

PrairieSky's Energy Use, Carbon Emissions and Renewable Energy Purchases

Our company is headquartered in the First Canadian Centre in downtown Calgary, Alberta, Canada. Our team of 59 employees typically collaborate in this building and create a direct environmental impact through: carbon emissions related to energy consumption, employee commuting and travel, water use, and waste generation. Although PrairieSky's direct environmental footprint is small, we remain committed to reducing our resource consumption including a commitment to reducing emissions and water usage.

The only direct source of greenhouse gas emissions is the natural gas consumed in the heating system of our corporate office. Indirect sources of greenhouse gas emissions include purchased electricity for our office operations and employee commuting and business-related air or vehicle travel. PrairieSky has not conducted a greenhouse gas inventory, and, as building tenants, rely on energy and other resource data provided by the building owner and property management. PrairieSky estimates the magnitude of our carbon emissions by pro-rating the amount based on the total building consumption. By using this methodology, we assume that all tenants have similar average consumption. Although this methodology does not allow us to track improvements based on changes in employee behaviour, we continue to promote efforts to reduce consumption.

For 2020, PrairieSky invested in Bullfrog Power to offset our office electricity use with green energy. Bullfrog Power offsets every kWh of electricity PrairieSky uses by putting a kWh from a pollution-free, renewable source on the grid on PrairieSky's behalf. We also invested in green natural gas with Bullfrog Power offsetting every unit of natural gas used by putting a gigajoule of green natural gas on the pipeline on our behalf. Both green energy projects from which PrairieSky purchased offsets were based in Alberta.

Bullfrog Power Certificates

Electricity Purchases ⁽¹⁾	MWh	417
Natural Gas Purchases	GJ	2,762

⁽¹⁾ Electricity of 417 MWh is the equivalent of 1,502 GJ. Total Bullfrog Power certificates for electricity and natural gas 4,264 GJ.

PrairieSky's Natural Gas and Electricity use at our head office location.

Electricity	GJ	1,502
Natural Gas	GJ	<u>2,762</u>
Total	GJ	4,264

For further information, please see our 2020 Responsibility Report and our third-party verification report at the links below.

<https://www.prairiesky.com/wp-content/uploads/PrairieSky-Royalty-2020-Responsibility-Report-WEB.pdf>

https://www.prairiesky.com/wp-content/uploads/2021-05-11-Prairiesky-Royalty-Ltd.-2020_PwC_Final.pdf