



News Release

Cub Energy Announces Commencement of Power Generation

Houston, Texas – May 17, 2021 – Cub Energy Inc. (“Cub” or the “Company”) (TSX-V: KUB), a Ukraine-focused power and energy company, announces that its 100% owned subsidiary, Tysagaz LLC (“Tysagaz”), has commenced commercial production of its Jenbacher gas power generation units in western Ukraine.

“Cub is pleased to report it has successfully executed on its power generation plan and has had over ten days of sales into the local power grid” Patrick McGrath, Interim CEO of Cub stated *“I would like to thank the Cub team members for their work in bringing the project to fruition and maximizing the value of our RK field. We’ll continue to review additional opportunities in the energy and power sectors.”*

The Jenbacher power units are converting natural gas produced from the RK field into power that is being sold into the local power grid. The Jenbacher units can also utilize gas from the nearby pipeline. The power generation units have the capacity to produce as much as 3 megawatts (“MW”) per hour of power. The local power rates are approximately \$73/MW per hour and subject to local market fluctuations.

The Company also announces the appointment of Patrick McGrath as Chairman of the Company. Mr. McGrath is currently the Interim CEO and a Director.

About Cub Energy Inc.

Cub Energy Inc. (TSX-V: KUB) is a power and upstream oil and gas company. The Company’s strategy is to implement western technology and capital, combined with local expertise and ownership, to increase value in its undeveloped land base, creating and further building a portfolio of producing power and oil and gas assets within a high pricing environment.

For further information please contact us or visit our website: www.cubenergyinc.com

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Except for statements of historical fact, this news release contains certain “forward-looking information” within the meaning of applicable securities law. Forward-looking information is 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. Cub believes that the expectations reflected in the forward-looking information are reasonable; however there can be no assurance those expectations will prove to be correct. We cannot guarantee future results, performance or achievements. Consequently, there is no representation that the actual results achieved will be the same, in whole or in part, as those set out in the forward-looking information.

Forward-looking information is 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 anticipated in the forward-looking information. Some of the risks and other factors that could cause the results to differ materially from those expressed in the forward-looking information include, but are not limited to: general economic conditions in Ukraine, the Black Sea Region and globally; political unrest and security concerns in Ukraine; industry conditions, including fluctuations in the prices of natural gas, power and foreign currency; governmental regulation of the natural gas industry, including environmental regulation; unanticipated operating events or performance which can reduce production or cause production to be shut in or delayed; failure to obtain industry partner and other fourth party consents and approvals, if and when required; competition for and/or inability to retain drilling rigs and other services; the availability of capital on acceptable terms; the need to obtain required approvals from regulatory authorities; stock market volatility; volatility in market prices for natural gas; liabilities inherent in natural gas operations; competition for, among other things, capital, acquisitions of reserves, undeveloped lands, skilled personnel and supplies; incorrect assessments of the value of acquisitions; geological, technical, drilling, processing and transportation problems; changes in tax laws and incentive programs relating to the natural gas industry; failure to realize the anticipated benefits of acquisitions and dispositions; and the other factors. Readers are cautioned that this list of risk factors should not be construed as exhaustive.

This cautionary statement expressly qualifies the forward-looking information contained in this news release. We undertake no duty to update any of the forward-looking information to conform such information to actual results or to changes in our expectations except as otherwise required by applicable securities legislation. Readers are cautioned not to place undue reliance on forward-looking information.

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