

**AMENDED AND RESTATED MATERIAL CHANGE REPORT  
FORM 51-102F3**

**NOTE TO READER**

This amended and restated material change report replaces and supersedes the Material Change report of Saturn Oil & Gas Inc. (“**Saturn**” or the “**Company**”) dated May 25, 2021 (the “**Original MCR**”).

The Original MCR contained reserves information that was prepared by management and subsequently audited by Ryder Scott Company – Canada (“**Ryder Scott**”). The previously disclosed reserves were deemed to have not been prepared in accordance with COGEH guidelines due to an independence deficiency and the resulting disclosure was therefore not made in accordance with NI 51-101. This amended and restated material change report contains reserves information prepared for Saturn by Ryder Scott dated June 30, 2021 and effective April 1, 2021 (the “**Ryder Scott Report**”) and the reserves information disclosed in the Original MCR is superseded in its entirety by this amended and restated Material Change Report.

**Item 1.            Name and Address**

Saturn Oil & Gas Inc. (the “**Company**” or “**Saturn**”)  
Suite 1000, 207 9 Ave SW  
Calgary, AB T2P 1K3

**Item 2.            Date of Material Change**

May 13, 2021

**Item 3.            News Release**

An Amended and Restated news release describing the material change was disseminated on June 30, 2021 through Newswire.

**Item 4.            Summary of Material Change**

The Company announced that it had entered into an arms-length definitive agreement to acquire assets in the Oxbow area of Southeast Saskatchewan (the “**Oxbow Assets**” or the “**Acquisition**”) for approximately \$93 million.

Pursuant to the Acquisition, Saturn will acquire approximately 6,700 boe/d (~95% light oil and liquids) with over 450 net sections of land, largely positioned across one of the most economic oil plays in North America. The Acquisition enhances Saturn’s financial and operational strength through the addition of a high-quality and very low decline (12%) light oil asset base that is projected to generate robust free cash flow at current prices. The Oxbow Assets produce primarily from the Frobisher and Midale formations and feature a sizeable inventory of targets for workover, development and optimization.

The Acquisition will be funded through proceeds from an \$82.0 million senior secured term loan (“**Senior Secured Term Loan**”) a best-efforts agency private placement for aggregate gross proceeds of \$6.0 million being led by Echelon Wealth Partners Inc. (the “**Brokered Private Placement**”) and a concurrent non-brokered private placement for aggregate gross proceeds of \$15.0 million.

**Item 5. Full Description of Material Change**

**5.1 *Full Description of Material Change***

The full details of the material change are set forth in the news releases attached hereto as Schedule A. The news releases, including the cautionary notes regarding forward-looking information contained therein, are incorporated by reference into this report.

**5.2 *Disclosure for Restructuring Transactions***

Not applicable.

**Item 6. Reliance on subsection 7.1(2) of National Instrument 51-102**

Not applicable.

**Item 7. Omitted Information**

No information has been omitted in respect of this material change.

**Item 8. Executive Officer**

The following executive officer of the Company is knowledgeable about the material change disclosed in this report and may be contacted as follows:

John Jeffrey  
CEO  
Phone: (306) 850-0922  
E-mail: [jjeffrey@saturnoil.com](mailto:jjeffrey@saturnoil.com)

**Item 9. Date of Report**

June 30, 2021

## Schedule A

### **Amended and Restated Press Release - Saturn Oil & Gas Inc. Announces Transformational Light Oil Asset Acquisition of 6,700 boe/d to Become One of the Leading Producers and Land Holders in Southeast Saskatchewan**

- Saturn expects to be debt-free in 24 months based on production forecasts, capital budget, hedging levels and current forward pricing
- Mission is to continue to be an acquirer of accretive assets in Western Canada
- Acquisition builds on Saturn's existing environmental, social and governance ("ESG") performance, while supplying responsibly-produced ethical Canadian crude oil to service global market demand

**CALGARY, ALBERTA – June 30, 2021** - Saturn Oil & Gas Inc. (“Saturn” or the “Company”) (TSX.V: SOIL) (FSE: SMK) is amending and restating the original May 13, 2021 press release (the “May 13 Release”) as a result of a request to restate the reserves information contained therein. The May 13 Release contained reserves information that was prepared by management of the Company and subsequently audited by independent reserves evaluator Ryder Scott Company – Canada (“Ryder Scott”). The previously disclosed reserves were deemed to have not been prepared in accordance with COGEH guidelines due to an independence deficiency and the resulting disclosure was therefore not made in accordance with NI 51-101. This amended and restated press release contains reserves information prepared for Saturn by Ryder Scott in accordance with COGEH guidelines dated June 30, 2021 and effective April 1, 2021 (the “Ryder Scott Report”) and the reserves information disclosed in the May 13 Release is superseded in its entirety by this amended and restated release.

Saturn is pleased to announce that it has entered into an arms-length definitive agreement to acquire assets in the Oxbow area of Southeast Saskatchewan (the “Oxbow Assets” or the “Acquisition”) for approximately \$93 million, funding for which is outlined below.

Pursuant to the Acquisition, Saturn will acquire approximately 6,700 boe/d (~95% light oil and liquids)<sup>1</sup> with over 450 net sections of land, largely positioned across one of the most economic oil plays in North America. The Acquisition enhances Saturn’s financial and operational strength through the addition of a high-quality and very low decline (12%) light oil asset base that is projected to generate robust free cash flow at current prices. The Oxbow Assets produce primarily from the Frobisher and Midale formations and feature a sizeable inventory of targets for workover, development and optimization. The Oxbow Assets are expected to generate \$65-70 million in net operating income over the next 12 months<sup>2</sup>.

“This Acquisition is in our ‘backyard’ in southeast Saskatchewan, furthering Saturn’s strategy of building a scalable portfolio of free cash flow generating assets that offer attractive opportunities to allocate capital for both near and longer-term development, while increasing our exposure to some of Canada’s most highly economic plays,” said John Jeffrey, Chairman and CEO of Saturn. “We believe the Oxbow assets - purchased from a very experienced oil operator - provide significant upside value with near-term recompletion and optimization opportunities, as well as long-term growth from a deep inventory of booked and un-booked drilling locations on the properties. Pro forma the Acquisition, we forecast 2021 average production of over 7,500 boe/d (91% oil), which greatly enhances our business model and positions Saturn for significant free cash flow generation that can be directed to debt repayment and future growth opportunities that enhance shareholder returns. I would like to thank all of our employees and partners for their time and effort in supporting Saturn through this transformational period.”

The Acquisition will be funded through proceeds from an \$82.0 million senior secured term loan (“Senior Secured Term Loan”) a best-efforts agency private placement for aggregate gross proceeds of \$6.0 million being led by Echelon Wealth Partners Inc. (the “Brokered Private Placement”) and a concurrent non-brokered private placement

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<sup>1</sup> As at April 1, 2021 Production report. Comprised of 6,197 bbls/d of light and medium crude oil, 149 bbls/d of NGLs, and 2,165 mcf/d of conventional natural gas.

<sup>2</sup> May 5, 2021 future prices, \$5 diff (US), \$1.23FX, blowdown metrics (future 12 months on blowdown scenario)

for aggregate gross proceeds of \$15.0 million (the “Non-Brokered Private Placement” and together with the Brokered Private Placement, the “Private Placements”). Details of the Senior Secured Term Loan and the Private Placements are provided below.

### **Strategic Benefits and Rationale for Saturn**

The Acquisition is aligned with Saturn’s strategy to become a premier, publicly traded light oil producer through the acquisition and development of undervalued, low-risk opportunities to build a strong portfolio of cash flowing assets with strategic development upside.

The highlights of the Acquisition and the anticipated benefits associated with the Oxbow Assets include, but are not limited to, the following:

- **Attractive purchase price with material asset expansion**
  - ~6,700 boe/d (~95% light oil and liquids)<sup>1</sup> of sustainable, reliable and high working interest production (88% WI) that is 76% operated
  - Highly attractive purchase price of ~1.4x cash flow<sup>3</sup> or ~\$14,000 per flowing boe
  - Saturn’s Oil and Gas production will increase by more than 21 times over current volumes while PDP reserves will grow more than 33 times over the Company’s year end 2020 reserves
  - Land base increases by 775%
- **Conventional multi-zone asset base with large, identified low-risk drilling inventory and significant workover opportunities**
  - Concentrated in the Midale / Frobisher formations, the Oxbow Assets provide exposure to highly economic light oil plays<sup>4</sup> offsetting leading operators, with competitive forecast returns
  - Saturn has identified the potential to generate significant annual free cash flow<sup>5</sup> through optimizing and recompleting more than 500 existing well bores over the next three years
  - Low capital expenditures required, with approximately \$5 million of annual workover capex expected to offset low declines and grow annual production by approximately 200 boe/d
- **Highly economic assets with attractive netbacks<sup>6</sup> and free cash flow profile**
  - Expected to be highly accretive
  - Highly productive wells with strong operating netbacks<sup>6</sup> (over \$28/boe) and capital costs on new drills estimated at \$0.92 million per well, with per unit royalties forecast at \$7 to \$8/boe and operating costs of \$5 to \$7/boe on new drills within the first three years
  - Locked-in area economics with approximately 70% of forecast production hedged over the next year, 60% for the second year and ~50% for years three and four with incremental volumes from growth capital fully exposed to commodity prices
- **Scale, strategic optionality and enhanced flexibility**
  - Expanded scale provides increased strategic optionality in adapting to operating and capital markets conditions and improves financial capacity due to increased cash flow generation
  - Low leverage with pro forma debt to cash flow of approximately 1.7 at closing. Saturn anticipates being debt free in 24 months based on current strip pricing,

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<sup>3</sup> May 5, 2021 future prices, \$5 diff (US), \$1.23FX, blowdown metrics (future 12 months on blowdown scenario)

<sup>4</sup> Source: Scotiabank’s September 2019 playbook.

<sup>5</sup> \$5 million Capex budget per year for workovers

<sup>6</sup> See “Information Regarding Disclosure on Oil and Gas Operational Information and Non-IFRS Measures” under “Reader Advisory” below”.

- The addition of another material core area provides improved flexibility in capital deployment can offer better returns on investment and robust returns for shareholders
- Scale provides opportunities for cost savings along with greater operating efficiencies to reduce per unit production costs
- **Strong infrastructure position with multiple sales points and capacity for future growth**
  - 60 owned, operated and well maintained key production facilities with excess capacity
  - Extensive battery network featuring comprehensive Kingston Midstream connections with production predominantly LACT-connected
  - Conserved gas processed at third-party gas plants
- **Furtheres Saturn’s environmental, social and governance (“ESG”) performance**
  - Fresh water usage will be negligible as no fracture stimulations are required to develop the assets
  - Future potential to initiate an enhanced oil recovery initiative using only produced water
  - Saturn’s environmental footprint will be minimized with pipeline-connected, multi-well pad development of the Oxbow Assets
  - Liability clean up accelerated by over \$10 million of federal Accelerated Site Closure Program funding

### Asset Acquisition Summary

Purchase Price	\$93 million
Production	6,700 boe/d
Annual decline rate <sup>7</sup>	~12%
Land	~280,000 net acres (450 net sections)
Forecast 2021 average operating netback (strip) <sup>8</sup>	\$28.00/boe
Forecast future 12 month Net Operating Income <sup>9</sup>	\$65-70 million
Reserves <sup>10</sup>	
PDP Reserves	24.10 mmboe
Total Probable Producing Reserves	4.01 mmboe
Total Proved + Probable Producing Reserves	28.11 mmboe

### Acquisition Metrics

Future 12 Month Cash Flow Multiple <sup>11</sup>	1.4x
Estimated Production Cost (at April 1 2021) <sup>12</sup>	\$14,000/boe/d
Estimated PDP Reserves Cost <sup>13</sup>	\$3.86/boe

<sup>7</sup> Decline rate based on 2021 versus 2020 PDP reserves. See “Reader Advisory – Reserves Disclosure”, below.

<sup>8</sup> The estimated operating netback was derived using estimated go-forward royalties and operating costs utilizing May 5, 2021 strip pricing which averages US\$64.29/bbl; an MSW/WTI differential of US\$5.00/bbl; an AECO price of \$2.80/GJ; and a USD/CAD exchange rate of \$1.23 all for the forecasted 12-month period from the Effective Date of April 1, 2021. The operating cost and royalty utilized for the operating netback calculation is \$26.49/boe and \$7.53/boe (or 11.75% of oil and gas revenue), respectively. See “Reader Advisory – Non-IFRS Measures” for additional details.

<sup>9</sup> 12 month future Net operating income based on production acquired and an operating netback in respect of the Assets of \$28.13/boe. See Note (10), above, and “Reader Advisory – Non-IFRS Measures” for additional details.

<sup>10</sup> Independent reserve evaluation prepared by Ryder Scott in the Ryder Scott Report. Not including developed non-producing and undeveloped reserves which were not contained in the Ryder Scott evaluation. Working interest before royalty reserves, Ryder Scott price deck.

<sup>11</sup> Assuming blowdown case with future 12 month net operating income of \$65-70MM

<sup>12</sup> Calculated by dividing the Purchase Price by production of 6,700 boe/d.

<sup>13</sup> Calculated by dividing the Purchase Price by Total Proved Reserves (BOE) acquired.

## Saturn Pro Forma Future 12 months<sup>14</sup>

	Post-Acquisition
Capital Budget	\$5 million
Average Daily Production <sup>15</sup>	~7,500 boe/d
% Oil and NGL	~95%
Future 12 month Net Operating income	\$77-82 million

Pro-Forma numbers are based on pricing assumptions of: a WTI price of US\$64.29/bbl; an MSW/WTI differential of US\$5.00/bbl; an AECO price of \$2.80/GJ; and a USD/CAD exchange rate of \$1.23.

The Acquisition has an effective date of April 1, 2021 and is expected to close on or about May 31, 2021, subject to certain customary conditions and regulatory and other approvals.

## Acquisition Funding

### *Private Placements*

In connection with the Acquisition, Saturn intends to complete a Non-Brokered Private Placement of special warrants ("Special Warrants") by issuing an aggregate of 125,000,000 Special Warrants at a price of \$0.12 per Special Warrant for aggregate gross proceeds of \$15.0 million. Each Special Warrant will be convertible into one unit of Saturn (each, a "Unit") without payment of additional consideration and shall be deemed to have been converted on the earlier of (a) four months and one day from the date of issuance, and (b) five (5) days after receipt of a final receipt for a short form prospectus filed in compliance with applicable Canadian securities laws (the "Conversion Date").

Each Unit will be comprised of one Common Share and one Warrant of the Company, each Warrant entitling the holder thereof to purchase one Common Share (each a "Warrant Share") in the capital of the Company at an exercise price of \$0.16 per Warrant Share for 24 months from date of issuance of the Special Warrant.

In addition, the Company has engaged Echelon Wealth Partners Inc. to act as the lead agent and sole book runner to complete a concurrent \$6.0 million best-efforts agency Private Placement of 50,000,000 subscription receipts ("Subscription Receipts") at a price of \$0.12 per Subscription Receipt. Upon satisfaction of the escrow release conditions, being the closing the Acquisition, each Subscription Receipt will be automatically converted into one Special Warrant on the same terms as the Special Warrants above.

The Company has agreed to grant the Agents an option (the "Agents Option"), which will allow the Agents to offer such number of additional Subscription Receipts as is equal to up to 15% of the Subscription Receipts issued under the Brokered Private Placement, having the same terms as the Subscription Receipts. The Agents' Option may be exercised in whole or in part at any time up to two days prior to the closing of the Brokered Private Placement.

The Private Placements will take place by way of a private placement pursuant to applicable exemptions from the prospectus requirements in the offered jurisdictions, and in those jurisdictions where the Offering can lawfully be made, including the United States under private placement exemptions.

The Company will use commercially reasonable efforts to prepare and file a preliminary short form prospectus in the provinces where the Special Warrants are sold, qualifying the distribution of the Units and the Compensation Options (as defined below), within 30 days after Closing (as defined below). The Company has agreed to promptly resolve all comments received or deficiencies raised by the securities regulatory authorities and use its commercially reasonable efforts to file and obtain receipts for the final short form prospectus as soon as possible after such regulatory comments and deficiencies have been resolved.

In consideration for their services, certain advisors as well as the Agents and certain finders will receive

<sup>14</sup> Management prepared - Calculated by estimated capital cost of \$5,000/bbl in workover costs for reactivations/workovers

<sup>15</sup> Average production weighted 5% to conventional natural gas, 90% to crude oil and 5% to NGLs.

commissions as set forth below. The Agents will received a commission equal to 7% of the gross proceeds of the Brokered Private Placements and will issue such number of compensation special warrants (“Compensation Special Warrants”) equal to 7% of the number of Special Warrants sold in the Brokered Private Placement (subject to reduced commission of 3.0% cash and 3.0% Brokers Warrants payable on subscriptions sourced by the Company). On the Non-Brokered Private placement, certain finders will receive commissions of 6% cash and 6% Compensation Special Warrants. In connection with the Acquisition, certain advisors will also receive Compensation Special Warrants. Each Compensation Special Warrant will be exercisable into one (1) compensation option (a “Compensation Option”), for no additional consideration, at any time after the Closing, and each Compensation Special Warrant not previously exercised shall be deemed exercised on the later of (i) the day after a receipt is issued for a final prospectus qualifying the Units for distribution in qualifying jurisdictions and (ii) the date that is four months and one day following the Closing. Each Compensation Option shall entitle the holder thereof to purchase one Unit (on the same terms as the Units above) at an exercise price of \$0.12 at any time up to 24 months following the Closing.

The closing of the Private Placements (“Closing”) is expected to occur in one or more tranches on or before May 31, 2021 and is subject to certain conditions including, but not limited to, the receipt of all necessary approvals, including the approval of the TSX Venture Exchange (the “Exchange”). The Special Warrants will and, unless their distribution is qualified by a final prospectus, the Common Shares and Warrants comprising the Units, the Warrant Shares, Compensation Special Warrants, and the securities underlying the Compensation Special Warrants to be issued under the Private Placements will have a hold period of four months and one day from the Closing Date.

The proceeds of the Private Placements will be used to fund the cash deposit and the closing proceeds to the vendor pursuant to the terms of the Acquisition and for general corporate purposes. Certain management and directors of Saturn have committed to subscribing for \$560,000 of the Non-Brokered Private Placement.

On completion of the Private Placements, the Company expects to have 409,573,715 common shares (basic) outstanding

### ***Senior Secured Term Loan***

Saturn has executed a commitment letter in respect of the Senior Secured Term Loan with a reputable U.S.-based institutional lender (the “Lender”) for proceeds of \$82.0 million. The loan will bear interest at a rate of CDOR + 11.5% and will amortize over three years, with 50% repayable in the first year, 30% in the second year and 20% in the final year. Based on forecast production rates and hedged commodity prices, Saturn anticipates repaying the loan in full well in advance of its scheduled amortization payments. The commitment of the Lender is subject to the execution of mutually acceptable credit documentation giving effect to the terms provided in the commitment letter, and the satisfaction of the other customary conditions to closing, including the satisfaction of all conditions to the completion of the Acquisition.

Saturn’s existing reserve-based revolving note facility will be amended to be senior secured notes, extended to November 2024 and subordinated to the Senior Secured Term Loan, with interest payable 7.5% cash and 7.5% PIK. On the Closing Date, Saturn’s total debt position is estimated to be approximately \$108 million, representing approximately 1.4x pro forma net operating income and approximately 1.7x pro forma cash flow.

### ***Advisors***

Alvarez & Marsal Canada Securities ULC acted as exclusive financial advisor to Saturn with respect to the Senior Secured Term Loan and the Acquisition.

Dentons Canada LLP acted as Saturn’s legal counsel in connection with the Acquisition, the Private Placements and the Senior Secured Term Loan.

### **About Saturn Oil & Gas Inc.**

Saturn Oil & Gas Inc. (TSX.V: SOIL) (FSE: SMK) is a public energy company focused on the acquisition and development of undervalued, low-risk assets. Saturn is driven to build a strong portfolio of cash flowing assets with strategic land positions. De-risked assets and calculated execution will allow Saturn to achieve growth in reserves and production through retained earnings. Saturn's portfolio will become its key to growth and provide long-term stability to shareholders.

**Investor & Media Contact:**

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Neither 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.

**Reader Advisory**

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 of 1933, as amended (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.

**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 (6 Mcf/bbl) 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.

**Reserves Disclosure**

All reserves information in this press release was prepared by Ryder Scott, effective April 1, 2021, using the Ryder Scott March 31, 2021 forecast prices and costs 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"). All reserve references in this press release are "Company gross reserves". Company gross reserves are the Company's total working interest reserves before the deduction of any royalties payable by the Company and before the consideration of the 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 the Oxbow Assets and Saturn's crude oil, NGLs and natural gas reserves provided herein are estimates only and there is no guarantee that the estimated reserves will be recovered. Actual crude oil, natural gas and NGLs reserves may be greater than or less than the estimates provided herein.

**Non-IFRS Measures**

This news release contains metrics commonly used in the oil and natural gas industry, such as "operating netbacks", "Cash Flow", "Net Debt", and "Net Operating Income". These terms are not defined in IFRS and do not have standardized meanings or standardized methods of calculation and therefore may not be comparable to similar measures presented by other companies, and therefore should not be used to make such comparisons.

**Operating Netback:** equals petroleum sales (before realized hedging gains or losses on derivative instruments) less royalties and operating costs calculated on a boe basis.

**Net Debt:** defined as outstanding long-term debt and net working capital.

**Net Operating Income:** equals petroleum sales (before realized hedging gains or losses on derivative instruments) less royalties and operating costs

**Future Oriented Financial Information**

Any financial outlook or future oriented financial information in this press release, as defined by applicable securities legislation, including future (but not limited to) operating and fixed costs (and reductions thereto), debt levels, net operating income, has been approved by management of Saturn. Readers are cautioned that any such future-oriented financial information contained herein should not be used for purposes other than those for which it is disclosed herein. The Company 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, the Company's expected course of action. However, because this information is highly subjective, it should not be relied on as necessarily indicative of future activities or results.

### **Forward-Looking Information and Statements**

Certain information included in this press release constitutes forward-looking information under applicable securities legislation. Forward-looking information typically contains statements with words such as "anticipate", "believe", "expect", "plan", "intend", "estimate", "propose", "project", "will" or similar words suggesting future outcomes or statements regarding an outlook. Forward-looking information in this press release may include, but is not limited to, statements concerning: timing of the Acquisition; satisfaction or waiver of the closing conditions in the acquisition agreement; receipt of required legal and regulatory approvals for the completion of the Acquisition (including approval of the TSXV and Competition Act (*Canada*) approval); funding and payment of the purchase price in respect of the Acquisition; estimated assumed liabilities associated with the Oxbow Assets; expected production and cash flow related to the Oxbow Assets; the anticipated closing date of the Private Placement; the closing of the Private Placements, the Senior Secured Term Loan and the terms thereof; the use of proceeds from the Private Placements and the Senior Secured Term Loan; reserve estimates; future production levels; decline rates; future operational and technical synergies resulting from the Acquisition; management's ability to replicate past performance in the Oxbow Asset fairway; future negotiation of contracts; the ability of the Company to optimize production from the Oxbow Assets on the timeline provided herein; future consolidation opportunities and acquisition targets; the business plan, cost model and strategy of the Company; future cash flows; and future commodities prices.

The forward-looking statements contained in this press release are based on certain key expectations and assumptions made by Saturn, including expectations and assumptions concerning the receipt of all approvals and satisfaction of all conditions to the completion of the Acquisition, Private Placement, and Senior Secured Term Loan, 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 Saturn's properties, the characteristics of the Oxbow Assets, the successful integration of the Oxbow's Assets into Saturn 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 Saturn believes that the expectations and assumptions on which the forward-looking statements are based are reasonable, undue reliance should not be placed on the forward-looking statements because Saturn can give no assurance that they will prove to be correct. Since forward-looking statements address future events and conditions, by their very nature they involve inherent risks and uncertainties. Actual results could differ materially from those currently anticipated due to a number of factors and risks. These include, but are not limited to, risks associated with the oil and gas industry in general (e.g., operational risks in development, exploration and production; the uncertainty of reserve estimates; the uncertainty of estimates and projections relating to production, costs and expenses, and health, safety and environmental risks), constraint in the availability of services, commodity price and exchange rate fluctuations, the current COVID-19 pandemic, actions of OPEC and OPEC+ members, changes in legislation impacting the oil and gas industry, adverse weather or break-up conditions and uncertainties resulting from potential delays or changes in plans with respect to exploration or development projects or capital expenditures. These and other risks are set out in more detail in Saturn's Annual Information Form for the year ended December 31, 2020.

Forward-looking information is based on a number of factors and assumptions which have been used to develop such information but which may prove to be incorrect. Although Saturn believes that the expectations reflected in its forward-looking information are reasonable, undue reliance should not be placed on forward-looking information because Saturn can give no assurance that such expectations will prove to be correct. In addition to other factors and assumptions which may be identified in this press release, assumptions have been made regarding and are implicit in, among other things, the timely receipt of any required regulatory approvals and the satisfaction of all conditions to the completion of the Acquisition, Private Placement, and Senior Secured Term Loan. Readers are cautioned that the foregoing list is not exhaustive of all factors and assumptions which have been used.

The forward-looking information contained in this press release is made as of the date hereof and Saturn undertakes no obligation to update publicly or revise any forward-looking information, whether as a result of new information, future events or otherwise, unless required by applicable securities laws. The forward-looking information contained in this press release is expressly qualified by this cautionary statement.

**The Acquisition is considered a "Fundamental Acquisition" under the policies of the TSXV and as such the Acquisition is subject to TSXV approval.** 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.

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