

Management

Fotis Kalantzis – President & CEO

Ronald Williams – CFO

Martin Malek – COO

Randy Berg – VP Land

Ojay Platt – VP Production

Rob Day – VP Development

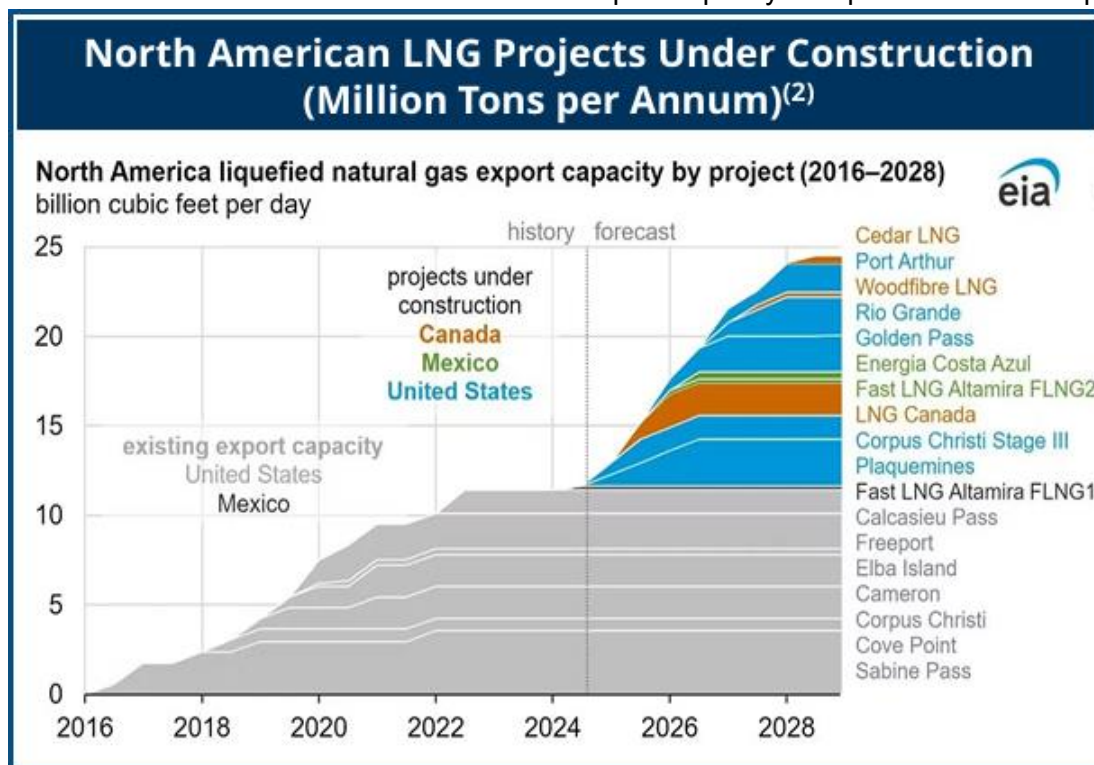
www.spartandeltacorp.com

EPG Commentary by Dan Steffens

Spartan Delta Corp. (TSX:SDE) is a recent addition to our Small-Cap Growth Portfolio. Production, financial results and guidance over the last three quarters have confirmed my forecast model assumptions. I now believe my current valuation of the stock shown on page 3 is conservative.

During 2025, the Company's focus is on increasing their liquids production, while they hold natural gas production flat until natural gas prices increase in Canada.

The natural gas market in Western Canada will be tightening up in Q4 2025. **LNG Canada Phase 1, a 2.0 bcf per day LNG export facility**, is one of Canada's largest energy investments. It is a joint venture of Shell, PETRONAS, PetroChina, Mitsubishi Corporation, and KOGAS. **Most recent update:** The LNG Canada project is now on line and ramping up exports. The Coastal GasLink pipeline is complete. Discussions for Phase II continue, which could double export capacity from 2 bcf/d to 4 bcf/d. Canada's total LNG export capacity is expected to be 7 Bcfpd by 2030.



The Company's **Q2 2025 production was 38,513 Boe per day (in line with my forecast)** with a mix of approximately **64.05% natural gas, 24.16% NGLs, 6.45% crude oil and 5.34% condensate**. Spartan Delta's West Shale Basin Duvernay drilling program is expected to increase their 2025 production exit rate to over **44,000 Boepd** and increase production to **47,000 Boepd in 2026**. My 2026 forecast is based on a production mix of 55.5% natural gas, 23.5% NGLs, 15% crude oil and 6% condensate.

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I had never heard of Spartan Delta until I began looking at **Journey Energy (JOY.TO)**, which was added to our Small-Cap Growth Portfolio earlier in 2024. I now believe both companies have significant upside for us based on 1H 2025 well results in their Duvernay joint venture.

On May 7, 2024 Journey Energy announced that it had entered into an agreement with **Spartan Delta Corp. ("Spartan")** to jointly develop a large block of land in the West Shale Basin of the Duvernay oil and liquids fairway. **The joint development (operated by Spartan) has gotten off to a great start.**

West Shale Basin Duvernay Highlights

- Spartan has established one of the largest positions in the oil and condensate rich West Shale Basin Duvernay, consolidating fragmented and undercapitalized acreage
- Spartan has access to available egress and existing underutilized infrastructure to support rapid growth and development
- Spartan has constructed water infrastructure to reduce completion costs
- Drilling 16 (14 net) wells and completing and bringing on-stream 17 (15 net) wells in 2025 < *Only 8 of the 2025 new wells will be within the joint venture area with Journey Energy. 7 of the JV wells will be completed in 2025; 3 in May and 4 in June. The 8th well will be completed early in 2026.*
- Drilled 6.0 (5.4 net) wells in Q2 2025

SPARTAN DUVERNAY HIGHLIGHTS

~365,000
NET
ACRES
(570 NET SECTIONS)

~70%
AVERAGE
LIQUIDS
PRODUCTION

~180%
ANNUALIZED
PRODUCTION GROWTH
RATE

\$200-215 MM
2025
CAPITAL

~25,000 BOE/D
5-YEAR
TARGETED
PRODUCTION

>600
NET DRILLING
LOCATIONS
(~70 BOOKED)

Spartan will be the operator of the Duvernay JV with 70% working interest. Expenditures within the block were capped at \$30 million in 2024 and will be capped at \$100 million for 2025 on a gross basis. However, expenditures may be increased with the agreement of both parties. The potential within the JV block is defined by the extensive production history from three existing Duvernay wells (Journey 29.17% WI, Spartan 70.83% WI).

Spartan's Strategy is Buy, Develop and Sell when oil & gas prices are rising

Spartan intends to acquire a diversified portfolio of quality assets that can be restructured, optimized and rebranded, financially or operationally to yield lower payout ratios and generate material free cash flow. Thoughtful, opportunistic consolidation of undercapitalized and undervalued assets is the clearest path to accretion of corporate metrics, now more than ever in this depressed environment.

IDENTIFY: Our strategy starts with homing in on the right assets—those with superior investment and cash-flow profiles—that provide material upside and sustainable free cash flow under current commodities prices. These assets include high-quality, multi-zone, oil and gas operated production alongside a large land base and strategic infrastructure footprint.

ACQUIRE: We are focused on acquiring a diversified portfolio of quality assets which can be restructured, optimized and rebranded—financially or operationally—to fully realize their potential. Thoughtful consolidation of underdeveloped or undercapitalized assets is the clearest path to accretion of corporate metrics in this challenging energy cycle.

DEVELOP: Our work is centered on reinvigorating high-potential assets with a progressive outlook and an entrepreneurial spirit. We concentrate on driving up well productivity in a cost-effective manner suitable to the current macro environment in order to maximize free cash flow generation and deliver sustainable value to investors.

Recent results of Spartan's business strategy are shown on the next page.

Analyst price targets in US dollars

Powered by TipRanks

Avg. price target ⓘ	High ⓘ	Low ⓘ
\$4.58	\$5.44	\$3.99
28.65% upside	52.80% upside	12.05% upside

In the last 3 months, **5 ranked analysts** set 12-month price targets for **DALXF**. The average price target among the analysts is **\$4.58**. Analysts compare their price target to the current market price of the stock to determine how much potential upside or downside movement there could be in the stock price.

My Fair Value Estimate for SDE is \$5.89Cdn/share

Compare to TipRanks' Price Target of \$6.31Cdn/share

My valuation equates to \$4.30US/share for DALXF

Disclosure: I have a long position in SDE, and I do not intend on buying or selling it in the next 72 hours. I wrote this profile myself, and it expresses my own opinions. I am not receiving compensation for it from the company. I have no business relationship with any company whose stock is mentioned in this article.

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CORPORATE HIGHLIGHTS SINCE INCEPTION

\$635 MM

EQUITY
ISSUED

\$1,835 MM

CUMULATIVE
ADJUSTED FUNDS
FLOW

\$1,253 MM

CUMULATIVE
CAPITAL
EXPENDITURES

\$1,809 MM

DIVIDENDS AND
DISTRIBUTIONS

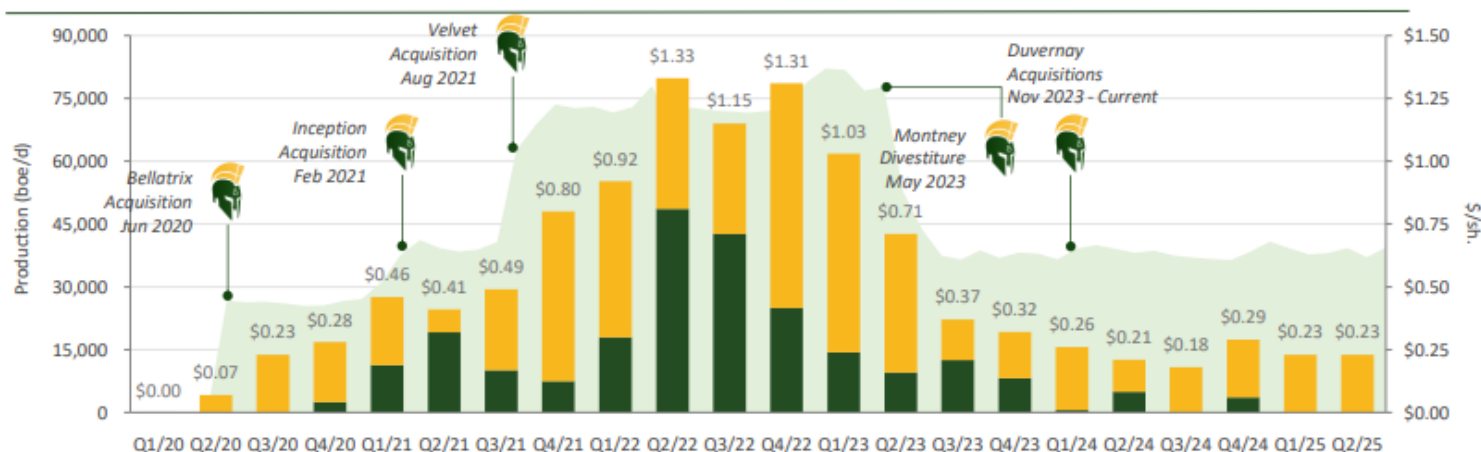
\$10.45/sh.

DIVIDENDS AND
DISTRIBUTIONS

275%

CUMULATIVE
RETURN ON CAPITAL
EMPLOYED

GROWTH TIMELINE



SPARTAN'S HISTORICAL PERFORMANCE

Spartan Delta's Financings Have Significantly Outperformed the TSX Energy Index

SHAREHOLDER RETURNS

- From inception to June 20, 2023, Spartan has issued **\$537 million** of equity to create **\$2,700 million** of equity value¹ resulting in shareholder returns of:

\$0.60/sh.

SPECIAL DIVIDENDS

\$9.50/sh.

CASH PROCEEDS

1.00

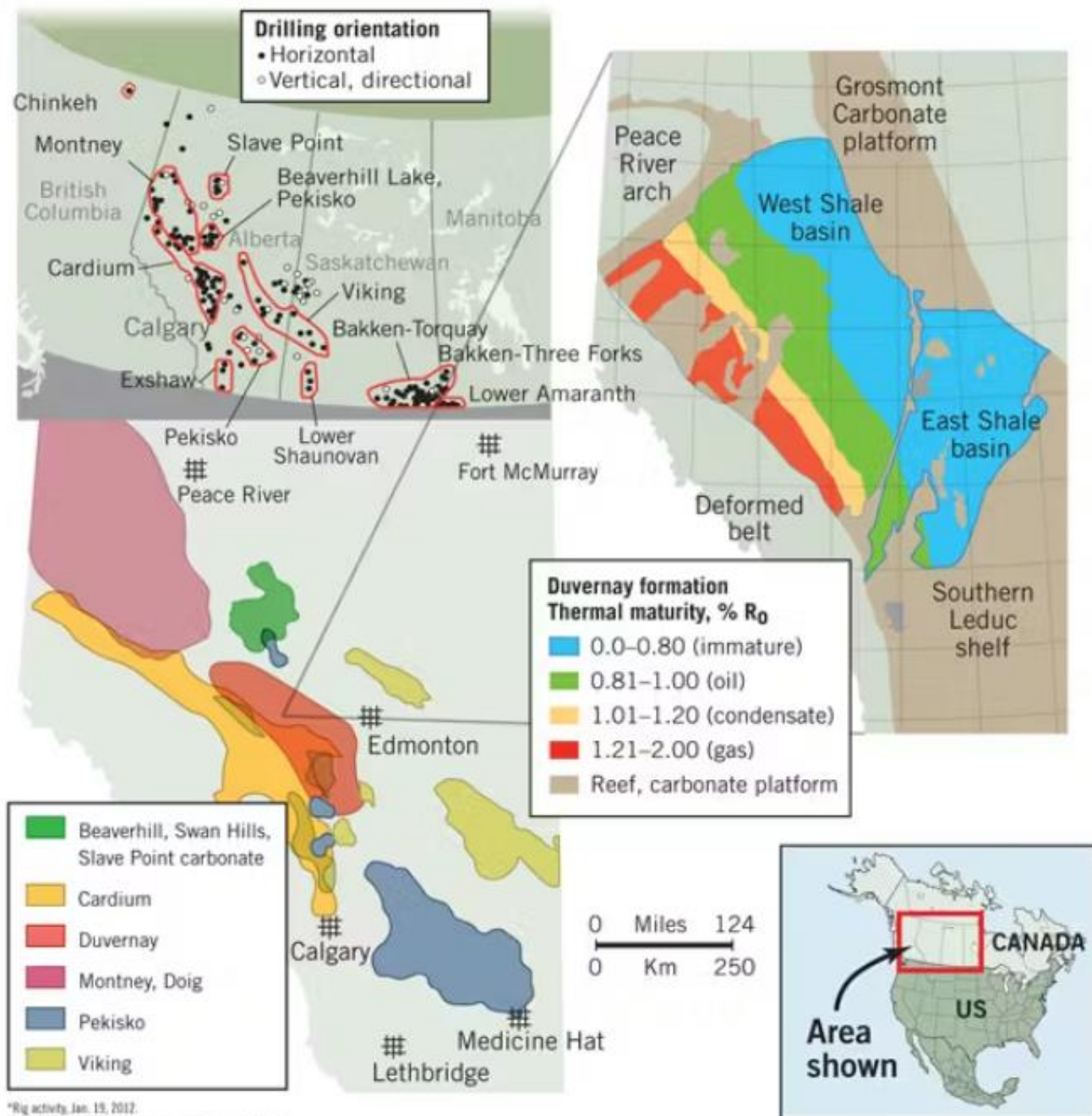
LOGAN SHARE PER SPARTAN
SHARE

1.00

LOGAN WARRANT PER SPARTAN
SHARE

DUVERNAY FORMATION*

FIG. 1





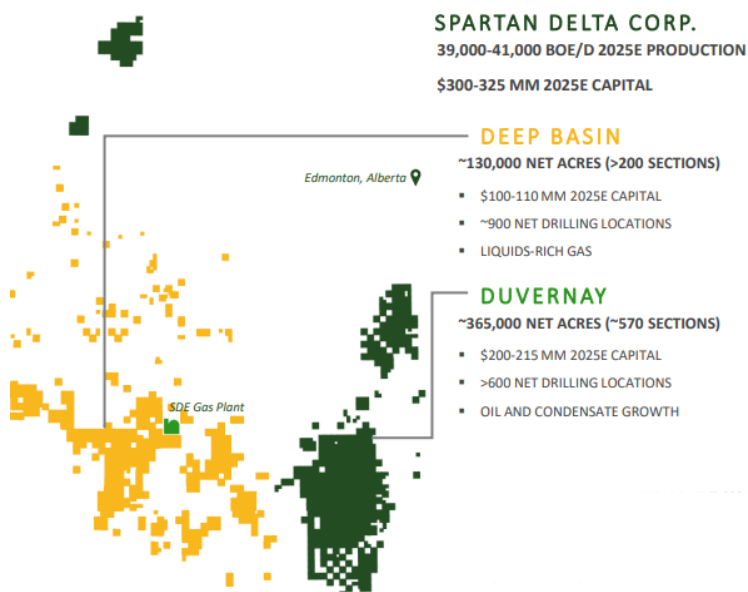
Spartan Delta Corp. (TSX:SDE) has established core areas in the Deep Basin and the West Shale Basin Duvernay (the “Duvernay”). The Deep Basin is a liquids-rich natural gas asset that provides significant torque to natural gas prices and possesses a large multi-horizon inventory of liquids-rich targets, while the Duvernay asset is an oil and condensate rich resource play that supports significant production and value growth. The Company intends to continue leveraging its technical expertise in the Deep Basin to further optimize the asset and pursue opportunistic acquisitions while allocating its Free Funds Flow to fund the development and growth of its Duvernay asset. Spartan believes its portfolio of assets is poised to offer repeatable and economic results presenting the opportunity to generate significant shareholder returns.

In the Deep Basin, Spartan is optimizing operations and maintaining flat production as it continues to develop liquids-rich targets. In 2024, the Company prudently shut-in some gas wells due to the depressed price of natural gas and brought the production back online when natural gas prices improved in Canada. Spartan continues to boast a strong inventory of Deep Basin drilling locations primed to capture the contango forward curve in natural gas prices.

To date, Spartan has established one of the largest positions in the Duvernay at a low cost of entry, with a focus in the oil and condensate rich Willesden Green fairway. **The Company intends to significantly grow oil and liquids production**, lower well costs and increase productivity by optimizing well designs and completions through the application of modern drilling techniques and technologies, while leveraging underutilized infrastructure in the region.

CORPORATE SUMMARY

Building a Sustainable Energy Company



CAPITALIZATION

SPARTAN DELTA CORP	TSX	SDE
Share Price	\$/sh	4.74
Common Shares Outstanding	MM	200
Market Capitalization	\$MM	948
Net Debt	\$MM	124
Enterprise Value	\$MM	1,072
Management & Board Ownership	%	12%

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Second Quarter 2025 Highlights

- Spartan reported production of 38,513 BOE/d (36% liquids) during the second quarter of 2025.
 - Spartan achieved a 151% increase in crude oil production as compared to the second quarter of 2024 and a 12% increase as compared to the first quarter of 2025.
- The Company's operations generated oil and gas sales of \$81.0 million and Adjusted Funds Flow of \$47.9 million (\$0.23 per share, diluted) in the second quarter of 2025, a 29% increase from the second quarter of 2024, and a 5% increase from the first quarter of 2025.
- The Company successfully executed a capital program of \$83.5 million in the second quarter of 2025, of which approximately 85% was spent on drilling, completing, equipping, and tie-ins.
 - In the Duvernay, Spartan drilled 6.0 (5.4 net) wells, completed 7.0 (4.9 net) wells, and brought onstream 3.0 (2.1 net) wells.
 - In the Deep Basin, Spartan drilled 2.0 (1.9 net) wells and completed and brought on-stream 3.0 (2.6 net) wells.
- Spartan has accumulated approximately 365,000 net acres (570 net sections) in the Duvernay, a 52% increase from the second quarter of 2024 and a 14% increase from the first quarter of 2025.
- Spartan continues to maintain a strong statement of financial position with Net Debt of \$123.7 million resulting in a 0.7X Net Debt to Annualized Adjusted Funds Flow ratio.
- Despite volatile commodity prices, Spartan has hedges in place for the remainder of 2025 greater than current strip. As at June 30, 2025, the Company has hedged 91,065 GJ/d of its natural gas production at an average price of \$2.25/GJ and has hedged 2,700 bbl/d of its crude oil and condensate production at an average price of \$99.75/bbl.

"Spartan Delta is the only one of our 38 model portfolio companies that it outspending their operating cash flow this year. Their business strategy is what I like to call "Buy at the low point in the cycle, Prove up large volumes of recoverable oil & gas, and Sell at the high point in the cycle." In 2023 the Company sold half of their production, book a \$543.2 million gain and paid out a BIG special dividend. The success of this year's drilling program in the Duvernay oil play is setting up the next BIG gain on a future sale." – Dan Steffens

SECOND QUARTER 2025 HIGHLIGHTS

38,513 BOE/D

AVERAGE
PRODUCTION

36%

LIQUIDS
PRODUCTION

151%

OIL GROWTH
Q2 2024 TO
Q2 2025

12%

OIL GROWTH
Q1 2025 TO
Q2 2025

29%

INCREASE IN
ADJUSTED FUNDS FLOW
Q2 2024 TO
Q2 2025

5%

INCREASE IN
ADJUSTED FUNDS FLOW
Q1 2025 TO
Q2 2025

Q2 2025 HIGHLIGHTS

Consistently Delivering Results While Growing Liquids Production

UNAUDITED HIGHLIGHTS		Q2 2024	Q3 2024	Q4 2024	Q1 2025	Q2 2025
Crude Oil	bbls/d	992	1,140	2,024	2,212	2,485
Condensate	bbls/d	2,198	1,799	2,171	1,985	2,056
Natural Gas Liquids (NGLs)	bbls/d	9,084	8,989	9,322	9,617	9,304
Natural Gas	MMcf/d	157.9	150.6	150.1	147.1	148.0
Average Production	boe/d	38,583	37,020	38,537	38,328	38,513
Liquids	%	32	32	35	36	36
Operating Netback, before Hedging	\$/boe	10.67	8.42	13.60	14.78	13.66
Adjusted Funds Flow	\$MM	37	31	50	46	48
Capital Expenditures, before A&D	\$MM	23	55	40	73	84
Free Funds Flow	\$MM	15	(23)	11	(27)	(36)
Diluted Shares Outstanding, Weighted Average	MM	177	177	177	197	206
AFF per share, diluted	\$/sh	0.21	0.18	0.28	0.23	0.23
Period Ended Net Debt	\$MM	132	159	148	82	124

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DUVERNAY DEVELOPMENT

Prolific Liquids-Rich Shale Asset Offers Significant Scalability and Commerciality

WEST SHALE BASIN DUVERNAY

- Spartan has established one of the largest positions in the oil and condensate rich West Shale Basin Duvernay, consolidating fragmented and undercapitalized acreage
- Spartan has access to available egress and existing underutilized infrastructure to support rapid growth and development
- Spartan has constructed water infrastructure to reduce completion costs
- Drilling 16.0 (14.0 net) wells and completing and bringing on-stream 17.0 (15.0 net) wells in 2025
- Drilled 12.0 (9.6 net) wells, completed 7.0 (4.9 net) wells, and brought on-stream 3.0 (2.1 net) wells in H1 2025
- Targeting production growth to 25,000 BOE/d

SPARTAN DUVERNAY HIGHLIGHTS

~365,000
NET
ACRES
(570 NET SECTIONS)

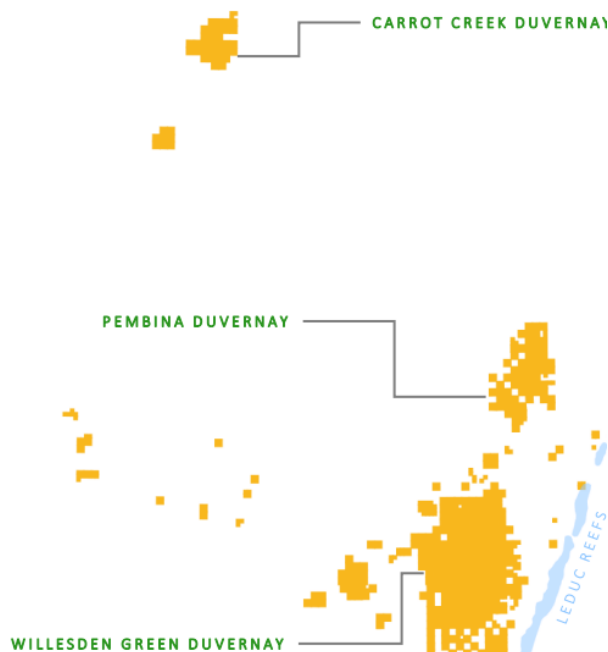
~70%
AVERAGE
LIQUIDS
PRODUCTION

~180%
ANNUALIZED
PRODUCTION GROWTH
RATE

\$200-215 MM
2025
CAPITAL

~25,000 BOE/D
5-YEAR
TARGETED
PRODUCTION

>600
NET DRILLING
LOCATIONS
(~70 BOOKED)



Financial Highlights

(CA\$ thousands, unless otherwise indicated)	Three months ended June 30			Six months ended June 30		
	2025	2024	%	2025	2024	%
FINANCIAL HIGHLIGHTS						
Oil and gas sales	81,004	73,451	10	172,245	157,599	9
Net income and comprehensive income	33,531	14,371	133	28,362	25,566	11
\$ per share, basic	0.17	0.09	89	0.14	0.15	(7)
\$ per share, diluted	0.17	0.09	89	0.14	0.15	(7)
Cash provided by operating activities	43,627	44,674	(2)	99,895	92,825	8
Adjusted Funds Flow	47,949	37,177	29	93,514	82,850	13
\$ per share, basic	0.24	0.22	9	0.48	0.48	-
\$ per share, diluted	0.23	0.21	10	0.46	0.47	(2)
Free Funds Flow (deficit)	(35,581)	14,623	nm	(62,769)	15,261	nm
Cash used in investing activities	84,393	101,377	(17)	134,576	152,513	(12)
Capital Expenditures before A&D	83,530	22,554	270	156,283	67,589	131
Adjusted Net Capital A&D	6,067	54,401	(89)	6,020	72,468	(92)
Total assets	1,037,524	884,244	17	1,037,524	884,244	17
Debt	66,476	109,040	(39)	66,476	109,040	(39)
Net Debt	123,739	132,449	(7)	123,739	132,449	(7)
Shareholders' equity	600,077	458,802	31	600,077	458,802	31
Common shares outstanding, end of period (000s)	200,060	173,201	16	200,060	173,201	16

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Operating Highlights

DUVERNAY

- Spartan successfully completed its first half 2025 capital program, highlighting strong execution and operational discipline across its West Shale Basin Duvernay (the “Duvernay”) and Deep Basin assets.
- In H1 2025, Spartan ran a four rig capital program, drilling 21.0 (17.1 net) wells, completing 15.0 (11.4 net) wells, and bringing onstream 11.0 (8.6 net) wells. During the second quarter, the Company drilled 8.0 (7.3 net) wells, completed 10.0 (7.5 net) wells, and brought on-stream 6.0 (4.7 net) wells.
- **Spartan is on course to meet its 2025 guidance of 40,000 BOE/d** and is well-positioned for continued operational momentum entering the second half of 2025. With a strong balance sheet, disciplined capital allocation, significant liquids growth, and a deep inventory of locations, Spartan is committed to delivering significant value for shareholders while maintaining a responsible and sustainable development strategy.
- In the Duvernay, the Company contracted two rigs and drilled 12.0 (9.6 net) wells, completed 7.0 (4.9 net wells), and brought on-stream 3.0 (2.1 net) wells during H1 2025. In Q2 2025, Spartan drilled 6.0 (5.4 net) wells, completed 7.0 (4.9 net) wells, and brought on-stream 3.0 (2.1 net) wells, wine-racking in both the upper and lower Duvernay benches. The utilization of wine-racking well designs has the potential to significantly increase recoveries on the Company's acreage.
 - **06-04-043-03W5 Pad** Initial production results from 3.0 (2.1 net) wells have averaged IP30 rates of 1,261 BOE/d and 86% liquids per well (1,042 BBL/d of crude oil, 49 BBL/d of NGLs, and 1.0 MMcf/d of natural gas).
 - **02-22-042-03W5 Pad** Initial results from the Company's most recent 4.0 (2.8 net) wells are encouraging as **production rates exceed internal expectations**. Current field production estimates for the first 15 days are averaging greater than 1,600 BOE/d with more than 1,300 BBL/d of crude oil and NGLs per well.
 - **07-15-044-03W5 Pad** Spartan has commenced completions on 4.0 (4.0 net) wells.
 - **04-20-041-03W5 Pad** Spartan has begun drilling operations.
- In the second half of 2025, the Company anticipates drilling 5.0 (5.0 net) wells, completing 10.0 (10.0 net) wells, and bringing on-stream 14.0 (12.8 net) wells.
- Spartan's 2025 Duvernay program has benefited from a strong focus on reducing costs. These improvements stem from decreasing drilling and completion times, consistent frac placements, optimizing proppant tonnage, and reducing water usage. The Company is motivated to further reduce drilling and completion costs as it continues to build scale. Spartan's Duvernay results have exceeded internal expectations to date, underscoring the productivity and consistency of its acreage. **Current Duvernay field production estimates are greater than 9,000 BOE/d (77% liquids), a 400% increase in production in twelve months.** *< The Company's plan it to build their Duvernay production to at least 25,000 Boepd then consider selling it if oil prices rebound.*

DEEP BASIN

- In the Deep Basin, the Company drilled 9.0 (7.5 net) wells and completed and brought on-stream 8.0 (6.5 net) wells during H1 2025. In Q2 2025, Spartan drilled 2.0 (1.9 net) wells and completed and brought on-stream 3.0 (2.6 net) wells.
 - 08-21-045-11W5 & 10-20-043-09W5** Initial Spirit River production results averaged IP30 rates of 1,657 BOE/d and 25% liquids per well and IP90 rates of 1,254 BOE/d and 24% liquids per well.
 - 03-07-045-09W5 Pad** Initial production results from 3.0 (3.0 net) Cardium wells averaged IP30 rates of 482 BOE/d and 43% liquids per well and IP90 rates of 566 BOE/d and 42% liquids per well.
 - 14-08-044-08W5 Pad** Initial production results from 3.0 (3.0 net) Cardium wells are exceeding internal expectations, averaging IP30 rates of 1,203 BOE/d and 40% liquids per well.
 - 15-25-044-09W5** Spirit River well is significantly exceeding internal expectations, with the well onstream for less than 30 days
- In the second half of 2025, the Company anticipates drilling 10.0 (9.2 net) wells and completing and bringing onstream 9.0 (8.2 net) wells, focusing on drilling liquid-rich targets in the Cardium, Spirit River, Rock Creek, Viking, Belly River, and Wilrich formations. The Deep Basin maintains the optionality to increase capital and accelerate drilling to capture the contango forward curve in natural gas prices as the asset benefits from reduced cycle times.

(CA\$ thousands, unless otherwise indicated)	Three months ended June 30			Six months ended June 30		
	2025	2024	%	2025	2024	%
OPERATING HIGHLIGHTS						
Average daily production						
Crude oil (bbls/d)	2,485	992	151	2,349	870	170
Condensate (bbls/d)	2,056	2,198	(6)	2,021	2,154	(6)
NGLs (bbls/d)	9,304	9,084	2	9,460	9,263	2
Natural gas (mcf/d)	148,010	157,853	(6)	147,549	157,623	(6)
BOE/d	38,513	38,583	(0)	38,422	38,558	(0)
Average realized prices, before financial instruments						
Crude oil (\$/bbl)	87.33	102.04	(14)	90.63	97.85	(7)
Condensate (\$/bbl)	86.61	100.29	(14)	92.31	98.23	(6)
NGLs (\$/bbl)	23.78	29.96	(21)	27.17	30.51	(11)
Natural gas (\$/mcf)	1.85	1.35	37	2.00	1.82	10
Combined average (\$/BOE)	23.11	20.92	10	24.77	22.46	10
Operating Netbacks (\$/BOE)						
Oil and gas sales	23.11	20.92	10	24.77	22.46	10
Processing and other revenue	1.19	0.52	129	0.77	0.48	60
Net commodities purchased margin	0.09	-	-	0.04	-	-
Royalties	(2.98)	(2.89)	3	(3.38)	(3.09)	9
Operating expenses	(6.02)	(6.38)	(6)	(6.26)	(6.01)	4
Transportation expenses	(1.73)	(1.50)	15	(1.73)	(1.54)	12
Operating Netback, before hedging (\$/BOE)	13.66	10.67	28	14.21	12.30	16
Operating Netback, after hedging (\$/BOE)	14.70	12.91	14	15.14	13.64	11
Adjusted Funds Flow Netback (\$/BOE)	13.68	10.59	29	13.45	11.81	14

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Capital Activity Update

DEEP BASIN OPTIMIZATION

Free Funds Flow with Substantial Inventory Duration Into Owned Infrastructure

SUMMARY

- Spartan's foundational asset generating significant Free Funds Flow
- Top quality resource of delineated liquids-rich Spirit River and oil and condensate-rich Cardium development
 - Deep inventory of economic drilling locations across multiple targets
- Significant owned and operated strategic infrastructure
 - Working interest ("WI") in three gas plants, as well as owned and operated compressor stations resulting in ~300 mmscf/d of capacity
- Spartan monitors natural gas prices and intermittently increases or curtails natural gas production in response
- Drilling, completing, and bringing on-stream 19.0 (18.0 net) wells in 2025
- Drilled 9.0 (7.5 net) wells, and completed and brought on-stream 8.0 (6.5 net) wells in H1 2025

DEEP BASIN HIGHLIGHTS

~31%

AVERAGE LIQUIDS
PRODUCTION

~45,000 BOE/D

INFRASTRUCTURE
CAPACITY

\$100-110 MM

2025
CAPITAL

~900

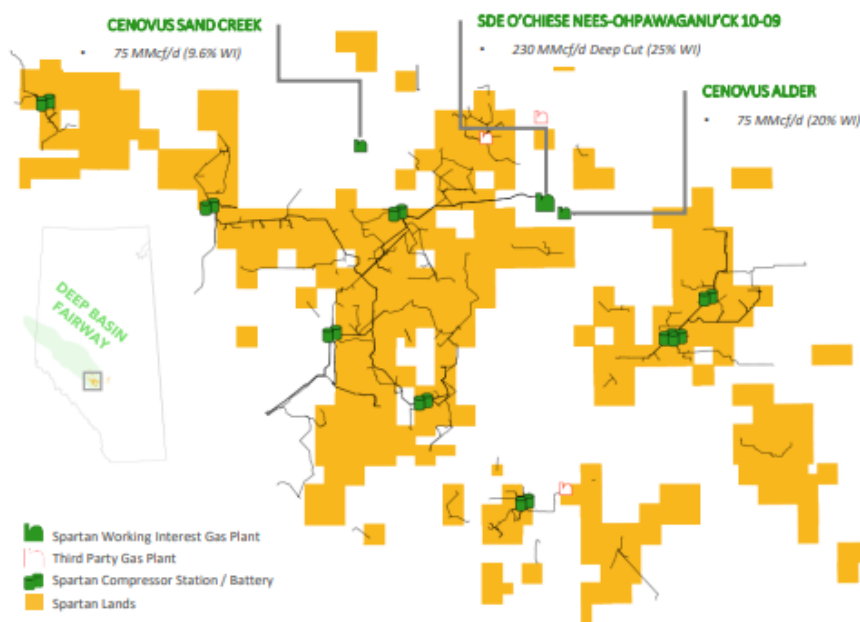
NET DRILLING
LOCATIONS
(~190 BOOKED)

~130,000

NET ACRES

~\$29 MM

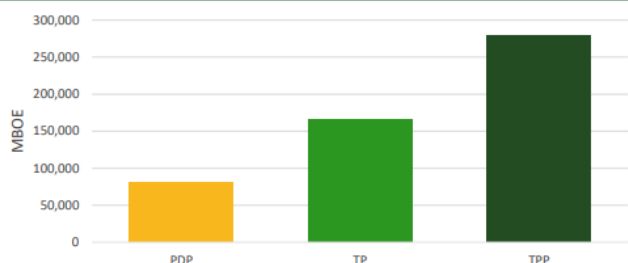
INACTIVE,
UNDISCOUNTED
LIABILITIES



2024 RESERVES

Based on 2025 Average Forecast Pricing of US\$71.58/bbl WTI and C\$2.36/MMBtu AECO

RESERVE VOLUMES



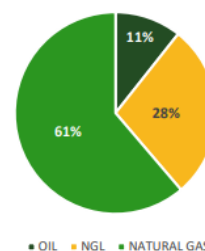
IMPLIED NET PRESENT VALUE PER SHARE



NET PRESENT VALUE



TOTAL PROVED RESERVE DISTRIBUTION



Hedge Update (Reduces commodity price risk in 2H 2025)

Balance Sheet and Free Funds Flow Protection

2025 HEDGES

	AECO 7a		WTI	
	GJ/d	C\$/GJ	bbl/d	C\$/bbl
Q3 2025	83,250	2.13	2,700	99.75
Q4 2025	98,880	2.35	2,700	99.75

HEDGING HIGHLIGHTS

~41%

GREATER THAN FORWARD
AECO STRIP PRICING

~13%

GREATER THAN FORWARD
WTI STRIP PRICING

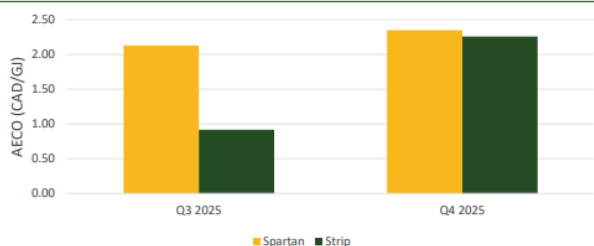
91,065 GJ/d @ \$2.25/GJ

H2 2025 NATURAL GAS
PRODUCTION HEDGED

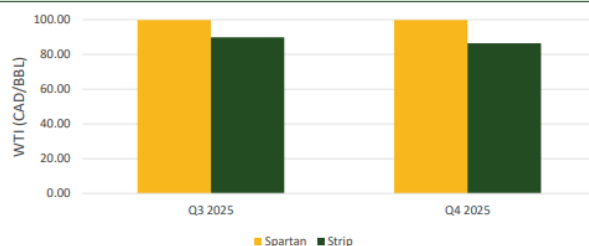
2,700 BBL/d @ \$99.75/BBL

H2 2025 OIL & CONDENSATE
PRODUCTION HEDGED

NATURAL GAS PRICE COMPARISON



OIL PRICE COMPARISON



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2025 Guidance

Optimizing the Deep Basin and Growing the Duvernay

GUIDANCE		ACTUALS FY 2024	GUIDANCE FY 2025
Crude Oil & Condensate	bbls/d	3,297	5,600
Natural Gas Liquids (NGLs)	bbls/d	9,209	9,700
Natural Gas	MMcf/d	154	148
Average Production	boe/d	38,166	39,000 - 41,000
Operating Expenses	\$/boe	(5.90)	(6.20)
Transportation Expenses	\$/boe	(1.54)	(2.11)
Operating Netback, before Hedging	\$/boe	11.68	18.39
Settlement on Commodity Derivative Contracts	\$/boe	2.43	(0.10)
Operating Netback, after Hedging	\$/boe	14.11	18.29
G&A	\$/boe	(1.31)	(1.34)
Adjusted Funds Flow	\$MM	165	223
Capital Expenditures, before A&D	\$MM	162	300 - 325
Year Ended Net Debt (Surplus)	\$MM	148	148
WTI	US\$/bbl	75.73	72.00
AECO	C\$/GJ	1.36	2.20
FX	US\$/C\$	1.37	1.43

GUIDANCE HIGHLIGHTS

70%

INCREASE IN OIL &
CONDENSATE
PRODUCTION

57%

INCREASE IN
OPERATING
NETBACK

18

2025E DEEP BASIN
NET WELLS
COMPLETED AND
ONSTREAM

15

2025E DUVERNAY
NET WELLS
COMPLETED AND
ON-STREAM

ADJUSTED FUNDS FLOW SENSITIVITIES

\$100-110 MM

2025E DEEP BASIN
CAPITAL

\$200-215 MM

2025E DUVERNAY
CAPITAL

~\$8.0 MM

AECO +/-
\$0.25/GJ

~\$10 MM

WTI +/-
US\$5/BBL

~\$7.0 MM

FX +/-
\$0.05

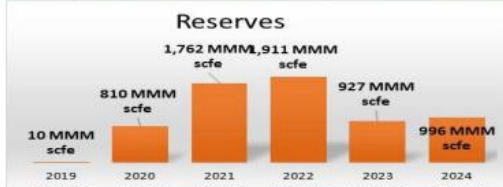
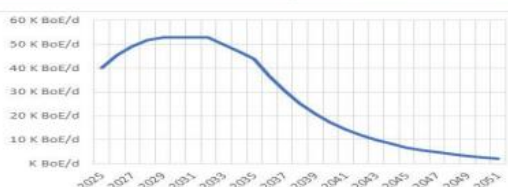
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Harry van Neck's Analysis

Reserves and Production

Spartan Delta is a small Canadian gas producer. Reserves fell in 2023 due to the sale of Montney basin reserves. Spartan is acquiring/developing new reserves in Duvernay. Production grows from 38-39 K BoE/d to 60 K BoE/d. Fluid are 10% oil, 25% NGL and 65% gas. Liquid content over time will increase with additional production from the Duvernay.

2024 proven reserves	Years 2025 production	RRR 2019-2024	RRR 2024	Comments
996 MMM scfe 165.9 M BoE	10.9 years Avg. 8.8 (USA) – 12.9 (Can)	1.42 0.99 (USA) – 1.36 (Can)	1.62 Ind. average 0.94	Good reserves and high RRR. Growth constrained by gas market



Balance Sheet

Balance sheet is very healthy after a cash injection in Q1 2025. FCF in 2025 will be negative. The Q1 2025 long-term debt (C\$ 23 M) is low and feeds into low debt/EBITDA ratios.

Balance sheet – WTI = \$ 62.50/bbl	Late 2025	Late 2026	Late 2027	Late 2028	Late 2029
Equity ratio	53.1%	54.6%	56.9%	60.2%	63.8%
Debt/EBITDA ratio	0.	0.19	0.11	<0.10	<0.10

Profitability and Shareholder Returns

Profitability/returns – WTI = \$ 70/bbl	2025	2026	2027	2028	2029
Eps (C\$)	C\$ 0.32	C\$ 0.94	C\$ 1.14	C\$ 1.31	C\$ 1.42
Price Earnings ratio	12.0	4.1	3.4	3.0	2.8
Shareholder returns	nil	2.7%	4.4%	9.7%	13.3%

Summary

Spartan Delta is a small Canadian oil/gas producer in the Duvernay, which is acquiring/developing new acreage in order to sell it off at a later date. Production is partially constrained by the gas market. The balance sheet is healthy. Spartan is profitable and has a low PE ratio. Accumulation of wealth in the company can delay shareholder returns. Spartan is a small-cap. Market value is US\$ 480 M.



Net Income and Cash Flow Forecast

September 3, 2025

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