SPARTAN DELTA CORP. ANNOUNCES STRATEGIC REPOSITIONING PROCESS AND PRELIMINARY GUIDANCE FOR 2023

Calgary, Alberta – November 30, 2022 – Spartan Delta Corp. ("**Spartan**" or the "**Company**") (TSX:SDE) is pleased to announce that its Board of Directors (the "**Board**") has commenced a formal process to evaluate strategic repositioning alternatives in an effort to enhance shareholder value (the "**Repositioning Process**").

Spartan has been one of the most active consolidators in the Canadian oil and gas industry since April of 2020, building dominant positions in both the oil window of the Alberta Montney and the liquids-rich Deep Basin. The Company's counter cyclical approach to acquisitions through a challenging time in the industry coupled with organic outperformance has generated significant returns for Spartan's shareholders.

The Company has successfully integrated and demonstrated the organic productive potential of the full complement of its acquired assets. Over the past 15 months, Spartan has placed specific focus on the development of our Gold Creek and Karr assets located in the Montney oil window. The drilling programs to date have consistently exceeded the Company's forecasted type curves and production targets, which facilitated the acceleration of debt repayment culminating in the full repayment of its revolving credit facility as of September 30, 2022. Following the achievement of these important milestones, Spartan previously announced a special dividend of $0.50 per common share payable on January 16, 2023 to shareholders of record at the close of business on December 15, 2022.

Spartan expects to generate approximately $455 million of forecasted Free Funds Flow in 2023 and is well positioned to continue growing the business organically by ~10% per year with decades of high-quality inventory and over $2 billion of tax pools, while accelerating a robust return of capital program with a specific focus on dividends.

Despite the achievement of these key milestones, the current trading price of the Company's common shares does not fully reflect the underlying value of the asset base.

Before Spartan commits to a significant return of capital strategy for 2023, the Board has determined that it is timely and prudent to initiate a comprehensive process to explore, review and evaluate a number of strategic repositioning alternatives available to the Company with a view to maximizing and accelerating value to shareholders. The Repositioning Process will include the evaluation of a broad range of alternatives including, but not limited to, a corporate sale, merger, corporate restructuring, sale of select assets, sale of a royalty, purchase of assets, the spin-out of select assets into a newly-formed company whose securities would be distributed to shareholders or any combination of these potential alternatives in conjunction with a robust return of capital strategy.

Spartan's business will not be impacted by this Repositioning Process and will continue to execute on the drilling program that has delivered some of the best results in Canada.

2023 BUDGET AND PRELIMINARY GUIDANCE

With strong operational performance from Spartan's drilling program and forecasted continuation of commodity price tailwinds, Spartan is pleased to provide its financial and operating guidance for 2023.

Based on forecast average production of between 80,000 to 82,000 BOE/d and commodity price assumptions of US$80/bbl for WTI crude oil and $4.50/GJ for AECO natural gas, Spartan expects to generate approximately $885 million of Adjusted Funds Flow in 2023. Free Funds Flow is forecast to be $455 million on a capital expenditure budget of $430 million.

As part of the Company's 2023 capital budget, Spartan plans to drill 26.7 net wells in the Montney, primarily targeting the oil-weighted areas of Gold Creek and Karr, and 15.0 net wells targeting both light oil and liquids-rich gas in the Spirit River and Cardium horizons within the Deep Basin. Spartan's 2023 capital expenditure assumptions include an estimated 5% increase in costs year over year due to the impact of inflationary pressures within the industry and labor force.

Spartan's preliminary 2023 guidance is summarized below:

ANNUAL GUIDANCE Year ending December 31, 2023	2023 Guidance
Average Production (BOE/d) [(a)(c)]	**80,000 to 82,000**
% Liquids	**39%**
Benchmark Average Commodity Prices	
WTI crude oil price (US$/bbl)	**80.00**
NYMEX Henry Hub natural gas price (US$/mmbtu)	**5.31**
AECO natural gas price ($/GJ)	**4.50**
Average exchange rate (US$/CA$)	**1.33**
Operating Netback, before hedging ($/BOE) [(b)(c)]	**31.62**
Operating Netback, after hedging ($/BOE) [(b)(c)]	**31.94**
Adjusted Funds Flow ($MM) [(b)(c)]	**885**
Capital Expenditures, before A&D ($MM) [(b)]	**430**
Free Funds Flow ($MM) [(b)]	**455**
Net Debt (Surplus), end of year ($MM) [(b)]	**(297)**
Common shares outstanding, end of year (MM) [(d)]	**173**

a) The financial performance measures included in the Company's preliminary guidance for 2023 is based on the midpoint of the average production forecast of 81,000 BOE/d.

b) "Operating Netback", "Adjusted Funds Flow", "Capital Expenditures, before A&D", "Free Funds Flow" and "Net Debt (Surplus)" do not have standardized meanings under IFRS, see "Non-GAAP Measures and Ratios".

c) Additional information regarding the assumptions used in the forecasted Average Production, Operating Netbacks and Adjusted Funds Flow for 2023 are provided in the Reader Advisories section of this press release.

d) The forecast of common shares outstanding at the end of 2023 includes restricted share awards expected to be released upon vesting and assumes outstanding share purchase warrants will be exercised in the fourth quarter of 2022, but does not include common shares potentially issuable in respect of stock options for which the exercise is discretionary on behalf of the holder (refer to "Share Capital" section of this press release for additional information regarding dilutive securities).

OUTLOOK

Spartan's management team and Board are committed to acting in the best interests of the shareholders of the Company. Spartan has not yet established a definitive schedule to complete its identification, examination and consideration of strategic repositioning alternatives. The Company does not intend to disclose developments with respect to the Repositioning Process, periodically or otherwise, unless the Board has approved a definitive transaction or strategic repositioning alternative, or otherwise determines that disclosure is necessary or appropriate. The Company cautions that there are no assurances or guarantees that the process will result in a transaction or, if a transaction is undertaken, the terms or timing of such a transaction.

The Board and management team of Spartan believe that this Repositioning Process will ultimately benefit shareholders. Should no transaction be undertaken, Spartan will continue its operations as they currently exist with a focus on sustainable self-funded growth and executing on a return of capital strategy.

FINANCIAL ADVISOR

Spartan has engaged National Bank Financial Inc. ("**NBF**") as its exclusive financial advisor in connection with the Repositioning Process. Spartan and NBF have created a virtual data room, which is available for review by interested parties upon execution of a confidentiality agreement.

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.

Spartan's corporate presentation as of November 29, 2022 can be accessed on the Company's website at www.spartandeltacorp.com.

FOR ADDITIONAL INFORMATION PLEASE CONTACT:

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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 November 8, 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 as at September 30, 2022.

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.

"**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.

<u>Capital Expenditures, before A&D</u>

"**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.

<u>Net Debt (Surplus) and Adjusted Working Capital</u>

References to "**Net Debt (Surplus)**" includes long-term debt outstanding, if any, under Spartan's revolving credit facility and second lien term facility, net of Adjusted Working Capital. Net Debt (Surplus) 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.

Spartan uses Net Debt (Surplus) as a key performance measure to manage the Company's targeted debt levels. The Company believes its presentation of Net Debt (Surplus) is 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.

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, medium crude oil, heavy oil and tight 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.

Assumptions for 2023 Guidance

The significant assumptions used in the forecast of Operating Netbacks and Adjusted Funds Flow for 2023 are summarized below. These key performance measures expressed per BOE are based on the midpoint of calendar year average production guidance for 2023 of 81,000 BOE/d.

2023 PRODUCTION GUIDANCE	Guidance
Crude oil (bbls/d)	16,000
Condensate (bbls/d)	2,100
Crude oil and condensate (bbls/d)	18,100
NGLs (bbls/d)	13,800
Natural gas (mcf/d)	294,600
Combined average (BOE/d)	81,000
% Liquids	39%

2023 FINANCIAL GUIDANCE *($/BOE)*	Guidance
Oil and gas sales	48.63
Processing and other revenue	0.31
Royalties	(6.22)
Operating expenses	(8.41)
Transportation expenses	(2.69)
Operating Netback, before hedging	31.62
Settlements on Commodity Derivative Contracts	0.32
Operating Netback, after hedging	31.94
General and administrative expenses	(0.91)
Cash financing expenses	(0.50)
Settlements of decommissioning obligations	(0.20)
Lease payments	(0.40)
Adjusted Funds Flow	29.93

Changes in forecast commodity prices, exchange rates, differences in the amount and timing of capital expenditures, and variances in average production estimates can have a significant impact on the key performance measures included in Spartan's guidance. The Company's actual results may differ materially from these estimates. Holding all other assumptions constant, a US$10/bbl increase (decrease) in the forecasted average WTI crude oil price for 2023 would increase Adjusted Funds Flow by approximately $91 million (decrease by $94 million). An increase (decrease) of CA$1.00/GJ in the forecasted average AECO natural gas price for 2023, holding the NYMEX-AECO basis differential and all other assumptions constant, would increase Adjusted Funds Flow by approximately $63 million (decrease by $69 million). Holding U.S. dollar benchmark commodity prices and all other assumptions constant, an increase (decrease) of $0.10 in the US$/CA$ exchange rate would increase Adjusted Funds Flow by approximately $52 million (decrease by $53 million). Assuming capital expenditures are unchanged, the impact on Free Funds Flow would be equivalent to the increase or decrease in Adjusted Funds Flow. An increase (decrease) in Free Funds Flow will result in an equivalent decrease (increase) in the forecasted Net Debt (Surplus).

Share Capital

Spartan’s common shares are listed on the Toronto Stock Exchange (“TSX”) and trade under the symbol “SDE”. As of the date hereof, there are 156.1 million common shares outstanding. There are no preferred shares or special shares outstanding. The following securities are outstanding as of the date of this press release: 15.1 million common share purchase warrants with an exercise price of $1.00 per common share; 3.0 million restricted share awards; and 3.5 million stock options outstanding with an average exercise price of $4.48 per common share and average remaining term of 3.1 years.

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 an independent oil and gas reserves evaluation of Spartan's assets prepared by McDaniel & Associates Consultants Ltd. as of December 31, 2021 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 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 41.7 net total booked drilling locations identified herein, 23.7 are net proved locations and 5 are net probable 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 have been 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 and if drilled there is more uncertainty that such wells will result in additional oil and gas reserves, resources or production.

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; the expectation that the Repositioning Process may elicit change and enhance shareholder value; Spartan's anticipated operational results; future intentions with respect to the return of capital; the impact of inflation on cost estimates; the expectation that Spartan can continue growing the business organically with decades of high-quality inventory; the Company's 2023 capital budget and preliminary financial/operational guidance; Spartan's anticipated operational results for 2023 including, but not limited to, estimated or anticipated production levels, capital expenditures and drilling plans; Spartan plans to deliver strong operational performance and to generate long term sustainable Free Funds Flow and organic growth; 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. Further, the ability of Spartan to pay the proposed special dividend and any future dividend payments and share buybacks, if any, will be subject to applicable laws (including the satisfaction of the solvency test contained in applicable corporate legislation) and contractual restrictions contained in the instruments governing its indebtedness, including its credit facility.

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, the failure to achieve the anticipated benefits of the Repositioning Process or any transactions undertaken pursuant to the Repositioning Process; the risk that future dividend payments or share buybacks, if any, are reduced, suspended or cancelled, 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 for the period ended September 30, 2022 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.

This press release contains future-oriented financial information and financial outlook information (collectively, "**FOFI**") about Spartan's prospective results of operations and production, organic growth, operating costs, capital expenditures, Adjusted Funds Flow, Free Funds Flow, Net Debt (Surplus), Operating Netbacks, and Spartan's corporate outlook and guidance for 2023 and components thereof, all of which are subject to the same assumptions, risk factors, limitations, and qualifications as set forth in the above paragraphs. FOFI contained in this document was approved by management as of the date of this document and was provided for the purpose of providing further information about Spartan's proposed business activities in 2023. Spartan and its management believe that FOFI 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, the Company's expected course of action. However, because this information is highly subjective, it should not be relied on as necessarily indicative of future results. Spartan disclaims any intention or obligation to update or revise any FOFI contained in this document, whether as a result of new information, future events or otherwise, unless required pursuant to applicable law. Readers are cautioned that the FOFI contained in this document should not be used for purposes other than for which it is disclosed herein. Changes in forecast commodity prices, differences in the timing of capital expenditures, and variances in average production estimates can have a significant impact on the key performance measures included in Spartan's guidance. The Company's actual results may differ materially from these estimates.

Abbreviations

A&D	acquisitions and dispositions
AECO	Alberta Energy Company "C" Meter Station of the NOVA Pipeline System
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
CA$	Canadian Dollars
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
mcf	one thousand cubic feet
mmbtu	one million British thermal units
mmcf	one million cubic feet
mcf/d	one thousand cubic feet per day
mmcf/d	one million cubic feet per day
MM	millions
NI 51-101	National Instrument 51-101 – *Standards of Disclosure for Oil and Gas Activities*
NGL(s)	natural gas liquids
NYMEX	New York Mercantile Exchange, with reference to the U.S. dollar "Henry Hub" natural gas price index
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