



G2 Energy Corp. Implements its Production Enhancement Program (PEP) on its Core Asset in Texas

Vancouver, British Columbia – August 17, 2023. G2 Energy Corp. (CSE:GTOO, FWB:UD9) (the "Company" or "G2") announces today, that it has implemented a Production Enhancement Program (the "PEP") on its core asset in Texas, designed to increase the production of oil and gas.

Overview:

The Masten Unit (the "Unit"), the core producing assets for G2 Energy is located in the Permian Basin in Texas within the billion-barrel Levelland Field. At present, the Unit has 18 active producers, 6 water injectors, and 9 wells shut-in. G2 is now the operator and owns 100% working interest in the wells and facilities in the Unit. Over the next 3 months, G2 will be focused on implementing its PEP.

Masten Unit Production Enhancement Program (PEP):

The PEP is designed to increase the production of oil and gas from the leases and to reduce the operating costs to increase the value proposition of the Unit. G2 has laid out a 5-point plan to enhance the value of the Unit:

1. G2 assumes operatorship of the Masten Unit;
2. Assemble a Texas-based operating team familiar with the Permian Basin;
3. Conduct a well and facility diagnostic and integrity study to identify wells that could /should be producing at higher levels and optimization initiatives in the facilities to reduce costs;
4. Identify and execute a well workover program to return the shut-in wells to production;
5. Identify and execute a well workover program to perforate zones that have never been produced.

The G2 team has been progressing with each aspect of the PEP concurrently. On July 25, 2023, G2 took over the operatorship of the Masten Unit in order to control both the pace of the work program and the capital costs and appointed Oilwell Operators Inc. (the "OOI") to head up the field team. OOI is a highly respected contract operator and is presently operating over 600 wells in the Permian basin.

OOI deployed their team to the Unit and immediately became aware that the wells were not being operated in a manner designed to maximize production resulting in the opportunity to increase production quickly at very little capital costs.

In one case, Well J-16; the previous operator had shut the well in pending the replacement of the flowline at an estimated cost of \$US 22,200. The OOI team recommended that the flowline could be brought back into service at a cost of \$US 1,800 and increase the Unit production by an estimated 16% from the current level. The work on J-16 begins this week and should be on stream within 10 days.

Results to Date:

After only 3 weeks, G2 and OOI have completed basic field maintenance and have returned 8 wells to production, have generated Workover Plan for 3 wells, one being well A-13 which is the Units best producer and is expected to produce 20+ Barrels of Oil Per Day ("BOPD"). At present, the Unit is producing an estimated 38 BOPD and 160,000 Cubic Feet of Gas per Day ("CFD") for a total of 65 Barrels of Oil Equivalent Per Day



(“BOEPD”) [1]. Based on the records from last year, the estimated production from the 3 wells to be brought on-stream immediately is 34 BOPD or an 89% increase from the present oil production of the Unit.

Slawek Smulewicz, CEO, stated “We are very pleased with the new teams’ rapid progress at G2 and our analysis shows that we can continue to increase production while decreasing operating costs in the near-term. The momentum is building, and we will keep the market updated on the results of our Production Enhancement Program.”

[1] NI51-101/5.14(d): “BOEs may be misleading, particularly if used in isolation. A BOE conversion ratio of 6 Mcf: 1bbl is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead.”

On Behalf of the Board
“**Slawek Smulewicz**”
Slawek Smulewicz CEO

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About G2 Energy Corp.

G2 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.

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 regarding the Company’s ability to meet its outstanding obligations, 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 to those identified and reported in the Company’s public filings under the Company’s SEDAR profile at www.sedar.com. The Company’s ability to meet its outstanding obligations could differ materially from those currently anticipated due to factors such as: the performance of facilities and pipelines, commodity prices, price volatility, price differentials and the actual prices received for the Company’s products, royalty regimes and exchange rates, the availability of capital, labour and services,



the creditworthiness of industry partners, G2's ability to acquire additional assets, unexpected increases in operating costs, and risks associated with potential future lawsuits and regulatory actions made against the Company including but not limited to being found in default of the Company's obligations to Cloudbreak. 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.