SATURN OIL + GAS INC.

Saturn Oil & Gas Inc. Announces Preliminary Second Quarter 2026 Highlights

CALGARY, ALBERTA – July 20, 2026 – 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 assets in Saskatchewan and Alberta, is pleased to announce certain preliminary financial and operating highlights for the three and six months ended June 30, 2026 ("**Q2 2026**") based on information currently available to Management.

The Company anticipates the full financial results for the three and six months ended June 30, 2026 will be issued and filed on SEDAR+ after market close on July 29, 2026. A conference call and webcast to discuss the full results has been scheduled for Thursday, July 30, 2026 at 8:00 am Mountain Time (10:00 am Eastern Time). Access details for the conference call and webcast are provided below.

All figures reported below with respect to the second quarter of 2026 are preliminary, have not been audited, compiled or reviewed by the Company's auditors, nor have the Company's auditors performed any procedures with respect to this information. These figures are subject to change and adjustment as Saturn's Q2 2026 financial results are finalized. These estimated results have been prepared by management in good faith on a basis consistent with prior periods based on information available to management as of the date hereof, however, management has not completed its financial closing procedures for Q2 2026, and actual results could be materially different from these preliminary results. Accordingly, investors are cautioned not to place undue reliance on the following figures and should not draw any inferences from this information regarding operating or financial data not provided. These preliminary results should not be viewed as a substitute for full financial statements prepared in accordance with IFRS (as defined below), and are not necessarily indicative of the results to be expected for any future period as a result of various factors. The Company does not intend to continue providing preliminary results in the future. The preliminary results provided in this news release constitute forward-looking statements within the meaning of applicable securities laws, are based on a number of assumptions and are subject to a number of risks and uncertainties. Actual results may differ materially from those contained herein. Please see the section below titled "Advisory on Forward-Looking Statements."

SELECT PRELIMINARY Q2 2026 RESULTS

- **Production averaged 41,447 boe/d**(2) (81% oil and liquids) in Q2, contributing to first half 2026 volumes averaging 42,277 boe/d(2).
- **Petroleum and natural gas revenue totaled $359 million** in Q2, driven by an average realized price per boe of **$95.11** that contributed to a Q2/26 operating netback, net of derivatives(1), of **$39.05 per boe**.
- **Adjusted Funds Flow ("AFF")(1) totaled approximately $122 million** in Q2, while adjusted EBITDA(1) was **approximately $142 million**.
- **Capital expenditures**(1)(4) **totaled $40 million,** including capitalized G&A.
- **Free funds flow(1) totaled $82 million** in the quarter.

Q2 2026 CONFERENCE CALL AND WEBCAST

Subsequent to the issuance of our full Q2 2026 results, expected after market close on July 29, the Company plans to host a conference call on Thursday, July 30 2026, at 8:00 am Mountain Time (10:00 am Eastern Time), which will include a discussion with Saturn's leadership team regarding the full Q2 2026 results, followed by a question-and-answer session with attendees.

- Date: Thursday, July 30 2026
- Time: 8:00 am MT (10:00 am ET)
- Live Webcast Link: https://www.gowebcasting.com/14721
- North America (Toll Free) Dial In: 1-800-715-9871
- International Dial In: 1-647-932-3411

An audio replay of the webcast will be available one hour after the end of the call at the link above and will remain accessible for 12 months. The replay link will also be posted on Saturn's website.

NOTES

(1) See reader advisory: *Non-GAAP and Other Financial Measures*.
(2) See reader advisory: *Supplemental Information Regarding Product Types*.
(3) Includes capitalized G&A.

ABOUT SATURN

Saturn is a returns-driven Canadian energy company focused on the efficient, responsible 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 safety-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.

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READER ADVISORIES

Non-GAAP and Other Financial Measures

Throughout this news release and in other materials disclosed by the Company, Saturn employs certain measures to analyze financial performance, financial position and cash flow. These non-GAAP and other financial measures do not have any standardized meaning prescribed under IFRS Accounting Standards, as issued by the International Accounting Standards Board ("**IFRS**") and therefore may not be comparable to similar measures presented by other entities. The non-GAAP and other financial measures should not be considered to be more meaningful than GAAP measures which are determined in accordance with IFRS, such as net income (loss), cash flow from operating activities, and cash flow used in investing activities, as indicators of Saturn's performance.

The disclosure under the section "Non-GAAP and Other Financial Measures" in our MD&A for the year ended December 31, 2025 and three months ended March 31, 2026, including non-GAAP financial measures and ratios, capital management measures and supplementary financial measures in the Company's Financial Statements and MD&A are incorporated by reference into this news release.

This news release may use the terms “Adjusted EBITDA”, “Adjusted Funds Flow”, and “Free Funds Flow”, which are capital management financial measures. See the disclosure under “Capital Management” in our Financial Statements for the three months ended March 31, 2026, for an explanation and composition of these measures, how these measures provide useful information to an investor, and the additional purposes, if any, for which management uses these measures, and, where applicable, a reconciliation of the Company’s historical non-GAAP financial measures to the most directly comparable measure calculated in accordance with GAAP for the applicable period then ended.

Capital Expenditures

Saturn uses capital expenditures to monitor our capital investments relative to those budgeted by the Company on an annual basis. Saturn’s capital budget excludes acquisition and disposition (“**A&D**”) activities as well as the accounting impact of any accrual changes or payments under certain lease arrangements. The most directly comparable GAAP measure for capital expenditures is cash flow used in investing activities. The following table reconciles capital expenditures to the nearest GAAP measure, cash flow used in investing activities.

	Three months ended
($000s)	**June 30, 2026**
Cash flow used in investing activities	**31,208**
Change in non-cash working capital	**8,872**
Capital expenditures	**40,080**

Free Funds Flow and Free Funds Flow per Share

Saturn uses free funds flow as an indicator of the efficiency and liquidity of our business, measuring our funds after capital investment available to manage debt levels, pursue acquisitions and gauge optionality to pay dividends and/or return capital to shareholders through activities such as share repurchases. Saturn calculates free funds flow as adjusted funds flow in the period less capital expenditures. By removing the impact of current period capital expenditures from adjusted funds flow, management monitors the Company’s free funds flow to inform our capital allocation decisions. Free funds flow is also presented on a per share basis as a non-GAAP financial ratio. The following table reconciles adjusted funds flow to free funds flow.

	Three months ended
($000s)	**June 30, 2026**
Adjusted funds flow	**122,334**
Capital expenditures	**(40,080)**
Free funds flow	**82,254**

Gross Petroleum and Natural Gas Sales

Gross petroleum and natural gas sales is calculated by adding oil, natural gas and NGLs revenue, before deducting certain gas processing expenses in arriving at petroleum and natural gas revenue as required under IFRS 15. These processing expenses associated with the processing of natural gas and NGLs revenue are a result of the Company transferring custody of the product at the terminal inlet and, therefore, receiving net prices. This metric is used by management to quantify and analyze the realized price received before required processing deductions, against benchmark prices. The calculation of the Company’s gross petroleum and natural gas sales is shown within the petroleum and natural gas sales section of the MD&A.

Operating Netback and Operating Netback, Net of Derivatives

The Company’s operating netback is determined by deducting royalties, net operating expenses and transportation expenses from petroleum and natural gas sales. The Company’s operating netback, net of derivatives, is calculated by adding or deducting realized financial derivative commodity contract gains or losses from the operating netback.

Derivative contract termination payments are included in realized derivative commodity contract gains or losses for the purposes of calculating the operating netback. The Company's operating netback and operating netback, net of derivatives are used in operational and capital allocation decisions. Presenting operating netback and operating netback, net of derivatives on a per boe basis is a non-GAAP financial ratio and allows management to better analyze performance against prior periods on a per unit of production basis. The calculation of the Company's operating netbacks and operating netback, net of derivatives are summarized as follows:

	Three months ended
($000s)	**June 30, 2026**
Petroleum and natural gas sales	**358,714**
Royalties	**(46,191)**
Net operating expenses	**(79,075)**
Transportation expenses	**(6,582)**
Operating netback	**226,866**
Realized gain (loss) on derivatives	**(79,542)**
Operating netback, net of derivatives	**147,324**
($ per boe amounts)	
Petroleum and natural gas sales	**95.11**
Royalties	**(12.25)**
Net operating expenses	**(20.97)**
Transportation expenses	**(1.75)**
Operating netback	**60.14**
Realized gain (loss) on derivatives	**(21.09)**
Operating netback, net of derivatives	**39.05**

Capital Management Measures

National Instrument 52-112 *Non-GAAP and Other Financial Measures Disclosure* ("**NI 52-112**") defines a capital management measure as a financial measure that: (i) is intended to enable an individual to evaluate an entity's objectives, policies and processes for managing the entity's capital; (ii) is not a component of a line item disclosed in the primary financial statements of the entity; (iii) is disclosed in the notes to the financial statements of the entity; and (iv) is not disclosed in the primary financial statements of the entity. Please refer to note 16 "Capital Management" in Saturn's Financial Statements as at and for the year ended December 31, 2025, for additional disclosure on: adjusted funds flow and free funds flow, which are capital management measures used by the Company in this news release.

Supplementary Financial Measures

NI 52-112 defines a supplementary financial measure as a financial measure that: (i) is, or is intended to be, disclosed on a periodic basis to depict the historical or expected future financial performance, financial position or cash flow of an entity; (ii) is not disclosed in the financial statements of the entity; (iii) is not a non-GAAP financial measure; and (iv) is not a non-GAAP ratio. The supplementary financial measures used in this news release are either a per unit disclosure of a corresponding GAAP measure, or a component of a corresponding GAAP measure, presented in the financial statements. Supplementary financial measures that are disclosed on a per unit basis are calculated by dividing the aggregate GAAP measure (or component thereof) by the applicable unit for the period. Supplementary financial measures that are disclosed on a component basis of a corresponding GAAP measure are a granular representation of a financial statement line item and are determined in accordance with GAAP.

Supplemental Information Regarding Product Types

The Company's aggregate average production for Q2 2026 and the second half of 2026 and the references to "crude oil", "NGLs", and "natural gas" reported in this news release consist of the following product types, as defined in NI 51-101 and using a conversion ratio of 1 Bbl : 6 Mcf where applicable:

	2026 Q2	2026 First Half
Average daily production		
Light & medium crude oil (bbls/d)	**26,614**	**27,130**
Heavy crude oil (bbls/d)	**3,244**	**3,218**
NGLs (bbls/d)	**3,858**	**3,898**
Conventional natural gas (mcf/d)	**46,385**	**48,185**
Total (boe/d)	**41,447**	**42,277**

References to gas or natural gas and NGLs in this press release refer to conventional natural gas and natural gas liquids product types, respectively, as defined in National Instrument 51-101, *Standards of Disclosure for Oil and Gas Activities*, except where specifically noted otherwise.

Boe Presentation

Boe means barrel of oil equivalent. All boe conversions in this press release are derived by converting gas to oil at the ratio of six thousand cubic feet ("**Mcf**") of natural gas to one barrel ("**Bbl**") of oil. Boe may be misleading, particularly if used in isolation. A boe conversion rate of 1 Bbl : 6 Mcf is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead. Given that the value ratio of oil compared to natural gas based on currently prevailing prices is significantly different than the energy equivalency ratio of 1 Bbl: 6 Mcf, utilizing a conversion ratio of 1 Bbl : 6 Mcf may be misleading as an indication of value.

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.

In particular, forward-looking statements contained in this press release include, but are not limited to: the Company's expectation on the financial results for the three and six-months ended June 30, 2026 including expected revenue, AFF, adjusted EBITDA, operating netback net of derivatives, capital expenditures and free funds flow; and the anticipated timing of when Saturn will release our Q2 quarterly financial and operating results and hold our quarterly conference call.

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, commodity prices, development and completion activities, the performance of existing wells, the performance of new wells, the availability and performance of facilities and pipelines, the ability to allocate capital to pay down debt and grow or maintain production, the impact of our hedging strategy, the geological characteristics of Saturn's properties, the application of regulatory and licensing requirements, the availability of capital, labour and services, the creditworthiness of industry partners and the ability to integrate 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), constraints in the availability of services, commodity price and exchange rate fluctuations, actions of OPEC and OPEC+ members, conflicts in Iran and elsewhere; 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, 2025, available on SEDAR+ at 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 our 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, production and revenue guidance, ESG initiatives, debt repayment plans and future 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 in this news release reflects the Company's current expectations, assumptions and/or beliefs based on information currently available to the Company. 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, except as may be 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.