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SPARTAN DELTA CORP. ANNOUNCES CLOSING OF PREVIOUSLY ANNOUNCED TRANSFORMATIONAL ACQUISITION

Calgary, Alberta – June 1, 2020 – Spartan Delta Corp. (formerly Return Energy Inc., "**Spartan**" or the "**Company**") (RTN: TSXV) is pleased to announce the closing of its previously announced acquisition of substantially all of the assets (the "**Assets**") of Bellatrix Exploration Ltd. (the "**Acquisition**").

The Acquisition was funded through a combination of cash on hand and a senior-secured lending facility with a syndicate of lenders comprised of National Bank of Canada, ATB Financial and Canadian Western Bank in the amount of \$100.0 million (the "**Credit Facility**"). In addition, gross proceeds of \$64.0 million have been released to the Company pursuant to its previously announced private placement of subscription receipts ("**Subscription Receipts**") and common shares ("**Common Shares**") of Spartan, further details of which are provided below. Following the completion of the Acquisition, Spartan's bank debt, net of working capital, is estimated to be approximately \$28.1 million.

The purchase price for the Acquisition was \$87.6 million, paid in cash. In addition, Spartan agreed to assume certain liabilities of approximately \$21.2 million.

The Company has also completed its previously announced name change to "Spartan Delta Corp." (the "**Name Change**") and a consolidation of the Common Shares on the basis of one post-consolidation Common Share for every 100 pre-consolidation Common Shares (the "**Consolidation**"), further details of which are provided below.

The Acquisition

The Assets include high-quality, multi-zone, oil and gas operated production alongside a large land base and strategic infrastructure footprint. The Acquisition advances Spartan's strategy to acquire and develop underexploited and undercapitalized assets that provide material upside and sustainable free cash flow under current commodities prices.

With over 25,000 boe/d (30% oil and natural gas liquids) of production, this transformational acquisition positions Spartan as a sustainable intermediate exploration and development company, focused on growth through targeted consolidation of complimentary assets. The acquired portfolio is characterized by a low base production decline of approximately 19%. With stacked rights in the heart of the Alberta Deep Basin at Ferrier and Willesden Green, the Assets provide meaningful exposure to the Spirit River, Cardium and other Cretaceous target formations. Also included in the Assets is strategic working interest ownership in three gas plants, including one operated deep cut facility, with excess capacity to allow for immediate production optimization and future growth.

All reserves information in this press release was prepared by InSite Petroleum Consultants Ltd. ("**Insite**"), for Bellatrix Exploration Ltd., effective December 31, 2019, using InSite's December 31, 2019 forecast prices and costs in accordance with National Instrument 51-101 – *Standards of Disclosure of Oil and Gas Activities* and the Canadian Oil and Gas Evaluation Handbook.

Notably, this transaction also provides strategic infrastructure to facilitate further consolidation in west-central Alberta, an area Spartan's management team has successfully developed, consolidated and monetized over the course of the past two decades. Spartan is confident that its industry-leading cost model will revitalize this high-quality asset base and help deliver on Spartan's strategy of repeatable, low risk growth while generating sustainable free cash flow in a variety of commodity price environments.

As part of the Acquisition, Spartan is pleased to begin what it hopes to be a long and prosperous relationship with the O'Chiese First Nation based on trust and mutual respect. Spartan is committed to building a company that is respectful to First Nations, the environment, and the communities in which it operates.

The Private Placement

In connection with the completion of the Acquisition, 2,945,500,000 Subscription Receipts at a price of \$0.02 per Subscription Receipt (the "**Subscription Receipt Offering**") have been exchanged, on a post-Consolidation basis, for approximately 29,455,000 Common Shares (subject to rounding), and gross proceeds of \$58.91 million have been released to Spartan from escrow.

Concurrent with the exchange of the Subscription Receipts for Common Shares, the Company has completed the issuance of 2,545,000 Common Shares at a price of \$2.00 per Common Share (on a post-Consolidation basis) for gross proceeds of \$5.09 million (the "**Common Share Offering**").

The Company has raised aggregate gross proceeds of \$64.0 million through the completion of the Subscription Receipt Offering and the Common Share Offering (collectively, the "**Offering**").

Pursuant to applicable securities laws, the Common Shares issued pursuant to the Offering are subject to a hold period of four months plus one day following the distribution date. The Offering remains subject to final approval of the TSX Venture Exchange (the "**TSXV**").

Advisors

National Bank Financial Inc. acted as Financial Advisor and TD Securities Inc. acted as Strategic Advisor to Spartan with respect to the Acquisition.

National Bank Financial Inc., TD Securities Inc., Peters & Co. Limited and Eight Capital acted as Financial Advisors to Spartan with respect to the Offering.

Stikeman Elliott LLP acted as legal counsel to Spartan with respect to the Acquisition, the Credit Facility and the Offering.

Name Change and Consolidation

Contemporaneous with the closing of the Acquisition, Spartan has implemented its previously approved Name Change and Consolidation.

The issued and outstanding Common Shares have been reduced from 5,810,551,651 Common Shares (including Common Shares issued pursuant to the Offering) to approximately 58,105,517 Common Shares on a post-Consolidation basis (subject to rounding). No fractional shares have been issued. Any fractional interest in Common Shares that is less than 0.5 resulting from the Consolidation has been rounded down to the nearest whole Common Share and any fractional interest in Common Shares that is 0.5 or greater has been rounded up to the nearest whole Common Share.

The Company expects trading of its Common Shares on a consolidated basis, under the new name "Spartan Delta Corp." and new symbol "SDE", will commence at market opening on June 4, 2020.

The Consolidation has not affected the validity of currently outstanding share certificates of the Company. However, registered shareholders are required to exchange their share certificates for share certificates evidencing the post-Consolidation Common Share amount. Registered shareholders have been sent a letter of transmittal containing instructions on how to surrender share certificates evidencing the pre-Consolidation Common Share amount to Computershare Investor Services Inc. (the "**Depositary**"). The Depositary will forward to each registered shareholder who has sent the required documents new share certificates evidencing the new post-Consolidation Common Share amount. Until surrendered, each share certificate representing pre-Consolidation Common Shares will be deemed for all purposes to represent the post-Consolidation Common Shares to which the holder is entitled following the Consolidation. Beneficial shareholders holding Common Shares through an intermediary (a securities broker, dealer, bank or financial institution) should be aware that the intermediary may have different procedures for processing the Consolidation than those that will be put in place by the Company for registered shareholders. If

shareholders hold their Common Shares through an intermediary and they have questions in this regard, they are encouraged to contact their intermediaries.

Management Appointment, New Employees and Option Grants

Spartan is pleased to announce the appointment of Randy Berg as Vice President, Land.

Mr. Berg has over 30 years of experience in Land, most recently as Vice President, Land at Spartan Energy Corp. His roles prior to that included Vice President of Land and Business Development at Renegade Petroleum Ltd and Conventional Business Unit Manager at Petrobakken Energy Ltd. He graduated from the University of Calgary in 1987 with a Bachelor of Arts in Economics.

Spartan is also pleased to announce the hiring of over a hundred new permanent employees and contractors to run its business in the office and in the field.

The Company also announces that, pursuant to the terms and conditions of its stock option plan, it has granted an aggregate of 337,200,000 stock options (pre-Consolidation) to purchase Common Shares. The options expire five years from the date of grant and are exercisable at a price of \$0.03 per Common Share. The options vest as to one third on each of the first, second and third anniversaries of the grant date. The terms of the options described above are on a pre-Consolidation basis and will be subject to adjustment due to the Consolidation, pursuant to the Company's stock option plan.

About Spartan

Spartan Delta Corp. is a Calgary, Alberta based company engaged in oil and gas exploration and development. The Common Shares are currently listed on the TSXV under the trading symbol "RTN". The Company expects trading of its Common Shares on a consolidated basis, under the new name "Spartan Delta Corp." and new symbol "SDE", will commence at the market opening on June 4, 2020.

Additional information is available in our corporate presentation, which can be accessed on our website at www.spartandeltacorp.com.

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READER ADVISORY

Forward-Looking and Cautionary Statements

This press release contains forward-looking statements and forward-looking information within the meaning of applicable securities laws. The use of any of the words "expect", "anticipate", "continue", "estimate", "objective", "ongoing", "may", "will", "project", "should", "believe", "plans", "intends" and similar expressions are intended to identify forward-looking information or statements. More particularly and without limitation, this press release contains forward looking statements and information concerning: the estimated assumed liabilities associated with the Assets; expected production and cash flow related to the Assets; expected number of future drilling locations related to the Assets; expected decline rates and benefits from the Assets; the business plan and consolidation strategy of the Company; cost reduction strategies of the

Company; the expected post-Consolidation and Name Change trading date; and receipt of all required TSXV approvals.

The forward-looking statements and information are based on certain key expectations and assumptions made by Spartan, including expectations and assumptions concerning the business plan of the Company, expected production, decline rates and benefits from the Assets and receipt of all TSXV approvals for the Offering. Although Spartan believes that the expectations and assumptions on which such forward-looking statements and information are based are reasonable, undue reliance should not be placed on the forward-looking statements and information because Spartan can give no assurance that they will prove to be correct. By its nature, such forward-looking information is subject to various risks and uncertainties, which could cause the actual results and expectations to differ materially from the anticipated results or expectations expressed. These risks and uncertainties include, but are not limited to, fluctuations in commodity prices, changes in industry regulations and political landscape both domestically and abroad, foreign exchange or interest rates, stock market volatility, impacts of the current coronavirus (COVID-19) pandemic and the retention of key management and employees. Please refer to the Company's most recent Annual Information Form and Management Discussion and Analysis for additional risk factors relating to Spartan, which can be accessed either on Spartan's website at www.spartandeltacorp.com or under the Company's profile on www.sedar.com. Readers are cautioned not to place undue reliance on this forward-looking information, which is given as of the date hereof, and to not use such forward-looking information for anything other than its intended purpose. Spartan undertakes no obligation to update publicly or revise any forward-looking information, whether as a result of new information, future events or otherwise, except as required by law.

BOE Disclosure

The term barrels of oil equivalent ("**boe**") may be misleading, particularly if used in isolation. A boe conversion ratio of six thousand cubic feet per barrel (6 Mcf/bbl) of natural gas to barrels of oil equivalence is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead. All boe conversions in the report are derived from converting gas to oil in the ratio mix of six thousand cubic feet of gas to one barrel of oil.

Reserves Disclosure

All reserves information in this press release was prepared by InSite, for Bellatrix Exploration Ltd., effective December 31, 2019, using InSite's December 31, 2019 forecast prices and costs in accordance with National Instrument 51-101 – *Standards of Disclosure of Oil and Gas Activities* and the Canadian Oil and Gas Evaluation Handbook.

Additional information regarding reserves attributable to the Assets is provided in the Company's press release dated April 23, 2020, announcing the Acquisition.

Non-IFRS Measures

This press release provides certain financial measures that do not have a standardized meaning prescribed by IFRS. These non-IFRS financial measures may not be comparable to similar measures presented by other issuers. Bank debt, net of working capital, and free cash flow are not recognized measures under IFRS. Management monitors bank debt, net of working capital, as part of its capital structure in order to fund current operations and future growth of the Company. Spartan considers free cash flow as an important measure to determine the cash amounts that are available to repay debt or reinvest in the business. Investors are cautioned, however, that these measures should not be construed as an alternative to net income (loss) determined in accordance with IFRS as an indication of Spartan's performance. The Company's estimated "bank debt, net of working capital" is calculated by adding the pro forma working capital deficit to bank debt upon completion of the Acquisition. The estimated working capital deficit is calculated as current liabilities less current assets. Free cash flow is calculated as funds flow less capital investments that occurred within the same period. Spartan's method of calculating these measures may differ from other companies and accordingly, they may not be comparable to measures used by other companies.

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

All dollar figures included herein are presented in Canadian dollars, unless otherwise noted.