

**FORM 51-102F3
MATERIAL CHANGE REPORT**

1. Name and Address of Company:

PrairieSky Royalty Ltd. ("PrairieSky" or the "Company")
1700, 350-7th Avenue S.W.
Calgary, Alberta T2P 3N9

2. Date of Material Change:

March 16, 2020

3. News Release:

A news release disclosing in detail the material summarized in this material change report was issued by PrairieSky on March 16, 2020 and disseminated through the facilities of a recognized news service and would have been received by the securities commissions where PrairieSky is a reporting issuer in the normal course of its dissemination.

4. Summary of Material Change:

On March 16, 2020, PrairieSky announced that it will move to a quarterly dividend commencing in Q2 2020 with the first quarterly dividend to be declared and paid to holders of record on June 30, 2020. The dividend will be adjusted to \$0.24 per common share annually (\$0.06 per common share quarterly) for the balance of 2020.

5. Full Description of Material Change:

5.1 Full Description of Material Change

On March 16, 2020, PrairieSky announced that its Board of Directors has adjusted the Company's allocation of free cash flow for the balance of the year.

Following the unprecedented volatility in global commodity markets resulting from crude oil production and pricing policies implemented by global participants, as well as market reactions to the spread of COVID-19, PrairieSky's Board of Directors adjusted the Company's dividend to a level significantly below its anticipated free cash flow.

PrairieSky will move to a quarterly dividend commencing in Q2 2020 with the first quarterly dividend to be declared and paid to holders of record on June 30, 2020. The dividend will be adjusted to \$0.24 per common share annually (\$0.06 per common share quarterly) for the balance of 2020. PrairieSky's previous dividend was \$0.065 per common share per month, or \$0.78 per common share on an annualized basis.

5.2 Disclosure of Restructuring Transaction

N/A

6. Reliance on Subsection 7.1(2) or (3) of National Instrument 51-102:

N/A

7. Omitted Information:

N/A

8. Executive Officer:

The name and business number of the executive officer of PrairieSky who is knowledgeable of the material change and this report is Cameron M. Proctor, Chief Operating Officer of PrairieSky, whose business telephone number is (587) 293-4000.

8. Date of Report:

March 18, 2020

Forward-Looking Information

This material change report includes certain statements regarding PrairieSky's future plans and operations and contains forward-looking statements that the Company believes allow readers to better understand its business and prospects. The use of any of the words "expect", "anticipate", "continue", "estimate", "objective", "ongoing", "may", "will", "project", "should", "believe", "plans", "intends", "strategy" and similar expressions are intended to identify forward-looking information or statements. Forward-looking statements contained in this material change report include estimates regarding commodity pricing, and specifically, crude oil pricing, the Company's expectations with respect to its business and growth strategy, including the Company's expectations regarding future dividends and PrairieSky's future capital allocation decisions, amounts allocated to the normal course issuer bid and acquisition opportunities. Future dividends are not guaranteed.

With respect to forward-looking statements contained in this material change report, PrairieSky has made several assumptions including those described in detail in its management's discussion and analysis and Annual Information Form for the year ended December 31, 2019. Readers and investors are cautioned that the assumptions used in the preparation of such forward-looking information and statements, although considered reasonable at the time of preparation, may prove to be imprecise and, as such, undue reliance should not be placed on forward-looking statements. The Company's actual results, performance, or achievements could differ materially from those expressed in, or implied by, these forward-looking statements. PrairieSky can give no assurance that any of the events anticipated will transpire or occur, or if any of them do, what benefits it will derive from them.

By their nature, forward-looking statements are subject to numerous risks and uncertainties, some of which are beyond PrairieSky's control, including the impact of general economic conditions, industry conditions, volatility of commodity prices, lack of pipeline capacity, currency fluctuations, imprecision of reserve estimates, competitive factors impacting royalty rates, environmental risks, taxation, regulation, changes in tax or other legislation, competition from other industry participants, the lack of availability of qualified personnel or management, stock market volatility, political and geopolitical instability and the Company's ability to access sufficient capital from internal and external sources. In addition, PrairieSky is subject to numerous risks and uncertainties in relation to acquisitions. These risks and uncertainties include risks relating to the potential for disputes to arise with counterparties, and limited ability to recover indemnification under certain agreements. The foregoing and other risks are described in more detail in PrairieSky's management's discussion and analysis and Annual Information Form for the year ended December 31, 2019 under the headings "Risk Management" and "Risk Factors".

Further, any forward-looking statement is made only as of the date of this material change report, and PrairieSky undertakes no obligation to update or revise any forward-looking statement or statements to reflect events or circumstances after the date on which such statement is made or to reflect the occurrence of unanticipated events, except as required by applicable securities laws. New factors emerge from time to time, and it is not possible for PrairieSky to predict all of these factors or to assess in advance the impact of each such factor on PrairieSky's business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statements.

The forward-looking information contained in this material change report is expressly qualified by this cautionary statement.