



CANASIA ENERGY CORP.
2024 Third Quarter Financial & Operating Results

Press Release

CALGARY, November 14, 2024

CanAsia Energy Corp. ("CanAsia" or the "Company") (CEC – TSXV) reports 2024 third quarter consolidated financial and operating results.

The Company is today filing its unaudited consolidated financial statements ("financial statements") as at and for the nine months ended September 30, 2024 and related management's discussion and analysis ("MD&A") with Canadian securities regulatory authorities. Copies of these documents may be obtained online at www.sedarplus.com or the Company's website, www.canasiacorp.com.

Commenting today on CanAsia's 2024 third quarter results, President and CEO Jeff Chisholm stated: "The consolidation of the interest in Sawn Lake has now been completed and the Company's focus has shifted to pursuing an outright sale of the asset, or farmout whereby all, or a substantial portion, of the required go-forward capital would be covered by a potential farminee. We are encouraged by the initial interest that has been shown by interested parties in the Sawn Lake asset and are hopeful that oil prices provide a window over the first half of 2025 conducive to a transaction. Monetization of Sawn Lake, in some form, will be the focus of activity over the foreseeable future. In Thailand, we are seeing increased Government of Thailand activities related to settlement of the Thailand – Cambodia maritime boundary and expect an update on the proposed onshore oil and gas concession bid round prior to year end."

HIGHLIGHTS

- CanAsia had working capital totaling \$3.8 million, no long-term debt and shareholders' equity of \$8.5 million at September 30, 2024.
- Common shares outstanding were 112.8 million at November 12, 2024 and at September 30, 2024.
- In May 2024, Andora acquired certain assets pursuant to Court approved receivership proceedings for a purchase price equal to \$2.0 million (which included the assumption of various obligations). The net consideration paid was approximately \$1.3 million. The assets included a 25% working interest in various heavy oil sands leases in Sawn Lake, within the central Alberta Peace River Oil Sands region. Following the acquisition, Andora's working interest in the Sawn Lake Central block increased from 75% to 100%.
- The acquisition was accounted for as an asset acquisition and the Exploration and Evaluation ("E&E") assets acquired were recorded in the financial statements at \$1.4 million. Management of CanAsia has determined that the amount of \$1.4 million represents the fair value of the 25% Sawn Lake working interest acquired by Andora. As a result, the Company has partially reversed an impairment of E&E assets previously recorded in March 2020 by an amount of \$4.2 million, to reflect the current carrying value of the remaining 75% Sawn Lake working interest already owned by Andora prior to the Acquisition. The carrying value of the E&E assets was \$5.8 million at September 30, 2024.

As at September 30, 2024, Andora's Sawn Lake Project is considered to be in its evaluation stage. Recoverability of the Company's investment in the E&E assets is dependent on determining the technical feasibility of the project, obtaining additional financing, and successfully completing the development of the project. Capitalized costs incurred to date do not necessarily represent present or future values.

- On January 16, 2024, the Company completed a brokered private placement financing for gross proceeds of \$1.258 million comprised of 12,580,000 common shares at a price of \$0.10 per common share. In connection with the brokered private placement, the Company recorded \$118 thousand in share issue costs, comprised of \$116 thousand in commission and fees and the estimated fair value of \$2 thousand associated with 24,600 broker warrants issued to the broker. Each broker warrant is exercisable for common shares at a price of \$0.10 per common share for a period of two years from the issue date.

- On December 21, 2023, the Company completed a brokered private placement financing for gross proceeds of \$5.042 million comprised of 50,420,000 common shares at a price of \$0.10 per common share. In connection with the Private Placement, the Company recorded \$533 thousand in share issue costs, comprised of \$416 thousand in commission and fees and the estimated fair value of \$117 thousand associated with 1,825,200 broker warrants issued to the broker. Each broker warrant is exercisable for common shares at a price of \$0.10 per common share for a period of two years from the issue date.
- Net loss attributable to common shareholders in the third quarter of 2024 was \$0.7 million (\$0.01 per share) compared to \$0.2 million (\$0.00 per share) in the third quarter of 2023.
- Cash flow used in operations in the third quarter of 2024 was \$0.6 million (\$0.00 per share) compared to \$0.5 million (\$0.01 per share) in the third quarter of 2023.
- During the third quarter of 2024, the Company granted options to an employee to purchase an aggregate of 0.2 million common shares under CanAsia's equity incentive plan.
- General and administrative expense in the third quarter of 2024 was \$0.5 million compared to \$0.6 million in the third quarter of 2023. General and administrative expense is comprised primarily of expenses related to personnel and premises, external services, and public company costs. The decrease was mainly due to lower legal fees and engineering costs.
- Operating expenses was \$0.1 million in the third quarter of 2024 and 2023. These expenses were incurred to safeguard and maintain the assets of Andora's suspended SAGD project facility and wellpair at Sawn Lake Central.
- The current portion of the decommissioning provision of \$0.6 million as at September 30, 2024 relates to the legacy subsidiaries of POEH which had held interests in the East Jabung Production Sharing Contract 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. The non-current portion of the decommissioning provision of \$1.8 million as at September 30, 2024 pertained to Andora's interests in Sawn Lake, Alberta.
- An impairment recovery of \$4.2 million recorded in second quarter of 2024 was related to partial impairment reversal with respect to a 75% Sawn Lake working interest owned by Andora, as discussed above.

OUTLOOK

The consolidation of the interest in Sawn Lake has now been completed and the Company's focus has shifted to pursuing an outright sale of the asset, or farmout whereby all, or a substantial portion, of the required go-forward capital would be covered by a potential farminee. It is anticipated that this process will dominate the Company's activity over the next 4 to 6 months, timing somewhat impacted by oil prices. Upon the announcement of the onshore Thailand oil and gas concession bid round, activity will ramp up on this front. An update, or announcement with respect to the Thailand onshore concession bid round, is expected before year end 2024.

Financial and Operating Results

	Three months ended September 30,		Nine months ended September 30,	
<i>(\$000s of Canadian dollars except where indicated)</i>	2024	2023	2024	2023
FINANCIAL				
Financial Statement Results				
Net income (loss) attributable to common shareholders ⁽¹⁾	(711)	(168)	1,952	(2,109)
Per share – basic and diluted	\$ (0.01)	\$ (0.00)	\$ 0.02	\$ (0.04)
Cash flow used in operating activities ⁽²⁾	(554)	(481)	(2,292)	(1,618)
Per share – basic and diluted	\$ 0.00	\$ (0.01)	\$ (0.02)	\$ (0.03)
Cash flow used in investing activities ⁽²⁾	-	(1)	(1,334)	(1,592)
Per share – basic and diluted	\$ 0.00	\$ (0.00)	\$ (0.01)	\$ (0.03)
Cash flow from (used in) financing activities ⁽²⁾	(2)	(2)	1,128	(14)
Per share – basic and diluted	\$ 0.00	\$ (0.00)	\$ 0.01	\$ (0.00)
Working capital	3,786	2,095	3,786	2,095
Shareholders' equity ⁽³⁾	8,515	1,396	8,515	1,396
Weighted average shares outstanding (000s)	112,794	49,794	111,757	49,794
General and administrative expense ⁽¹⁾	(455)	(551)	(1,725)	(1,560)
Operating expense ⁽¹⁾	(141)	(110)	(524)	(345)
Natural gas pipeline tariff recovery (provision) ⁽¹⁾	(14)	15	80	(886)
Stock-based compensation ⁽¹⁾	(155)	(28)	(469)	(95)
Amortization ⁽¹⁾	(15)	(16)	(44)	(48)
Decommissioning recovery (provision) ⁽¹⁾	-	417	47	410
Gain on sale of equipment ⁽¹⁾	-	-	-	100
Impairment recovery ⁽¹⁾	-	-	4,242	-
Finance income ⁽¹⁾	82	67	331	223
Foreign exchange gain (loss) ⁽¹⁾	(13)	38	14	43
Deferred income tax recovery ⁽¹⁾	-	-	-	22
Net loss attributable to non-controlling interest in Andora ⁽¹⁾	-	-	-	27
Net income (loss) attributable to common shareholders ⁽¹⁾	(711)	(168)	1,952	(2,109)

⁽¹⁾ As set out in the Consolidated Statements of Operations and Comprehensive Income (Loss) in CanAsia's Consolidated Financial Statements.

⁽²⁾ As set out in the Consolidated Statements of Cash Flows in CanAsia's Consolidated Financial Statements.

⁽³⁾ As set out in the Consolidated Statements 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; statements with respect to the sale or farmout of the Company's interests in the Sawn Lake heavy oil project, including with respect to go forward capital requirements being covered by a potential farminee, and the expected timing thereof; and the anticipated onshore Thailand oil and gas licensing round, including the expected timing thereof.

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. See "Forward-Looking Statements" in CanAsia's management's discussion and analysis for the nine months ended September 30, 2024 for more information on the assumptions on which the Company has relied and the risks and uncertainties and other factors that could impact the forward-looking information in this press release. 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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