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VANCOUVER, BRITISH COLUMBIA, CANADA, June 1, 2022 /EINPresswire.com/ -- G2 Technologies Corp. (name change to G2 Energy Corp. is pending) (CSE:GTOO, OTCQB:GTGEF, FWB:1NZ.F) (the "Company" or "G2") is pleased to announce that it has closed the acquisition, through its wholly-owned Texas subsidiary G2 Energy TX1, Inc. ("G2 TX1"), of the Masten Unit (an oil and gas producing field) ("Masten") located in the Permian Basin in Levelland, Texas. The purchase and sale agreement dated December 21, 2021 and amended May 20, 2022 between the sellers of Masten (the "Sellers") and G2 TX1 was first announced by news release dated December 24, 2021. The Masten acquisition will constitute a Change of Business ("COB") pursuant to the policies of the Canadian Securities Exchange (the "CSE").

Masten Project Overview

Willrich Energy Advisors (an independent third party Petroleum Engineering and Geology firm, qualified reserves evaluator) prepared a Reserve Report on Masten, dated effective January 1, 2022 (the "Report") in accordance to National Instrument 51-101 Standards of Disclosure for Oil and Gas Activities. The Report is available for review under the Company's profile on SEDAR www.sedar.com. The technical information and data in this news release have been extracted from the Report.

This appraisal in the Report evaluates G2's Proved Developed Producing (PDP) and Probable Undeveloped (PrUD) reserves.

The table below summarizes G2's net oil and gas reserves and cash flows generated using the requested price deck. Results shown below are presented for your information and should not be construed as our estimate of fair market value. As of January 1, 2022, G2's net total proved and probable reserves have been estimated to be as follows:

Net Reserves as of 01/01/2022

Light and	Natural	Future Net	Present Net Worth	Present Net Worth of
Medium Oil	Gas		FNI (discounted)	FNI Discounted

Reserve Category	(Bbl)	(Mcf)	Income, \$	10%/Annum, \$	15%/Annum, \$
Forecast Price					
Proved Producing					
435,090	566,430	14,301,500	6,495,580	4,884,370	
Total Proved	435,090	566,430	14,301,500	6,495,580	4,884,370
Probable Undeveloped					
283,240	344,740	5,933,180	3,042,590	2,123,970	
Total Probable	283,240	344,740	5,933,180	3,042,590	2,123,970
Total Proved + Probable	718,330	911,170	20,234,680	9,538,170	7,008,340

There is at least 90% probability that the quantities actually recovered will equal or exceed the estimated proved reserves and at least 50% probability that the quantities actually recovered will equal or exceed the sum of the estimated proved plus probable reserves.

Future net income (FNI) is after deducting estimated operating and future development costs, severance, and ad valorem taxes, but before Federal income taxes. Total net Proved and Probable Reserves are defined as those natural gas and hydrocarbon liquid Reserves to G2's interests after deducting all shrinkage, royalties, overriding royalties, and reversionary interests owned by outside parties that become effective upon payout of specified monetary balances. All Reserves estimates have been prepared using standard engineering practices generally accepted by the petroleum industry and conform to those classifications defined in the Canadian Oil and Gas Evaluation Handbook ("COGEH"). All hydrocarbon liquid Reserves are expressed in United States barrels ("Bbl") of 42 gallons. Natural gas Reserves are expressed in thousand standard cubic feet ("Mcf") at the contractual pressure and temperature bases. All monies are expressed in United States dollars.

Jim Tague, Consultant of The Performance Analytics Group offered the following:

"This is an exciting opportunity for G2 to establish operations in a low cost, established field with substantial upside. Results from recent horizontal drilling by adjacent operators have proven that technologies designed to exploit the deeper Permian shale work well in this field's shallower San Andres formation, but at a far lower expense and a higher return on investment. With this acquisition, G2 is now positioned to grow current production and exploit this emerging and profitable San Andres horizontal play - both of which can lead to significant gains in shareholder value."

Slawek Smulewicz, President & CEO commented:

"The acquisition of the Masten Unit is a significant event for G2 as oil remains trading at multi year highs and inventories are at multi year lows, demand is back to Pre COVID level and there is constrained supply growth in the coming years. The G2 Energy team anticipates 2022 to be a milestone year for the company. Its first oil and gas asset acquired from the proceeds of this

financing is currently producing 80 BOPD and is primed for growth. The team at G2 Energy is ready to execute and unlock the economic potential in the Masten Unit and begin working on the next transaction immediately."

Terms of Purchase of Masten

USD\$4,000,000 was the total upfront cash acquisition cost (the "Purchase Price") for Masten, of which USD\$400,000 was paid in cash by G2 and at total USD\$3,600,000 was financed through a secure loan from the Sellers and a secured convertible debenture from an arm's length party (see below for details).

Within 90 days after the closing date, G2 is also obligated to issue to the Sellers USD\$300,000 worth of G2's common shares at a price of the greater of: (i) USD\$0.25 (CAD\$0.32) per common share, and (ii) the closing market price of G2's common shares on the CSE on the trading day prior to the date of issuance of the shares, subject to regulatory approval, if required.

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