SATURN OIL & GAS INC.
CONDENSED CONSOLIDATED INTERIM BALANCE SHEETS
(unaudited)

As at ($000s)	**September 30, 2026**	December 31, 2025
ASSETS		
Cash	**80,107**	-
Accounts receivable	**150,130**	99,501
Deposits and prepaid expenses	**39,424**	30,400
Financial derivatives (note 14)	**7,349**	25,432
Total current assets	**277,010**	155,333
Property, plant and equipment (note 4)	**2,233,777**	1,968,319
Right-of-use assets (note 5)	**66,478**	66,686
Financial derivatives (note 14)	**3,846**	487
Total assets	**2,581,111**	2,190,825
LIABILITIES		
Accounts payable	**269,693**	132,867
Debt (note 8)	**50,040**	85,927
Lease liabilities (note 6)	**7,930**	8,958
Decommissioning obligations (note 7)	**3,543**	18,434
Financial derivatives (note 14)	**79,902**	1,635
Total current liabilities	**411,108**	247,821
Debt (note 8)	**950,770**	672,583
Lease liabilities (note 6)	**60,898**	59,704
Decommissioning obligations (note 7)	**236,310**	184,481
Deferred tax liability	**67,927**	79,645
Financial derivatives (note 14)	**762**	-
Total liabilities	**1,727,775**	1,244,234
SHAREHOLDERS' EQUITY		
Share capital (note 9)	**358,975**	392,176
Contributed surplus (note 9)	**47,950**	70,500
Retained earnings	**446,411**	483,915
Total shareholders' equity	**853,336**	946,591
Total liabilities and shareholders' equity	**2,581,111**	2,190,825

Commitments (note 15)

Subsequent events (notes 9, 14, and 16)

See accompanying notes to the condensed consolidated interim financial statements

SATURN OIL & GAS INC.

CONDENSED CONSOLIDATED INTERIM STATEMENTS OF NET INCOME (LOSS) AND COMPREHENSIVE INCOME (LOSS)

(unaudited)

	Three months ended September 30,		Nine months ended September 30,	
($000s, except per share amounts)	**2026**	2025	**2026**	2025
REVENUE				
Petroleum and natural gas sales (note 10)	**349,724**	235,344	**978,675**	750,137
Processing income (note 10)	**3,524**	4,789	**12,819**	12,166
Royalties	**(44,568)**	(29,134)	**(120,854)**	(91,266)
	308,680	210,999	**870,640**	671,037
Realized gain (loss) on derivatives (note 14)	**(44,762)**	825	**(145,472)**	(9,847)
Unrealized gain (loss) on derivatives (note 14)	**(68,485)**	(6,333)	**(98,982)**	59,437
	195,433	205,491	**626,186**	720,627
EXPENSES				
Operating	**87,346**	77,620	**255,283**	225,664
Transportation	**3,415**	5,639	**16,716**	17,561
General and administrative	**3,796**	5,625	**17,687**	16,834
Depletion, depreciation and amortization (notes 4,5)	**79,257**	73,710	**228,532**	220,448
Share based payments (note 9)	**2,347**	2,252	**7,349**	7,452
Financing (note 11)	**37,158**	27,984	**90,167**	83,948
Foreign exchange (gain) loss	**(215)**	8,715	**18,377**	(20,998)
Gain on disposition (note 3)	**-**	-	**(166)**	-
Transaction costs	**3,007**	-	**3,007**	-
Loss (gain) on debt extinguishment (note 8)	**47,607**	-	**47,607**	(2,802)
	263,718	201,545	**684,559**	548,107
Net income (loss) before taxes	**(68,285)**	3,946	**(58,373)**	172,520
Current tax recovery	**-**	-	**(240)**	(252)
Deferred tax expense (recovery)	**(19,989)**	480	**(20,629)**	36,433
Net income (loss) and comprehensive income (loss)	**(48,296)**	3,466	**(37,504)**	136,339
Net income (loss) per share (note 9)				
Basic	**(0.27)**	0.02	**(0.21)**	0.70
Diluted	**(0.27)**	0.02	**(0.21)**	0.66

See accompanying notes to the condensed consolidated interim financial statements

SATURN OIL & GAS INC.

CONDENSED CONSOLIDATED INTERIM STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

(unaudited)

($000s)	Number of Shares	Share Capital	Contributed Surplus	Warrants	Retained earnings	Total
Balance, December 31, 2024	199,555	426,146	54,280	7,200	316,346	803,972
Share based payments	-	-	9,720	-	-	9,720
Tax adjustment on share based payments	-	-	110	-	-	110
NCIB and SIB share repurchases	(9,660)	(21,383)	-	-	-	(21,383)
Treasury shares, net of tax	125	428	(4,672)	-	-	(4,244)
Warrant expiry	-	-	7,200	(7,200)	-	-
Net income for the period	-	-	-	-	136,339	136,339
Balance, September 30, 2025	**190,020**	**405,191**	**66,638**	**-**	**452,685**	**924,514**
Balance, December 31, 2025	184,084	392,176	70,500	-	483,915	946,591
Share based payments	-	-	10,244	-	-	10,244
Share based awards, net of tax	-	693	(28,034)	-	-	(27,341)
Tax adjustment on share based payments	-	-	8,240	-	-	8,240
NCIB share repurchases	(6,531)	(30,830)	-	-	-	(30,830)
Treasury shares, net of tax	470	(3,064)	(13,000)	-	-	(16,064)
Net loss for the period	-	-	-	-	(37,504)	(37,504)
Balance, September 30, 2026	**178,023**	**358,975**	**47,950**	**-**	**446,411**	**853,336**

See accompanying notes to the condensed consolidated interim financial statements

SATURN OIL & GAS INC.
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF CASH FLOWS
(unaudited)

	Three months ended September 30,		Nine months ended September 30,	
($000s)	**2026**	2025	**2026**	2025
OPERATING ACTIVITIES				
Net income (loss) for the period	**(48,296)**	3,466	**(37,504)**	136,339
Items not affecting cash:				
Depletion, depreciation and amortization (notes 4,5)	**79,257**	73,710	**228,532**	220,448
Share based payments (note 9)	**2,347**	2,252	**7,349**	7,452
Deferred income tax expense (recovery)	**(19,989)**	480	**(20,629)**	36,433
Unrealized (gain) loss on commodity derivatives (note 14)	**68,485**	6,333	**98,982**	(59,437)
Unrealized (gain) loss on foreign exchange (notes 8,14)	**(15,259)**	8,982	**4,615**	(17,551)
Gain on lease disposal	**-**	-	**(1,018)**	-
Gain on disposition (note 3)	**-**	-	**(166)**	-
Loss (gain) on debt extinguishment (note 8)	**47,607**	-	**47,607**	(2,802)
Non-cash financing expenses (note 11)	**16,306**	7,695	**31,347**	20,797
Realized foreign exchange loss on repayment of Senior Notes (note 8)	**16,422**	364	**17,602**	1,578
Decommissioning expenditures (note 7)	**(7,296)**	(5,379)	**(15,180)**	(10,157)
Change in non-cash working capital (note 12)	**16,386**	28,194	**34,634**	48,234
Cash from operating activities	**155,970**	126,097	**396,171**	381,334
FINANCING ACTIVITIES				
Proceeds from Unsecured Notes (note 8)	**990,805**	-	**990,805**	-
Repayment of Credit Facility (note 8)	**(40,436)**	-	**(34,532)**	-
Debt issue costs (note 8)	**(13)**	(72)	**(32)**	(219)
Repayment of Senior Notes (note 8)	**(706,711)**	(22,632)	**(752,424)**	(87,846)
Early retirement fees (note 8)	**(32,361)**	-	**(32,361)**	-
Debt transaction fees (note 8)	**(15,246)**	-	**(15,246)**	-
Stock option exercises (note 9)	**-**	-	**666**	-
Repurchase of common shares (note 9)	**(10,343)**	(11,989)	**(30,830)**	(21,136)
Share based awards, net of tax	**(2,682)**	-	**(22,521)**	-
Purchase of treasury shares, net of tax	**-**	-	**(21,550)**	(4,244)
Lease payments (note 6)	**(3,761)**	(4,041)	**(11,596)**	(12,116)
Share issue costs (note 9)	**-**	(247)	**-**	(247)
Change in non-cash working capital (note 12)	**1,106**	(280)	**1,049**	(401)
Cash from (used in) financing activities	**180,358**	(39,261)	**71,428**	(126,209)
INVESTING ACTIVITIES				
Acquisitions, net of cash acquired (note 3)	**(176,594)**	(65,212)	**(220,546)**	(70,344)
Proceeds from dispositions (note 3)	**-**	-	**3,503**	-
Capital expenditures (note 4)	**(127,957)**	(87,339)	**(212,788)**	(176,476)
Change in non-cash working capital (note 12)	**48,330**	50,524	**42,339**	(22,661)
Cash used in investing activities	**(256,221)**	(102,027)	**(387,492)**	(269,481)
Change in cash, during the period	**80,107**	(15,191)	**80,107**	(14,356)
Cash, beginning of period	**-**	49,253	**-**	48,418
Cash, end of period	**80,107**	34,062	**80,107**	34,062

Cash interest paid (note 11)

See accompanying notes to the condensed consolidated interim financial statements

1. NATURE OF OPERATIONS

Saturn Oil & Gas Inc. ("Saturn" or the "Company") is a Canadian resource company engaged in the business of acquisition, exploration and development of petroleum and natural gas resource deposits in Western Canada. The Company's current focus is to advance the exploration and development of its oil and gas properties in Alberta, Saskatchewan, and Manitoba. The common shares of the Company are listed on the Toronto Stock Exchange ("TSX") and trade under the symbol "SOIL".

The Company's corporate headquarters are at 2500, 600 - 3rd Ave SW, Calgary, AB, T2P 0G5.

2. BASIS OF PREPARATION

Statement of compliance
These unaudited condensed consolidated interim financial statements have been prepared in accordance with IFRS Accounting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"), and in accordance with IAS 34 – Interim Financial Reporting. The unaudited condensed consolidated interim financial statements do not include all information required for annual consolidated financial statements and should be read in conjunction with the Company's audited consolidated financial statements for the year ended December 31, 2025. These unaudited condensed consolidated interim financial statements have been prepared following the same accounting policies as the Company's audited consolidated financial statements for the year ended December 31, 2025.

These unaudited condensed consolidated interim financial statements were approved and authorized for issue by the Company's Board of Directors on November 4, 2026.

Operating environment
The marketability and price of oil and natural gas that may be produced, acquired or discovered by the Company continues to be affected by global events. International conflicts, shifts in social opinion, geopolitical instability, changes to political regimes and tariffs may have a significant impact on commodity prices and access to capital. While the specific impact to the Company would depend on the nature of the occurrence, any major event can cast uncertainty over future financial performance.

Basis of measurement, functional and presentation currency
The unaudited condensed consolidated interim financial statements have been prepared on a historical cost basis except for certain financial instruments which are measured at fair value through profit or loss.

The unaudited condensed consolidated interim financial statements are presented in Canadian dollars, which is the Company's functional currency.

Significant judgements, estimates and fair values
The preparation of the unaudited condensed consolidated interim financial statements requires management to make estimates and assumptions that affect the application of accounting policies impacting fair value and the reported amount of assets, liabilities, income and expenses. Actual results may differ materially from these estimates. Estimates and their underlying assumptions are reviewed on an ongoing basis. Significant judgments, estimates and assumptions made by management in these unaudited condensed consolidated interim financial statements are outlined in note 2 of the Company's December 31, 2025 annual consolidated financial statements. There have been no changes in the Company's judgments, estimates or determination of fair values applied during the interim period ended September 30, 2026, relative to those described in the most recent audited consolidated financial statements as at and for the year ended December 31, 2025. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

New accounting policies

On January 1, 2026, the Company adopted the amendments to IFRS 9 *Financial Instruments* and IFRS 7 *Financial Instruments: Disclosures* as issued by the IASB relating to settling financial liabilities using an electronic payment system and assessing contractual cash flow characteristics of financial assets. There were no impacts to Saturn's financial statements.

In April 2024, the IASB issued IFRS 18 *Presentation and Disclosure in Financial Statements* ("IFRS 18") which replaces IAS 1 *Presentation of Financial Statements* effective for annual reporting periods beginning on or after January 1, 2027 and is required to be adopted retrospectively with early adoption permitted. The standard introduces a defined structure to the Statement of Net Income and Comprehensive Income with related specific disclosure requirements. IFRS 18 does not alter the recognition and measurement of items included in the statement of comprehensive profit, however, it does change how items are presented. Impacts of IFRS 18 on the Company will include:

- Three categories on the statement of comprehensive profit: operating, investing and financing.
- Increased disclosures in the financial statements around management performance measures.
- Consequential amendments to the statement of cash flow whereby the starting point for the statement of cash flows will be a new subtotal referred to as operating earnings and the policy option with respect to reporting of finance costs in operating activities has been removed.

The Company is completing the evaluation of the impact of adopting IFRS 18 on the consolidated financial statements.

3. ACQUISITIONS AND DISPOSITIONS

Burgess Acquisition

On July 27, 2026, the Company completed a synergistic corporate acquisition of Burgess Creek Exploration Inc. (the "Burgess Acquisition") a privately held oil and gas producer focused on light oil in Saskatchewan. The Burgess Acquisition was completed for total cash consideration of $113.4 million. The Burgess Acquisition has been accounted for as a business combination using the acquisition method of accounting, whereby the assets acquired and liabilities assumed are recorded at the estimated fair value on the acquisition date. There were $3.0 million of transaction costs incurred by the Company and expensed through earnings.

($000s)	July 27, 2026
Net assets acquired:	
Property, plant and equipment	135,678
Net working capital	(659)
Deferred tax liability	(17,151)
Decommissioning obligations	(4,474)
Total	**113,394**
Consideration:	
Cash	113,394
Total	**113,394**

Triland Acquisition

On July 22, 2026, the Company completed the acquisition of Triland Energy Inc. (the "Triland Acquisition") for total cash consideration of $63.1 million. The Company passed the optional IFRS 3 *Business Combinations* ("IFRS 3") concentration test which resulted in the acquisition being recorded at cost with associated capitalized transaction costs of $0.1 million.

($000s)	July 22, 2026
Net assets acquired:	
Property, plant and equipment	62,884
Net working capital	1,098
Decommissioning obligations	(818)
Total	**63,164**
Consideration:	
Cash	63,052
Capitalized transaction costs	112
Total	**63,164**

Q2 Acquisitions

During the quarter the Company completed two property acquisitions and one corporate acquisition for total cash consideration of $45.4 million, prior to closing adjustments. The acquisitions were recorded at cost with associated capitalized transaction costs of $0.1 million.

($000s)	
Net assets acquired:	
Property, plant and equipment	50,245
Net working capital	410
Right-of-use asset	5,410
Lease liability	(5,410)
Decommissioning obligations	(5,135)
Total	**45,520**
Consideration:	
Cash	45,408
Capitalized transaction costs	112
Total	**45,520**

Central Alberta Disposition

On January 30, 2026, the Company disposed of non-core properties in Central Alberta (the "Central Alberta Disposition") for cash consideration of $3.5 million with a carrying value of $3.3 million, net of $0.8 million in decommissioning obligations, resulting in a gain of $0.2 million.

Clearview Acquisition

On October 20, 2025, the Company completed the acquisition of Clearview Resources Ltd. (the "Clearview Acquisition") for total cash consideration of $22.7 million after final customary closing adjustments. The Company passed the optional IFRS 3 concentration test which resulted in the acquisition being recorded at cost with associated capitalized transaction costs of $0.7 million.

Southeast Saskatchewan Acquisition

On July 31, 2025, the Company acquired certain oil and gas properties primarily in Southeast Saskatchewan (the "Southeast Saskatchewan Acquisition") for total cash consideration of $61.6 million, after final customary closing adjustments. The Company passed the optional IFRS 3 concentration test which resulted in the acquisition being recorded at cost with associated capitalized transaction costs of $1.9 million.

($000s)	July 31, 2025
Net assets acquired:	
Property, plant and equipment	90,186
Decommissioning obligations	(26,652)
Total	**63,534**
Consideration:	
Cash	61,662
Capitalized transaction costs	1,872
Total	**63,534**

Capital Energy Corp

On June 6, 2025, the Company completed the acquisition of Capital Energy Corp. for total cash consideration of $4.5 million. The acquisition was recorded at cost with associated capitalized transaction costs of $0.7 million.

4. PROPERTY, PLANT AND EQUIPMENT

($000s)	Oil and gas properties	Exploration and evaluation assets	Other assets	Total
As at December 31, 2024	2,302,358	4,308	2,929	2,309,595
Additions	240,405	-	835	241,240
Acquisitions (note 3)	127,629	-	-	127,629
Capitalized share based payments	3,124	-	-	3,124
Expiries	-	(485)	-	(485)
Change in decommissioning obligations	9,006	-	-	9,006
As at December 31, 2025	2,682,522	3,823	3,764	2,690,109
Additions	**212,017**	**-**	**771**	**212,788**
Acquisitions (note 3)	**247,275**	**-**	**-**	**247,275**
Disposition (note 3)	**(4,220)**	**-**	**(1,586)**	**(5,806)**
Capitalized share based payments	**2,895**	**-**	**-**	**2,895**
Expiries	**-**	**(309)**	**-**	**(309)**
Change in decommissioning obligations	**27,486**	**-**	**-**	**27,486**
As at September 30, 2026	**3,167,975**	**3,514**	**2,949**	**3,174,438**
Accumulated depletion, depreciation and amortization				
As at December 31, 2024	430,149	-	1,771	431,920
Depletion, depreciation and amortization	289,225	-	645	289,870
As at December 31, 2025	719,374	-	2,416	721,790
Depletion, depreciation and amortization	**219,149**	**-**	**1,374**	**220,523**
Disposition	**(66)**	**-**	**(1,586)**	**(1,652)**
As at September 30, 2026	**938,457**	**-**	**2,204**	**940,661**
Net book value				
As at December 31, 2025	1,963,148	3,823	1,348	1,968,319
As at September 30, 2026	**2,229,518**	**3,514**	**745**	**2,233,777**

As at September 30, 2026, the calculation of depletion includes estimated forecasted future development costs relating to the development of proved and probable oil and gas reserves of $2,161.2 million (December 31, 2025 - $2,064.2 million). The Company capitalized $7.6 million of general and administrative costs for the period ended September 30, 2026 (December 31, 2025 - $7.7 million) and capitalized $2.9 million of share based compensation expense for the period ended September 30, 2026 (December 31, 2025 - $3.1 million).

As at September 30, 2026, there were no indicators of impairment identified. Accordingly, an impairment test was not performed.

As at December 31, 2025, the Company determined an indicator of impairment existed within the West Central Saskatchewan cash-generating-unit (“CGU”) due to the change in forward pricing subsequent to the asset being acquired. As a result of the assessment, the Company performed the required impairment test utilizing the independent third-party reserve evaluators estimate of the proved and probable oil and gas reserves, incorporating benchmark pricing based on the average of the three independent reserve evaluators' forecast prices at December 31, 2025. The Company used an after-tax discount rate of 10%. The test determined that the recoverable amount of the West Central Saskatchewan CGU exceeded its carrying value as at December 31, 2025 and as a result, no impairment was recognized.

5. RIGHT-OF-USE ASSETS

The Company recognizes right-of-use assets and corresponding lease liabilities related to certain gas processing facilities, office facilities and vehicles. See note 6 for additional information regarding the Company's leases.

($000s)	Gas Processing	Offices	Vehicles and equipment	Total
As at December 31, 2024	61,293	17,084	10,684	89,061
Additions	-	256	(46)	210
As at December 31, 2025	61,293	17,340	10,638	89,271
Additions	**-**	**4,209**	**9,639**	**13,848**
Disposals	**-**	**(11,669)**	**-**	**(11,669)**
As at September 30, 2026	**61,293**	**9,880**	**20,277**	**91,450**
Accumulated depreciation				
As at December 31, 2024	3,352	5,870	3,349	12,571
Depreciation	5,746	2,119	2,149	10,014
As at December 31, 2025	9,098	7,989	5,498	22,585
Depreciation	**4,309**	**1,386**	**2,005**	**7,700**
Disposals	**-**	**(5,313)**	**-**	**(5,313)**
As at September 30, 2026	**13,407**	**4,062**	**7,503**	**24,972**
Net book value				
As at December 31, 2025	52,195	9,351	5,140	66,686
As at September 30, 2026	**47,886**	**5,818**	**12,774**	**66,478**

6. LEASES

The following table reconciles the changes in the lease liability for the periods:

($000s)	September 30, 2026	December 31, 2025
Balance, beginning of period	**68,662**	77,255
Additions	**13,848**	210
Disposals	**(7,374)**	-
Lease payment	**(11,596)**	(16,160)
Accretion	**5,288**	7,357
Carrying value, end of period	**68,828**	68,662
Current	**7,930**	8,958
Long-term	**60,898**	59,704

As at September 30, 2026, the estimated undiscounted cash flows required to settle the Company's lease liability were $100.4 million (December 31, 2025 - $105.4 million).

7. DECOMMISSIONING OBLIGATIONS

The decommissioning obligation represents costs to reclaim and abandon the Company's wells and facilities and the estimated timing of the costs to be incurred in future periods. Management of the Company has estimated that the total undiscounted cash flows required to settle the obligations will be $687.1 million (December 31, 2025 - $652.6 million) which has been inflated at 2.0% (December 31, 2025 - 2.0%) and discounted using the credit adjusted risk-free rate of 8.5% (December 31, 2025 - 10.0%) with an estimated timeline to abandonment between 1 and 48 years.

($000s)	**September 30, 2026**	December 31, 2025
Balance, beginning of period	**202,915**	157,277
Acquired (note 3)	**10,427**	34,636
Disposed (note 3)	**(817)**	-
Obligations incurred	**577**	575
Change in estimates	**(3,570)**	8,431
Change in discount rate	**30,479**	-
Cash settlements	**(15,180)**	(15,777)
Accretion	**15,022**	17,773
Balance, end of period	**239,853**	202,915
Current	**3,543**	18,434
Long-term	**236,310**	184,481

The Company's assets in both Saskatchewan and Alberta are subject to provincial programs that mandate the minimum spend targets on the Company's decommissioning obligations. These amounts have been moved to current decommissioning obligations, net of current year spend.

8. DEBT

($000s)	**September 30, 2026**	December 31, 2025
Unsecured Notes [(1)]	**1,000,810**	-
Senior Notes [(2)]	**-**	734,983
Credit Facility	**-**	34,532
Unamortized debt issue costs	**-**	(11,005)
Total Debt	**1,000,810**	758,510
Current	**50,040**	85,927
Long-term	**950,770**	672,583

(1) As at September 30, 2026, the USD Notes were converted into Canadian dollars at the period end exchange rate of US $1.00 = CA $1.4188.
(2) As at December 31, 2025, the Senior Notes were translated into Canadian dollars at the period end exchange rate of US $1.00 = CA $1.3706.

Senior Unsecured Notes

On July 30, 2026, Saturn issued dual-tranche Senior Unsecured Notes ("Unsecured Notes") at par with a maturity date of July 30, 2031. The first tranche of US$575.0 million aggregate principal amount bears interest at 8.5% ("USD Notes"). The second tranche of C$185.0 million aggregate principal amount bears interest at 7.5% ("CAD Notes").

Interest on the Unsecured Notes will accrue from July 30, 2026 and will be payable semi-annually in arrears on July 30 and January 30, beginning on January 30, 2027. The Unsecured Notes are non-callable for two years, with the first call at par +50% of coupon, stepping ratably down to par annually and feature a mandatory semi-annual offer to repurchase 2.5% of principal at 101%, beginning after the first interest payment on the Unsecured Notes, subject to credit for optional redemptions and certain tender offers.

Principal ($000s)	**Unsecured Notes (US$)**	**Unsecured Notes (CA$)**
As at December 31, 2025	**-**	**-**
Proceeds on Issuance (USD)[(1)]	575,000	805,805
Proceeds on Issuance (CAD)	-	185,000
Unrealized foreign exchange loss	-	10,005
As at September 30, 2026[(2)]	**575,000**	**1,000,810**

(1) As at July 30, 2026, the USD Unsecured Notes were converted into Canadian dollars at the exchange rate of US $1.00 = CA $1.4014.
(2) As at September 30, 2026, the USD Unsecured Notes were converted into Canadian dollars at the period end exchange rate of US $1.00 = CA $1.4188.

As at September 30, 2026, the fair value of the USD Notes was $824.0 million (US$580.8 million) while the CAD Notes fair value was $189.2 million based on observable market quoted prices (Level 1).

Senior Secured Notes

On July 31, 2026, the Company early retired its Senior Secured Notes ("Senior Notes") with a principal amount outstanding of $706.7 million (US$503.8 million) and associated early retirement fees of $32.4 million (US$23.1 million). In addition, debt transactions fees of $15.2 million associated with the Unsecured Notes were required to be expensed in accordance with IFRS 9.

($000s)	Senior Notes (US$)	Senior Notes (CA$)
Senior Notes principal outstanding as at December 31, 2025[1]	**536,250**	**734,983**
Principal Repayments	(32,500)	(45,713)
Realized foreign exchange loss on repayment	-	1,180
Unrealized foreign exchange loss	-	25,379
Senior Notes principal outstanding as at June 30, 2026[2]	**503,750**	**715,829**
Unrealized foreign exchange gain	-	(9,118)
Senior Notes principal outstanding as at July 31, 2026[3][4]	**503,750**	**706,711**

(1) As at December 31, 2025, exchange rate was US $1.00 = CA $1.3706
(2) As at June 30, 2026, exchange rate was US $1.00 = CA $1.4210
(3) As at July 31, 2026, exchange rate was US $1.00 = CA $1.4029
(4) A realized foreign exchange loss of $16.4 million was recorded on early retirement which reflected the difference between the exchange rate at the inception of the Senior Secured Notes (US $1.00 = CA $1.3703) and July 31, 2026.

For the year ended December 31, 2025, the Company made additional principal repayments by purchasing US$16.3 million of Senior Notes in the open market at a discount to par value for $19.8 million, resulting in a $2.8 million realized gain on repayment.

Revolving Credit Facility

As at September 30, 2026, Saturn has a credit facility (the "Credit Facility") with a syndicate of banks. The Credit Facility has a total borrowing base of $500.0 million with an elected commitment amount of $200.0 million comprised of a $75.0 million operating credit facility and a $125.0 million reserve-based credit facility. The credit agreement (the "Credit Agreement") governing the Credit Facility provides the Company with access to the incremental $300.0 million. The Credit Facility is committed on a revolving basis until July 31, 2029, at which time it may be extended at the lenders' option. If the revolving period is not extended, the undrawn portion of the facility will be cancelled and any amounts outstanding would be repayable at the end of the non-revolving term. The Credit Facility is subject to a semi-annual borrowing base review, occurring by June 30th and November 30th of each year, with the first scheduled borrowing base review to occur by June 30, 2027. The borrowing base is determined based on the lenders' evaluation of the Company's petroleum and natural gas reserves and their commodity price outlook at the time of each renewal.

The Credit Facility is secured by a first priority security interest on all present and after acquired property of the Company , and contains certain covenants that limit the Company's ability to, among other things, incur additional indebtedness, create or permit liens to exist, make certain restricted payments, and dispose of or transfer assets. As at September 30, 2026, the Company is in compliance with all covenants.

As at September 30, 2026, amounts borrowed under the Credit Facility bear interest at a floating rate based on the applicable Canadian prime rate, US base rate, Canadian Overnight Repo Rate Average, or Secured Overnight Financing Rate plus a margin and standby fee based on the Company's Senior Net Debt to Consolidated EBITDA Ratio as defined in the Credit Agreement, currently between 2.25% to 3.25% and 0.81%, respectively.

As at September 30, 2026, the Company had nothing drawn on the Credit Facility (December 31, 2025 - $34.5 million). There were no letters of credit outstanding under the Credit Facility.

Unsecured Letter of Credit Facility

The Company has a $20.0 million unsecured demand letter of credit facility (the "LC Facility") with a Canadian bank. Saturn's obligations under the LC Facility are supported by a performance security guarantee ("PSG") from Export Development Canada. At September 30, 2026, $9.7 million was drawn under the LC Facility (December 31, 2025 - $10.8 million). The PSG is subject to annual renewal with the next scheduled renewal date of July 31, 2027.

9. SHARE CAPITAL

Authorized

The Company is authorized to issue an unlimited number of common shares with no par value. As at September 30, 2026 there are 178,023,242 common shares outstanding.

Issued and outstanding

	September 30, 2026		December 31, 2025	
(000s)	**Shares**	**Amount**	Shares	Amount
Balance, beginning of period	**184,084**	**392,176**	199,555	426,146
Cash share issue and purchase costs, net of tax recovery	**-**	**-**	-	(316)
Normal Course Issuer Bid	**(6,531)**	**(30,830)**	(12,842)	(30,660)
Substantial Issuer Bid	**-**	**-**	(1,608)	(3,527)
Stock option exercise	**-**	**693**	13	33
Treasury shares	**470**	**(3,064)**	(1,034)	500
Balance, end of period	**178,023**	**358,975**	184,084	392,176

On September 3, 2026 the TSX approved the renewal of the Company's normal course issuer bid ("NCIB"). Pursuant to the NCIB, the Company may purchase for cancellation, from time to time, as it considers advisable, up to a maximum of 12,225,129 common shares of the Company between September 8, 2026 and September 7, 2027.

On August 25, 2025, the TSX approved the renewal of the Company's NCIB. Pursuant to the NCIB, the Company may purchase for cancellation, from time to time, as it considers advisable, up to a maximum of 12,078,583 common shares of the Company between August 27, 2025 and August 26, 2026.

For the nine months ended September 30, 2026, the Company repurchased 6,531,283 common shares under its NCIB at a weighted average price of $4.71 per share for a cost of $30.7 million plus $0.1 million in fees and taxes. Subsequent to September 30, 2026, the Company repurchased an additional 780,000 common shares at a weighted average price of $8.10 per share for a cost of $6.3 million.

For the year ended December 31, 2025, the Company repurchased 12,841,768 shares under its NCIB at a weighted average price of $2.33 per share for a cost of $29.9 million plus $0.7 million in fees and taxes.

On June 5, 2025, the Company initiated a substantial issuer bid ("SIB"). Pursuant to the SIB, the Company offered to purchase up to 7,000,000 common shares from holders of the Company's common shares for cancellation at a purchase price of $2.15 per common share between June 11, 2025 and July 16, 2025, for an aggregate purchase price not exceeding $15.1 million. On July 16, 2025, the SIB expired with 1,608,182 common shares being tendered and taken up under the SIB for an aggregate purchase price of $3.5 million plus $0.1 million in fees and taxes.

Stock options

The Company has an omnibus long term incentive plan ("LTIP") under which it is authorized to grant stock options to directors, officers, employees and consultants of Saturn, enabling them to acquire common shares of the Company upon exercise. The stock options are generally granted for a maximum term of five years, and vest in thirds on each of the first, second and third anniversary after the grant date. Vesting conditions are determined by the Board of Directors.

	September 30, 2026		December 31, 2025	
(000s, except per option price)	**Stock options**	**Weighted average exercise price**	Stock options	Weighted average exercise price
Balance, beginning of period	**589**	**2.49**	718	2.41
Exercised	**(589)**	**2.49**	(75)	2.00
Expired	**-**	**-**	(54)	2.03
Balance, end of period	**-**	**-**	589	2.49

Restricted Share Units

In accordance with the LTIP, the Company is authorized to grant restricted share units ("RSUs") to directors, officers, employees and consultants of Saturn. The RSUs are granted for a term of three years and vest in thirds on each of the first, second and third anniversary after the grant date. The RSUs may be cash or equity settled upon vesting as determined by the Board of Directors. The fair value per RSU is equivalent to the market price at which the common shares of the Company traded on the day immediately preceding the grant date.

(000s, except life remaining)	**September 30, 2026 RSUs**	December 31, 2025 RSUs
Balance, beginning of period	**8,772**	4,088
Issued	**2,054**	6,744
Exercised	**(3,642)**	(1,665)
Forfeited	**(306)**	(395)
Balance, end of period	**6,878**	8,772
Weighted average life remaining (years)	**1.1**	1.1

Performance share units

In accordance with the LTIP, the Company is authorized to grant performance share units ("PSUs") to directors, officers, and employees of Saturn. The PSUs are either granted for a term of one year or three years with certain performance measures specified at the grant date and may be cash or equity settled upon vesting as determined by the Company's Board of Directors. Based upon the achievement of the performance measures, a pre-determined adjustment factor between 0.0x and 2.0x is applied to the PSUs eligible to vest at the end of the performance period. The fair value per PSU is equivalent to the market price at which the common shares of the Company traded on the day immediately preceding the grant date.

(000s, except life remaining)	**September 30, 2026 PSUs**	December 31, 2025 PSUs
Balance, beginning of period	**1,245**	622
Issued	**843**	1,245
Exercised	**(1,245)**	(622)
Balance, end of period	**843**	1,245
Weighted average life remaining (years)	**1.5**	0.3

Deferred share units

In accordance with the LTIP, the Company is authorized to grant deferred share units ("DSUs") to non-management directors. The DSUs are fully vested on issuance and may be cash or equity settled upon vesting as determined by the Company's Board of Directors. The fair value per DSU is equivalent to the market price at which the common shares of the Company traded on the day immediately preceding the grant date.

(000s, except life remaining)	**September 30, 2026 DSUs**	December 31, 2025 DSUs
Balance, beginning of period	**423**	-
Issued	**131**	423
Balance, end of period	**554**	423
Weighted average life remaining (years)	**-**	-

Performance warrants

The Company has issued performance warrants to certain officers and directors enabling them to acquire common shares of the Company upon exercise. The performance warrants will vest upon certain vesting threshold conditions, based on the 5-day volume weighted average trading price ("VWAP") of the Company's common shares listed on the TSX. Once vested,

the performance warrants may be exercised by the holder at any time from the date of vesting to the expiry date. A summary of the changes in performance warrants outstanding is as follows:

(000s, except per performance warrant price)	September 30, 2026 Performance warrants	September 30, 2026 Weighted average exercise price	December 31, 2025 Performance warrants	December 31, 2025 Weighted average exercise price
Balance, beginning of period	**7,000**	**2.50**	7,000	2.50
Exercised	**(2,333)**	**2.50**	-	-
Balance, end of period	**4,667**	**2.50**	7,000	2.50

As at September 30, 2026, the following performance warrants were outstanding:

(000s, except per performance warrant price, years and VWAP) **Exercise Price**	Performance warrants outstanding **Number outstanding**	**Vesting threshold VWAP**	**Weighted average life remaining (years)**	Performance warrants exercisable **Number exercisable**	**Vesting threshold VWAP**	**Weighted average life remaining (years)**
2.50	2,333	6.00	3.3	2,333	6.00	3.3
2.50	2,334	8.00	3.3	-	-	-
	4,667		**3.3**	**2,333**		**3.3**

Per share amounts

Basic net income (loss) per share is calculated using the weighted-average number of common shares outstanding during the reporting period. Diluted net income (loss) per share is calculated using the weighted-average number of common shares outstanding adjusted for the dilutive effect of all potentially dilutive securities, including stock options, performance warrants, RSUs, DSUs, and PSUs. The components of basic and diluted net income (loss) per share are as follows:

	Three months ended September 30,		Nine months ended September 30,	
(000s, except per share amounts)	**2026**	2025	**2026**	2025
Weighted average shares outstanding				
Basic	**178,494**	192,520	**180,077**	195,405
Diluted	**178,494**	202,785	**180,077**	205,668
Per share income (loss)				
Basic	**(0.27)**	0.02	**(0.21)**	0.70
Diluted	**(0.27)**	0.02	**(0.21)**	0.66

The following securities were excluded from the calculation of diluted net income (loss) per share as their effect was anti-dilutive:

	Three months ended September 30,		Nine months ended September 30,	
($000s)	**2026**	2025	**2026**	2025
Restricted Share Units	**6,878**	-	**6,878**	-
Stock options	**-**	589	**-**	589
Performance warrants	**4,667**	7,000	**4,667**	7,000
Performance Share Units	**843**	-	**843**	-
Deferred Share Units	**554**	-	**554**	-

10. REVENUE

	Three months ended September 30,		Nine months ended September 30,	
($000s)	**2026**	2025	**2026**	2025
Crude oil	**324,161**	219,149	**902,927**	691,448
NGLs	**18,215**	13,466	**51,877**	39,981
Natural gas	**7,348**	2,729	**23,871**	18,708
Petroleum and natural gas sales	**349,724**	235,344	**978,675**	750,137
Processing income	**3,524**	4,789	**12,819**	12,166
	353,248	240,133	**991,494**	762,303

Petroleum and natural gas sales represent the proceeds received from the sale of oil, natural gas, and NGLs production under variable price contracts. The transaction price is based on a benchmark commodity price, adjusted for quality, location, processing charges or other factors, whereby each component of the pricing formula (apart from the benchmark commodity price) can be either fixed or variable, depending on the contract terms. Revenue is generally collected on the 25th day of the month following the prior month's production, with revenue being recorded once the product is delivered to a contractually agreed upon delivery point.

Included in accounts receivable as at September 30, 2026 is $139.3 million (December 31, 2025 - $74.6 million) of accrued petroleum and natural gas sales related to September 2026 production.

Saturn generates oil treating, gas processing, and other services revenue from fees charged to third parties provided at facilities where Saturn has an ownership interest. This revenue is recorded as processing income.

11. FINANCING

	Three months ended September 30,		Nine months ended September 30,	
($000s)	**2026**	2025	**2026**	2025
Interest expense (cash)	**21,138**	20,652	**60,497**	64,588
Interest income (cash)	**(286)**	(363)	**(1,705)**	(1,437)
Amortization of debt issue costs	**13**	933	**1,598**	2,498
Accelerated amortization of debt issue costs upon debt extinguishment	**9,439**	-	**9,439**	-
Accretion, leases (note 6)	**1,757**	1,800	**5,288**	5,599
Accretion, decommissioning obligations (note 7)	**5,097**	4,962	**15,022**	12,700
Other	**-**	-	**28**	-
Financing expenses	**37,158**	27,984	**90,167**	83,948

12. SUPPLEMENTAL CASH FLOW INFORMATION

	Three months ended September 30,		Nine months ended September 30,	
($000s)	**2026**	2025	**2026**	2025
Change in non-cash working capital:				
Accounts receivable	**(33,293)**	(8,308)	**(50,629)**	12,232
Deposits and prepaid expenses	**2,779**	(1,848)	**(9,024)**	(6,227)
Accounts payable	**95,926**	88,736	**136,826**	19,247
Non-cash working capital acquired	**410**	(142)	**849**	(80)
	65,822	78,438	**78,022**	25,172
Related to:				
Operating activities	**16,386**	28,194	**34,634**	48,234
Financing activities	**1,106**	(280)	**1,049**	(401)
Investing activities	**48,330**	50,524	**42,339**	(22,661)
Total change in non-cash working capital	**65,822**	78,438	**78,022**	25,172

13. CAPITAL MANAGEMENT

The Company manages its capital to safeguard its ability to continue as a going concern, so that it may provide adequate returns to shareholders, benefits to other stakeholders and have sufficient funds on hand for business opportunities as they arise. The Company's capital structure may be adjusted by issuing or repurchasing equity instruments, issuing or repurchasing debt, modifying capital spending programs and disposing of assets; the availability of any such means being dependent upon market conditions. Management reviews its approach to capital management on an ongoing basis and believes that this approach is appropriate. The Company uses the terms adjusted EBITDA, adjusted funds flow, free funds flow, net debt, capital expenditures and adjusted working capital as key capital management measures which are described and calculated below. These capital management measures are not standardized and therefore may not be comparable with the calculation of similar measures by other entities.

Adjusted EBITDA

The Company considers adjusted EBITDA ("Adjusted EBITDA") (defined in the Credit Agreement as Consolidated EBITDA) to be a key capital management measure as it is both used within the the Company's Credit Facility (note 8) and demonstrates Saturn's standalone profitability, operating and financial performance in terms of cash flow generation, adjusting for interest related to its capital structure. Adjusted EBITDA is defined by the Company as earnings before interest, taxes, depreciation, amortization and other non-cash or extraordinary items.

Adjusted funds flow

The Company considers adjusted funds flow to be a key capital management measure as it demonstrates Saturn's ability to generate the necessary funds to manage production levels and fund future growth through capital investment. Management believes that this measure provides an insightful assessment of Saturn's operations on a continuing basis by eliminating certain non-cash charges, actual settlements of decommissioning obligations, of which the nature and timing of expenditures may vary based on the stage of the Company's assets and operating areas, and transaction costs which vary based on the Company's acquisition and disposition activity.

Free funds flow

The Company considers free funds flow to be a key capital management measure as it is used to determine the efficiency and liquidity of Saturn's business, measuring its funds available after capital investment to manage debt repayment, pursue acquisitions and gauge optionality to pay dividends and/or return capital to shareholders through share repurchases. Saturn calculates free funds flow as adjusted funds flow in the period less expenditures on property, plant and equipment and exploration and evaluation assets, together "capital expenditures". By removing the impact of current period capital expenditures from adjusted funds flow, management monitors its free funds flow to inform its capital allocation decisions.

The following table reconciles adjusted EBITDA, adjusted funds flow and free funds flow to cash flow from operating activities:

($000s)	Three months ended September 30, 2026	2025	Nine months ended September 30, 2026	2025
Cash flow from operating activities	**155,970**	126,097	**396,171**	381,334
Change in non-cash working capital	**(16,386)**	(28,194)	**(34,634)**	(48,234)
Decommissioning expenditures	**7,296**	5,379	**15,180**	10,157
Transaction costs	**3,007**	-	**3,007**	-
Terminated derivative contracts	**-**	-	**-**	2,312
Realized loss on marketable securities	**-**	-	**1,046**	-
Current tax recovery	**-**	-	**(240)**	(252)
Net interest[(1)]	**20,852**	20,289	**58,792**	63,151
Adjusted EBITDA	**170,739**	123,571	**439,322**	408,468
Terminated derivative contracts	**-**	-	**-**	(2,312)
Realized loss on marketable securities	**-**	-	**(1,046)**	-
Current tax recovery	**-**	-	**240**	252
Net interest[(1)]	**(20,852)**	(20,289)	**(58,792)**	(63,151)
Adjusted funds flow	**149,887**	103,282	**379,724**	343,257
Capital expenditures	**(127,957)**	(87,339)	**(212,788)**	(176,476)
Free funds flow	**21,930**	15,943	**166,936**	166,781

(1) Calculated as interest expense, net of interest income.

Market capitalization and net debt

Management considers net debt a key capital management measure in assessing the Company's liquidity. Total market capitalization, net debt to annualized quarterly adjusted funds flow and net debt to annualized quarterly adjusted EBITDA are used by management and the Company's investors in analyzing the Company's balance sheet strength and liquidity. Net debt to annualized quarterly adjusted funds flow measures leverage relative to the cash flow available after financing costs. Net debt to annualized quarterly adjusted EBITDA measures leverage relative to cash flow before interest expense, so it is not affected by the Company's capital structure or cost of borrowing. This makes it more comparable with industry peers and consistent with how lenders and credit rating agencies commonly assess leverage. The summary of total market capitalization, net debt, annualized quarterly adjusted funds flow, annualized quarterly adjusted EBITDA, net debt to annualized quarterly adjusted funds flow and net debt to annualized quarterly adjusted EBITDA is as follows:

($000s)	September 30, 2026	December 31, 2025
Total common shares outstanding (000s)	**178,023**	184,084
Share price[(1)]	**6.91**	2.43
Total market capitalization	**1,230,139**	447,324
Adjusted working capital deficit[(2)]	**32**	2,966
Unsecured Notes/Senior Notes	**1,000,810**	723,978
Credit Facility	**-**	34,532
Net debt	**1,000,842**	761,476
Annualized factor	**4**	4
Current quarter adjusted EBITDA	**170,739**	140,854
Annualized quarterly adjusted EBITDA	**682,956**	563,416
Net debt to annualized quarterly adjusted EBITDA	**1.5x**	1.4x
Current quarter adjusted funds flow	**149,887**	120,697
Annualized quarterly adjusted funds flow	**599,548**	482,788
Net debt to annualized quarterly adjusted funds flow	**1.7x**	1.6x

(1) Represents the closing share price on the TSX on the last day of trading of the period.
(2) Adjusted working capital is calculated as cash, accounts receivable, deposits and prepaids net of accounts payable.

14. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

The Company is exposed to various financial instrument risks and assesses the impact and likelihood of this exposure. These risks include liquidity risk, credit risk, currency risk, interest rate risk and price risk. Where material, these risks are reviewed and monitored by the Board of Directors.

Financial derivatives

($000s)	Commodity contracts	FX contracts	Total
As at December 31, 2025	24,284	-	24,284
Realized (loss) gain on settlement	(145,472)	4,496	(140,976)
Change in fair market value	46,490	733	47,223
As at September 30, 2026	**(74,698)**	**5,229**	**(69,469)**

Saturn manages the risks associated with changes in commodity prices by entering into a variety of risk management commodity contracts classified as financial derivatives. The realized and unrealized gains and losses are recognized on the statements of net income (loss) and comprehensive income (loss). The Company assesses the effects of movement in commodity prices on income (loss) before tax. A ten percent increase or decrease in commodity prices would have resulted in a $57.9 million change to unrealized gains (losses) on risk management contracts and net income (loss) before tax assuming all other variables remain constant.

The Company had the following outstanding derivative commodity contracts as at September 30, 2026:

	WTI Collars				WTI Swaps				WTI Put Options	
Period	Volume bbls/d	Price[1] US$/bbl	Volume bbls/d	Price[1] CA$/bbl	Volume bbls/d	Price[1] US$/bbl	Volume bbls/d	Price[1] CA$/bbl	Volume bbls/d	Price[1][2] US$/bbl
Q4 2026	1,500	73.65-94.65	10,200	77.75-100.43	500	80.35	5,563	83.25	7,500	60.00
Q1 2027	1,500	70.50-88.35	8,000	82.77-109.93	2,500	78.10	1,300	81.51	7,500	60.00
Q2 2027	1,500	68.75-85.00	11,000	81.41-105.99	-	-	1,033	93.59	7,500	60.00
Q3 2027	-	-	-	-	-	-	800	95.50	7,500	60.00
Q4 2027	-	-	-	-	-	-	800	95.50	7,500	60.00

(1) Weighted average prices for the period.
(2) For the periods Q4 2026 to Q4 2027, the Company has a weighted average option premium of US$2.69/bbl.

	MSW Differential		WCS Differential		Natural Gas Swaps				Natural Gas Collars	
Period	Volume bbls/d	Price[1] US$/bbl	Volume bbls/d	Price[1] US$/bbl	Volume GJ/d	Price[1] CA$/GJ	Volume GJ/d	Price[2] CA$/GJ	Volume GJ/d	Price[1] CA$/GJ
Q4 2026	16,000	(4.06)	2,000	(15.08)	21,630	3.03	3,555	Index	3,315	3.20-3.70
Q1 2027	4,000	(4.20)	1,000	(14.25)	15,000	3.40	-	-	5,000	3.20-3.70
Q2 2027	4,000	(3.00)	1,000	(14.25)	5,000	2.70	-	-	-	-
Q3 2027	-	-	1,000	(14.25)	5,000	2.70	-	-	-	-
Q4 2027	-	-	1,000	(14.25)	1,685	2.70	-	-	-	-

(1) Weighted average prices for the period.
(2) Physically settled derivative contracts based off US natural gas index prices (Malin index minus US$1.98/GJ minus AECO 5A) and (NW Rocky index minus US$1.99/GJ minus AECO 5A).

	NGL Propane Swaps	
Period	Volume bbls/d	Price[1][2] US$/gal
Q4 2026	500	0.75
Q1 2027	500	0.75

(1) Weighted average prices for the period.
(2) Converted at 42 gallons per bbl.

The Company had the following outstanding foreign exchange contracts as at September 30, 2026:

	Forward Rate Contracts- USD/CAD		
Period	**Notional Amount ($000s, US$)**	**Rate**	**Contract Type**
Q4 2026	41,900	1.3484	Average rate currency swap
Q1 2027	17,100	1.3484	Average rate currency swap
Q2 2027	23,300	1.3484	Average rate currency swap

Subsequent to September 30, 2026, the Company monetized its foreign exchange contracts for proceeds of $5.3 million and entered into the following derivative commodity contracts:

	WTI Swaps		NGL Propane Swaps	
Period	**Volume bbls/d**	**Price[(1)] US$/bbl**	**Volume bbls/d**	**Price[(1)(2)] US$/gal**
Q1 2027	9,000	84.04	-	-
Q2 2027	9,000	84.04	850	0.83
Q3 2027	5,000	81.21	850	0.83
Q4 2027	5,000	81.21	850	0.83
Q1 2028	-	-	850	0.83

(1) Weighted average prices for the period
(2) Converted at 42 gallons per bbl.

Financial derivative assets and liabilities are only offset if the Company has the legal right to offset and intends to settle on a net basis. The Company offsets financial instrument assets and liabilities when the counterparty, commodity, currency and timing of settlement are the same. The following table summarizes the gross asset and liability positions of the Company's financial derivative commodity contracts that are offset on the balance sheet as at September 30, 2026:

($000s)	**Gross financial derivative instruments**	**Amount offset**	**Net financial derivative instruments**
Current asset	18,569	(11,220)	7,349
Long term asset	3,846	-	3,846
Current liability	(91,122)	11,220	(79,902)
Long term liability	(762)	-	(762)
Net asset (liability) position	**(69,469)**	**-**	**(69,469)**

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they are due. While the Company is exposed to liquidity risk, that risk is actively managed through strategies such as prudent capital spending, an active commodity risk management program and by continuously monitoring forecast and actual cash flows from operating, financing and investing activities. Management believes it will have sufficient funding to meet foreseeable liquidity requirements. The Company has the following maturities of financial liabilities at September 30, 2026:

($000s)	**Less than 1 year**	**1-3 years**	**3-5 years**	**Greater than 5 years**	**Total**
Unsecured Notes[(1)]	50,040	100,081	850,689	-	1,000,810
Interest payments[(2)]	81,582	150,846	134,424	-	366,852
Lease liabilities[(3)]	5,059	8,736	7,071	1,078	21,944
Gas processing contracts	12,756	22,103	20,973	34,514	90,346
Accounts payable	269,693	-	-	-	269,693
	419,130	**281,766**	**1,013,157**	**35,592**	**1,749,645**

(1) Represents the remaining principal repayments of $185.0 million and US$575.0 million on the Company's Unsecured Notes converted at the period end exchange rate of US $1.00 = CA $1.4188.
(2) The USD Notes bear interest at 8.5% per annum while the CAD Notes bear interest at 7.5% per annum, payable semi-annually in arrears.
(3) Represents the remaining undiscounted minimum lease payments on the Company's lease liabilities, excluding gas processing contracts subject to IFRS 16.

Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations that arise principally from the Company's accounts receivable from oil and natural gas marketers and joint operators in the oil and gas industry. Receivables from oil and natural gas marketers are normally collected on the 25th day of the month following production.

The Company's policy to mitigate credit risk going forward is to maintain marketing relationships with large, established and reputable purchasers that are considered to be creditworthy. The Company attempts to mitigate the risk from joint venture receivables by obtaining partner approval of significant capital and operating expenditures prior to expenditure and in certain circumstances may require cash deposits in advance of incurring financial obligations on behalf of joint venture partners. Joint venture receivables are from partners in the petroleum and natural gas industry who are subject to the risks and conditions of the industry. Significant changes in industry conditions and risks that negatively impact partners' ability to generate cash flow will increase the risk of not collecting receivables. The Company does not request letters of credit in its favour from joint venture partners; however, the Company has the ability to withhold production from joint operating partners in the event of non-payment or is able to register security on the assets of joint operating partners.

Currency risk

Currency risk is the risk that the fair value of future cash flows will fluctuate as a result of changes in foreign exchange rates. All of the Company's petroleum and natural gas sales are conducted in Canada and are denominated in Canadian dollars. Canadian commodity prices are influenced by fluctuations in the Canada to United States dollar exchange rate. Prices for oil are determined in global markets and generally denominated in United States dollars. The Company is exposed to currency risk in relation to its US dollar denominated financial derivatives and Unsecured Notes. A ten percent change in the US dollar would have resulted in a $65.6 million change to net income (loss) before tax (December 31, 2025 – $73.3 million) assuming all other variables remain constant. The exposure of realized price fluctuations of the US dollar and Canadian dollar exchange rate, serves as a natural hedge to the US dollar denominated financial derivatives.

Price risk

The Company is exposed to price risk related to commodity and equity prices. Equity price risk is the potential adverse impact on the Company's earnings due to movements in individual equity prices or general movements in the level of the stock market. Commodity price risk is the potential adverse impact on earnings and economic value due to commodity price movements and volatility. The Company's commodity price risk is also impacted by its derivative contracts. The ability of the Company to explore its resource properties and future profitability of the Company are directly related to the market price of commodities. Prices for oil are impacted not only by the relationship between the Canadian and United States dollars but also worldwide economic events that influence supply and demand.

Net debt and capital structure

Management considers net debt a key measure in assessing the Company's liquidity. The Company's net debt and capital structure are as follows:

($000s)	**September 30, 2026**	December 31, 2025
Net debt	**1,000,842**	761,476
Shareholders' equity	**853,336**	946,591
Total capitalization	**1,854,178**	1,708,067

The Company manages its capital structure to support current and future business plans and periodically adjusts the structure in response to changes in economic conditions, acquisitions or divestitures and the risk characteristics of the Company's underlying assets and operations. The capital structure may be adjusted by issuing or repurchasing shares, issuing or repurchasing debt, modifying capital spending programs and acquisition or disposal of assets, the availability of any such means being dependent upon market conditions.

15. COMMITMENTS

The Company has the following contractual obligations and commitments as at September 30, 2026:

($000s)	Less than 1 year	1-3 years	3-5 years	Greater than 5 years	Total
Unsecured Notes[(1)]	50,040	100,081	850,689	-	1,000,810
Interest payments[(2)]	81,582	150,846	134,424	-	366,852
Lease liabilities[(3)]	5,059	8,736	7,071	1,078	21,944
Gas processing contracts	12,756	22,103	20,973	34,514	90,346
	149,437	**281,766**	**1,013,157**	**35,592**	**1,479,952**

(1) Represents the remaining principal repayments of $185.0 million and US$575.0 million on the Company's Unsecured Notes converted at the period end exchange rate of 1.4188.

(2) The USD Notes bear interest at 8.5% per annum while the CAD Notes bear interest at 7.5% per annum, payable semi-annually in arrears.

(3) Represents the remaining undiscounted minimum lease payments on the Company's lease liabilities, excluding gas processing contracts subject to IFRS 16.

16. SUBSEQUENT EVENTS

On October 18, 2026, the Company entered into an arrangement agreement with Corex Resources Ltd. ("Corex"), pursuant to which Saturn will acquire all of the issued and outstanding shares of Corex for aggregate consideration of approximately $302.0 million (the "Corex Acquisition"). Consideration for the Corex Acquisition will be comprised of approximately $252.0 million of cash with the remainder being funded through the issuance of Saturn common shares at a deemed value of $50.0 million based on the preceding 20-day volume-weighted average price as of October 19, 2026.

CORPORATE INFORMATION

LEADERSHIP TEAM

John Jeffrey
Chief Executive Officer

Scott Sanborn
Chief Financial Officer

Justin Kaufmann
Chief Development Officer

Grant MacKenzie
Chief Legal Officer

Jamie Kuntz
Senior Vice President, Operations

BOARD OF DIRECTORS

John Jeffrey[(2)(4)]
Chief Executive Officer

Ivan Bergerman[(3)]
Director

Andrew Claugus[(2)]
Director

Dr. Thomas Gutschlag[(1)(3)]
Director

Jim Payne[(1)(4)]
Director

Lynn A. Peterson[(3)(4)]
Director

Christopher Ryan[(2)(4)]
Director

S. Janet Yang[(1)(3)]
Director

(1) Member of the Audit Committee
(2) Member of the Reserve Committee
(3) Member of the Compensation, Corporate Governance and Nominating Committee
(4) Member of the Health, Safety, and Environment Committee

BANKERS

National Bank of Canada Financial Inc.
Goldman Sachs
ATB Securities Inc.

AUDITORS

KPMG LLP
Calgary, Alberta

TRANSFER AGENT - COMMON SHARES

Odyssey Trust Company
1230, 300 5th Avenue S.W.
Calgary, Alberta T2P 3C4
Tel: (587) 885-0960

RESERVE EVALUATORS

Ryder Scott Company LP
Calgary, Alberta

U.S. CO-INDENTURE TRUSTEE

Computershare Trust Company, N.A.
1505 Energy Park Drive
St. Paul, Minnesota 55108
Tel: 1 (800) 344-5128

STOCK EXCHANGES

Toronto Stock Exchange - TSX: “SOIL”
OTC Markets Group - OTCQX: “OILSF”

CANADIAN CO-INDENTURE TRUSTEE

Computershare Trust Company of Canada
600, 530 - 8th Avenue S.W.
Calgary, Alberta T2P 3S8
Tel: (403) 267-6800