A copy of this preliminary short form prospectus has been filed with the securities regulatory authorities in each of the provinces of Canada, except Québec, but has not yet become final for the purpose of the sale of securities. Information contained in this preliminary short form prospectus may not be complete and may have to be amended. The securities may not be sold until a receipt for the short form prospectus is obtained from the securities regulatory authorities.

No securities regulatory authority has expressed an opinion about these securities and it is an offence to claim otherwise.

This preliminary short form prospectus constitutes a public offering of these securities only in those jurisdictions where they may be lawfully offered for sale and therein only by persons permitted to sell such securities. *The securities to be offered hereunder have not been, and will not be, registered under the United States Securities Act of 1933, as amended (the "**1933 Act**"), or any state securities laws. Accordingly, these securities may not be offered, sold or delivered within the United States (as defined herein) except in accordance with the Underwriting Agreement (as defined herein) and pursuant to an exemption from the registration requirements of the 1933 Act and applicable state securities laws. This preliminary short form prospectus does not constitute an offer to sell or a solicitation of an offer to buy any of these securities within the United States. See "Plan of Distribution".*

Information has been incorporated by reference in this preliminary short form prospectus from documents filed with securities commissions or similar authorities in Canada. Copies of the documents incorporated herein by reference may be obtained on request without charge from the Chief Financial Officer of the Corporation at Suite 1600, 308- 4th Avenue SW, Calgary, Alberta T2P OH7 (telephone (403) 265-8011) and are also available electronically under the Corporation's SEDAR+ profile at www.sedarplus.ca.

PRELIMINARY SHORT FORM PROSPECTUS

New Issue — January 17, 2025

SPARTAN
DELTA CORP.

$85,002,640
22,252,000 Common Shares

$3.82 per Common Share

This preliminary short form prospectus qualifies the distribution (the "**Offering**") of 22,252,000 common shares (the "**Offered Shares**") in the capital of Spartan Delta Corp. ("**Spartan**" or the "**Corporation**") at a price of $3.82 per Offered Share (the "**Offering Price**").

The terms of the Offering, including the Offering Price, were determined by negotiation between the Corporation and National Bank Financial Inc. (the "**Lead Underwriter**"), on its own behalf and on behalf of BMO Nesbitt Burns Inc., TD Securities Inc., ATB Securities Inc., CIBC World Markets Inc., Cormark Securities Inc., Peters & Co. Limited, Scotia Capital Inc., Desjardins Securities Inc., Haywood Securities Inc. and Ventum Financial Corp. (collectively and together with the Lead Underwriter, the "**Underwriters**"). See "*Plan of Distribution*".

The issued and outstanding common shares in the capital of the Corporation ("**Common Shares**") are listed and posted for trading on the Toronto Stock Exchange (the "**TSX**") under the trading symbol "SDE". On January 13, 2025 and January 16, 2025, the last trading days before the public announcement of the Offering and the date of this preliminary short form prospectus, respectively, the closing price of the Common Shares on the TSX was $4.00 and $3.88, respectively. The Corporation intends to apply to list the Offered Shares on the TSX promptly following the filing of this preliminary short form prospectus. Such listing will be subject to the Corporation fulfilling all of the listing requirements of the TSX.

	Price to the Public	Underwriting Fee(1)	Net Proceeds to the Corporation(1)(2)(3)
Per Offered Share………	$3.82	$0.1528	$3.6672
Total……………………………………………	**$85,002,640.00**	**$3,172,105.60**(4)	**$81,830,534.40**

Notes:

1. The Corporation has agreed to pay the Underwriters a cash commission (the "**Underwriting Fee**") equal to 4.0% of the gross proceeds of the Offering, including the gross proceeds raised on exercise of the Over-Allotment Option (as defined herein), if any, and excluding the gross proceeds of sales of Offered Shares made to purchasers on a president's list agreed upon between the Corporation and the Lead Underwriter (the "**President's List**"). For the purposes of this short form prospectus, the Underwriting Fee has been calculated on the basis that aggregate gross proceeds of $5.7 million are raised from sales to Presidents List purchasers.
2. Before deducting expenses of the Offering estimated to be $500,000.00 (exclusive of GST), which will be paid out of the Corporation's general funds.
3. The Corporation has granted to the Underwriters an option (the "**Over-Allotment Option**"), exercisable from time to time, in whole or in part, at any time until 30 days following the Closing Date (as defined herein) to purchase up to an additional 3,337,800 Offered Shares on the same terms and conditions as the Offering, to cover over-allotments, if any, and for market stabilization purposes. If the Over-Allotment Option is exercised in full, the total price to the public, Underwriting Fee and net proceeds to the Corporation (before deducting expenses of the Offering) will be $97,753,036.00, $3,682,121.44 and $94,070,914.56, respectively. This short form prospectus also qualifies the distribution of the Offered Shares issuable pursuant to the exercise of the Over-Allotment Option. A purchaser who acquires Offered Shares forming part of the Underwriters' over-allocation position acquires those Offered Shares under this short form prospectus, regardless of whether the over-allocation position is ultimately filled through the exercise of the Over-Allotment Option or secondary market purchases. Unless the context otherwise requires, references herein to the "Offering" and the "Offered Shares" include the Offered Shares issuable pursuant to the exercise of the Over-Allotment Option. See "*Plan of Distribution*".
4. Assumes that aggregate gross proceeds of $5.7 million are raised from sales to President's List purchasers.

Underwriters' Position	Maximum size or number of securities held	Exercise Period	Exercise Price
Over-Allotment Option	3,337,800 Offered Shares	At any time until 30 days following the Closing Date	$3.82 per Offered Share

The Underwriters, as principals, conditionally offer the Offered Shares, subject to prior sale, if, as and when issued by the Corporation and accepted by the Underwriters in accordance with the conditions contained in the Underwriting Agreement referred to under "*Plan of Distribution*" and subject to approval of certain legal matters relating to the qualification for distribution of the Offered Shares on behalf of the Corporation by Stikeman Elliott LLP, and on behalf of the Underwriters by Burnet, Duckworth & Palmer LLP.

Subscriptions for the Offered Shares issuable hereunder will be received subject to rejection or allotment in whole or in part and the right is reserved to close the subscription books at any time without notice. The Offered Shares (other than any Offered Shares issuable pursuant to the exercise of the Over-Allotment Option) shall be taken up by the Underwriters, if at all, on or before a date not later than 42 days after the date of the receipt for this short form prospectus. It is expected that Closing (as defined herein) will occur on or about January 30, 2025, or such other date as the Corporation and the Lead Underwriter, on its own behalf and on behalf of the other Underwriters, may agree, but in any event no later than the date that is 42 days after the receipt for this short form prospectus.

Except in certain limited circumstances: (i) the Offered Shares will be registered and represented electronically through the non-certificated inventory system of CDS (as defined herein) in "book-based" form; (ii) no certificates evidencing the Offered Shares will be issued to purchasers of Offered Shares unless specifically requested; and (iii) purchasers of Offered Shares will receive only a customer confirmation from the Underwriter or other registered dealer who is a CDS depositary participant and from or through whom a beneficial interest in the Offered Shares is purchased. Notwithstanding the foregoing, the Offered Shares sold pursuant to an exemption from the registration requirements of the 1933 Act provided under Section 4(a)(2) thereof and Rule 506(b) thereunder, to subscribers who do not qualify as "qualified institutional buyers" within the meaning of Rule 144A (as defined herein) will be represented by definitive physical certificates registered in the names of the subscribers thereof, which certificates will bear a legend with respect to certain matters under the 1933 Act. See "*Plan of Distribution*".

Subject to applicable laws, the Underwriters may, in connection with the Offering, effect transactions which stabilize or maintain the market price of the Common Shares at levels other than those which might otherwise prevail on the open market in accordance with applicable stabilization rules. Such transactions, if commenced, may be discontinued at any time. See "*Plan of Distribution*".

The Underwriters propose to offer the Offered Shares initially at the Offering Price. After a reasonable effort has been made to sell all of the Offered Shares at the Offering Price, the Underwriters may offer the Offered Shares at prices lower than the Offering Price. Notwithstanding any reduction by the Underwriters in the Offering Price, any such reduction will not affect the proceeds received by the Corporation. See "*Plan of Distribution*".

An investment in the Offered Shares is subject to certain risks inherent in the Corporation's involvement in the exploration for, and the acquisition, development and production of, crude oil and natural gas reserves. The risk factors identified under the headings "*Risk Factors*" and "*Special Note Regarding Forward-Looking Statements*" in this short form prospectus, under the heading "*Risk Factors*" in the Annual Information Form (as defined herein), and under the heading "*Risks and Uncertainties*" in the Interim MD&A and Annual MD&A (as defined herein), should be carefully reviewed and evaluated by prospective subscribers before purchasing the securities being offered hereunder.

National Bank Financial Inc. is a direct or indirect wholly-owned subsidiary of National Bank of Canada, a lender to the Corporation and to which the Corporation is presently indebted. In addition, a bank affiliate of each of BMO Nesbitt Burns Inc., TD Securities Inc., ATB Securities Inc. and CIBC World Markets Inc. is a lender to the Corporation to which the Corporation is presently indebted. Consequently, the Corporation may be considered a "connected issuer" of the Underwriters within the meaning of applicable Canadian securities legislation. See "*Relationship Between the Corporation and Certain Underwriters*".

Investors should rely only on the information contained in this short form prospectus and the documents incorporated by reference herein. The Corporation has not authorized anyone to provide investors with different information. The Corporation is not offering the Offered Shares in any jurisdiction in which the Offering is not permitted. Investors should not assume that the information contained in this short form prospectus is accurate as of any date other than the date of this short form prospectus. Subject to the Corporation's obligations under applicable securities laws, the information contained in this short form prospectus is accurate only as of the date of this short form prospectus regardless of the time of delivery of this short form prospectus or of any sale of the Offered Shares.

Securities legislation in certain of the provinces of Canada provides purchasers with the right to withdraw from an agreement to purchase securities. Information with respect to a purchaser's right to withdraw from or rescind an agreement to purchase securities is provided herein. See "*Statutory and Contractual Rights of Withdrawal and Rescission*".

The Corporation's head office is located at 1600, 308 – 4th Avenue S.W., Calgary, Alberta, T2P OH7, and its registered office is located at 4200 Bankers Hall West, 888 – 3rd Street S.W., Calgary, Alberta, T2P 5C5.

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CERTIFICATES

SELECTED DEFINITIONS

In this short form prospectus, the following terms have the meanings set forth below.

"**1933 Act**" has the meaning ascribed thereto on the cover page of this short form prospectus.

"**ABCA**" means the *Business Corporations Act* (Alberta), including the regulations promulgated thereunder.

"**Annual Financial Statements**" means the audited consolidated financial statements of the Corporation as at and for the years ended December 31, 2023 and 2022, together with the notes thereto and the auditors' report thereon.

"**Annual Information Form**" means the annual information form of the Corporation dated March 28, 2024, for the year ended December 31, 2023.

"**Annual MD&A**" means the management's discussion and analysis of the financial condition and operating results of the Corporation for the years ended December 31, 2023 and 2022.

"**Board**" means the board of directors of the Corporation as it may be comprised from time to time.

"**CDS**" means CDS Clearing and Depository Services Inc.

"**Closing**" means the closing of the Offering.

"**Closing Date**" means the date of Closing which is expected to be on or about January 30, 2025, or such later date as the Corporation and the Lead Underwriter, on their own behalf and on behalf of the other Underwriters, may agree upon in writing, acting reasonably, but, in any event, such date shall be no later than 42 days after the receipt is issued for this short form prospectus.

"**Common Shares**" means common shares in the capital of the Corporation.

"**Corporation**" or "**Spartan**" means Spartan Delta Corp., a corporation formed pursuant to the laws of the Province of Alberta.

"**Credit Agreement**" has the meaning ascribed thereto under "*Consolidated Capitalization*".

"**Credit Facility**" has the meaning ascribed thereto under "*Consolidated Capitalization*".

"**FOFI**" has the meaning ascribed thereto under "*Special Note Regarding Forward-Looking Statements*".

"**GAAP**" means Canadian Generally Accepted Accounting Principles, which incorporate International Financial Reporting Standards ("**IFRS**") for public companies.

"**IFRS Accounting Standards**" means International Financial Reporting Standards as issued by the International Accounting Standards Board.

"**Initial Term Sheet**" has the meaning ascribed thereto under "*Documents Incorporated by Reference*".

"**Interim Financial Statements**" means the unaudited condensed consolidated interim financial statements of the Corporation as at September 30, 2024, and for the three and nine months ended September 30, 2024 and 2023, together with the notes thereto.

"**Interim MD&A**" means the management's discussion and analysis of the financial condition and operating results of the Corporation for the three and nine months ended September 30, 2024 and 2023.

"**Lead Underwriter**" has the meaning ascribed thereto on the cover page of this short form prospectus.

"**Lenders**" has the meaning ascribed thereto under "*Consolidated Capitalization*".

“**McDaniel**” means McDaniel & Associates Consulting Ltd.

“**NI 41-101**” means National Instrument 41-101 – *General Prospectus Requirements*.

“**NI 44-101**” means National Instrument 44-101 – *Short Form Prospectus Distributions*.

“**NI 51-101**” means National Instrument 51-101 – *Standards of Disclosure for Oil and Gas Activities*.

“**NI 51-102**” means National Instrument 51-102 – *Continuous Disclosure Obligations.*

“**Offered Shares**” has the meaning ascribed thereto on the cover page of this short form prospectus.

“**Offering**” has the meaning ascribed thereto on the cover page of this short form prospectus.

“**Offering Price**” has the meaning ascribed thereto on the cover page of this short form prospectus.

“**Option Plan**” means the Corporation’s stock option plan, as amended from time to time.

“**Options**” means options to purchase Common Shares granted by the Board in accordance with the Option Plan.

“**Over-Allotment Option**” has the meaning ascribed thereto on the cover page of this short form prospectus.

“**Performance Share Awards**” or “**PSAs**” means performance share awards issuable pursuant to the Share Award Incentive Plan.

“**Preferred Shares**” means preferred shares in the capital of the Corporation.

“**President’s List**” has the meaning ascribed thereto on the cover page of this short form prospectus.

“**Registered Plans**” has the meaning ascribed thereto under “*Eligibility for Investment*”.

“**Reserves Report**” means the independent engineering report dated February 26, 2024, and evaluating the crude oil, natural gas and NGL reserves of the Corporation effective as of December 31, 2023.

“**Restricted Share Awards**” or “**RSAs**” means restricted share awards issuable pursuant to the Share Award Incentive Plan.

“**Rule 144A**” has the meaning ascribed thereto under “*Plan of Distribution*”.

“**SEDAR+**” means the System for Electronic Document Analysis and Retrieval Plus.

“**Share Award Incentive Plan**” means the Corporation’s share award incentive plan, as amended from time to time.

“**Tax Act**” means the *Income Tax Act* (Canada), as amended, including the regulations promulgated thereunder.

“**TSX**” means the Toronto Stock Exchange.

“**Underwriters**” has the meaning ascribed thereto on the cover page of this short form prospectus.

“**Underwriting Agreement**” means the underwriting agreement dated effective January 13, 2025, among the Corporation and the Underwriters.

“**Underwriting Fee**” has the meaning ascribed thereto on the cover page of this short form prospectus.

“**United States**” or “**U.S.**” means the United States of America, its territories and possessions, any state of the United States and the District of Columbia.

"**Updated Term Sheet**" has the meaning ascribed thereto under "*Documents Incorporated by Reference*".

Words importing the singular number include the plural, and vice versa, and words importing any gender include all genders.

SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS

Certain statements contained in this short form prospectus, and in certain documents incorporated by reference into this short form prospectus, constitute forward-looking statements. All forward-looking statements are based on the Corporation's beliefs and assumptions based on information available at the time such assumptions were made. The use of any of the words "anticipate", "continue", "estimate", "expect", "may", "will", "project", "should", "believe" and similar expressions (or grammatical variations or negatives thereof) are intended to identify forward-looking statements. By their nature, such forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking statements. The Corporation believes the expectations reflected in those forward-looking statements are reasonable but no assurance can be given that these expectations will prove to be correct and such forward-looking statements included in, or incorporated by reference into, this short form prospectus should not be unduly relied upon.

The reports of PricewaterhouseCoopers LLP included or incorporated by reference in this short form prospectus refer exclusively to the historical financial statements described therein and do not extend to the prospective financial information included in this short form prospectus and should not be read to do so.

In particular, this short form prospectus and the documents incorporated by reference herein contain forward-looking statements pertaining to, but not limited to, the following:

- the Offering, including the Corporation's anticipated use of proceeds from the Offering and the listing of the Offered Shares issued pursuant to the Offering (including any Common Shares issued pursuant to the exercise of the Over-Allotment Option);
- the receipt by the Corporation of all requisite stock exchange and other approvals in connection with the Offering and the listing of the Offered Shares (including any Common Shares issued pursuant to the exercise of the Over-Allotment Option);
- capacity of infrastructure;
- anticipated operational results for 2025 including, but not limited to, estimated or anticipated production levels, Operating Netback, Adjusted Funds Flow, Net Debt (Surplus), capital expenditures, drilling plans and other information discussed under "*Recent Developments*" in this short form prospectus;
- the performance characteristics of the oil and natural gas properties of the Corporation;
- the estimated quantity of the Corporation's oil and natural gas reserves and anticipated future cash flows from such reserves;
- the source of funding for the Corporation's activities including development costs;
- projections of commodity prices and costs;
- supply and demand for oil and natural gas;
- expectations regarding the Corporation's ability to raise capital and to continually add to reserves through acquisitions and development;
- treatment under governmental regulatory regimes and tax laws;
- expected production rates;
- fluctuations in depletion, depreciation, and accretion rates;
- possible changes in regulatory regimes in respect of royalty curves and regulatory improvements and the effects of such changes; and
- Spartan's business and acquisition strategy, the criteria to be considered in connection therewith and the benefits to be derived therefrom.

The actual results could differ materially from those anticipated in these forward-looking statements as a result of the material risk factors set forth below, elsewhere in this short form prospectus and in the documents incorporated by reference herein:

- the conditions to the completion of the Offering may not be satisfied;

- impact of U.S. legislative and regulatory policies;
- the risk that the new U.S. administration imposes tariffs on Canadian goods, including crude oil and natural gas, and that such tariffs (and/or the Canadian government's response to such tariffs) adversely affect the demand and/or market price for the Corporation's products and/or otherwise adversely affects the Corporation;
- the use of proceeds of the Offering by the Corporation may change if the Board determines that it would be in the best interests of the Corporation to deploy the proceeds for some other purpose;
- volatility in market prices for oil and natural gas;
- operational risks and liabilities inherent in oil and natural gas operations;
- uncertainties associated with estimating oil and natural gas reserves;
- changes in royalty regimes;
- competition for, among other things, capital, acquisitions of reserves, undeveloped lands and skilled personnel;
- incorrect assessments of the value of benefits to be obtained from acquisitions and exploration and development programs;
- geological, technical, drilling and processing problems;
- fluctuations in foreign exchange or interest rates and stock market volatility;
- adverse effects on general economic conditions in Canada, the United States and globally;
- the accuracy of oil and gas reserves estimates and estimated production levels as they are affected by exploration and development drilling and estimated decline rates;
- the uncertainties in regard to the timing of Spartan's exploration and development program;
- fluctuations in the costs of borrowing;
- political or economic developments;
- ability to obtain regulatory approvals;
- the results of litigation or regulatory proceedings that may be brought against the Corporation;
- changes in income tax laws or changes in tax laws and incentive programs relating to the oil and gas industry; and
- the other factors discussed under "*Risk Factors*" herein and in the Annual Information Form, and "*Risks and Uncertainties"* in the Annual MD&A and Interim MD&A.

In addition, statements relating to "reserves" are deemed to be forward-looking statements, as they involve the implied assessment, based on certain estimates and assumptions that the reserves described can be profitably produced in the future.

This short form prospectus contains future-oriented financial information and financial outlook information (collectively, "**FOFI**") about the Corporation's prospective results of operations, operating costs, expenditures, Adjusted Funds Flow, AFF per Share, Operating Netback, Capital Expenditures before A&D, Net Debt (Surplus) 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 short form prospectus was made as of the date of this short form prospectus and was provided for the purpose of describing the anticipated effects of the Offering on the Corporation's business operations. The Corporation disclaims any intention or obligation to update or revise any FOFI contained in this short form prospectus, 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 short form prospectus should not be used for purposes other than for which it is disclosed herein. See "*Risk Factors*".

With respect to forward-looking statements contained in this short form prospectus, the Corporation has made assumptions regarding, among other things: the timing of obtaining regulatory and third party approvals and completion of the Offering; that commodity prices will be consistent with the current forecasts of its engineers; operating netbacks; average production rates; costs to drill, complete and tie-in wells; ultimate recovery of reserves; royalty regimes will not be subject to material modification; that the Corporation will be able to obtain skilled labour and other industry services at reasonable rates; that the timing and amount of capital expenditures and the benefits therefrom will be consistent with the Corporation's expectations; the impact of increasing competition; that the conditions in general economic and financial markets will not vary materially; that the Corporation will be able to access capital, including debt, on acceptable terms; that drilling, completion and other equipment will be available on acceptable terms; future oil and natural gas prices, exchange rates, interest rates and inflation rates; that government regulations, laws and tariffs will not change materially; that royalty rates will not change in any material respect; and that future operating costs will be consistent with the Corporation's expectations.

The Corporation has included the above summary of assumptions and risks related to forward-looking statements provided in this short form prospectus in order to provide investors with a more complete perspective on the Corporation's current and future operations and such information may not be appropriate for other purposes. Forward-looking statements contained in certain documents incorporated by reference into this short form prospectus are based on the key assumptions and are subject to the risks described herein and in the documents incorporated by reference herein. The reader is cautioned that such assumptions, although considered reasonable by the Corporation at the time of preparation, may prove to be incorrect.

Readers are cautioned that the foregoing list of factors is not exhaustive. The forward-looking statements contained in this short form prospectus, and the documents incorporated by reference herein, are expressly qualified by this cautionary statement. These forward-looking statements contained in this short form prospectus are made as of the date of this short form prospectus, or in the case of the documents incorporated by reference herein, as of the dates of such documents, and except as required by applicable securities laws, neither Spartan nor any of the Underwriters undertake any obligation to publicly update or revise any forward-looking statements. Readers should also carefully consider the matters discussed under the heading "*Risk Factors*" in this short form prospectus.

CONVENTIONS

Certain terms used herein are defined in the "*Selected Definitions*". Certain other terms used herein but not defined herein are defined in NI 51-101 and, unless the context otherwise requires, shall have the same meanings herein as in NI 51-101. References to "oil" in this short form prospectus 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, where not listed separately, condensate. References to "gas" or "natural gas" relates to conventional natural gas. References to "liquids" includes crude oil, condensate and NGLs.

All financial information herein has been presented in Canadian dollars in accordance with IFRS. Words importing the singular number include the plural, and vice versa, and words importing any gender include all genders.

This short form prospectus also contains certain oil and natural gas metrics which do not have standardized meanings or standard methods of calculation and therefore such measures may not be comparable to similar measures used by other companies and should not be used to make comparisons. Such metrics have been included herein to provide readers with additional measures to evaluate the Corporation's performance; however, such measures are not reliable indicators of the future performance of the Corporation and future performance may not compare to the performance in previous periods and therefore such metrics should not be unduly relied upon.

NON-GAAP FINANCIAL MEASURES

This short form prospectus, including certain of the documents incorporated by reference herein, contains certain financial measures and ratios, as described below, which do not have standardized meanings prescribed by IFRS Accounting Standards or GAAP. As these non-GAAP financial measures and ratios are commonly used in the oil and gas industry, the Corporation 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 financial measures and ratios used in this short form prospectus, 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 Accounting Standards or GAAP.

Operating Income and Operating Netback

Operating Income, a non-GAAP financial measure, is a useful supplemental measure that provides an indication of the Corporation'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 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**"). The Corporation 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.

The components of Spartan's Operating Income and Operating Netbacks are outlined below:

	Three months ended September 30			Nine months ended September 30		
(CA$ thousands, unless otherwise indicated)	**2024**	2023	%	**2024**	2023	%
Oil and gas sales	**60,551**	81,878	(26)	**218,150**	566,937	(62)
Processing and other revenue	**1,190**	1,647	(28)	**4,568**	7,531	(39)
Royalties	**(7,942)**	(10,425)	(24)	**(29,641)**	(58,997)	(50)
Operating expenses	**(20,009)**	(18,601)	8	**(62,209)**	(119,015)	(48)
Transportation expenses	**(5,113)**	(5,886)	(13)	**(15,905)**	(39,840)	(60)
Operating Income, before hedging	**28,677**	48,613	(41)	**114,963**	356,616	(68)
Settlements on Commodity Derivative Contracts	**12,936**	31,111	(58)	**22,372**	49,581	(55)
Operating Income, after hedging	**41,613**	79,724	(48)	**137,335**	406,197	(66)
Production (BOE)	**3,405,798**	3,451,539	(1)	**10,423,412**	15,944,984	(35)
Operating Netback, before hedging ($/BOE)	**8.42**	14.08	(40)	**11.03**	22.37	(51)
Operating Netback, after hedging ($/BOE)	**12.22**	23.10	(47)	**13.18**	25.47	(48)

A reconciliation of Settlements on Commodity Derivative Contracts to the realized gain (loss) and settlements of acquired liabilities is provided under the heading "Results of Operations – Commodity Price Risk Management" in the Interim MD&A.

Funds from Operations, Adjusted Funds Flow and Free Funds Flow

"**Funds from Operations**" is calculated by Spartan as cash provided by operating activities before changes in non-cash working capital. Spartan believes Funds from Operations provides useful information to understand the cash flows generated by the Corporation's operations during the current production period excluding the impact of timing of payments and cash receipts.

"**Adjusted Funds Flow**" is calculated by Spartan by adding back transaction costs on acquisitions and dispositions and deducting lease payments from Funds from Operations. Spartan utilizes Adjusted Funds Flow as a key performance measure in the Corporation'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 or dispositions, are added back because the Corporation's definition of Free Funds Flow excludes capital expenditures related to acquisitions and dispositions ("**A&D**"). 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. Spartan does not include lease liabilities in its definition of Net Debt (defined herein) therefore lease payments are deducted in the period incurred to determine Adjusted Funds Flow. The Corporation 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 (defined herein), which is also a non-GAAP financial measure. Spartan believes Free Funds Flow provides an indication of the amount of funds the Corporation has available for future capital allocation decisions such as to repay long-term debt, reinvest in the business or return capital to shareholders.

The following table reconciles cash provided by operating activities, as determined in accordance with IFRS Accounting Standards, to Funds from Operations, Adjusted Funds Flow and Free Funds Flow:

(CA$ thousands)	Three months ended September 30 2024	2023	%	Nine months ended September 30 2024	2023	%
Cash provided by operating activities	**35,025**	63,180	(45)	**127,850**	424,380	(70)
Change in non-cash operating working capital	**(1,335)**	3,097	(143)	**(6,638)**	(66,433)	(90)
Funds from Operations	**33,690**	66,277	(49)	**121,212**	357,947	(66)
Add back: transaction costs	**-**	-	-	**-**	18,804	(100)
Deduct: lease payments	**(2,390)**	(2,402)	-	**(7,062)**	(7,300)	(3)
Adjusted Funds Flow	**31,300**	63,875	(51)	**114,150**	369,451	(69)
Deduct: Capital Expenditures before A&D(1)	**(54,538)**	(27,495)	98	**(122,127)**	(263,121)	(54)
Free Funds Flow	**(23,238)**	36,380	(164)	**(7,977)**	106,330	(108)

(1) Includes capital expenditures on exploration and evaluation assets and property, plant and equipment.

Adjusted Funds Flow per share ("**AFF per share**")

AFF per share is a non-GAAP financial ratio used by 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 Accounting Standards 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.

The table below outlines the calculation of AFF per share:

(CA$ thousands, except for share amounts)	Three months ended September 30 2024	2023	%	Nine months ended September 30 2024	2023	%
Adjusted Funds Flow	**31,300**	63,875	(51)	**114,150**	369,451	(69)
WA Shares outstanding (000s) – basic	**173,415**	173,201	-	**173,273**	172,302	1
WA Shares outstanding (000s) – diluted AFF	**177,193**	174,301	2	**177,003**	174,423	1
AFF per share						
Basic ($ per common share)	**0.18**	0.37	(51)	**0.66**	2.14	(69)
Diluted ($ per common share)	**0.18**	0.37	(51)	**0.64**	2.12	(70)

Net Debt and Adjusted Working Capital

In this short form prospectus, references to "**Net Debt**" includes current and long-term debt, 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 derivative financial instrument assets and liabilities, lease liabilities and current debt (if applicable). As at September 30, 2024 and December 31, 2023, Adjusted Working Capital deficit includes cash and cash equivalents, restricted cash, accounts receivable, prepaid expenses and deposits, accounts payable and accrued liabilities, dividends payable, and the current portion of decommissioning obligations.

The Corporation 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 asset or obligation relates to.

Spartan uses Net Debt as a key performance measure to manage the Corporation's targeted debt levels. Net Debt is used by the Corporation as a measure of its financial position and liquidity, however it is not intended to be viewed as an alternative to other measures calculated in accordance with IFRS Accounting Standards.

(CA$ thousands)	**September 30, 2024**	December 31, 2023
Current assets	**(201,767)**	(221,848)
Current liabilities	**251,071**	250,248
Working capital deficit	**49,304**	28,400
Adjusted for current portion of:		
Derivative financial instrument assets	**15,576**	11,889
Lease liabilities	**(9,787)**	(9,469)
Adjusted Working Capital deficit	**55,093**	30,820
Long-term debt	**104,130**	44,476
Net Debt	**159,223**	75,296

In addition, Spartan has various lease contracts in place for compression equipment, facilities, office buildings and vehicles. The Corporation's total lease liability is $28.2 million as at September 30, 2024 (December 31, 2023 – $35.2 million), of which $9.8 million of the principal amount is expected to be settled within the next twelve months.

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

Capital Expenditures

Spartan uses "**Capital Expenditures before A&D**" to measure its capital investment level compared to the Corporation's annual budgeted capital expenditures for its organic drilling program, excluding acquisitions or dispositions. "**Capital Expenditures (Dispositions)**" is calculated by adding cash acquisition costs, net of proceeds from dispositions, to Capital Expenditures before A&D. The directly comparable GAAP measure is cash used in (provided by) investing activities. The following table details the composition of Capital Expenditures (Dispositions) and its reconciliation to cash used in (provided by) investing activities:

	Three months ended September 30		Nine months ended September 30	
(CA$ thousands)	**2024**	2023	**2024**	2023
Exploration and evaluation assets	**3,320**	349	**8,196**	11,036
Property, plant and equipment	**51,218**	27,146	**113,931**	252,085
Capital Expenditures before A&D	**54,538**	27,495	**122,127**	263,121
Acquisitions	**4,486**	951	**76,919**	1,876
Dispositions	**(128)**	(114)	**(93)**	(1,704,734)
Capital Expenditures (Dispositions)	**58,896**	28,332	**198,953**	(1,439,737)
Change in non-cash investing working capital	**(30,912)**	14,169	**(18,456)**	46,350
Cash used in (provided by) investing activities	**27,984**	42,501	**180,497**	(1,393,387)

ASSUMPTIONS FOR GUIDANCE

The significant assumptions used in the forecast of Operating Netbacks and Adjusted Funds Flow for 2025 are summarized below. These key performance measures expressed per BOE are based on the calendar year average production guidance for 2025 of approximately 40,000 BOE/d. For more details regarding product types, please refer to "*Recent Developments – 2025 Guidance*".

2025 FINANCIAL GUIDANCE *($/BOE)*	
Oil and gas sales	30.57
Processing and other revenue	0.25
Royalties	(4.12)
Operating expenses	(6.20)
Transportation expenses	(2.11)
Operating Netback, before hedging	18.39
Settlements on Commodity Derivative Contracts	(0.10)
Operating Netback, after hedging	18.29
General and administrative expenses	(1.34)
Cash financing expenses	(0.77)
Settlements of decommissioning obligations	(0.18)
Lease payments	(0.79)
Adjusted Funds Flow	15.21

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 Corporation's actual results may differ materially from these estimates. Holding all other assumptions constant, a US$5/bbl increase (decrease) in the forecasted average WTI crude oil price for 2025 would increase Adjusted Funds Flow by approximately $10 million (decrease by $10 million). An increase (decrease) of CA$0.25/GJ in the forecasted average AECO natural gas price for 2025, holding the NYMEX-AECO basis differential and all other assumptions constant, would increase Adjusted Funds Flow by approximately $8 million (decrease by $8 million). Holding U.S. dollar benchmark commodity prices and all other assumptions constant, an increase (decrease) of $0.05 in the US$/CA$ exchange rate would increase Adjusted Funds Flow by approximately $7 million (decrease by $7 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

As of the date hereof, there are 174 million Common Shares outstanding. Pro forma completion of the Offering, assuming the Over-Allotment Option is not exercised, there will be 196 million Common Shares outstanding. There are no preferred shares or special preferred shares outstanding. The following securities were outstanding as of the date hereof: 3.5 million Restricted Share Awards; and 1.4 million Options with an average exercise price of $3.25 per Common Share and average remaining term of 4.1 years.

CONVERSIONS

The following table sets forth certain conversions between Standard Imperial Units and the International System of Units (or metric units).

To Convert From	To	Multiply By
Mcfs	cubic metres	28.317
cubic metres	cubic feet	35.315

To Convert From	To	Multiply By
Bbls	cubic metres	0.159
cubic metres	Bbls	6.290
Feet	Metres	0.305
Metres	Feet	3.281
Miles	Kilometres	1.609
Kilometres	Miles	0.621
Acres	Hectares	0.405
Hectares	Acres	2.471
Gigajoules	MMbtu	0.950
MMbtu	Gigajoules	1.0526

ABBREVIATIONS

Oil and Natural Gas Liquids

Bbl or bbl	barrel
Bbls or bbls	barrels
Bbls/d	barrels per day
Mbbls	thousand barrels
Mbbls/d	thousand barrels per day
MMbbls	million barrels
Mstb	thousand stock tank barrels of oil
NGLs	natural gas liquids

Natural Gas

Mcf	thousand cubic feet
MMcf	million cubic feet
Bcf	billion cubic feet
Mcf/d	thousand cubic feet per day
MMcf/d	million cubic feet per day
MMbtu	million British Thermal Units
MMbtu/d	MMbtu per day
GJ	Gigajoule
GJ/d	Gigajoules per day

Other

AECO	Alberta Energy Company “C” Meter Station of the NOVA Pipeline System
API	American Petroleum Institute
°API	an indication of the specific gravity of crude oil measured on the API gravity scale
BOE or boe	barrel or barrels of oil equivalent, using the conversion factor of 6 Mcf of natural gas being equivalent to one barrel of oil
boe/d	barrels of oil equivalent per day
M$	thousands of dollars
MM$	millions of dollars
Mboe	thousand barrels of oil equivalent.
MMboe	million barrels of oil equivalent
USD	United States dollars
WTI	West Texas Intermediate, the reference price paid in USD at Cushing, Oklahoma for the crude oil standard grade

OIL AND GAS READER ADVISORIES

Barrel of Oil Equivalency

The term “boe” means a barrel of oil equivalent on the basis of 6 Mcf of natural gas to 1 Bbl of oil. The term boe may be misleading, particularly if used in isolation. **A boe conversation ratio of 6 Mcf: 1 Bbl is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead. Given the value ratio based on the current price of crude oil as compared to natural gas is significantly different from the energy equivalency of 6 Mcf: 1Bbl, utilizing a conversion ratio at 6 Mcf: 1 Bbl may be misleading as an indication of value.**

Initial Production Volumes

References in this short form prospectus to initial production rates, such as IP30, 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 continue to production, nor is it indicative of future production capability, decline and ultimate reserves. While encouraging, readers are cautioned not to place reliance on such rates in calculating the aggregate production for the Corporation.

DOCUMENTS INCORPORATED BY REFERENCE

Information has been incorporated by reference in this short form prospectus from documents filed with securities commissions or similar authorities in certain of the provinces of Canada. Copies of the documents incorporated by reference herein may be obtained on request without charge from the Chief Financial Officer of the Corporation at Suite 1600, 308 - 4th Avenue SW, Calgary, Alberta T2P OH7 (telephone (403) 265-8011). These documents are also available through the internet on SEDAR+, which can be accessed at www.sedarplus.ca.

The following documents, filed with the securities commissions or similar authorities in certain of the provinces of Canada, are specifically incorporated by reference in, and form an integral part of, this short form prospectus, provided that such documents are not incorporated by reference to the extent that their contents are modified or superseded by a statement contained in this short form prospectus or in any other subsequently filed document that is also incorporated by reference in this short form prospectus:

1. the Annual Information Form;
2. the Annual Financial Statements;
3. the Annual MD&A;
4. the Interim Financial Statements;
5. the Interim MD&A;
6. the management information circular of the Corporation dated April 19, 2024, with respect to the annual general and special meeting of the shareholders of the Corporation held on May 24, 2024;
7. the management information circular of the Corporation dated April 14, 2023, with respect to the annual general and special meeting of the shareholders of the Corporation held on May 26, 2023; and
8. the "template version" (as such term is defined in NI 41-101) of the term sheet for the Offering dated and filed on SEDAR+ on January 13, 2025 (the "**Initial Term Sheet**") and the "template version" of the amended term sheet for the Offering dated and filed on SEDAR+ on January 14, 2025 (the "**Updated Term Sheet**").

Any documents of the type required by NI 44-101 to be incorporated by reference in a short form prospectus including any material change reports (excluding material change reports filed on a confidential basis), comparative interim financial statements, comparative annual financial statements and the auditors' report thereon, management's discussion and analysis of financial condition and results of operations, information circulars, annual information forms, marketing materials (as such term is defined in NI 41-101) and business acquisition reports filed by the Corporation with the securities commissions or similar authorities in the provinces of Canada subsequent to the date of this short form prospectus and prior to the termination of this Offering are deemed to be incorporated by reference in this short form prospectus.

Any statement contained in this short form prospectus or in a document incorporated or deemed to be incorporated by reference herein shall be deemed to be modified or superseded, for purposes of this short form prospectus, to the extent that a statement contained herein or in any other subsequently filed document which also is, or is deemed to be, incorporated by reference herein modifies or supersedes such statement. The modifying or superseding statement need not state that it has modified or superseded a prior statement or include any other information set forth in the document that it modifies or supersedes.

Any statement so modified or superseded shall not constitute a part of this short form prospectus, except as so modified or superseded.

MARKETING MATERIALS

Any "template version" of any "marketing materials" (as such terms are defined in NI 41-101) that are utilized by the Underwriters in connection with the Offering are not part of this short form prospectus to the extent that the contents of the template version of the marketing materials have been modified or superseded by a statement contained in this short form prospectus. Any template version of any marketing materials that has been, or will be, filed on SEDAR+ before the termination of the distribution under the Offering (including any amendments to, or an amended version of, any template version of any marketing materials) is deemed to be incorporated into this short form prospectus.

The Initial Term Sheet has been modified by the Updated Term Sheet to reflect: (i) the upsize of the base amount of the Offering from 13,090,000 Offered Shares to 22,252,000 Offered Shares and the corresponding upsize of the gross proceeds from $50,003,800.00 to $85,002,640.00; and the (ii) the upsize of the Over-Allotment Option from 1,963,500 Offered Shares to 3,337,800 Offered Shares and the corresponding upsize of the gross proceeds from the Over-Allotment Option in the event that the Over-Allotment Option is exercised in full from $7,500,570.00 to $12,750,396.00. The Initial Term Sheet and the Updated Term Sheet can be viewed under the Corporation's SEDAR+ profile at www.sedarplus.ca.

THE CORPORATION

The Corporation was incorporated under the ABCA as "Dualex Energy International Inc." on March 20, 2006. On May 24, 2006, the Corporation's share structure was amended by way of a court-approved plan of arrangement (the "**Arrangement**") under Section 193 of the ABCA. Under the Arrangement, the articles of the Corporation were amended to: (i) remove all share transfer restrictions in the articles of the Corporation; and (ii) create and authorize the Corporation to issue an unlimited number of non-voting, redeemable, retractable special Preferred Shares. On December 20, 2016, the Corporation consolidated its issued and outstanding Common Shares on the basis of ten (10) pre-consolidation Common Shares for one (1) post-consolidation Common Share and changed its name to "Return Energy Inc." On December 19, 2019, the Corporation appointed a new management team and new board of directors pursuant to a recapitalization transaction. On June 1, 2020, the Corporation consolidated its issued and outstanding Common Shares on the basis of one hundred (100) pre-consolidation Common Shares for one (1) post-consolidation Common Share and changed its name from "Return Energy Inc." to "Spartan Delta Corp.". On September 1, 2021, the Common Shares commenced trading on the TSX under the existing symbol "SDE" and were concurrently delisted from the TSX-V. Spartan is a "reporting issuer" or the equivalent in each of the provinces of Canada. As of the date hereof, Spartan has no subsidiaries.

The Corporation's head office is located at Suite 1600, 308 – 4th Avenue S.W., Calgary, Alberta T2P 0H7. The registered office of the Corporation is located at 4200 Bankers Hall West, 888 – 3rd Street S.W., Calgary, Alberta T2P 5C5.

BUSINESS OF THE CORPORATION

Spartan is committed to creating value for its shareholders, focused on sustainability both in operations and financial performance. The Corporation's culture is centered on generating Free Funds Flow through responsible oil and gas exploration and development. The Corporation has established a portfolio of high-quality production and development opportunities in the Deep Basin and the Duvernay. Spartan will continue to focus on the execution of the Corporation's organic drilling program across its portfolio, delivering operational synergies in a respectful and responsible manner to the environment and communities it operates in. The Corporation is well positioned to continue pursuing optimization in the Deep Basin, participate in the consolidation of the Deep Basin fairway, and continue growing and developing its Duvernay asset.

RECENT DEVELOPMENTS

Willesden Green North Acquisition Highlights

On May 7, 2024, Spartan announced the completion of a strategic acquisition in the Duvernay region, advancing on its growth strategy, for aggregate consideration of approximately $53.1 million in cash, subject to certain closing adjustments. The acquisition included approximately 38,000 net acres (59.5 net sections) of Duvernay rights and approximately 1,600 BOE/d (500 bbls/d of oil, 3,000 Mcf/d of natural gas and 600 bbls/d of NGLs) of production and associated infrastructure.

Management Retirement and Promotions

Also on May 7, 2024, the Corporation announced the retirement of Mr. Thanos Natras, Vice President, Exploration, effective June 15, 2024, as well as the following promotions: (a) Mr. Ojay Platt was promoted to the role of Vice President, Production from his prior role as Director, Operations; and (b) Mr. Martin Malek was promoted to the role of Chief Operating Officer from his prior role as Vice President, Engineering and Business Development.

Duvernay Growth Strategy

On August 7, 2024, the Corporation announced its intention to continue leveraging its technical expertise in the Deep Basin to further optimize the asset and pursue opportunistic acquisitions while allocating its Free Funds Flow to fund the development and growth of its Duvernay asset. Spartan has established one of the largest positions in the Duvernay at a low cost of entry, with a focus in the oil and condensate rich Willesden Green fairway. The Corporation announced its intention to significantly grow oil and liquids production, improve well costs and productivity by optimizing well designs and completions through the application of modern drilling techniques and technologies, while leveraging underutilized infrastructure in the region.

On November 5, 2024, Spartan announced the commencement of its operations in the Duvernay, including the successful drilling of 4.0 (3.4 net) wells and the completion of 2.0 (2.0 net) wells, one of which was a previously drilled and uncompleted well.

2025 Budget and Preliminary Guidance

On January 13, 2025, the Corporation announced its preliminary financial and operating guidance for 2025, focused on delivering significant growth in oil and liquids production and Adjusted Funds Flow per Share. For 2025, the Board approved an initial capital budget of $300 to $325 million to drill 35 (32 net) wells, targeting estimated annualized production of approximately 40,000 BOE/d (please see table below for details regarding product types), a 5% increase compared to 2024 guidance. Additionally, Spartan forecasts its 2025 crude oil and condensate production to increase by approximately 75% compared to 2024 guidance.

Duvernay

In 2024, Spartan brought on-stream 4.0 (3.4 net) wells at an average peak IP30 rate of 1,132 BOE/d (471 bbls/d of oil, 882 Mcf/d of natural gas, 123 bbls/d of NGLs and 391 bbls/d of condensate) in the Willesden Green Duvernay ("**Willesden Green**"), significantly exceeding internal expectations and exhibiting top tier regional performance. In December 2024, the Corporation's Duvernay position exceeded 250,000 net acres and production exceeded 5,000 BOE/d (2,300 bbls of oil, 7,000 Mcf/d of natural gas, 1,150 bbls/d of NGLs and 450 bbls/d of condensate).

Building off the success achieved in 2024, Spartan is allocating approximately $200 to $215 million of capital in the Duvernay in 2025, targeting an annualized production growth rate of 180%. Spartan anticipates drilling 16 (14 net) wells and completing and bringing on-stream 17 (15 net) wells in the Duvernay in 2025. Additionally, the Corporation continues to allocate capital to expand its water infrastructure to accommodate future growth as Spartan targets production growth to 25,000 BOE/d in the Duvernay.

Deep Basin

In 2025, Spartan is allocating approximately $100 to $110 million of capital, focusing on liquids-rich targets in the first half of 2025. The Corporation anticipates drilling, completing, and bringing on-stream 19 (18 net) wells in the Deep Basin in 2025. Additionally, Spartan is preserving the versatility to increase the capital budget in the second half of 2025 in response to improvements in natural gas prices.

2025 Guidance

Based on forecast average commodity pricing of US$72.00/bbl WTI crude oil and $2.20/GJ AECO natural gas, Spartan expects to generate:

- Adjusted Funds Flow of approximately $222 million in 2025, an increase of 39% compared to 2024 guidance.
- Adjusted Funds Flow per Share accretion of 23% in 2025 compared to 2024 guidance, inclusive of the Equity Offering.
- Operating Netback, before hedging of $18.39/BOE, an increase of 61% compared to 2024 guidance, as a result of growing crude oil and condensate production by 75%.
- Spartan has hedged 78,362 GJ/d of its 2025 natural gas production at an average price of $2.22/GJ and 2,452 bbl/d of its 2025 crude oil and condensate production at an average price of $99.60/bbl.

ANNUAL GUIDANCE	2024	**2025**	Variance (1)	
	Guidance	**Guidance (1)**	Amount	%
Average Production (BOE/d)	38,000	**39,000 – 41,000**	2,000	5
% Liquids	33%	**38%**	5	15
Natural gas (mmcf/d)	154	**148**	(6)	(4)
NGLs (bbls/d)	9,200	**9,700**	500	5
Crude oil and condensate (bbls/d)	3,200	**5,600**	2,400	75
Benchmark Average Commodity Prices				
WTI crude oil price (US$/bbl)	75.00	**72.00**	(3.00)	(4)
AECO 7A natural gas price ($/GJ)	1.35	**2.20**	0.85	63
Average exchange rate (US$/CA$)	1.37	**1.43**	0.06	4
Operating Netback, before hedging ($/BOE) (2)	11.43	**18.39**	6.96	61
Adjusted Funds Flow ($MM) (2)	160	**222**	62	39
Adjusted Funds Flow per Share ($/sh) (2)	0.92	**1.13**	0.21	23
Capital Expenditures, before A&D ($MM) (1)(2)	164	**300 - 325**	149	91
Net Debt, end of year ($MM) (2)	156	**161**	5	3
Common shares outstanding, end of year (MM)	174	**196**	22	13

(1) The financial performance measures included in the Corporation's preliminary guidance for 2025 is based on the midpoint of the average production and capital expenditure forecast.

(2) "Operating Netback", "Adjusted Funds Flow", "Adjusted Funds Flow per Share", "Capital Expenditures, before A&D", and "Net Debt" do not have standardized meanings under IFRS Accounting Standards, see "*Non-GAAP Financial Measures*".

CONSOLIDATED CAPITALIZATION

The following table sets forth the consolidated capitalization of the Corporation as at September 30, 2024: (i) before giving effect to the Offering; (ii) after giving effect to the Offering (assuming the Over-Allotment Option is not exercised); and (iii) after giving effect to the Offering (assuming the Over-Allotment Option is exercised in full). The table should be read in conjunction with the Interim Financial Statements and the Annual Financial Statements.

	As at September 30, 2024 before giving effect to the Offering	As at September 30, 2024 after giving effect to the Offering (assuming the Over-Allotment Option is not exercised)(1)(2)	As at September 30, 2024 after giving effect to the Offering (including full exercise of the Over-Allotment Option) (3)
Indebtedness			
Credit Facility(4)	\$ 104.9 million	\$ 23.5 million	\$ 11.3 million
Share Capital(5)(6)(7)	\$ 13.4 million	\$ 94.8 million	\$ 107.0 million
Common Shares (unlimited)	173,602,818	195,854,818	199,192,618
Preferred Shares (unlimited)	Nil	Nil	Nil

Notes:

1. See "*Recent Developments*" for further information on the Offering.
2. Without giving effect to the exercise of the Over-Allotment Option, based on the issuance of 22,252,000 Common Shares issued in connection with the Offering for aggregate gross proceeds of \$85,002,640.00, less the Underwriting Fee of \$3,172,105.60 and the estimated expenses of the Offering of \$500,000.00 (exclusive of GST), for net proceeds to the Corporation of \$81,330,534.40.
3. Giving effect to the exercise of the Over-Allotment Option, based on the issuance of 25,589,800 Common Shares issued in connection with the Offering and the exercise of the Over-Allotment Option in full for aggregate gross proceeds of \$97,753,036.00, less the Underwriting Fee of \$3,682,121.44 and the estimated expenses of the Offering of \$500,000.00 (exclusive of GST), for net proceeds to the Corporation of \$93,570,914.56.
4. As at September 30, 2024, Spartan had a \$250.0 million credit facility (the "**Credit Facility**"), comprised of a \$50.0 million operating facility and a \$200.0 million syndicated facility, with a syndicate of lenders (collectively, the "**Lenders**") pursuant to a second amended and restated credit facility dated June 26, 2024 (the "**Credit Agreement**"). The Credit Facility has a revolving period which currently expires in May 2025, extendible annually at the request of the Corporation, subject to approval of the Lenders. If not extended, the facilities will automatically convert to a term loan and all outstanding obligations will be repayable one year after the expiry of the revolving period. The Credit Facility is secured by a first fixed and floating charge debenture over all the Corporation's assets and a general assignment of book debts. The Credit Facility bears interest at market interest rates that fluctuate based on bank prime rate plus an applicable margin. Repayments of principal are not required until the maturity date, provided that the borrowings under the Credit Facility do not exceed the borrowing base and the Corporation is in compliance with all covenants, representations and warranties provided for in the Credit Agreement. The Corporation is not subject to any financial covenants under the Credit Facility and as at the date hereof, is in compliance with all operating covenants provided for in the Credit Agreement. As at December 31, 2024, the indebtedness under the Credit Facility was 121.5 million. See "*Risk Factors – Credit Facility Risk*", "*Risk Factors – Additional Indebtedness*" and "*Relationship Between the Corporation and Certain Underwriters*".
5. Does not include Options granted pursuant to the Option Plan or RSAs or PSAs granted pursuant to the Share Award Incentive Plan. As at September 30, 2024, there were 1.4 million Options, 3.5 million RSAs and nil PSAs outstanding. See "*Prior Sales*".
6. Share capital does not include: (i) nil Common Shares issued upon exercise of Options subsequent to September 30, 2024; or (ii) 24,066 Common Shares issued upon settlement of RSAs subsequent to September 30, 2024.
7. For the purposes of this short form prospectus, including the information presented in this table, the Underwriting Fee has been calculated as 4.0% of the gross proceeds of the Offering, excluding aggregate gross proceeds of \$5.7 million which are expected to be raised from sales to Presidents List purchasers, for which the Underwriting Fee is nil.

PRICE RANGE AND TRADING VOLUME OF THE COMMON SHARES

The Common Shares are listed and traded on the TSX under the trading symbol "SDE". The following table sets forth the price range and trading volume of the Common Shares as reported by the TSX for the periods indicated below.

Month	High ($)	Low ($)	Volume
January 1 - 16, 2025	$4.14	$3.49	6,714,804
December 2024	$3.55	$2.90	5,171,608
November 2024	$3.71	$3.11	9,714,093
October 2024	$3.96	$3.30	4,953,421
September 2024	$4.02	$3.45	6,344,361
August 2024	$4.16	$3.65	4,206,174
July 2024	$4.29	$3.77	9,411,234
June 2024	$4.33	$3.79	4,260,646
May 2024	$4.36	$3.88	9,072,018
April 2024	$4.20	$3.69	4,764,271
March 2024	$3.89	$3.14	3,285,881
February 2024	$3.39	$2.78	4,375,875
January 2024	$3.26	$2.79	7,005,870

On January 13, 2025 and January 16, 2025, the last trading days prior to the public announcement of the Offering and the date of this preliminary short form prospectus, respectively, the closing price of the Common Shares on the TSX was $4.00 and $3.88, respectively.

PRIOR SALES

The following table summarizes the issuances of Common Shares and securities convertible into Common Shares within the 12-month period prior to the date of this short form prospectus.

Date of Issuance	Description of Transaction	Number and Type of Securities	Price per Security
Q1 2025	RSA Settlement[3]	2,933 Common Shares	$3.73
Q4 2024	RSA Settlement[3]	21,133 Common Shares	$3.58
Q3 2024	RSA Grant[2][4]	104,600 RSAs	$4.02
	RSA Settlement[3]	401,477 Common Shares	$4.02
Q2 2024	Option Grant[1][5]	43,000 Options	$4.21
	RSA Grant[2][4]	52,800 RSAs	$4.21
Q1 2024	Option Grant[1][5]	1,358,100 Options	$3.13
	RSA Grant[2][4]	2,667,000 RSAs	$3.13

Notes:

1. All Options granted pursuant to the Option Plan expire five years from the date of grant and vest as to one-third on the first, second and third anniversary of the grant date.
2. All RSAs granted pursuant to the Share Award Incentive Plan entitle the holder thereof upon settlement to receive one Common Share in accordance with the Share Award Incentive Plan. The RSAs vest as to one-third on each of their first, second and third anniversaries.
3. In Q1 2025, the Corporation issued 2,933 Common Shares pursuant to RSA Settlement on January 6, 2025. In Q4 2024, the Corporation issued, pursuant to RSA Settlements; (a) on November 26, 2024, 7,333 Common Shares at an issuance price of $3.59; (b) on November 8, 2024, 4,400 Common Shares at an issuance price of $3.30; and (c) on October 17, 2024, 9,400 Common Shares at an issuance price of $3.71. In Q3 2024, the Corporation issued, pursuant to RSA Settlements: (a) on September 6, 2024, 1,400 Common Shares at an issuance price of $3.61; (b) on August 27, 2024, 766 Common Shares at an issuance price of $3.89; and (c) on August 13, 2024, 399,311 Common Shares at an issuance price of $4.03.
4. In Q3 2024, the Corporation granted: on September 16, 2024, 3,300 RSAs; (b) on September 3, 2024,14,200 RSAs; (c) on August 19, 2024, 15,400 RSAs; (d) on August 6, 2024, 9,900 RSAs; (e) on July 15, 2024, 27,400 RSAs; and (f) on July 2, 2024, 34,400 RSAs. In Q2 2024, the Corporation granted (a) on May 23, 2024, 3,100 RSAs; and (b) on May 10, 2024, 49,700 RSAs. In Q1 2024, the Corporation granted on February 29, 2024, 2,667,000 RSAs.
5. In Q2 2024, the Corporation granted, on May 10, 2024, 43,000 Options with an exercise price of $4.21. In Q1 2024, the Corporation granted, on February 29, 2024, 1,358,100 Options with an exercise price of $3.13.

USE OF PROCEEDS

The net proceeds to the Corporation from the sale of the Offered Shares are estimated to be $81,330,534.40, based on the issuance of 22,252,000 Common Shares for aggregate gross proceeds of $85,002,640.00, less the Underwriting Fee of $3,172,105.60 and the estimated expenses of the Offering of $500,000.00 (exclusive of GST). For certainty, the Underwriting Fee has been calculated as 4.0% of the gross proceeds of the Offering, excluding aggregate gross proceeds of $5.7 million which are expected to be raised from sales to Presidents List purchasers, for which the Underwriting Fee is nil.

If the Over-Allotment Option is exercised in full, based on the issuance of 25,589,800 Offered Shares pursuant to the Offering for aggregate gross proceeds of $97,753,036.00, less the Underwriting Fee of $3,682,121.44 and the estimated expenses of the Offering of $500,000.00 (exclusive of GST), the net proceeds to the Corporation from the sale of the Offered Shares issuable hereunder, including pursuant to the Over-Allotment Option, will be $93,570,914.56.

The net proceeds of the Offering will initially be used to temporarily reduce bank indebtedness under its Credit Facility, which will be redrawn and applied to fund the Corporation's accelerated development program in the Duvernay as the Corporation targets production growth to 25,000 BOE/d. The Corporation's current indebtedness under its Credit Facility has been incurred in the normal course of business and operations and in connection with previous capital expenditures made by Spartan. Summaries of the Corporation's capital expenditures for the year ended December 31, 2023, and for the nine months ended September 30, 2024, are set forth under the heading "Cash used in (provided by) Investing Activities and Capital Expenditures (Dispositions)" in the Annual MD&A and the Interim MD&A, respectively, which are incorporated by reference herein. The use of net proceeds of the Offering by the Corporation is consistent with the Corporation's stated business objectives and strategic goals of the exploration for and development and acquisition of oil and natural gas reserves. The success of the Corporation in meeting its business objectives will be dependent in part on the success of its drilling program and the availability of other accretive opportunities, which cannot be determined in advance. There is no particular significant event or milestone that must occur for Spartan's business objectives to be accomplished. Upon completion of the Offering, the Corporation believes it will be better positioned to further its business objectives of exploring for and developing oil and gas assets.

Due to the nature of the oil and natural gas industry, budgets are regularly reviewed in light of the success of expenditures and other opportunities which may become available to the Corporation. Potential investors are cautioned that notwithstanding the Corporation's current intentions regarding the use of the net proceeds of the Offering, there may be circumstances where a reallocation of funds may be advisable for reasons that management believes are in the Corporation's best interests. While Spartan believes that it has the skills and resources necessary to accomplish its stated business objectives and strategic goals, participation in the acquisition of, exploration for and development of oil and natural gas reserves has a number of inherent risks. See "*Risk Factors*" herein and in the Annual Information Form and "*Risks and Uncertainties"* in the Annual MD&A and Interim MD&A, which are incorporated by reference herein.

PLAN OF DISTRIBUTION

Pursuant to the Underwriting Agreement, the Corporation has agreed to sell and the Underwriters have severally agreed to purchase on Closing, subject to the terms and conditions therein, an aggregate of 22,252,000 Offered Shares, at a price of $3.82 per Offered Share. The obligations of the Underwriters under the Underwriting Agreement may be terminated at their discretion upon the occurrence of certain stated events as set out in the Underwriting Agreement and described below.

The Underwriting Agreement provides that the Corporation will pay the Underwriting Fee of 4.0% of the gross proceeds of the Offering, or $0.1528 per Offered Share, other than in respect of President's List purchasers, resulting in net proceeds to the Corporation of $81,830,534.40, or $81,330,534.40 after deducting the estimated expenses of the Offering of $500,000.00 (exclusive of GST). The terms of the Offering, including the Offering Price, were determined by negotiation between the Corporation and the Lead Underwriter, on its own behalf, and on behalf of the other Underwriters. For the purposes of this short form prospectus, the Underwriting Fee has been calculated on the basis that aggregate gross proceeds of $5.7 million are raised from sales to President's List, for which no commission is payable.

The Corporation has granted to the Underwriters the Over-Allotment Option, exercisable from time to time, in whole or in part, at any time until 30 days following the Closing Date to purchase up to an additional 3,337,800 Offered Shares on the same terms and conditions as the Offering, to cover over-allotments, if any, and for market stabilization purposes. If the Over-Allotment Option is exercised in full, the gross proceeds of the Offering, Underwriting Fee and net proceeds to the Corporation (after deducting estimated expenses of the Offering of $500,000.00) will be $97,753,036.00, $3,682,121.44 and $93,570,914.56, respectively. This short form prospectus also qualifies the distribution of the Offered Shares issuable pursuant to the exercise of the Over-Allotment Option. A purchaser who acquires Offered Shares forming part of the Underwriters' over-allocation position acquires those Offered Shares under this short form prospectus, regardless of whether the over-allocation position is ultimately filled through the exercise of the Over-Allotment Option or secondary market purchases.

The obligations of the Underwriters under the Underwriting Agreement are several and not joint, nor joint and several, and may be terminated at their discretion upon the occurrence of certain stated events. Such events include, but are not limited to: (i) any order to cease or suspend trading in any securities of the Corporation or prohibiting or restricting the distribution of any of the Offered Shares or the Common Shares is made, or proceedings are announced, commenced or threatened for the making of any such order, by any securities commission or similar regulatory authority, the TSX or by any other competent authority, and has not been rescinded, revoked or withdrawn; (ii) any inquiry, action, suit, investigation (whether formal or informal) or other proceeding is instituted, announced or threatened or any order is issued under or pursuant to any relevant statute or policy or made by any federal, provincial, state or other governmental authority, commission, board, bureau, agency or instrumentality (including without limitation the TSX or any securities regulatory authority) in relation to the Corporation, or there is any change in law, regulation or policy, or the interpretation or administration thereof, or there is a general moratorium on banking activities in the United States or Canada declared by relevant authorities, or a material disruption in commercial banking or securities settlement or clearance services, which, in any such cases, in the opinion of any of the Underwriters, acting reasonably, operates to impact, suspend, restrict, inhibit, prevent or otherwise adversely impact the distribution or trading of the Offered Shares or Common Shares; (iii) there should occur, be discovered by the Underwriters or be announced by the Corporation, any material change, a new material fact or a change in any material fact in the condition (financial or otherwise), earnings, business, affairs or business prospects of the Corporation which, in the opinion of any of the Underwriters, acting reasonably, has or could be reasonably expected to have a significant adverse effect on the market price or value of the Offered Shares; or could reasonably be expected to result in the purchasers of a material number of Offered Shares exercising their rights under applicable securities laws to withdraw from or rescind their purchase thereof or sue for damages in respect thereof; (iv) there should develop, occur or come into effect or existence, or be announced, any event, action, state, condition or occurrence of national or international consequence (including any natural catastrophe, act of war, terrorism, pandemic), or any Law, action, regulation tariff or other occurrence of any nature whatsoever, which, in the opinion of the Underwriters or any one of them acting reasonably seriously adversely affects or involves, or will seriously adversely affect or involve, the financial markets generally or the business, operations or affairs of the Corporation; or (v) the Corporation shall be in breach of or in default under or non-compliance with any covenant, term or condition of the Underwriting Agreement in any material respect, or any representation or warranty given by the Corporation in the Underwriting Agreement becomes or is false in any material respect and, which in the sole opinion of the Underwriters, or any of them, acting reasonably, could be reasonably expected to have a material adverse effect on the market price or value of the Common Shares or any other securities of the Corporation.

In certain circumstances, if one or more Underwriters fails or refuses to purchase the Offered Shares which it has agreed to purchase, the other Underwriter(s) may terminate their obligation to purchase their allotment of Offered Shares, or may, but are not obligated to, purchase the Offered Shares not purchased by the Underwriter or Underwriters which fail to purchase the Offered Shares it has agreed to purchase; provided, however, that in the event that the percentage of the total number of Offered Shares which one or more Underwriters has failed or refused to purchase is not more than 7.5% of the total number of the Offered Shares which the Underwriters have agreed to purchase, the other Underwriters shall be obligated severally to purchase on a pro rata basis the Offered Shares which would otherwise have been purchased by the one or more Underwriters which failed or refused to purchase the Offered Shares it has agreed to purchase. The Underwriters are, however, obligated to take up and pay for all Offered Shares if any Offered Shares are purchased under the Underwriting Agreement.

The Underwriting Agreement also provides that the Corporation will indemnify the Underwriters and their agents, affiliates, directors, officers, shareholders, "controlling persons" (as defined under U.S. securities laws) and employees against certain liabilities, damages, costs and expenses.

It is expected that Closing will occur on or about January 30, 2025, or such other date as the Corporation and the Lead Underwriter, on their own behalf and on behalf of the other Underwriters, may agree, but in any event no later than the date that is 42 days after the date of the receipt for this short form prospectus. The Offered Shares (other than any Offered Shares issuable pursuant to the exercise of the Over-Allotment Option) shall be taken up by the Underwriters, if at all, on or before a date not later than 42 days after the date of the receipt for this short form prospectus.

Subject to applicable laws, the Underwriters may, in connection with the Offering, effect transactions which stabilize or maintain the market price of the Common Shares at levels other than those which might otherwise prevail on the open market in accordance with applicable stabilization rules. Such transactions, if commenced, may be discontinued at any time.

Pursuant to rules and policy statements of certain securities regulators, the Underwriters may not, at any time during the period ending on the date the selling process for the Offered Shares ends and all stabilization arrangements relating to the Offered Shares are terminated, bid for or purchase Common Shares. The foregoing restrictions are subject to certain exceptions including: (i) a bid for or purchase of Common Shares if the bid or purchase is made through the facilities of the TSX in accordance with applicable marketplace rules; (ii) a bid or purchase on behalf of a client, other than certain prescribed clients, provided that the client's order was not solicited by the Underwriter, or if the client's order was solicited, the solicitation occurred before the period of distribution as prescribed by the rules; and (iii) a bid or purchase to cover a short position entered into prior to the period of distribution as prescribed by the rules.

The Underwriters propose to offer the Offered Shares initially at the Offering Price specified herein. After reasonable efforts have been made to sell all of the Offered Shares at the price specified, the Underwriters may subsequently reduce the selling price to investors from time to time in order to sell any of the Offered Shares remaining unsold. In the event the Offering Price is reduced, the compensation realized by the Underwriters will be decreased by the amount that the aggregate price paid by the purchasers for the Offered Shares is less than the gross proceeds paid by the Underwriters to the Corporation for the Offered Shares. Any such reduction will not affect the proceeds received by the Corporation.

The Corporation has agreed that, from the date of the Underwriting Agreement to the date that is 90 days following the Closing Date, it will not issue or sell (or agree to do so or publicly announce any intention to do so) any Common Shares, unless: (a) the issue or sale or the proposed issue or sale is made pursuant to the Underwriting Agreement; (b) for purposes of arm's length acquisitions of assets or shares of another entity; (c) for purposes of employee stock options, performance warrants or awards; (d) in connection with the Corporation's incentive plans; (d) to satisfy existing instruments issued at the date hereof; or (e) the Corporation has obtained the prior written consent of the Lead Underwriter, which consent shall not be unreasonably withheld, conditioned or delayed.

The Corporation has also agreed that it will not issue or sell equity securities, including any Common Shares, flow-through Common Shares, financial instruments or other securities convertible or exchangeable into or exercisable for Common Shares (or agree to do so or publicly announce any intention to do so), at any time prior to 90 days after the Closing Date, unless the issue or sale or the proposed issue or sale is made: (a) pursuant to the Underwriting Agreement or in connection with arm's length acquisitions of assets or shares of another entity; (b) in connection with the Corporation's Option Plan, Share Award Plan or other incentive plans; (c) to satisfy existing instruments issued at the date of the Underwriting Agreement; or (d) with the prior written consent of the Lead Underwriter on behalf of the Underwriters, such consent not to be unreasonably withheld, conditioned or delayed.

The Corporation has covenanted and agreed to use reasonably commercial efforts to ensure that each of the directors and senior officers of the Corporation enters into a contract with the Lead Underwriter, on behalf of the Underwriters and satisfactory to the same, pursuant to which each such person will agree, for a period of 90 days from the Closing Date, to not, except with the prior consent of the Lead Underwriter, such consent not to be unreasonably withheld or delayed, directly or indirectly, offer, sell, contract to sell, grant any option to purchase, make any short sale, or otherwise dispose of, or transfer, or announce any intention to do so, any Common Shares, whether now owned directly or indirectly, or under their control or direction, or with respect to which each has beneficial ownership, or enter into any transaction or arrangement that has the effect of transferring, in whole or in part, any of the economic consequences of ownership of Common Shares, whether such transaction is settled by the delivery of Common Shares, other securities, cash or otherwise other than: (i) pursuant to a take-over bid or any other similar transaction made generally to all of the shareholders of the Corporation; or (ii) selling or transferring any Common Shares (for cash proceeds) for tax planning purposes or to exercise options to acquire Common Shares or settle awards pursuant to other incentive plans provided that the full net proceeds of such sales are used to fund the exercise price(s) of such options or settlement of such other awards, further provided that the Common Shares acquired on the exercise of such options or settlement of such other awards shall be subject to the foregoing restriction on disposition.

The Corporation has applied to list the Offered Shares on the TSX. Such listing will be subject to the Corporation fulfilling all of the listing requirements of the TSX.

The Offered Shares offered hereby have not been and will not be registered under the 1933 Act or any state securities laws, and accordingly may not be offered, sold or delivered within the United States (as such term is defined in Regulation S under the 1933 Act) except in transactions exempt from the registration requirements of the 1933 Act and applicable state securities laws. Except as permitted in the Underwriting Agreement and as expressly permitted by applicable laws of the United States, the Underwriters will not offer, sell or deliver the Offered Shares within the United States. The Underwriting Agreement permits the Underwriters to offer and resell the Offered Shares that they have acquired pursuant to the Underwriting Agreement, through their U.S. broker-dealer affiliates, (a) acting as principals, reselling the Offered Shares to "qualified institutional buyers" (as defined in Rule 144A ("**Rule 144A**") under the 1933 Act) in the United States, provided that such offers and sales are made in transactions in accordance with Rule 144A, or (b) acting as agents of the Corporation, to "accredited investors" (as defined in Rule 501(a) of Regulation D under the 1933 Act) who shall purchase the Offered Shares directly from the Corporation as "substituted purchasers", provided such offers and sales are made in transactions in accordance with Section 4(a)(2) of the 1933 Act and Rule 506(b) thereunder, and, in each case, are exempt from registration under applicable state securities laws. The Underwriting Agreement also provides that the Underwriters will offer and sell the Offered Shares outside the United States only in accordance with Rule 903 of Regulation S under the 1933 Act.

In addition, until 40 days after the commencement of the Offering, any offer or sale of Offered Shares offered within the United States by any dealer (whether or not participating in the Offering) may violate the registration requirement of the 1933 Act if such offer or sale is made otherwise than in accordance with an exemption from the registration requirement of the 1933 Act.

RELATIONSHIP BETWEEN THE CORPORATION AND CERTAIN UNDERWRITERS

National Bank of Canada is a lender to the Corporation pursuant to the Credit Facility and to which the Corporation is presently indebted (see note (4) to the table under "*Consolidated Capitalization*"). National Bank Financial Inc. is a direct or indirect, wholly-owned subsidiary of National Bank of Canada. In addition, a bank affiliate of each of BMO Nesbitt Burns Inc., TD Securities Inc., ATB Securities Inc. and CIBC World Markets Inc. is a lender to the Corporation pursuant to the Credit Facility to which the Corporation is presently indebted. Consequently, the Corporation may be considered to be a "connected issuer" of such Underwriters within the meaning of applicable Canadian securities legislation.

The Corporation is in compliance with all terms of the Credit Facility and the Lenders thereunder have not waived any breach by the Corporation of any agreements relating thereto. The Credit Facility is secured by a first fixed and floating charge debenture over all the Corporation's assets and a general assignment of book debts. Under the terms of the Credit Facility, the Corporation is required to meet certain financial reporting requirements. Neither the financial position of the Corporation nor the value of the security under the Credit Facility has changed substantially since the indebtedness of the Corporation under the Credit Facility was incurred, other than in the ordinary course of the Corporation's business. See "*Consolidated Capitalization*".

The decision to distribute the Offered Shares hereunder and the determination of the terms of the Offering were made through negotiations between the Corporation and the Lead Underwriter, on their own behalf and on behalf of the other Underwriters. The Corporation's lenders under its Credit Facility, although affiliated with National Bank Financial Inc., BMO Nesbitt Burns Inc., TD Securities Inc., ATB Securities Inc. and CIBC World Markets Inc., did not have any involvement in such decision or determination but have been advised of the issuance and the terms hereof. As a consequence of this issuance, National Bank Financial Inc., BMO Nesbitt Burns Inc., TD Securities Inc., ATB Securities Inc. and CIBC World Markets Inc. will each receive its respective share of the Underwriting Fee. See "*Plan of Distribution*".

ELIGIBILITY FOR INVESTMENT

In the opinion of Stikeman Elliott LLP, counsel to the Corporation, and Burnet, Duckworth & Palmer LLP, counsel to the Underwriters, based on the provisions of the Tax Act in force on the date hereof, the Offered Shares would, if issued on the date hereof, be "qualified investments" under the Tax Act for a trust governed by a "registered retirement savings plan", "registered retirement income fund", "registered education savings plan", "registered disability savings plan", "tax-free savings account", "first home savings account" (collectively, "**Registered Plans**"), or a "deferred profit sharing plan" (each as defined in the Tax Act) provided that the Offered Shares are listed on a "designated stock exchange" as defined in the Tax Act (which currently includes the TSX) or the Corporation otherwise qualifies as a "public corporation" as defined in the Tax Act.

Notwithstanding that the Offered Shares may be qualified investments for a Registered Plan, if the Offered Shares are a "prohibited investment" within the meaning of the Tax Act for a Registered Plan, the holder, annuitant or subscriber of the Registered Plan, as the case may be, (the "**Controlling Individual**") will be subject to a penalty tax as set out in the Tax Act. The Offered Shares generally will not be a "prohibited investment" for a Registered Plan if the Controlling Individual of the Registered Plan (a) deals at arm's length with the Corporation for purposes of the Tax Act, and (b) does not have a "significant interest" (as defined in the Tax Act) in the Corporation. In addition, Offered Shares will not be a "prohibited investment" if the Offered Shares are "excluded property" (as defined in the Tax Act) for a Registered Plan. Prospective purchasers who intend to hold the Offered Shares in a Registered Plan should consult their own tax advisors regarding their particular circumstances.

RISK FACTORS

An investment in the Offered Shares involves a number of risks. Before investing, prospective purchasers of Offered Shares should carefully consider, in light of their own financial circumstances, the factors set out below, as well as other information and risk factors contained in or incorporated by reference in this short form prospectus, including those risk factors set forth under the heading "*Risk Factors*" at pages 60 through 79, inclusive, of the Annual Information Form, and those risk factors set forth under the heading "*Risks and Uncertainties*" in each of the Interim MD&A and Annual MD&A, which are incorporated by reference herein.

Completion of the Offering

Completion of the Offering remain subject to a number of conditions precedent. Although the Corporation has entered into the Underwriting Agreement with the Underwriters, there can be no certainty that the Offering will be completed. If the Offering is not completed, the Corporation may not be able to raise the funds required for the purposes contemplated under "*Use of Proceeds*" from other sources on commercially reasonable terms or at all.

The completion of the Offering is subject to receipt of approval from the TSX and all other applicable regulatory approvals, which approvals may not be obtained. Listing will be subject to the Corporation fulfilling all of the listing requirements of the TSX and there can be no assurance that the TSX will provide approval of the Offering.

Impact of U.S. Legislative and Regulatory Policies

The recent election of President Trump may result in legislative and regulatory changes that could have an adverse effect on the Corporation and its financial condition. In particular, there is uncertainty regarding U.S. tariffs and support for existing treaty and trade relationships, including with Canada. Implementation by the U.S. government of new legislative or regulatory policies could impose additional costs on the Corporation, decrease U.S. demand for the Corporation's products, or otherwise negatively impact the Corporation, which may have a material adverse effect on the Corporation's business, financial condition and operations. In addition, this uncertainty may adversely impact: (i) the ability of companies to transact business with companies such as the Corporation; (ii) the Corporation's profitability; (iii) regulation affecting the Canadian oil and gas industry; (iv) global stock markets (including the TSX); and (v) general global economic conditions. All of these factors are outside of Spartan's control, but may nonetheless lead the Corporation to adjust its strategy in order to compete effectively in global markets.

Use of Proceeds

The Corporation currently intends to allocate the net proceeds received from the Offering as described under the heading "*Use of Proceeds*" in this short form prospectus. However, the Corporation will have discretion in the actual application of the net proceeds and may elect to allocate proceeds differently than described under the heading "*Use of Proceeds*" if it believes it would be in its best interest to do so. The failure to apply these funds effectively could affect the success of the Corporation's business.

Credit Facility Risk

The amount authorized under the Credit Facility is dependent on the borrowing base determined by the Lenders. The Corporation is and will continue to be required to comply with covenants under its Credit Facility, which may affect the availability, or price, of additional funding, and in the event that the Corporation does not comply therewith its access to capital could be restricted or repayment could be required. The failure of the Corporation to comply with such covenants, which may be affected by events beyond the Corporation's control, could result in a default under the Credit Facility, which could result in the Corporation being required to repay amounts owing thereunder. Even if the Corporation is able to obtain new financing, it may not be on commercially reasonable terms or terms that are acceptable to the Corporation. If the Corporation is unable to repay amounts owing, the Lenders under its Credit Facility could proceed to foreclose or otherwise realize upon the collateral granted to them to secure the indebtedness. The acceleration of the Corporation's indebtedness under one agreement may permit acceleration of indebtedness under other agreements that contain cross default or cross-acceleration provisions. In addition, the Credit Facility may, from time to time, impose operating and financial restrictions on the Corporation that could include restrictions on, the payment of dividends, repurchase or making of other distributions with respect to the Corporation's securities, incurring of additional indebtedness, provision of guarantees, the assumption of loans, making of capital expenditures, entering into of amalgamations, mergers, take-over bids or disposition of assets, among others.

The Corporation's borrowing base is determined and re-determined by the Lenders based on the Corporation's reserves, commodity prices, applicable discount rate and other factors as determined by the Corporation's lenders. A material decline in commodity prices could reduce the Corporation's borrowing base, therefore reducing the funds available to the Corporation under its Credit Facility which could result in a portion, or all, of the Corporation's bank indebtedness being required to be repaid.

Effect of Commodity Prices on Operational and Financial Results

The Corporation's operational and financial results are dependent on the prices received for oil and natural gas production. Any substantial and extended decline in the price of oil and natural gas has had and, if such trends continue, will have an adverse effect on, among other things, the Corporation's revenues and financial condition. See also "*Risk Factors – Commodity Prices, Markets and Marking*" in the Annual Information Form.

Volatility of Market Price of Common Shares

The market price of the Common Shares may be volatile. The volatility may affect the ability of holders to sell the Common Shares at an advantageous price. Market price fluctuations in the Common Shares may be due to the Corporation's operating results failing to meet the expectations of securities analysts or investors in any quarter, downward revision in securities analysts' estimates, governmental regulatory action, adverse change in general market conditions or economic trends, acquisitions, dispositions or other material public announcements by the Corporation or its competitors, along with a variety of additional factors, including, without limitation, those set forth under "*Special Note Regarding Forward-Looking Statements*". In addition, the market price for securities in the stock markets, including the TSX, recently experienced significant price and trading fluctuations. These fluctuations have resulted in volatility in the market prices of securities that often has been unrelated or disproportionate to changes in operating performance. These broad market fluctuations may adversely affect the market prices of the Common Shares.

Infectious Disease, Pandemic or a Similar Health Threat

An outbreak of infectious disease, a pandemic or a similar public health threat, or a fear of any of the foregoing, could adversely impact the Corporation by causing operating, supply chain and project development delays, disruptions and challenges, labour shortages and challenges and shutdowns (including as a result of government regulation and prevention measures), and increased costs to the Corporation. In addition, health outbreaks and prevention measures related thereto may have an impact on the economic activity in the markets in which the Corporation and its subsidiaries operate, causing negative impacts on the Corporation's business and financial results.

Political Uncertainty

The marketability and price of oil and natural gas that may be acquired or discovered by Spartan is and will continue to be affected by political events throughout the world that cause disruptions in the supply of oil. Conflicts, or conversely peaceful developments, arising outside of Canada, including changes in political regimes or parties in power, may have a significant impact on the price of crude oil and natural gas. Any particular event could result in a material decline in prices and therefore result in a reduction of Spartan's net production revenue.

The level of geo-political risk escalates at certain points in time. While the specific impact on the global economy would depend on the nature of the event, market events and conditions, including global excess crude oil and natural gas supply, actions taken by OPEC+, sanctions against, and civil unrest in, Iran and Venezuela, Russia and the Ukraine, the Middle East, Israel and the West Bank and Gaza Strip, and Yemen, slowing growth in China and emerging economies, market volatility and disruptions in Asia, weakening global relationships, conflict between the United States and Iran, isolationist and punitive trade policies, increased United States shale production, sovereign debt levels, world health emergencies (including global pandemics) and political upheavals in various countries including growing anti-fossil fuel sentiment, have caused instability and volatility.

Global Oil and Gas Markets

Spartan's financial performance and financial condition are dependent on the prevailing prices of crude oil and natural gas. Crude oil and natural gas prices have fluctuated widely in the recent past and are subject to fluctuations in response to relatively minor changes in supply, demand, market uncertainty and other factors that are beyond the Corporation's control. Crude oil and natural gas prices are impacted by a number of factors including, but not limited to: the global supply of and demand for crude oil and natural gas; global economic conditions; the actions of OPEC and OPEC+; government regulation; political stability; the ability to transport crude to markets; developments related to the market for liquefied natural gas; the availability and prices of alternate fuel sources; weather conditions; global economic conditions; fluctuations in interest rates and foreign exchange rates; stock market volatility; energy costs; geopolitical issues; Russia's military invasion of Ukraine; inflation; and the availability and cost of credit. Please see the Corporation's Annual Information Form for more details.

Inflation and Cost Management

The Corporation's operating costs could escalate and become uncompetitive due to supply chain disruptions, inflationary cost pressures, equipment limitations, escalating supply costs, commodity prices, and additional government intervention through stimulus spending or additional regulations. The Corporation's inability to manage costs may impact project returns and future development decisions, which could have a material adverse effect on its financial performance and funds from operations.

The cost or availability of oil and gas field equipment may adversely affect the Corporation's ability to undertake exploration, development and construction projects. The oil and gas industry is cyclical in nature and is prone to shortages of supply of equipment and services including drilling rigs, geological and geophysical services, engineering and construction services, major equipment items for infrastructure projects and construction materials generally. These materials and services may not be available when required at reasonable prices. A failure to secure the services and equipment necessary to the Corporation's operations for the expected price, on the expected timeline, or at all, may have an adverse effect on its financial performance and funds from operations.

Forward-Looking Statements and FOFI may Prove Inaccurate

Investors are cautioned not to place undue reliance on forward-looking information included in this short form prospectus or the documents incorporated by reference in this short form prospectus, including the forward-looking information under "*Recent Developments*". By their nature, forward-looking information and FOFI involve numerous assumptions, known and unknown risks and uncertainties, of both a general and specific nature, that could cause actual results to differ materially from those suggested by the forward-looking information and/or FOFI or contribute to the possibility that predictions, forecasts or projections will prove to be materially inaccurate. Some of the FOFI presented in this short form prospectus is based upon the completion of the Offering, and if the Offering is not completed or not completed on the terms or timeline contemplated, this will impact the forward-looking FOFI provided herein and such impact may be material. See "*Special Note Regarding Forward-Looking Statements*".

Dilution to Common Shares

Following the completion of the Offering, there will be up to an additional 25,589,800 Common Shares issued and outstanding (assuming the full exercise of the Over-Allotment Option). The increase in the number of Common Shares issued and outstanding, and the sale of such securities, may have a depressive effect on the price of the Common Shares. In addition, as a result of such additional Common Shares, the voting power of the Corporation's existing shareholders will be diluted.

Impact of Future Financings

In order to finance future operations, the Corporation may raise funds through the issuance of Common Shares or the issuance of debt instruments or securities convertible into Common Shares. The Corporation cannot predict the size of future issuances of Common Shares or the issuance of debt instruments or other securities convertible into Common Shares or the effect, if any, that future issuances and sales of the Corporation's securities will have on the market price of the Common Shares.

Loss of Entire Investment

An investment in the Offered Shares is speculative and may result in the loss of a purchaser's entire investment. Only potential purchasers who are experienced in high-risk investments and who can withstand a complete loss of their investment should consider purchasing the Offered Shares. Before making an investment decision, prospective purchasers of Offered Shares should consider the information contained and incorporated by reference in this short form prospectus, and, in particular, the risk factors set out herein and in the documents incorporated by reference herein. Readers are cautioned that such risk factors are not exhaustive.

No Assurance of Future Liquidity

Shareholders of the Corporation may be unable to sell significant quantities of the Common Shares into the public trading markets without a significant reduction in the price of their Common Shares, or at all. There can be no assurance that there will be sufficient liquidity of the Common Shares on the trading market, or that the Corporation will continue to meet the listing requirements of the TSX.

INTERESTS OF EXPERTS

Certain legal matters relating to the Offering will be passed upon by Stikeman Elliott LLP, on behalf of the Corporation, and by Burnet, Duckworth & Palmer LLP on behalf of the Underwriters. Based on securityholdings as of January 17, 2025, the partners and associates of Stikeman Elliott LLP, as a group, own, directly or indirectly, less than 1% of the outstanding Common Shares and the partners and associates of Burnet, Duckworth & Palmer LLP, as a group, own, directly or indirectly, less than 1% of the outstanding Common Shares. In addition, none of the aforementioned persons or companies, nor any director, officer or employee of any of the aforementioned persons or companies, is or is expected to be elected, appointed or employed as a director, officer or employee of the Corporation or of any associate or affiliate of the Corporation except as disclosed under "*Directors and Executive Officers*" in the Annual Information Form.

Certain reserve estimates in this short form prospectus and incorporated by reference in this short form prospectus are derived from the Reserves Report prepared by McDaniel. As of the date hereof, to the knowledge of the Corporation, the directors, officers, employees and consultants of McDaniel who participated in the preparation of the Reserves Report who were in a position to directly influence the preparation or outcome of the preparation of the Reserves Report as a group, owned, directly or indirectly, less than 1% of the outstanding Common Shares. In addition, none of the officers, directors, employees or consultants of McDaniel are currently expected to be elected, appointed or employed as a director, officer or employee of the Corporation or any of the Corporation's associates or affiliates.

PricewaterhouseCoopers LLP is the current auditor of the Corporation, and has confirmed that it is independent of the Corporation within the meaning of the Rules of Professional Conduct of the Chartered Professional Accountants of Alberta.

STATUTORY AND CONTRACTUAL RIGHTS OF WITHDRAWAL AND RESCISSION

Securities legislation in certain of the provinces of Canada provides purchasers with the right to withdraw from an agreement to purchase securities. This right may be exercised within 2 business days after the later of (a) the date that the issuer (i) filed the prospectus or any amendment on SEDAR+ and a receipt is issued and posted for the document, and (ii) issued and filed a news release on SEDAR+ announcing that the document is accessible through SEDAR+, and (b) the date that the purchaser or subscriber has entered into an agreement to purchase the securities or a contract to purchase or a subscription for the securities. In several of the provinces, the securities legislation further provides a purchaser with remedies for rescission or, in some jurisdictions, damages if the prospectus and any amendment contains a misrepresentation or is not delivered to the purchaser, provided that the remedies for rescission or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's province. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province for the particulars of these rights or consult with a legal advisor.

CERTIFICATE OF THE CORPORATION

Dated: January 17, 2025

This short form prospectus, together with the documents incorporated by reference, constitutes full, true and plain disclosure of all material facts relating to the securities offered by this short form prospectus as required by the securities legislation of the Provinces of Canada, except Québec.

SPARTAN DELTA CORP.

(signed) "Fotis Kalantzis"	*(signed) "Ronald Williams"*
Fotis Kalantzis	**Ronald Williams**
President &	Vice President, Finance &
Chief Executive Officer	Chief Financial Officer

ON BEHALF OF THE BOARD OF DIRECTORS OF SPARTAN DELTA CORP.

(signed) "Richard McHardy"	*(signed) "Donald Archibald"*
Richard McHardy	**Donald Archibald**
Director	Director

CERTIFICATE OF THE UNDERWRITERS

Dated: January 17, 2025

To the best of our knowledge, information and belief, this short form prospectus, together with the documents incorporated by reference, constitutes full, true and plain disclosure of all material facts relating to the securities offered by this short form prospectus as required by the securities legislation of the Provinces of Canada, except Québec.

NATIONAL BANK FINANCIAL INC.

(signed) "Arun Chandrasekaran"

Arun Chandrasekaran
Managing Director & Head of Energy
Investment Banking

BMO NESBITT BURNS INC.

(signed) "Greg Stadnyk"

Greg Stadnyk
Managing Director

TD SECURITIES INC.

(signed) "Scott Barron"

Scott Barron
Managing Director & Head of
Calgary Investment Banking

ATB SECURITIES INC.

(signed) "Patrick Stables"

Patrick Stables
Managing Director

CIBC WORLD MARKETS INC.

(signed) "Michael Freeborn"

Michael Freeborn
Managing Director and Head,
Global Natural Resources and
Infrastructure

CORMARK SECURITIES INC.

(signed) "Erik Pederson"

Erik Pederson
Managing Director

PETERS & CO. LIMITED

(signed) "Cameron Plewes"

Cameron Plewes
President

SCOTIA CAPITAL INC.

(signed) "David Baboneau"

David Baboneau
Managing Director & Head of
Energy, Corporate & Investment
Banking Canada

DESJARDINS SECURITIES INC.

(signed) "Alan Fidler"

Alan Fidler
Director

HAYWOOD SECURITIES INC.

(signed) "Clark Andrews"

Clark Andrews
Head of Energy Investment Banking

VENTUM FINANCIAL CORP.

(signed) "Ryan Mooney"

Ryan Mooney
Managing Director