

HIGH MARGINS ZERO CAPITAL CARBON NEUTRAL

Corporate Presentation

December 2023

PRAIRIESKY
ROYALTY LTD

TSX | **PSK**



TSX
PSK



\$5.8 Billion
Enterprise Value⁽¹⁾



Balance Sheet
Strength

Annual Dividend
\$0.96
Per Common Share
Paid Quarterly



239.0 Million
Shares Outstanding



\$1.8 Billion
Returned to
Shareholders since IPO



18.1 Million
Acres of Royalty Lands



Net Zero
Scope 1 and 2 Emissions



4
Provinces

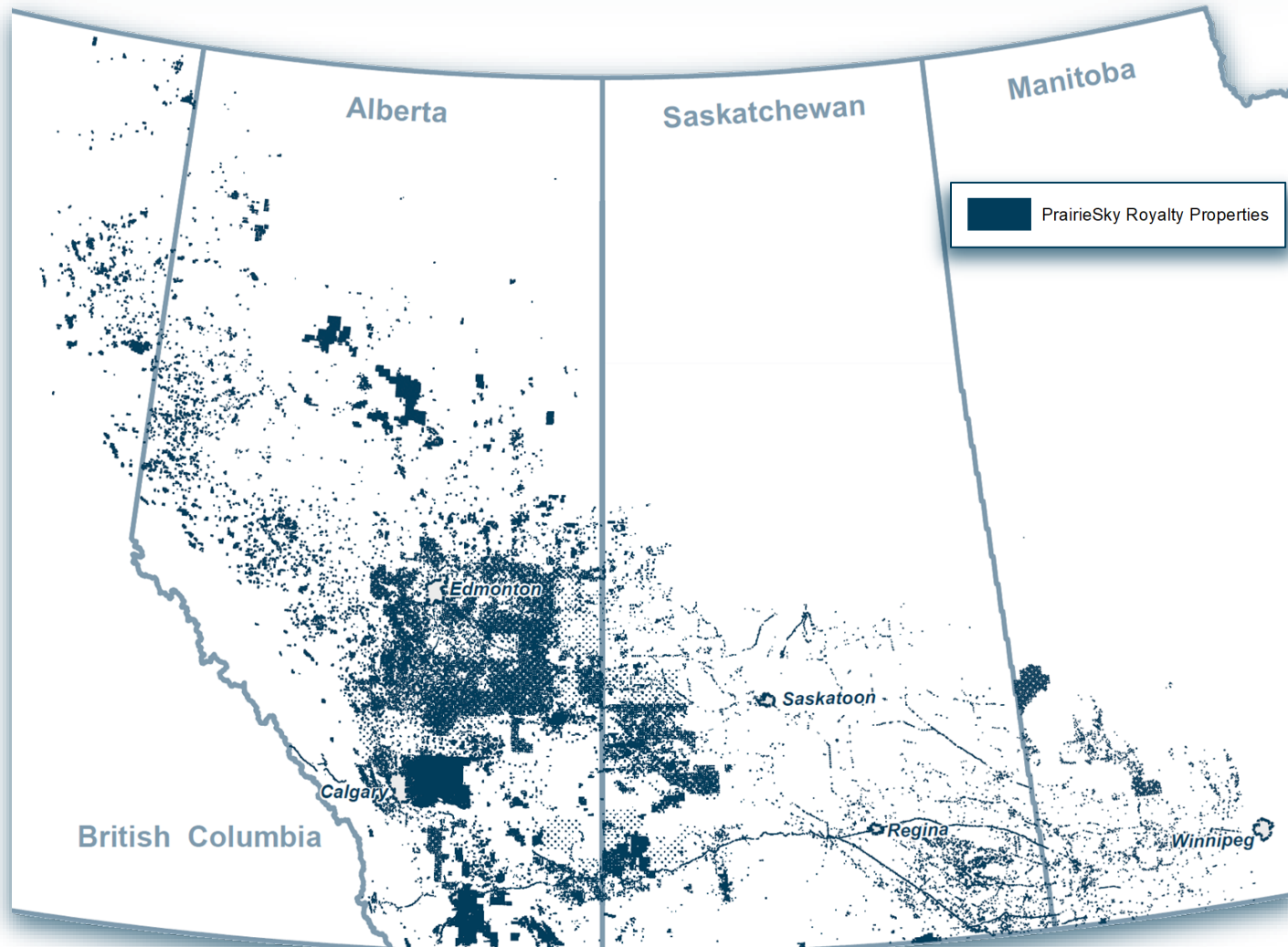
(1) Based on 239.0 million common shares and the closing share price on the TSX of \$23.20 on December 29, 2023 and net debt of \$253.7 million at September 30, 2023.

(2) Financial data in this corporate presentation is as at September 30, 2023 unless stated otherwise.

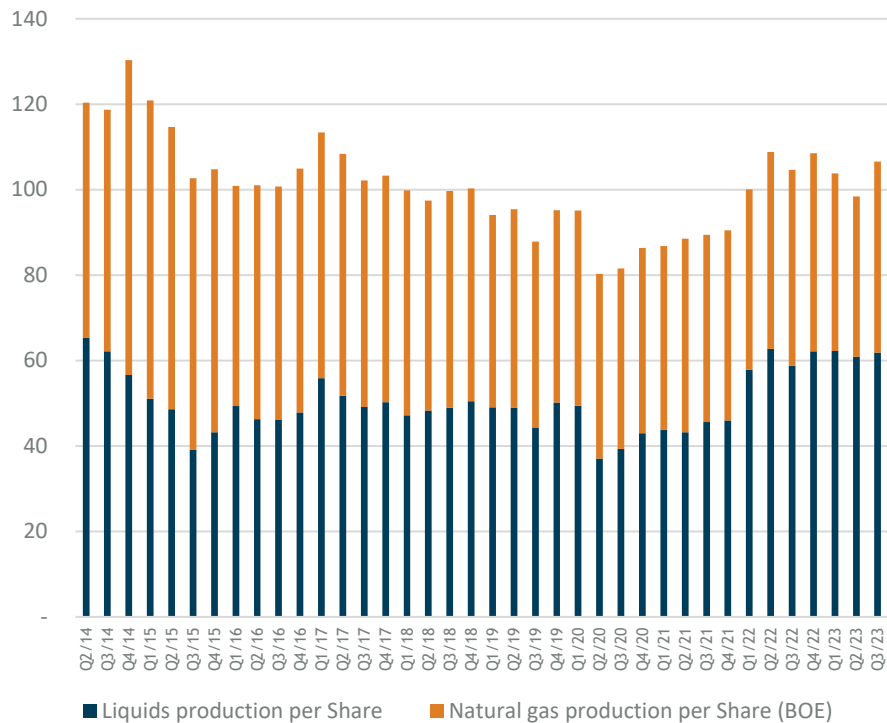
Cover: Carbon neutral refers to Scope 1 and Scope 2 emissions. Please see the PWC Assurance Statement on our website <https://www.prairiesky.com/responsibility/our-approach/>.

PrairieSky's Dominant Land Position

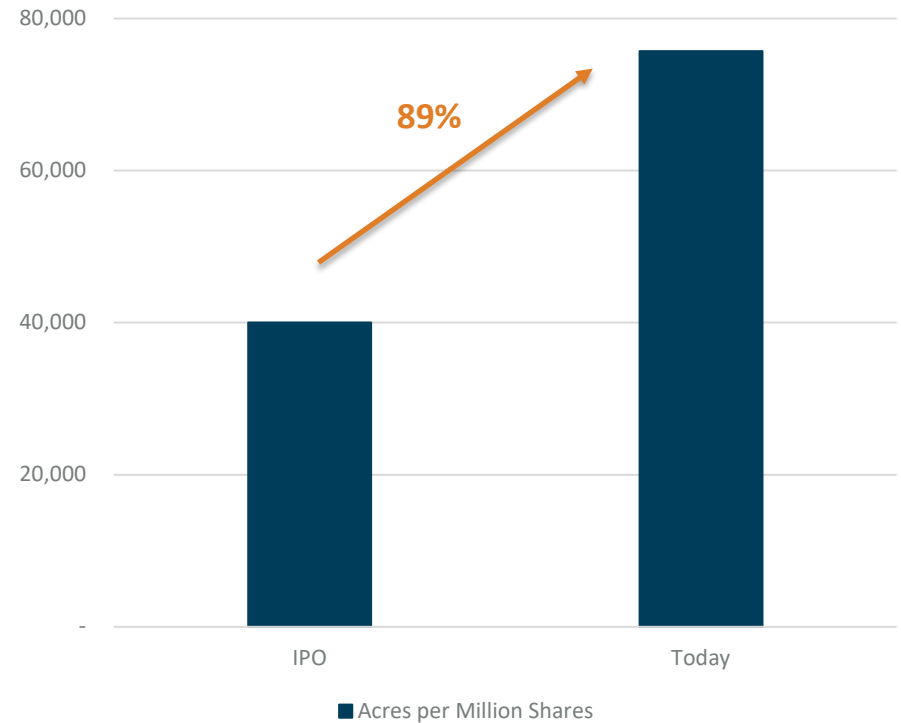
18.1 million acres
across Western Canada



Production per Million Shares⁽¹⁾



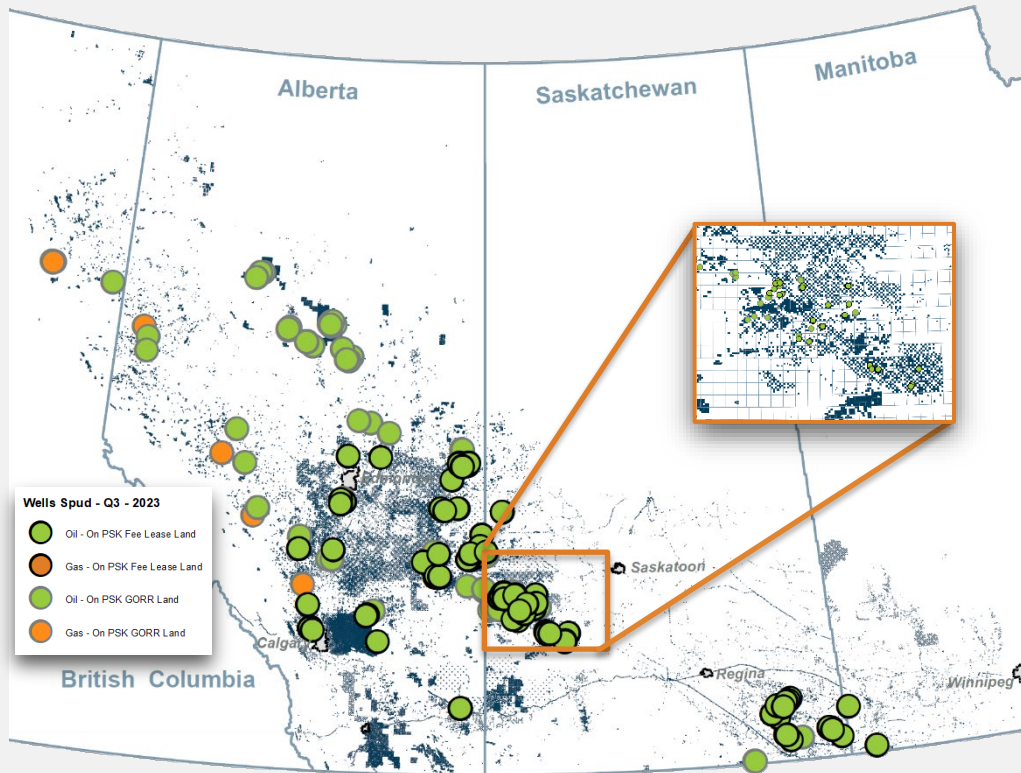
Acres per Million Shares⁽²⁾



⁽¹⁾ Using weighted average number of common shares in each quarter.

⁽²⁾ Using common shares outstanding at IPO and at September 30, 2023.

With third-party activity across our royalty land base, PrairieSky has **increased its oil royalty production by 6% YTD 2023** versus YTD 2022.



Strong quarterly activity with **246** wells spud across PrairieSky's land base, including:

- 92 Viking light oil wells spud
- 46 Clearwater oil wells spud
- 47 Mannville heavy and light oil wells spud

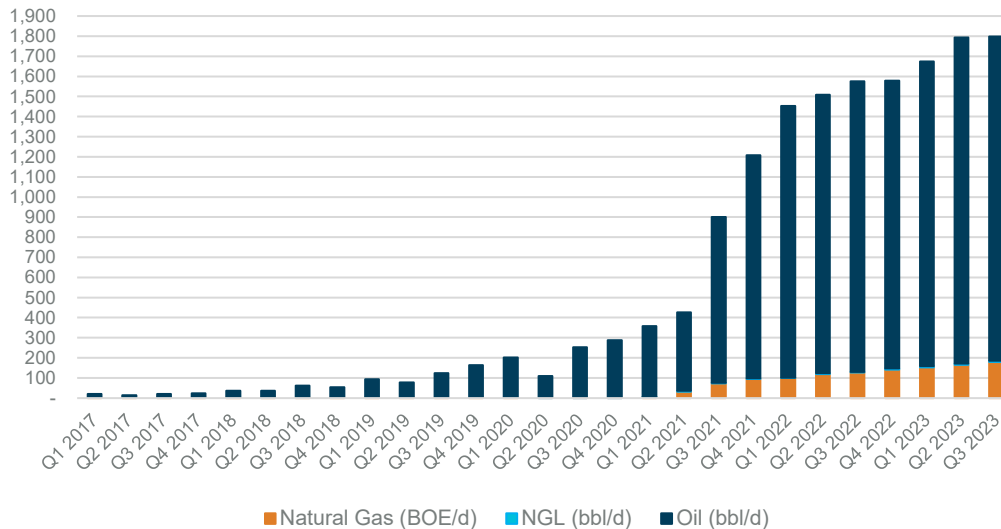
Private, growth-oriented companies continue to expand their positions and be very active on our royalty lands.

~50% of revenue and capital activity on PrairieSky's lands is from private operators.

PrairieSky has the largest Clearwater royalty acreage position with **~1,400,000 acres** throughout the entire Clearwater trend.

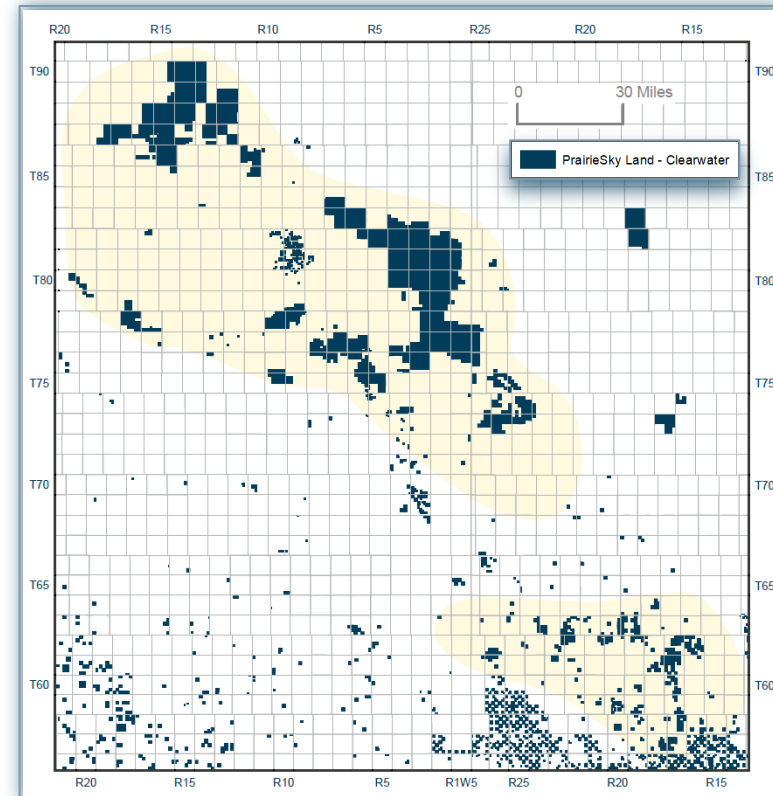
Clearwater royalty production showing sustainable organic growth with average royalty production volumes of ~1,800 BOE/d in Q3 2023.

Clearwater Royalty Production



Early entrant (2017) allowed PrairieSky owners to pay the lowest price per acre for Clearwater royalty lands in the best parts of the play.

Clearwater is now the largest conventional oil play in Canada.





Third-party capital on PrairieSky lands has historically replaced produced reserves.

Reserves replaced in 2022, after record annual production of 9,200 MBOE in the year.



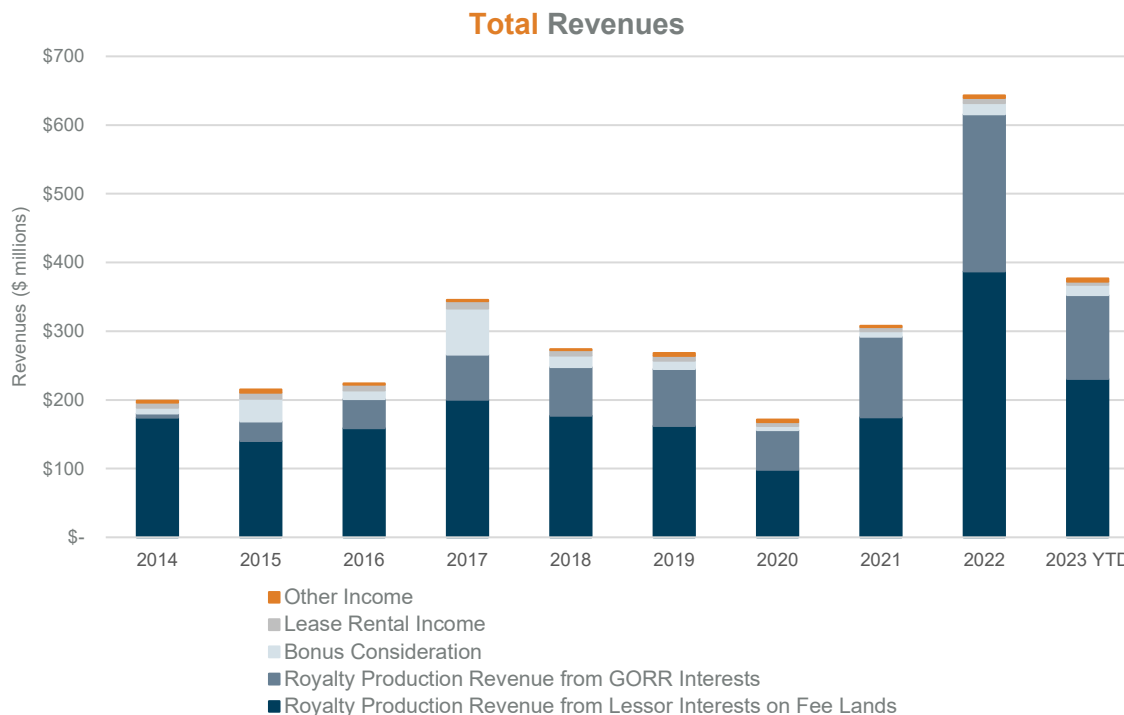
In a royalty business with undeveloped land, all funds from operations can be returned to shareholders.

YTD 2023 funds from operations of **\$271.4 million** primarily used for dividends declared of \$171.9 million and net debt reduction to \$253.7 million.

	Proved + Probable Reserves (MBOE)	Annual Production (MBOE)	Funds from Operations (millions)
2015	46,653	6,199	\$177.8
2016	47,423	8,531	\$200.2
2017	49,234	9,221	\$290.2
2018	47,482	8,526	\$229.7
2019	45,835	7,941	\$220.4
2020	48,189	7,215	\$146.8
2021	66,250	7,238	\$273.4
2022	66,719	9,200	\$507.6

PrairieSky generates revenues through leasing its **Fee Lands** and its **GORR Interests**, which includes **Royalty Production Revenue**, **Bonus Consideration** and **Lease Rental Income**.

Royalty Compliance focuses on capturing mis-paid royalties through forensic accounting. Over \$80 million in compliance recoveries collected since IPO.



Low risk revenue base

Royalty operating margin⁽¹⁾ **99%**

Operating margin⁽¹⁾ of **87%**

Strong balance sheet

(1) Royalty operating margin and operating margin are for the nine months ended September 30, 2023. See Non-GAAP Measures and Ratios. Compliance revenue is recorded with Royalty Production Revenue from Fee Lands and GORR Interests in the financial statements.



Low risk revenue base

No maintenance capital

None of the capital requirements, operating costs, abandonment liabilities or reclamation charges associated with working interest ownership.

With no capital requirements or operating costs, PrairieSky is a **strong hedge to inflation.**



High margins

Strong revenue for upstream oil and gas producers and PrairieSky.

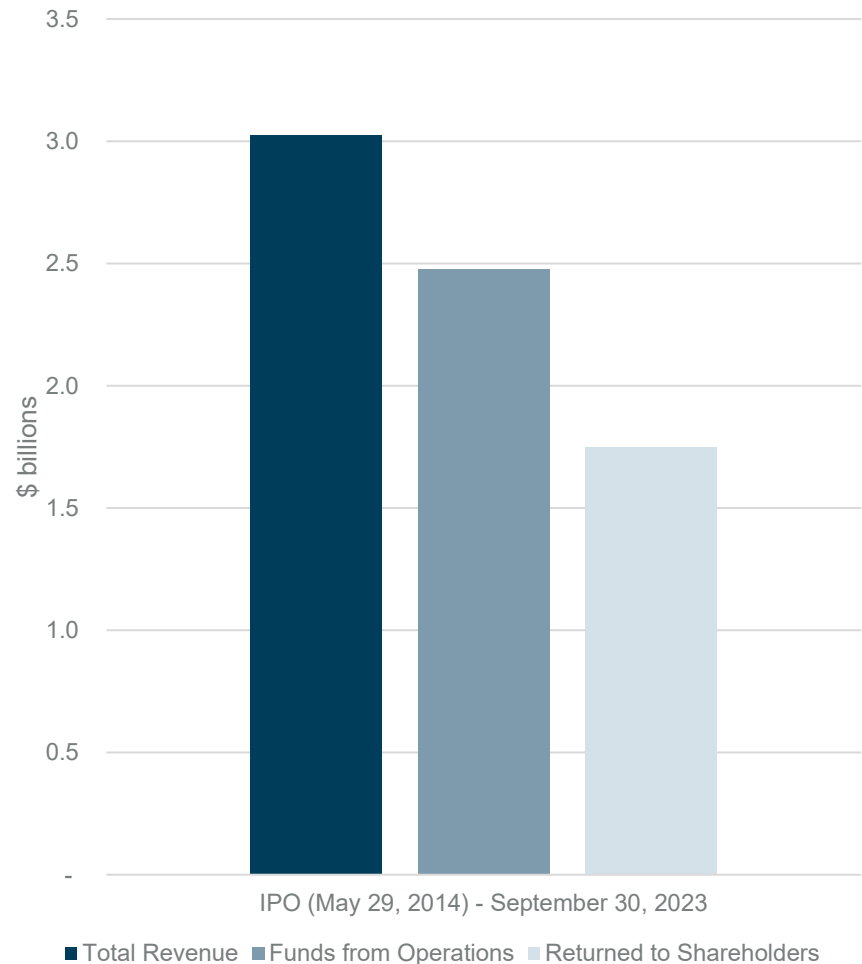
Unhedged royalty portfolio provides full exposure to commodity prices.



From IPO to September 30, 2023, PrairieSky has returned **\$1.5 billion** in dividends and **\$246 million** in share buybacks to shareholders.



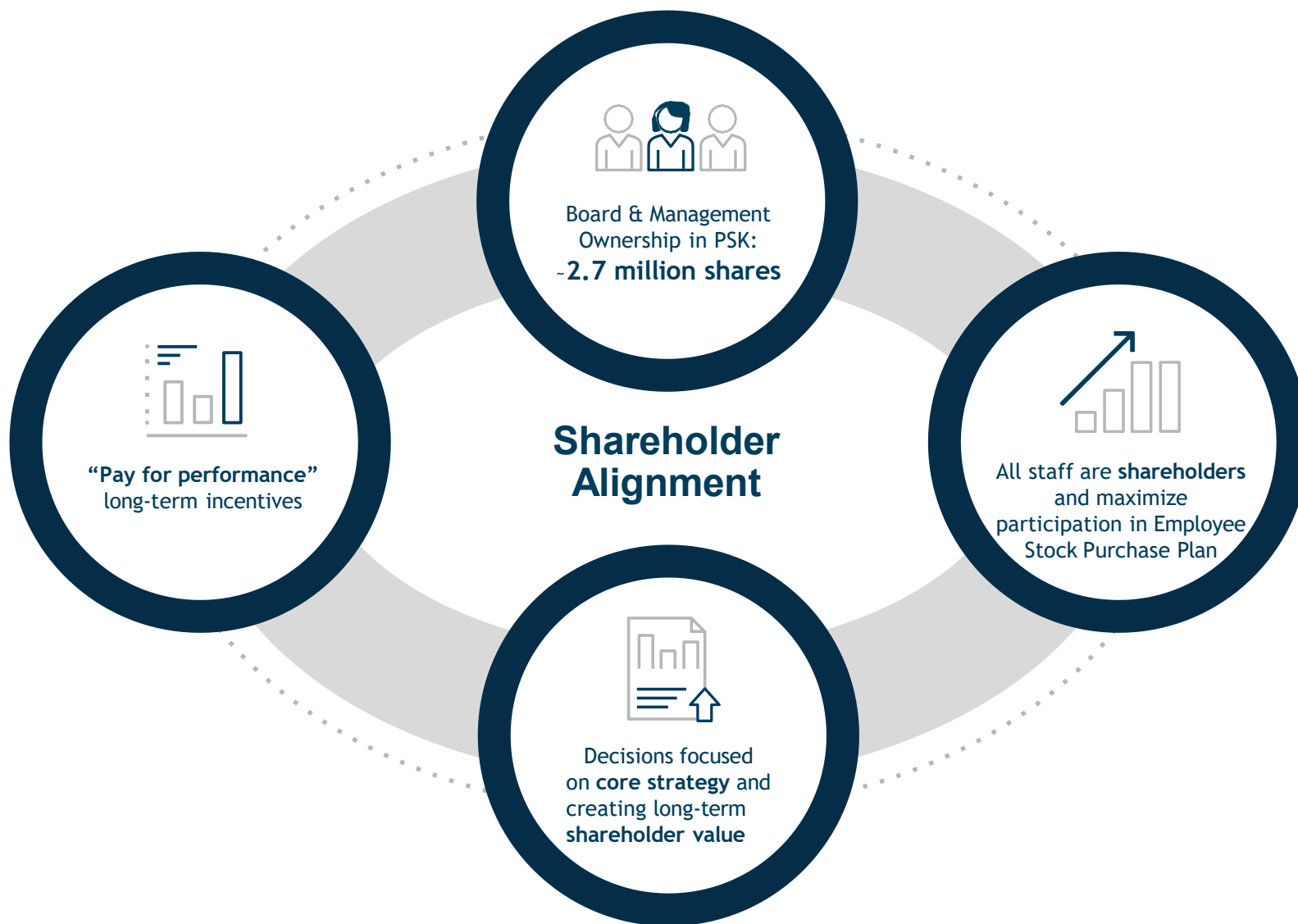
High conversion of revenues to funds from operations for distribution to shareholders through all commodity price cycles.



PrairieSky pays a quarterly dividend of **\$0.24 per share**.



Low payout ratio allows for low dilution acquisitions, setting up for funds from operations and dividend growth over the next 10+ years.



10 Year Funds from Operations Generation



YTD 2023 Average Royalty Production

24,604 BOE/d⁽¹⁾

FX (\$US / \$CAD)	AECO (\$/Mcf)	WTI (\$/bbl)	10 Year Average Annual Production (BOE/d)				
			22,000	24,000	26,000	28,000	30,000
			10 Year Funds from Operations (Billions)				
% Annual Growth Rate			~(2.5%)	~(1.0%)	~0.6%	~1.5%	~3.0%
0.75	\$3.50	\$50.00	\$2.3	\$2.5	\$2.7	\$2.9	\$3.1
0.75	\$3.50	\$60.00	\$2.7	\$2.9	\$3.1	\$3.4	\$3.6
0.75	\$3.50	\$70.00	\$3.0	\$3.3	\$3.5	\$3.8	\$4.1
0.75	\$3.50	\$80.00	\$3.4	\$3.7	\$4.0	\$4.3	\$4.6
0.75	\$3.50	\$90.00	\$3.8	\$4.1	\$4.5	\$4.8	\$5.2
0.75	\$3.50	\$100.00	\$4.2	\$4.6	\$4.9	\$5.3	\$5.7

A \$0.50/Mcf increase in AECO increases 10-year cash flow by \$0.1 billion.

(1) For the nine months ended September 30, 2023

ESG Survey Results



Ranked #1 by Sustainalytics for Global Oil and Gas Producers and #51 (top 0.5%) in Global Universe (February 3, 2023).

Received **AAA** ranking from MSCI in 2022 & 2023.

Received **A-** score for CDP Climate Change in 2022, which is the leadership level.

Sustainability Yearbook
Member 2022
S&P Global

S&P Global CSA - Included in **The Sustainability Yearbook 2022** for corporate sustainability excellence.

Governance

The Globe and Mail, Report on Business **Board Games** - PrairieSky ranked in the top 25% of Canadian companies in 2022 for excellence in governance practices.

Diversity & Inclusion

Recipient “**Women Lead Here**” recognition in 2020, 2021 and 2022.

At PrairieSky, women make up:

83% of Managers, **33%** of Senior Management and **44%** of Independent Directors.





We are committed to operating our business in an **economically, socially, and environmentally responsible and sustainable manner** for the benefit of shareholders and relevant stakeholders.

We conduct our business responsibly by:

- Incorporating sustainability factors into our strategy and actively managing risk.
- Proactively taking steps to minimize our impact on the environment.
- Emphasizing sustainability criteria through our business relationships and contractual arrangements.
- Upholding the highest standards of governance and ethics.
- Tying short-term and long-term Executive Compensation to measurable ESG performance criteria.



Sustainability-Linked Credit Facility

PrairieSky has incorporated sustainability-linked performance criteria to its credit facility, with performance criteria measured by Sustainalytics, a global leader in independent ESG research, ratings and analytics.

All of PrairieSky's royalty properties are in **Canada** which provides the following advantages:



Environmental regulations are best-in-class standards and reflect global leadership.

Focus on **Health and Safety, Human Rights and Community Partnerships**.

Technological Innovation and leading commitment to sustainability, driving rapid rate of change and continuous improvement.

PrairieSky has **no field operations, facilities, or end of life decommissioning liabilities**.

Third-party operators on the Royalty Properties have a contractual commitment to adhere to **good operating practices and comply with all laws**.

PrairieSky is advancing further **sustainability initiatives** and continues to increase disclosure around ESG.

2022 Sustainability Report available on our website

TCFD and SASB disclosures available on our website

Independent **assurance statement** of certain key performance indicators available on our website

“**Net zero**” GHG emissions (Scope 1 and Scope 2)



Policies and Practices

PrairieSky's policies and practices are developed to provide the foundation for sustainability. They include:

Code of Business Conduct

Environment, Climate Change, Health & Safety Policy

Human Rights Policy

Board Diversity Policy

Whistleblower Policy

Please see our website to read our policies: www.prairiesky.com.



Vast Land Base

- **9.7 million** acres of Fee Lands
- **8.4 million** acres of GORR Lands



Experienced Team

- Management and directors with an unparalleled understanding of the royalty business and are invested alongside shareholders



Resource Play Upside

- Upside from resource play development on emerging plays including the Duvernay, Clearwater and multi-zonal Deep Basin plays



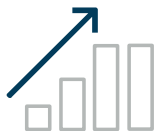
Diversification

- Approximately **320** lessees producing from over **30** geologic horizons
- Exposure to both oil and natural gas prices



Optionality

- Technology, new pool discoveries, optimization of legacy production and secondary and tertiary recoveries all provide long-term option value
- Fee Simple land never expires



Sustainability

- Conservative dividend payout ratio
- No maintenance capital expenditures, operating costs, abandonment or environmental liabilities = low sensitivity to inflation
- Strong balance sheet

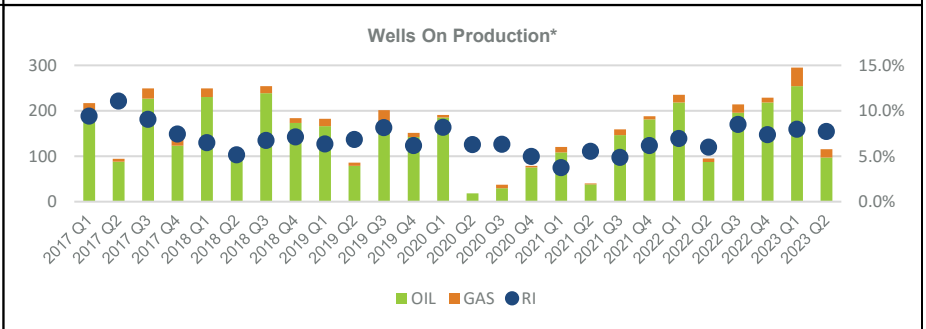
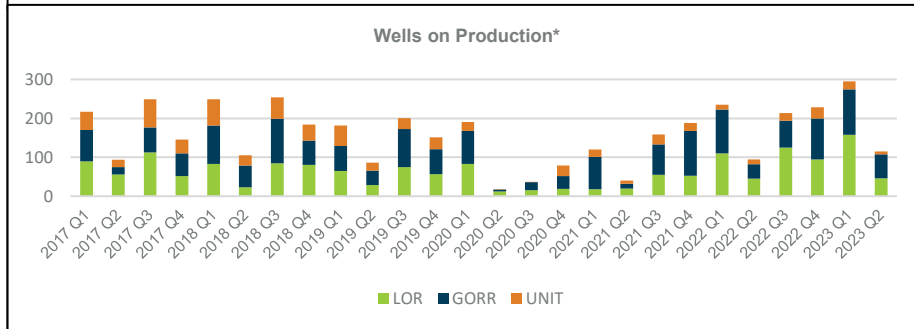
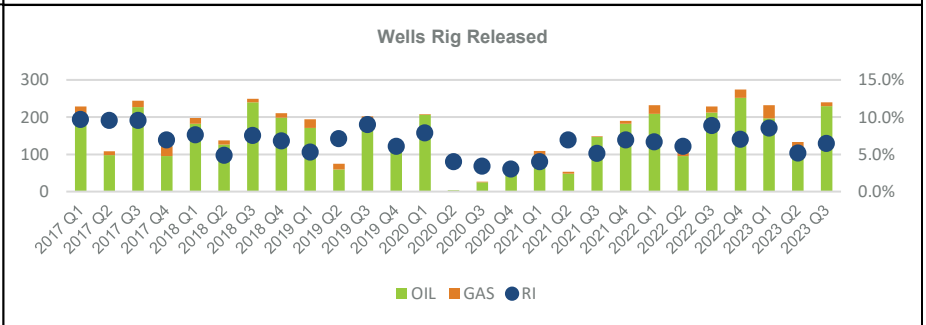
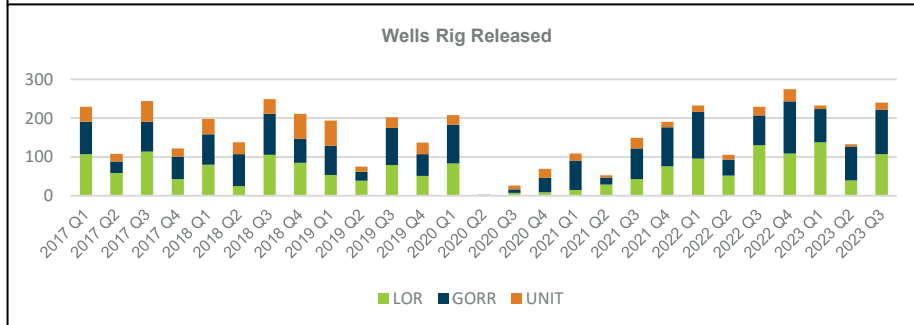
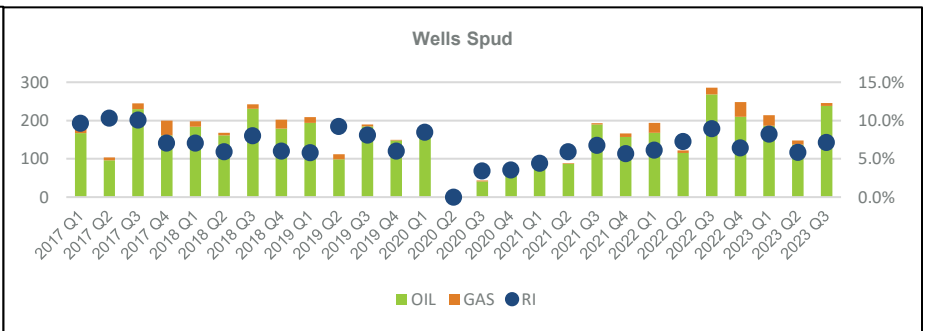
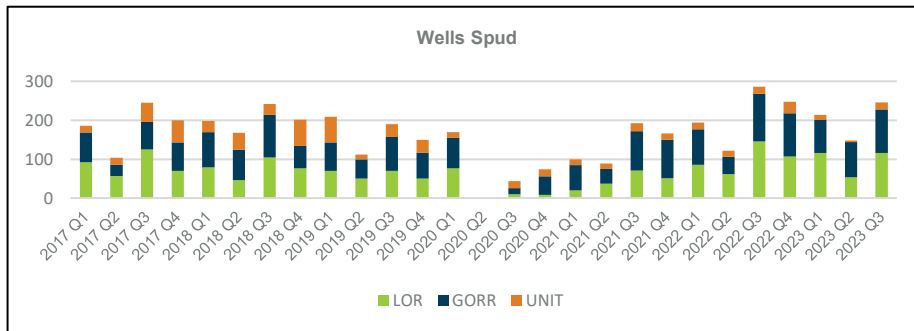


Attractive Cash Flow Yield

- Trading at attractive FCF yield, no capital requirements to maintain current cash flow generation

Q3 2023 ACTIVITY UPDATE & FINANCIAL INFORMATION

Quarterly Activity on PrairieSky Lands



*Wells on production for Q3 2023 will be reported in Q4 2023 when data is complete.

There was limited drilling and exploration activity across Western Canada during Q2 & Q3 2020 due to the impacts of decreased benchmark pricing and COVID-19 on global oil supply and demand.

LOR represents Lessor Interests on Fee Lands. RI: royalty interest

\$millions, unless otherwise noted	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q2 2022	Year Ended December 31,	
							2022	2021 ⁽¹⁾
Production Volumes								
Crude Oil (bbls/d)	12,084	12,607	12,212	12,166	11,376	12,220	11,739	7,541
NGLs (bbls/d)	2,702	1,943	2,664	2,681	2,660	2,772	2,684	2,436
Natural Gas (Mmcf/d)	64.1	53.8	59.6	66.4	65.7	66.0	64.7	59.1
Total Production (BOE/d)⁽²⁾	25,469	23,517	24,809	25,914	24,986	25,992	25,206	19,827
Financial Information								
Royalty Production Revenue	127.4	108.4	116.8	144.8	146.0	190.2	615.7	291.8
Other Revenues	5.7	9.0	9.3	5.8	8.7	7.9	27.6	16.2
Total Revenues	133.1	117.4	126.1	150.6	154.7	198.1	643.3	308.0
Funds from Operations	93.8	91.3	86.3	119.5	123.5	159.6	507.6	273.4
per Share⁽³⁾	\$0.39	\$0.38	\$0.36	\$0.50	\$0.52	\$0.67	\$2.13	\$1.22
per BOE ⁽²⁾	\$40.03	\$42.66	\$38.65	\$50.12	\$53.73	\$67.48	\$55.17	\$37.78
Net Earnings	55.4	48.0	56.8	67.3	76.2	110.1	317.5	123.3
per Share⁽³⁾	\$0.23	\$0.20	\$0.24	\$0.28	\$0.32	\$0.46	\$1.33	\$0.55
Net Debt ⁽⁴⁾	253.7	275.9	292.4	315.1	364.2	453.9	315.1	635.0

(1) Full year 2021 results include only 1 day of revenue and production from the Heritage Royalty acquisition.

(2) See "Conversions of Natural Gas to BOE".

(3) Per share calculation uses the weighted average (basic) number of shares outstanding.

(4) See Note 14 "Capital Management" in the interim condensed consolidated financial statements and Note 15 "Capital Management" in the audited annual consolidated financial statements for the periods noted above.

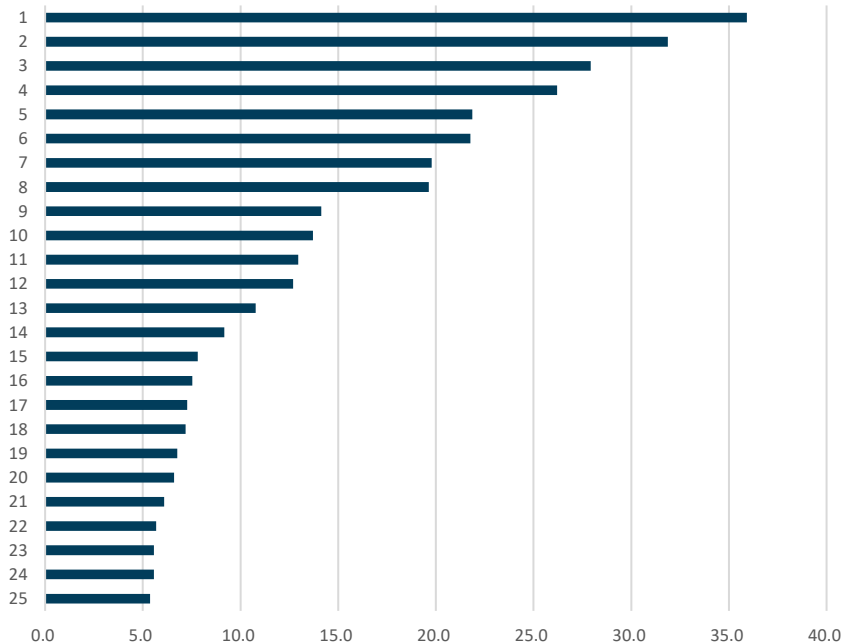
PrairieSky has no operating expenses, no maintenance capital expenditures and no environmental liabilities related to petroleum and natural gas development.



Top 10 payors represent **47%** of product revenue, while the Top 25 payors represent **70%** of product revenue.

Exposure to various operators with **diverse expertise** ranging from private companies to Majors.

12 months of Revenue by Top 25 Companies (\$ millions)



Top 25 Payors

- | | |
|----------------------------|--------------------------|
| Aspenleaf Energy Ltd. | Pacific Canbriam Energy |
| Baytex Energy | Persist Oil And Gas Inc. |
| Bonavista Energy | Pine Cliff Energy |
| Cardinal Energy | Saturn Oil & Gas Inc. |
| Cenovus Energy | Spur Petroleum |
| Canadian Natural Resources | Strathcona Resources |
| Crescent Point | Surge Energy Inc. |
| Ember Resources | Tamarack Valley |
| IPC Canada Ltd. | Teine Energy |
| Journey Energy Inc | Torxen Energy Ltd. |
| Karve Energy | West Lake Energy Corp. |
| Lynx Energy | Whitecap Resources |
| Novus Energy | |

UNDERSTANDING ROYALTIES

History of Fee Lands

1676

King Charles II of England granted 948 million acres of mineral title land to the Hudson's Bay Company, later ceded to the Dominion of Canada.

1887

Dominion of Canada stops granting mines and mineral rights as part of land sales - no more Fee lands are created.

1958

CPR creates Canadian Pacific Oil and Gas, to which all mineral title was conveyed.

2002

Encana created through merger of PanCanadian Energy Corporation and Alberta Energy Company.

2014

PrairieSky completes acquisition of Range Royalty Limited Partnership in December 2014, a best-in-class private royalty company with 3.5 million acres of royalty lands.

2021

PrairieSky completes multiple acquisitions adding ~3.0 million acres of royalty lands through acquisitions, including over ~2.0 million acres of fee simple mineral title

1881

25 million acres of Fee lands granted to the Canadian Pacific Railway (CPR) in consideration for completing the national railway.

CPR able to select lands from the odd numbered sections in a belt of land 24 miles wide on each side of the railway creating the checkerboard pattern still seen today.

1905

CPR initiates irrigation projects, checkerboard selection abandoned in exchange for building a large irrigation system.

1971

PanCanadian Petroleum Limited (predecessor to PanCanadian Energy Corporation) created by the amalgamation of Canadian Pacific Oil and Gas And Central -Del Rio Oils.

2014

PrairieSky Royalty acquires fees simple mineral title lands from Encana and completes initial public offering.

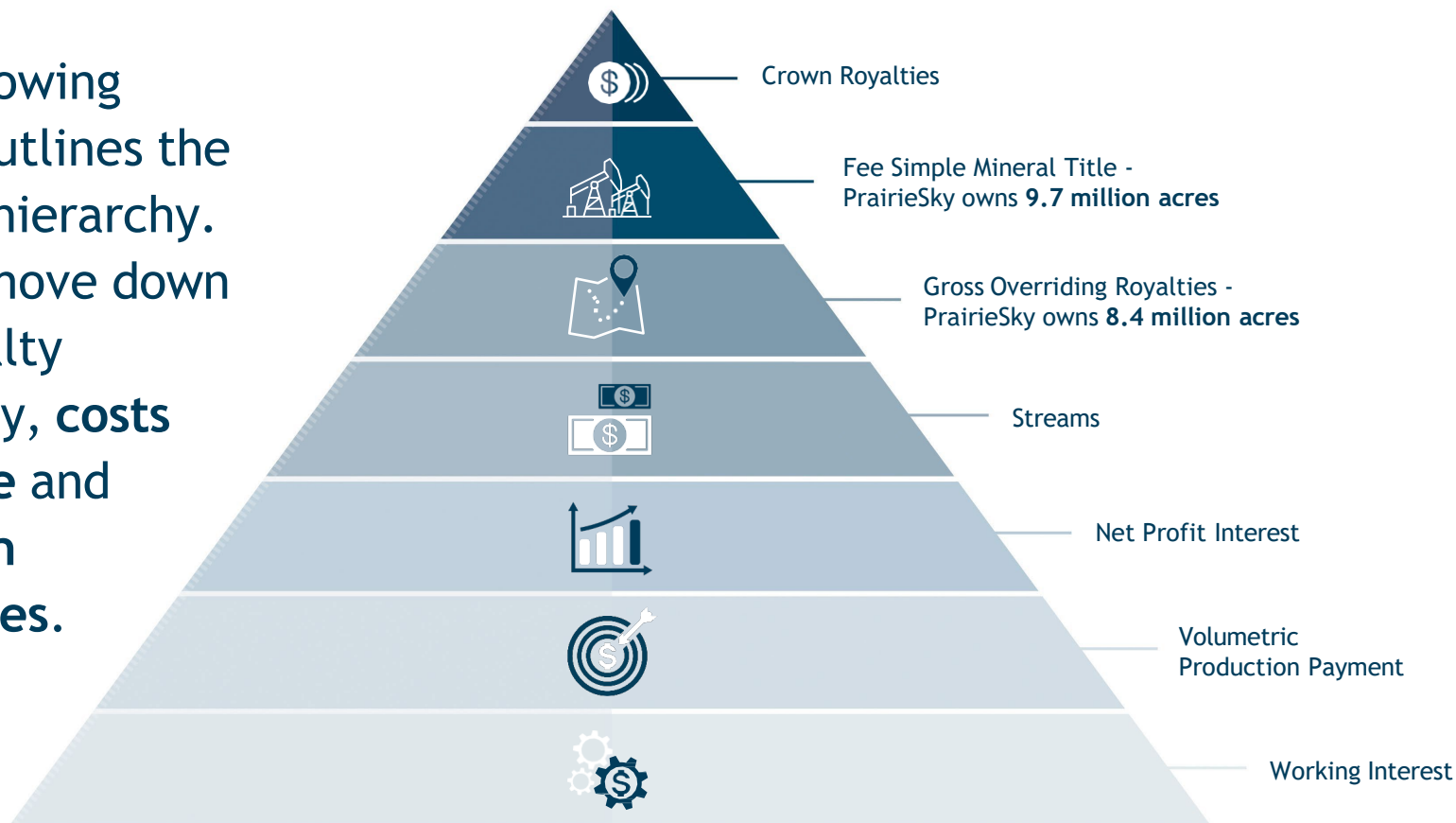
2015

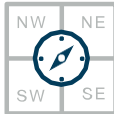
PrairieSky acquires substantially all of Canadian Natural Resources royalty assets, gaining unparalleled fee simple mineral title exposure in the Viking light oil play in Western Saskatchewan and royalty interests in multiple resource plays in the Deep Basin of Alberta and British Columbia.

Present

PrairieSky is the largest fee simple mineral title landowner in Western Canada, including 9.7 million acres of Fee Simple Mineral Title lands with petroleum and/or natural gas rights. These rights are held in perpetuity.

The following figure outlines the royalty hierarchy. As you move down the royalty hierarchy, **costs increase** and **duration decreases**.





9.7 million acres of Fee Lands⁽¹⁾

8.4 million acres of GORR Lands⁽¹⁾

Lands located throughout the heart of the oil and gas producing basins in Alberta, British Columbia, Saskatchewan and Manitoba

~19,900 km² of 3D seismic covering 4.9 million acres, and ~54,000 km of 2D seismic



Low risk revenue base

No maintenance capital

No capital requirements,

operating costs, abandonment liabilities or reclamation charges associated with working interest ownership

~**65%** of royalty production revenue received from Fee Lands⁽¹⁾



Business model supports dividend payments

Royalty operating margin⁽²⁾ **99%**

Operating margin⁽²⁾ of **87%**

Strong balance sheet

Low sensitivity to cost inflation



Experienced team aligned with shareholder interests

Management team with an unparalleled understanding of the **value of royalties**

Technical team with deep experience in Western Canada

Focused staff, all of whom have invested in PrairieSky shares

Directors and officers' ownership of **2.7 million shares**

(1) Fee Lands refer to lands with Petroleum and/or Natural Gas rights. GORR Lands include GRT and Crown Interest Lands.

(2) Royalty operating margin and operating margin are for the nine months ended September 30, 2023. See Non-GAAP Measures and Ratios.



Third Party Operators

- 320 lessees paying royalties on PrairieSky Royalty lands
- Operators on PrairieSky Royalty Fee Lands include Majors, Independents, Mid Cap and Small Cap producers



Commodity

- 87% of product revenue derived from liquids volumes⁽¹⁾
- Liquids volumes make up approximately 60% of production⁽¹⁾



Geology

- Production from over 30 formations from high risk, deep targets to low-risk shallow oil and natural gas

(1) For the nine months ended September 30, 2023.



Ownership in PrairieSky provides a long duration cash flow stream, no capital expenditure requirements or maintenance capital and the **optionality** associated with perpetual land title ownership.

Exposure to:	No exposure to:
High margin cash flow streams	Capital costs
New discovery/exploration optionality	Maintenance capital
Commodity price optionality	Environmental liabilities
Secondary and tertiary recoveries	Operations
Shale opportunities	Operating costs
Technological advancements	
Ownership in over 11 million leasable, undeveloped acres	



Margin Summary (\$/BOE)

Illustrative Working Interest Operator

PrairieSky Royalty

PrairieSky Royalty offers **higher margins** than conventional working interest production

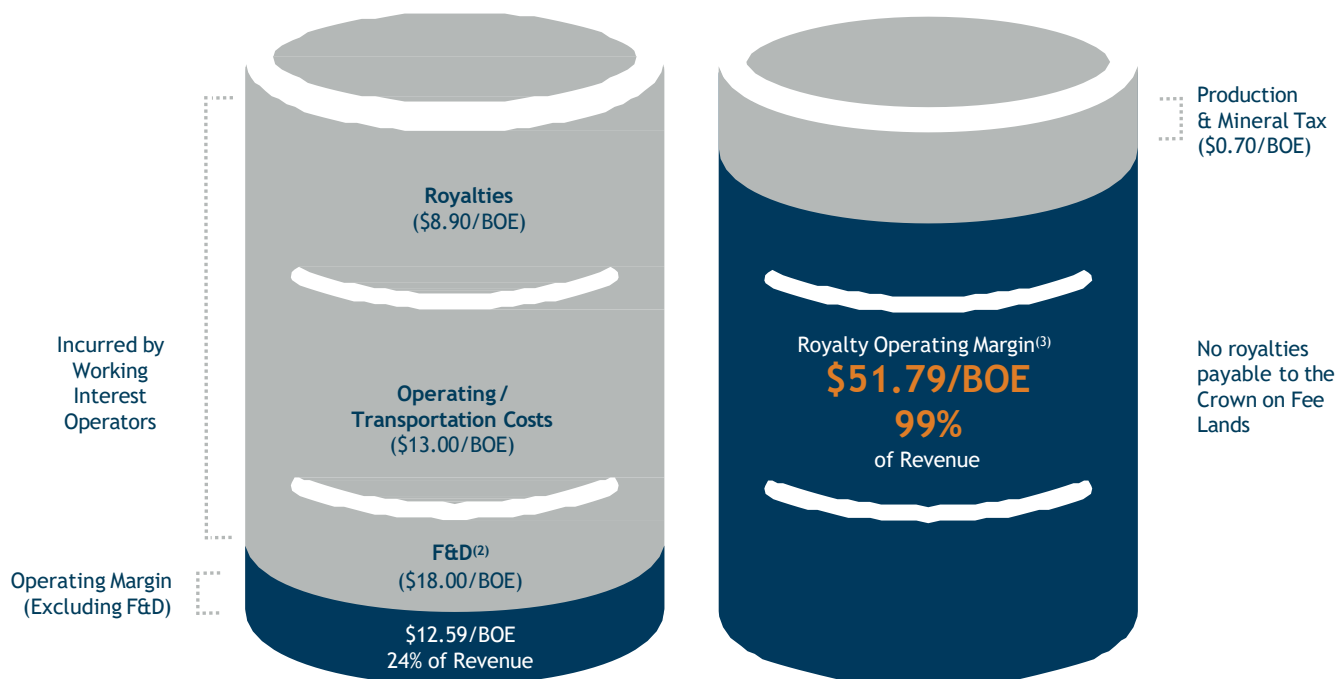
Providing the same revenue per BOE, a royalty barrel realizes significantly **higher margins** than working interest models

No abandonment or environmental liabilities

No capital spending requirements

Low sensitivity to cost inflation as costs are allocated to the working interest owner

Revenue
(60% Liquids Production)⁽¹⁾
\$52.49/boe



- (1) Excludes the impact of Other Revenues (lease rentals, bonus consideration, etc.) for the nine months ended September 30, 2023.
- (2) Excluding acquisitions and net change in future development capital.
- (3) See Non-GAAP Measures and Ratios. Amounts per BOE for PrairieSky Royalty are for the nine months ended September 30, 2023.



PrairieSky actively manages its Fee Lands:

Meeting with operators and providing updates on available lands

Providing seismic to lessors and generating prospects internally

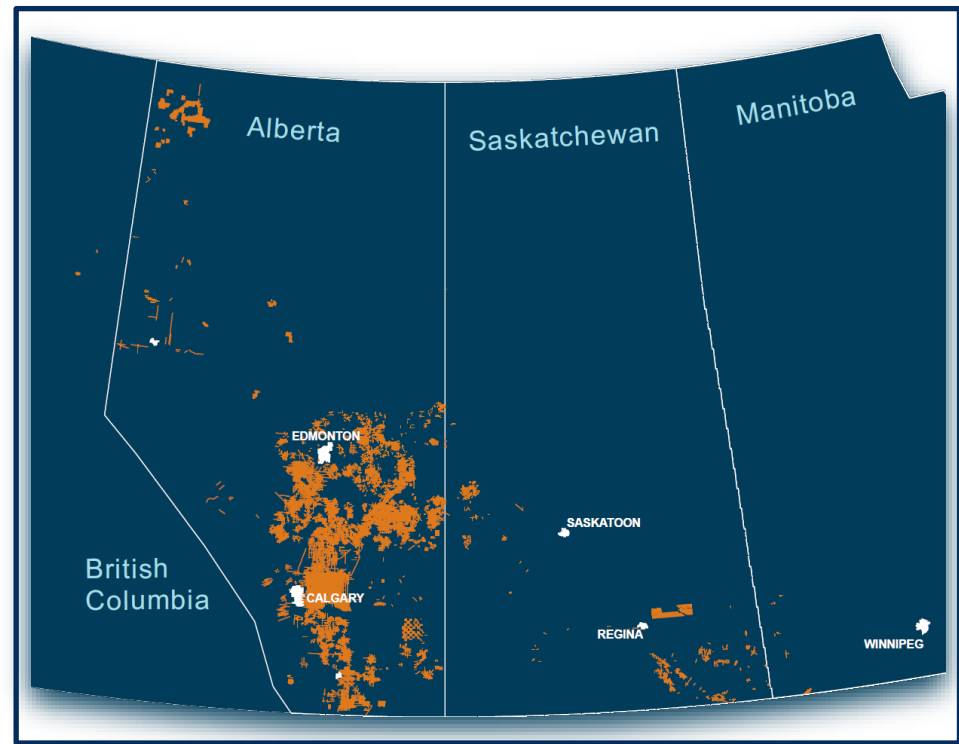
Posting prospects on PrairieSky's website and advertising to industry

Proactively monitoring and managing producer commitments



License to ~**19,900 km²** of 3D seismic⁽¹⁾ over **4.9 million acres** & ~**54,000 km** of 2D seismic

PrairieSky's Seismic Coverage



Significant seismic coverage added with Heritage Royalty acquisition.

The perpetual nature of Fee Lands allows PrairieSky Royalty to continually recycle lands and grow its revenue base.



PrairieSky leases lands by zone - same aerial acreage can be leased separately for multiple zones

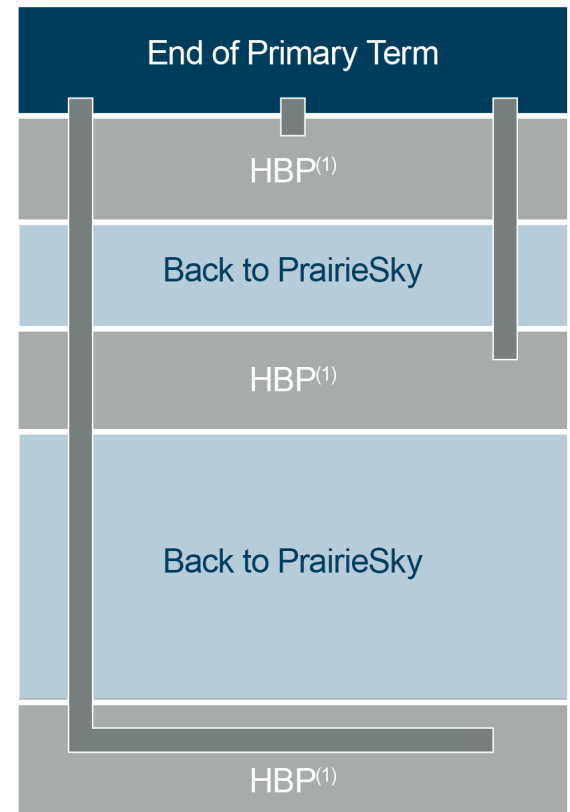
At the end of the primary lease term, any lands/rights not held by production **revert back to PrairieSky Royalty**

~19,900 km² of 3D seismic, covering over 4.9 million acres, and ~54,000 km of 2D seismic

PrairieSky Royalty can **re-lease to third parties** who plan to more actively exploit, explore and/or develop those opportunities

New drilling and production technologies can be utilized to pursue **previously underexploited zones**

PrairieSky Royalty sets lease terms to ensure the **company remains competitive** with adjacent Crown or freehold lands



(1) Held by Production ("HBP")

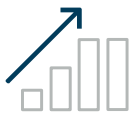
PrairieSky's basket of call options includes:



SAGD

Lindbergh and Onion Lake projects have multiple phase expansion potential

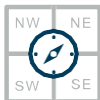
New leasing of Fee Lands to integrated and independent SAGD specialists



Emerging **Clearwater, Duvernay and Mannville Stack** oil plays; stacked Montney and Spirit River liquids rich gas plays



Large scale **CO₂ sequestration** and EOR projects



New pool discoveries and expansion of productive trends



Technological advancements

= **Long-term revenue generation at no additional cost to PrairieSky.**



Optionality Beyond Current Valuation

- Expansion of productive trends
- Material new pool discoveries
- Improvements in drilling and completions technologies: incremental recovery via optimized completions, tighter inter-wells spacing, and additional application of multi-leg horizontal wells
- Application of new or expansion of existing waterflood schemes
- Application of new or expansion of existing EOR schemes

Current Future Potential Valuation

- Well-defined productive trends
- Value primarily assigned to infills and step-out drilling locations
- Historical average production rate
- Only major plays given future value
- No value assigned to future waterflood or enhanced oil recovery schemes

Booked Reserves

- Producing wells as of December 31, 2022

Board of Directors

James M. Estey, Chair of the Board

Corporate Director, Retired Chairman of UBS Securities Canada Inc., and has more than 35 years of experience in financial markets

Chair of Gibson Energy Inc.

Andrew M. Phillips, President & CEO / Director

Anna M. Alderson

Corporate Director, Former Audit Partner KPMG LLP specializing in energy and financial services

Director of Tenaz Energy Corp.

Leanne M. Bellegarde, KC

President, Akawe Technologies, Previously held senior roles with Potash Corp, Nutrien Ltd. and Saskatchewan Indian Gaming Authority and former director of SaskEnergy and Sustainable Development Technologies Canada

Board of Directors Saskatchewan Research Council, Member of Canadian National Railway Company's Indigenous Advisory Council

Anuroop S. Duggal

Private Investor, Adjunct Professor at Columbia Business School and Corporate Director, Former Partner at 3G Capital Partners

Director of Calfrac Well Services Ltd. and Optiva Inc.

P. Jane Gavan

President, Asset Management of Dream Unlimited Corp.

Board of Directors of Dream Unlimited Corp., Colliers International and on the Board of Trustees of Dream Office REIT and Dream Residential REIT

Margaret A. McKenzie

Corporate Director, Former VP, Finance and Chief Financial Officer of Range Royalty and prior thereto was VP, Finance and Chief Financial Officer of Profico Energy Management Ltd.

Director of Canadian National Railway Company

Glenn A. McNamara

Corporate Director, Former President & Chief Executive Officer and Director of Heritage Resources LP, Former President of BG Canada and ExxonMobil Canada Energy Director of Whitecap Resources Inc. and Parex Resources Inc.

Sheldon B. Steeves

Corporate Director, Previously President & CEO of EchoEx; Executive Vice President & COO at Renaissance Energy Ltd.

Director of Enerplus Corporation

Grant A. Zawalsky

Vice-Chair and Partner of Burnet, Duckworth & Palmer LLP (Barristers and Solicitors)

Director of NuVista Energy Ltd. and Whitecap Resources Inc.

Executive Team

Andrew M. Phillips, President & CEO / Director

Previously, President, CEO & Director of Home Quarter Resources (acquired by a public oil and gas company in 2014)

Extensive experience in the oil & gas industry with past senior roles at Profico Energy Management and Renaissance Energy

Pamela P. Kazeil, VP Finance & Chief Financial Officer

Previously, EVP and Chief Financial Officer of Sinopec Canada and prior thereto VP, Finance of Daylight Energy

Formerly VP Finance of Sword Energy Ltd. and held increasingly senior roles at its predecessor, Thunder Energy Trust, including VP Finance and CFO

Dan J. Bertram, VP Business Development & Chief Commercial Officer

Previously, Senior Vice-President and Chief Strategy Officer at Superior Plus Corp.

Formerly VP, Business Development at Certarus Ltd. and prior to VP Business Development at Alaris Royalty Corp.



Senior leadership team offers unique expertise managing royalty assets, significant technical capabilities and broad, long-standing industry relationships.

Cautionary Statement on Forward Looking Information

This presentation contains “forward looking information” and “forward looking statements” within the meaning of applicable securities laws, which may include, but are not limited to: statements with respect to future events or future performance; management’s expectations regarding PrairieSky’s growth and realization of future value from the Royalty Properties; results of operations of third parties active on the Royalty Properties; expectations that the number of wells reported as on production in the current quarter will increase in the following quarter when data is updated; estimated future revenues; future dividends and share buybacks; anticipated funds from operations and dividend growth over the next ten or more years; production estimates; costs and revenue; possible revisions to accrued estimates based on receipt of actual results, including the estimated impacts of the Alberta wildfires and operational downtime; future demand for and prices of commodities; business prospects; expectations that cost inflation will not impact PrairieSky’s margins or funds from operations; expectations regarding down spacing and infill drilling; expectations regarding continued improvement in technology and application of new drilling and completion techniques, including application of horizontal drilling in areas otherwise largely delineated with vertical wells; expectations regarding ongoing and continued activity levels on the Royalty Properties; estimated historical capital spent on the Royalty Properties and capital efficiencies related thereto, and future capital spend on the Royalty Properties; expectations regarding new discoveries and the contribution to the reserves, production and financial results of the Company; expectations regarding historical and future optimization efforts on certain plays and the resulting effect on declines in production; PrairieSky’s ability to lease large amounts of land, and its corresponding ability to attract associated bonus consideration revenue and capital spent on the Royalty Properties; expectations that data from drilling activities will lead to exploitation of additional zones and substances that were not otherwise targeted; and expectations regarding the future development on the Company’s lands; and the prospectivity of lands that are not included in this presentation and the Company’s expectations regarding the same. Such forward looking statements reflect management’s current beliefs and are based on information currently available to management. Often, but not always, forward looking statements can be identified by the use of words such as “plans”, “expects”, “is expected”, “budgets”, “scheduled”, “estimates”, “forecasts”, “predicts”, “projects”, “intends”, “targets”, “aims”, “anticipates” or “believes” or variations (including negative variations) of such words and phrases or may be identified by statements to the effect that certain actions “may”, “could”, “should”, “would”, “might” or “will” be taken, occur or be achieved. Forward looking statements involve known and unknown risks, uncertainties and other factors, which may cause the actual results, performance or achievements of PrairieSky to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. A number of factors could cause actual events or results to differ materially from any forward looking statement, including, without limitation: fluctuations in the prices of crude oil, natural gas and NGL that drive royalty revenue; changes in national, provincial and local government legislation and regulations, including permitting and licensing regimes and taxation policies and the enforcement thereof; regulatory and political or economic developments in any of the jurisdictions where properties in which PrairieSky holds a royalty interest are located; risks related to the operators of the properties in which PrairieSky holds a royalty interest, including changes in the ownership and control of such operators; influence of macroeconomic developments; business opportunities that become available to, or are pursued by PrairieSky; reduced access to debt and equity capital; increases in interest rates; litigation; title, permit or license disputes related to interests on any of the properties in which PrairieSky holds a royalty interest; excessive cost escalation as well as development, permitting, infrastructure, operating or technical difficulties on any of the properties in which PrairieSky holds a royalty interest; actual hydrocarbon content may differ from the reserves and resources contained in technical reports; rate and timing of production differences from resource estimates and other technical reports; risks and hazards associated with the business of exploration and development on any of the properties in which PrairieSky holds a royalty interest, including, but not limited to unusual or unexpected geological conditions, inclement and severe weather events and natural disasters, terrorism, civil unrest or a political change; and the integration of acquired assets. The statements contained in this presentation are based upon assumptions management believes to be reasonable, including, without limitation: the ongoing operation of the properties in which PrairieSky holds a royalty interest by the owners or operators of such properties in a manner consistent with good oilfield practices and all applicable regulations; the availability of capital to such operators to further develop such properties; the accuracy of public statements and disclosures made by the operators on the Royalty Properties; no material adverse change in the market price of the commodities that underlie the asset portfolio; no material changes to existing tax treatment; no adverse development in respect of any significant property in which PrairieSky holds a royalty interest; the accuracy of publicly disclosed expectations for the development of underlying properties that are not yet in production; integration of acquired assets; the accuracy of assumptions and information used in PrairieSky’s internal assessments of its Royalty Properties and the prospectivity thereof, including with respect to acquired assets; the effects of global political unrest on global crude oil and natural gas supply and pricing; the effects of wildfires on third-party operations; and the absence of any other factors that could cause actions, events or results to differ from those anticipated, estimated or intended. However, there can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements and investors are cautioned that forward looking statements are not guarantees of future performance. PrairieSky cannot assure investors that actual results will be consistent with these forward-looking statements. Accordingly, investors should not place undue reliance on forward looking statements due to the inherent uncertainty therein. For additional information with respect to risks, uncertainties and assumptions, please refer to the “Risk Factors” section of our most recent AIF filed with the Canadian securities regulatory authorities available at www.sedarplus.ca and on our website at www.prairiesky.com. The forward-looking statements herein are made as of September 30, 2023 only and PrairieSky does not assume any obligation to update or revise them to reflect new information, estimates or opinions, future events or results or otherwise, except as required by applicable law.

Cautionary Statement Regarding Future-Oriented Financial Information

This presentation also contains future-oriented financial information and financial outlook information (collectively, “FOFI”) about our prospective results, funds from operations, future development of the Royalty Properties, future drilling locations, future reserve additions and in each case values associated therewith, all of which are subject to the same assumptions, risk factors, limitations, and qualifications as set forth above. Readers are cautioned that the assumptions used in the preparation of such information, although considered reasonable at the time of preparation, may prove to be imprecise and, as such, undue reliance should not be placed on FOFI and forward-looking statements. PrairieSky’s actual results, performance, realization or achievement of anticipated values could differ materially from those expressed in, or implied by, these forward-looking statements and FOFI, or if any of them do so, what benefits PrairieSky will derive therefrom. PrairieSky has included the forward-looking statements and FOFI in this presentation in order to provide readers with a more complete perspective on PrairieSky’s future value proposition and future development potential and such information may not be appropriate for other purposes. PrairieSky disclaims any intention or obligation to update or revise any forward-looking statements or FOFI, whether as a result of new information, future events or otherwise, except as required by law.

Certain measures and ratios in this presentation do not have any standardized meaning as prescribed by IFRS and therefore, are considered non-GAAP measures and ratios. These measures and ratios may not be comparable to those presented by other issuers. These measures and ratios are commonly used in the oil and gas industry and by the Company to provide potential investors with additional information regarding the Company's ability to generate funds from its operations. This presentation includes the following non-GAAP measures and ratios: 1) Operating Margin is calculated by subtracting production and mineral tax expense and cash administrative expenses from royalty production revenue. This amount is then divided by royalty production revenue in the period to generate a cash margin as a percentage. Operating margin is a non-GAAP measure which is defined in the Company's management's discussion and analysis for the three and nine months ended September 30, 2023 (under the section "Financial Results - Operating Results" at page 7 and under the section "Non-GAAP Measures and Ratios" starting at page 21) each of which sections are incorporated by reference in this Corporate Presentation; 2) Royalty Operating Margin per BOE which is PrairieSky's royalty production revenue less production and mineral expense. This amount is then divided by the average production in the period to generate a cash margin per unit sold. This measure is used to demonstrate the comparability between the operations of PrairieSky and production and exploration companies; 3) Royalty Operating Margin as a % of Revenue which is the royalty operating margin divided by total royalty production revenue shown as a percentage to demonstrate comparability between the operations of PrairieSky and production and exploration companies.

\$millions (except per BOE amounts)	Nine months ended September 30, 2023	Nine months ended September 30, 2022
Royalty production revenue	\$352.6	\$470.9
Production and mineral expenses	4.7	4.9
Royalty operating margin	\$347.9	\$466.0
Royalty operating margin per BOE	\$51.79	\$69.38
Royalty operating margin as a % of Revenue	99%	99%

Further information on non-GAAP measures and ratios can be found in PrairieSky Royalty's management discussion & analysis and unaudited condensed consolidated financial statements and notes thereto for the three and nine months ended September 30, 2023, which are available on SEDAR+ at www.sedarplus.ca or PrairieSky Royalty's website at www.prairiesky.com.

CONVERSIONS OF NATURAL GAS TO BOE

To provide a single unit of production for analytical purposes, natural gas production and reserves volumes are converted mathematically to equivalent barrels of oil (boe). We use the industry-accepted standard conversion of six thousand cubic feet of natural gas to one barrel of oil (6 Mcf = 1 bbl). The 6:1 boe ratio is based on an energy equivalency conversion method primarily applicable at the burner tip. It does not represent a value equivalency at the wellhead and is not based on either energy content or current prices. While the boe ratio is useful for comparative measures and observing trends, it does not accurately reflect individual product values and might be misleading, particularly if used in isolation. As well, given that the value ratio, based on the current price of crude oil to natural gas, is significantly different from the 6:1 energy equivalency ratio, using a 6:1 conversion ratio may be misleading as an indication of value.

CURRENCY AND REFERENCES TO PRAIRIESKY ROYALTY

All information included in this presentation is shown on a Canadian dollar basis.

For convenience, references in this document to the “Company”, “we”, “us”, “our”, and “its” may, where applicable, refer only to PrairieSky Royalty Ltd.

CONTACT INFORMATION

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