



**CANASIA ENERGY CORP.**  
**2023 Third Quarter Financial & Operating Results**

**Press Release**

**CALGARY, November 16, 2023**

CanAsia Energy Corp. (“CanAsia” or the “Company”) (CEC – TSXV) reports 2023 third quarter consolidated financial and operating results.

The Company is today filing its unaudited consolidated financial statements as at and for the nine months ended September 30, 2023 and related management’s discussion and analysis with Canadian securities regulatory authorities. Copies of these documents may be obtained online at [www.sedar.com](http://www.sedar.com) or the Company’s website, [www.canasiacorp.com](http://www.canasiacorp.com).

Commenting today on CanAsia’s 2023 third quarter results, President and CEO Jeff Chisholm stated: “The Company took steps in 2023 to increase the value of Andora’s Sawn Lake SAGD demonstration project. Andora’s minority shareholders were bought out for cash, resulting in 100% ownership of Andora by CanAsia. Efforts were also made to deal with Andora’s defaulting 25% partner in the Sawn Lake project. It is anticipated that Sawn Lake partner matters will be resolved by end of Q2 2024, allowing the Company to move forward to maximize the value of its Sawn Lake interest. The Company also fulfilled in 2023 various post-closing obligations to the purchaser under an August 2022 transaction that resulted in the sale of Pan Orient Energy Corp. and transfer to the Company of Pan Orient’s non-Thailand business. Looking forward to 2024, the Company is aware that the Government of Thailand approved an onshore licensing round as indicated in the Royal Gazette. An announcement regarding the commencement of the licensing round is anticipated no later than Q1 2024. The Company is currently negotiating a joint bid and study agreement with other parties. The Company is confident that the necessary steps to create a stable growth platform, and maximize present and future shareholder value, will be in place in early to mid-2024.”

**HIGHLIGHTS**

- CanAsia had working capital totaling \$2.1 million, no long-term debt and shareholders’ equity of \$1.4 million at September 30, 2023.
- Common shares outstanding were 49.8 million at November 14, 2023 and September 30, 2023.
- Net loss attributable to common shareholders for the third quarter of 2023 was \$0.2 million (\$0.00 per share) compared to \$0.7 million (\$0.01 per share) in the second quarter. Cash flow used in operations for the third quarter of 2023 was \$0.5 million (\$0.01 per share) compared to \$1.1 million (\$0.02 per share) in the second quarter.
- General and administrative expense in the third quarter of 2023 was \$551 thousand compared to \$480 thousand in the second quarter, comprised primarily of expenses related to personnel and premises, external services, and public company costs.
  - Personnel and premises costs in the third quarter of 2023 were \$180 thousand compared to \$171 thousand in the second quarter. These costs include salaries and benefits for employees, and fees incurred for consultants and contractors. They also include rent and other office costs related to the Company’s Calgary office.
  - External services costs in the third quarter of 2023 were \$225 thousand compared to \$177 thousand in the second quarter, mainly related to professional fees for legal, audit and tax services. The increase is mainly due to legal fees incurred for the enforcement actions against Andora Energy Corporation’s (“Andora”) 25% working interest Sawn Lake partners and winding up costs of these subsidiaries of Pan Orient Energy Holdings Ltd. (“POEH”).
  - Public company costs of \$88 thousand in the third quarter of 2023 compared to \$75 thousand in the second quarter were incurred for maintaining the Company’s status as a public company.
- Operating expenses in the third quarter of 2023 were \$110 thousand compared to \$145 thousand in the second quarter. These were incurred to safeguard and maintain the assets of Andora’s suspended Steam Assisted Gravity Drainage project facility and wellpair at Sawn Lake Central.
- The natural gas pipeline tariff agreement which was entered into between Andora and a third party in 2018 with a commencement date of June 1, 2023 is considered an onerous contract as of March 31, 2023 under IAS 37 since the operation at Sawn Lake is shut-in. The Company has recognized a provision of \$1.0 million representing the net cost of fulfilling the contract.

- The current portion of the decommissioning provision of \$0.7 million as at September 30, 2023 relates to the legacy subsidiaries of POEH which had held interests in the East Jabung Production Sharing Contract (“PSC”) in Indonesia and a well pertaining to Andora’s interests in Sawn Lake, Alberta. CanAsia is withdrawing from activities in Indonesia and decommissioning related costs are expensed when incurred. During the third quarter of 2023, the Company revised its estimate of the decommissioning provision at the Jambi PSC resulting in a \$0.3 million reduction to the current decommissioning provision during the quarter. The non-current portion of the decommissioning provision of \$1.3 million as at September 30, 2023 pertained to Andora’s interests in Sawn Lake, Alberta.

## **OUTLOOK**

The Company took steps in 2023 to increase the value of Andora’s Sawn Lake SAGD demonstration project. Andora’s minority shareholders were bought out for cash, resulting in 100% ownership of Andora by CanAsia. Efforts were also made to deal with Andora’s defaulting 25% partner in the Sawn Lake project. It is anticipated that Sawn Lake partner matters will be resolved by end of Q2 2024, allowing the Company to move forward to maximize the value of its Sawn Lake interest. The Company also fulfilled in 2023 various post-closing obligations to the purchaser under an August 2022 transaction that resulted in the sale of Pan Orient Energy Corp. and transfer to the Company of Pan Orient’s non-Thailand business. Looking forward to 2024, the Company is aware that the Government of Thailand approved an onshore licensing round as indicated in the Royal Gazette. An announcement regarding the commencement of the licensing round is anticipated no later than Q1 2024. The Company is currently negotiating a joint bid and study agreement with other parties. The Company is confident that the necessary steps to create a stable growth platform, and maximize present and future shareholder value, will be in place in early to mid-2024.

## Financial and Operating Results

	Three months ended September 30, 2023		Nine months ended September 30, 2023		Period from May 27, 2022 to September 30, 2022 <sup>(1)</sup>
<i>(\$000s of Canadian dollars except where indicated)</i>					
<b>FINANCIAL</b>					
<b>Financial Statement Results</b>					
Net income (loss) attributable to common shareholders <sup>(2)</sup>	<b>(168)</b>	55	<b>(2,109)</b>		55
Per share – basic and diluted	<b>\$ (0.00)</b>	\$ 0.00	<b>\$ (0.04)</b>		\$ 0.00
Cash flow used in operating activities <sup>(3)</sup>	<b>(481)</b>	(103)	<b>(1,618)</b>		(103)
Per share – basic and diluted	<b>\$ (0.01)</b>	\$ (0.00)	<b>\$ (0.03)</b>		\$ (0.00)
Cash flow used in investing activities <sup>(3)</sup>	<b>(1)</b>	-	<b>(1,592)</b>		-
Per share – basic and diluted	<b>\$ (0.00)</b>	-	<b>\$ (0.03)</b>		-
Cash flow from (used in) financing activities <sup>(3)</sup>	<b>(2)</b>	9,319	<b>(14)</b>		9,319
Per share – basic and diluted	<b>\$ (0.00)</b>	\$ 0.19	<b>\$ (0.00)</b>		\$ 0.19
Working capital	<b>2,095</b>	6,083	<b>2,095</b>		6,083
Shareholders' equity <sup>(4)</sup>	<b>1,396</b>	5,835	<b>1,396</b>		5,835
Shares outstanding (000s)	<b>49,794</b>	49,794	<b>49,794</b>		49,794
General and administrative expense <sup>(2)</sup>	<b>(551)</b>	(217)	<b>(1,560)</b>		(217)
Operating expense <sup>(2)</sup>	<b>(110)</b>	(36)	<b>(345)</b>		(36)
Natural gas pipeline tariff provision <sup>(2)</sup>	<b>15</b>	-	<b>(886)</b>		-
Stock-based compensation <sup>(2)</sup>	<b>(28)</b>	(3)	<b>(95)</b>		(3)
Amortization <sup>(2)</sup>	<b>(16)</b>	(4)	<b>(48)</b>		(4)
Decommissioning recovery <sup>(2)</sup>	<b>417</b>	73	<b>410</b>		73
Gain on sale of equipment <sup>(2)</sup>	-	-	<b>100</b>		-
Finance income <sup>(2)</sup>	<b>67</b>	7	<b>223</b>		7
Foreign exchange gain <sup>(2)</sup>	<b>38</b>	308	<b>43</b>		308
Deferred income tax recovery (expense) <sup>(2)</sup>	-	(90)	<b>22</b>		(90)
Net loss attributable to non-controlling interest in Andora <sup>(2)</sup>	-	17	<b>27</b>		17
Net income (loss) attributable to common shareholders <sup>(2)</sup>	<b>(168)</b>	55	<b>(2,109)</b>		55

(1) The Company was incorporated on May 27, 2022 but did not commence active operations until August 25, 2022.

(2) As set out in the Consolidated Statement of Operations and Comprehensive Loss in CanAsia's Consolidated Financial Statements.

(3) As set out in the Consolidated Statement of Cash Flows in CanAsia's Consolidated Financial Statements.

(4) As set out in the Consolidated Statement of Changes in Shareholders' Equity in CanAsia's Consolidated Financial Statements.

## Cautionary Statements

This press release may contain forward-looking information. Forward-looking information is generally identifiable by the terminology used, such as "will", "expect", "believe", "estimate", "should", "anticipate", "potential", "opportunity" or other similar wording. Forward-looking information in this press release may include, but is not limited to, the strength of the Company's financial position; the need for and availability of additional capital; plans for development of the Sawn Lake heavy oil project; and the anticipated onshore Thailand oil and gas licensing round.

By its very nature, forward-looking information requires CanAsia and its management to make assumptions that may not materialize or that may not be accurate. In addition, forward-looking information is subject to known and unknown risks and uncertainties and other factors, some of which are beyond the control of CanAsia, which could cause actual events, results, expectations, achievements or performance to differ materially. Although CanAsia believes that the expectations reflected in its forward-looking information are reasonable, it can give no assurances that those expectations will prove to be correct. CanAsia undertakes no obligation to update publicly or revise any forward-looking information, whether as a result of new information, future events or otherwise, except as required by applicable securities laws.

Neither 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.

**FOR FURTHER INFORMATION, PLEASE CONTACT:**

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