



**NEWS RELEASE
CGX ENERGY INC.
(TSX-V | OYL)
August 09, 2022**

CGX Energy Announces Filing of Second Quarter Financial Statements

Toronto, Canada, August 09, 2022 - CGX Energy Inc. (“CGX” or the “Company”) announced today the release of its unaudited Consolidated Financial Statements for the second quarter of 2022, together with its Management, Discussion and Analysis - Quarterly Highlights (the “**Financial Disclosures**”). These Financial Disclosures will be posted on the Company’s website at www.cgxenergy.com and on SEDAR at www.sedar.com. All values in the Financial Disclosures are in United States dollars unless otherwise stated.

Company Highlights:

Kawa-1 Well

On May 9, 2022, Frontera Energy Corporation (“**Frontera**”) and CGX, joint venture partners (the “**Joint Venture**”) in the Petroleum Prospecting License for the Corentyne block, offshore Guyana, announced the discovery of 228 feet (69 metres) of net pay across the Maastrichtian, Campanian, Santonian and Coniacian horizons at the Kawa-1 exploration well, offshore Guyana. Third-party analyses indicated the presence of light oil in the Santonian and Coniacian, and gas condensate in the Maastrichtian and Campanian. The findings are consistent with discoveries reported by other Operators adjacent to the Corentyne block and further de-risks equivalent oil targets anticipated at the Wei-1 exploration well.

Wei-1 Exploration Well

Final preparations are underway in advance of spudding the Joint Venture's second exploration well, Wei-1, in October 2022, subject to rig release from a third-party operator. The Wei-1 exploration well will be located approximately 14 kilometres northwest of the Kawa-1 exploration well in the Corentyne block, approximately 200 kilometres offshore from Georgetown, Guyana. The Wei-1 exploration well will be drilled in water depth of approximately 1,912 feet (583 metres) to an anticipated total depth of 20,500 (6,248 metres) and will target Campanian and Santonian aged stacked channels in a western channel complex in the northern section of the Corentyne block.

Demerara

During the quarter, CGX and Frontera announced that they had reached an agreement in principle with the Government of Guyana to allow for the relinquishment of the Demerara block through a mutual termination agreement, the terms of which remain to be defined and documented. Such termination agreement will allow relinquishment of the Demerara block in a timely manner, allowing the people of Guyana to benefit from exploration activities under the stewardship of interested parties.

Berbice

During the quarter, CGX also announced that they had reached an agreement in principle with the Government of Guyana to allow for the relinquishment of the Berbice block through a mutual termination agreement, the terms of which remain to be defined and documented. Such termination agreement will allow relinquishment of the Berbice block in a timely manner, allowing the people of Guyana to benefit from exploration activities under the stewardship of interested parties.

Berbice Deep Water Port

CGX continues to advance the Berbice Deep Water Port (“**BDWP**”) project. The BDWP facility intends to serve as an offshore supply base for the Oil and Gas industry and as a multi-purpose terminal cargo handling base to service agricultural import/export, containerized and specialized cargo. The BDWP aims to enable provisioning of operators and vendors in territorial waters of both Guyana and Suriname. An access bridge from Corentyne Highway, rehabilitation of access road, construction of the laydown yard, construction of the Sea Defense Rip Rap, extension of electricity infrastructure to the port site and delivery of potable water to the port have all been completed. Requests for proposals were received for the wharf platform and access trestle, capital dredging program, design and construction of all gates, buildings, design and construction of firefighting and first aid structures and covered storage areas. Evaluations of submitted proposals for the capital dredging and construction of the wharf platform and access trestle were completed and a local contractor selected. The successful bid incorporates an update to the design of the wharf and trestle to realize cost efficiencies. As a result of certain delays, the Company believes it is unlikely that the offshore supply base of the port will be fully operational in Q4, 2022 as previously envisioned. A revised schedule for completion of the offshore supply base of the port is being discussed with the contractor and the Company anticipates providing an updated timeline to shareholders and stakeholders in due course.

Farm-In Transaction

On July 22, 2022, CGX and Frontera announced that the companies had entered into an agreement to amend the Joint Operating Agreement originally signed between CGX and a subsidiary of Frontera on January 30, 2019, as amended (the “**JOA Amendment**”), effectively farming into the Corentyne block and securing funding for the Wei-1 exploration well. As a result of the JOA Amendment, CGX will have a 32.00% participating interest and Frontera will have a 68.00% participating interest in the Corentyne block. The JOA Amendment remains subject to certain conditions precedent, including approval of the TSX Venture Exchange and certain confirmations from the Government of Guyana relating to the petroleum agreement for the Corentyne block.

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 Berbice, Guyana.

NEITHER THE TORONTO STOCK EXCHANGE, TSX VENTURE EXCHANGE NOR THEIR REGULATION SERVICES PROVIDERS (AS THAT TERM IS DEFINED IN THE POLICIES OF THE TORONTO STOCK EXCHANGE AND TSX VENTURE EXCHANGE) ACCEPTS RESPONSIBILITY FOR THE ADEQUACY OR ACCURACY OF THIS RELEASE

Cautionary and Forward-Looking Statements:

This news release contains forward-looking statements. 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 or the BDWP) 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 approvals; the ability of the Frontera and CGX joint venture 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.

For further information: Please contact Todd Durkee, Vice President, Development, CGX, (832) 300-3200, www.cgxenergy.com