



G2 RECEIVES NOTICE FROM CLOUDBREAK

Vancouver, British Columbia – January 20, 2023. G2 Energy Corp. (CSE:GTOO, FWB:UD9) (the "Company" or "G2") announces that it has received a notice of default from Cloudbreak Discovery PLC ("**Cloudbreak**") to the Company and its subsidiary G2 Energy TX1, Inc. ("**G2 TX1**") regarding a default under Cloudbreak's US\$2 million secured debenture (the "**Debenture**") related to default in payment of an interest installment, which was due December 31, 2022, among other alleged defaults. Cloudbreak holds second ranking security over the shares of G2 TX1 held by the Company. G2 TX1 owns the Masten Unit oil and gas producing property located in Texas (the "**Masten Project**").

Cloudbreak also alleged that G2 TX1 breached the Debenture for failure to pay ad valorem taxes on the Masten Project, which is not true because the taxes are not due until January 31, 2023. Other alleged breaches relate to the Company's negative working capital and maximum debt. The Company is in discussions with Cloudbreak regarding an extension of time for the interest payment and other solutions, as well as better communication going forward. To reduce its working capital deficit, Company is seeking to raise capital through an equity or debt private placement.

Management is also in discussions with the sellers of the Masten Project (the "**Sellers**") related to the situation with Cloudbreak and options to prevent unnecessary enlargement of this issue. The Sellers provided G2 TX1 with US \$1.6 million secured loan financing to fund a portion of the purchase price payable for the Masten Project. The Sellers were granted first ranking security over the property and assets comprised in the Masten Project.

On Behalf of the Board,

"Slawek Smulewicz"

Slawek Smulewicz
CEO

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About G2 Energy Corp.

G2 Energy Corp. is a junior oil and gas producer listed on the CSE exchange. Its 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.

G2 Energy Corp.

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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. 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.