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Form 49
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JUDICIAL CENTRE OF CALGARY
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Apr 07, 2021
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April 13, 2021
Justice Gill

COURT FILE NUMBER	**2101-00814**
COURT	**COURT OF QUEEN'S BENCH OF ALBERTA**
JUDICIAL CENTRE	**CALGARY**
	IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, RSC 1985, c C-36, AS AMENDED
	AND IN THE MATTER OF CALGARY OIL & GAS SYNDICATE GROUP LTD., CALGARY OIL AND GAS INTERCONTINENTAL GROUP LTD. (IN ITS OWN CAPACITY AND IN ITS CAPACITY AS GENERAL PARTNER OF T5 SC OIL AND GAS LIMITED PARTNERSHIP), CALGARY OIL AND SYNDICATE PARTNERS LTD., and PETROWORLD ENERGY LTD.
DOCUMENT	**AFFIDAVIT**
ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT	Matti Lemmens / Tiffany Bennett Borden Ladner Gervais LLP 1900, 520 3rd Ave. S.W. Calgary, AB T2P 0R3 Telephone: (403) 232-9511 / (403) 232-9199 Facsimile: (403) 266-1395 Email: MLemmens@blg.com / TiBennett@blg.com

AFFIDAVIT OF RYAN MARTIN
Sworn on April 6, 2021

I, Ryan Martin, of the City of Alberta, in the Province of Alberta, SWEAR AND SAY THAT:

INTRODUCTION AND PROCEDURAL HISTORY

1. I am the President, Secretary and sole director of the Applicants, Calgary Oil and Gas Intercontinental Group Ltd., formerly Triple Five Intercontinental Group Ltd. ("**Intercontinental**") and Petroworld Energy Ltd. ("**Petroworld**"). I have been the

President of Intercontinental and Petroworld since September 4 and 10, 2020, respectively, and have been involved with the companies since their incorporation. Through my involvement with Intercontinental and Petroworld, I have also gained personal knowledge relating to their parent companies and related entities, Calgary Oil & Gas Syndicate Group Ltd., formerly Triple Five Energy Ltd., and Calgary Oil and Syndicate Partners Ltd., formerly T5 Energy Partners Ltd. (all Applicants are collectively referred to herein as the "**Companies**"). As such, I have personal knowledge of the matters to which I depose in this Affidavit, except where such matters are stated to be based on information and belief, in which case I have stated the source of my information and, in all cases, I believe such information to be true.

2. I previously swore Affidavits on February 5, 2021, (the "**First Martin Affidavit**"), February 10, 2021, February 11, 2021, and February 17, 2021, and February 22, 2021 (the "**Third Martin Affidavit**"), each of which was filed in these proceedings in support of the Companies' applications for relief pursuant to the *Companies' Creditors Arrangement Act*, RSC 1985, c C-36, as amended (the "***CCAA***").

3. On February 11, 2021, the Honourable Mr. Justice D. B. Nixon granted the Companies' application for an Initial Order (the "**Initial Order**").

4. On February 19, 2021, the Honourable Mr. Justice R. A. Neufeld granted the Companies' application for an Amended and Restated Initial Order (the "**First ARIO**") and a related Sealing Order.

5. On March 4, 2021, the Honourable Mr. Justice D.B. Nixon granted the Companies a Second Amended and Restated Initial Order (the "**Second ARIO**"), extending the stay of proceedings against the Companies to April 15, 2021 (the "**Stay Period**").

6. Unless otherwise defined herein, all capitalized terms used herein have the meanings ascribed thereto in the First Martin Affidavit or the Initial Order, as applicable.

7. I swear this Affidavit in support of the Companies' Application for certain relief pursuant to the *CCAA*, including, *inter alia:*

   (a) an Order extending the Stay Period in the within proceedings until and including May 25, 2021;

(b) an Order permitting the payment of certain amounts due and owing to the Sunchild First Nation;

(c) an Order approving the Companies' proposed claims procedure, by way of a "reverse claims process" (the "**Claims Procedure**"), and authorizing the Companies, the Partnership and the Monitor to do all such things as are reasonably necessary to implement and carry out the Claims Procedure; and

(d) an Order sealing the confidential exhibits attached to this Affidavit.

UPDATES AND ACTIONS TAKEN SINCE THE APPLICATION FOR THE SECOND ARIO

8. The circumstances that compelled the Companies to seek protection under the *CCAA* and the Companies' cash flow constraint, as outlined in the First Martin Affidavit and supplemental Affidavits thereto, have not changed since this Court's granting of the Initial Order. Creditors of the Companies have filed civil claims as recent as March 15, 2021, necessitating the continuation of the Initial Order and its creditor protections.

9. Following the Court's granting of the Second ARIO on March 4, 2021, the Companies, with the oversight and assistance of the Monitor, have been working diligently to maintain the stability of their operations and business, manage their liquidity position, review potential strategic options and alternatives to address their financing position and have acted in furtherance of the restructuring of their business. In particular, the Companies:

(a) diligently continue to operate the business for the benefit of all stakeholders;

(b) have pursued possible restructuring transactions, including the Spartan LOI (as defined below), and kept the Monitor updated about those efforts; and

(c) have worked with the Monitor to develop the Claims Procedure.

10. The Companies have been diligent in raising capital both before and during the current proceedings. The Companies have frequently engaged with banks and capital providers to explore debt options for financing, including over 30 parties throughout the course of the restructuring process, and entered into negotiations with five parties in pursuit of a viable restructuring transaction. While these efforts have resulted in term sheets, letters of intent

and expressions of interest, none have yet led to a firm financing commitment with the exception of the Spartan LOI.

11. The Companies have prepared an updated cash flow forecast (the "**Cash Flow Forecast**") from the week of April 5, 2021 to the week of June 28, 2021, which has been reviewed and approved by the Monitor. Attached hereto and marked as **Exhibit "A"** is a true copy of the Cash Flow Forecast. Based on my knowledge of the financial position of the Companies, and based on the assumptions set out in the Cash Flow Projections, I do verily believe that the projections set out in the Cash Flow Forecast are fair and reasonable.

12. Overall, the state of the Companies' business has normalized as a result of stable production rates and recovery of commodity prices. Projected ending cash for the week of April 5, 2021 is $909,954, rising to $1,360,354 in projected ending cash for the week of June 21, 2021.

13. While the timing of cash collection and payment of several transactions, such as collection of $603,211 in Keyera revenues, occurred in early April rather than late March as forecast in previous Cash Flow Forecasts, these revenues remain within the forecasted variance.

14. Additional expenses contained in the Cash Flow Forecast include an overhaul to a generator set at a cost of approximately $40,000.00, as well as approximately $134,000.00 in costs for compliance-related work. These expenses are critical to the ongoing operation of the Ferrier assets.

15. In addition, the Cash Flow Forecast also contemplates payment to Crown Capital for full interests owing in respect of November 2020, as well as all outstanding production royalty amounts, totalling approximately $374,000.00.

16. One further important expense included in the Cash Flow Forecast is a payment to the Sunchild First Nation in the amount of $256,552.00 (the "**Community Payment**") in accordance with a Letter of Agreement dated December 13, 2018 between Intercontinental and the Sunchild First Nation in respect of the extension of a lease held by Sunchild Oil and Gas Ltd. As part of the consideration payable for the extension of the lease, Intercontinental agreed to make the Community Payment on an annual basis for the betterment of the Sunchild First Nation, now due and owing to the Sunchild First Nation.

17. In general, the annual amount of the Community Payment due is $200,000.00, with $100,000.00 payable in cash to Sunchild Oil & Gas Ltd. and $100,000.00 held in trust in respect of "in kind" payments as described in paragraph 18 below. As of April 30, 2021, the amount of $256,552.00 is due and owing. This amount includes a pre-filing amount of $213,101.00 accrued up to February 11, 2021 (including arrears from 2020), and a post-filing amount of $43,451.00 accrued following the commencement of the *CCAA* proceedings.

18. The Community Payment is an integral part of the relationship between the Companies and Sunchild First Nation. In the past, the Companies have paid a portion of the Community Payment "in kind" by allowing members of the Sunchild First Nation to use hotel facilities at the West Edmonton Mall. The value of this use has then been credited by Sunchild First Nation towards the Community Payment. The current COVID-19 situation makes such an "in kind" payment impossible in the near future.

THE SPARTAN LOI

19. As detailed in the First Martin Affidavit, the Companies sought creditor protection largely as a result of the commodity pricing decline in the oil and gas market, and particularly with respect to natural gas. The Companies commenced the within *CCAA* proceedings in order to stabilize the Companies' business and operations and provide them with time to identify and assess potential restructuring options and review other strategic alternatives that may be available to maximize the value of the Companies for the benefit of all of their stakeholders.

20. Since the granting of the Second ARIO, the Companies and the Partnership have entered into a Letter of Intent (the "**Spartan LOI**") with Spartan Delta Corp. ("**Spartan**"). The Spartan LOI provides for an equity transaction involving a significant cash injection in exchange for limited partnership units in the Partnership. Attached hereto as **Confidential Exhibit "1"** is a true copy of the Spartan LOI.

21. Further to the transaction set out in the Spartan LOI and, particularly, the deposit contemplated therein, the parties have entered into a Deposit Escrow Agreement dated effective on April 7, 2021 (the "**Escrow Agreement**"). We understand that Spartan is

prepared to pay the deposit associated with the Spartan LOI on April 7, 2021. Attached hereto as **Confidential Exhibit "2"** is a true copy of the Escrow Agreement.

22. Spartan is an energy company listed on the TSX Venture Exchange (TSXV:SDE), which it joined in November 2019 following a recapitalization transaction of Return Energy Inc. Attached as **Exhibit "B"** is a true copy of a press release dated November 21, 2019, which details this transaction. Spartan has operated as a publically traded company since at least November 2019.

23. Spartan has recently demonstrated an ability to close large transactions quickly. On February 16, 2021, Spartan announced the acquisition of Inception Exploration Ltd. and concurrent purchase of assets located in the Simonette and Willesden Green areas of Alberta for a total consideration of $147.9 million, together with an $80.0 million financing (the "**Acquisition**"). Attached hereto as **Exhibit "C"** is a true copy of a press release dated February 16, 2021, which details the Acquisition.

24. Just over one month later, on March 18, 2021, Spartan announced the closing of the Acquisition and it had raised over $124.0 million in financing. Attached hereto as **Exhibit "D"** is a true copy of a press release dated March 18, 2021, which details the closing of the Acquisition.

ADVANTAGES OF THE SPARTAN LOI

25. The Spartan LOI is not the same third party transaction as was previously contemplated by the Companies in the Third Martin Affidavit (the "**Third Party LOI**"). The Third Party LOI contemplated a transaction at a lower value than the Spartan LOI. Ultimately, that transaction has not proceeded to date and now is less attractive than the Spartan LOI.

26. Separate from both the Third Party LOI and the Spartan LOI, the Companies received an expression of interest from Westbrick Energy Ltd. ("**Westbrick**"), received on April 1, 2021, in the form of a draft Purchase and Sale Agreement (the "**Draft Westbrick PSA**"). The Draft Westbrick PSA proposes an asset acquisition of all assets of the Companies within the Ferrier area. Attached hereto as **Confidential Exhibit "3"** is a true copy of the Draft Westbrick PSA as received by the Companies on April 1, 2021.

27. It is the Companies' opinion that the Spartan LOI presents significant advantages over the proposed transaction set out in the Draft Westbrick PSA.

28. First, unlike the Draft Westbrick PSA, the Spartan LOI provides for a binding offer which contemplates that the parties would come to definitive agreement by April 12, 2021, or soon thereafter. In contrast, the Draft Westbrick PSA contains a number of uncertain terms and it is unclear whether it is intended to provide a framework for discussion or sets out an actual offer.

29. I am informed by Matti Lemmens of Borden Ladner Gervais LLP ("**BLG**"), counsel to the Companies, and do believe, that BLG informed counsel for Westbrick in an April 1, 2021 email correspondence that the Companies did not consider the Draft Westbrick PSA to be a binding offer as a result of its uncertain terms and lack of signature. Attached hereto as **Exhibit "E"** is a true copy of the email correspondence dated April 1, 2021.

30. Counsel for Westbrick has not provided a response to BLG's email correspondence of April 1, 2021 nor a binding offer to date. In the Companies' opinion the lack of a binding offer makes the Draft Westbrick PSA inherently less desirable than the Spartan LOI.

31. Second, as an equity deal rather than an asset purchase, the Spartan LOI contemplates the preservation of existing Indian Oil and Gas Canada ("**IOGC**") leases with the Companies, and would allow the Companies to continue to operate their assets. Among other things, the continued operatorship would minimize business disruption and allow for a continuation of the positive working relationship between the Companies and the Sunchild First Nation.

32. Third, unlike the Draft Westbrick PSA, the structure of the transaction set out in the Spartan LOI will preserve tax losses and therefore provide increased value for all stakeholders.

33. Fourth, the Draft Westbrick PSA is inherently uncertain due to uncertain terms and "square brackets" which have not been resolved. The Draft Westbrick PSA contains assumptions affecting key terms such as the purchase price and cure costs. These uncertainties are compounded by the lack of a signature on the Draft Westbrick PSA.

34. Fifth, the short timeline between delivery of the Draft Westbrick PSA to the Companies and this Application has necessitated that the Companies' attention be turned elsewhere.

The negotiation process with Spartan to bring about the Spartan LOI has occupied substantially all of the Companies' time and energy since April 1, 2021. In comparison to the Draft Westbrick SPA, the Spartan LOI has been the subject of considered negotiation and development for a longer period, and therefore presents less risk of unexpected developments throughout the course of the transaction.

35. Sixth, the Spartan LOI offers a higher price than the Draft Westbrick PSA.

THE CLAIMS PROCEDURE ORDER

36. In order to allow the Companies to address claims of their creditors as part of the within proceedings, the Companies have agreed to conduct the Claims Procedure.

37. The Companies' major secured creditor is Crown Capital. The Companies' other major creditors consist primarily of trade creditors, as well as creditors arising as a result of ongoing obligations from surface leases, royalties and equipment and office leases.

38. Many of the trade creditors have begun litigation against the Companies, providing the Companies with an accurate description of their purported claims and the associated quantum. Accordingly, the Companies have a high level of confidence that all of its creditors and contracting counterparties who fall within the ambit of the proposed Claims Procedure will receive notice of same.

39. The proposed Claims Procedure Order (the "**Claims Procedure Order**") provides for, among other things, a "reverse" claims procedure whereby the Companies and Partnership will, with the assistance of the Monitor, send to creditors a Claims Notice and instructions on filing a proof of claim. The creditors are generally known to the Companies, such that a reverse claims process is the most efficient process, as the Companies are already familiar with most, if not all, claims. A reverse claims procedure provides the most cost-effective and timely manner of determining creditor's claims while providing sufficient certainty to allow the Spartan LOI to proceed.

STAY EXTENSION

40. During the hearing of the Companies' Application for the Second ARIO, the Companies requested an extension of the Stay Period up to and including April 15, 2021. However, in light of the receipt of the Spartan LOI, the Companies request an extension of the Stay

Period up to and including May 25, 2021, so as to allow for the implementation, conduct and carrying out of the proposed transaction as well as the completion (or near completion) of the claims process.

41. The Companies intend to use the requested extension of the Stay Period to advance these restructuring proceedings, including but not limited to:

(a) continuing to operate their business for the benefit of all stakeholders;

(b) continuing to pursue the transaction set out in the Spartan LOI;

(c) implementing the Claims Procedure in cooperation with the Monitor; and

(d) continuing to work towards developing a plan of compromise and arrangement for presentation to creditors.

42. The Companies have been and continue to act diligently and in good faith in their efforts to achieve a successful restructuring for the benefit of all stakeholders.

43. The Companies anticipate that the implementation, conduct and carrying out of the Spartan LOI will provide a greater benefit to those parties with an economic interest in the Companies' business than would otherwise be received under a sale, liquidation or bankruptcy. The proposed transaction will provide certainty to Crown Capital, the trade creditors and other stakeholders, including the Sunchild First Nation, prevent value erosion, preserve the Companies' business as a going concern and maximize value for all stakeholders.

SEALING ORDER

44. Confidential Exhibits "1", "2" and "3" (the "**Confidential Exhibits**") provide certain commercially sensitive information relating to the Companies' and the Partnership's actual or potential negotiations with Spartan and Westbrick, and the Companies' restructuring efforts. In particular, the Confidential Exhibits include the nature of the development opportunities for the Companies' assets sought by the Companies, the Partnership, Spartan, and/or Westbrick, as the case may be, and the expected funding and transactional value of both the Spartan LOI and the Draft Westbrick PSA.

45. I honestly believe that the dissemination of the information set out in the Confidential Exhibits could adversely affect any negotiations between the Companies, the Partnership, Spartan and/or Westbrick, and any subsequent restructuring efforts that may be undertaken by the Companies, and result in prejudice against the stakeholders' ability to recover value therefrom, as well as the Companies' ability to participate in any restructuring process.

CONCLUSION

46. I swear this Affidavit in support of the Companies' Application as set out in paragraph 7 hereto and for no improper or other purpose.

SWORN BEFORE ME at Calgary, Alberta, this 6th day of April, 2021	)))	
A Commissioner for Oaths in and for Alberta	))))	**RYAN MARTIN**

COLIN LAROCHE
A Commissioner for Oaths
in and for Alberta
Student-At-Law, Notary Public

This is Exhibit "**A**"
Referred to in the Affidavit of Ryan Martin
Sworn before me this 6th day of April, 2021

A Commissioner for Oaths in and for Alberta

COLIN LAROCHE
A Commissioner for Oaths
in and for Alberta
Student-At-Law, Notary Public

Calgary Oil and Gas Intercontinental Group Ltd.
13-week Cash Flow Forecast- Consolidated
For the 13-week period ending July 4, 2021
("Unaudited")

	Notes	Week 1 05-Apr Proj.	Week 2 12-Apr Proj.	Week 3 19-Apr Proj.	Week 4 26-Apr Proj.	Week 5 03-May Proj.	Week 6 10-May Proj.	Week 7 17-May Proj.	Week 8 24-May Proj.	Week 9 31-May Proj.	Week 10 07-Jun Proj.	Week 11 14-Jun Proj.	Week 12 21-Jun Proj.	Week 13 28-Jun Proj.	Total Proj.
Operating Receipts															
Production Revenue	1	$ 603,231			$ 1,817,550				$ 1,660,050				$ 1,666,350		$ 5,747,181
Total Operating Receipts		603,231			1,817,550				1,660,050				1,666,350		5,747,181
Operating Disbursements															
Royalty Expense	2	253,984			235,416				215,016				215,832		920,248
Production Royalty payment to CC	3	72,408			208,923				63,321				63,082		407,735
Operating Expense	4	133,831			67,962				98,332				67,962		368,086
Transportation Expense	5	48,486			45,386				45,386				45,386		184,645
G&A Contractors	6	55,890			50,178				50,178				50,178		206,422
G&A- Head Office Rent	6	15,479			15,478				15,478				15,478		61,913
G&A- SFN Comm & Dev.	7	-			256,552				-				-		256,552
Gas processing fees	8	299,748			340,000				340,000				340,000		1,319,748
GST Remittance		70,000			45,365				36,255				42,846		194,466
Professional Fees	9	142,916			116,666				116,666				116,666		492,914
Total Operating Disbursements		1,092,742			1,381,925				980,632				957,429		4,412,729
Non-Operating Disbursements															
Finance Leases	10	83,261			83,261				83,261				83,261		333,043
Interest Expense	11	245,282			469,400				245,281				234,700		1,194,663
Capital costs	12	-			174,400				-				-		174,400
Total Non-Operating Disbursements		328,542			727,061				328,542				317,961		1,702,105
Total Disbursements		1,421,284			2,108,986				1,309,174				1,275,390		6,114,834
Net Change in Cash		(818,053)			(291,436)				350,876				390,960		(367,653)
Opening Cash	13	1,728,007			909,954				618,518				969,394		1,728,007
Ending Cash		$ 909,954			$ 618,518				$ 969,394				$ 1,360,354		$ 1,360,354

Notes: Please refer to attached assumptions and notes

Representations

The hypothetical assumptions are reasonable and consistent with the purpose of the projections described in the attached notes and the probable assumptions are suitably supported and consistent with the plans of the debtor company and provide a reasonable basis for the projections.
Since the projections are based on assumptions regarding future events, actual results will vary from the information presented, and the variations may be material.
The projections have been prepared using probable and hypothetical assumptions. Consequently readers are cautioned that it may not be appropriate for other purposes.

Calgary Oil and Gas Intercontinental Group Ltd.

____
Per: Ryan Martin

Calgary Oil and Gas Intercontinental Group Ltd. ("COGL")
Notes to the Consolidated Cash Flow Statement
For the period of April 5 to July 4, 2021

Note 1- Production revenue: relates to revenues associated with the sale of natural gas and natural gas liquids. COGL has done a recent maintenance operation with new tubing on 4-four wells and an additional compressor and anticipates increased production rates and higher revenues moving forward. Sproule engineering reports were used for production estimates and Peter's & Co. price decks were used for pricing estimates. Estimated revenue to be received in April is based on up to date known production numbers and up dated actual pricing.

Note 2- Royalties: Crown, freehold and GORR royalties are a function of production prices, volumes and mix.

Note 3- Production royalty expense: This relates to a production payment being paid to Crown Capital Partners on production revenue currently averaging about 4% of revenues. This payment is a result of the master loan agreement. This amount is expected to increase in April with the planned payment of arrears to Crown Capital for the production months of October-December, 2020 in the amount of $139,855.

Note 4- Operating expense: Anticipated disbursements consist of vendor payments (and prepayments) for hauling and transportation, parts, consumables (glycol, methanol and lubricants), chemicals, repairs, regulatory costs and licenses, and rentals.

Note 5- Transportation expense: This relates to firm service unabsorbed demand charges on the TC\Nova pipeline system. These costs are based a contractual arrangement with the pipeline company and are the maximum based on current forecasted production levels.

Note 6- General & administrative: Consists of rent, contractor fees and accounting system fees. Rent is currently being negotiated with the landlord and could be reduced and contractor and accounting system fees are fixed.

Note 7- SFN Community & Development: In the month of April there is a planned payment to Sunchild First Nation of $256,552. This relates to the master lease agreement which stipulates that every April, the SFN is paid $200,000 in annual community and development fees. The additional $56,552 relates to arrears from the prior period.

Note 8- Gas processing: Consists of gas processing costs to Keyera via their Strachan gas plant. These costs are set under a master processing agreement and are variable based on throughput plant volumes.

Note 9- Professional fees: Estimated fees of restructuring professionals including those of COGL's legal counsel, the Monitor and its legal counsel.

Note 10- Finance leases: Relates to rentals on 3 compressor units, 1 gen set unit, 1 4.5mmbtu line heater and 2 separator units. This equipment is required to keep production flowing on a daily basis.

Note 11- Interest expense: Relates to interest payable to Crown Capital Partners on the $27.0 mil loan agreement. They have a fixed floating charge over all present and after acquired assets of the entity and any subsidiaries of joint venture, providing a first lien on all assets. There is a proposed increase to this amount in April of $234,700 which relates to interest arrears for the month of November, 2020.

Note 12- Capital costs expected to be incurred in April are for necessary compliance related work applicable to the most recent compressor installation. They relate to electrical and instrumentation installations and proper landing and stair assembly around the new compressor. Total estimated expenditures are $135k. Also, the Gen-Set on site requires a major 15,000 hr overhaul at an estimated cost of $40k.

Note 13- Opening cash: Opening cash is the cash remaining in the company's bank accounts after all issued cheques have cleared as it is assumed that all issued cheques will be honoured. Opening cash does not include funds totalling $866,977 which is held in term deposits as Letters of Credit for Nova and Keyera.

This is Exhibit "**B**"
Referred to in the Affidavit of Ryan Martin
Sworn before me this 6th day of April, 2021

A Commissioner for Oaths in and for Alberta

COLIN LAROCHE
A Commissioner for Oaths
in and for Alberta
Student-At-Law, Notary Public

NOT FOR DISTRIBUTION TO U.S. NEWS WIRE SERVICES OR DISSEMINATION IN THE UNITED STATES. ANY FAILURE TO COMPLY WITH THIS RESTRICTION MAY CONSTITUTE A VIOLATION OF U.S. SECURITIES LAW.

SPARTAN FRANCHISE RETURNS AS SPARTAN DELTA CORP. WITH THE RECAPITALIZATION OF RETURN ENERGY INC.

Calgary, Alberta – November 21, 2019 – Return Energy Inc. ("**Return**" or the "**Company**") (RTN: TSXV) is pleased to announce that it has entered into a definitive reorganization and investment agreement (the "**Agreement**") with Fotis Kalantzis and Richard F. McHardy (the "**Initial Investors**") which provides for: (i) a non-brokered private placement for gross proceeds of up to $25.0 million (the "**Private Placement**"); and (ii) the appointment of a new management team (the "**New Management Team**") and new board of directors (the "**New Board**") of Return (collectively, the "**Transaction**"). Completion of the Transaction is subject to customary closing conditions, including the approval of the TSX Venture Exchange (the "**TSXV**"). Upon completion of the Transaction, the shareholders of Return will be asked to approve, at a special meeting called for such purpose: (i) a change of Return's name to "Spartan Delta Corp." (the "**Name Change**"); and (ii) a consolidation of the common shares of Return (the "**Common Shares**") on the basis of one post-consolidation Common Share for up to every 40 pre-consolidation Common Shares (the "**Consolidation**").

The New Management Team will be led by Richard F. McHardy as Executive Chairman and Fotis Kalantzis as President and Chief Executive Officer, Geri Greenall as Chief Financial Officer, Thanos Natras as Vice President, Exploration, Craig Martin as Vice President, Operations, Mark Hodgson as Vice President, Corporate Development, Brendan Paton as Manager, Engineering and Ashley Hohm as Controller.

The New Board will be comprised of Richard F. McHardy, Fotis Kalantzis, Don Archibald, Reginald Greenslade, Kevin Overstrom and Tamara MacDonald. Sanjib (Sony) Gill, a partner in the Calgary office of the national law firm Stikeman Elliott LLP, will act as Corporate Secretary.

New Management Team

The New Management Team has an established track record of creating value across multiple business cycles in high-growth oil and gas companies through an integrated strategy of acquiring, exploiting and exploring. Most recently, the New Management Team led Spartan Energy Corp. ("**Spartan Energy**"), a light oil producer focused primarily on conventional open-hole horizontal wells drilled on Mississippian oil plays in southeast Saskatchewan. At Spartan Energy, the New Management Team grew production from approximately 625 boepd to 23,000 boepd over a four-year period prior to its sale to Vermilion Energy Inc. ("**Vermilion**") in May 2018 for approximately $1.4 billion. During a period of significant uncertainty in the energy markets, the New Management Team stewarded capital efficiently and delivered above market shareholder returns. Prior to Spartan Energy, the New Management Team led Spartan Oil Corp. ("**Spartan Oil**"), a light oil producer focused primarily in the Cardium light oil resource play at Pembina in central Alberta. At Spartan Oil, the New Management Team grew production from approximately 650 boepd to 5,500 boepd in the 18 months prior to its sale to Bonterra Energy Corp. ("**Bonterra**") in January 2013 for approximately $500.0 million. Prior to Spartan Oil, the New Management Team led Spartan Exploration Ltd. ("**Spartan Exploration**"), a light oil producer with operations focused in the Cardium light oil resource play at Pembina and the Lower Shaunavon oil play in southwest Saskatchewan. While at Spartan Exploration, the New Management Team grew production from 0 boepd to 2,500 boepd in just over 3 years prior to its sale to Penn West Petroleum Ltd. in June 2011 for approximately $228.0 million.

Having successfully founded, capitalized, grown and monetized a number of previous companies, the New Management Team will apply its past experience to grow the recapitalized Company through a combination of organic growth and acquisitions.

Richard F. McHardy Executive Chairman	Richard F. McHardy has been a founder of several public oil and gas companies and has extensive experience in leadership roles. Mr. McHardy was President, Chief Executive Officer and a director of Spartan Energy, Spartan Oil and Spartan Exploration. Previously, Mr. McHardy was the President and a director of Titan Exploration Ltd. ("**Titan**"). In addition, Mr. McHardy has served as a board member of, and as corporate secretary to, a number of other public and private companies. Prior to founding Titan, Mr. McHardy was a partner at one of Canada's largest national law firms, where he practiced securities and corporate law. Mr. McHardy has over 24 years of experience in all aspects of securities and mergers and acquisitions.
Fotis Kalantzis, President, Chief Executive Officer and Director	Fotis Kalantzis has been co-founder of several public companies and has over 25 years of experience in oil and gas exploration and development in senior technical and leadership positions. Dr. Kalantzis has been instrumental in a number of significant transactions, including in his capacity as a senior officer and founder of Spartan Energy from December 2013 to May 2018, Spartan Oil from June 2011 to January 2013 and Spartan Exploration from January 2008 to June 2011. Prior thereto, Dr. Kalantzis was the Exploration Manager at Innova Exploration Ltd. He has also held technical positions at Petro-Canada, Saudi Aramco, Suncor Energy Inc. ("**Suncor**"), Wascana Energy Inc., Home Oil Company and Mobil Oil of Canada in connection with oil and gas exploration and development in Canada and internationally. Dr. Kalantzis holds a M.Sc. from the University of Saskatchewan and a Ph.D. in Geophysics from the University of Alberta.
Geri Greenall, Chief Financial Officer	Geri Greenall is a capital markets executive with over 20 years of experience in the energy and financial sectors. Ms. Greenall has over a decade of experience as a Portfolio Manager and Chief Compliance Officer for investment fund managers. Most recently, Ms. Greenall co-founded and was the Chief Financial Officer at Camber Capital Corp., a fund manager offering private client & institutional fund management services. Prior thereto, Ms. Greenall was the Chief Compliance Officer and an energy portfolio manager with Canoe Financial. In addition to her fund management work, Ms. Greenall has a strong background in both public equity analysis and commodity trading. Ms. Greenall is currently an independent director of Kelt Exploration Ltd. ("**Kelt**") and she serves as the Chair of the Reserves Evaluation Committee and a member of the Audit Committee of Kelt. Geri holds a B.Comm. in Finance from the University of Calgary as well as the Chartered Financial Analyst and Institute of Corporate Directors designations.
Thanos Natras, Vice President, Exploration	Thanos Natras is a professional geologist with over 22 years of experience in both conventional and unconventional plays across the Western Canadian and Williston Basins, most recently employed with Vermilion as the Team Lead for southeast Saskatchewan operations. Prior thereto, from 2014 to 2018, Mr. Natras was employed with Spartan Energy where he held the roles of Manager, Geoscience, and Senior Geologist. Before joining Spartan Energy, Mr. Natras held the role of Vice President, Exploration, at Arcan Resources Ltd. from 2011 to 2013. Prior thereto, from 2004 to 2010, Mr. Natras was employed by EnCana Corp. where he held various geoscience and operational oriented roles. From 1996 to 2003, Mr. Natras provided geological wellsite supervision on more than 170 wells across western Canada. Mr. Natras hold

a B.Sc. in Geology from the University of Alberta and is an active member of the Canadian Society of Petroleum Geologists and the Association of Professional Engineers and Geoscientists of Alberta ("**APEGA**").

Craig Martin, Vice President, Operations	Craig Martin is a professional engineer with 14 years of industry experience, most recently with Vermilion. Prior thereto, he held the role of Manager, Drilling and Completions, at Spartan Energy and various operational and production roles from the inception of Spartan Energy, overseeing its growth from 625 boepd to 23,000 boepd at sale. Prior thereto, Mr. Martin held the role of Operations Engineer with Spartan Oil prior to its acquisition by Bonterra in 2013. Prior thereto, Mr. Martin held various operational roles with Suncor and Weatherford. Mr. Martin holds a B.Sc. in Mechanical Engineering from Dalhousie University and is an active member of APEGA.
Mark Hodgson, Vice President, Corporate Development	Mark Hodgson has worked with several public companies across multiple continents and has over 19 years of experience in both capital markets and upstream oil and gas in senior commercial, operational and leadership positions. Mr. Hodgson was most recently with Obsidian Energy Ltd. where he led departments across a broad spectrum of commercial and operational functions as both Vice President, Operations, and Vice President, Business Development. Prior thereto, Mr. Hodgson was the Vice President, New Ventures, and In-Country Manager for Bankers Petroleum Ltd. in Albania, as well as the General Director for its subsidiaries in Croatia, Hungary and Romania. Mr. Hodgson has also worked at Tristone Capital, Sarbican Capital and Deutsche Bank in London, England, and on the American Stock Exchange in New York City. Mr. Hodgson holds a B.Sc. in Economics from the Wharton School of the University of Pennsylvania.
Brendan Paton, Manager, Engineering	Brendan Paton is the founder and director of Canoe Point Energy Ltd., a private company in the Alberta Montney oil play. Prior thereto, Mr. Paton has held a variety of engineering roles at Shell Canada Limited ("**Shell**"), including Production Engineer for Shell's Gold Creek Montney and Kaybob Duvernay assets. Prior thereto, Mr. Paton worked on Shell's Exploration and Business Development team focused on acquisitions, divestitures and new play maturation. Mr. Paton holds a B.ASc. in Mechanical Engineering from the University of British Columbia and is a member of APEGA.
Ashley Hohm, Controller	Ashley Hohm has over 10 years of management, accounting and corporate finance experience. Ms. Hohm served as Vice President, Finance, of Kelt from 2016 to 2018 and as Controller from Kelt's inception following its spin-out from Celtic Exploration Ltd. ("**Celtic**") in 2013. Ms. Hohm brings extensive experience in a fast-paced, high-growth environment with particular expertise in public company financial reporting, acquisition integration and business process optimization. Prior to joining Celtic as Manager of Financial Reporting in 2011, she worked in the audit and assurance practice of PricewaterhouseCoopers. Ms. Hohm holds a B.Comm. with distinction from the University of Alberta and the Chartered Professional Accountant designation.
Sanjib (Sony) Gill, Corporate Secretary	Sanjib (Sony) Gill is a partner at Stikeman Elliott LLP, a national law firm. Mr. Gill has dealt with all aspects of a public and private company's creation, growth, restructuring and value maximization. Mr. Gill has extensive

experience in the negotiation, structuring and consummation of a broad spectrum of corporate finance, securities and mergers and acquisitions transactions. He serves on the board of directors of, and acts as corporate secretary to, numerous public and private companies. Mr. Gill is recognized in Chambers Canada as a leader in Corporate Commercial - Alberta. He also appears in the Canadian Legal Lexpert Directory as a leading lawyer in the area of Corporate Mid-Market, and as a leading lawyer in the current edition of Who's Who Legal: Energy. In 2011, he was named among Lexpert magazine's Rising Stars: Leading Lawyers Under 40.

New Board

The members of the New Board have strong track records and distinguished careers in both the oil and gas industry and capital markets, and have held prominent lead positions within a range of successful companies. Their combined experience and expertise will provide the New Management Team with invaluable advice, guidance and support.

Don Archibald	Don Archibald is an independent businessman and the Chairman of Cequence Energy Ltd. Mr. Archibald was a former director and Audit Committee member of numerous public issuers, including Spartan Energy and Spartan Oil. Mr. Archibald has held senior executive positions with a number of public and private issuers, including roles as President and Chief Executive Officer of Cypress Energy Corp., Chairman and Chief Executive Officer of Cyries Energy Inc. and President and Chief Executive Officer of Cequel Energy Inc.
Reginald Greenslade	Reginald (Reg) Greenslade is an independent businessman and former director and committee member of numerous public issuers, including Spartan Energy, Spartan Oil and Spartan Exploration. Mr. Greenslade has held senior executive positions with a number of public and private issuers, including roles as Chairman, President and Chief Executive Officer of Big Horn Resources Ltd., Enterra Energy Corp., Enterra Energy Trust, JED Oil Inc. and as President and a director of Tuscany International Drilling Inc.
Kevin Overstrom	Kevin Overstrom is an independent businessman and the founder and a principal of KO Capital Advisors Ltd. Mr. Overstrom's experience in capital markets and the energy sector spans more than 25 years. Mr. Overstrom was most recently Vice Chairman, Co-Head of Energy Investment Banking at GMP FirstEnergy, and a member of the GMP Securities Executive Committee. During his 22-year career at GMP Securities, a leading independent global investment bank, Mr. Overstrom held key leadership roles in investment banking, capital markets and institutional sales. Mr. Overstrom holds a B.A. in Management and Economics from the University of Guelph and the Chartered Financial Analyst designation.
Tamara MacDonald	Tamara MacDonald has over 26 years of oil and gas industry experience and has been involved in over 530 transactions totaling over $14.5 billion. Most recently, Ms. MacDonald was the Senior Vice President, Corporate and Business Development, of Crescent Point Energy Corp. ("**Crescent Point**"), a position she held from October 2004 to July 2018. Prior to Crescent Point, Ms. MacDonald worked with NCE Petrofund Corp., Merit Energy Ltd., Tarragon Oil & Gas Ltd. and Northstar Energy Corp. Ms. MacDonald

currently sits on the boards of Southern Energy Corp. and Equinor Canada. Ms. MacDonald holds a B.Comm. in Petroleum Land Management from the University of Calgary and the Institute of Corporate Directors designation.

Corporate Strategy

The New Management Team has extensive experience in creating shareholder value through a focused full-cycle business plan and believes the current depressed market environment provides an excellent opportunity to reposition Return through the consolidation of high-quality assets at attractive acquisition values.

Following the completion of the Transaction, the New Management Team expects to focus on predominantly light oil opportunities in Western Canada, growing through a targeted acquisition and consolidation strategy complemented by development and exploration drilling. Although Return's current production is only approximately 200 boepd, the recapitalized corporate structure will allow for the exploitation of the current drilling inventory and the expansion of Return's opportunity suite through internally generated prospects and strategic acquisitions. The New Management Team will focus on maintaining a clean balance sheet while targeting high quality, oil weighted assets with sustainable cash flow under current commodity prices. The New Management Team expects to acquire and develop underexploited, undercapitalized and distressed assets and corporates. In addition, the New Management Team intends to implement cost reduction strategies and focus on efficient capital allocation to enhance investor returns. The recapitalized Company will invest in the highest tier drilling inventory while generating free cash flow to fund further acquisitions and potential dividends.

In addition, the New Management Team will selectively evaluate international opportunities to augment the recapitalized Company's Canadian business plan. Leveraging a track record of international operating success, the New Management Team will target international assets with existing operations and meaningful conventional and unconventional oil and gas resources in stable jurisdictions. Focusing on Canada while augmenting its domestic operations with select international opportunities will allow the recapitalized Company to benefit from higher netbacks, global commodity price exposure and project diversification, providing the recapitalized Company with the flexibility to tailor the allocation of capital to different projects depending on the prevailing economic and political environments across various jurisdictions. In reviewing potential opportunities in markets outside of Canada, a number of factors will be considered, including: the scale of existing operations; sustainability of cash flow under current commodity prices; the proved producing, total proved and proved plus probable reserves; the potential for additional reservoir development; sufficient existing infrastructure to provide for scaled activity and product egress to market; the cost of any potential development; the ability to enhance the value of acquired properties through additional exploitation efforts and development drilling; and the political, fiscal and regulatory regimes in the region.

Upon completion of the Transaction, the recapitalized Company is expected to have a net cash position of approximately $24.5 million, assuming the Private Placement is fully subscribed. The New Management Team believes that this starting point will provide it with a platform for aggressive growth through strategic acquisitions and internally generated prospects, both domestically and abroad.

Upon completion of the Transaction and subject to all regulatory and shareholder approvals, it is anticipated that the New Management Team will change the name of Return from "Return Energy Inc." to "Spartan Delta Corp."

Private Placement

Pursuant to the Private Placement, the Initial Investors, together with additional subscribers identified by the Initial Investors, will subscribe for up to a maximum of 2.5 billion Common Shares and units (the "**Units**") of Return at a price of $0.01 per Common Share and Unit, as applicable, for maximum gross proceeds of $25.0 million. The completion of the Private Placement is expected to occur on or about December 16, 2019 (the "**Closing**").

Units will be issued to subscribers that are members of the New Management Team and the New Board, together with certain additional subscribers identified by such persons. Common Shares will be issued to all other subscribers.

Each Unit shall be comprised of one Common Share and one Common Share purchase warrant (each, a "**Warrant**"). Each Warrant will entitle the holder to purchase one Common Share at a price of $0.01 (the "**Exercise Price**") for a period of five years. The Warrants will vest and become exercisable as to one-third upon the 10-day weighted average trading price of the Common Shares (the "**Market Price**") equaling or exceeding 100% of the Exercise Price, an additional one-third upon the Market Price equaling or exceeding 150% of the Exercise Price and a final one-third upon the Market Price equaling or exceeding 200% of the Exercise Price.

The resignation of the current board of directors and management team of Return and the appointment of the New Management Team and New Board will occur contemporaneous with the Closing.

Proceeds from the Private Placement will be used to fund additional working capital and possible acquisition opportunities.

The Private Placement will not result in the creation of a new control person.

Shareholder and Stock Exchange Approvals

Completion of the Transaction is subject to a number of conditions and approvals including, but not limited to, the approval of the TSXV and shareholder approval. Under the policies of the TSXV, the completion of the Private Placement and appointment of the New Management Team and New Board is subject to the approval of the shareholders of Return. The required disinterested shareholder approval may be obtained by written consents of the holders of more than 50% of the issued and outstanding voting shares of Return (the "**Written Consent**"). Pursuant to the Agreement, Return has agreed to obtain the Written Consent on or before November 22, 2019.

Directors, officers and significant shareholders of Return who, in aggregate, own, directly or indirectly or exercise control or direction over 50.1% of the Common Shares, have entered into support agreements or agreed to enter into support agreements pursuant to which they have agreed or will agree, among other things, to execute a Written Consent.

Return has also committed, at the request of the TSXV, to seek shareholder approval of the Consolidation at a meeting of shareholders within 6 months of the Closing, and effect the Consolidation as soon as possible thereafter. The Written Consents will include confirmation that the signing shareholder will vote in favour of the Consolidation, with the Name Change also being approved at such meeting.

Return

Return consists of approximately 200 boepd of production (19% oil and natural gas liquids) in northwest Alberta and has approximately 110.6 million Common Shares outstanding. Upon completion of the Private Placement, Return will have approximately 2.6 billion Common Shares outstanding.

As part of the Transaction, an aggregate of: (i) 2,000,000 preferred shares of Return (the "**Preferred Shares**"), being all of the currently issued and outstanding Preferred Shares; (ii) 66,666,666 Common Share purchase warrants of Return (the "**Legacy Warrants**"), being all of the currently issued and outstanding Legacy Warrants; and (iii) 6,925,000 stock options of Return (the "**Options**"), being all of the currently granted and outstanding Options, shall be cancelled for nominal consideration.

Board of Directors' Recommendation

The board of directors of Return has determined that the transactions contemplated by the Agreement are in the best interests of Return's shareholders, has unanimously approved such transactions and recommends that Return's shareholders approve the Agreement and the Transaction and execute the Written Consent. Any shareholder of Return wishing to obtain and execute the Written Consent should contact Return as set forth below.

The Agreement

The Agreement contains a number of customary representations, warranties and conditions. The complete Agreement will be accessible on Return's SEDAR profile at www.sedar.com.

Financial Advisors

TD Securities Inc. and National Bank Financial Inc. acted as financial advisors to the New Management Team in connection with the Transaction. Stikeman Elliott LLP is acting as counsel to the Initial Investors and will act as counsel to the recapitalized Company upon completion of the Transaction. Sayer Energy Advisors and DLA Piper (Canada) LLP acted as financial advisor and counsel to Return, respectively, in connection with the Transaction.

About Return

Return Energy Inc. is a Calgary, Alberta based company engaged in the oil and gas exploration and development industry. Return's Common Shares are listed on the TSXV under the trading symbol "RTN".

For additional information please contact:

Ken Tompson
President and Chief Executive Officer

Return Energy Inc.
1220, 407 – 2nd Street S.W.
Calgary, Alberta T2P 2Y3

(403) 265-8011 ext. 224

Fotis Kalantzis
on behalf of the Initial Investors

c/o Return Energy Inc.
1220, 407 – 2nd Street S.W.
Calgary, Alberta T2P 2Y3

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Reader Advisory

Completion of the Transaction is subject to a number of conditions, including but not limited to, the acceptance of the TSXV. There can be no assurance that the Transaction will be completed as proposed or at all.

This press release is not an offer of the securities for sale in the United States. The securities have not been registered under the U.S. Securities Act of 1933, as amended, and may not be offered or sold in the United States absent registration or an exemption from registration. This press release shall not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of the securities in any state in which such offer, solicitation or sale would be unlawful.

Investors are cautioned that, except as disclosed in a management information circular to be prepared in connection with the Name Change and Consolidation, any information released or received with respect to the Transaction may not be accurate or complete and should not be relied upon. Trading in the securities of Return should be considered highly speculative.

The TSX Venture Exchange has in no way passed upon the merits of the Transaction and has neither approved nor disapproved of the contents of this press release.

Neither the TSX Venture Exchange nor its regulation services provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

Forward-Looking and Cautionary Statements

This news release contains forward-looking statements and forward-looking information within the meaning of applicable securities laws. The use of any of the words "expect", "anticipate", "continue", "estimate", "objective", "ongoing", "may", "will", "project", "should", "believe", "plans", "intends" and similar expressions are intended to identify forward-looking information or statements. More particularly and without limitation, this news release contains forward looking statements and information concerning: the Transaction, including the size, terms and completion of the Private Placement and the expected composition of the board of directors of and management; the application to the TSXV in respect of the Transaction; the completion and timing of the Consolidation and Name Change; the recapitalized Company's corporate strategy; the financial performance of the recapitalized Company, including dividend policies; and other anticipated benefits of the Transaction.

The forward-looking statements and information are based on certain key expectations and assumptions made by Return, including expectations and assumptions concerning the Transaction, the TSXV and regulatory approvals, shareholder approvals, the satisfaction of other closing conditions in accordance with the terms of the Agreement and the ability of the New Management Team to implement the corporate strategy of the recapitalized Company. Although Return believes that the expectations and assumptions on which such forward-looking statements and information are based are reasonable, undue reliance should not be placed on the forward looking statements and information because Return can give no assurance that they will prove to be correct. By its nature, such forward-looking information is subject to various risks and uncertainties, which could cause the actual results and expectations to differ materially from the anticipated results or expectations expressed. These risks and uncertainties, include, but are not limited to, the parties being unable to obtain the required TSXV approvals, fluctuations in commodity prices, changes in industry regulations and political landscape both domestically and abroad, foreign exchange or interest rates, stock market volatility, the availability of assets and corporate acquisitions meeting the New Management Team's acquisition criteria, the retention of key management and employees and obtaining required approvals of regulatory authorities. Readers are cautioned not to place undue reliance on this forward-looking information, which is given as of the date hereof, and to not use such forward-looking information for anything other than its intended purpose. Return undertakes no obligation to update publicly or revise any forward-looking information, whether as a result of new information, future events or otherwise, except as required by law.

FOFI Disclosure

This press release contains future-oriented financial information and financial outlook information (collectively, "**FOFI**") about the recapitalized Company's prospective financial condition, results of operations, production and components thereof including information on net cash position, 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 press release was approved by management as of the date of this press release and was provided for the purpose of providing further information about the recapitalized Company's anticipated future business operations. Return disclaims any intention or obligation to update or revise any FOFI contained in this press release, 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 press release should not be used for purposes other than for which it is disclosed herein. All FOFI contained in this press release complies with the requirements of Canadian securities legislation.

BOE Disclosure

The term barrels of oil equivalent ("**boe**") may be misleading, particularly if used in isolation. A boe conversion ratio of six thousand cubic feet per barrel (6mcf:1bbl) of natural gas to barrels of oil equivalence is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead. All boe conversions in the report are derived from converting gas to oil in the ratio mix of six thousand cubic feet of gas to one barrel of oil.

Abbreviations

boe	barrels of oil equivalent
boepd	barrels of oil equivalent per day

This is Exhibit "**C**"
Referred to in the Affidavit of Ryan Martin
Sworn before me this 6th day of April, 2021

A Commissioner for Oaths in and for Alberta

COLIN LAROCHE
A Commissioner for Oaths
in and for Alberta
Student-At-Law, Notary Public

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

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

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

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

Combined Acquisition Highlights

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

Summary of the Acquisitions

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

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

Inception Acquisition

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

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

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

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

Simonette & Willesden Green Asset Acquisitions

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

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

Revised and Preliminary Corporate Guidance for 2021

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

The Financings

The Prospectus Offering

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

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

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

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

Non-Brokered Private Placement

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

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

Additions to the Spartan Board of Directors

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

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

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

Advisors

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

About Spartan Delta Corp.

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

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READER ADVISORIES

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

Notes to the Press Release:

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

Reserves Disclosure

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

All reserve references in this press release are "gross reserves". Gross reserves are a company's total working interest reserves before the deduction of any royalties payable by such company and before the consideration of such company's royalty interests. It should not be assumed that the present worth of estimated future cash flow of net revenue presented herein represents the fair market value of the reserves. There is no assurance that the forecast prices and costs assumptions will be attained and variances could be material. The recovery and reserve estimates of Spartan's oil, NGLs and natural gas reserves, including those of the Acquired Assets, provided herein are estimates only and there is no guarantee that the estimated reserves will be recovered. Actual oil, natural gas and NGLs reserves may be greater than or less than the estimates provided herein.

Drilling Locations

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

Non-GAAP Measures

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

<u>Adjusted Funds Flow and Free Funds Flow</u>

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

"Adjusted Funds Flow" is calculated as Fund From Operations, adjusted to add back transaction costs on acquisitions and to deduct cash lease payments. Spartan believes Adjusted Funds Flow is an appropriate metric to compare relative to Net Debt (Surplus) because it reflects the net cash flow generated from routine business operations and because Spartan does not include lease liabilities in its definition of Net Debt (Surplus).

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

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

<u>Operating Netback and Run Rate Net Operating Income</u>

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

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

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

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

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

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

Forward-Looking and Cautionary Statements

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

The forward-looking statements and information are based on certain key expectations and assumptions made by Spartan, including expectations and assumptions concerning the business plan of Spartan, the receipt of all approvals and satisfaction of all conditions to the completion of the Acquisitions and the Financings, the timing of and success of future drilling, development and completion activities, the performance of existing wells, the performance of new wells, the availability and performance of facilities and pipelines, the geological characteristics of Spartan's properties, the characteristics of the Acquired Assets, the successful integration of the Acquired Assets into Spartan's operations, the successful application of drilling, completion and seismic technology, prevailing weather conditions, prevailing legislation affecting the oil and gas industry, commodity prices, royalty regimes and exchange rates, the application of regulatory and licensing requirements, the availability of capital, labour and services, the creditworthiness of industry partners and the ability to source and complete asset acquisitions.

Although Spartan believes that the expectations and assumptions on which such forward-looking statements and information are based are reasonable, undue reliance should not be placed on the forward-looking statements and information because Spartan can give no assurance that they will prove to be correct. By its nature, such forward-looking information is subject to various risks and uncertainties, which could cause the actual results and expectations to differ materially from the anticipated results or expectations expressed. These risks and uncertainties include, but are not limited to, fluctuations in commodity prices, counterparty risk to closing each of the Acquisitions and the Private Placement, changes in industry regulations and political landscape both domestically and abroad, foreign exchange or interest rates, stock market volatility, impacts of the current COVID-19 pandemic and the retention of key management and employees. Please refer to Spartan's most recent Annual Information Form and MD&A for additional risk factors relating to Spartan, which can be accessed either on Spartan's website at www.spartandeltacorp.com or under Spartan's profile on www.sedar.com. Readers are cautioned not to place undue reliance on this forward-looking information, which is given as of the date hereof, and to not use such forward-looking information for anything other than its intended purpose. Spartan undertakes no obligation to update publicly or revise any forward-looking information, whether as a result of new information, future events or otherwise, except as required by law.

Future Oriented Financial Information

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

Other Measurements

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

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

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

Abbreviations

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

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

Neither the TSXV nor its Regulation Services Provider (as that term is defined in the policies of the TSXV) accepts responsibility for the adequacy or accuracy of this press release.

This is Exhibit "**D**"
Referred to in the Affidavit of Ryan Martin
Sworn before me this 6th day of April, 2021

A Commissioner for Oaths in and for Alberta

COLIN LAROCHE
A Commissioner for Oaths
in and for Alberta
Student-At-Law, Notary Public

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SPARTAN DELTA CORP. ANNOUNCES CLOSING OF PREVIOUSLY ANNOUNCED STRATEGIC ACQUISITIONS AND FINANCINGS

Calgary, Alberta – March 18, 2021 – Spartan Delta Corp. ("**Spartan**") (TSXV:SDE) is pleased to announce the closing of its previously announced strategic acquisitions (the "**Acquisitions**"), including the corporate acquisition of Inception Exploration Ltd. ("**Inception**"), a Montney focused arm's length private company with operations in the Gold Creek area of north-west Alberta (the "**Inception Acquisition**"), and the purchase of assets located primarily in the Simonette area of north-west Alberta and Willesden Green area of west-central Alberta.

Concurrent with the Acquisitions, Spartan completed its previously announced non-brokered private placement (the "**Private Placement**") of 6,250,000 common shares of Spartan (the "**Common Shares**") at a price of $4.00 per Common Share and 10,976,626 Common Shares issued on a "CDE" flow-through basis (the "**Flow-Through Shares**") at a price of $4.92 per Flow-Through Share, raising aggregate gross proceeds of $79.0 million. In addition, net proceeds of $44.09 million have been released to Spartan pursuant to its previously announced bought deal financing (the "**Public Offering**", and together with the Private Placement, the "**Financings**") of 11,250,000 subscription receipts ("**Subscription Receipts**") at a price of $4.00 per Subscription Receipt.

The Private Placement and Public Offering collectively resulted in the issuance of 28,476,626 Common Shares for total gross proceeds of $124.0 million. The Acquisitions resulted in the issuance of 25,227,564 Common Shares. Post completion of the Financings and the Acquisitions, Spartan has 113,932,285 Common Shares issued and outstanding.

The Acquisitions

The Acquisitions add a new core area in the Alberta Montney and complement Spartan's existing core area in the Cardium and Spirit River in west-central Alberta. The Inception Acquisition supplements Spartan's existing position in the Montney fairway, providing multiple years of development inventory and adding to its Montney growth strategy. With the closing of the Acquisitions, Spartan expects 2021 production to average between 35,500 to 37,500 boe/d, consisting of 4% crude oil, 4% condensate, 23% NGLs and 69% natural gas. The acquired assets increase Spartan's oil-weighted production and drilling inventory, providing further commodity diversification, and include strategic processing facilities and infrastructure with limited additional capital required to increase production volumes. Spartan plans to apply principles consistent with its current operations to improve efficiencies, reduce operating costs and enhance margins within the acquired assets. For further details on the Acquisitions, see Spartan's press release dated February 16, 2021.

The Financings

In accordance with their terms, each Subscription Receipt issued pursuant to the Public Offering was exchanged for one Common Share (each, an "**Underlying Share**") upon closing of the Inception Acquisition and the completion of the Private Placement, and the aggregate net proceeds of $44.09 million from the

Public Offering were released to Spartan from escrow. Holders of Subscription Receipts are not required to take any action in order to receive the Underlying Shares.

The gross proceeds from the issuance of the Flow-Through Shares will be used to incur and renounce Canadian development expenses pursuant to the *Income Tax Act* (Canada). Pursuant to applicable securities laws, the Common Shares and Flow-Through Shares issued pursuant to the Private Placement are subject to a hold period of four months plus one day following the distribution date. The Private Placement remains subject to final approval of the TSX Venture Exchange (the "**TSXV**").

The net proceeds from the Public Offering were used to eliminate Spartan's indebtedness under its syndicated credit facilities, with the balance of the Public Offering proceeds, in addition to the net proceeds from the issuance of the Common Shares under the Private Placement, currently anticipated to be used to fund Spartan's drilling and capital spending program, future acquisitions and general working capital purposes.

Additions to the Spartan Board of Directors

Spartan is also pleased to announce that Mr. Steve Lowden and Mr. Elliot S. Weissbluth have joined the board of directors of Spartan.

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

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

Advisors

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

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Forward-Looking and Cautionary Statements

This press release contains forward-looking statements and forward-looking information within the meaning of applicable securities laws. The use of any of the words "expect", "anticipate", "continue", "estimate", "objective", "ongoing", "may", "will", "project", "should", "believe", "plans", "intends" and similar expressions are intended to identify forward-looking information or statements. More particularly and without limitation, this press release contains forward looking statements and information concerning: the benefits of the Acquisitions; expected post-Acquisitions production of Spartan; expected future drilling inventory; future consolidation opportunities and acquisition targets; future operational and technical synergies resulting from the Acquisitions; capital requirements; the use of proceeds from the Financings; receipt of required TSXV approvals; and Spartan's business plan, generally.

The forward-looking statements and information are based on certain key expectations and assumptions made by Spartan, including expectations and assumptions concerning the business plan of Spartan, the receipt of all TSXV approvals, the timing of and success of future drilling, development and completion activities, the performance of existing wells, the performance of new wells, the availability and performance of facilities and pipelines, the geological characteristics of Spartan's properties, the characteristics of the acquired assets, the successful integration of the acquired assets into Spartan's operations, the successful application of drilling, completion and seismic technology, prevailing weather conditions, prevailing legislation affecting the oil and gas industry, commodity prices, royalty regimes and exchange rates, the application of regulatory and licensing requirements, the availability of capital, labour and services, the creditworthiness of industry partners and the ability to source and complete acquisitions.

Although Spartan believes that the expectations and assumptions on which such forward-looking statements and information are based are reasonable, undue reliance should not be placed on the forward-looking statements and information because Spartan can give no assurance that they will prove to be correct. By its nature, such forward-looking information is subject to various risks and uncertainties, which could cause the actual results and expectations to differ materially from the anticipated results or expectations expressed. These risks and uncertainties include, but are not limited to, fluctuations in commodity prices, changes in industry regulations and political landscape both domestically and abroad, foreign exchange or interest rates, stock market volatility, impacts of the current COVID-19 pandemic and the retention of key management and employees. Please refer to Spartan's most recent Annual Information Form and MD&A for additional risk factors relating to Spartan, which can be accessed either on Spartan's website at www.spartandeltacorp.com or under Spartan's profile on www.sedar.com. Readers are cautioned not to place undue reliance on this forward-looking information, which is given as of the date hereof, and to not use such forward-looking information for anything other than its intended purpose. Spartan undertakes no obligation to update publicly or revise any forward-looking information, whether as a result of new information, future events or otherwise, except as required by law.

Other Measurements

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

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

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

Neither the TSXV nor its Regulation Services Provider (as that term is defined in the policies of the TSXV) accepts responsibility for the adequacy or accuracy of this press release.

This is Exhibit "**E**"
Referred to in the Affidavit of Ryan Martin
Sworn before me this 6th day of April, 2021

A Commissioner for Oaths in and for Alberta

COLIN LAROCHE
A Commissioner for Oaths
in and for Alberta
Student-At-Law, Notary Public

[redacted]

From: Lemmens, Matti
Sent: April 1, 2021 11:46 AM
To: Kashuba, Kyle
Cc: Mann, Jessie; Marc Kelly (makelly@bdo.ca); Jeffery Oliver (joliver@casselsbrock.com); Pearson, Steven G.; Bennett, Tiffany; Lastockin, Rhonda
Subject: RE: Calgary Oil & Gas Syndicate Group Ltd. et al, CCAA proceedings [IWOV-LEGAL.028677-00031]

Kyle,

Thank you for sending the draft PSA. In that regard, this draft PSA does not appear to be a signed and binding offer, even if subject to some due diligence. My client is currently busy in discussions to finalize another potential transaction, but is open to receiving a binding offer. Nevertheless, our attention is elsewhere unless and until there is a signed offer as this draft PSA is lengthy and would take some time for my client to review.

Matti

BLG
Borden Ladner Gervais

Matti Lemmens
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From: Kashuba, Kyle <kkashuba@torys.com>
Sent: April 1, 2021 9:09 AM
To: Lemmens, Matti <MLemmens@blg.com>
Cc: Mann, Jessie <jmann@torys.com>; Marc Kelly (makelly@bdo.ca) <makelly@bdo.ca>; Jeffery Oliver (joliver@casselsbrock.com) <joliver@casselsbrock.com>
Subject: FW: Calgary Oil & Gas Syndicate Group Ltd. et al, CCAA proceedings [IWOV-LEGAL.028677-00031]

[External / Externe]

Matti,

Further to my email yesterday morning and out discussion last week, attached is the Proposed Purchase Agreement.

Please advise if you and/or client would like to discuss, and we can arrange a call with Westbrick.

I have copied the Monitor and its counsel here, as well.

Regards,

Kyle

Kyle Kashuba
P. 403.776.3744 | F. 403.776.3800 | 1.800.505.8679

From: Mann, Jessie <jmann@torys.com>
Sent: Wednesday, March 31, 2021 6:37 PM
To: Marc Kelly <mkelly@insolvency.net>; Oliver, Jeffrey <joliver@cassels.com>
Cc: Kashuba, Kyle <kkashuba@torys.com>
Subject: Calgary Oil & Gas Syndicate Group Ltd. et al, CCAA proceedings

Hello Marc and Jeff,

Further to your discussions with Kyle and in connection with the above matter, please find attached Westbrick's Proposed Purchase Agreement, related to the acquisition of all of the Ferrier Area assets of T5 for your consideration.

Westbrick has currently proposed an aggregate purchase price of $34,100,000 for the purchase of all of the Ferrier Area assets of T5.

You will see that, due to the minimal information that Westbrick has obtained through its requests, we have had to square bracket certain items. While Westbrick is committed to ensure that all applicable outstanding compensatory royalty payments to Indian Oil and Gas Canada are paid, without having an opportunity to conduct its due diligence, Westbrick cannot be certain whether there are any material cure costs associated with the acquisition of the Assets; however, based on publicly available information, Westbrick understands that the IOGC Leases may be subject to compensatory royalty obligations related to certain offset wells. If the expected cure costs are reasonable and Westbrick can verify same in a timely manner, Westbrick will assume such cure costs without any adjustment to the Purchase Price. In the interim, if Westbrick is not able to confirm the amount of such cure costs, Westbrick will propose assuming cure costs up to a specified amount.

If this is something that the Companies are willing to consider, it may be appropriate for us to arrange a call to discuss same.

We look forward to hearing from you soon on same.

Thanks,

Jessie

Jessie Mann

P. 403.776.3770 | F. 403.776.3800 | 1.800.505.8679
525 - 8th Avenue S.W., 46th Floor, Eighth Avenue Place East
Calgary, Alberta T2P 1G1 Canada | www.torys.com

TORYS LLP

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Sworn before me this 6th day of April, 2021

A Commissioner for Oaths in and for Alberta

COLIN LAROCHE
A Commissioner for Oaths
in and for Alberta
Student-At-Law, Notary Public

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Student-At-Law, Notary Public

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