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SPARTAN DELTA CORP. ANNOUNCES RECORD ADJUSTED FUNDS FLOW WITH Q1 2022 RESULTS AND PROVIDES OPERATIONS UPDATE

Calgary, Alberta – May 10, 2022 – Spartan Delta Corp. (“Spartan” or the “Company”) (TSX:SDE) is pleased to report its unaudited financial and operating results for the three months ended March 31, 2022.

Selected financial and operational information is set out below and should be read in conjunction with Spartan's unaudited interim financial statements and related management's discussion and analysis (“**MD&A**”) for the three months ended March 31, 2022, which are filed on SEDAR at www.sedar.com and are available on the Company's website at www.spartandeltacorp.com. The highlights reported in this press release include certain non-GAAP financial measures and ratios which have been identified using capital letters. The reader is cautioned that these measures may not be directly comparable to other issuers; refer to additional information under the heading “Reader Advisories – Non-GAAP Measures and Ratios”.

HIGHLIGHTS

- Spartan's average Q1 2022 production volumes grew to 72,588 BOE/d, up 127% compared to 31,914 BOE/d in Q1 2021 and in line with Q4 2021; liquids increased to 37% in Q1 2022 from 28% in Q1 2021.
- The Company's Q1 2022 Operating Netback averaged \$33.73 per BOE before hedging (\$26.94 per BOE after hedging), up 12% from Q4 2021.
- Spartan achieved record Adjusted Funds Flow of \$160 MM (\$0.92 per share, diluted), an increase of 17% compared to \$137 MM in Q4 2021.
- The Company had an active winter drilling program, investing \$108 MM in Q1 2022 into the development of its Montney and Deep Basin core assets; drilled 12.0 net wells, completed 14.5 net wells and a total of 9.5 net wells were tied-in and brought on-production.
- Free Funds Flow of \$52 MM was used to reduce the Company's Net Debt to \$406 MM as at March 31, 2022; Spartan's quarter-end Net Debt represents approximately 0.6 times its Q1 2022 Annualized Adjusted Funds Flow.

MESSAGE TO SHAREHOLDERS

Spartan achieved tremendous growth from 31,914 BOE/d (28% liquids) in the first quarter of 2021 to 72,588 BOE/d (37% liquids) during the first quarter of 2022. This was the result of the successful execution of its Deep Basin and Montney drilling programs together with effective integration of several accretive acquisitions completed during 2021.

Oil and gas sales revenue increased by 365% to \$322 MM compared to \$69 MM in the same quarter of 2021, driven by the Company's oil-weighted production growth together with higher commodity prices. Spartan's combined average realized price of \$49.35 per BOE in the first quarter of 2022 more than doubled compared to the average price of \$24.12 per BOE in the first quarter of 2021. To date in 2022, global crude oil and natural gas prices have risen to the highest levels seen over the past decade due to tight supply, a resurgence in energy demand and the war in Ukraine.

Spartan is proud of its team's performance in the field. The Company's active capital program was executed responsibly and safely during the quarter with strong uptime despite challenging weather conditions. The Company remains committed to ensuring the safety and integrity of its team, local communities, and the environment as part of its ongoing environmental, social and governance (“**ESG**”) priorities.

OPERATIONS UPDATE

Spartan's corporate focus remained on operational execution during the first quarter of 2022, as demonstrated by strong performance from new wells drilled by the Company in its Deep Basin and Montney core development areas.

Deep Basin

In the Deep Basin, Spartan drilled 5.0 net wells, completed 8.5 net wells and brought 6.5 net wells on production during the first quarter of 2022. Highlights from the Q1 campaign are as follows:

- **Ferrier Spirit River 2-30 Pad** (2.0 net wells) was brought onstream February 22, 2022 and achieved an IP60 of 2,254 BOE/d per well (40 bbls/d condensate, 434 bbls/d NGLs and 10.7 mmcf/d natural gas).
- **Brazeau 13-11 Cardium Pad** (2.0 net wells) was brought onstream April 2, 2022 and achieved an IP30 of 833 BOE/d per well average (319 bbls/d oil, 22 bbls/d condensate, 133 bbls/d NGLs and 2.2 mmcf/d natural gas).

The Company's existing capital expenditure budget includes 12.0 to 14.0 additional net Deep Basin wells to be drilled in the remainder of 2022.

Montney

In the Montney, Spartan drilled 7.0 net wells, completed 6.0 net wells and brought 3.0 net wells on production during the first quarter of 2022. Additionally, Spartan drilled and completed 1.0 disposal well. These results, plus additional details on the Gold Creek West 7-34 pad, are summarized below:

- **Gold Creek East 5-7 Phase 2** (3.0 net wells) was brought onstream February 13, 2022. Gold Creek wells typically take 60 to 90 days to reach peak rates. For the month of April, the pad average 1,566 BOE/d per well (760 bbls/d oil, 11 bbls/d condensate, 158 bbls/d NGLs and 3.8 mmcf/d natural gas) and through to the end of April the pad has been onstream for 76 days.
- **Gold Creek East 2-34 Phase 1** (3.0 net wells) was brought onstream subsequent to the quarter on April 5, 2022. The pad continues to clean up and early rates are exceeding expectations.
- **Gold Creek West 7-34 Phase 2** (4.0 net wells) was brought onstream November 8, 2021. Initial rates were constrained awaiting a pipeline expansion that was completed in March 2022. Following the pipeline expansion, for the month of April the pad averaged 793 BOE/d per well (345 bbls/d oil, 30 bbls/d condensate, 62 bbls/d NGLs and 2.1 mmcf/d natural gas) and through to the end of April the pad has been onstream for 173 days.

Spartan is encouraged by the success of its Montney drilling program to date. The Company's existing capital expenditure budget includes 14.0 to 15.0 additional net Montney wells to be drilled from Q2 2022 through year end, which will see further development in the Gold Creek and Karr areas as well as Spartan's first wells at Simonette.

FINANCIAL AND OPERATING HIGHLIGHTS

The tables below summarize the Company's results for the quarter ended March 31, 2022 compared to the fourth quarter ended December 31, 2021 and the first quarter ended March 31, 2021.

<i>(CA\$ thousands, except as otherwise noted)</i>	Q1 2022	Q4 2021	%	Q1 2022	Q1 2021	%
FINANCIAL HIGHLIGHTS						
Oil and gas sales	322,424	296,425	9	322,424	69,283	365
Net income and comprehensive income	61,177	128,455	(52)	61,177	59,164	3
\$ per share, basic ^(a)	0.40	0.84	(52)	0.40	0.87	(54)
\$ per share, diluted ^(a)	0.36	0.76	(53)	0.36	0.73	(51)
Cash provided by operating activities	137,840	147,975	(7)	137,840	32,107	329
Adjusted Funds Flow ^(b)	159,721	137,026	17	159,721	34,617	361
\$ per share, basic ^(a)	1.04	0.89	17	1.04	0.51	104
\$ per share, diluted ^(a)	0.92	0.80	15	0.92	0.42	119
Free Funds Flow ^(b)	51,737	21,344	142	51,737	15,335	237
Cash used in investing activities	104,362	98,225	6	104,362	42,938	143
Capital Expenditures before A&D ^(b)	107,984	115,682	(7)	107,984	19,282	460
Adjusted Net Capital Acquisitions ^(b)	(567)	(1,437)	(61)	(567)	147,121	nm
Total assets	1,811,765	1,742,414	4	1,811,765	679,613	167
Long-term debt	356,570	387,564	(8)	356,570	-	-
Net Debt ^(b)	405,691	458,259	(11)	405,691	(98,303)	(513)
Net Debt to Annualized AFF Ratio ^(b)	0.6x	0.8x	(25)	0.6x	n/a	-
Shareholders' equity	950,734	886,649	7	950,734	414,230	130
Common shares outstanding (000s), end of period ^(a)	153,469	153,214	0	153,469	113,932	35
OPERATING HIGHLIGHTS AND NETBACKS ^(e)						
Average daily production						
Crude oil (bbls/d)	11,270	11,450	(2)	11,270	603	1,769
Condensate (bbls/d) ^(c)	2,414	2,373	2	2,414	1,338	80
Natural gas liquids (bbls/d) ^(c)	12,971	13,576	(4)	12,971	7,115	82
Natural gas (mcf/d)	275,596	270,176	2	275,596	137,146	101
BOE/d	72,588	72,428	0	72,588	31,914	127
% Liquids ^(d)	37%	38%	(3)	37%	28%	32
Average realized prices, before financial instruments						
Crude oil (\$/bbl)	116.35	91.38	27	116.35	66.56	75
Condensate (\$/bbl) ^(c)	120.17	96.63	24	120.17	72.01	67
Natural gas liquids (\$/bbl) ^(c)	49.59	44.39	12	49.59	28.37	75
Natural gas (\$/mcf)	4.85	4.97	(2)	4.85	3.15	54
Combined average (\$/BOE)	49.35	44.48	11	49.35	24.12	105
Netbacks (\$/BOE) ^(e)						
Oil and gas sales	49.35	44.48	11	49.35	24.12	105
Processing and other revenue	0.36	0.36	-	0.36	0.62	(42)
Royalties	(4.86)	(4.91)	(1)	(4.86)	(3.03)	60
Operating expenses	(8.36)	(7.52)	11	(8.36)	(5.06)	65
Transportation expenses	(2.76)	(2.41)	15	(2.76)	(1.34)	106
Operating Netback, before hedging (\$/BOE) ^(e)	33.73	30.00	12	33.73	15.31	120

<i>Netbacks continued from previous page</i>	Q1 2022	Q4 2021	%	Q1 2022	Q1 2021	%
Settlements on Commodity Derivative Contracts ^{(e)(f)}	(6.74)	(6.39)	5	(6.74)	(1.03)	554
Net Pipeline Transportation Margin ^{(e)(g)}	(0.05)	(0.25)	(80)	(0.05)	-	-
Operating Netback, after hedging (\$/BOE) ^(e)	26.94	23.36	15	26.94	14.28	89
General and administrative expenses	(0.88)	(1.12)	(21)	(0.88)	(1.22)	(28)
Cash Financing Expenses ^{(e)(h)}	(1.04)	(1.08)	(4)	(1.04)	(0.12)	767
Realized foreign exchange and other	0.10	0.04	150	0.10	0.19	(47)
Settlement of decommissioning obligations	(0.19)	(0.16)	19	(0.19)	(0.23)	(17)
Lease payments ⁽ⁱ⁾	(0.48)	(0.48)	-	(0.48)	(0.85)	(44)
Adjusted Funds Flow Netback (\$/BOE)^(e)	24.45	20.56	19	24.45	12.05	103

- a) Refer to "Share Capital" section of this press release.
- b) "Adjusted Funds Flow", "Free Funds Flow", "Capital Expenditures before A&D", "Adjusted Net Capital Acquisitions", "Net Debt" and "Net Debt to Annualized AFF Ratio" do not have standardized meanings under IFRS, refer to "Non-GAAP Measures and Ratios" section of this press release.
- c) Condensate is a natural gas liquid ("NGL") as defined by NI 51-101. See "Other Measurements".
- d) "Liquids" includes crude oil, condensate and NGLs.
- e) "Netbacks" are non-GAAP financial ratios calculated per unit of production. "Operating Netback", "Settlements on Commodity Derivative Contracts", "Net Pipeline Transportation Margin", "Cash Financing Expenses" and "Adjusted Funds Flow Netback" do not have standardized meanings under IFRS, refer to "Non-GAAP Measures and Ratios" section of this press release.
- f) Includes realized gains or losses on derivative financial instruments plus settlements of acquired derivative liabilities.
- g) Pipeline transportation revenue, net of pipeline transportation expense.
- h) Includes interest and fees on long-term debt, net of interest income.
- i) Includes total lease payments comprised of the principal portion and financing cost of lease liabilities.

2022 OUTLOOK

Strong fundamentals pushed commodity prices higher during the first three months of 2022, a trend which has continued subsequent to the quarter. During the first quarter, WTI averaged US\$94.29 per barrel and AECO 7A averaged \$4.35 per GJ. As of May 9, 2022, strip pricing for the remainder of 2022 is US\$96.96 per barrel for WTI crude oil and \$6.11 per GJ for AECO 7A natural gas.

Oil and gas industry activity levels have increased significantly with the rise in commodity prices. Supply shortages and increased competition for labour, equipment and services has resulted in industry-wide cost escalation and longer lead times. While the Company anticipates this will persist through the remainder of 2022, Spartan is encouraged by its operational success achieved to date and is confident in its ability to effectively manage cost pressures and supply chain challenges. In addition, any cost inflation has been more than offset by materially higher realized commodity prices supporting robust Adjusted Funds Flow and Free Funds Flow generation.

Spartan is evaluating the impact of these cost pressures and opportunities to further capitalize on the current business environment with strong commodity prices, which have significantly increased the Company's forecasted Free Funds Flow and accelerated the pace of debt repayment. Spartan is evaluating strategies to maximize shareholder returns through the potential expansion of its capital budget and a return of capital framework after the Company's Net Debt to Annualized AFF Ratio reaches 0.5x.

The Company is currently benefiting from materially higher commodity pricing, which will see an inflection point at the end of the second quarter with the expiry of the Company's remaining crude oil hedges; Spartan will be fully unhedged on crude oil after June 2022. Approximately one-third of forecasted natural gas volumes are hedged for the balance of 2022. Refer to the Company's MD&A for details of outstanding commodity price risk management contracts.

ABOUT SPARTAN DELTA CORP.

Spartan is committed to creating a modern energy company, focused on sustainability both in operations and financial performance. The Company's ESG-focused culture is centered on generating 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, future growth with organic drilling, opportunistic acquisitions and the delivery of Free Funds Flow. Further detail is available in Spartan's investor presentation, which can be accessed on its website at www.spartandeltacorp.com.

Spartan's corporate presentation as of May 10, 2022 can be accessed on the Company's website at www.spartandeltacorp.com.

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READER ADVISORIES

Non-GAAP Measures and Ratios

This press release contains certain financial measures and ratios 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 and ratios 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 and ratios used in this press 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.

The definitions below should be read in conjunction with the “Non-GAAP Measures and Ratios” section of the Company’s MD&A dated May 10, 2022, which includes discussion of the purpose and composition of the specified financial measures and detailed reconciliations to the most directly comparable GAAP financial measures.

Operating Income and Operating Netback

Operating Income, a non-GAAP financial measure, is a useful supplemental measure that provides an indication of the Company’s ability to generate cash from field operations, prior to administrative overhead, financing and other business expenses. “**Operating Income, before hedging**” is calculated by Spartan as oil and gas sales, net of royalties, plus processing and other revenue, less operating and transportation expenses. “**Operating Income, after hedging**” is calculated by adjusting Operating Income for: (i) realized gains or losses on derivative financial instruments including settlements on acquired derivative financial instrument liabilities (together a non-GAAP financial measure “**Settlements on Commodity Derivative Contracts**”), and (ii) pipeline transportation revenue, net of pipeline transportation expense (the “**Net Pipeline Transportation Margin**”). The Company refers to Operating Income expressed per unit of production as an “**Operating Netback**” and reports the Operating Netback before and after hedging, both of which are non-GAAP financial ratios. Spartan considers Operating Netback an important measure to evaluate its operational performance as it demonstrates its field level profitability relative to current commodity prices.

Adjusted Funds Flow and Free Funds Flow

Cash provided by operating activities is the most directly comparable measure to Adjusted Funds Flow. “**Adjusted Funds Flow**” is reconciled to cash provided by operating activities by excluding changes in non-cash working capital, adding back transaction costs on acquisitions, and deducting the principal portion of lease payments. Spartan utilizes Adjusted Funds Flow as a key performance measure in the Company’s annual financial forecasts and public guidance. Transaction costs, which primarily include legal and financial advisory fees, regulatory and other expenses directly attributable to execution of acquisitions, are added back because the Company’s definition of Free Funds Flow excludes capital expenditures related to acquisitions and dispositions. For greater clarity, incremental overhead expenses related to ongoing integration and restructuring post-acquisition are not adjusted and are included in Spartan’s general and administrative expenses. Lease liabilities are not included in Spartan’s definition of Net Debt (non-GAAP measure defined herein) therefore lease payments are deducted in the period incurred to determine Adjusted Funds Flow.

The Company refers to Adjusted Funds Flow expressed per unit of production as an “**Adjusted Funds Flow Netback**”.

“**Free Funds Flow**” is calculated by Spartan as Adjusted Funds Flow less Capital Expenditures before A&D, which is also a non-GAAP financial measure (defined herein). Spartan believes Free Funds Flow provides an indication of the amount of funds the Company has available for future capital allocation decisions such as to repay long-term debt, reinvest in the business or return capital to shareholders.

Adjusted Funds Flow per share

Adjusted Funds Flow (“**AFF**”) per share is a non-GAAP financial ratio used by the Spartan as a key performance indicator. AFF per share is calculated using the same methodology as net income per share (“**EPS**”), however the diluted weighted average common shares (“**WA Shares**”) outstanding for AFF may differ from the diluted weighted average determined in accordance with IFRS for purposes of calculating EPS due to non-cash items that impact net income only. The dilutive impact of stock options and share awards is more dilutive to AFF than EPS because the number of shares deemed to be repurchased under the treasury stock method is not adjusted for unrecognized share based compensation expense as it is non-cash. For periods in which the convertible promissory note was outstanding, it was always dilutive to AFF per share but could be antidilutive to EPS because of the non-cash change in fair value recognized through net income (see also, “Share Capital”).

Capital Expenditures, before A&D

“**Capital Expenditures before A&D**” is used by Spartan to measure its capital investment level compared to the Company’s annual budgeted capital expenditures for its organic drilling program. It includes capital expenditures on exploration and evaluation assets and property, plant and equipment, before acquisitions and dispositions. The directly comparable GAAP measure to capital expenditures is cash used in investing activities.

Adjusted Net Capital Acquisitions

“**Adjusted Net Capital Acquisitions**” is a supplemental measure disclosed by Spartan which aggregates the total amount of cash, debt and share consideration used to acquire crude oil and natural gas assets during the period, net of cash proceeds received on dispositions. The Company believes this is useful information because it is more representative of the total transaction value than the cash acquisition costs or total cash used in investing activities, determined in accordance with IFRS.

Net Debt and Adjusted Working Capital

References to “**Net Debt**” includes long-term debt under Spartan’s revolving credit facility and second lien term facility, net of Adjusted Working Capital. Net Debt and Adjusted Working Capital are both non-GAAP financial measures. “**Adjusted Working Capital**” is calculated as current assets less current liabilities, excluding lease liabilities and derivative financial instrument assets and liabilities. As at March 31, 2022 and at December 31, 2021, the Adjusted Working Capital deficit includes cash and cash equivalents, accounts receivable, prepaid expenses and deposits, other current assets, accounts payable and accrued liabilities and the current portion of decommissioning obligations.

Spartan uses Net Debt as a key performance measure to manage the Company’s targeted debt levels. The Company believes its presentation of Adjusted Working Capital and Net Debt are useful as supplemental measures because lease liabilities and derivative financial instrument assets and liabilities relate to contractual obligations for future production periods. Lease payments and cash receipts or settlements on derivative financial instruments are included in Spartan’s reported Adjusted Funds Flow in the production month to which the obligation relates.

References to “**Cash Financing Expenses**” includes interest and fees on long-term debt, net of interest income, and excludes financing costs related to lease liabilities and accretion of decommissioning obligations. Cash Financing Expenses is a non-GAAP financial measure used by Spartan in its budget and guidance as it corresponds to the Company’s definition of Net Debt, however it should not be viewed as an alternative to total financing expenses presented in accordance with IFRS.

Net Debt to Annualized AFF Ratio

The Company monitors its capital structure using a “**Net Debt to Annualized AFF Ratio**”, which is a non-GAAP financial ratio calculated as the ratio of the Company’s “Net Debt” to its “Annualized Adjusted Funds Flow” which is calculated by multiplying Adjusted Funds Flow for the most recent quarter by a factor of 4.

<i>(CA\$ thousands, except as noted)</i>	March 31, 2022	December 31, 2021
Working capital deficit	142,346	133,416
Adjusted for current portion of:		
Derivative financial instrument assets	6,889	268
Derivative financial instrument liabilities	(89,833)	(52,783)
Lease liabilities	(10,281)	(10,206)
Adjusted Working Capital deficit	49,121	70,695
Long-term debt	356,570	387,564
Net Debt	405,691	458,259
Annualized Adjusted Funds Flow ⁽¹⁾	638,884	548,104
Net Debt to Annualized AFF Ratio ⁽¹⁾	0.6x	0.8x

(1) Spartan previously referred to this capital management measure as the "Net Debt to Trailing AFF Ratio" based on "Trailing Adjusted Funds Flow". The name of this measure has been changed to "Net Debt to Annualized AFF Ratio" based on "Annualized Adjusted Funds Flow", however there is no change to the calculation methodology and the resulting ratio is unchanged.

The Company's total lease liability is approximately \$52 MM as at March 31, 2022 (2021 – \$55 MM), of which \$10 MM is expected to be settled within the next twelve months.

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 and ethane. References to "gas" or "natural gas" relates to conventional natural gas. References to "liquids" includes crude oil, condensate and NGLs.

Share Capital

Spartan's common shares are listed on the Toronto Stock Exchange ("**TSX**") and trade under the symbol "SDE". The volume weighted average trading price of Spartan's common shares on the TSX was \$8.20 common share for the first quarter of 2022. Spartan's closing share price was \$9.80 on March 31, 2022 compared to \$5.97 on December 31, 2021 and \$3.95 on March 31, 2021.

As of the date hereof, there are 155.0 MM common shares outstanding (153.5 MM as at March 31, 2022). There are no preferred shares or special shares outstanding. The following securities are outstanding as of the date of this press release: 15.5 MM common share purchase warrants with an exercise price of \$1.00 per common share; 2.6 MM restricted share awards; and 4.2 MM stock options outstanding with an average exercise price of \$4.22 per common share and average remaining term of 3.6 years.

The table below summarizes the weighted average number of common shares outstanding (000s) used in the calculation of diluted EPS and diluted AFF per share:

(000s)	Q1 2022	Q4 2021	%	Q1 2022	Q1 2021	%
WA Shares outstanding, basic	153,292	153,128	0	153,292	68,293	124
Dilutive effect of outstanding securities	17,670	15,962	11	17,670	13,298	33
WA Shares, diluted – for EPS	170,962	169,090	1	170,962	81,591	110
Incremental dilution for AFF ^(a)	1,783	1,130	58	1,783	-	-
WA Shares, diluted – for AFF ^(a)	172,745	170,220	1	172,745	81,591	112

a) AFF per share does not have a standardized meaning under IFRS, refer to "Non-GAAP Measures and Ratios".

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 as of the date hereof, 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: the business plan, cost model and strategy of Spartan, including commodity diversification and oil weighted production; Spartan's anticipated operational results including anticipated drilling plans for the remainder of 2022; the expectation that cost escalation will persist in 2022 and will be offset by materially higher commodity prices; the Company's ability to effectively manage cost pressures and supply chain challenges; Spartan plans to deliver strong operational performance and to generate long term sustainable Free Funds Flow and organic growth; future intentions with respect to return of capital; the Company's hedging strategy; management's expectations regarding encouraging drilling results and ability to replicate past performance; being well positioned to take advantage of opportunities in the current business environment, and to continue pursuing immediate production optimization, responsible future growth with organic drilling, and opportunistic acquisitions.

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 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 successful integration of the recently 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, prevailing commodity prices, price volatility, price differentials and the actual prices received for the Company's products, impact of inflation on costs, 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 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, changes in industry regulations and political landscape both domestically and abroad, wars (including Russia's military actions in Ukraine), hostilities, civil insurrections, foreign exchange or interest rates, increased operating and capital costs due to inflationary pressures (actual and anticipated), stock market volatility, impacts of the current COVID-19 pandemic and the retention of key management and employees. Ongoing military actions between Russia and Ukraine have the potential to threaten the supply of oil and gas from the region. The long-term impacts of the actions between these nations remains uncertain.

Please refer to Spartan's MD&A and AIF for the year ended December 31, 2021 for discussion of additional risk factors relating to Spartan, which can be accessed either on Spartan's website at www.spartandeltacorp.com or

under Spartan's SEDAR 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.

References in this press release to peak rates, test rates, IP30, IP60, IP120, IP160 and other short-term production rates are useful in confirming the presence of hydrocarbons, however such rates are not determinative of the rates at which such wells will commence production and decline thereafter and are not indicative of long-term performance or of ultimate recovery. While encouraging, readers are cautioned not to place reliance on such rates in calculating the aggregate production of Spartan. The Company cautions that test rates are considered preliminary.

Abbreviations

A&D	acquisitions and dispositions
AECO	Alberta Energy Company "C" Meter Station of the NOVA Pipeline System
AECO 5A	NGX AB-NIT Same Day Index 5A per the Canadian Gas Price Reporter
AFF	Adjusted Funds Flow
AIF	refers to the Company's Annual Information Form dated March 8, 2022
bbl	barrel
bbls/d	barrels per day
BOE	barrels of oil equivalent
BOE/d	barrels of oil equivalent per day
COVID-19	refers to the outbreak of the novel coronavirus, a public health crisis
ESG	Environment, Social and Governance
G&A	general and administrative expenses
GJ	gigajoule
IP30	average production for the first 30 days that a well is onstream
IP60	average production for the first 60 days that a well is onstream
IP120	average production for the first 120 days that a well is onstream
IP160	average production for the first 160 days that a well is onstream
mcf	one thousand cubic feet
mmcf	one million cubic feet
mcf/d	one thousand cubic feet per day
mmcf/d	one million cubic feet per day
MD&A	refers to Management's Discussion and Analysis of the Company dated May 10, 2022
MM	millions
NI 51-101	National Instrument 51-101 – <i>Standards of Disclosure for Oil and Gas Activities</i>
NGL(s)	natural gas liquids
Q1 2022	first quarter of 2022
Q1 2021	first quarter of 2021
Q4 2021	fourth quarter of 2021
TSX	Toronto Stock Exchange
US\$	United States dollar
WTI	West Texas Intermediate, the reference price paid in U.S. dollars at Cushing, Oklahoma for crude oil of standard grade