

FIGHTING AGAINST FORCED LABOUR AND CHILD LABOUR IN THE SUPPLY CHAINS ACT - 2025 REPORT

Pursuant to Canada's *Fighting Against Forced Labour and Child Labour in the Supply Chains Act* (the "**Act**"), which became effective on January 1, 2024, this report (the "**Report**") is made by Spartan Delta Corp. ("**Spartan**" or the "**Company**"). This report takes into account all updates and clarifications from Public Safety Canada and provides an overview of the steps taken by the Company to prevent and reduce risks of forced labour and child labour ("**Modern Slavery**") in the Company's supply chain for the financial year ending December 31, 2025. This is Spartan's third report under the Act, reflecting continued progress in implementing and expanding measures initiated in 2023. The use of "we", "us" and "our" refers to Spartan. For the purposes of this Report, references to "service providers" include all third-party suppliers of goods and services to Spartan.

Commitment Against Modern Slavery

Spartan is committed to high ethical conduct and values, implementing and promoting a culture of responsible business practices to prevent and reduce the risk of Modern Slavery in its supply chains and to fulfilling its obligations under the Act. The Company does not tolerate Modern Slavery or any form of exploitation. Spartan expects all staff and service providers to align with the Company's commitment to ethical and responsible business practices, adhering to Spartan's values and principles outlined in its *Human Rights Policy Statement*, which explicitly prohibits Modern Slavery. Furthermore, all service providers are required to sign *Terms and Conditions for the Provision of Services* to reinforce these commitments.

Operational Structure

Spartan's Structure and Operations

Spartan is a public energy company headquartered in Calgary (Alberta) and incorporated under the *Business Corporations Act* (Alberta), with its common shares listed on the Toronto Stock Exchange under the trading symbol "SDE". As of December 31, 2025, the Company had no subsidiaries and approximately 160 employees, consultants and contractors working in office and field operations roles. All of Spartan's employees, consultants and contractors are located in the Province of Alberta.

Spartan has an established portfolio of high-quality production and development opportunities in the Alberta Deep Basin and West Shale Basin. It is focused on acquiring a diversified portfolio of quality assets which can be restructured, optimized, and rebranded financially or operationally. Further information about the Company's operations is available on its website at <https://www.spartandeltacorp.com> or its SEDAR+ profile at www.sedarplus.ca.

Spartan's Supply Chain

Spartan's operations depend on a diverse array of goods and services which are primarily sourced from highly skilled and trained labour forces located in North America.

The Company's supply chain involves the strategic procurement of essential, capital-intensive assets and equipment vital for its operations in the oil and gas industry. These include a wide range of items such as pipes, valves, fittings, engines, and electronics, which are crucial components for exploration, drilling, and production activities. Moreover, Spartan sources specialized chemicals specific to the oil and gas sector. These chemicals play a pivotal role in drilling, completion, and operational processes, addressing the unique challenges and requirements of the industry.

The Company manages its operations through specialized technical units overseeing the strategic acquisition of goods and services. These technical units include engineering, facilities, drilling, completions, and field operations. The majority of the Company's suppliers are based in Canada, with the remainder primarily located in the United States. By focusing on North American suppliers, Spartan leverages regional expertise and efficiencies while reducing potential exposure to Modern Slavery risks in its supply chain.

Like many organizations operating within the energy sector, Spartan recognizes the risks of Modern Slavery may exist in the Company's supply chains. Spartan's primary exposure to Modern Slavery is expected to be beyond the first tier of the Company's third-party relationships rather than the direct causative impacts or contributory actions of its business. Spartan understands the following areas of its business to carry the highest risk of potential forced labour or child labour:

- Raw materials or commodities in the Company's supply chains;
- Tier two and tier three suppliers further down the supply chain; and
- Production and sourcing of materials.

Steps Taken to Prevent and Reduce Risks of Modern Slavery

Spartan's continued commitment to address Modern Slavery risks and foster ethical business practices is demonstrated through the following:

- **Enhanced supply chain visibility:** Spartan conducted a review of its procurement network to understand the various tiers of its supply chain, providing deeper visibility and understanding of the various tiers and components that make up its procurement network.
- **Requirements of service providers:** In 2025, Spartan implemented *Terms and Conditions for the Provision of Services* specifically addressing compliance with the Act, which requires acknowledgement by all existing and incoming service providers.
- **Staff training and awareness program:** Spartan continues to explore training opportunities for additional staff and key service providers on the Act.
- **Expert collaboration:** Spartan engaged an advisory firm with expertise in human rights due diligence and Modern Slavery risk management to advise on best practices for compliance with the Act.

Policies in Relation to Modern Slavery

Since the promulgation of the Act, Spartan has undertaken several key steps and implemented policies and other measures to prevent and mitigate the risk of forced labour and child labour in its supply chains. Such measures include the following:

- **Acknowledgements of the United Nations Universal Declaration of Human Rights and the Canadian Charter of Rights and Freedoms:** Spartan refers to, respects and specifically promotes activities related to human rights based on guidance incorporated within these documents.
- **Implementation of a Human Rights Policy Statement:** Spartan's *Human Rights Policy Statement* applies to all Spartan directors, officers, employees, contractors, consultants and service providers. It prohibits Modern Slavery and underscores the Company's commitment to ensuring human rights are respected in the conduct of its operations, including:
 - i. prohibiting discrimination of minorities, whether based on gender, race, or other minority status, in respect of employment and occupation;
 - ii. prohibiting the use of, or association with, Modern Slavery practices of any kind;
 - iii. respecting the fundamental freedoms of all individuals, including the freedom of thought, belief, opinion and expression, the freedom of peaceful assembly, the freedom of association and collective bargaining, and other rights and freedoms enshrined in the *United Nations' Universal Declaration of Human Rights and the Canadian Charter of Rights and Freedoms*;
 - iv. ensuring safe working conditions for all staff and service providers in accordance with applicable laws and best industry practices; and
 - v. confirming policies and guidelines are consistent with applicable laws and best industry practices.
- **Whistleblowing Policy:** The Company's Whistleblowing Policy serves as a mechanism for all directors, officers, employees, contractors, consultants and service providers to safely and anonymously report any actual or potential breaches of the Act. It forbids retaliation against any person who in good faith raises a concern, files a complaint, reports any wrongdoing or provides information to any investigation or proceeding. Spartan did not receive any whistleblower complaints relating to Modern Slavery in 2025. A copy of the *Whistleblowing Policy* can be found here: [Spartan Whistleblowing Policy](#).

Due Diligence to Ensure Compliance with the Act

Spartan employs several key strategies and processes to assess and manage risks associated with the Act and ensure compliance. The following measures underscore Spartan's commitment to maintaining a robust framework for preventing Modern Slavery in its operations and supply chain.

- **Adherence to Terms and Conditions:** The Company implemented *Terms and Conditions for the Provision of Services* which requires acknowledgement by existing and new service providers. These *Terms and Conditions for the Provision of Services* include specific provisions that require compliance with the Act and Spartan's corporate policies, progressing transparency and openness in supply chains.

- **Compliance with Human Rights Policy Statement:** Spartan requires all new and existing staff and service providers to review and acknowledge Spartan's *Human Rights Policy Statement*.
- **Promotion of Whistleblowing Policy:** Spartan strives to ensure that all staff and service providers have access to and are aware of Spartan's *Whistleblowing Policy* for reporting concerns.
- **Conducting Regular Policy Reviews:** The Company regularly reviews and assesses policies, practices and procedures regarding the mitigation of risks of Modern Slavery and compliance with human rights legislation and guidelines.
- **Service Provider Selection:** The Company selects its service providers by applying due diligence processes to identify suppliers who are reputable and align with Spartan's standards and expectations.

Assessment of Modern Slavery Risk

Based on a review of Spartan's direct operations and supply chains, the Company considers the risk of Modern Slavery to be low. Spartan's operations do not use forced, compulsory or underage workers as these practices are illegal in the jurisdictions in which the Company operates. All staff are above the legal employment age in Canada and are provided with working conditions, wages and benefits that comply with federal and provincial laws and regulations, including those laws and regulations related to employment, labour and occupational health and safety. Given the complex and sophisticated nature of its operations, many staff and service providers are highly skilled professionals.

The majority of the Company's direct suppliers are based in Canada and the United States, which have low prevalence of Modern Slavery and a low risk of vulnerability to Modern Slavery. While Spartan has not identified suppliers or goods in its supply chain that present a high risk of forced labour or child labour, Spartan recognizes that it has limited visibility over indirect suppliers located internationally, particularly those in the second and third tiers of its supply chain, where raw materials, commodities and other production or sourcing inputs may originate from higher-risk jurisdictions.

If a service provider is identified as high risk, Spartan will conduct further investigations, which may include sending questionnaires, conducting interviews and reviewing financial statements and corporate policies to ensure compliance with Spartan's standards and the Act.

Remediation for Loss of Income

As of the date of this Report, Spartan has not identified any instances of Modern Slavery in its activities or supply chain; consequently, no measures to remediate the loss of income to vulnerable families impacted by such measures have been implemented.

Spartan's Approach to Remediation

To date, Spartan has not identified an instance of Modern Slavery in its supply chain and operations and has established mechanisms to address any concerns that may arise. These mechanisms include providing all staff and service providers with access to the Company's Whistleblowing Policy, allowing for anonymous reporting of potential or actual breaches of the Act.

In the event of any identified issues, Spartan is committed to collaborating with service providers to resolve them effectively. This approach includes engagement, education, and training to ensure that all stakeholders are equipped to address Modern Slavery concerns proactively. By fostering an environment of transparency and accountability, Spartan aims to prevent and mitigate any potential risks associated with Modern Slavery in its operations and supply chain.

Employee Training

Spartan previously delivered targeted staff training to raise awareness of Modern Slavery risks. In 2026, Spartan will deliver additional training to key employees involved in supplier selection. The training will cover:

- The requirements of the Supply Chain Act;
- Indicators of Modern Slavery; and
- Roles and responsibilities in identifying and escalating potential concerns.

Assessment of Effectiveness

Spartan recognizes that it is the Company's responsibility to assess and mitigate the risks of Modern Slavery within its supply chain. Spartan has made progress in enhancing its ability to address these risks in 2025 and remains committed to continuous improvement.

Spartan will continue to monitor the effectiveness of steps taken to identify, assess, and mitigate Modern Slavery risks by:

- a) investigating all complaints and grievances received through the Whistleblowing Policy;
- b) establishing regular reviews of the Company's policies and procedures related to Modern Slavery;
- c) supporting the reporting mechanisms described herein; and
- d) evaluating its supply chain processes on an ongoing basis.

Approval

This Report was approved pursuant to subparagraph 11(4)(a) of the Act by the Spartan Board of Directors effective May 5, 2026.

In accordance with the requirements of the Act, and in particular section 11 thereof, each of the undersigned attest review of the information contained in the Report for Spartan. Based on the knowledge of the undersigned, and having exercised reasonable diligence, each of the undersigned attest that the information in the Report is true, accurate and complete in all material respects for the purposes of the Act, for the reporting year listed above.

[signed] "Tamara MacDonald"

Tamara MacDonald, Director

[signed] "Kevin Overstrom"

Kevin Overstrom, Director

We have the authority to bind Spartan Delta Corp.

Forward-Looking Information

Certain statements contained in this Report include statements which contain words such as "anticipate", "could", "expect", "seek", "may", "intend", "likely", "will", "believe" and similar expressions (including grammatical variations and negatives thereof), statements relating to matters that are not historical facts, and such statements of our beliefs, intentions and expectations about development, results and events which will or may occur in the future, constitute "forward-looking information" within the meaning of applicable Canadian securities legislation. Such forward-looking information is based on certain assumptions and analysis made by us derived from our experience and perceptions. Forward-looking information in this Report includes, but is not limited to: the steps taken to prevent, reduce and mitigate risks of Modern Slavery and the Company's continued commitment to monitor the effectiveness of such measures; the implementation of policies in relation to Modern Slavery; implementation of additional training provided to employees in respect of Modern Slavery; remediation measures in respect of forced labour or child labour; the Company's business strategy and outlook; supply channels; and other such matters. All such forward-looking information is based on certain assumptions and analyses made by us in light of our experience and perception of historical trends, current conditions and expected future developments, as well as other factors we believe are appropriate in the circumstances. The risks, uncertainties, and assumptions are difficult to predict and may affect operations, and may include, without limitation: foreign exchange fluctuations; equipment and labour shortages and inflationary costs; general economic conditions; industry conditions; changes in applicable environmental, taxation and other laws and regulations as well as how such laws and regulations are interpreted and enforced; the existence of operating risks; volatility of oil and natural gas prices; oil and gas product supply and demand; risks inherent in the ability to generate sufficient cash flow from operations to meet current and future obligations; changes in existing supply chains in response to the implementation of tariffs and other trade restrictions by the United States, Canada and globally (including the risk of changes to the Company's supply chain); increased competition; access to information regarding subcontractors; stock market volatility; political and economic uncertainty and wars; opportunities available to or pursued by us; and other factors, many of which are beyond our control. The foregoing factors are not exhaustive. Actual results, performance or achievements could differ materially from those expressed in, or implied by, this forward-looking information and, accordingly, no assurance can be given that any of the events anticipated by the forward-looking information will transpire or occur, or if any of them do so, what benefits will be derived there from. Except as required by law, Spartan disclaims any intention or obligation to update or revise any forward-looking information, whether as a result of new information, future events or otherwise.