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SPARTAN DELTA CORP. ANNOUNCES EARLY CONVERSION OF PROMISSORY NOTE

Calgary, Alberta – September 29, 2021 – Spartan Delta Corp. ("Spartan" or the "Company") (TSX:SDE) announces that the \$50.0 million unsecured non-interest-bearing convertible promissory note of the Company (the "**Spartan Note**") issued on March 18, 2021 in connection with the acquisition of Inception Exploration Ltd. was converted today into 5,882,353 common shares in the capital of the Company (the "**Common Shares**") at a conversion price of \$8.50 per Common Share and the Spartan Note was cancelled.

Pursuant to an amending agreement entered into between Spartan and the holder of the Spartan Note, the parties agreed to the early conversion of the Spartan Note at a conversion price of \$8.50 per Common Share.

Prior to the amendment, the Spartan Note was convertible on or after March 18, 2023 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 per Common Share.

ABOUT SPARTAN DELTA CORP.

Spartan is building a sustainable energy company whose ESG-focused culture is centered on generating sustainable Free Funds Flow through responsible oil and gas exploration and development. The Company has established a portfolio of high-quality production and development opportunities in the Deep Basin and Montney. Spartan is focused on the execution of the Company's organic drilling program, delivering operational synergies in a respectful and responsible manner to the environment and communities it operates in. The Company is well positioned to continue pursuing immediate production optimization, responsible future growth with organic drilling, opportunistic acquisitions and the delivery of Free Funds Flow. Further detail is available in Spartan's corporate presentation, which can be accessed on its website at www.spartandeltacorp.com.

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Non-GAAP Measures

This press release contains certain financial measures, as described below, which do not have standardized meanings prescribed by International Financial Reporting Standards ("**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

"**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.