



SINTANA
ENERGY

FS|Q2 2024

TSX-V | SEI

SINTANA ENERGY INC.

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

THREE AND SIX MONTHS ENDED JUNE 30, 2024

(EXPRESSED IN CANADIAN DOLLARS, UNLESS OTHERWISE STATED)

UNAUDITED

NOTICE TO READER

The accompanying unaudited condensed interim consolidated financial statements of Sintana Energy Inc. ("Sintana") have been prepared by, and are the responsibility of, management. The unaudited condensed interim consolidated financial statements have not been reviewed by Sintana's auditors.

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Sintana Energy Inc.

Condensed Interim Consolidated Statements of Financial Position
(Expressed in Canadian Dollars, Unless Otherwise Stated)
(Unaudited)

	As at June 30, 2024	As at December 31, 2023
ASSETS		
Current assets		
Cash and cash equivalents	\$ 20,440,828	\$ 4,297,639
Accounts receivable and other assets (note 3)	120,802	316,282
Total current assets	20,561,630	4,613,921
Non-current assets		
Investment in joint venture (note 4)	15,775,534	12,968,596
Total assets	\$ 36,337,164	\$ 17,582,517
SHAREHOLDERS' EQUITY AND LIABILITIES		
Current liabilities		
Accounts payable and accrued liabilities (notes 5 and 13)	\$ 255,310	\$ 322,415
Current income tax payable	13,030	13,030
Deferred compensation (note 13)	1,648,508	2,744,989
Asset retirement obligation	102,312	102,312
Total current liabilities	2,019,160	3,182,746
Non-current liabilities		
Deferred income tax liability	519,440	519,440
Total liabilities	2,538,600	3,702,186
Shareholders' equity	33,798,564	13,880,331
Total shareholders' equity and liabilities	\$ 36,337,164	\$ 17,582,517

The accompanying notes are an integral part of these unaudited condensed interim consolidated financial statements.

Nature of operations and going concern (note 1)
Contingency (note 15)

Sintana Energy Inc.

Condensed Interim Consolidated Statements of Loss and Comprehensive Loss
(Expressed in Canadian Dollars, Unless Otherwise Stated)
(Unaudited)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
Operating expenses				
Exploration and evaluation expenditures (note 11)	\$ 18,993	\$ 22,478	\$ 31,500	\$ 22,478
General and administrative (notes 12 and 13)	3,035,245	764,996	3,966,425	1,544,935
Costs related to acquisition of an interest in Giraffe (note 4)	48,772	-	48,772	-
Foreign exchange gain	(52,396)	(155,605)	(176,065)	(55,883)
Net loss before gain on accounts payable, interest income and joint venture loss	(3,050,614)	(631,869)	(3,870,632)	(1,511,530)
Gain on accounts payable (note 5)	23,708	23,165	46,849	46,863
Interest income	337,231	68,372	414,632	121,951
Joint venture loss (note 4)	(32,086)	(54,514)	(11,942)	(81,374)
Net loss for the period	\$ (2,721,761)	\$ (594,846)	\$ (3,421,093)	\$ (1,424,090)
Other comprehensive loss				
Items that will be reclassified subsequently to loss				
Exchange difference on translating foreign operations	\$ (37,698)	\$ -	\$ (134,383)	\$ -
Other comprehensive loss for the period	(37,698)	-	(134,383)	-
Net comprehensive loss for the period	\$ (2,759,459)	\$ (594,846)	\$ (3,555,476)	\$ (1,424,090)
Loss per share - basic and diluted (note 10)	\$ (0.01)	\$ (0.00)	\$ (0.01)	\$ (0.01)
Weighted average number of common shares outstanding - basic and diluted (note 10)	373,553,539	270,078,808	346,934,183	269,941,821

The accompanying notes are an integral part of these unaudited condensed interim consolidated financial statements.

Sintana Energy Inc.

Condensed Interim Consolidated Statements of Cash Flows
(Expressed in Canadian Dollars, Unless Otherwise Stated)
(Unaudited)

Six Months Ended June 30,	2024	2023
Operating activities		
Net loss for the period	\$ (3,421,093)	\$ (1,424,090)
Adjustment for:		
Joint venture loss (note 4)	11,942	81,374
Share-based compensation (notes 8 and 9)	1,596,866	567,904
Gain on accounts payable (note 5)	(46,849)	(46,863)
Foreign exchange	(134,383)	-
Non-cash working capital items:		
Accounts receivable and other assets	195,480	(213,129)
Accounts payable and accrued liabilities	(20,256)	(95,771)
Deferred compensation	(1,096,481)	(605,889)
Net cash used in operating activities	(2,914,774)	(1,736,464)
Investing activities		
Investment in joint venture (note 4)	(2,737,200)	-
Additional funding in joint venture (note 4)	(81,680)	(87,340)
Net cash used in investing activities	(2,818,880)	(87,340)
Financing activities		
Share issue costs	-	(2,537)
Options exercised	82,706	-
Warrants exercised	21,794,137	150,000
Net cash provided by financing activities	21,876,843	147,463
Net change in cash and cash equivalents	16,143,189	(1,676,341)
Cash and cash equivalents, beginning of period	4,297,639	6,335,915
Cash and cash equivalents, end of period	\$ 20,440,828	\$ 4,659,574
Cash	\$ 19,414,303	\$ 1,910,405
Cash equivalents	1,026,525	2,749,169
Total cash and cash equivalents	\$ 20,440,828	\$ 4,659,574

The accompanying notes are an integral part of these unaudited condensed interim consolidated financial statements.

Sintana Energy Inc.

Condensed Interim Consolidated Statements of Changes in Shareholders' Equity
(Expressed in Canadian Dollars, Unless Otherwise Stated)
(Unaudited)

	Number of common shares #	Share capital	Warrants	Contributed surplus	Deficit	Other comprehensive loss	Total
Balance, December 31, 2022	269,804,835	\$ 95,592,053	\$ 5,852,939	\$ 6,707,707	\$ (93,379,136)	\$ -	\$ 14,773,563
Warrants exercised (note 7(i))	1,000,000	461,516	(311,516)	-	-	-	150,000
Warrants issued (note 7(i))	-	(20,969)	20,969	-	-	-	-
Share issue costs	-	(2,537)	-	-	-	-	(2,537)
Share-based compensation - stock options (note 8)	-	-	-	355,949	-	-	355,949
Share-based compensation - restricted shares (note 9)	-	-	-	211,955	-	-	211,955
Net loss and comprehensive loss for the period	-	-	-	-	(1,424,090)	-	(1,424,090)
Balance, June 30, 2023	270,804,835	\$ 96,030,063	\$ 5,562,392	\$ 7,275,611	\$ (94,803,226)	\$ -	\$ 14,064,840
Balance, December 31, 2023	282,360,668	\$ 99,340,824	\$ 4,371,058	\$ 8,026,429	\$ (97,857,980)	\$ -	\$ 13,880,331
Warrants exercised	87,176,546	26,077,669	(4,283,532)	-	-	-	21,794,137
Restricted shares vested and converted to common shares (note 6(b)(i))	3,900,000	448,500	-	(448,500)	-	-	-
Options exercised	566,907	156,583	-	(73,877)	-	-	82,706
Warrants expired	-	-	(87,526)	87,526	-	-	-
Share-based compensation - stock options (note 8)	-	-	-	1,167,272	-	-	1,167,272
Share-based compensation - restricted shares (note 9)	-	-	-	429,594	-	-	429,594
Net loss and comprehensive loss for the period	-	-	-	-	(3,421,093)	(134,383)	(3,555,476)
Balance, June 30, 2024	374,004,121	\$ 126,023,576	\$ -	\$ 9,188,444	\$ (101,279,073)	\$ (134,383)	\$ 33,7

The accompanying notes are an integral part of these unaudited condensed interim consolidated financial statements.

Sintana Energy Inc.

Notes to Condensed Interim Consolidated Financial Statements

Three and Six Months Ended June 30, 2024

(Expressed in Canadian Dollars, Unless Otherwise Stated)

(Unaudited)

1. Nature of operations and going concern

Sintana Energy Inc. ("Sintana" or the "Company") is a Canadian crude oil and natural gas ("hydrocarbons") exploration and development company listed on the TSX Venture Exchange ("TSXV") under the symbol "SEI", and on the OTC market in the United States under the symbol "SEUSF". The primary office of the Company is located at The Canadian Venture Building, 82 Richmond Street East, Toronto, Ontario, Canada, M5C 1P1. Sintana is primarily engaged in hydrocarbons exploration and development activities in Namibia and also holds an interest in Colombia. The Company's exploration strategy is to acquire, explore, develop and produce hydrocarbon reserves. Its primary assets are held through its 49% interest in all of the issued and outstanding shares of Inter Oil (Pty) Ltd. ("Inter Oil") and through its 49% interest in all of the issued outstanding shares of Giraffe Energy Investments (Pty) Ltd. ("Giraffe"). Inter Oil is a private Namibian company which indirectly holds a strategic portfolio of offshore petroleum exploration licenses ("PEL") including (i) a 15% (Sintana: 7.35%) limited carried interest in PEL 87; (ii) a 10% (Sintana: 4.9%) limited carried interests in each of PELs 82 and 83; and (iii) a 10% (Sintana: 4.9%) limited carried interest in PEL 90. Inter Oil also holds a 30% (Sintana: 14.7%) interest in a subsidiary which, in turn, holds a 90% interest in onshore PEL 103. Giraffe holds a 33% limited carried interest in PEL 79 which governs Namibia offshore blocks 2815 and 2915. In addition, Sintana holds private participation interests of 25% unconventional (carried) and 100% conventional in the potential hydrocarbon resources of the 43,158 acres Valle Medio Magdalena 37 ("VMM-37") Block in Colombia.

Sintana is at an early stage of development and as is common with similar exploration companies, it raises financing for its property acquisition and exploration activities. Sintana has not incurred any operating income in the current and prior years. For the six months ended June 30, 2024, the Company incurred a loss of \$3,421,093 (six months ended June 30, 2023 - \$1,424,090) and had an accumulated deficit of \$101,279,073 (December 31, 2023 - \$97,857,980). Sintana had working capital of \$18,542,470 at June 30, 2024 (December 31, 2023 - \$1,431,175).

These unaudited condensed interim consolidated financial statements have been prepared on a basis which contemplates that the Company will continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of business. Accordingly, they do not give effect to adjustments that would be necessary should the Company be unable to continue as a going concern. The certainty of funding future exploration expenditures and availability of additional financing sources cannot be assured at this time. These material uncertainties may cast significant doubt on the Company's ability to continue as a going concern and, accordingly, the ultimate use of accounting principles applicable to a going concern. The Company's ability to continue as a going concern is dependent upon obtaining additional financing and eventually achieving profitable production. These unaudited condensed interim consolidated financial statements do not reflect any adjustments to the carrying values of assets and liabilities and the reported expenses and statement of financial position classifications that would be necessary should the going concern assumption be inappropriate.

2. Material accounting policies

Statement of compliance

The Company applies International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"). These unaudited condensed interim consolidated financial statements have been prepared in accordance with International Accounting Standard 34, Interim Financial Reporting. Accordingly, they do not include all of the information required for full annual financial statements prepared in accordance with IFRS as issued by the IASB.

The policies applied in these unaudited condensed interim consolidated financial statements are based on IFRSs issued and outstanding as of August 29, 2024, the date the Board of Directors approved these unaudited condensed interim consolidated financial statements. The same accounting policies and methods of computation are followed in these unaudited condensed interim consolidated financial statements as compared with the most recent annual audited consolidated financial statements as at and for the year ended December 31, 2023. Any subsequent changes to IFRS that are given effect in the Company's annual audited consolidated financial statements for the year ending December 31, 2024 could result in restatement of these unaudited condensed interim consolidated financial statements.

Sintana Energy Inc.

Notes to Condensed Interim Consolidated Financial Statements
Three and Six Months Ended June 30, 2024
(Expressed in Canadian Dollars, Unless Otherwise Stated)
(Unaudited)

3. Accounts receivable and other assets

	As at June 30, 2024	As at December 31, 2023
Accounts receivable	\$ 102,682	\$ 257,457
Prepays and other advances	18,120	58,825
	\$ 120,802	\$ 316,282

4. Investment in joint ventures

Balance, December 31, 2023	\$ 12,968,596
Investment in joint venture (i)	2,737,200
Additional funding in joint venture	81,680
Sintana's 49% share of Inter Oil's net loss for the period ended June 30, 2024	(11,942)
Balance, June 30, 2024	\$ 15,775,534

(i) On April 24, 2024, the Company entered into a definitive agreement with Crown Energy (Pty) Ltd. ("Crown"), a private Namibian company, providing for the acquisition (the "Acquisition") by the Company from Crown of up to 67% of the issued and outstanding shares of Giraffe. Giraffe holds a 33% limited carried interest in PEL 79 which governs Namibia offshore blocks 2815 and 2915. The Acquisition is structured as an initial purchase of 49% of the issued and outstanding shares of Giraffe from Crown for cash consideration of US\$2,000,000, with the Company being granted an option to increase its ownership up to an aggregate 67% interest in Giraffe over a period of five years for an additional cash payment at the time of exercise of US\$1,000,000.

On June 10, 2024, the Company announced that it had completed the acquisition of the initial 49% interest in Giraffe. The consideration for the Acquisition consisted of a cash payment of \$2,737,200 (US\$2,000,000).

5. Accounts payable and accrued liabilities

Accounts payable and accrued liabilities of the Company are principally comprised of amounts outstanding relating to general operating and administrative activities and a dormant arbitration of disputed joint venture cash calls:

	As at June 30, 2024	As at December 31, 2023
Accounts payable	\$ 24,462	\$ 94,274
Accrued liabilities	230,848	228,141
	\$ 255,310	\$ 322,415

Sintana Energy Inc.

Notes to Condensed Interim Consolidated Financial Statements
Three and Six Months Ended June 30, 2024
(Expressed in Canadian Dollars, Unless Otherwise Stated)
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5. Accounts payable and accrued liabilities (continued)

The following is an aged analysis of accounts payable and accrued liabilities:

	As at June 30, 2024	As at December 31, 2023
Less than 1 month	\$ 105,532	\$ 212,135
1 to 3 months	-	48,570
Greater than 3 months	149,778	61,710
	\$ 255,310	\$ 322,415

A provision related to the dispute (refer to note 15) is included in accounts payable and accrued liabilities. The Company assesses the probability each year for the likelihood of payment of the alleged liability. Management estimates that the probability of paying the alleged liability will decrease by 15% of the original accrued amount each year.

During the three and six months ended June 30, 2024, the Company recorded a gain on accounts payable of \$23,708 (US\$17,496) and \$46,849 (US\$34,992), respectively (three and six months ended June 30, 2023 - \$23,165 (US\$17,496) and \$46,863 (US\$34,992), respectively) in the unaudited condensed interim consolidated statements of loss and comprehensive loss related to the decrease in the probability of the provision being paid.

6. Share capital

a) Authorized share capital:

At June 30, 2024, the authorized share capital consisted of an unlimited number of common shares.

The common shares do not have a par value. All issued shares are fully paid.

b) Common shares issued:

At June 30, 2024, the issued share capital amounted to \$126,023,576. The change in issued share capital for the periods presented was as follows:

	Number of common shares	Amount
Balance, December 31, 2022	269,804,835	\$ 95,592,053
Warrants exercised (note 7(i))	1,000,000	461,516
Warrants issued (note 7(i))	-	(20,969)
Share issued costs	-	(2,537)
Balance, June 30, 2023	270,804,835	\$ 96,030,063

Sintana Energy Inc.

Notes to Condensed Interim Consolidated Financial Statements
Three and Six Months Ended June 30, 2024
(Expressed in Canadian Dollars, Unless Otherwise Stated)
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6. Share capital (continued)

b) Common shares issued (continued)

	Number of common shares	Amount
Balance, December 31, 2023	282,360,668	\$ 99,340,824
Warrants exercised	87,176,546	26,077,669
Restricted share units vested and converted to common shares (i)	3,900,000	448,500
Exercise of options	566,907	156,583
Balance, June 30, 2024	374,004,121	\$ 126,023,576

(i) During the six months ended June 30, 2024, 3,900,000 restricted share units ("RSUs") vested and were converted to common shares with a value of \$448,500. Refer to note 9.

7. Warrants

The following table reflects the continuity of warrants for the periods presented:

	Number of warrants	Weighted average exercise price
Balance, December 31, 2022	92,881,833	\$ 0.25
Warrants exercised (i)	(1,000,000)	0.15
Warrants issued (i)	1,000,000	0.25
Balance, June 30, 2023	92,881,833	\$ 0.25
Balance, December 31, 2023	88,957,833	\$ 0.25
Warrants exercised	(87,176,546)	0.25
Warrants expired	(1,781,287)	0.25
Balance, June 30, 2024	-	\$ -

(i) During the six months ended June 30, 2023, 1,000,000 broker warrants were exercised for \$0.15 per broker unit. Each broker warrant entitled the holder to one common share and one purchase warrant at a price of \$0.25. The fair value of the 1,000,000 additional warrants issued was estimated at \$20,969 using the Black-Scholes option valuation model with the following assumptions: volatility - 91%, risk-free interest rate - 4.28%, expected unit life - 0.76 year and dividend yield - nil%.

There were no warrants outstanding as at June 30, 2024.

Sintana Energy Inc.

Notes to Condensed Interim Consolidated Financial Statements
 Three and Six Months Ended June 30, 2024
 (Expressed in Canadian Dollars, Unless Otherwise Stated)
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8. Stock options

The following table reflects the continuity of stock options for the periods presented:

	Number of stock options outstanding	Weighted average exercise price
Balance, December 31, 2022 and June 30, 2023	22,625,000	\$ 0.13
Balance, December 31, 2023	23,625,000	\$ 0.17
Exercised	(566,907)	0.15
Granted (i)	1,650,000	1.08
Balance, June 30, 2024	24,708,093	\$ 0.23

(i) On May 1, 2024, the Company granted a total of 1,650,000 stock options to certain directors and officers of the Company. The options have an exercise price of \$1.08 and expire on May 1, 2034. Vesting of the stock options is as follows: one-third on day of grant, one-third after one year and one-third after two years. The fair value of each option was estimated on the date of grant using the Black-Scholes option pricing model with the following assumptions: expected dividend yield of 0%; expected volatility of 131%; risk-free interest rate of 3.76%; and an expected average life of 10 years. The options were valued at \$1,726,714.

(ii) Share-based compensation includes \$921,435 and \$1,167,272, respectively (three and six months ended June 30, 2023 - \$133,981 and \$355,949, respectively) relating to stock options granted in current and previous years in accordance with their respective vesting terms, during the three and six months ended June 30, 2024.

The following table reflects the actual stock options issued and outstanding as of June 30, 2024:

Expiry date	Exercise price	Weighted average remaining contractual life (years)	Number of options outstanding	Number of options vested (exercisable)	Number of options unvested
January 30, 2025	\$0.145	0.59	1,650,000	1,650,000	-
December 18, 2025	\$0.100	1.47	2,100,000	2,100,000	-
March 24, 2027	\$0.165	2.73	7,658,092	7,658,092	-
December 16, 2032	\$0.110	8.48	6,366,667	4,233,333	2,133,334
December 19, 2033	\$0.270	9.48	5,283,334	1,750,001	3,533,333
May 1, 2034	\$1.080	9.84	1,650,000	550,000	1,100,000
		5.88	24,708,093	17,941,426	6,766,667

Sintana Energy Inc.

Notes to Condensed Interim Consolidated Financial Statements

Three and Six Months Ended June 30, 2024

(Expressed in Canadian Dollars, Unless Otherwise Stated)

(Unaudited)

9. RSUs

The grant date fair value of RSUs equals the fair market value of the corresponding shares at the grant date. The fair value of these equity-settled awards is recognized as compensation expense with a corresponding increase in contributed surplus. The total amount expensed is recognized over the vesting period, which is the period over which all specified vesting conditions must be satisfied before RSUs are earned and therefore convertible. RSUs are converted into common shares when vested.

On May 1, 2024, the Company granted a total of 2,400,000 RSUs to certain directors and officers of the Company. The RSUs will vest on May 1, 2025.

During the three and six months ended June 30, 2024, 3,900,000 RSUs (three and six months ended June 30, 2023 - nil) vested and were converted to common shares with a value of \$448,500 (three and six months ended June 30, 2023 - \$nil).

The compensation portion of RSUs granted in the current and prior years and vested during the three and six months ended June 30, 2024, amounted to \$426,082 and \$429,594, respectively (three and six months ended June 30, 2023 - \$106,563 and \$211,955, respectively).

As of June 30, 2024, there were 2,400,000 RSUs outstanding (December 31, 2023 - 3,900,000 RSUs).

10. Net loss per share

The calculation of basic and diluted loss per share for the three and six months ended June 30, 2024 was based on the loss attributable to common shareholders of \$2,721,761 and \$3,421,093, respectively (three and six months ended June 30, 2023 - loss of \$594,846 and \$1,424,090, respectively) and the weighted average number of common shares outstanding of 373,553,539 and 346,934,183, respectively (three and six months ended June 30, 2023 - 270,078,808 and 269,941,821, respectively). Diluted loss per share did not include the effect of options, warrants and RSUs for the three and six months ended June 30, 2024 and 2023 as they were anti-dilutive.

11. Exploration and evaluation expenditures

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
Magdalena Basin, Colombia				
Administrative and general	\$ 8,737	\$ 18,181	\$ 18,725	\$ 18,181
Consulting fees	4,361	-	4,361	-
Other	3,182	-	3,182	-
Professional fees	2,713	4,297	5,232	4,297
	\$ 18,993	\$ 22,478	\$ 31,500	\$ 22,478

Sintana Energy Inc.

Notes to Condensed Interim Consolidated Financial Statements
Three and Six Months Ended June 30, 2024
(Expressed in Canadian Dollars, Unless Otherwise Stated)
(Unaudited)

12. General and administrative

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
Share-based compensation (notes 8, 9 and 13)	\$ 1,347,517	\$ 240,544	\$ 1,596,866	\$ 567,904
Salaries and benefits (note 13)	1,288,358	193,734	1,684,336	420,693
Professional fees (note 13)	113,022	206,758	204,415	265,755
Investor relations	157,556	79,186	255,511	162,215
Travel expenses	95,938	27,945	139,495	35,787
Administrative and general	29,985	28,468	44,249	45,186
Reporting issuer costs	2,869	(11,639)	41,553	47,395
	\$ 3,035,245	\$ 764,996	\$ 3,966,425	\$ 1,544,935

13. Related party transactions and balances

Related parties include the Board of Directors, officers, close family members and enterprises that are controlled by these individuals as well as certain persons performing similar functions.

The below noted transactions occurred in the normal course of business and are measured initially at fair value and approved by the Board of Directors in strict adherence to conflict of interest laws and regulations.

(a) Remuneration of directors and key management personnel (officers) of the Company was as follows:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
Salaries and benefits ⁽¹⁾⁽³⁾	\$ 1,228,096	\$ 176,912	\$ 1,464,618	\$ 355,930
Share-based compensation ⁽²⁾	\$ 1,314,010	\$ 221,051	\$ 1,520,198	\$ 469,034

⁽¹⁾ Salaries and benefits include director fees. Balances for deferred compensation due to directors and key management personnel of \$1,648,508 are included in deferred compensation as at June 30, 2024 (December 31, 2023 - \$2,744,989) and include the retiring allowance payable to Lee A. Pettigrew (refer to note 13(a)⁽³⁾).

⁽²⁾ Share-based compensation is recorded under general and administrative.

⁽³⁾ Effective as of July 31, 2016, the employment by the Company of Lee A. Pettigrew, former Vice President - Canadian Operations, ceased. Pursuant to his employment agreement, Mr. Pettigrew was entitled to 12 months base salary as a retiring allowance plus accumulated deferred compensation. As at June 30, 2024, he was owed \$100,715 (US\$73,584) (December 31, 2023 - \$118,484 (US\$89,584)) and this amount is reported as deferred compensation.

(b) The Company has entered into the following transactions with related parties:

During the three and six months ended June 30, 2024, the Company paid professional fees and disbursements totaling \$17,708 and \$39,475, respectively (three and six months ended June 30, 2023 - \$28,422 and \$45,787, respectively) to Marrelli Support Services Inc., and certain of its affiliates, together known as the "Marrelli Group", for: (i) Carmelo Marrelli, beneficial owner of the Marrelli Group, to act as the CFO of the Company, (ii) regulatory filing services, and (iii) press release services. At June 30, 2024, the Marrelli Group was owed \$nil (December 31, 2023 - \$27,524) and these amounts were included in accounts payable and accrued liabilities.

Sintana Energy Inc.

Notes to Condensed Interim Consolidated Financial Statements

Three and Six Months Ended June 30, 2024

(Expressed in Canadian Dollars, Unless Otherwise Stated)

(Unaudited)

14. Segmented information

The Company's operations comprise a single reporting operating segment engaged in oil and natural gas exploration and development in Colombia and Namibia. The Company has administrative offices in Toronto, Canada; and Dallas, Texas. Segmented information on a geographic basis is as follows:

June 30, 2024	Canada	United States	Colombia	Namibia	Total
Cash and cash equivalents	\$ 19,915,267	\$ 521,142	\$ 4,419	\$ -	\$ 20,440,828
Accounts receivable and other assets	120,802	-	-	-	120,802
Investment in joint venture	-	-	-	15,775,534	15,775,534
Total assets	\$ 20,036,069	\$ 521,142	\$ 4,419	\$ 15,775,534	\$ 36,337,164
Accounts payable and accrued liabilities	\$ 116,592	\$ 134,133	\$ 4,585	\$ -	\$ 255,310
Current income tax payable	13,030	-	-	-	13,030
Deferred compensation	100,715	1,547,793	-	-	1,648,508
Asset retirement obligation	102,312	-	-	-	102,312
Deferred income tax liability	519,440	-	-	-	519,440
Total liabilities	\$ 852,089	\$ 1,681,926	\$ 4,585	\$ -	\$ 2,538,600

Three Months Ended June 30, 2024	Canada	United States	Colombia	Namibia	Total
Exploration and evaluation expenditures	\$ -	\$ -	\$ 18,993	\$ -	\$ 18,993
General and administrative	1,571,413	1,463,832	-	-	3,035,245
Costs related to acquisition of an interest in Giraffe	48,772	-	-	-	48,772
Foreign exchange (gain) loss	(52,396)	(1,168)	1,168	-	(52,396)
Gain on accounts payable	(23,708)	-	-	-	(23,708)
Interest income	(337,231)	-	-	-	(337,231)
Joint venture loss	-	-	-	32,086	32,086
Net loss	\$ 1,206,850	\$ 1,462,664	\$ 20,161	\$ 32,086	\$ 2,721,761

Six Months Ended June 30, 2024	Canada	United States	Colombia	Namibia	Total
Exploration and evaluation expenditures	\$ -	\$ -	\$ 31,500	\$ -	\$ 31,500
General and administrative	2,078,074	1,888,351	-	-	3,966,425
Costs related to acquisition of an interest in Giraffe	48,772	-	-	-	48,772
Foreign exchange (gain) loss	(176,065)	1,052	(1,052)	-	(176,065)
Gain on accounts payable	(46,849)	-	-	-	(46,849)
Interest income	(414,632)	-	-	-	(414,632)
Joint venture loss	-	-	-	11,942	11,942
Net loss	\$ 1,489,300	\$ 1,889,403	\$ 30,448	\$ 11,942	\$ 3,421,093

Sintana Energy Inc.

Notes to Condensed Interim Consolidated Financial Statements
Three and Six Months Ended June 30, 2024
(Expressed in Canadian Dollars, Unless Otherwise Stated)
(Unaudited)

14. Segmented information (continued)

December 31, 2023	Canada	United States	Colombia	Namibia	Total
Cash and cash equivalents	\$ 4,074,494	\$ 222,704	\$ 441	\$ -	\$ 4,297,639
Accounts receivable and other assets	158,343	157,939	-	-	316,282
Investment in joint venture	12,968,596	-	-	-	12,968,596
Total assets	\$ 17,201,433	\$ 380,643	\$ 441	\$ -	\$ 17,582,517
Accounts payable and accrued liabilities	\$ 289,014	\$ 28,970	\$ 4,431	\$ -	\$ 322,415
Current income tax payable	13,030	-	-	-	13,030
Deferred compensation	118,484	2,626,505	-	-	2,744,989
Asset retirement obligation	102,312	-	-	-	102,312
Deferred income tax liability	519,440	-	-	-	519,440
Total liabilities	\$ 1,042,280	\$ 2,655,475	\$ 4,431	\$ -	\$ 3,702,186

Three Months Ended June 30, 2023	Canada	United States	Colombia	Namibia	Total
Exploration and evaluation expenditures	\$ -	\$ -	\$ 22,478	\$ -	\$ 22,478
General and administrative	425,226	252,430	-	-	677,656
Foreign exchange loss (gain)	73,678	(143,125)	1,182	-	(68,265)
Gain on accounts payable	(23,165)	-	-	-	(23,165)
Interest income	(68,372)	-	-	-	(68,372)
Joint venture loss	54,514	-	-	-	54,514
Net loss	\$ 461,881	\$ 109,305	\$ 23,660	\$ -	\$ 594,846

Six Months Ended June 30, 2023	Canada	United States	Colombia	Namibia	Total
Exploration and evaluation expenditures	\$ -	\$ -	\$ 22,478	\$ -	\$ 22,478
General and administrative	1,047,713	497,222	-	-	1,544,935
Foreign exchange loss (gain)	87,703	(144,759)	1,173	-	(55,883)
Gain on accounts payable	(46,863)	-	-	-	(46,863)
Interest income	(121,951)	-	-	-	(121,951)
Joint venture loss	81,374	-	-	-	81,374
Net loss	\$ 1,047,976	\$ 352,463	\$ 23,651	\$ -	\$ 1,424,090

15. Contingency

Farmout Agreement Arbitration

On March 20, 2015, the Operator advised the Company that it had exercised its right to terminate the Farmout Agreement for each of two Middle Magdalena Valley Blocks in Colombia. The Company concurred in writing that the Farmout Agreements had terminated. The Operator also contended that it had the right to recover certain historical costs with which the Company disagrees. Management is currently evaluating this matter and, together with legal counsel and other experts, assessing its potential options and alternatives with respect to these costs. Refer to note 5.

CORPORATE INFORMATION

DIRECTORS

Keith Spickelmier, Executive Chairman
Robert Bose, CEO & Director
Douglas Manner, President & Director
Bruno Maruzzo, Independent Director
Dean Gendron, Independent Director
Knowledge Katti, Independent Director

OFFICERS

Keith Spickelmier, Executive Chairman
Robert Bose, CEO & Director
Douglas Manner, President & Director
David Cherry, Chief Operating Officer
Carmelo Marrelli, Chief Financial Officer
Sean Austin, VP, Controller, Secretary & Treasurer

AUDIT COMMITTEE

Bruno Maruzzo, Independent Director (Chair)
Dean Gendron, Independent Director
Douglas Manner, Director

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Mississauga, Ontario

REGISTRAR AND TRANSFER AGENT

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Toronto, Ontario

LISTING

Exchange: TSX Venture
Trading Symbol: SEI
Cusip Number: 82938H
Fiscal Year End: Dec 31

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