



SINTANA ENERGY INC.
CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
THREE MONTHS ENDED MARCH 31, 2021
(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.

Sintana Energy Inc.

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

	As at March 31, 2021	As at December 31, 2020
ASSETS		
Current assets		
Cash	\$ 51,829	\$ 104,049
Accounts receivable and other assets (note 3)	22,536	27,589
Total assets	\$ 74,365	\$ 131,638
DEFICIT AND LIABILITIES		
Current liabilities		
Accounts payable and accrued liabilities (notes 4 and 13)	\$ 424,886	\$ 450,324
Deferred compensation (note 13)	5,829,445	5,636,345
Asset retirement obligation	102,312	102,312
Total current liabilities	6,356,643	6,188,981
Non-current liabilities		
Convertible debentures (note 5)	94,664	90,824
Total liabilities	6,451,307	6,279,805
Shareholders' deficiency	(6,376,942)	(6,148,167)
Total shareholders' deficiency and liabilities	\$ 74,365	\$ 131,638

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)
Subsequent events (note 16)

Sintana Energy Inc.

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

Three Months Ended
March 31,
2021 2020

Operating expenses

Exploration and evaluation expenditures (note 11)	\$ 45,121	\$ 16,187
General and administrative (notes 12 and 13)	423,097	511,687
Finance interest expense (note 5)	3,840	4,110
Foreign exchange (gain) loss	(80,914)	449,436
Net loss before gain of accounts payable	(391,144)	(981,420)
Gain of accounts payable (note 4)	22,002	24,823
Net loss and comprehensive loss for the period	\$ (369,142)	\$ (956,597)
Loss per share - basic and diluted (note 10)	\$ (0.00)	\$ (0.01)
Weighted average number of common shares outstanding		
- basic and diluted (note 10)	132,615,831	128,508,092

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)**Three Months Ended**
March 31,
2021 2020

Operating activities

Net loss for the period	\$	(369,142)	\$	(956,597)
Adjustment for:				
Accretion on convertible debentures (note 5)		1,840		2,110
Accrued interest on convertible debentures (note 5)		2,000		2,000
Share-based compensation (notes 8 and 9)		77,367		147,779
Gain of accounts payable (note 4)		(22,002)		(24,823)
Non-cash working capital items:				
Accounts receivable and other assets		5,053		(4,048)
Accounts payable and accrued liabilities		(3,436)		41,102
Deferred compensation		193,100		710,659
Net cash used in operating activities		(115,220)		(81,818)

Financing activity

Warrants exercised		63,000		332,500
Net cash provided by financing activity		63,000		332,500

Net change in cash		(52,220)		250,682
Cash, beginning of period		104,049		173,975
Cash, end of period	\$	51,829	\$	424,657

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' Deficiency
(Expressed in Canadian Dollars, Unless Otherwise Stated)
(Unaudited)

	Number of common shares #	Share capital	Warrants	Contributed surplus	Conversion feature of convertible debt	Deficit	Total
Balance, December 31, 2019	126,473,297	\$ 78,217,273	\$ 74,233	\$ 5,312,944	\$ 24,891	\$(88,828,046)	\$ (5,198,705)
Restricted shares vested and converted to common shares (note 6(b)(i))	600,000	62,000	-	(62,000)	-	-	-
Warrants exercised (note 7)	3,325,000	375,651	(43,151)	-	-	-	332,500
Share-based compensation - stock options (note 8)	-	-	-	117,513	-	-	117,513
Share-based compensation - restricted shares (note 9)	-	-	-	30,266	-	-	30,266
Net loss and comprehensive loss for the period	-	-	-	-	-	(956,597)	(956,597)
Balance, March 31, 2020	130,398,297	\$ 78,654,924	\$ 31,082	\$ 5,398,723	\$ 24,891	\$(89,784,643)	\$ (5,675,023)
Balance, December 31, 2020	130,398,297	\$ 78,657,924	\$ 31,082	\$ 5,713,913	\$ 24,891	\$(90,575,977)	\$ (6,148,167)
Restricted shares vested and converted to common shares (note 6(b)(ii))	1,950,000	165,750	-	(165,750)	-	-	-
Warrants exercised (note 7)	630,000	71,176	(8,176)	-	-	-	63,000
Share-based compensation - stock options (note 8)	-	-	-	38,367	-	-	38,367
Share-based compensation - restricted shares (note 9)	-	-	-	39,000	-	-	39,000
Net loss and comprehensive loss for the period	-	-	-	-	-	(369,142)	(369,142)
Balance, March 31, 2021	132,978,297	\$ 78,894,850	\$ 22,906	\$ 5,625,530	\$ 24,891	\$(90,945,119)	\$ (6,376,942)

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 Months Ended March 31, 2021

(Expressed in Canadian Dollars, Unless Otherwise Stated)

(Unaudited)

1. Nature of operations and going concern

Sintana Energy Inc. ("Sintana" or the "Company") is a public Canadian oil and gas exploration company listed on the TSX Venture Exchange ("TSXV"), with offices in Toronto, Canada; and Dallas, Texas. The trading symbol of the Company is SEI. The Company is targeting assets in Colombia's Magdalena Basin. It's exploration strategy is to acquire, explore, develop and produce superior quality assets with significant reserve potential. The primary office of the Company is located at The Canadian Venture Building, 82 Richmond Street East, Toronto, Ontario, Canada, M5C 1P1.

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 three months ended March 31, 2021, the Company incurred a loss of \$369,142 (three months ended March 31, 2020 - \$956,597) and had an accumulated deficit of \$90,945,119 (December 31, 2020 - \$90,575,977). Sintana had a working capital deficit of \$6,282,278 at March 31, 2021 (December 31, 2020 - working capital deficit of \$6,057,343).

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.

In March 2020, the World Health Organization declared coronavirus (COVID-19) a global pandemic. This contagious disease outbreak, which has continued to spread, has adversely affected workforces, economies, and financial markets globally, leading to an economic downturn. It is not possible for the Company to predict the duration or magnitude of the adverse results of the outbreak and its effects on the Company's business and / or ability to raise funds. To date, our operations have remained stable but there can be no assurance that our ability to continue to operate our business will not be materially and adversely impacted, in particular to the extent that aspects of our operations which rely on services provided by third parties fail to perform as expected.

2. Significant 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 required by 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 May 25, 2021, 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, 2020. Any subsequent changes to IFRS that are given effect in the Company's annual audited consolidated financial statements for the year ending December 31, 2021 could result in restatement of these unaudited condensed interim consolidated financial statements.

Sintana Energy Inc.

Notes to Condensed Interim Consolidated Financial Statements

Three Months Ended March 31, 2021

(Expressed in Canadian Dollars, Unless Otherwise Stated)

(Unaudited)

3. Accounts receivable and other assets

	As at March 31, 2021	As at December 31, 2020
Accounts receivable	\$ 8,612	\$ 7,697
Prepays and other advances	13,924	19,892
	\$ 22,536	\$ 27,589

4. Accounts payable and accrued liabilities

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

	As at March 31, 2021	As at December 31, 2020
Accounts payable	\$ 18,635	\$ 8,658
Accrued liabilities	406,251	441,666
	\$ 424,886	\$ 450,324

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

	As at March 31, 2021	As at December 31, 2020
Less than 1 month	\$ 92,097	\$ 91,274
Greater than 3 months	332,789	359,050
	\$ 424,886	\$ 450,324

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 months ended March 31, 2021, the Company recorded a gain of accounts payable of \$22,002 (US\$17,496) (three months ended March 31, 2020 - \$24,823 (US\$17,496)) in the unaudited condensed interim consolidated statements of loss and comprehensive loss related to the decrease in the probability of the provision being paid.

Sintana Energy Inc.

Notes to Condensed Interim Consolidated Financial Statements

Three Months Ended March 31, 2021

(Expressed in Canadian Dollars, Unless Otherwise Stated)

(Unaudited)

5. Convertible debentures

Movement in the convertible debenture was as follows:

	Amount
Balance, December 31, 2020	\$ 90,824
Accrued interest	2,000
Accretion expense	1,840
Balance, March 31, 2021	\$ 94,664

6. Share capital

a) Authorized share capital:

At March 31, 2021, 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 March 31, 2021, the issued share capital amounted to \$78,894,850. The change in issued share capital for the periods presented was as follows:

	Number of common shares	Amount
Balance, December 31, 2019	126,473,297	\$ 78,217,273
Restricted shares vested and converted to common shares (i)	600,000	62,000
Exercise of warrants	3,325,000	375,651
Balance, March 31, 2020	130,398,297	\$ 78,654,924

Balance, December 31, 2020	130,398,297	\$ 78,657,924
Restricted shares vested and converted to common shares (ii)	1,950,000	165,750
Exercise of warrants	630,000	71,176
Balance, March 31, 2021	132,978,297	\$ 78,894,850

(i) During the three months ended March 31, 2020, 400,000 restricted share units ("RSUs") vested and converted to common shares with a value of \$36,000 and 200,000 RSUs vested and converted to common shares with a value of \$26,000. Refer to note 9.

(ii) During the three months ended March 31, 2021, 1,950,000 RSUs vested and converted to common shares with a value of \$165,750. Refer to note 9.

Sintana Energy Inc.

Notes to Condensed Interim Consolidated Financial Statements

Three Months Ended March 31, 2021

(Expressed in Canadian Dollars, Unless Otherwise Stated)

(Unaudited)

7. Warrants

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

	Number of warrants	Weighted average exercise price
Balance, December 31, 2019	5,720,000	\$ 0.10
Warrants exercised	(3,325,000)	0.10
Balance, March 31, 2020	2,395,000	\$ 0.10
Balance, December 31, 2020	2,395,000	\$ 0.10
Warrants exercised	(630,000)	0.10
Balance, March 31, 2021	1,765,000	\$ 0.10

The following table reflects the actual warrants issued and outstanding as of March 31, 2021:

Expiry date	Exercise price	Warrants outstanding	Fair value
July 24, 2021	\$ 0.10	1,765,000	\$ 22,906

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, 2019	10,000,000	\$ 0.13
Granted (i)	2,025,000	0.15
Balance, March 31, 2020	12,025,000	\$ 0.13
Balance, December 31, 2020 and March 31, 2021	10,625,000	\$ 0.11

(i) On January 30, 2020, the Company granted a total of 2,025,000 stock options to several directors and officers of the Company and one consultant. The options have an exercise price of \$0.145 and expire on January 30, 2025. 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 141.08%; risk-free interest rate of 1.34%; and an expected average life of 5 years. The options were valued at \$261,023. \$18,087 (three months ended March 31, 2020 - \$108,819) was expensed to salaries and benefits (share-based compensation) and as an addition to contributed surplus during the three months ended March 31, 2021.

Sintana Energy Inc.

Notes to Condensed Interim Consolidated Financial Statements

Three Months Ended March 31, 2021

(Expressed in Canadian Dollars, Unless Otherwise Stated)

(Unaudited)

8. Stock options (continued)

(ii) Share-based compensation included in salaries and benefits expense includes \$20,280 (three months ended March 31, 2020 - \$8,694) relating to stock options granted in previous years in accordance with their respective vesting terms, during the three months ended March 31, 2021.

The following table reflects the actual stock options issued and outstanding as of March 31, 2021:

Expiry date	Exercise price	Weighted average remaining contractual life (years)	Number of options outstanding	Number of options vested (exercisable)	Number of options unvested
July 19, 2021	\$0.100	0.30	2,150,000	2,150,000	-
June 4, 2023	\$0.100	2.19	450,000	450,000	-
December 18, 2023	\$0.100	2.72	3,850,000	3,850,000	-
January 30, 2025	\$0.145	3.84	2,025,000	1,350,000	675,000
December 18, 2025	\$0.100	4.72	2,150,000	716,667	1,433,333
		2.83	10,625,000	8,516,667	2,108,333

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 January 30, 2020, the Company granted 200,000 RSUs to four officers of the Company. These RSUs vested on February 11, 2020. In relation to this grant, compensation for the three months ended March 31, 2021, was \$nil (three months ended March 31, 2020 - \$26,000).

During the three months ended March 31, 2021, 1,950,000 RSUs (three months ended March 31, 2020 - 600,000) vested and converted to common shares with a value of \$165,750 (three months ended March 31, 2020 - \$62,000).

The portion of the compensation of RSUs granted in the prior years and vested during the three months ended March 31, 2021, amounted to \$39,000 (three months ended March 31, 2020 - \$4,266).

As of March 31, 2021, there were nil RSU outstanding (December 31, 2020 - 1,950,000 RSUs).

10. Net loss per share

The calculation of basic and diluted loss per share for the three months ended March 31, 2021 was based on the loss attributable to common shareholders of \$369,142 (three months ended March 31, 2020 - loss of \$956,597) and the weighted average number of common shares outstanding of 132,615,831 (three months ended March 31, 2020 - 128,508,092). Diluted loss per share did not include the effect of options, warrants, RSUs and convertible debentures for the three months ended March 31, 2021 and 2020 as they were anti-dilutive or not in the money.

Sintana Energy Inc.

Notes to Condensed Interim Consolidated Financial Statements

Three Months Ended March 31, 2021

(Expressed in Canadian Dollars, Unless Otherwise Stated)

(Unaudited)

11. Exploration and evaluation expenditures

	Three Months Ended March 31,	
	2021	2020
Magdalena Basin, Colombia		
Administrative and general	\$ 13,906	\$ 12,136
Professional fees	31,215	4,051
	\$ 45,121	\$ 16,187

12. General and administrative

	Three Months Ended March 31,	
	2021	2020
Salaries and benefits (notes 8, 9 and 13)	\$ 351,695	\$ 438,799
Professional fees (note 13)	48,204	54,292
Administrative and general	9,590	15,883
Reporting issuer costs	13,608	352
Travel expenses	-	2,361
	\$ 423,097	\$ 511,687

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 at the exchange amount, as agreed to by the parties, 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 and vice-president) of the Company was as follows:

	Three Months Ended March 31,	
	2021	2020
Salaries and benefits ⁽¹⁾⁽³⁾	\$ 261,870	\$ 277,256
Share-based compensation ⁽²⁾	\$ 72,254	\$ 139,716

(1) Salaries and benefits include director fees. Balances for deferred compensation due to directors and key management personnel of \$5,829,445 are included in deferred compensation as at March 31, 2021 (December 31, 2020 - \$5,636,345) and include the retiring allowance payable to Lee A. Pettigrew (refer to note 13(a)⁽³⁾).

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

(3) Effective as of July 31, 2016, the employment by the Company of Lee A. Pettigrew, Vice President - Canadian Operations, ceased. Pursuant to his employment agreement, Mr. Pettigrew is entitled to 12 months base salary (March 31, 2021 - \$384,272 (US\$305,584); December 31, 2020 - \$389,070 (US\$305,584)) as a retiring allowance. This amount is included as deferred compensation.

Sintana Energy Inc.

Notes to Condensed Interim Consolidated Financial Statements

Three Months Ended March 31, 2021

(Expressed in Canadian Dollars, Unless Otherwise Stated)

(Unaudited)

13. Related party transactions and balances (continued)

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

For the three months ended March 31, 2021, the Company paid professional fees and disbursements of \$15,596 (three months ended March 31, 2020 - \$15,830) to Marrelli Support Services Inc. ("Marrelli Support"), an organization of which the CFO of the Company is a managing director. These services were incurred in the normal course of operations for general accounting and financial reporting matters. Marrelli Support also provides bookkeeping services to the Company. All services were made on terms equivalent to those that prevail with arm's length transactions. An amount of \$5,790 is included in accounts payable and accrued liabilities as at March 31, 2021 (December 31, 2020 - \$15,292).

For the three months ended March 31, 2021, the Company paid professional fees and disbursements of \$1,460 (three months ended March 31, 2020 - \$2,520) to DSA Filing Services Inc. ("DSA Filing"), an organization of which the CFO of the Company is the corporate secretary and sole director. These services were incurred in the normal course of operations of corporate secretarial matters. All services were made on terms equivalent to those that prevail with arm's length transactions. As at March 31, 2021, DSA Filing was owed \$354 (December 31, 2020 - \$955) and this amount is included in accounts payable and accrued liabilities.

14. Segmented information

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

March 31, 2021	Canada	United States	Colombia	Total
Cash	\$ 42,204	\$ 4,133	\$ 5,492	\$ 51,829
Accounts receivable and other assets	22,536	-	-	22,536
Total assets	\$ 64,740	\$ 4,133	\$ 5,492	\$ 74,365
Accounts payable and accrued liabilities	\$ 376,518	\$ 44,092	\$ 4,276	\$ 424,886
Deferred compensation	593,090	5,236,355	-	5,829,445
Asset retirement obligation	102,312	-	-	102,312
Convertible debentures	94,664	-	-	94,664
Total liabilities	\$ 1,166,584	\$ 5,280,447	\$ 4,276	\$ 6,451,307

Three Months Ended March 31, 2021	Canada	United States	Colombia	Total
Exploration and evaluation expenditures	\$ -	\$ -	\$ 45,121	\$ 45,121
General and administrative	149,484	273,613	-	423,097
Finance interest expense	3,840	-	-	3,840
Foreign exchange loss (gain)	167,492	(239,362)	(9,044)	(80,914)
Gain of accounts payable	(22,002)	-	-	(22,002)
Net loss and comprehensive loss	\$ 298,814	\$ 34,251	\$ 36,077	\$ 369,142

Sintana Energy Inc.

Notes to Condensed Interim Consolidated Financial Statements

Three Months Ended March 31, 2021

(Expressed in Canadian Dollars, Unless Otherwise Stated)

(Unaudited)

14. Segmented information (continued)

December 31, 2020	Canada	United States	Colombia	Total
Cash	\$ 83,916	\$ 12,474	\$ 7,659	\$ 104,049
Accounts receivable and other assets	27,589	-	-	27,589
Total assets	\$ 111,505	\$ 12,474	\$ 7,659	\$ 131,638
Accounts payable and accrued liabilities	\$ 419,828	\$ 25,912	\$ 4,584	\$ 450,324
Deferred compensation	582,888	5,053,457	-	5,636,345
Asset retirement obligation	102,312	-	-	102,312
Convertible debentures	90,824	-	-	90,824
Total liabilities	\$ 1,195,852	\$ 5,079,369	\$ 4,584	\$ 6,279,805

Three Months Ended March 31, 2020	Canada	United States	Colombia	Total
Exploration and evaluation expenditures	\$ -	\$ -	\$ 16,187	\$ 16,187
General and administrative	228,419	283,268	-	511,687
Finance interest expense	4,110	-	-	4,110
Foreign exchange (gain) loss	(1,276,375)	1,724,584	1,227	449,436
Gain of accounts payable	(24,823)	-	-	(24,823)
Net loss and comprehensive loss	\$ (1,068,669)	\$ 2,007,852	\$ 17,414	\$ 956,597

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 contends that it has 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.

16. Subsequent events

(i) On April 22, 2021, 400,000 stock options with an exercise price of \$0.10 and an expiration date of July 19, 2021 were exercised for cash proceeds of \$40,000. As a result, 1,750,000 stock options remain outstanding and will expire on July 19, 2021.

(ii) On April 28, 2021, 890,000 warrants with an exercise price of \$0.10 and an expiration date of July 24, 2021 were exercised for cash proceeds of \$89,000. As a result, 875,000 warrants remain outstanding and will expire on July 24, 2021.