



CANASIA ENERGY CORP.
2025 First Quarter Financial & Operating Results

Press Release

CALGARY, May 15, 2025

CanAsia Energy Corp. ("CanAsia" or the "Company") (CEC – TSXV) reports 2025 first quarter consolidated financial and operating results.

The Company is today filing its unaudited consolidated financial statements as at and for the three months ended March 31, 2025 and related management's discussion and analysis 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 2025 first quarter results, President and CEO Jeff Chisholm stated: "During the first quarter of 2025 and continuing into the second quarter we have been and will continue to be focused on the technical work necessary to evaluate a potential bid in the upcoming onshore Thailand 25th Licensing Round. In the event that CanAsia, together with the consortium that we intend to partner with, determines that there is merit for a strong bid, bids will be due by July 16, 2025."

HIGHLIGHTS

- CanAsia had working capital totaling \$2.3 million, no long-term debt and shareholders' equity of \$7.2 million at March 31, 2025.
- Common shares outstanding were 112.8 million at May 15, 2025 and at December 31, 2024.
- Net loss in the first quarter of 2025 was \$0.7 million (\$0.01 per share) compared to \$0.6 million (\$0.01 per share) in the first quarter of 2024.
- Cash flow used in operations in the first quarter of 2025 was \$1.2 million (\$0.01 per share) compared to \$0.9 million (\$0.01 per share) in the first quarter of 2024. Cash flow used in operations in the first quarter of 2025 was mainly attributable to general and administrative expense of \$0.5 million and operating expense of \$0.2 million to maintain the shut-in facility of Andora Energy Corporation.
- General and administrative expense in the first quarter of 2025 was \$0.5 million compared to \$0.6 million in the first quarter of 2024. General and administrative expense is comprised primarily of expenses related to personnel and premises, external services, and public company costs.
 - Personnel and premises costs were \$0.2 million in the first quarters of 2025 and 2024. These costs include salaries and benefits for employees, and fees incurred for consultants. They also include rent and other office costs related to the Company's Calgary office.
 - External service costs for the first quarter of 2025 were \$0.2 million compared to \$0.3 million in the first quarter of 2024. These costs mainly related to professional fees for legal, audit, tax services, information technology and engineering.
 - Public company costs were \$0.1 million in the first quarters of 2025 and 2024. These costs were incurred for maintaining the Company's status as a public company and mainly related to shareholder reporting and meeting, TSXV fees, transfer agent, insurance and directors' fees.
- Operating expenses in the first quarters of 2025 and 2024 were \$0.2 million. These expenses were incurred to safeguard and maintain the assets of Andora's suspended SAGD 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 was recognized as an onerous contract 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 as at March 31, 2025.
- The current portion of the decommissioning provision of \$0.6 million as at March 31, 2025 was related 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 March 31, 2025 pertained to Andora's interests in Sawn Lake, Alberta.

OUTLOOK

As previously disclosed, the Government of Thailand has formally announced the onshore Thailand 25th Licensing Round on 9 onshore concessions located in the North East and Central plains of Thailand. During the first quarter of 2025 and continuing into the second quarter the Company has been and will continue to be focused on the technical work necessary to evaluate a potential bid in the upcoming licensing round. Bids will be due by July 16, 2025. In the event that the Company, together with the consortium that it is proposing to partner with, with a 30% participating interest, determines that there is merit for a strong bid, bids will be due by July 16, 2025.

The uncertainties related to the recent Canadian federal election and the ongoing trade dispute between Canada and United States, including current and potential tariffs and other measures and the impact thereof on oil and gas prices, impacted the timing of commencement of a process with respect to the potential monetization of Andora Energy Corporation's Sawn Lake heavy oil asset. With some of the political and trade uncertainty now better framed, the Company expects a Sawn Lake monetization process, which may involve the outright sale of the asset, or a farmout whereby all, or a substantial portion of, the required go-forward capital would be covered by a potential farminee, to commence in earnest once commodity prices stabilize at levels higher than they are currently at.

Financial and Operating Results

| (\$000s of Canadian dollars except where indicated) | Three months ended March 31, | |
|--|------------------------------|-----------|
| | 2025 | 2024 |
| FINANCIAL | | |
| Financial Statement Results | | |
| Net loss ⁽¹⁾ | (730) | (601) |
| Per share – basic and diluted | \$ (0.01) | \$ (0.01) |
| Cash flow used in operating activities ⁽²⁾ | (1,175) | (919) |
| Per share – basic and diluted | \$ (0.01) | \$ (0.01) |
| Cash flow from (used in) financing activities ⁽²⁾ | (2) | 1,140 |
| Per share – basic and diluted | \$ (0.00) | \$ 0.01 |
| Working capital | 2,337 | 6,377 |
| Shareholders' equity ⁽³⁾ | 7,218 | 5,502 |
| Weighted average shares outstanding (000s) | 112,794 | 100,720 |
| General and administrative expense ⁽¹⁾ | (484) | (645) |
| Operating expense ⁽¹⁾ | (164) | (185) |
| Natural gas pipeline tariff recovery ⁽¹⁾ | 30 | 71 |
| Stock-based compensation ⁽¹⁾ | (110) | (9) |
| Amortization ⁽¹⁾ | (14) | (14) |
| Decommissioning recovery ⁽¹⁾ | - | 42 |
| Loss on decommissioning provision settlement ⁽¹⁾ | (31) | - |
| Finance income ⁽¹⁾ | 10 | 134 |
| Foreign exchange gain ⁽¹⁾ | 33 | 5 |
| Net loss ⁽¹⁾ | (730) | (601) |

(1) As set out in the Consolidated Statements of Operations and Comprehensive 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 a potential monetization involving Andora's Sawn Lake heavy oil project; and the anticipated onshore Thailand oil and gas licensing round, including the expected timing thereof and the Company's plans to evaluate and submit a potential bid as part of a consortium with a 30% participating interest.

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 three months ended March 31, 2025 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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