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## G2 Energy Provides Update on HEXP Transaction

Vancouver, B.C. August 23, 2022 - **G2 Energy Corp. (CSE:GTOO, FWB:1NZ.F)** (the “Company” or “G2”) announces that pursuant to the news release dated July 7, 2022 in connection with the acquisition of the additional oil and gas properties (the “HEXP Assets”) located in the Permian Basin in Cochran County, Texas (the “Transaction”), the Company signed an amendment to the agreement with the sellers of the HEXP Assets on August 22, 2022 extending the previously announced targeted closing date of August 15, 2022 to October 17, 2022 (the “Closing Date”).

In addition, as consideration for the extension of the Closing Date from August 15, 2022, to October 17, 2022, the Company has agreed to pay the sellers a further US\$200,000 deposit, which is being applied towards the purchase price of the Transaction.

Recap of the HEXP Assets:

The HEXP Assets are situated in the Permian Basin which produces from the prolific San Andres formation. The San Andres formation is a carbonate formation that responds well to acid, fracturing, and horizontal well drilling. The San Andres vertical is refractable as the wells respond well to acid stimulations, potentially doubling production at minimal cash costs.

Overview:

The HEXP Assets consist of five leases comprising 3,876 producing acres located within the vast, billion-barrel Levelland Field in Cochran County, Texas.

Key Attributes:

- 4,826/3,876 gross/net acres • 100% HBP
- 100% Working Interest / 83% Net Revenue Interest
- Current Production - 130 BOPD and 35 MCFD from 54 active wells
- Proved Reserves of 863 MBOE with a PV10 of \$12.5 MM<sup>[1]</sup>
- Current operating cash flow is US\$2.8 MM/year

<sup>[1]</sup> Reserve Commodity Price Assumptions: NYMEX and HH Strip March 2022

On Behalf of the Board,  
**“Slawek Smulewicz”**  
Slawek Smulewicz  
President & CEO



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### **About G2 Energy Corp.**

G2 Energy Corp. is a profitable junior oil and gas producer listed on the CSE exchange. It's primary focus is to acquire and develop additional overlooked, low risk, high return opportunities in the oil and gas sector. G2's strategy is to obtain a portfolio of risk-managed production and development opportunities onshore, U.S.A. In May 2022, G2 acquired the Masten Unit in the Permian Basin, Texas. The Masten Unit is the Company's first producing asset. G2 is targeting top tier projects with operating netbacks and infrastructure facilities which will fast track overall oil and gas production growth.

*The Canadian Securities Exchange has neither approved nor disapproved the information contained herein.*

### **Forward Looking Statements Caution**

*Statements in this press release regarding the Company which are not historical facts are "forward-looking statements" that involve risks and uncertainties. Such information can generally be identified by the use of forwarding-looking wording such as "may", "expect", "estimate", "anticipate", "intend", "believe" and "continue" or the negative thereof or similar variations. Since forward-looking statements address future events and conditions, by their very nature, they involve inherent risks and uncertainties. The Company provides forward-looking statements for the purpose of conveying information about current expectations and plans relating to the future, including expectations for the effects of the change of business of G2 to oil and gas, and readers are cautioned that such statements may not be appropriate for other purposes. By its nature, this information is subject to inherent risks and uncertainties that may be general or specific and which give rise to the possibility that expectations, forecasts, predictions, projections or conclusions may not prove to be accurate, that assumptions may not be correct and that objectives, strategic goals and priorities may not be achieved. These risks and uncertainties include but are not limited those identified and reported in the Company's public filings under the Company's SEDAR profile at [www.sedar.com](http://www.sedar.com). Statements relating to "reserves" are also deemed to be forward-looking statements, as they involve the implied assessment, based on certain estimates and assumptions, that the reserves described exist in the quantities predicted or estimated and that the reserves can be profitably produced in the future. Actual results could differ materially from those currently anticipated due to factors such as: the performance of wells, the availability and performance of facilities and pipelines, the geological characteristics of G2's properties, prevailing weather and break-up conditions, commodity prices, price volatility, price differentials and the actual prices received for the Company's products, royalty regimes and exchange rates, the application of regulatory and licensing requirements, the availability of capital, labour and services, the creditworthiness of industry partners, and G2's ability to acquire additional assets. Although the Company has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking information, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended. There can be no assurance that such information will prove to be accurate as actual results and future events could differ materially.*