

Canadian Overseas Petroleum Operations Update

Calgary, Canada, London, United Kingdom; September 24, 2020 - Canadian Overseas Petroleum Limited ("COPL" or the "Company") (**XOP**: CSE) & (**COPL**: LSE), an international oil and gas exploration and development company focused on sub-Saharan Africa, today announces that further to the announcement of its second quarter results on 15th September 2020, COPL is giving an update on its drilling licence extension for OPL 226.

On 4th August 2020, the Company announced that shareholders of the Nigerian Affiliate had executed definitive agreements to resolve their disputes. Completion of this agreement is subject to the Nigerian National Petroleum Corporation ("NNPC") granting an extension of the exploration period under the OPL 226 PSC beyond 30th September 2020. The Nigerian Affiliate applied for this extension in early June 2020 and has subsequently held a number of constructive meetings with the NNPC post application.

COPL is confident that it will receive confirmation of its exploration licence extension during Q4 2020. No notice of termination has been received by COPL's Nigerian Affiliate, which under the terms of the PSC would need to be issued sixty days before the 30th September 2020 expiry date. The two previous extensions to the drilling license at OPL 226 were received by the Nigerian Affiliate post the previous expiration dates.

COPL understands that COVID-19 restrictions are creating delays within the NNPC. Once COPL's Nigerian Affiliate has received formal confirmation of PSC extension and its terms, the Affiliate will set out its forward operation schedule. The Company will continue to keep the market up to date with its progress.

Arthur Millholland, President and CEO, commented:

"We understand that the length of time that has passed since the process for the extension of the OPL 226 PSC started has caused concern among some shareholders and market participants. The COVID-19 situation has caused most governments globally to react to protect their organs of government as well as their citizens through restrictions on meetings or gatherings to air travel. This is true for Canada and the United Kingdom as well as for Nigeria. To date we have only had constructive conversations with NNPC, so we believe this delay is due to COVID-19 bureaucracy pressures. Our Company, through ShoreCan and the other shareholder of the Nigerian Affiliate, continues to be confident in the process and its outcome."

The Common Shares are listed under the symbol "**XOP**" on the CSE and under the symbol "**COPL**" on the London Stock Exchange.

About the Company:

The Company is actively pursuing opportunities in Nigeria and sub-Saharan Africa in partnership with Shoreline Energy International Limited ("Shoreline") as part of its strategy to generate stable cash flow from secure offshore and onshore assets. The Company and Shoreline, through their jointly held affiliated company Shoreline Canadian Overseas Petroleum Development Corporation ("ShoreCan"), currently hold 80% of the share capital and have taken over the management of Essar Exploration and Production Limited (Nigeria) ("Nigerian Affiliate" or the "Affiliate"). On August 4, 2020 the Company announced that the shareholders of the Nigerian Affiliate had executed definitive agreements to resolve their disputes. Completion is ongoing, and when completed ShoreCan's shareholding in the Affiliate will change in accordance to the terms outlined in the Press Release. The Affiliate holds an attractive oil appraisal and development project in shallow to mid-water offshore Nigeria on its 100% holding in OPL 226. In other ventures, ShoreCan has been indicatively awarded an exploration license onshore Mozambique in the 5th Licensing Round adjacent to the producing Pande-Temane Gas and light oil field complex.

For further information, please contact:

Mr. Arthur Millholland, President & CEO

Canadian Overseas Petroleum Limited

Tel: + 1 (403) 262 5441

Cathy Hume

CHF Investor Relations

Tel: +1 (416) 868 1079 ext. 231

Email: cathy@chfir.com

Charles Goodwin

Yellow Jersey PR Limited

Tel: +44 (0) 77 4778 8221

Email: copl@yellowjerseypr.com

This news release contains forward-looking statements. The use of any of the words "initial", "scheduled", "can", "will", "prior to", "estimate", "anticipate", "believe", "should", "forecast", "future", "continue", "may", "expect", and similar expressions are intended to identify forward-looking statements. The forward-looking statements contained herein are based on certain key expectations and assumptions made by the Company, including, but not limited to, the ability to raise the necessary funding for operations, delays or changes in plans with respect to exploration or development projects or capital expenditures. Although the Company believes that the expectations and assumptions on which the forward-looking statements are based are reasonable, undue reliance should not be placed on the forward-looking statements since the Company can give no assurance that they will prove to be correct since forward-looking statements address future events and conditions, by their very nature they involve inherent risks and uncertainties most of which are beyond the control of Canadian Overseas Petroleum Ltd. For example, the uncertainty of reserve estimates, the uncertainty of estimates and projections relating to production, cost overruns, health and safety issues, political and environmental risks, commodity price

and exchange rate fluctuations, changes in legislation affecting the oil and gas industry could cause actual results to vary materially from those expressed or implied by the forward-looking information. Forward-looking statements contained in this news release are made as of the date hereof and Canadian Overseas Petroleum 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.

Neither the CSE nor its regulation services provider accepts responsibility for the adequacy or accuracy of this release.