



G2 Technologies Signs Term Sheet with Caltron Oil

March 29, 2021 (Vancouver, BC): G2 Technologies Corp. (CSE:GTOO, OTCQB:GTGEF, FWB:1NZ.F) (the “Company” or “G2”) announces today that further to its news releases dated November 4, 2020, December 30, 2020, February 4, 2021, and March 3, 2021, it has signed a binding term sheet (the “Term Sheet”) with Caltron Oil Pty Ltd. of Southbank, Australia (“Caltron”).

Under the Term Sheet, G2 and Caltron (the “Parties”) have agreed to jointly pursue oil and gas acquisitions located onshore southern California in the prolific Los Angeles Basin (the “LA Basin”). The large oil and gas reserves of the L A Basin make it the world’s most productive basin in terms of hydrocarbons per volume of sedimentary fill¹.

The parties have targeted the LA Basin as the unique nature of the multilayered reservoirs in the LA Basin where oil pay is encountered at relatively moderate depths (5000 - 8000 feet with up to 4000 feet of gross pay), means that wells recover substantial reserves on a per well basis from a relatively small drainage area. As a result, a substantial reserve of undrained oil potential exists within close proximity to existing well bores with low technical risk. Importantly the commerciality of proven but yet to be developed reserves (“PUDs”) is enhanced by the shallow and predictable nature of drilling, the ability to use existing well bores, as well as existing drilling pads and surface facilities.

The Parties are pleased to announce that they have identified an initial portfolio of assets in the LA Basin. The potential acquisition provides immediate production, low-cost reserves, positive cash flow, production infrastructure and more importantly access to growth opportunities that we anticipate will generate value for shareholders through low-risk field development, appraisal and production enhancement opportunities. It should be noted that there is no assurance that the parties will be successful in acquiring the identified portfolio of assets (the “assets”), and any such acquisition would be subject to G2 arranging the necessary financing to do so, and receiving the various required approvals set out below.

The Company has seized upon an opportunity to acquire income-producing assets in a resource-rich, historically under-invested region, which is now attracting new investors. Caltron brings a highly experienced management team and access to local oil and gas expertise with significant presence in the region, as well as a network of leading banks, companies, and Acquisition & Development advisors to source future transactions.

The acquisition of the Assets is subject to Board approval, Shareholder’s approval, Canadian Securities Exchange (the “CSE”) approval, and completion of customary and satisfactory due diligence of the Assets by the Company.

Under the provisions of the Term Sheet with Caltron:

- Caltron will assist G2 with the further customary due diligence and acquisition process of the Assets;
- Caltron will assist G2 in connection with the completion of necessary equity, debt or royalty financing required to complete the acquisition and provide working capital. In consideration for the services to be provided by Caltron, G2 agrees to pay Caltron a cash fee of: (a) 8% of the gross proceeds received by G2 by investors introduced by Caltron; and (b) 2% of gross proceeds from debt financing raised from persons introduced by Caltron. G2 will not be obligated to pay any cash fees if the financings are not completed within twelve (12) months from the date of execution of the Term Sheet;



- G2 expects to acquire the Assets within a twelve (12) month period from the date of execution of the Term Sheet;
- Caltron shall be entitled to receive as remuneration an aggregate of 25,000,000 common shares (the “**Common Shares**”) in the capital of G2 at a deemed price per Common Share at \$0.15. The Common Shares will be issued upon completion of the acquisition of the Assets, subject to CSE acceptance. Caltron acknowledges and agrees that the Common Shares will be subject to an escrow agreement providing for the release of the Common Shares over a thirty-six (36) month period from the date of issuance.

In the event G2 acquires the Assets within the twelve (12) month period, Caltron will provide a management team to manage the Assets based on a separate mutually agreed asset operating agreement between the parties. It is not anticipated that the Board of Directors would change upon the completion of the acquisition of the Assets.

It is anticipated that the acquisition of the Assets would constitute a “fundamental change” for G2 under the CSE’s policies and trading of G2 will be halted and will remain halted until shareholder approval of the fundamental change and the CSE has accepted an application for listing from G2.

The Term Sheet will automatically terminate on the day which is the earliest of the following events occurring:

- Written agreement of the parties to terminate the Term Sheet;
- G2 not being reasonably satisfied with its due diligence review of the Assets and written notification of such to Caltron; or
- The acquisition of the Assets is not completed on or before the date that is twelve (12) months from the date of execution of the Term Sheet.

G2 wishes to advise that whilst the Parties have identified and are targeting the acquisition of the producing fields in the LA Basin, there is no definitive agreement at this stage and no certainty that a transaction can be completed.

Slawomir Smulewicz, CEO of G2 commented, *“We look forward to working with Caltron to acquire the Assets and should we be successful in doing so, expect that the acquisition of the Assets will begin to generate income immediately, creating real value for G2 shareholders. Following this transaction, G2 will continue to be open to future acquisitions to further expand the business.”*

On Behalf of the Board,

“Slawek Smulewicz”

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About G2 Technologies Corp.

G2 Technologies Corp. is focused on developing opportunities in clean tech and emerging technologies. G2’s head office is located in Vancouver, Canada.

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



Notes

¹ Active Margin Basins; Chapter 1 The Los Angeles Basin An Overview, Kevin T. Biddle; January 01, 1991

Forward-Looking Statements Caution. This news release includes forward-looking statements that are subject to risks and uncertainties. All statements within, other than statements of historical fact, are to be considered forward-looking. The Company provides forward-looking statements for the purpose of conveying information about current expectations and plans relating to the future 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 will not prove to be accurate, that assumptions may not be correct and that objectives, strategic goals and priorities will 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. 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 from those anticipated in such statements. The Company disclaims any intention or obligation to update or revise any forward-looking information, whether as a result of new information, future events or otherwise unless required by law.