be kept active following completion of the successful drilling campaign.

The summary of the cuttings analysis, where the Company stated in its March 2, 2022 press release that “preliminary results from the Santonian interval indicate the presence of liquid hydrocarbons in the reservoir,” was based on the following findings from the independent laboratory:

- Cuttings samples from twelve reservoir zones in the Kawa-1 well are being analyzed with a variety of geochemical methods to evaluate in situ hydrocarbons. Preliminary data from four pay intervals in the Santonian show consistent fingerprints which provide confidence in the interpretation and mitigate mud contaminants by overcoming the presence of Synthetic Oil Based Mud (SOBM) in the cuttings. A technique called Low Temperature Hydrous Pyrolysis (LTHP) was utilized to analyze the cuttings to preserve volatile hydrocarbons.
- High Resolution Gas Chromatography (HRGC) analysis of the LTHP mobilized hydrocarbons demonstrate the reproducible presence of light hydrocarbons (C₄-C₁₂). Distinctive molecular ratios in these light hydrocarbons indicate that these Santonian reservoirs likely contain a light oil, consistent with fluorescence analysis of cuttings during drilling. These results are supported by analysis of solvent-extracted samples from the cuttings, which contain biomarkers that show characteristic patterns consistent with a Cretaceous Santonian source.
- Measured ratios of Dibenzothiophene/Phenanthrene aromatics from the samples are low (<0.15), in line with low sulfur content and a marine shale source. Further geochemical investigation of samples taken from the Santonian, Campanian and Maastrichtian intervals continue and will be communicated when fully analyzed.

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.

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Cautionary and Forward-Looking Statements:

This news release contains forward-looking statements within the meaning of Canadian securities laws. All statements, other than statements of historical fact, that address activities, events or developments that CGX believes, expects 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 or Wei-1 wells) are forward-looking statements. These forward-looking statements reflect the current expectations or beliefs of CGX based on information currently available to it. 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 of Frontera Energy Corporation and CGX to successfully explore and develop offshore blocks, and to fund 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.

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