



## News Release

### **Cub Energy Announces Signing of Definitive Agreement for Sale of Tysagaz**

Calgary, Alberta – July 29, 2022 – Cub Energy Inc. (“**Cub**” or the “**Company**”) (TSX-V: **KUB**) announces that it has signed a definitive Share Sale and Purchase Agreement (“**SPA**”) for the sale of its 100% interest in 3P International Energy Ltd (“**3P**”) and its wholly-owned Ukraine subsidiary, Tysagaz LLC (“**Tysagaz**”) as previously announced on July 12, 2022. The sale is for nominal consideration of \$1 and the buyer assuming all of 3P’s and Tysagaz’ liabilities. The buyer group is two officers of the Company, Eugene Chaban, the Company’s Chief Financial Officer and Sergey Panchuk, the Company’s Chief Operating Officer.

The sale is subject to regulatory approval. The Company received conditional approval from the TSX Venture Exchange and the Company obtained written shareholder consents representing approval of approximately 54% of the currently issued shares. Closing of the SPA is expected in August 2022.

Cub is to receive the financial benefit or liability of natural gas sales through to July 31, 2022. The material assets and liabilities of the 3P and Tysagaz on closing are estimated to be as follows and subject to final adjustments (in thousands of US dollars):

#### *Assets*

Cash	\$300
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#### *Liabilities*

Ukraine bank debt (guaranteed by Cub)	\$367
Reclamation provision	\$373

The buyers assume any and all liabilities, contingent and otherwise, as well as the assumption of all 3P and Tysagaz staff as of August 1, 2022.

Patrick McGrath, CEO of Cub stated: “The sale of 3P and Tysagaz represents the final step in Cub’s strategy to exit Ukraine and focus its capital on other opportunities or return it to shareholders. As at June 30, 2022, the Company had approximately US \$ 7.4 million in working capital.”

#### **About Cub Energy Inc.**

Cub Energy Inc. (TSX-V: KUB) is an energy company looking to implement western technology and capital, combined with local expertise and ownership, to build a portfolio of assets within an advantaged commodity price environment. For further information please contact us or visit our website: [www.cubenergyinc.com](http://www.cubenergyinc.com)

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*This press release contains certain forward-looking statements within the meaning of applicable securities law. Forward-looking statements are frequently characterized by words such as "plan", "expect", "project", "intend", "believe", "anticipate", "estimate" and other similar words, or statements that certain events or conditions "may" or "will" occur, including without limitation statements relating to the Company's western Ukraine property. Forward-looking statements are based on the opinions*

*and estimates of management at the date the statements are made and are subject to a variety of risks and uncertainties and other factors that could cause actual events or results to differ materially from those projected in the forward-looking statements. The Company cannot assure that actual results will be consistent with these forward-looking statements. They are made as of the date hereof and are subject to change and the Company assumes no obligation to revise or update them to reflect new circumstances, except as required by law. Prospective investors should not place undue reliance on forward looking statements. These factors include the inherent risks involved in the exploration for and development of resource properties, the uncertainties involved in interpreting drilling results and other geological and geophysical data, fluctuating commodity prices, the possibility of cost overruns or unanticipated costs or delays and other uncertainties associated with the resource industry. Other risk factors could include risks associated with the armed conflict, martial law, negotiating with foreign governments as well as country risk associated with conducting international activities and other factors, many of which are beyond the control of the Company.*

*Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.*