



## Saturn Oil & Gas Inc. Announces Intention to Commence Inaugural Substantial Issuer Bid, Continuing Capital Return Strategy and Further Enhancing Per Share Metrics

- *Saturn to offer \$2.15 per common share through a fixed price tender, representing an approximate premium of 20% over the current share price on the TSX*
- *\$15 million to be returned to shareholders assuming full participation, bringing total share repurchases by Saturn to approximately \$34 million since Aug/24, equivalent to approximately 10% of current market capitalization*

CALGARY, ALBERTA – June 5, 2025 – Saturn Oil & Gas Inc. (TSX: SOIL) (OTCQX: OILSF) ("**Saturn**" or the "**Company**"), a light oil-weighted producer focused on unlocking value through the development of our assets in Saskatchewan and Alberta, is pleased to announce our intention to commence a substantial issuer bid (the "**Offer**") pursuant to which the Company will offer to purchase from holders ("**Shareholders**") of common shares ("**Shares**") of the Company up to 7,000,000 Shares for cancellation at a purchase price of \$2.15 per Share (the "**Purchase Price**"), for an aggregate purchase price not exceeding \$15,050,000.

"We believe the commencement of this inaugural substantial issuer bid, representing an approximate 20% premium to our current trading value, demonstrates Saturn's commitment to advancing opportunities that offer high potential returns in the current market environment, ultimately driving value for shareholders," said John Jeffrey, Chief Executive Officer of Saturn. "The combined impact of operating cost savings, our Q1 2025 production outperformance, efficient capital program, and contribution from our robust hedge book is expected to result in over \$30 million of incremental funds, (more than double the Offer), which affords us the ability to make the Offer and maintain ongoing financial flexibility. Going forward, if the disconnect between Saturn's trading price and the intrinsic value of the Shares persists, and our financial position is supportive, we may consider further repurchases of the Shares as an efficient allocation of resources and a strategy to enhance shareholder value."

The Offer is expected to commence on June 11, 2025, and remain open for acceptance until 5:00 pm (Eastern Time) on July 16, 2025, unless extended, varied, or withdrawn by the Company (the "**Expiration Date**"). Pursuant to the Offer, tendering Shareholders will have the right to elect to tender a specified number of Shares. On June 4, 2025, the last full trading day prior to the date of announcement of the Company's intention to make the Offer, the closing price of the Shares on the TSX was \$1.82 per Share. As noted, Saturn anticipates funding for the Share repurchases from available cash on hand, supported by the cost savings and outperformance noted above.

### **Purpose of the Offer**

As part of Saturn's ongoing efforts to maximize value for Shareholders, the Company has identified the Offer as an attractive and efficient means to continue returning capital to Shareholders, supplementing the impact of our active normal course issuer bid ("**NCIB**"). Assuming full and pro-rata shareholder participation in the Offer, the Company will have returned over \$34 million of capital to our Shareholders since August of 2024, including approximately \$19 million of share repurchases through the NCIB and \$15 million of share repurchases through the Offer. In addition, Saturn has also repaid approximately \$91 million of debt in the past nine months through the quarterly principal repayments, along with open market purchases that were done at a discount, of our outstanding 9.625% senior notes due 2029 (the "**Senior Notes**").

The Board intends to continue considering future capital return initiatives in 2025 and beyond, with the ultimate goal of enhancing Saturn's equity value. These initiatives may include, but not be limited to, potential additional share buybacks, Senior Notes buybacks or other initiatives, all of which would depend on the overall results of the business, cash flow generation and the Company's strategic goals.

## Details of the Offer

Details of the Offer, including instructions for tendering Shares to the Offer and the factors considered by the Board of Directors in making its decision to approve the Offer, will be included in the formal offer to purchase and issuer bid circular and other related documents (the “**Offer Documents**”), which are expected to be mailed to Shareholders, filed with applicable Canadian Securities Administrators and made available free of charge on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca) on or about June 11, 2025. In light of a potential Canada Post workers' strike and the potential resulting disruption of mail services, the Company may be unable to mail the Offer Documents to beneficial (non-registered) holders. However, upon resumption of normal mail service following any disruption, the Company intends to arrange for the mailing of the Offer Documents to the beneficial holders.

Shareholders can retrieve the Offer Documents on [www.sedarplus.ca](http://www.sedarplus.ca) or on the Company's website at [www.saturnoil.com](http://www.saturnoil.com). Copies of the Offer Documents may also be obtained without charge by emailing [info@saturnoil.com](mailto:info@saturnoil.com).

The Purchase Price represents an approximate premium of 20% over the current trading price. As of the date hereof, there were 195,064,747 Shares issued and outstanding, and the number of Shares subject to the Offer represents approximately 4% of the total number of Shares issued and outstanding. All Shareholders of the Company may tender Shares pursuant to the Offer, subject to the terms set forth in the Offer Documents.

Each Shareholder who has properly deposited Shares and who has not withdrawn such Shares will receive the Purchase Price, payable in cash (subject to applicable withholding taxes, if any), for all Shares taken up by the Company upon the terms and subject to the conditions of the Offer.

Pursuant to the terms and subject to the conditions of the Offer, Shareholders wishing to tender to the Offer may do so by making an election to tender a specified number of Shares (representing, in the Shareholders' discretion, all or a portion of the Shareholders' Shares) at the Purchase Price. If more than 7,000,000 Shares are tendered for purchase, the Company will purchase the Shares on a pro-rata basis after giving effect to "odd lot" tenders (Shares tendered by Shareholders beneficially owning fewer than 100 Shares), which will not be subject to proration. In that case, Shares that are tendered but not purchased, will be returned to Shareholders.

GMT Capital Corp. (“**GMT**”) (the “**Principal Shareholder**”) is the beneficial owner of, or exercises control or direction over, 59,433,483 Shares, which in the aggregate represents approximately 30% of all issued and outstanding Shares. GMT has advised the Company that their current intention is not to deposit Shares pursuant to the Offer, however, their decision to participate in the Offer is subject to market conditions and other factors. GMT reserves the right without notice and for any or no reason, to change its investment decision at any time prior to the Expiration Date. Saturn's Board and management team will not participate in the Offer.

In connection with the Offer, Saturn has suspended Share repurchases under our NCIB effective June 5, 2025, and therefore the Company shall not repurchase any Saturn Shares under the NCIB during the term of the Offer.

## Additional Information

The Offer is optional for all Shareholders, who are free to choose whether to participate, and if they participate how many Shares to tender. Any Shareholders who do not deposit their Shares (or whose Shares are not purchased under the Offer) will realize a proportionate increase in their equity interest in the Company, to the extent that Shares are purchased under the Offer. The Offer is not conditional upon any minimum number of Shares being tendered. However, the Offer will be subject to other conditions described in the Offer Documents. Saturn reserves the right, subject to applicable laws, to withdraw, extend or amend the Offer, if certain events occur at any time prior to the payment for the tendered Shares.

The Board of Directors of the Company has obtained a liquidity opinion from National Bank Financial (“**NBF**”) to the effect that, based on and subject to the qualifications, assumptions and limitations stated in such opinion, as of June 4, 2025, (i) a liquid market for the Shares exists, and (ii) that it is reasonable to conclude that, following the

completion of the Offer in accordance with its terms, there will be a market for the holders of Shares who do not tender to the Offer that is not materially less liquid than the market that existed at the time of the making of the Offer. Reference should be made to the complete version of the opinion of NBF, which will be included in the Offer Documents. Saturn has also engaged Odyssey Trust Company (the “**Depository**”) to act as depository for the Offer. Shareholders who have questions regarding the Offer or require any assistance tendering Shares may contact Odyssey Trust by telephone at 1-587-885-0960 (North America), or by e-mail at [corp.actions@odysseytrust.com](mailto:corp.actions@odysseytrust.com).

The Board of Directors of the Company has approved the Offer. However, neither Saturn, our Board of Directors, NBF or the Depository makes any recommendation to any Shareholder as to whether to deposit or refrain from depositing Shares under the Offer. Shareholders are urged to evaluate carefully all information in the Offer, consult their own financial, legal, investment and tax advisors, and make their own decisions as to whether to deposit Shares under the Offer, and, if so, how many Shares to deposit.

The Offer referred to in this news release has not yet commenced. This news release is for informational purposes only and does not constitute an offer to buy or the solicitation of an offer to sell Shares. The solicitation and the offer to buy Shares will only be made pursuant to the Offer Documents to be filed with the applicable Canadian securities regulatory authorities. The Offer will not be made to, nor will tenders be accepted from or on behalf of, holders of Shares in any jurisdiction in which the making or acceptance of offers to sell Shares would not be in compliance with the laws of that jurisdiction.

## ABOUT SATURN

Saturn is a returns-driven Canadian energy company focused on the efficient and innovative development of high-quality, light oil weighted assets, supported by an acquisition strategy targeting accretive and complementary opportunities. The Company’s portfolio of free-cash flowing, low-decline operated assets in Saskatchewan and Alberta provide a deep inventory of long-term economic drilling opportunities across multiple zones. With an unwavering commitment to building an entrepreneurial and ESG-focused culture, Saturn’s goal is to increase per share reserves, production and cash flow at an attractive return on invested capital. The Company’s shares are listed for trading on the TSX under ticker ‘SOIL’ and on the OTCQX under the ticker ‘OILSF’. Further information and our corporate presentation are available on Saturn’s website at [www.saturnoil.com](http://www.saturnoil.com).

## INVESTOR & MEDIA CONTACTS

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## READER ADVISORIES

### 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", "scheduled", "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: the number of Shares to be acquired and the amount of capital returned to Shareholders under the Offer; expectations regarding capital sources and allocations, hedging strategy terms and timing, capital return strategy and plans; the desire or ability to initiate subsequent offers; the business plan; the Company’s near and medium term strategic plans; the overall results of the Company’s business and cash flow generation; expectations relating to the impact of government policy on the Company’s finances; the Company’s ability to maintain or reduce operating costs; commodity and foreign exchange pricing; value creation strategy and cost model of the Company; the timing for commencing and closing the Offer.

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 timing of and success of future drilling, the ability to successfully replicate certain strategies across the Company's operations; the successful completion of the Offer, the impact of our hedging strategy, and the availability and sources of capital.

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 plans and results could differ materially from those currently anticipated due to a number of factors and risks, including the risks set out under "Risk Factors" in Saturn's Management Discussion and Analysis for the three and twelve months ended December 31, 2024, and Annual Information Form for the year ended December 31, 2024, available on SEDAR+ at [sedarplus.ca](http://sedarplus.ca).

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, our capital expenditure and drilling programs, drilling inventory and booked locations, production and revenue guidance, debt repayment plans and future production and growth plans. 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.

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