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SPARTAN DELTA CORP. ANNOUNCES THREE STRATEGIC ACQUISITIONS AND \$80.0 MILLION FINANCING

Calgary, Alberta – February 16, 2021 – Spartan Delta Corp. ("Spartan" or the "Company") (TSXV:SDE) is pleased to announce three strategic acquisitions, executing on its stated acquisitive growth strategy within western Canada. Total consideration for the three acquisitions (the "**Acquisitions**") is approximately \$147.9 million, subject to certain closing adjustments. The Acquisitions include the corporate acquisition of Inception Exploration Ltd. ("**Inception**"), a Montney focused arm's length private company with operations in the Gold Creek area of north west Alberta (the "**Inception Assets**"), and the purchase of assets located primarily in the Simonette area of northwest Alberta (the "**Simonette Assets**") and Willesden Green area of Alberta (the "**Willesden Green Assets**" and, collectively with the Inception Assets and the Simonette Assets, the "**Acquired Assets**").

Spartan is also pleased to announce a \$50.0 million non-brokered private placement and a \$30.0 million bought deal equity financing led by National Bank Financial Inc. for total gross proceeds of \$80.0 million (together, the "**Financings**"). All Spartan cornerstone shareholders have committed to participate in the non-brokered private placement.

"The Acquisitions add a new core area in the Alberta Montney and complement Spartan's existing core area in the Cardium and Spirit River in west-central Alberta. The Financings further bolster Spartan's strong balance sheet and enable further pursuit of our consolidation strategy," said Fotis Kalantzis, President and Chief Executive Officer of Spartan.

Combined Acquisition Highlights

- Builds on Spartan's material position in three of Canada's most prolific plays, the Montney, Cardium and Spirit River formations
- Current production of approximately 9,700 boe/d⁽¹⁾
- 235,393 net acres of land predominantly at Gold Creek, Simonette and Willesden Green
- Strategic processing facilities and infrastructure with limited additional capital required to increase production volumes, including:
 - 100% WI in a 10,000 bbl/d operated central oil battery in Gold Creek
 - 100% WI in a 40 MMcf/d operated natural gas processing facility in Gold Creek
 - 50% WI in a 120 MMcf/d natural gas processing facility in Simonette
 - Water disposal facilities
 - An extensive network of field gathering infrastructure and roads
- 414 net identified drilling locations (343 net Montney locations)
- Spartan plans to apply principles consistent with its current operations to improve efficiencies, reduce operating costs and enhance margins within the Acquired Assets

Summary of the Acquisitions

Total consideration ⁽²⁾	\$147.9 million
Current production ⁽¹⁾	9,700 boe/d
Land ⁽³⁾	235,393 net acres

Net drilling locations ⁽⁴⁾	172 booked (242 unbooked)
Reserves	
Proved reserves ⁽⁵⁾⁽⁶⁾	91,509 Mboe
Proved plus probable reserves ⁽⁵⁾⁽⁶⁾	215,370 Mboe
Operating netback ⁽⁷⁾	\$12.76/boe
Run rate net operating income ⁽⁸⁾	\$45.2 million
Acquisitions Metrics	
Current production ⁽¹⁾	\$15,247 per boe/d
Proved reserves ⁽⁵⁾⁽⁶⁾	\$1.62 per boe
Proved plus probable reserves ⁽⁵⁾⁽⁶⁾	\$0.69 per boe
Multiple of run rate net operating income ⁽⁸⁾	3.3x

Inception Acquisition

- Oil-weighted Montney focused operations in the Gold Creek area of north west Alberta
- Adds a second core development and consolidation fairway in addition to Spartan's existing west central Alberta core area
- Increases oil-weighted production and drilling inventory, providing further commodity diversification

Spartan has entered into a definitive agreement with Inception to acquire all issued and outstanding common shares of Inception (the "**Inception Shares**") in consideration for the issuance of 23,734,384 common shares of Spartan ("**Common Shares**") to Inception shareholders at a deemed issuance price of approximately \$3.83 per Common Share calculated using the volume weighted average trading price of the Common Shares for the 20 trading days immediately preceding this press release (the "**Inception Acquisition**"). In addition, Spartan will issue to one of Inception's existing debtholders a \$50.0 million unsecured non-interest-bearing convertible promissory note (the "**Spartan Note**"), maturing five years from the closing of the Inception Acquisition, and will be convertible in whole or in part beginning on the day that is two years following the closing of the Inception Acquisition, at Spartan's election, for such number of Common Shares calculated based on the greater of: (i) the volume weighted average trading price of the Common Shares for the 10 trading days immediately preceding the delivery by Spartan of a notice of conversion to the holder of the Spartan Note; and (ii) \$7.67, being two times the deemed issuance price of the Common Shares under the Inception Acquisition. Upon all of the conditions of the Inception Acquisition having been satisfied or waived, Spartan will take up and pay for the Inception Shares deposited under the Inception Acquisition in accordance with the terms of the definitive agreement in respect thereof.

Concurrent with the execution of the definitive agreement, holders of more than 90% of the issued and outstanding Inception Shares have executed irrevocable acceptances and have agreed to tender their Inception Shares under the Inception Acquisition. The definitive agreement provides for, among other things, a non-solicitation covenant on the part of Inception. Upon completion of the take up by Spartan of the Inception Shares tendered pursuant to the Inception Acquisition, Spartan expects to acquire the Inception Shares not tendered by way of compulsory acquisition pursuant to Section 195 of the *Business Corporations Act* (Alberta). Closing of the Inception Acquisition is expected to occur on or about March 18, 2021, subject to usual closing conditions and regulatory approvals, including the approval of the TSX Venture Exchange (the "**TSXV**"), the approval of the shareholders of Spartan required as a result of the creation of a new "Control Person" as defined under the policies of the TSXV (which approval shall be obtained by a written consent executed by the holders of at least 50.1% of the issued and outstanding Common Shares) and the approval of the Commissioner of Competition pursuant to the *Competition Act* (Canada).

"Spartan's ESG-focused culture and clear consolidation strategy make them the perfect partner for Inception," said Steve Lowden, chairman of Inception. "We look forward to working with Spartan's management as we take advantage of all the opportunities these transactions represent."

Simonette & Willesden Green Asset Acquisitions

Spartan has entered into an asset purchase agreement to acquire the Simonette Assets for approximately \$22.9 million, comprised of cash in the amount of \$17.2 million and the issuance of 1,493,180 Common Shares, including and subject to certain working capital and other customary adjustments (the "**Simonette Acquisition**"). The Simonette Acquisition has an effective date of January 1, 2021, and closing is expected to occur on or about March 18, 2021, subject to usual closing conditions and regulatory approvals, including the approval of the TSXV and the Commissioner of Competition pursuant to the *Competition Act* (Canada).

Spartan has also entered into an asset purchase agreement to acquire the Willesden Green Assets for approximately \$6.025 million, including and subject to certain working capital and other customary adjustments (the "**Willessden Green Acquisition**"). The Willessden Green Assets are contiguous with Spartan's existing operating assets in west central Alberta. The Willessden Green Acquisition has an effective date of November 1, 2020, and closing is expected to occur on or about March 1, 2021, subject to customary closing conditions.

Revised and Preliminary Corporate Guidance for 2021

Preliminary 2021 Guidance⁽⁹⁾	Spartan January 2021 Guidance	Spartan Pre-Acquisitions	Spartan Post-Acquisitions	% Diff.
Average production (boe/d) ⁽¹⁰⁾	29,000-31,000	29,000-31,000	35,000-37,000	20%
% Oil and NGLs	30%	30%	31%	1%
Operating Netback (\$/boe) ⁽⁷⁾⁽¹²⁾	\$11.09	\$11.27	\$11.59	3%
Adjusted Funds Flow (\$MM) ⁽⁷⁾⁽¹²⁾	\$93	\$96	\$122	27%
Capital expenditures (\$MM) ⁽¹¹⁾	\$43	\$43	\$101	135%
Free Funds Flow (\$MM) ⁽⁷⁾⁽¹²⁾	\$50	\$53	\$20	(62%)
Net Debt (Surplus) (\$MM) ⁽⁷⁾⁽¹²⁾	(\$35)	(\$38)	(\$54)	42%

The Financings

The Prospectus Offering

Spartan has entered into an agreement with a syndicate of underwriters led by National Bank Financial Inc. (the "**Underwriters**"), pursuant to which the Underwriters have agreed to purchase for resale to the public, on a bought deal basis, 7,500,000 subscription receipts ("**Subscription Receipts**") of Spartan at a price of \$4.00 per Subscription Receipt for aggregate gross proceeds of approximately \$30.0 million (the "**Prospectus Offering**"). The Underwriters will have an option to purchase up to an additional 15% of the Subscription Receipts issued under the Prospectus Offering at a price of \$4.00 per Subscription Receipt to cover over allotments exercisable in whole or in part at any time until 30 days after the closing of the Prospectus Offering. The gross proceeds from the sale of Subscription Receipts pursuant to the Prospectus Offering will be held in escrow pending the completion of the Inception Acquisition and the Private Placement (as defined below). If the Inception Acquisition and Private Placement are completed before 5:00 p.m. (Calgary time) on May 31, 2021, the net proceeds from the sale of the Subscription Receipts will be released from escrow to Spartan and each Subscription Receipt will automatically be exchanged for one Common Share for no additional consideration and without any action on the part of the holder. If the Inception Acquisition and Private Placement are not completed at or before 5:00 p.m. (Calgary time) on

May 31, 2021, then the purchase price for the Subscription Receipts will be returned pro rata to subscribers, together with a pro rata portion of interest earned on the escrowed funds.

The Subscription Receipts issued pursuant to the Prospectus Offering will be distributed by way of a short form prospectus in all provinces of Canada (excluding Québec) and may also be placed privately in the United States to Qualified Institutional Buyers (as defined under Rule 144A under the United States Securities Act of 1933, as amended (the "**U.S. Securities Act**")) pursuant to an exemption under Rule 144A, and may be distributed outside Canada and the United States on a basis which does not require the qualification or registration of any of the Company's securities under domestic or foreign securities laws. Completion of the Prospectus Offering is subject to customary closing conditions, including the receipt of all necessary regulatory approvals, including the approval of the TSXV. Closing of the Prospectus Offering is expected to occur on March 8, 2021.

The net proceeds from the Prospectus Offering will be used to reduce Spartan's indebtedness under its syndicated credit facilities, with the balance currently anticipated to be used to fund Spartan's drilling and capital spending program, for future acquisitions and for general working capital purposes.

Non-Brokered Private Placement

Spartan will also undertake a non-brokered private placement of: (i) Common Shares at a price of \$4.00 per Common Share; and (ii) Common Shares to be issued on a "CDE" flow-through basis (the "**Flow-Through Shares**") at a price of \$4.92 per Flow-Through Share, for aggregate gross proceeds of \$50.0 million (collectively, the "**Private Placement**"). All Spartan cornerstone shareholders have committed to participate in the Private Placement. The completion of the Private Placement is subject to customary closing conditions, including the receipt of all necessary regulatory approvals, including the approval of the TSXV. Closing of the Private Placement is expected to occur contemporaneous with the completion of the Inception Acquisition.

Spartan shall, pursuant to the provisions in the *Income Tax Act* (Canada), incur eligible Canadian development expenses (the "**Qualifying Expenditures**") after the closing of the Private Placement in the aggregate amount of not less than the total amount of the gross proceeds raised from the issue and sale of the Flow-Through Shares. Spartan shall renounce the Qualifying Expenditures so incurred to the purchasers of the Flow-Through Shares.

Additions to the Spartan Board of Directors

Spartan is pleased to announce that Mr. Steve Lowden and Mr. Elliot S. Weissbluth, current directors of Inception, will join the board of directors of Spartan upon completion of the Inception Acquisition.

Mr. Steve Lowden is a petroleum engineer with over 35 years' experience in the international oil and gas sector. He has a track record of building energy businesses throughout the world and was previously Chairman and Chief Executive Officer of New Age (African Global Energy) Ltd., Executive Director and Officer of Marathon Oil and Premier Oil. At Premier Oil, Steve held a number of roles including Executive Director of Development and Production, Business Development and Exploration. He added more than one billion boe of new resource, and operated and managed multiple emerging market oil and gas projects from discovery to production. At Marathon, Steve was President of Marathon International, Head of Corporate Business Development and Head of the Global Integrated Gas business. Since June 2017, he has acted as an advisor to a number of governments, energy businesses, private energy groups and corporate restructurings representing the debt and security holders. Mr. Lowden has also served as a board member for a number of private and public companies.

Mr. Elliot S. Weissbluth is an accomplished entrepreneur and financial business leader. Mr. Weissbluth retired last year as chairman of the board of Hightower Inc., a U.S. financial services company he founded in 2007. Mr. Weissbluth has been a member of Worth Magazine's Power 100 list of top U.S. business leaders, as well as rankings among the most influential figures in the financial services industry. Before Hightower, Mr. Weissbluth was Founding Investor, Director and President of U.S. Fiduciary, a financial advisory company. Previously, from 2000 to 2003, he led the development of the Alternative Investments group at RogersCasey and conceived and launched the firm's first hedge fund advisory service for institutional clients.

Advisors

National Bank Financial Inc. is acting as financial advisor to Spartan in respect of the Acquisitions and the Financings. Eight Capital is acting as strategic advisor to Spartan. Stikeman Elliott LLP is acting as legal counsel to Spartan in respect of the Acquisitions and the Financings. Stifel FirstEnergy is acting as financial advisor to Inception in respect of the Inception Acquisition.

About Spartan Delta Corp.

Spartan is an energy company whose ESG-focused culture is centered on generating sustainable free funds flow through oil and gas exploration and development. Building on its existing high-quality, low-decline operated production in west central Alberta, and oil-weighted growth assets in the Alberta Montney, Spartan intends to continue acquiring diversified assets that can be restructured, optimized and rebranded, financially or operationally, yielding an increase to shareholder value. Further detail is available in Spartan's corporate presentation, which can be accessed on its website at www.spartandeltacorp.com.

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READER ADVISORIES

This press release is not an offer of the securities for sale in the United States. The securities offered have not been, and will not be, registered under the U.S. Securities Act or any U.S. state securities laws and may not be offered or sold in the United States absent registration or an available exemption from the registration requirement of the U.S. Securities Act and applicable U.S. state securities laws. This press release shall not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of these securities, in any jurisdiction in which such offer, solicitation or sale would be unlawful.

Notes to the Press Release:

1. Average production in the month of January 2021 from the Acquired Assets was approximately 9,700 boe/d, consisting of 2,181 bbl/d of oil (22%), 1,215 bbl/d of NGLs (13%) and 37.8 MMcf/d of natural gas (65%).
2. The aggregate consideration to be paid by Spartan in respect of the Acquisitions is estimated to be \$147.9 million. The aggregate amount of cash consideration payable pursuant to the Acquisitions is \$23.2 million, before customary closing adjustments. After estimated closing adjustments of \$4.8 million in the aggregate for the Simonette Acquisition and the Willesden Green Acquisition, net cash consideration is estimated to be \$18.4 million. The net debt of Inception being assumed by Spartan at closing of the Inception Acquisition is estimated to be \$7.8 million. The aggregate value of the Common Shares to be issued pursuant to the Acquisitions is estimated to be approximately \$96.7 million based on a deemed issuance price of approximately \$3.83 per Common Share under the Inception Acquisition and the Simonette Acquisition, calculated using the volume weighted average trading price of the Common Shares for the 20 trading days immediately preceding this press release. The fair value of the Spartan Note to be issued pursuant to the Inception Acquisition is estimated to be \$25.0 million.
3. Total land holdings to be acquired is 235,393 net acres, of which approximately 104,654 net acres represent lands in the core development areas of north-west and west-central Alberta.
4. See "*Reader Advisories – Drilling Locations*" for additional details.
5. Based on working interest reserves of the Inception Assets and Simonette Assets before deduction of royalties and without including any of royalty interest reserves. See "*Reader Advisories – Reserves Disclosure*", below.
6. Proved reserves consisting of 21.0 MMbbl of oil (23%), 12.7 MMbbl of NGLs (14%) and 346,700 MMcf of natural gas (63%). Proved plus probable reserves consisting of 46.8 MMbbl of oil (22%), 29.8 MMbbl of NGLs (14%) and 832,353 MMcf of natural gas (64%). See "*Reader Advisories – Reserves Disclosure*" for additional details.
7. See "*Reader Advisories – Non-GAAP Measures*" for additional details.
8. Run rate net operating income is based on current production and 2021 operating netback over a 12-month period. Operating netback is based on forecasted assumptions for commodity prices, specifically: US\$50/bbl WTI; C\$2.75/GJ AECO; C\$60.96/bbl Edmonton Condensate; C\$58.42/bbl Edmonton Oil; US\$0.65/Gal Conway; and USD/CAD exchange of 1.27. See "*Reader Advisories – Non-GAAP Measures*" and "*Reader Advisories – Forward-Looking and Cautionary Statements*" for additional details.
9. Spartan's pre-Acquisitions guidance shown under "Spartan Pre-Acquisitions" has been revised from previous guidance publicly disclosed in the Company's press release dated January 6, 2021 and reproduced under "Spartan January 2021 Guidance". For purposes of this table, the guidance has been revised to isolate the impact of the Acquisitions on Spartan's 2021 guidance, based on current assumptions for forecast commodity prices, specifically: US\$50/bbl WTI; C\$2.75/GJ AECO; C\$60.96/bbl Edmonton Condensate; C\$58.42/bbl Edmonton Oil; US\$0.65/Gal Conway; and USD/CAD exchange of 1.27.
10. Production guidance prior to the completion of the Acquisitions shown under "Spartan Pre-Acquisitions" is the midpoint of prior guidance and consists of approximately 1% oil, 4% condensate, 25% NGLs and 70% natural gas. Production guidance following the completion of the Acquisitions shown under "Spartan Post-Acquisitions" consists of approximately 4% oil, 4% condensate, 23% NGLs and 69% natural gas. Percentage change is based on the midpoint of production guidance.
11. Capital expenditures exclude acquisitions.
12. Assumes a March 18, 2021 closing date for the Inception Acquisition and the Simonette Acquisition and a March 1, 2021 closing date for the Willesden Green Acquisition.

Reserves Disclosure

All reserves information in this press release relating to: (i) the Simonette Assets was prepared by GLJ Ltd., for the vendor of the Simonette Assets, effective September 30, 2020 (the "**Simonette Report**"); and (ii) the Inception Assets was prepared by Sproule Associates Limited ("**Sproule**"), for Inception, effective December 31, 2019 (the "**Inception Report**"); in accordance with National Instrument 51-101 – *Standards of Disclosure of Oil and Gas Activities* ("**NI 51-101**") and the Canadian Oil and Gas Evaluation Handbook (the "**COGE Handbook**"). Reserves values for the Inception Assets are based on Sproule's December 31, 2019 forecast prices and costs, and reserves values for the Simonette Assets are based on GLJ Ltd.'s September 30, 2020 forecast prices and costs. The estimates of reserves and future net revenue for the Inception Acquisition and Simonette Acquisition may not reflect the same confidence level as estimates of reserves and future net revenue for all of Spartan's properties, due to the effects of aggregation. The estimates of reserves in this press release do not include reserves attributed to the Willesden Green Assets.

All reserve references in this press release are "gross reserves". Gross reserves are a company's total working interest reserves before the deduction of any royalties payable by such company and before the consideration of such company's royalty interests. It should not be assumed that the present worth of

estimated future cash flow of net revenue presented herein represents the fair market value of the reserves. There is no assurance that the forecast prices and costs assumptions will be attained and variances could be material. The recovery and reserve estimates of Spartan's oil, NGLs and natural gas reserves, including those of the Acquired Assets, provided herein are estimates only and there is no guarantee that the estimated reserves will be recovered. Actual oil, natural gas and NGLs reserves may be greater than or less than the estimates provided herein.

Drilling Locations

This press release discloses drilling inventory in three categories: (a) proved locations; (b) probable locations; and (c) unbooked/potential locations. Proved locations and probable locations are derived from the Inception Report and the Simonette Report and account for drilling locations that have associated proved and/or probable reserves, as applicable. Unbooked locations are internal estimates based on the prospective acreage of the Acquired Assets and an assumption as to the number of wells that can be drilled per section based on industry practice and internal review. Unbooked locations do not have attributed reserves or resources. Of the 414 net drilling locations identified herein, 110 are proved locations, 62 are probable locations and 242 are unbooked locations. Unbooked locations have been identified by management as an estimation of Spartan's multi-year drilling activities based on evaluation of applicable geologic, seismic, engineering, production and reserves information. There is no certainty that Spartan will drill all unbooked drilling locations and if drilled, there is no certainty that such locations will result in additional oil and gas reserves, resources or production. The drilling locations considered for future development will ultimately depend upon the availability of capital, regulatory approvals, seasonal restrictions, oil and natural gas prices, costs, actual drilling results, additional reservoir information that is obtained and other factors. While certain of the unbooked drilling locations being de-risked by drilling existing wells in relative close proximity to such unbooked drilling locations, other unbooked drilling locations are farther away from existing wells where management has less information about the characteristics of the reservoir, and therefore, there is more uncertainty whether wells will be drilled in such locations. If these wells are drilled, there is more uncertainty that such wells will result in additional oil and gas reserves, resources or production.

Non-GAAP Measures

This press release contains certain financial measures, as described below, which do not have standardized meanings prescribed by IFRS or Generally Accepted Accounting Principles ("**GAAP**"). As these non-GAAP financial measures are commonly used in the oil and gas industry, Spartan believes that their inclusion is useful to investors. The reader is cautioned that these amounts may not be directly comparable to measures for other companies where similar terminology is used. The non-GAAP measures used in this release, represented by the capitalized and defined terms outlined below, are used by Spartan as key measures of financial performance and are not intended to represent operating profits nor should they be viewed as an alternative to cash provided by operating activities, net income or other measures of financial performance calculated in accordance with IFRS.

Adjusted Funds Flow and Free Funds Flow

"Funds From Operations" represents cash flow provided by operating activities determined in accordance with IFRS, adjusted to add back changes in non-cash working capital.

"Adjusted Funds Flow" is calculated as Fund From Operations, adjusted to add back transaction costs on acquisitions and to deduct cash lease payments. Spartan believes Adjusted Funds Flow is an appropriate metric to compare relative to Net Debt (Surplus) because it reflects the net cash flow generated from routine

business operations and because Spartan does not include lease liabilities in its definition of Net Debt (Surplus).

"Free Funds Flow" is calculated as Adjusted Funds Flow less total net capital expenditures, excluding acquisitions.

"Net Debt (Surplus)" include bank debt, net of Adjusted Working Capital. "Adjusted Working Capital" is calculated as current assets less current liabilities, excluding derivative financial instrument assets and liabilities and lease liabilities.

Operating Netback and Run Rate Net Operating Income

"Operating Netback" refers to Operating Income expressed per unit of production on a boe basis. "Operating Income" is calculated by deducting operating and transportation expenses from total revenue, after realized gains or losses on commodity price derivative financial instruments. Total revenue is comprised of oil and gas sales, net of royalties, plus processing and other revenue. Spartan believes operating netback (along with run rate net operating income, defined below) are useful supplemental measures that demonstrates Spartan's ability to generate the cash necessary to repay debt or fund future capital investment. Spartan considers operating netback as an important measure to evaluate its operational performance as it demonstrates its field level profitability relative to current commodity prices.

The operating netback (\$/boe) assumptions used for the Acquired Assets in 2021 are as follows:

(\$/boe)	<u>Acquired Assets</u>
Oil and gas sales	\$28.15
Processing and other revenue	\$0.94
Royalties	(\$2.21)
Operating expenses	(\$12.13)
Transportation expenses	(\$1.99)
Operating netbacks	<u>\$12.76</u>

The 2021 operating netbacks (\$/boe) assumptions used under the heading "Revised Corporate Guidance for 2021" are as follows:

(\$/boe)	<u>Spartan January 2021 Guidance</u>	<u>Spartan Pre-Acquisitions</u>	<u>Spartan Post-Acquisitions</u>
Oil and gas sales	\$20.25	\$20.45	\$21.72
Processing and other revenue	\$0.44	\$0.44	\$0.52
Realized hedging gain (loss)	(\$0.82)	(\$0.82)	(\$0.69)
Royalties	(\$2.23)	(\$2.25)	(\$2.24)
Operating expenses	(\$5.10)	(\$5.10)	(\$6.20)
Transportation expenses	(\$1.45)	(\$1.45)	(\$1.52)
Operating netbacks	<u>\$11.09</u>	<u>\$11.27</u>	<u>\$11.59</u>

"Run rate net operating income" is calculated based on annualized current production and 2021 operating netback figures. Where a non-IFRS or IFRS measure in this press release is qualified by the words "run rate", it represents the "pro forma" figure as adjusted to give effect to the Acquisitions. Spartan considers run rate operating income as an important measure to illustrate how Spartan would have performed if the Acquisitions had been consummated at the start of the period.

Forward-Looking and Cautionary Statements

Certain statements contained within this press release constitute forward-looking statements within the meaning of applicable Canadian securities legislation. All statements other than statements of historical fact may be forward-looking statements. Forward-looking statements are often, but not always, identified by the use of words such as "anticipate", "budget", "plan", "endeavor", "continue", "estimate", "evaluate", "expect", "forecast", "monitor", "may", "will", "can", "able", "potential", "target", "intend", "consider", "focus", "identify", "use", "utilize", "manage", "maintain", "remain", "result", "cultivate", "could", "should", "believe" and similar expressions. Spartan believes that the expectations reflected in such forward-looking statements are reasonable, but no assurance can be given that such expectations will prove to be correct and such forward-looking statements should not be unduly relied upon. Without limitation, this press release contains forward-looking statements pertaining to: timing of the Acquisitions; satisfaction or waiver of the closing conditions to the Acquisitions; receipt of required legal and regulatory approvals for the completion of the Acquisitions (including approval of the TSXV and the Commissioner of Competition pursuant to the *Competition Act* (Canada)); anticipated take-up of Inception Shares under the Inception Acquisition; expectations regarding the completion of a compulsory acquisition after closing of the Inception Acquisition; funding and payment of the purchase price in respect of the Acquisitions; estimated closing adjustments in respect of the Simonette Acquisition and the Willesden Green Acquisition; expected production and cash flow related to the Acquired Assets; expected number of future drilling locations related to the Acquired Assets; reserve estimates; future production levels; decline rates; future operational and technical synergies resulting from the Acquisitions; management's ability to replicate past performance; the ability of Spartan to optimize production from the Acquired Assets; future consolidation opportunities and acquisition targets; the business plan, cost model and strategy of Spartan; future cash flows; estimates regarding cost reductions from Spartan's operation of the Acquired Assets; Spartan's production forecasts and 2021 guidance; expectations regarding the Montney, Cardium and Spirit River formations; the anticipated terms of the Private Placement and expectations with respect to the same; the anticipated closing date of the Financings; the use of proceeds from the Prospectus Offering; Spartan's incurrence and renunciation of Qualifying Expenditures pursuant to the Private Placement; and future commodities prices and exchange rates.

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 Spartan, the receipt of all approvals and satisfaction of all conditions to the completion of the Acquisitions and the Financings, the timing of and success of future drilling, development and completion activities, the performance of existing wells, the performance of new wells, the availability and performance of facilities and pipelines, the geological characteristics of Spartan's properties, the characteristics of the Acquired Assets, the successful integration of the Acquired Assets into Spartan's operations, the successful application of drilling, completion and seismic technology, prevailing weather conditions, prevailing legislation affecting the oil and gas industry, commodity prices, royalty regimes and exchange rates, the application of regulatory and licensing requirements, the availability of capital, labour and services, the creditworthiness of industry partners and the ability to source and complete asset acquisitions.

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, counterparty risk to closing each of the Acquisitions and the Private Placement, changes in industry regulations and political landscape both domestically and abroad, foreign exchange or interest rates, stock market volatility, impacts of the current COVID-19 pandemic and the retention of key

management and employees. Please refer to Spartan's most recent Annual Information Form and MD&A for additional risk factors relating to Spartan, which can be accessed either on Spartan's website at www.spartandeltacorp.com or under Spartan'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.

Future Oriented Financial Information

Any financial outlook or future oriented financial information in this press release, as defined by applicable Canadian securities legislation, has been approved by management of Spartan. Readers are cautioned that any such future-oriented financial information contained herein, including (but not limited to) references to prospective results of operations, operating costs, funds from operations, free funds flow, operating netbacks, run rate operating income and Spartan's corporate outlook and guidance for 2021, generally, should not be used for purposes other than those for which it is disclosed herein. Spartan and its management believe that the prospective financial information has been prepared on a reasonable basis, reflecting management's best estimates and judgments, and represent, to the best of management's knowledge and opinion, Spartan's expected course of action. However, because this information is highly subjective, it should not be relied on as necessarily indicative of future activities or results.

Other Measurements

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

This press release contains various references to the abbreviation "boe" which means barrels of oil equivalent. Where amounts are expressed on a boe basis, natural gas volumes have been converted to oil equivalence at six thousand cubic feet (Mcf) per barrel (bbl). The term boe may be misleading, particularly if used in isolation. A boe conversion ratio of six thousand cubic feet per barrel is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead and is significantly different than the value ratio based on the current price of crude oil and natural gas. This conversion factor is an industry accepted norm and is not based on either energy content or current prices. Such abbreviation may be misleading, particularly if used in isolation.

References to "oil" in this press release include light crude oil and medium crude oil, combined. NI 51-101 includes condensate within the product type of "natural gas liquids". References to "natural gas liquids" or "NGLs" include pentane, butane, propane, ethane and condensate. References to "gas" or "natural gas" relates to conventional natural gas.

Abbreviations

AECO	Alberta Energy Company "C" Meter Station of the NOVA Pipeline System
bbl	barrels of oil
boe	barrels of oil equivalent
boe/d	barrels of oil equivalent per day
CDE	Canadian development expenses as defined under the <i>Income Tax Act</i> (Canada)
GJ	gigajoule
Mboe	thousand barrels of oil equivalent
MMbbl	million barrels of oil
MMcf	million cubic feet
MMcf/d	million cubic feet per day

NGL natural gas liquids
WI working interest
WTI West Texas Intermediate, the reference price paid in U.S. dollars at Cushing, Oklahoma
for crude oil of standard grade

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.