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SPARTAN ENERGY CORP. ANNOUNCES INCREASED 2017 PRODUCTION GUIDANCE AND SECOND QUARTER FINANCIAL AND OPERATING RESULTS

CALGARY, ALBERTA (August 14, 2017) – Spartan Energy Corp. ("Spartan" or the "Company") (TSX: SPE) is pleased to report its financial and operating results for the three and six months ended June 30, 2017. Selected financial and operational information is set out below and should be read in conjunction with Spartan's June 30, 2017 interim financial statements and the related management's discussion and analysis, which are available for review at www.sedar.com or on the Company's website at www.spartanenergy.ca.

UPWARD REVISION TO ANNUAL PRODUCTION GUIDANCE

Spartan is increasing our 2017 annual production guidance to 21,600 boe/d from 21,080 boe/d, representing annual production per share growth of 14%. We are maintaining our 2017 drilling and maintenance capital budget of $145 million.

SECOND QUARTER FINANCIAL AND OPERATIONAL HIGHLIGHTS

Spartan's highlights for the second quarter include:

- Achieved record average production of 22,061 boe/d, comprised of 92% oil and liquids, representing an increase of 143% (42% per share) over the second quarter of 2016.
- Drilled 19 (16.7 net) development wells in the second quarter and brought 23 (20.9 net) wells on production, including 13.3 net wells drilled in the first quarter.
- Generated adjusted funds flow from operations of $46.1 million ($0.26 per basic share and $0.25 per diluted share), representing an increase of 184% (63% per basic share and 67% per diluted share) over the second quarter of 2016.
- Delivered excess cash flow (funds flow from operations less capital expenditures exclusive of acquisitions, land, seismic and waterflood capital) in the quarter of approximately $18.8 million.
- Reduced net general and administrative ("G&A") expenses to $1.13 per boe, a 49% decrease from the second quarter of 2016.
- Maintained our balance sheet strength, with net debt (exclusive of finance lease obligations) at the end of the quarter of $204.1 million, representing 1.1x annualized second quarter adjusted funds flow from operations, and available liquidity of $145.9 million.

FINANCIAL RESULTS

(Cdn$000s except per boe and per share amounts)	Three Months Ended June 30		Six Months Ended June 30	
	2017	2016	2017	2016
Average daily production (boe/d)	22,061	9,080	21,760	9,381
Realized oil and gas sales price (excluding derivatives) ($/boe)	52.65	43.83	53.22	37.61
Production costs ($/boe)(1)	18.47	15.04	18.03	14.86
Royalties ($/boe)(2)	8.78	6.55	8.61	5.51
Operating netback ($/boe)(3)	25.40	22.23	26.59	17.23
Net general and administrative expenses ($/boe)	1.13	2.23	1.10	2.11
Interest expense ($/boe)	1.28	0.32	1.33	0.57
Funds flow from operations(3)(4)	46,142	16,265	95,165	24,869
per share - basic(6)	0.26	0.16	0.54	0.26
per share - diluted(6)	0.25	0.15	0.52	0.24
Net loss	(9,829)	(6,659)	(9,585)	(19,540)
per share - basic(6)	(0.06)	(0.07)	(0.05)	(0.20)
per share - diluted(6)	(0.06)	(0.07)	(0.05)	(0.20)
Capital expenditures(5)	32,592	6,869	76,026	23,986
Net debt(3)	(233,128)	(100,359)	(233,128)	(100,359)
Net debt exclusive of finance lease obligations(3)	(204,093)	(100,359)	(204,093)	(100,359)
Bank Facility	350,000,000	150,000,000	350,000,000	150,000,000
Weighted average shares outstanding				
Basic(6)	175,612,037	102,320,614	175,458,342	96,516,401
Diluted(6)	183,244,450	110,215,196	183,700,228	104,006,280

(1) Including transportation costs.
(2) Royalties include the Saskatchewan resource surcharge.
(3) Funds flow from operations, operating netback, net debt and net debt exclusive of finance lease obligations are non-IFRS measures. See "Non-IFRS Measures".
(4) Excluding transaction costs.
(5) Excluding acquisitions.
(6) Prior period numbers restated on a 3 for 1 basis to reflect share consolidation that occurred on June 20, 2017.

OPERATIONAL UPDATE

Spartan had an active second quarter of operations due to a shortened break-up period in southeast Saskatchewan. We re-commenced our drilling program in May, drilling 19 (16.7 net) wells in the quarter and completing and bringing on production an additional 16 (13.3 net) wells that were drilled in the first quarter. We brought a total of 23 (20.9 net) wells on production in the quarter, consisting of 8 (7.1 net) open-hole wells, 5 (5.0 net) frac Midale wells, 2 (0.8) Torquay wells and 8 (8.0 net) Viking wells, with 10 (7.2 net) wells drilled but not on production at the end of the quarter. Total capital expenditures (excluding acquisitions, land, seismic and waterflood) were $27.3 million in the second quarter, bringing our total to

$69.7 million in the first half of 2017.

Our first half 2017 drilling program was focused on open-hole wells drilled across our southeast Saskatchewan asset base and frac Midale wells drilled primarily on our core Alameda property. We continue to operate three rigs in southeast Saskatchewan drilling open-hole and frac Midale wells. In addition, in the third quarter we drilled our first operated well on our recently acquired Torquay acreage and have commenced drilling open-hole Frobisher and Ratcliffe wells on properties acquired from Arc in late 2016.

Our first half drilling program yielded exceptional results, with average rates from open-hole and frac Midale wells continuing to outperform internal type curves. The success of our drilling program resulted in production of 22,061 boe/d in the quarter, up from 21,455 boe/d in the first quarter despite the impacts of spring break-up. The combined impact of the outperformance of our drilling program and the accretive acquisitions completed by Spartan in 2016 resulted in second quarter production per share increasing by 42% over the second quarter of 2016.

Spartan delivered adjusted funds flow from operations in the quarter of $46.1 million ($0.26 per share), representing an increase of 184% (63% per basic share) over the second quarter of 2016. Adjusted funds flow from operations exceeded capital expenditures (excluding acquisitions, land, seismic and waterflood capital) by approximately $18.8 million.

In addition to our successful drilling program, Spartan executed on our business plan of deploying a portion of our excess cash flow to strategic future investments, spending approximately $6.4 million on tuck-in acquisitions, land additions and waterflood infrastructure in the second quarter. Reservoir modelling is ongoing on waterflood initiatives at our core Oungre, Winmore and Alameda properties, and we anticipate increased capital spending on waterflood projects in the second half of the year.

Spartan continues to focus on cost savings to improve netbacks. Net G&A expenses were $1.13 per boe in the second quarter, a reduction of 49% from the second quarter of 2016. Production costs in the quarter were $18.47 per boe, up from $17.56 in the first quarter of 2017. Scheduled turnarounds on acquired facilities, an increase in rental payments made to surface land owners due to a large number of leases that came due in the second quarter and an increase in power costs in southeast Saskatchewan contributed to the increase in production costs in the quarter. Spartan will continue to work diligently to reduce production costs through the balance of 2017.

OUTLOOK AND REVISED PRODUCTION GUIDANCE

Spartan remains focused on delivering long term organic production growth within cash flow while preserving our strong financial position. Due to the outperformance of our drilling program, Spartan is increasing our 2017 annual production guidance to 21,600 boe/d from 21,080 boe/d, representing annual production per share growth of 14%. We are maintaining our 2017 drilling and maintenance capital budget of $145 million, of which approximately $70 million was spent in the first and second quarters with $75 million remaining for the second half of the year. Our capital plan will remain flexible going forward as we monitor production levels and commodity prices.

In the first half of 2017, Spartan has executed on our business plan of delivering production growth within a subset of cash flow, while using excess cash flow to fund strategic future investments. We increased corporate production from our 2016 exit rate of 20,800 boe/d to 22,061 boe/d in the second quarter, while delivering excess cash flow of approximately $25.5 million. We invested approximately $14.0 million of our excess cash flow in tuck-in acquisitions, strategic land purchases and waterflood initiatives, with an additional $11.5 million available to be deployed in the second half of the year.

At current commodity prices, we forecast that we will generate excess cash flow of approximately $10 to $15 million in the second half of 2017, bringing total 2017 unallocated excess cash flow to $21.5 to $26.5 million. We intend to allocate up to $10 million to advance waterflood projects and will strategically invest remaining excess cash flow in asset acquisitions, land and seismic purchases or share buybacks to further enhance shareholder value.

Given our track record of operational execution, the depth of our inventory of economic locations and the strength of our balance sheet, we believe Spartan remains well positioned to succeed in a variety of commodity price environments. We thank our shareholders of their support and we look forward to the continued execution on our business plan during the remainder of the year.

FURTHER INFORMATION

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READER ADVISORY

BOE Disclosure. *The term barrels of oil equivalent ("BOE") may be misleading, particularly if used in isolation. A BOE conversion ratio of six thousand cubic feet per barrel (6mcf/bbl) of natural gas to barrels of oil equivalence is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead. All BOE conversions in the report are derived from converting gas to oil in the ratio mix of six thousand cubic feet of gas to one barrel of oil.*

Forward Looking 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" or similar words suggesting future outcomes or statements regarding an outlook. Forward-looking information in this press release may include, but is not limited to, planned drilling and completion activities, planned investment in waterflood projects and land acquisitions, number of drilling locations and years of drilling inventory, future production levels, future cash flows at various WTI oil prices, future capital expenditure levels, potential NCIB purchases and the completion of asset acquisitions.*

The forward-looking statements contained in this press release are based on certain key expectations and assumptions made by Spartan, including expectations and assumptions concerning the success of future drilling, development and completion activities, the performance of existing wells, the performance of new wells, the availability and *performance of facilities and pipelines, the geological characteristics of Spartan's properties, the successful application of drilling, completion and seismic technology, prevailing weather and break-up conditions, commodity prices, royalty regimes and exchange rates, the application of regulatory and licensing requirements, the availability of capital, labour and services, the creditworthiness of industry partners and our ability to source and complete land and asset acquisitions.*

Although Spartan 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 Spartan can give no assurance that they will prove to be correct. Since forward-looking statements address future events and conditions, by their very nature they involve inherent risks and uncertainties. Actual results could differ materially from those currently anticipated due to a number of factors and risks. These include, but are not limited to, risks associated with the oil and gas industry in general (e.g., operational risks in development, exploration and production; the uncertainty of reserve estimates; the uncertainty of estimates and projections relating to production, costs and expenses, and health, safety and environmental risks), constraint in the availability of services, commodity price and exchange rate fluctuations, 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 Spartan's Annual Information Form for the year ended December 31, 2016.

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

Non-IFRS Measures. *Certain financial measures referred to in this press release, such as adjusted funds flow from operations, adjusted funds flow from operations per share, net debt and net debt excluding finance lease obligations are not prescribed by IFRS. Adjusted funds flow from operations is calculated based on cash flows from operating activities before changes in non-cash working capital, transaction costs and decommissioning obligation expenditures incurred. Adjusted funds flow from operations per share is calculated using weighted average shares outstanding consistent with the calculation of net income (loss) per share. Spartan uses adjusted funds flow from operations to analyze operating performance and leverage, and considers adjusted funds flow from operations to be a key measure as it demonstrates the Company's ability to generate cash necessary to fund future capital investments and repay debt. Spartan's determination of adjusted funds flow from operations, on an absolute and per share basis, may not be comparable to that reported by other companies.*

The following table reconciles adjusted funds flow from operations to cash flow from operating activities, which is the most directly comparable measure calculated in accordance with IFRS:

	For the three months ended June 30,			***For the six months ended June 30,***		
($ thousands)	***2017***	*2016*	*% change*	***2017***	*2016*	*% change*
Cash flow from operating activities	***61,894***	*10,815*	*472*	***107,174***	*5,838*	*1,736*
Transaction costs	***201***	*565*	*(64)*	***368***	*565*	*(35)*
Changes in non-cash working capital	***(15,953)***	*4,885*	*(427)*	***(12,377)***	*18,466*	*(167)*
Adjusted funds flow from operations	***46,142***	*16,265*	*184*	***95,165***	*24,869*	*283*

Net debt is calculated as bank debt plus trade and other liabilities plus finance lease obligations less current assets. The following table reconciles bank debt (an IFRS measure) to net debt (a non-IFRS measure):

($ thousands)	***June 30, 2017***	*December 31, 2016*
Bank debt	***176,406***	*217,921*
Trade and other liabilities	***64,601***	*38,546*
Finance lease obligations	***29,035***	*31,124*

Current assets	***(36,914)***	*(41,906)*
Net debt	***233,128***	*245,685*

Spartan management considers net debt excluding finance lease obligations to be a meaningful measure of the Company's leverage and liquidity. The following table reconciles net debt (a non-IFRS measure) to net debt excluding finance lease obligations (a non-IFRS measure):

($ thousands)	***June 30, 2017***	*December 31, 2016*
Net debt	***233,128***	*245,685*
Finance lease obligations	***(29,035)***	*(31,124)*
Net debt excluding finance lease obligations	***204,093***	*214,561*

This press release also contains other industry benchmarks and terms, including operating netbacks (calculated on a per unit basis as oil, gas and natural gas liquids revenues, plus/minus realized derivative contracts, less royalties and less operating and transportation costs), which are not recognized measures under IFRS. Management believes that in addition to net income (loss) and cash flow from (used in) operating activities, adjusted funds flow from operations, net debt, net debt excluding finance lease obligations, total market capitalization and operating netbacks are useful supplemental measures as they provide an indication of Spartan's operating performance, leverage and liquidity. Investors should be cautioned, however, that these measures should not be construed as an alternative to both net income (loss) and cash flow from (used in) operating activities, which are determined in accordance with IFRS, as indicators of Spartan's performance.