UNDERWRITING AGREEMENT

Dated effective November 29, 2021

PrairieSky Royalty Ltd.
1700, 350 - 7th Avenue S.W.
Calgary, Alberta T2P 3N9

Ladies and Gentlemen:

The undersigned, TD Securities Inc. ("**TD**") and RBC Dominion Securities Inc. ("**RBC**", and together with TD, the "**Bookrunners**"), BMO Nesbitt Burns Inc., CIBC World Markets Inc., National Bank Financial Inc., Peters & Co. Limited, Raymond James Ltd., Scotia Capital Inc., Stifel Nicolaus Canada Inc., Canaccord Genuity Corp., Eight Capital, iA Private Wealth Inc., ATB Capital Markets Inc., and Tudor, Pickering, Holt & Co. Securities – Canada, ULC (collectively with the Bookrunners, the "**Underwriters**", and each individually, an "**Underwriter**"), understand that PrairieSky Royalty Ltd. (the "**Corporation**") proposes to issue and sell to the Underwriters 14,930,000 common shares (the "**Firm Shares**") of the Corporation, which Firm Shares shall have the material attributes described in and contemplated by the Prospectus (as defined herein).

The Underwriters propose to distribute the Firm Shares and the Option Shares (as defined herein) in each of the provinces and territories of Canada pursuant to the Prospectus and in the United States on a private placement basis in accordance with the exemption from the registration requirements of the U.S. Securities Act (as defined herein) provided by Rule 144A (as defined herein), all in the manner contemplated by this Agreement (including Schedule A hereto, the terms and conditions of which are incorporated herein by reference and form a part of this Agreement).

Based on the foregoing, and subject to the terms and conditions contained in this Agreement, the Underwriters, severally and not jointly nor jointly and severally, on the basis of the percentages set forth in Section 22 (subject to such adjustments to eliminate fractional shares as the Bookrunners may determine), agree to purchase from the Corporation and, by its acceptance hereof, the Corporation agrees to issue and sell to the Underwriters, all but not less than all of the Firm Shares at the Closing Time (as defined herein) at a price of $13.40 per Firm Share (the "**Purchase Price**"), for aggregate gross proceeds of $200,062,000.

Subject to applicable laws and without affecting the firm obligation of the Underwriters to purchase the Firm Shares from the Corporation at the Purchase Price and in accordance with this Agreement, after the Underwriters have made reasonable effort to sell all of the Firm Shares at the Purchase Price specified herein, the offering price to the public may be decreased and further changed from time to time to an amount not greater than the Purchase Price. Such decrease in the offering price to the public will not affect the Purchase Price received by the Corporation or the amount of the Underwriting Fee (as defined herein) payable. The Underwriters will inform the Corporation if the offering price to the public is decreased.

By acceptance of this Agreement, the Corporation also grants to the Underwriters an option (the "**Over-Allotment Option**") to purchase from the Corporation, on the basis set forth below, in whole or in part and from time to time, up to an aggregate of 2,239,500 additional Common Shares (the "**Option Shares**") at the Option Closing Time (as defined herein) at a purchase price per share equal to the Purchase Price and otherwise on the same basis as the purchase of the Firm Shares, to cover over-allotments, if any, and for market stabilization purposes. If the Bookrunners, on behalf of the Underwriters, elect to exercise all or any portion of the Over-Allotment Option, the Bookrunners shall provide written notice (the "**Exercise Notice**") to the Corporation not later than the 30th day after the Closing Date (as defined herein), which Exercise Notice shall specify the number of Option Shares to be purchased by the Underwriters and the date on

which such Option Shares are to be purchased (an "**Option Closing Date**"). Such date may be the same as the Closing Date but not earlier than the Closing Date and shall be at least two (2) Business Days (as defined herein), but not more than five (5) Business Days, after the date on which the Exercise Notice is delivered to the Corporation. If any Option Shares are purchased from the Corporation, each Underwriter agrees, severally and not jointly nor jointly and severally, to purchase such portion of the Option Shares (subject to such adjustments to eliminate fractional shares as the Bookrunners may determine) as is set out in Section 22 opposite the name of such Underwriter.

In consideration of the Underwriters' agreement to purchase the Firm Shares and Option Shares, if any, the Corporation shall pay or cause to be paid to the Underwriters the Underwriting Fee as set forth in Section 14.

1. **Definitions**

In this Agreement:

"**Acquired Assets**" means the royalty lands and seismic assets to be acquired by the Corporation pursuant to the Asset Acquisition Agreement;

"**affiliate**" has the meaning given to it in the *Securities Act* (Alberta);

"**Agreement**" means this Underwriting Agreement, as amended from time to time;

"**Anti-Money Laundering Laws**" has the meaning given to it in Section 7(rr);

"**Asset Acquisition**" means the acquisition by the Corporation of the Acquired Assets from the Vendors pursuant to the Asset Acquisition Agreement;

"**Asset Acquisition Agreement**" means the asset sale agreement dated November 29, 2021 between the Corporation and the Vendors pursuant to which the Corporation has agreed to acquire the Acquired Assets from the Vendors, and includes any amending agreement;

"**Bookrunners**" has the meaning given to it on the first page of this Agreement;

"**Business Day**" means any day, other than a Saturday or Sunday, on which commercial banks in Calgary, Alberta and Toronto, Ontario are open for commercial banking business during normal banking hours;

"**Canadian Securities Laws**" means all applicable securities laws in each of the Qualifying Jurisdictions and the respective rules, regulations, instruments, blanket orders and blanket rulings under such laws together with applicable published policies, policy statements and notices of the Canadian Securities Regulators;

"**Canadian Securities Regulators**" means the applicable securities commission or securities regulatory authority in each of the Qualifying Jurisdictions;

"**Claims**" has the meaning given to it in Section 18(a);

"**Closing**" means the completion of the issue and sale by the Corporation, and the purchase by the Underwriters, of the Firm Shares pursuant to this Agreement;

"**Closing Date**" means December 15, 2021 or such other date as the Corporation and the Underwriters may agree upon in writing, or as may be changed pursuant to this Agreement, but in any event shall not be later than December 31, 2021;

"**Closing Time**" means 6:00 a.m. (Calgary time) on the Closing Date;

"**Common Shares**" means the common shares in the capital of the Corporation;

"**Corporation**" means PrairieSky Royalty Ltd.;

"**distribution**" and "**distribution to the public**" have the respective meanings given to them under applicable Canadian Securities Laws;

"**Due Diligence Session**" has the meaning given to it in Section 3(b);

"**Environmental Laws**" means any federal, state, provincial, territorial or local law, statute, ordinance, rule, regulation, order, decree, judgment, injunction, permit, license, authorization or other binding requirement, or common law, relating to health, safety or the regulation, protection, cleanup or restoration of the environment or natural resources, including those relating to the distribution, processing, generation, treatment, control, storage, disposal, transportation, other handling or release or threatened release of Hazardous Materials or Conditions;

"**Final Passport System Decision Document**" means a receipt for the Final Prospectus issued in accordance with the Passport System;

"**Final Prospectus**" means the (final) short form prospectus (in both the English and French languages unless the context indicates otherwise) of the Corporation relating to the distribution of the Offered Shares, including the documents incorporated or deemed to be incorporated by reference therein;

"**Final U.S. Placement Memorandum**" means the final U.S. private placement memorandum (which shall include the Final Prospectus), in the form agreed to by the Corporation and the Underwriters, prepared for use in connection with the offer and sale of the Offered Shares in the United States on a private placement basis;

"**Financial Statements**" means, collectively, the audited financial statements of the Corporation as at December 31, 2020 and 2019 and for the years ended December 31, 2020 and 2019, including the notes thereto and the auditor's report thereon, and the unaudited interim condensed financial statements of the Corporation as at and for the three and nine months ended September 30, 2021, including the notes thereto;

"**Firm Shares**" has the meaning given to it on the first page of this Agreement;

"**GLJ**" means GLJ Ltd., independent qualified reserves evaluators;

"**GLJ Report**" means the independent engineering evaluation of the crude oil, natural gas and NGL reserves of the Corporation, prepared by GLJ with an effective date of December 31, 2020 and a preparation date of January 20, 2021;

"**Governmental Authorities**" means governments, regulatory authorities, governmental departments, agencies, commissions, bureaus, officials, ministers, Crown corporations, courts,

bodies, boards, tribunals or dispute settlement panels or other law, rule or regulation-making organizations or entities: (a) having or purporting to have jurisdiction on behalf of any nation, province, territory or state or any other geographic or political subdivision of any of them; or (b) exercising, or entitled or purporting to exercise any administrative, executive, judicial, legislative, policy, regulatory or taxing authority or power;

"**Governmental Licences**" has the meaning given to it in Section 7(bb);

"**GST**" means goods and services tax provided for under the *Excise Tax Act* (Canada);

"**Hazardous Materials or Conditions**" means any material, substance (including, without limitation, pollutants, contaminants, hazardous or toxic substances or wastes) or condition that is regulated by or may give rise to liability under any Environmental Laws;

"**IFRS**" means Canadian generally accepted accounting principles for publicly accountable enterprises, being International Financial Reporting Standards as issued by the International Accounting Standards Board, as adopted by the Canadian Accounting Standards Board effective for periods beginning on or after January 1, 2011;

"**Incentive Plan**" means the share unit incentive plan of the Corporation, as amended and restated April 28, 2015 further amended and restated effective February 27, 2017;

"**Indemnified Party**" has the meaning given to it in Section 18(b);

"**Intellectual Property**" has the meaning given to it in Section 7(kk);

"**Interest**" has the meaning given to it in Section 7(nn);

"**KPMG**" means KPMG LLP, chartered professional accountants, the independent auditors of the Corporation;

"**Lien**" means any mortgage, charge, pledge, hypothec, security interest, assignment, lien (statutory or otherwise), title retention agreement or arrangement, restrictive covenant or other encumbrance of any nature, or any other arrangement or condition which, in substance, secures payment or performance of an obligation;

"**Marketing Materials**" has the meaning given to "marketing materials" in NI 41-101;

"**Material Adverse Effect**" or "**Material Adverse Change**" means any effect, change, event or occurrence that, alone or in conjunction with any other or others, (a) is materially adverse to the results of operations, condition (financial or otherwise), assets, properties, capital, liabilities (contingent or otherwise), cash flow, income or business operations of the Corporation; or (b) would result in the Prospectus containing a misrepresentation;

"**material change**" has the meaning given to it under Canadian Securities Laws;

"**material fact**" has the meaning given to it under Canadian Securities Laws;

"**MI 11-102**" means Multilateral Instrument 11-102 – *Passport System* adopted by the Canadian Securities Administrators, as amended or replaced;

"**misrepresentation**" has the meaning given to it under Canadian Securities Laws;

"**NGL**" means those hydrocarbon components that can be recovered from natural gas as liquids including, but not limited to, ethane, propane, butanes, pentanes plus, condensate and small quantities of non-hydrocarbons;

"**NI 41-101**" means National Instrument 41-101 – *General Prospectus Requirements* adopted by the Canadian Securities Administrators, as amended or replaced;

"**NI 44-101**" means National Instrument 44-101 – *Short Form Prospectus Distributions* adopted by the Canadian Securities Administrators, as amended or replaced;

"**NI 52-109**" has the meaning given to it in Section 7(l);

"**notice**" has the meaning given to it in Section 29;

"**NP 11-202**" means National Policy 11-202 – *Process for Prospectus Reviews in Multiple Jurisdictions* adopted by the Canadian Securities Administrators, as amended or replaced;

"**OFAC**" has the meaning given to it in Section 7(ss);

"**Offered Shares**" means, collectively, the Firm Shares and the Option Shares;

"**Offering**" means the offering of the Offered Shares pursuant to this Agreement and the Prospectus;

"**Option Closing**" means the completion of the issue and sale by the Corporation, and the purchase by the Underwriters, of Option Shares pursuant to this Agreement;

"**Option Closing Date**" has the meaning given to it on the second page of this Agreement;

"**Option Closing Time**" means 6:00 a.m. (Calgary time) on the Option Closing Date;

"**Option Plan**" means the stock option plan of the Corporation, as amended and restated effective February 27, 2017;

"**Option Shares**" has the meaning given to it on the first page of this Agreement;

"**Over-Allotment Option**" has the meaning given to it on the first page of this Agreement;

"**Passport System**" means the system and procedures for prospectus filing and review under MI 11-102 and NP 11-202;

"**Permitted Encumbrances**" has the meaning given to it in Section 7(hh);

"**person**" means any individual, sole proprietorship, partnership, firm, entity, unincorporated association, unincorporated syndicate, unincorporated organization, trust, body corporate, company, limited liability company, unlimited liability company or Governmental Authority and, where the context requires, any of the foregoing when they are acting as trustee, executor, administrator or other legal representative;

"**Preliminary Passport System Decision Document**" means a receipt for the Preliminary Prospectus issued in accordance with the Passport System;

"**Preliminary Prospectus**" means the preliminary short form prospectus (in both the English and French languages unless the context indicates otherwise) of the Corporation to be dated on or before December 3, 2021 relating to the distribution of the Offered Shares, including the documents incorporated or deemed to be incorporated by reference therein;

"**Preliminary U.S. Placement Memorandum**" means the preliminary U.S. private placement memorandum (which includes the Preliminary Prospectus), including any supplement or amendments thereto, in the form agreed to by the Corporation and the Underwriters, prepared for use in connection with the offer and sale of the Offered Shares in the United States on a private placement basis;

"**Prospectus**" means, collectively, the Preliminary Prospectus, the Final Prospectus and any Prospectus Amendment;

"**Prospectus Amendment**" means, collectively, any amendment to the Preliminary Prospectus or the Final Prospectus;

"**provides**" and derivations thereof, where used in reference to Marketing Materials, shall have the meaning ascribed to such term in NI 41-101;

"**Public Record**" means all information filed by or on behalf of the Corporation with the Canadian Securities Regulators in compliance, or intended compliance, with Applicable Securities Laws since December 31, 2019;

"**Purchase Price**" has the meaning given to it on the first page of this Agreement;

"**Qualifying Jurisdictions**" means all of the provinces and territories of Canada;

"**Rule 144A**" means Rule 144A adopted by the SEC under the U.S. Securities Act;

"**SEC**" means the United States Securities and Exchange Commission;

"**SEDAR**" means the System for Electronic Document Analysis and Retrieval;

"**Selling Firm**" has the meaning given to it in Section 4(a);

"**subsidiary**" has the meaning given to it in the *Securities Act* (Alberta);

"**Swaps**" means any transaction which is a rate swap transaction, basis swap, forward rate transaction, commodity swap, commodity option, equity or equity index swap, equity or equity index option, bond option, interest rate option, foreign exchange transaction, cap transaction, floor transaction, collar transaction, currency swap transaction, cross-currency rate swap transaction, currency option, forward sale, exchange traded futures contract, hedging agreement or any other similar transaction (including any option with respect to any of these transactions or any combination of these transactions);

"**Tax Act**" means the *Income Tax Act* (Canada) and the regulations promulgated thereunder, as amended from time to time;

"**template version**" has the meaning given to that term in NI 41-101;

"**to the Corporation's knowledge**", "**to the knowledge of the Corporation**", "**knowledge**" or similar terms mean, unless otherwise expressly stated, a statement of the applicable declarant's knowledge of the facts or circumstances to which such phrase relates, after having made reasonable inquiries and investigations in connection with such facts and circumstances;

"**TSX**" means the Toronto Stock Exchange;

"**Underwriter**" and "**Underwriters**" have the respective meanings given to them on the first page of this Agreement;

"**Underwriters' Information**" has the meaning given to it in Section 6(a)(i);

"**Underwriting Fee**" has the meaning given to it in Section 14;

"**U.S. Affiliates**" has the meaning given to it in Schedule A;

"**U.S. Exchange Act**" means the United States Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated thereunder;

"**U.S. Placement Memorandum**" means, collectively, the Preliminary U.S. Placement Memorandum and the Final U.S. Placement Memorandum;

"**U.S. Securities Act**" means the United States Securities Act of 1933, as amended, and the rules and regulations promulgated thereunder; and

"**Vendors**" means, collectively, Heritage Resource Limited Partnership, Heritage Royalty Resource Corp. and Heritage Manitoba Holdings Inc.

Unless otherwise expressly provided in this Agreement, words importing only the singular number include the plural and vice versa and words importing gender include all genders. References to "Sections", "paragraphs" and "clauses" are to the appropriate section, paragraph or clause of this Agreement.

All references to dollars or "$" are to Canadian dollars unless otherwise expressed.

2. **Qualification and Offering for Sale**

(a) The Corporation covenants with the Underwriters that it shall:

(i) not later than December 3, 2021, have prepared and filed with the Canadian Securities Regulators, the Preliminary Prospectus and other documents required to be filed therewith under Canadian Securities Laws and designated the Alberta Securities Commission as the principal regulator under the Passport System, and shall have obtained from the Alberta Securities Commission a Preliminary Passport System Decision Document, evidencing that a receipt has been, or is deemed to have been, issued for the Preliminary Prospectus in each Qualifying Jurisdiction, or otherwise obtain a receipt for the Preliminary Prospectus from each of the Canadian Securities Regulators;

(ii) forthwith after any comments with respect to the Preliminary Prospectus have been received from and resolved with the Canadian Securities Regulators, but not later

than December 10, 2021 (or such later date as may be agreed to in writing by the Corporation and the Bookrunners), prepare and file with the Canadian Securities Regulators the Final Prospectus and other documents required to be filed therewith under Canadian Securities Laws, and shall obtain from the Alberta Securities Commission a Final Passport System Decision Document dated no later than December 10, 2021 (or such later date as may be agreed to in writing by the Corporation and the Bookrunners), evidencing that a receipt has been, or is deemed to have been, issued for the Final Prospectus in each Qualifying Jurisdiction, or otherwise obtain a receipt for the Final Prospectus from each of the Canadian Securities Regulators; and

(iii) contemporaneously with the preparation of the Preliminary Prospectus and the Final Prospectus, prepare the Preliminary U.S. Placement Memorandum and the Final U.S. Placement Memorandum, respectively;

and otherwise promptly fulfil and comply with, to the satisfaction of the Underwriters, acting reasonably, Canadian Securities Laws required to be fulfilled or complied with by the Corporation to enable the Offered Shares to be lawfully distributed in the Qualifying Jurisdictions through the Underwriters or any other investment dealers or brokers registered as such in the Qualifying Jurisdictions.

(b) The Corporation shall, until the completion of the distribution of the Offered Shares, promptly take all additional steps and proceedings that from time to time may be required under Canadian Securities Laws to continue to qualify the Offered Shares for distribution or, in the event that the Offered Shares have, for any reason, ceased to so qualify, to again qualify the Offered Shares for distribution in the Qualifying Jurisdictions, and to the extent within the control of the Corporation, to permit the Offered Shares to be offered and sold in transactions exempt from the registration requirements of the U.S. Securities Act and applicable state securities laws.

(c) During the distribution of the Offered Shares:

(i) the Corporation shall, as contemplated by Canadian Securities Laws, prepare, in consultation with the Bookrunners, and approve in writing, prior to the time such Marketing Materials are provided to potential investors of Offered Shares, a template version of any Marketing Materials reasonably requested to be provided by the Underwriters to any such potential investor, such Marketing Materials to comply with Canadian Securities Laws and to be acceptable in form and substance to the Corporation and the Underwriters and their respective counsel, acting reasonably;

(ii) the Bookrunners shall, on behalf of the Underwriters, as contemplated by Canadian Securities Laws, approve in writing a template version of any Marketing Materials which have been previously, or are contemporaneously, approved by the Corporation pursuant to Section 2(c)(i) prior to the time such Marketing Materials are provided to potential investors of Offered Shares;

(iii) the Corporation shall file a template version of the English version of any Marketing Materials referred to in Section 2(c)(i) with the Canadian Securities Regulators as soon as reasonably practical after such Marketing Materials are so approved in writing by the Corporation and the Bookrunners, on behalf of the

Underwriters, and, in any event, on or before the day the Marketing Materials are first provided to any potential investor of Offered Shares. Any "comparables" (as defined in NI 41-101) shall be removed from the template version of the Marketing Materials in accordance with NI 44-101 prior to filing such template version with the Canadian Securities Regulators (provided that if any such comparables are removed, the Corporation shall deliver a complete template version of any such Marketing Materials to the Canadian Securities Regulators as required by Canadian Securities Laws). The French language version of any such Marketing Materials shall be filed with the Canadian Securities Regulators prior to, or concurrently with, the filing of the Final Prospectus as contemplated herein;

(iv) following the approvals and filings set forth in Section 2(c)(i) to Section 2(c)(iii) above, the Underwriters may provide a "limited-use version" (as defined in NI 41-101) of such Marketing Materials to potential investors of Offered Shares in accordance with Canadian Securities Laws and the securities laws of the United States;

(v) the Corporation shall prepare and file with the Canadian Securities Regulators a revised template version of any Marketing Materials provided to potential investors in connection with the distribution of the Offered Shares where required under Canadian Securities Laws, and Section 2(c)(i) to Section 2(c)(iv) above shall apply to such revised template version; and

(vi) the Corporation covenants and agrees with the Underwriters, and the Underwriters severally (not jointly nor jointly and severally) covenant and agree with the Corporation:

(A) not to provide any potential investor of Offered Shares with any Marketing Materials unless a template version of such Marketing Materials has been approved in writing by the Corporation and the Bookrunners, on behalf of the Underwriters, and filed by the Corporation with the Canadian Securities Regulators on or before the day such Marketing Materials are first provided to any potential investor of Offered Shares; and

(B) not to provide any potential investor of Offered Shares with any materials or information in relation to the distribution of the Offered Shares or the Corporation other than: (1) Marketing Materials that have been approved and filed in accordance with this Section 2(c); (2) the Preliminary Prospectus, the Final Prospectus and any Prospectus Amendment, as applicable; and (3) any "standard term sheets" (as defined in NI 41-101) approved in writing by the Corporation and the Bookrunners, on behalf of the Underwriters.

3. **Due Diligence**

(a) During the period of distribution of the Offered Shares, the Corporation shall co-operate in all commercially reasonable respects with the Underwriters to allow and assist the Underwriters to participate fully in the preparation of, and agree to the form and content of, the Preliminary Prospectus, the Final Prospectus, the Preliminary U.S. Placement

Memorandum, the Final U.S. Placement Memorandum and any Prospectus Amendment, and shall allow the Underwriters to conduct all "due diligence" investigations which the Underwriters may reasonably require to fulfil the Underwriters' obligations under Canadian Securities Laws, the U.S. Securities Act and the U.S. Exchange Act and to enable the Underwriters to responsibly execute certificates required to be executed by the Underwriters in the Prospectus. The Corporation shall furnish to the Underwriters all the information relating to the Corporation and its business and affairs as required for the preparation of the Prospectus, any Prospectus Amendment and other documentation to be filed in connection with the Offering in order to satisfy disclosure requirements under Canadian Securities Laws.

(b) Without limiting the generality of the foregoing, the Corporation shall make available its senior management, and shall use its reasonable commercial efforts to cause its auditor, independent reserves evaluator and legal counsel and other experts named in the Prospectus (including, for greater certainty, KPMG and GLJ) to be available, to answer any questions which the Underwriters may have and to participate in one or more due diligence sessions to be held prior to the Closing Time (collectively, the "**Due Diligence Session**"). The Underwriters shall distribute the list of written questions to be answered reasonably in advance of such Due Diligence Session, and the Corporation shall provide written responses to such questions in advance of the Due Diligence Session and shall use their reasonable commercial efforts to have its auditor, independent reserves evaluator and legal counsel and other experts named in the Prospectus provide written responses to such questions in advance of the Due Diligence Session.

4. **Restrictions on Sale**

(a) The Underwriters will be permitted to appoint, at their sole expense, other registered dealers or brokers as their agents to assist in the distribution of the Offered Shares. The Underwriters shall, and shall require any such dealer or broker, other than the Underwriters, with which the Underwriters have a contractual relationship in respect of the distribution of the Offered Shares (a "**Selling Firm**"), to comply with the terms and conditions in this Section 4 and Schedule A hereto, as applicable, and as otherwise set out in this Agreement.

(b) Each of the Underwriters severally (and not jointly nor jointly and severally) covenant and agree with the Corporation that they shall distribute the Offered Shares in a manner that complies with all applicable laws and regulations, including, without limitation, Canadian Securities Laws and, in connection with offers and sales in the United States, the U.S. Securities Act and applicable state securities laws, in each jurisdiction into and from which they may offer to sell the Offered Shares or distribute the Prospectus or the U.S. Placement Memorandum in connection with the distribution of the Offered Shares and will not, directly or indirectly, offer, sell or deliver any Offered Shares or deliver the Prospectus or the U.S. Placement Memorandum or any other document to any person in any jurisdiction, except in a manner which will not require the Corporation to comply with the registration, prospectus, continuous disclosure, filing or other similar requirements under the applicable securities laws of any jurisdiction other than the Qualifying Jurisdictions.

(c) Notwithstanding the foregoing, an Underwriter will not be liable for any breach under this Section 4 or Schedule A to this Agreement by another Underwriter or a Selling Firm appointed by another Underwriter if the Underwriter first mentioned is not itself also in breach of this Section 4 or Schedule A hereto.

(d) For the purposes of this Section 4, following the issuance of the Final Passport System Decision Document by the Alberta Securities Commission, the Underwriters shall be entitled to assume that the Offered Shares are qualified for distribution in each of the Qualifying Jurisdictions.

(e) The Corporation and each of the Underwriters hereby agree that any offer and sale of the Offered Shares shall be conducted only in the manner specified in Schedule A hereto.

5. **Delivery of Documents**

(a) On or prior to the time of filing of the Preliminary Prospectus or the Final Prospectus, as applicable, the Corporation shall deliver to each of the Underwriters (except to the extent such documents have been previously delivered to the Underwriters or are available on SEDAR):

(i) a copy of each of the Preliminary Prospectus and the Final Prospectus, as applicable, in the English language signed and certified by the Corporation as required by Canadian Securities Laws and, upon request from the Underwriters, copies of any documents incorporated by reference or deemed to be incorporated by reference in the foregoing, which have not previously been delivered to the Underwriters or which are not then available on SEDAR;

(ii) a copy of each of the Preliminary Prospectus and the Final Prospectus in the French language signed and certified by the Corporation as required by Canadian Securities Laws applicable in the Province of Québec and, upon request from the Underwriters, copies of any documents incorporated by reference or deemed to be incorporated by reference in the foregoing, which have not previously been delivered to the Underwriters or which are not then available on SEDAR;

(iii) a copy of each of the Preliminary U.S. Placement Memorandum and the Final U.S. Placement Memorandum;

(iv) a copy of any other document required under Canadian Securities Laws to be filed by the Corporation in connection with the distribution of the Offered Shares contemplated hereby;

(v) opinions of each of McCarthy Tétrault LLP and KPMG, in each case only with respect to the documents translated by them or for which they reviewed translated versions, as applicable, and each dated the date of the Preliminary Prospectus and the date of the Final Prospectus, respectively and as the case may be, in form and substance satisfactory to the Underwriters, acting reasonably, addressed to the Underwriters, the Corporation and their respective counsel, to the effect that the French language version of each of the Preliminary Prospectus and the Final Prospectus, including the information incorporated or deemed to be incorporated by reference in the Preliminary Prospectus and the Final Prospectus, respectively, is, in all material respects, a complete and proper translation of the English language version thereof;

(vi) a "long-form" comfort letter of KPMG, dated the date of the Final Prospectus (with the requisite procedures to be completed by such auditor no later than two Business Days prior to the date of the Final Prospectus), addressed to the Underwriters, the

Corporation and the directors of the Corporation, in form and substance satisfactory to the Underwriters, acting reasonably, with respect to certain financial and numerical information relating to the Corporation contained in or incorporated by reference in the Final Prospectus, which letter shall be in addition to the auditor's report contained in the Final Prospectus and any auditor's comfort letter addressed to the Canadian Securities Regulators; and

(vii) a copy of the letter from the TSX advising the Corporation that conditional approval of the listing of the Offered Shares has been granted by the TSX, subject to the satisfaction of the customary conditions set out therein.

(b) In the event that the Corporation is required by Canadian Securities Laws to prepare and file any Prospectus Amendment (including in the circumstances referred to in Section 12), the Corporation shall prepare and deliver promptly to the Underwriters signed and certified copies of such Prospectus Amendment in the English and French languages. Any Prospectus Amendment shall be in form and substance satisfactory to the Underwriters, acting reasonably. Concurrently with the delivery of any Prospectus Amendment, the Corporation shall deliver to the Underwriters, with respect to such Prospectus Amendment, documents similar to those referred to in Sections 5(a)(v) and 5(a)(vi).

6. **Representations as to Prospectus**

(a) The filing of the Preliminary Prospectus, the Final Prospectus and any Prospectus Amendment shall constitute a representation and warranty by the Corporation to the Underwriters that, as at their respective dates and dates of filing:

(i) the information and statements (except information and statements relating solely to the Underwriters or any U.S. Affiliate which have been provided by the Underwriters or any U.S. Affiliate to the Corporation in writing specifically for use in the Preliminary Prospectus, the Final Prospectus, the Preliminary U.S. Placement Memorandum, the Final U.S. Placement Memorandum or any Prospectus Amendment (collectively, "**Underwriters' Information**")) contained in the Preliminary Prospectus, the Final Prospectus and any Prospectus Amendment, as applicable, are true and correct and contain no misrepresentation and constitute full, true and plain disclosure of all material facts relating to the Corporation and the Offered Shares;

(ii) no material fact has been omitted from such disclosure that is required to be stated in such disclosure or that is necessary to make a statement contained in such disclosure not misleading in the light of the circumstances under which it was made;

(iii) the Preliminary U.S. Placement Memorandum and the Final U.S. Placement Memorandum, as applicable (except for Underwriters' Information) do not contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements made, in the light of the circumstances under which they were made, not misleading, within the meaning of the U.S. Exchange Act; and

(iv) except with respect to any Underwriters' Information, the Preliminary Prospectus, the Final Prospectus and any Prospectus Amendment comply in all material respects with the requirements of Canadian Securities Laws.

(b) The filings of the Preliminary Prospectus, the Final Prospectus and any Prospectus Amendment shall also constitute the Corporation's consent to the Underwriters' and any Selling Firms' use of the Preliminary Prospectus, the Final Prospectus and any Prospectus Amendment, as applicable, in connection with the distribution of the Offered Shares in the Qualifying Jurisdictions in compliance with this Agreement and Canadian Securities Laws and the use by the U.S. Affiliates of the Preliminary U.S. Placement Memorandum and Final U.S. Placement Memorandum for offers and sales of the Offered Shares in the United States.

7. **Additional Representations and Warranties of the Corporation**

The Corporation represents and warrants to the Underwriters, and acknowledges that the Underwriters are relying upon such representations and warranties in purchasing the Firm Shares and the Option Shares, if any, that:

(a) except as contemplated by this Agreement or as otherwise disclosed in the Prospectus, since December 31, 2020: (i) there has been no Material Adverse Change (actual, anticipated, contemplated or threatened, financial or otherwise); and (ii) there have been no transactions entered into by the Corporation which are material with respect to the Corporation or any class of its shares;

(b) the Corporation is a corporation existing under the laws of the Province of Alberta and is properly registered or licensed to carry on business under the laws of all jurisdictions in which its business is carried on, except where the failure to be so registered or licensed would not have a Material Adverse Effect;

(c) the Corporation has the requisite corporate power and capacity to enter into and deliver this Agreement and the Asset Acquisition Agreement and to perform its obligations hereunder (including the execution of the Preliminary Prospectus, the Final Prospectus and any Prospectus Amendment and the filing of each of them with the Canadian Securities Regulators, and the preparation and distribution of the U.S. Placement Memorandum) and thereunder and the Corporation has the requisite corporate power and capacity to own, lease and operate its property and assets and to carry on its business as currently carried on or as proposed to be carried on;

(d) the Corporation has authorized share capital consisting of an unlimited number of Common Shares and an unlimited number of preferred shares issuable in series, of which 221,633,200 Common Shares and no preferred shares are issued and outstanding as of the date hereof;

(e) the Offered Shares have been duly and validly authorized for issuance and sale to the Underwriters pursuant to this Agreement. The Offered Shares, when issued and delivered in accordance with this Agreement in return for full payment of the Purchase Price therefor, will be fully paid and non-assessable shares of the Corporation and will not have been issued in violation of or subject to the pre-emptive or similar rights of any securityholder of the Corporation or of any other person;

(f) except for an aggregate of 1,311,844 options to acquire Common Shares pursuant to the Option Plan and 481,784 performance share unit awards and 63,941 restricted share unit awards granted pursuant to the Incentive Plan, no person has any agreement or option, or right or privilege (whether pre-emptive or contractual) capable of becoming an agreement or option, for the purchase or issuance from the Corporation of any unissued securities of the Corporation, and none of the outstanding securities of the Corporation were issued in violation of or subject to the pre-emptive or similar rights of any person;

(g) other than NV Resources Corporation Ltd., which has no assets and does not carry on active business, Tenax Energy Inc., neither of which is material to the Corporation, and 2357320 Alberta Ltd., the Corporation does not have any subsidiaries and the Corporation is not, directly or indirectly, "affiliated" with or a "holding corporation" of any other body corporate (within the meaning of those terms in the *Business Corporations Act* (Alberta)) and the Corporation is not, directly or indirectly, a partner of any partnerships, limited partnerships or joint ventures;

(h) the Corporation does not own, directly or indirectly, any shares or any other equity or long-term debt securities of any corporation or other person;

(i) the Financial Statements incorporated by reference in the Prospectus have been prepared in conformity with IFRS applied on a consistent basis throughout the periods involved and present fairly in all material respects the financial position, changes in shareholders' equity, results of operations and cash flows of the Corporation as at the dates of and for the periods referred to in such statements;

(j) the Corporation has not incurred any liabilities or obligations (whether accrued, absolute, contingent or otherwise) that continue to be outstanding except: (i) as set forth in the Financial Statements or as otherwise disclosed or contemplated in the Prospectus; or (ii) which do not have a Material Adverse Effect, and except for liabilities and obligations incurred in the ordinary course of business by the Corporation;

(k) since January 1, 2020, the Corporation has not made any acquisition that would be a significant acquisition for the purposes of Canadian Securities Laws, and no proposed acquisition by the Corporation, including the Asset Acquisition, has progressed to a state where a reasonable person would believe that the likelihood of the Corporation completing the acquisition is high and that, if completed by the Corporation at the date of the Final Prospectus, would be a significant acquisition for the purposes of Canadian Securities Laws, in each case, that would require the prescribed disclosure in the Final Prospectus pursuant to such laws;

(l) the Corporation is in compliance with National Instrument 52-109 – *Certification of Disclosure in Issuers' Annual and Interim Filings* ("**NI 52-109**") of the Canadian Securities Administrators and applicable forms thereunder, with respect to: (i) a system of internal control over financial reporting that complies with the requirements of NI 52-109 and applicable forms thereunder, designed by the Corporation's Chief Executive Officer and Chief Financial Officer (or other senior officer acting in such capacity), or under their supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS; and (ii) a system of disclosure controls and procedures that is designed to provide reasonable assurance that information required to be disclosed by the Corporation under Canadian Securities Laws is recorded, processed, summarized and reported within the time

periods specified under Canadian Securities Laws and that information required to be disclosed by the Corporation under Canadian Securities Laws is accumulated and communicated to the Corporation's management, including its Chief Executive Officer and Chief Financial Officer (or other senior officer acting in such capacity), as appropriate, to allow timely decisions regarding required disclosure;

(m) no director, officer or employee of, or any other person not dealing at arm's length with, the Corporation is engaged in any transaction or arrangement with, or is a party to a contract with, or has any indebtedness, liability or obligation to, the Corporation, except: (i) as disclosed in, or contemplated by, the Prospectus; (ii) for employment or consulting arrangements with employees or consultants, or those serving as a director or officer of the Corporation; and (iii) for indemnity agreements to which the Corporation and its officers and directors are party;

(n) the Corporation is not in breach or violation of, and the execution and delivery by the Corporation of this Agreement and the Asset Acquisition Agreement and the performance by the Corporation of its obligations hereunder and thereunder, including the issuance and sale of the Offered Shares and the completion of the Asset Acquisition, do not and will not result in any breach or violation of, or be in conflict with, or constitute, or create a state of facts which, after notice or lapse of time, or both, would constitute a default under:

(i) any term or provision of the articles or by-laws of the Corporation;

(ii) any resolution of the directors or shareholders of the Corporation; or

(iii) except as would not have a Material Adverse Effect or would not impair the ability of the Corporation to consummate the transactions contemplated by this Agreement and the Asset Acquisition Agreement or to duly observe and perform any of its covenants or obligations contained in this Agreement and the Asset Acquisition Agreement, any material contract, mortgage, note, indenture, deed of trust, joint venture or partnership arrangement, agreement (written or oral), instrument, lease, judgment, decree, order, statute, rule, licence or regulation applicable to the Corporation, and will not give rise to any Lien on or with respect to the properties or assets now owned or hereafter acquired by the Corporation or the acceleration of or the maturity of any debt under any indenture, mortgage, note, deed of trust, lease, agreement or instrument binding or affecting the Corporation or its properties or assets;

(o) no approval, authorization, consent or other order of, and no filing, registration or recording with, any Governmental Authority is required of the Corporation in connection with the execution and delivery of this Agreement or the Asset Acquisition Agreement, or the performance by the Corporation of its obligations hereunder and thereunder, except as have been or will have been obtained on or prior to the Closing Date and are or will be in full force and effect or as required by Canadian Securities Laws with regard to the distribution of the Offered Shares, if any, in the Qualifying Jurisdictions, or except where the failure to obtain or make, as the case may be, such approval, authorization, consent, order, filing, registration or recording would not individually or in the aggregate have a Material Adverse Effect or would not impair the ability of the Corporation to consummate the transactions contemplated hereby or under the Asset Acquisition Agreement, or to duly observe and perform any of its covenants or obligations contained in this Agreement and the Asset Acquisition Agreement;

(p) the Corporation does not have knowledge of any applicable law, regulation or governmental position, or any announced, pending or contemplated change thereto or announced, pending or contemplated new law, regulation or governmental position that, in any of these cases, would have a Material Adverse Effect;

(q) this Agreement and the Asset Acquisition Agreement and the performance by the Corporation of its obligations hereunder (including the execution of the Preliminary Prospectus, the Final Prospectus and any Prospectus Amendment and the filing of each of them with the Canadian Securities Regulators, and the preparation and distribution of the Preliminary U.S. Placement Memorandum and the Final U.S. Placement Memorandum, and the issuance and sale of the Offered Shares) and thereunder, has been duly authorized by all necessary corporate action, and has been duly executed and delivered by the Corporation and constitutes a legal, valid and binding obligation of the Corporation, enforceable against the Corporation in accordance with its terms, except as enforcement hereof may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws affecting the rights of creditors generally and by the application of equitable principles when equitable remedies are sought and subject to the fact that rights of indemnity and contribution may be limited by applicable law, and the Corporation is not aware of any reason why the Asset Acquisition will not be completed as contemplated by the Asset Acquisition Agreement, subject to the conditions to closing set forth in the Asset Acquisition Agreement;

(r) the form of the certificates for the Common Shares (including the Offered Shares) has been approved by the board of directors of the Corporation and adopted by the Corporation and complies with all legal and stock exchange requirements and does not conflict with the Corporation's by-laws or constating documents;

(s) (i) there are no shareholders' agreements, voting agreements, investors' rights agreements or other agreements in force or effect which in any manner affects or will affect the voting or control of any of the securities of the Corporation; and (ii) there are no persons with registration rights or other similar rights to have any securities of the Corporation registered or qualified for distribution pursuant to any Canadian Securities Laws, the U.S. Securities Act or the securities laws of any state thereof, or the laws, rules or regulations of any other country;

(t) to the knowledge of the Corporation, no securities commission, stock exchange or other Governmental Authority has issued any order: (i) requiring trading in any of the Corporation's securities to cease; (ii) preventing or suspending the use of the Prospectus or the U.S. Placement Memorandum; or (iii) preventing the distribution of the Offered Shares in any Qualifying Jurisdiction or on a private placement basis in the United States, nor in any case has instituted proceedings for that purpose and, to the knowledge of the Corporation, no such proceedings are pending or contemplated;

(u) TSX Trust Company, at its principal office in Calgary, Alberta has been duly appointed as registrar and transfer agent for the Common Shares;

(v) the provisions of the Offered Shares conform, in all material respects, with the description thereof contained in the Prospectus under the heading "*Description of Share Capital*";

(w) there is no litigation or governmental or other proceeding or investigation at law or in equity before any Governmental Authority, domestic or foreign, in progress, pending or,

to the Corporation's knowledge, threatened (and the Corporation does not know of any basis therefor) against, or involving the assets, properties or business of, the Corporation, nor are there any matters under discussion with any Governmental Authority relating to taxes, governmental charges, orders or assessments asserted by any such authority, and to the Corporation's knowledge there are no facts or circumstances which would reasonably be expected to form the basis for any such litigation, governmental or other proceeding or investigation, taxes, governmental charges, orders or assessments, which, in each case, if determined adversely to the Corporation, would individually or in the aggregate have a Material Adverse Effect or which questions the validity of the sale or delivery of the Offered Shares or the validity of any other action taken or to be taken by the Corporation in connection with this Agreement or the Asset Acquisition Agreement, the invalidity of which action would have a Material Adverse Effect;

(x) KPMG, the auditor of the Corporation, is, or was at all relevant times, as the case may be, independent with respect to the Corporation within the meaning of the rules of professional conduct applicable to auditors in the Province of Alberta; and there has not been any reportable event (within the meaning of National Instrument 51-102 - *Continuous Disclosure Obligations* of the Canadian Securities Administrators) with such firm or any other prior auditor of the Corporation;

(y) (A) all tax returns required to be filed by the Corporation on or prior to the date hereof have been filed and report all income and other amounts and information in all material respects which the Corporation believes are required to be reported thereon; (B) all taxes and other assessments of a similar nature (whether imposed directly or through withholding), including any interest, additions to tax or penalties applicable thereto of the Corporation, due or claimed to be due by any taxing authority, if any, have been paid by the Corporation, whether or not assessed by the appropriate taxing authority, other than non-material amounts or those being contested in good faith and for which the Corporation believes adequate reserves have been provided; (C) the Corporation is not a party to any agreement, waiver or arrangement with any taxing authority which relates to any extension of time with respect to the filing of any tax returns, elections, designations or similar filings relating to taxes, any payment of taxes or any assessment or collection thereof; (D) the Corporation has timely collected, in all material respects, the amounts on account of sales or transfer taxes required by law to be collected by it, if any, and has timely remitted, in all material respects, to the appropriate taxing authority any such amounts required to be remitted by it, if any; (E) there is no tax deficiency which has been asserted against the Corporation which would have a Material Adverse Effect; (F) there are no material tax liabilities of the Corporation; (G) there are no audits or investigations in progress, pending or, to the knowledge of the Corporation, threatened, against the Corporation in respect of taxes that are reasonably expected to, individually or in the aggregate, have a Material Adverse Effect; and (H) there are no Liens for taxes, except for taxes not yet due and payable, upon the assets of the Corporation;

(z) except where non-compliance does not have and may not reasonably be expected to have a Material Adverse Effect: (i) the Corporation has conducted and is conducting its business in compliance with all applicable laws, rules and regulations of each jurisdiction in which it carries on business; and (ii) the Corporation has not received any notice of any alleged violation of any such laws, rules and regulations;

(aa) except for such matters as would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect: (i) the Corporation is not in violation of any

Environmental Laws; (ii) the Corporation has all permits, authorizations and approvals required under any applicable Environmental Laws to operate its business and is in compliance with their requirements; and (iii) there are no pending administrative, regulatory or judicial actions, suits, demands, demand letters, claims, liens, orders, directions, notices of non-compliance or violation, investigation or proceedings relating to any Environmental Law against the Corporation, and there are no facts or circumstances which would reasonably be expected to form the basis for any such administrative, regulatory or judicial actions, suits, demands, demand letters, claims, liens, orders, directions, notices of non-compliance or violation, investigation or proceedings;

(bb) the Corporation possesses such permits, licences, approvals, consents and other authorizations (collectively, "**Governmental Licences**") issued by Governmental Authorities necessary to conduct its business, except where the failure to so possess would not, individually or in the aggregate, have a Material Adverse Effect, and all such Governmental Licences are valid and existing and in good standing, except where the failure to be valid and existing and in good standing would not, individually or in the aggregate, have a Material Adverse Effect. The Corporation is in compliance with the terms and conditions of all such Governmental Licences, except where the failure to so comply would not, individually or in the aggregate, have a Material Adverse Effect;

(cc) except for such matters as would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect, the Corporation is in compliance with the provisions of all applicable federal, provincial, local and foreign laws and regulations respecting employment and employment practices, terms and conditions of employment and wages and hours;

(dd) each of the material contracts in respect of the business of the Corporation has been duly executed and delivered by the Corporation and, to the knowledge of the Corporation, by the applicable counterparty thereto, and is enforceable against the counterparty in accordance with its terms, except as enforcement thereof may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws affecting the rights of creditors generally and by the application of equitable principles when equitable remedies are sought and subject to the fact that rights of indemnity and contribution may be limited by applicable law; all material contracts in respect of the business of the Corporation are in good standing in all material respects, and no counterparty to such agreements or contracts is in default or breach under such agreements or contracts, and the Corporation has no knowledge of any event which has occurred and which, with notice or lapse of time or both, would constitute such a default or breach by an applicable counterparty, in each case where such default or breach would, or would reasonably be expected to, materially adversely affect the Corporation;

(ee) except for such matters as would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect: (i) the Corporation is not in default or breach of any material contracts in respect of the business of the Corporation to which it is a party or by which it is bound; and (ii) no event has occurred which, with notice or lapse of time or both, would constitute such a default or breach;

(ff) the Corporation is not in default or breach of any real property lease, and the Corporation has not received any notice or other communication from the owner or manager of any real property subject to such real property lease that any of such persons is not in compliance with any such real property lease, and, to the knowledge of the Corporation, no such notice

or other communication is pending or has been threatened, in each case where such default, breach or non-compliance would have a Material Adverse Effect;

(ag) except for such matters as would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect: (i) the Corporation maintains or has the benefit of such policies of insurance, issued by responsible insurers, as are appropriate to the Corporation's operations, property and assets, in such amounts and against such risks as are customarily carried and insured against by owners of comparable businesses, properties and assets and all such policies of insurance are in full force and effect; (ii) the Corporation is not in default as to the payment of premiums or otherwise, under the terms of any such policy; and (iii) the Corporation has not received any notice of the non-renewal of any such policy, or of any reservation of claims pursuant to any such policy;

(ah) except for such matters as would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect: (i) the properties and assets of the Corporation are free and clear of all Liens other than those encumbrances that are standard in the oil and gas industry and which do not have a material adverse effect on the ownership or operation of such assets and properties ("**Permitted Encumbrances**"); and (ii) other than Permitted Encumbrances, the Corporation has not done any act or suffered or permitted any action whereby any person has acquired or may acquire an interest in or to any of its properties and assets, nor has it done any act, omitted to do any act or permitted any act to be done that may adversely affect or defeat its title to any of its properties and assets;

(ii) the Corporation does not have outstanding any debentures, notes or mortgages that are material to the Corporation;

(jj) the Corporation does not have any outstanding Swaps;

(kk) except for such matters as would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect: (i) the Corporation owns all rights in or has obtained valid and enforceable licenses or other rights to use the patents, patent applications, inventions, copyrights, know how (including trade secrets and other proprietary or confidential information), trade-marks (both registered and unregistered), trade names or any other intellectual property (collectively, "**Intellectual Property**") which is necessary for the conduct of its business as currently carried on, free and clear of any Liens or other adverse claims or interest of any kind or nature affecting its assets; and (ii) to the knowledge of the Corporation, there is no infringement by third parties of any Intellectual Property owned, licensed or commercialized by the Corporation;

(ll) except for such matters as would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect, there are no outstanding judgments, writs of execution, seizures, injunctions or directives against, nor any work orders or directives or notices of deficiency capable of resulting in work orders or directives with respect to any of the Corporation's properties or assets;

(mm) the minute books and corporate records of the Corporation and its subsidiaries made available to counsel to the Underwriters in connection with the Underwriters' due diligence investigations are the original minute books and records or true and complete copies thereof and contain copies of all proceedings of the shareholders, the board of directors (or drafts thereof) and all committees of the board of directors of each of such persons and there have been no other meetings, resolutions or proceedings of the shareholders, board of directors

or any committee thereof to the date of review of such corporate records and minute books not reflected in such minute books and other corporate records;

(an) although the Corporation does not warrant title, to the knowledge of the Corporation: (i) the Corporation (A) has good and marketable title to its producing royalty interests, undeveloped mineral title, gross overriding lands and other assets, properties and interests (for the purpose of this subsection, the foregoing are collectively referred to as the "**Interest**"), and (B) upon completion of the Asset Acquisition, it will have good and marketable title to the Acquired Assets; (ii) the Interest is, and upon completion of the Asset Acquisition the Acquired Assets will be, free and clear of adverse claims except for those arising in the ordinary course of business which are not material in the aggregate; and (iii) the Corporation holds the Interest, and upon completion of the Asset Acquisition will hold the Acquired Assets, under valid and subsisting mineral titles, leases, licenses, permits, concessions, concession agreements, contracts, subleases, reservation or other agreements except for adverse claims which would not, or where the failure to so hold such interests would not, have a Material Adverse Effect;

(ao) the Corporation made available to GLJ, prior to the issuance of the GLJ Report, for the purpose of preparing the GLJ Report, all information requested by GLJ, which information did not contain any misrepresentation at the time such information was provided. Except with respect to changes in the prices of oil, natural gas liquids and natural gas, the Corporation has no knowledge of a material adverse change in any production, cost, reserves or other relevant information provided to GLJ since the date that such information was so provided. The Corporation believes that the GLJ Report reasonably presents the estimated quantity and pre-tax net present values of the oil and natural gas reserves associated with the crude oil, natural gas and NGL properties evaluated in such report as at December 31, 2020 based upon information available at the time such reserves information was prepared, and the Corporation believes that, at the date of such report, it reasonably presents the aggregate estimated quantity and pre-tax net present values of such reserves or the estimated monthly production volumes therefrom;

(ap) the Corporation is not aware of any pending or threatened action, suit, proceeding or inquiry which, in aggregate, could have a material adverse effect on: (i) the quantity and pre-tax present value of estimated future net revenue values of oil and natural gas reserves of the Corporation as shown in the GLJ Report; or (ii) the current cash flow of the Corporation;

(aq) any and all operations of the Corporation and, to the knowledge of the Corporation, any and all operations by third parties, on or in respect of the Corporation's properties and assets, have been conducted in accordance with good industry practices and in material compliance with applicable laws, rules, regulations, orders and directions of Governmental Authorities and other competent authorities having jurisdiction over the Corporation's properties and assets;

(rr) the operations of the Corporation are and have been conducted at all times in compliance with the anti-money laundering statutes of all applicable jurisdictions, the rules and regulations thereunder and any related or similar rules, regulations or guidelines, issued, administered or enforced by any governmental agency to which they are subject (collectively, the "**Anti-Money Laundering Laws**") and no action, suit or proceeding by or before any Governmental Authority or any arbitrator involving the Corporation with

respect to the Anti-Money Laundering Laws is pending or, to the knowledge of the Corporation, threatened;

(ss) none of the Corporation, or, to the knowledge of the Corporation, any director, officer, agent, employee, affiliate or person acting on behalf of the Corporation, is currently the target of any U.S. sanctions administered by the Office of Foreign Assets Control of the U.S. Treasury Department ("**OFAC**");

(tt) the Corporation has not taken and will not take, any action which constitutes stabilization or manipulation of the price of any security of the Corporation;

(au) the issued and outstanding Common Shares are listed and posted for trading on the TSX, and the Corporation is in compliance with the rules and regulations of the TSX in all material respects;

(av) the Corporation is a "reporting issuer" in each of the Qualifying Jurisdictions, is not in default in any material respect under any Canadian Securities Laws applicable to such jurisdictions and, to the knowledge of the Corporation, there are no unresolved issues relating to any investigation, continuous disclosure review or similar proceeding under Canadian Securities Laws or by any Canadian Securities Regulator or the TSX;

(aw) the Corporation is qualified under NI 44-101 to file a prospectus in the form of a short form prospectus;

(ax) with respect to forward-looking information contained or incorporated by reference in the Final Prospectus, the Final U.S. Placement Memorandum and any Prospectus Amendment: (i) the Corporation has a reasonable basis for the forward-looking information; and (ii) all material forward-looking information is identified as such and identifies applicable material risk factors that could cause actual results to differ materially from the forward-looking information, and the material factors or assumptions used to develop forward-looking information are accurately stated;

(ay) except as provided for in this Agreement, there is no person acting at the request of the Corporation who is entitled to any brokerage or agency fee in connection with the sale of the Offered Shares;

(zz) the information and statements set forth in the Public Record were true, correct and complete and did not contain any misrepresentation as of the respective dates of such information and statements;

(aaa) the representations and warranties of the Corporation in the Asset Acquisition Agreement, a true copy of which has been provided to the Underwriters, are true and correct, except as such would not have a Material Adverse Effect or would not materially adversely affect the ability of the Corporation to complete the Asset Acquisition;

(bbb) the Corporation has no reason to believe that the representations and warranties of the Vendors in the Asset Acquisition Agreement are not true and correct or that the Vendors are in breach of any covenant of the Vendors in the Asset Acquisition Agreement, except such as would not have a material adverse effect on the business, operations, capital, properties, assets, liabilities (absolute, accrued, contingent or otherwise) or results of operations of the Acquired Assets or a Material Adverse Effect;

(ccc) to the knowledge of the Corporation, none of the Acquired Assets are subject to any right of purchase or other acquisition, whether or not on conditions, to any third party which will be triggered or accelerated by the transactions contemplated by the Asset Acquisition Agreement, save and except for those described in the Asset Acquisition Agreement or would not have a material adverse effect on the Acquired Assets;

(ddd) as of the date of this Agreement, the Corporation is not currently considering any material write-offs or write-downs with respect to any of the Acquired Assets;

(eee) in the course of conducting the Corporation's due diligence reviews in respect of the Asset Acquisition, no matters have arisen from such reviews which would have (or would reasonably be expected to have, given the present knowledge of the Corporation regarding the Acquired Assets) a material adverse effect on the Acquired Assets; and

(fff) the Asset Acquisition Agreement has not been amended, modified, supplemented or restated in any way, nor have any of the terms or conditions thereof been waived by any party thereto, other than as disclosed in writing to the Underwriters.

8. **Covenants of the Corporation**

The Corporation covenants with the Underwriters that:

(a) it will advise the Underwriters, promptly after receiving notice thereof, of the time when the Preliminary Prospectus, the Final Prospectus and any Prospectus Amendment has been filed and when the receipt(s) in respect thereof, as applicable, have been obtained, and will provide evidence satisfactory to the Underwriters of each filing and the issuance or deemed issuance of receipts from all of the Canadian Securities Regulators;

(b) it will advise the Underwriters, promptly after receiving notice or obtaining knowledge, of: (i) the issuance by any Canadian Securities Regulator, the SEC or any state securities regulator of any order suspending or preventing the use of the Prospectus or the U.S. Placement Memorandum and will use its reasonable commercial efforts to prevent the issuance of any such order and, if any such order is issued, shall take all reasonable steps that it is able to take to obtain the withdrawal of the order promptly; (ii) the suspension of the qualification of the Offered Shares for distribution or sale in any of the Qualifying Jurisdictions; (iii) the institution or threatening of any proceeding for any of those purposes; or (iv) any requests made by any Canadian Securities Regulator for an amendment or supplement to the Prospectus or any other part of the Public Record, or for additional information; and

(c) it will use its reasonable commercial efforts to promptly do, make, execute, deliver or cause to be done, made executed or delivered, all such acts, documents and things as the Underwriters may reasonably require from time to time for the purpose of giving effect to this Agreement and take all such steps as may be reasonably within its power to implement to their full extent the provisions of this Agreement.

9. **Commercial Copies**

The Corporation shall cause commercial copies of the Preliminary Prospectus and the Final Prospectus, in the English and French languages, the Preliminary U.S. Placement Memorandum and the Final U.S. Placement Memorandum to be delivered to the Underwriters without charge, in

such quantities and in such cities as the Underwriters may reasonably request by written or oral instructions to the printer of such documents. Such delivery of the Preliminary Prospectus or the Final Prospectus, as the case may be, shall be effected as soon as possible after filing thereof with the Canadian Securities Regulators, but in any event on or before 12:00 p.m. (Toronto time) on the first Business Day after the date of such filing (for deliveries in Toronto) and on or before 12:00 p.m. (local time) on the second Business Day after the date of such filing (for deliveries in Canada other than in Toronto) (and the delivery of the Preliminary U.S. Placement Memorandum and the Final U.S. Placement Memorandum shall be effected in similar manner), provided that the Underwriters have provided the printer of such documents with the quantities required and delivery locations sufficiently in advance of such delivery times. Such deliveries shall constitute the consent of the Corporation to the Underwriters' use of the Preliminary Prospectus and the Final Prospectus for the distribution of the Offered Shares in the Qualifying Jurisdictions in compliance with the provisions of this Agreement and Canadian Securities Laws and the use of the Preliminary U.S. Placement Memorandum and the Final U.S. Placement Memorandum for delivery to purchasers in the United States in accordance with Rule 144A. The Corporation shall similarly cause to be delivered commercial copies of any Prospectus Amendment or amendments to the Preliminary U.S. Placement Memorandum or the Final U.S. Placement Memorandum. The Underwriters agree with the Corporation, subject to receipt of the same from the Corporation, to send a copy of the Preliminary Prospectus and the Final Prospectus to purchasers of Offered Shares in Canada and the Preliminary U.S. Placement Memorandum and the Final U.S. Placement Memorandum to purchasers of Offered Shares pursuant to Rule 144A promptly following receipt thereof, and to send a copy of any Prospectus Amendment to all persons to whom copies of the Preliminary Prospectus, the Final Prospectus, the Preliminary U.S. Memorandum or the Final U.S. Placement Memorandum, as the case may be, are sent promptly following receipt thereof.

10. **Change of Closing Date**

Subject to the termination provisions contained in Section 17, if a material change occurs prior to the Closing Date or the Option Closing Date, if applicable, the Closing Date or the Option Closing Date, as the case may be, shall be, unless the Corporation and the Underwriters otherwise agree in writing or unless otherwise required under Canadian Securities Laws, the fifth Business Day following the later of:

(a) the date on which all applicable filings or other requirements of Canadian Securities Laws with respect to such material change have been complied with in all Qualifying Jurisdictions and any appropriate receipt(s) obtained for such filings and notice of such filings from the Corporation or its counsel have been received by the Underwriters; and

(b) the date upon which the commercial copies of any amendment to the Final Prospectus have been delivered in accordance with Section 9.

11. **Completion of Distribution; Market Stabilization**

(a) The Underwriters shall use their reasonable commercial efforts to complete the distribution of the Offered Shares as promptly as possible after the Closing Time and shall, and shall cause each Selling Firm to, after the Closing Time, give prompt written notice to the Corporation when, in the opinion of the Underwriters, they have completed the distribution of the Offered Shares, including notice of the total proceeds realized or number of Offered Shares sold in each of the Qualifying Jurisdictions and any other jurisdiction.

(b) The Underwriters agree among themselves and will require each of the other Selling Firms and their respective affiliates to agree, in connection with the offer and sale of the Offered Shares, to comply with all applicable Canadian Securities Laws and the rules and policies of the TSX and to complete such offer and sale in compliance with the terms and conditions set forth in Schedule A hereto. In connection with the distribution, the Underwriters and members of the other Selling Firms (if any) may effect transactions that stabilize or maintain the market price of the Offered Shares at levels above those that might otherwise prevail in the open market, in compliance with Canadian Securities Laws and the rules and policies of the TSX. Those stabilizing transactions, if any, may be discontinued at any time.

(c) The obligations of the Underwriters under this Section 11 are several and not joint nor joint and several. No Underwriter will be liable for any act, omission, default or conduct by any other Underwriter or any Selling Firm appointed by any other Underwriter.

12. **Material Change or Change in Material Fact During Distribution**

(a) During the period from the date of this Agreement to the later of the Closing Date and the date of completion of distribution of the Offered Shares under the Final Prospectus and the Final U.S. Placement Memorandum, the Corporation shall promptly notify the Underwriters in writing:

(i) of any filing made by the Corporation of information relating to the Offering with any securities exchange or Governmental Authority in Canada or the United States or any other jurisdiction;

(ii) of any material change (actual, anticipated, contemplated or threatened, financial or otherwise) of the Corporation;

(iii) of any material fact or any material fact (as such term is defined in the U.S. Exchange Act) which has arisen or has been discovered and would have been required to have been stated in the Final Prospectus or the Final U.S. Placement Memorandum had the fact arisen or been discovered on, or prior to, the date of such document;

(iv) of any change in any material fact or any change in any material fact (as such term is defined the U.S. Exchange Act) (which for the purposes of this Agreement shall be deemed to include the disclosure of any previously undisclosed material fact) contained in the Final Prospectus, the Final U.S. Placement Memorandum or any Prospectus Amendment which fact or change is, or may reasonably be, of such a nature as to render any statement in the Final Prospectus, the Final U.S. Placement Memorandum or any Prospectus Amendment misleading or untrue in any material respect or which would result in a misrepresentation in the Final Prospectus or any Prospectus Amendment, or which would result in the Final U.S. Placement Memorandum containing any untrue statement of a material fact or omitting any statement that is necessary to make a statement contained in such disclosure not misleading in the light of the circumstances under which it was made or which would result in the Final Prospectus or any Prospectus Amendment not complying (to the extent that such compliance is required) with Canadian Securities Laws;

(v) of any amendment to the Asset Acquisition Agreement or waiver of any term, provision or condition thereof that is materially adverse to the Corporation;

(vi) if it becomes aware that any of the representations and warranties of any parties to the Asset Acquisition Agreement cease to be true and correct in any material respect or if the Corporation becomes aware that there is any change of any material fact or event which renders, or may become of such a nature as to render, any material information provided to the Underwriters in respect of the Asset Acquisition, untrue, false or misleading in any material respect; and

(vii) if the Asset Acquisition Agreement is terminated or the Corporation determines it will not be proceeding with the Asset Acquisition.

(b) The Corporation shall promptly, and in any event within any applicable time limitation, comply, to the satisfaction of the Underwriters, acting reasonably, with all applicable filings and other requirements under Canadian Securities Laws as a result of a fact or change referred to in Section 12(a), provided that the Corporation shall not file: (i) any Prospectus Amendment without first obtaining the approval of the Underwriters, which approval will not be unreasonably withheld or delayed, and after consulting with the Underwriters with respect to the form and content thereof; and (ii) any other document without first consulting with the Underwriters.

(c) The Corporation shall in good faith discuss with the Bookrunners any fact or change in circumstances (actual, anticipated, contemplated or threatened, financial or otherwise) which is of such a nature that there is reasonable doubt whether written notice need be given under this Section 12.

13. **Change in Canadian Securities Laws**

If during the period of distribution of the Offered Shares there shall be any change in Canadian Securities Laws which requires the filing of any Prospectus Amendment, the Corporation shall, to the satisfaction of the Underwriters, acting reasonably, promptly prepare and file such Prospectus Amendment with the applicable Canadian Securities Regulator in each Qualifying Jurisdiction in which such filing is required.

14. **Underwriting Fee**

In consideration of the Underwriters' agreement to purchase the Firm Shares and the Option Shares, if any, which will result from the acceptance by the Corporation of this offer and the delivery of an Exercise Notice in the case of the Option Shares, the Corporation agrees to pay to the Underwriters a fee of $0.536 per Firm Share and Option Share purchased by the Underwriters from the Corporation (the "**Underwriting Fee**"). The Underwriting Fee shall be payable by the Corporation as provided for in Section 15. For greater certainty, the services provided by the Underwriters in connection herewith will not be subject to the GST and taxable supplies provided will be incidental to the exempt financial services provided. However, in the event that Canada Revenue Agency determines that GST is exigible on the Underwriting Fee, the Corporation agrees to pay the amount of GST forthwith upon the request of the Underwriters.

15. **Delivery of Purchase Price, Underwriting Fee and Offered Shares**

The purchase and sale of the Firm Shares and any Option Shares shall be completed at the Closing Time or the Option Closing Time, as the case may be, at the offices of McCarthy Tétrault LLP or at such other place upon which the Underwriters and the Corporation may agree.

At the Closing Time or the Option Closing Time, as the case may be, the Corporation shall duly and validly deliver to the Underwriters one or more definitive share certificate(s) representing the Firm Shares or the Option Shares, as the case may be, registered in the name of "CDS & Co." or in such other name or names as the Bookrunners may direct the Corporation in writing not less than 48 hours prior to the Closing Time. Alternatively, if requested by the Bookrunners, at the Closing Time or the Option Closing Time, as the case may be, the Corporation shall duly and validly deliver in uncertificated form to the Underwriters, or in the manner directed by the Underwriters in writing, the Firm Shares or the Option Shares, as the case may be, registered in the name of "CDS & Co." or in such other name or names as the Bookrunners may direct the Corporation in writing not less than 48 hours prior to the Closing Time.

In either case, delivery by the Corporation of the Firm Shares or the Option Shares and payment of the Underwriting Fee shall be against payment by the Underwriters to the Corporation (or as the Corporation may direct) of the aggregate Purchase Price for the Firm Shares or the Option Shares, as the case may be, by wire transfer of immediately available funds together with a receipt signed by the Bookrunners for such Firm Shares or the Option Shares, as the case may be, and acknowledging receipt of payment of the Underwriting Fee.

16. **Conditions to Underwriters' Obligation to Purchase**

The Underwriters' obligation to purchase the Firm Shares at the Closing Time shall be subject to the representations and warranties of the Corporation contained in this Agreement being accurate in all material respects (except for such representations and warranties of the Corporation qualified by materiality or which refer to a Material Adverse Effect, which shall be true and correct in all respects) as of the date of this Agreement and as of the Closing Date, to the Corporation having performed all of its obligations under this Agreement in all material respects and to the following additional conditions:

(a) the Underwriters shall have received at the Closing Time the following opinions:

(i) a legal opinion dated the Closing Date, in form and substance satisfactory to the Underwriters, acting reasonably, addressed to the Underwriters (and if required for opinion purposes only, to counsel to the Underwriters) from McCarthy Tétrault LLP, Canadian counsel to the Corporation, as to the laws of Canada and the Qualifying Jurisdictions (or where applicable, opinions of local counsel as to the laws other than those of Canada and the Provinces of Alberta, British Columbia, Ontario and Québec), which counsel may rely as to matters of fact, on certificates of Governmental Authorities and officers of the Corporation and letters from stock exchange representatives and transfer agents, with respect to the following matters:

(A) as to the existence of the Corporation under the laws of its jurisdiction of amalgamation and as to the corporate power and capacity of the Corporation to own and lease its property and assets and carry on its business as described in the Prospectus, and to execute, deliver and perform its obligations under this Agreement and the Asset Acquisition Agreement;

(B) as to the authorized and issued capital of the Corporation and that the Offered Shares have been validly issued by the Corporation and are outstanding as fully paid and non-assessable Common Shares;

(C) that all necessary corporate action has been taken by the Corporation to authorize the execution of each of the Preliminary Prospectus, the Final Prospectus and, if applicable, any Prospectus Amendment and the filing of such documents under Canadian Securities Laws in each of the Qualifying Jurisdictions, to authorize the use and delivery of the Preliminary U.S. Placement Memorandum and the Final U.S. Placement Memorandum including any amendments or supplements thereto;

(D) that all necessary corporate action has been taken by the Corporation to authorize the execution and delivery of this Agreement and the Asset Acquisition Agreement, the issuance and sale of the Offered Shares pursuant to this Agreement and the performance by the Corporation of its obligations hereunder and under the Asset Acquisition Agreement;

(E) that each of this Agreement and the Asset Acquisition Agreement has been duly executed and delivered by the Corporation and constitutes a legal, valid and binding obligation of the Corporation and is enforceable against the Corporation in accordance with its terms, subject to customary qualifications for enforceability opinions;

(F) that the execution and delivery of this Agreement and the Asset Acquisition Agreement and the performance by the Corporation of its obligations hereunder and thereunder do not and will not result in a breach (whether after notice or lapse of time or both) of, or constitute a default under: (1) any of the terms, conditions or provisions of the articles or by-laws or, to such counsel's knowledge, resolutions of the shareholders of the Corporation; (2) any statute, published rule or regulation under the laws of the Province of Alberta or the federal laws of Canada applicable to the Corporation; or (3) to such counsel's knowledge, any material contract, mortgage, note, indenture, deed of trust, joint venture or partnership arrangement, agreement (written or oral), instrument or lease to which the Corporation is a party;

(G) that the attributes of the Common Shares conform in all material respects with the description thereof in the Prospectus;

(H) that the form and terms of the certificates representing the Common Shares have been duly approved by the Corporation and comply with the requirements of the *Business Corporations Act* (Alberta);

(I) that TSX Trust Company, at its principal office in Calgary, Alberta has been duly appointed as the transfer agent and registrar for the Common Shares;

(J) that all documents have been filed, all requisite proceedings have been taken and all legal requirements, as required by applicable Canadian Securities Laws, have been fulfilled by the Corporation to qualify the distribution of the Offered Shares in each of the Qualifying Jurisdictions through investment dealers or brokers registered under the applicable securities laws of the Qualifying Jurisdictions who have complied with the

relevant provisions of such applicable securities laws and terms of their registration;

(K) as to compliance with the laws of the Province of Québec relating to the use of the French language in connection with the Offering and documents to be delivered to purchasers in such province, including without limitation the Preliminary Prospectus, the Final Prospectus and, if applicable, any Prospectus Amendment; and

(L) as to the statements contained in the Prospectus under the heading "*Eligibility for Investment*";

(ii) a legal opinion of Blake, Cassels & Graydon LLP dated the Closing Date, addressed to the Underwriters with respect to such matters as the Underwriters may reasonably request; and

(iii) an opinion of U.S. counsel to the Corporation, Paul, Weiss, Rifkind, Wharton & Garrison LLP, dated the Closing Date and in form and substance satisfactory to the Underwriters, addressed to the Underwriters, to the effect that: (A) it is not necessary in connection with (i) the offer, sale and delivery of the Offered Shares by the Corporation, or (ii) the initial re-offer and resale of the Offered Shares by the Underwriters, through their U.S. Affiliates in the United States, to register the Offered Shares under the U.S. Securities Act, provided, in each case, that such offers, sales and deliveries are made in accordance with this Agreement (it being understood that no opinion needs to be given by such counsel as to subsequent resale of the Offered Shares); and (B) the Corporation is not and, after giving effect to the sale of the Offered Shares contemplated hereby and the application of their proceeds therefrom as described in the Prospectus, will not be, required to be registered as an "investment company" within the meaning of the United States Investment Company Act of 1940, as amended, and the rules and regulations of the SEC thereunder;

(b) the Underwriters shall have received at the Closing Time a letter dated the Closing Date, in form and substance satisfactory to the Underwriters, addressed to the Underwriters, the Corporation and the directors of the Corporation, from KPMG, confirming the continued accuracy of the comfort letter to be delivered to the Underwriters pursuant to Section 5(a)(vi) with such changes as may be necessary to bring the information in such letter forward to a date not more than two Business Days prior to the Closing Date, provided such changes are acceptable to the Underwriters, acting reasonably;

(c) the Underwriters shall have received at the Closing Time the following closing certificates:

(i) a certificate dated the Closing Date, addressed to the Underwriters (and, if necessary for opinion purposes, counsel to the Corporation and the Underwriters) and signed by an appropriate officer of the Corporation acceptable to the Underwriters, acting reasonably, with respect to the constating documents of the Corporation, the absence of proceedings taken regarding dissolution, all resolutions of the board of directors of the Corporation relating to this Agreement, and the incumbency and specimen signatures of signing officers of the Corporation; and

(ii) a certificate dated the Closing Date, addressed to the Underwriters (and if necessary for opinion purposes counsel to the Corporation and the Underwriters) and signed on behalf of the Corporation by the President & Chief Executive Officer and the Vice President, Finance & Chief Financial Officer or other senior officer of the Corporation acceptable to the Underwriters, acting reasonably, certifying for and on behalf of the Corporation and without personal liability, after having made due enquiry and after having duly examined the Final Prospectus, the Final U.S. Placement Memorandum and any Prospectus Amendment:

(A) that since the respective dates as of which information is given in the Final Prospectus, as amended by any Prospectus Amendment, if applicable, and the Final U.S. Placement Memorandum: (1) there has been no material change (actual, anticipated, contemplated or threatened, whether financial or otherwise) of the Corporation; and (2) no material transaction has been entered into by the Corporation, other than as disclosed in the Final Prospectus and the Final U.S. Placement Memorandum or the Prospectus Amendment, as the case may be;

(B) that the Final Prospectus does not contain a misrepresentation and contains full, true and plain disclosure of all material facts relating to the Offered Shares (other than any Underwriters' Information) and that the Final U.S. Placement Memorandum as of its date and as of the Closing Date did not and does not contain an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading within the meaning of the U.S. Exchange Act;

(C) that no order, ruling or determination having the effect of suspending the sale or ceasing the trading of the Common Shares or any other securities of the Corporation has been issued by any Governmental Authority and is continuing in effect and no proceedings for that purpose have been instituted or are pending or, to the knowledge of such officers, contemplated or threatened under any of Canadian Securities Laws or by any other Governmental Authority;

(D) that the Corporation has complied in all material respects with the terms and conditions of this Agreement on its part to be complied with up to the Closing Time; and

(E) that the representations and warranties of the Corporation contained in this Agreement are true and correct as of the Closing Time in all material respects (except for such representations and warranties of the Corporation qualified by materiality or which refer to a Material Adverse Effect, which shall be true and correct in all respects) with the same force and effect as if made at and as of the Closing Time after giving effect to the transactions contemplated by this Agreement; and

(d) the Firm Shares have been approved for listing on the TSX on or before the Business Day immediately preceding the Closing Date, subject only to the satisfaction by the Corporation of the customary post-closing conditions imposed by the TSX in similar circumstances.

The several obligations of the Underwriters hereunder to purchase the Option Shares, if any, agreed to be purchased on an Option Closing Date are subject to the delivery to the Underwriters on such Option Closing Date of: (i) opinions dated the Option Closing Date substantially similar to the opinions referred to in Section 16(a); (ii) a letter dated the Option Closing Date from KPMG, substantially similar to the letter referred to in Section 16(b); and (iii) certificates dated the Option Closing Date substantially similar to the officer's certificates referred to in Section 16(c), together with such other customary closing certificates and documents as the Underwriters may reasonably request with respect to the good standing of the Corporation and other matters related to the sale of the Option Shares.

17. **Rights of Termination**

(a) Any Underwriter shall have the right to terminate its obligations hereunder by written notice to the Corporation if after the date hereof and prior to the Closing Time:

(i) there should occur or there should be announced or discovered any material change or any change in a material fact in relation to the Corporation, which, in either case, in the opinion of the Underwriter, acting reasonably, would be expected to have a significant adverse effect on the market price or value of the Offered Shares;

(ii) (A) there should develop, occur or come into effect or existence any event, action, state, condition or major financial occurrence of national or international consequence, any law or regulation, or any other occurrence of any nature whatsoever (including, without limitation, matters caused by, or related to or resulting from, the COVID-19 pandemic, but only to the extent there are material adverse developments related thereto after the date hereof), which, in the opinion of the Underwriter, acting reasonably, seriously adversely affects, or involves, or will seriously adversely affect, or involve, the financial markets or the business, operations or affairs of the Corporation; or (B) there shall have occurred any outbreak or escalation of hostilities, declaration by Canada or the United States of a national emergency or war, or other calamity or crisis, which, in the opinion of the Underwriter, acting reasonably, seriously adversely affects, or involves, or will seriously adversely affect, or involve, the financial markets or the business, operations or affairs of Corporation;

(iii) any inquiry, action, suit, investigation or other proceeding, whether formal or informal, is instituted, announced or threatened or any order is made by any federal, provincial, state, municipal or other Governmental Authority in relation to the Corporation which, in the opinion of the Underwriter, acting reasonably, operates to prevent or restrict the distribution or trading of the Offered Shares;

(iv) any order to cease or suspend trading in the Corporation's securities or to prohibit or restrict the distribution of the Offered Shares is made, or proceedings are announced, commenced or threatened for the making of any such order, by any of the Canadian Securities Regulators or the TSX and has not been rescinded, revoked or withdrawn; or

(v) there is announced any change or proposed change in law, regulation or policy or the interpretation or administration thereof, if, in the opinion of the Underwriter, acting reasonably, the change, announcement, commencement or threatening thereof materially adversely affects, or may materially adversely affect, the trading

or distribution of the Offered Shares or the trading of any other securities of the Corporation.

(b) The Corporation agrees that all terms and conditions in Section 16 shall be construed as conditions and complied with so far as they relate to acts to be performed or caused to be performed by it, that it will use its reasonable commercial efforts to cause such conditions to be complied with, and that any breach or failure by the Corporation to comply with any such conditions shall entitle any of the Underwriters to terminate its obligations to purchase the Offered Shares by notice to that effect given to the Corporation at any time at or prior to the Closing Time, unless otherwise expressly provided in this Agreement. Each Underwriter may waive, in whole or in part, or extend the time for compliance with, any terms and conditions without prejudice to its rights in respect of any other terms and conditions or any other or subsequent breach or non-compliance, provided that any such waiver or extension shall be binding upon an Underwriter only if such waiver or extension is in writing and signed by the Underwriter.

(c) The rights of termination contained in Section 17(a) and Section 17(b) may be exercised by any of the Underwriters and are in addition to any other rights or remedies any of the Underwriters may have in respect of any default, act or failure to act or non-compliance by the Corporation in respect of any of the matters contemplated by this Agreement or otherwise. In the event of any such termination, there shall be no further liability on the part of any of the Underwriters or the Corporation to each other, except in respect of any liability which may have arisen prior to or arise after such termination under Sections 18, 19 and 21. A notice of termination given by an Underwriter under Section 17(a) or Section 17(b) shall not be binding upon any other Underwriter who has not also executed such notice.

18. **Indemnity**

(a) The Corporation agrees to indemnify and save harmless each of the Underwriters and each of their respective affiliates, and each of their respective directors, officers, partners, employees, agents and controlling persons (if any, and as defined in Section 19(c)), from and against all liabilities, claims, losses, costs, damages and expenses, or actions in respect thereof (collectively, "**Claims**") and to reimburse such parties for any legal and other expenses reasonably incurred by such parties in connection with investigating or defending any such Claim as such expenses are incurred, but excluding any loss of profits and other consequential damages relating to the purchase by the Underwriters of the Firm Shares and any Option Shares pursuant to this Agreement, in any way caused by, or arising directly or indirectly from, or in consequence of:

(i) any information or statement (except any Underwriters' Information) contained in the Prospectus or the U.S. Placement Memorandum or in any certificates of the Corporation delivered pursuant to this Agreement which at the time and in the light of the circumstances under which it was made contains or is alleged to contain a misrepresentation within the meaning of Canadian Securities Law, or an untrue statement of a material fact within the meaning of the U.S. Exchange Act;

(ii) any omission or alleged omission to state in the Prospectus, the U.S. Placement Memorandum or any certificates of the Corporation delivered pursuant to this Agreement, any material fact (other than a material fact relating solely to any Underwriters' Information) required to make any statement therein or necessary in

order to make any statement therein not a misrepresentation under Canadian Securities Laws;

(iii) any order made or enquiry, investigation or proceeding commenced or threatened by any court, securities commission or other competent authority based upon any actual or alleged untrue statement of a material fact or omission or alleged omission to state a material fact necessary to make any statement not misleading in the light of the circumstances under which it was made (within the meaning of the U.S. Exchange Act) or any misrepresentation or alleged misrepresentation (in each case, other than relating solely to any Underwriters' Information) contained in or omitted from the Prospectus, or the U.S. Placement Memorandum or based upon any failure to comply with Canadian Securities Laws or the U.S. Securities Act (other than any failure or alleged failure to comply by the Underwriters), preventing or restricting the trading in or the sale or distribution of the Offered Shares in any of the Qualifying Jurisdictions;

(iv) the non-compliance or alleged non-compliance by the Corporation with any of the Canadian Securities Laws or the U.S. Securities Act in connection with the transactions contemplated by this Agreement; or

(v) any breach by the Corporation of its representations, warranties, covenants or obligations to be complied with under this Agreement or any other document to be delivered pursuant to this Agreement.

(b) If any Claim is asserted against any person or company in respect of which indemnification is or might reasonably be considered to be provided, such person or company (the "**Indemnified Party**") will notify the Corporation in writing as soon as possible of the particulars of such Claim (provided that any failure to so notify the Corporation of any Claim shall not affect the Corporation's liability except to the extent that the Corporation is actually prejudiced by that failure, and then only to such extent). The Corporation shall be entitled to assume the defence of any such action or proceeding brought to enforce any Claim in respect of which indemnification may be sought under Section 18(a), provided, however, that:

(i) the defence shall be conducted through legal counsel reasonably satisfactory to the Indemnified Party; and

(ii) the Corporation shall not, without the prior written consent of the Indemnified Party, acting reasonably, effect the settlement or compromise of, or consent to the entry of any judgement with respect to, any pending or threatened Claim in respect of which indemnification or contribution may be sought under this Agreement (whether or not the Indemnified Party is an actual or potential party to such Claim) unless such settlement, compromise or judgement (A) includes an unconditional release of the Indemnified Party from all liability arising out of such Claim and (B) does not include a statement as to, or an admission of, fault, culpability or a failure to act, by or on behalf of any Indemnified Party.

(c) In any such Claim, the Indemnified Party shall have the right to retain other counsel to act on his, her or its behalf, provided that the fees and disbursements of such counsel shall be paid by the Indemnified Party unless:

(i) the Corporation shall have agreed to pay such fees and disbursements;

(ii) the Corporation shall have failed to employ counsel reasonably satisfactory to the Indemnified Party in a timely manner; or

(iii) the named parties to any such Claim include the Corporation and the Indemnified Party shall have been advised in writing by counsel that there are actual or potential conflicting interests between the Corporation, on the one hand, and the Indemnified Party, on the other hand, including situations in which there are one or more legal defenses available to the Indemnified Party that are different from or additional to those available to the Corporation,

in each of which cases the Indemnified Party shall be required to keep the Corporation apprised of the developments of the Claim, including providing copies of any material documents related thereto to the Corporation, and the Corporation shall be liable to pay the reasonable fees and expenses of the counsel for the Indemnified Party. No admission of liability or settlement may be made by an Indemnified Party without, in each case, the prior written consent of the Corporation, acting reasonably. It is understood that the Corporation shall, in connection with any one Claim or separate but substantially similar or related Claims in the same jurisdiction arising out of the same general allegations or circumstances, be liable for the fees and expenses of only one separate law firm at any time for all Indemnified Parties not having actual or potential differing interests.

19. **Contribution and General Provisions**

(a) In order to provide for a just and equitable contribution in circumstances in which the indemnities provided in Section 18(a) would otherwise be available in accordance with their terms but are, for any reason, held to be unavailable to or unenforceable by the applicable Indemnified Party or enforceable otherwise than in accordance with their terms, the Corporation and the Underwriters shall contribute to the aggregate of all Claims of a nature contemplated by Section 18 in such proportions as are appropriate to reflect the relative benefits of the Corporation, on the one hand, and the Underwriters, on the other hand, from the Offering, and, if such allocation is not permitted by applicable law, in such proportion as is appropriate to reflect not only such relative benefits but also the relative fault of the Corporation, on the one hand, and the Underwriters, on the other hand, with respect to such Claim, as well as any other equitable considerations; and whether or not the Corporation and the Underwriters have been sued together or separately, provided, however, that:

(i) the Underwriters shall not in any event be liable to contribute, in the aggregate, any amounts in excess of the aggregate Underwriting Fee actually received by the Underwriters from the Corporation under this Agreement;

(ii) each Underwriter shall not in any event be liable to contribute, individually, any amount in excess of such Underwriter's portion of the aggregate Underwriting Fee actually received from the Corporation under this Agreement; and

(iii) the Underwriters' respective obligations to contribute pursuant to this Section 19 are several in proportion to the percentages of Offered Shares set forth opposite their respective names in Section 22(a) hereof and not joint.

The relative benefits received by the Corporation, on the one hand, and the Underwriters, on the other hand, shall be deemed to be in the same ratio as the total net proceeds from the distribution of the Offered Shares (before deducting expenses) received by the Corporation is to the total Underwriting Fee received by the Underwriters in connection with the distribution of the Offered Shares based on the Purchase Price of the Offered Shares; and if applicable, the relative fault of the Corporation, on the one hand, and the Underwriters, on the other hand, shall be determined by reference to, among other things, whether the matters or things referred to in Section 18(a) which resulted in such Claims relate to information supplied by or steps or actions taken or done or not taken or done (including non-compliance, breach or default) by or on behalf of the Corporation or the Underwriters and the relative intent, knowledge, access to information and opportunity to correct or prevent such statement, omission or misrepresentation, or other matter or thing referred to in Section 18(a).

The Corporation and the Underwriters agree and acknowledge that it would not be just and equitable if contribution pursuant to this Section 19(a) were determined by any method of allocation which does not take into account the equitable considerations referred to in this Section 19(a).

(b) If any party has reason to believe that a claim for contribution may arise, it or they shall give the Corporation notice of the particulars of such claim in writing, as soon as reasonably possible (provided that the failure to so notify the Corporation shall not relieve the Corporation from any liability for contribution pursuant to this Section 19 which it may have to any Indemnified Party except to the extent that the Corporation is actually prejudiced by that failure, and then only to such extent).

(c) For purposes of this Section 19, each person, if any, who controls an Underwriter within the meaning of Section 15 of the U.S. Securities Act or Section 20 of the U.S. Exchange Act and each Underwriter's affiliates and selling agents shall have the same rights to contribution as such Underwriter and each person, if any, who controls the Corporation, as applicable, within the meaning of Section 15 of the U.S. Securities Act or Section 20 of the U.S. Exchange Act shall have the same rights to contribution as the Corporation.

(d) With respect to Section 18 and this Section 19, the Corporation acknowledges and agrees that the Underwriters and the Corporation are contracting on their own behalf and as agents for their respective affiliates and their respective directors, officers, employees, agents and representatives, as applicable, and, with respect to any Indemnified Party who is not a party to this Agreement, the Underwriters or the Corporation shall obtain and hold the rights and benefits of Section 18 and this Section 19 in trust for and on behalf of such Indemnified Party.

(e) An Indemnified Party shall cease to be entitled to the rights of indemnity and contribution contained in Section 18 and this Section 19:

(i) if the Corporation has complied with the provisions of Section 9 and the person asserting the Claim for which indemnity would otherwise be available was not delivered a copy of the Final Prospectus or the Final U.S. Placement Memorandum, as applicable, or was not provided with a copy of any Prospectus Amendment which corrects any misrepresentation contained in the Final Prospectus or the Final U.S. Placement Memorandum, as applicable, which is the basis for such Claim and which Final Prospectus, Final U.S. Placement

Memorandum or Prospectus Amendment, as applicable, is required under Canadian Securities Laws, the U.S. Securities Act or the terms of this Agreement to be delivered to such person by the Underwriters or members of any Selling Firm; and

(ii) if and to the extent that a court of competent jurisdiction in a final judgment from which no appeal can be made determines that a Claim to which such Indemnified Party is subject was caused by or resulted from the gross negligence or wilful misconduct of such Indemnified Party, in which case such Indemnified Party shall promptly reimburse to the Corporation any funds advanced to such Indemnified Party in respect of such Claim. For greater certainty, the Corporation and the Underwriters agree that they do not intend that any failure by the Underwriters to conduct such reasonable investigation as necessary to provide the Underwriters with reasonable grounds for believing the Final Prospectus, the Final U.S. Offering Memorandum or the Prospectus Amendment, as applicable, contained no misrepresentation shall constitute "gross negligence" or "willful misconduct" for purposes of this Section 19 or otherwise disentitle the Underwriters from indemnification hereunder.

(f) The reimbursement, indemnity and contribution obligations of the parties provided in Section 18 and this Section 19 shall be in addition to and not in derogation of any other liability which any party may otherwise have. The remedies provided for in Section 18 and this Section 19 are not exclusive and shall not limit any rights or remedies which may otherwise be available to any party at law or in equity.

20. **Severability**

If any provision of this Agreement is determined to be void or unenforceable in whole or in part, it shall be deemed not to affect or impair the validity of any other provision of this Agreement and such void or unenforceable provision shall be severable from this Agreement.

21. **Expenses and Taxes**

Whether or not the transactions contemplated by this Agreement shall be completed and except as set forth below, all expenses of or incidental to the sale and delivery of the Offered Shares and all expenses of or incidental to all other matters in connection with the Offering shall be borne by the Corporation including, without limitation, all fees and disbursements of the Corporation's accountants and auditors, all expenses related to marketing activities, all printing costs incurred in connection with the Offering, including preparation and printing of the Prospectus, the U.S. Placement Memorandum, any Marketing Materials or term sheets used for marketing purposes, certificates, if any, representing the Offered Shares, all prospectus filing and other filing fees, all fees and expenses relating to listing of the Offered Shares on the TSX and all transfer agent fees and expenses, in each case together with all related taxes (including, without limitation, provincial sales taxes, Harmonized Sales Tax and GST); provided, however, that the Underwriters shall be responsible for all out-of-pocket expenses incurred by them in connection with the Offering and all fees and disbursements (including applicable taxes) of their legal counsel (including U.S. counsel).

If the transactions contemplated by this Agreement are not completed, other than by reason of default of one of the Underwriters, the Corporation shall reimburse the Underwriters for all reasonable out-of-pocket expenses, including, without limitation, any marketing, printing, courier, telecommunications, data searches, presentation, travel, entertainment and other expenses, incurred

by them in connection with the Offering and all fees and disbursements of the Underwriters' legal counsel (including U.S. counsel), together with all related taxes (including, without limitation, provincial sales taxes, Harmonized Sales Tax and GST).

22. **Obligations to Purchase**

(a) The obligation of the Underwriters to purchase the Firm Shares and the Option Shares that they have agreed to purchase hereunder, as the case may be, at the Closing Time or an Option Closing Time, as the case may be, shall be several and not joint or joint and several and each of the Underwriters shall be obligated to purchase only that percentage of the Firm Shares and the Option Shares they have agreed to purchase hereunder, as the case may be, set out opposite the name of such Underwriter below.

TD Securities Inc.	14.0%
RBC Dominion Securities Inc.	14.0%
BMO Nesbitt Burns Inc.	12.5%
CIBC World Markets Inc.	12.5%
National Bank Financial Inc.	7.0%
Peters & Co. Limited	7.0%
Raymond James Ltd.	7.0%
Scotia Capital Inc.	7.0%
Stifel Nicolaus Canada Inc.	7.0%
Canaccord Genuity Corp.	3.0%
Eight Capital	3.0%
iA Private Wealth Inc.	3.0%
ATB Capital Markets Inc.	1.5%
Tudor, Pickering, Holt & Co. Securities - Canada, ULC	1.5%

(b) If, on the Closing Date or an Option Closing Date, as the case may be, any one or more of the Underwriters shall fail or refuse to purchase Firm Shares or Option Shares, as the case may be, that it has or they have agreed to purchase hereunder, and the aggregate number of Firm Shares or Option Shares, as the case may be, which such defaulting Underwriter or Underwriters agreed but failed or refused to purchase is not more than 12.0% of the aggregate number of Firm Shares or Option Shares, as the case may be, to be purchased on such date, the other Underwriters shall be obligated severally on a ***pro rata*** basis according to the percentage of Offered Shares set forth opposite their respective names in this Section 22, or in such other proportion as the Bookrunners may specify, to purchase the Offered Shares which such defaulting Underwriter or Underwriters agreed but failed or refused to purchase on such date. If, on the Closing Date or an Option Closing Date, as the case may be, any one or more of the Underwriters shall fail or refuse to purchase Firm Shares or Option Shares, as the case may be, and the aggregate number of Firm Shares or Option Shares, as the case may be, with respect to which such default occurs is more than 12.0% of the aggregate number of Firm Shares or Option Shares, as the case may be, to be purchased, the other Underwriters shall have the right, but shall not be obligated, to purchase all of such Firm Shares or Option Shares, as the case may be, which would otherwise have been purchased by such defaulting Underwriter or Underwriters, and if such non-defaulting Underwriters do not purchase all such Firm Shares or Option Shares, as the case may be, this Agreement will terminate without liability on the part of any non-defaulting Underwriter or the Corporation. In the event of a default by any Underwriter as set forth in this Section 22, the Closing Date shall be postponed for such period, not

exceeding three (3) Business Days, in order that the required changes, if any, in the Prospectus or in any other documents or arrangements may be effected. Nothing contained in this Agreement shall relieve any defaulting Underwriter of its liability, if any, to the Corporation or any non-defaulting Underwriter for damages occasioned by its default hereunder.

(c) Nothing in this Section 22 shall oblige the Corporation to sell to the Underwriters less than all of the Firm Shares or less than all of the Option Shares that the Underwriters have elected to purchase, as the case may be, or relieve from liability to the Corporation any Underwriter which may be in default. In the event of the termination of the Corporation's obligations under this Agreement, there shall be no further liability on the part of the Corporation to the Underwriters except in respect of any liability which may have arisen or may arise under Sections 18, 19 and 21.

23. **Restrictions on Further Issues or Sales**

During the period beginning on the date hereof and ending on the date that is 90 days after the Closing Date, the Corporation shall not, directly or indirectly, without the prior written consent of the Bookrunners, on behalf of the Underwriters, which consent shall not be unreasonably withheld, conditioned or delayed, issue, sell or offer, grant any option, warrant or other right to purchase or agree to issue or sell, or otherwise lend, transfer, assign, pledge or dispose of (including without limitation by making any short sale, engaging in any hedging, monetization or derivative transaction or entering into any swap or other arrangement that transfers to another, in whole or in part, any of the economic consequences of ownership of Common Shares or other securities of the Corporation or securities convertible into, exchangeable for, or otherwise exercisable into Common Shares or other securities of the Corporation, whether or not cash settled), in a public offering or by way of private placement or otherwise, any equity securities of the Corporation or other securities convertible into, exchangeable for, or otherwise exercisable into Common Shares or other equity securities of the Corporation, or agree to do any of the foregoing or publicly announce any intention to do any of the foregoing, other than:

(a) the Firm Shares and the Option Shares, if any; and

(b) the issuance or payment of Common Shares pursuant to the exercise of options or the vesting of restricted share unit awards or performance share unit awards which were granted under the Option Plan or the Incentive Plan.

24. **Dividends**

The Corporation agrees that, provided the Closing Date occurs on or prior to December 31, 2021, it shall not, prior to the Closing Date, declare or pay or establish a record date for any dividends to shareholders of the Corporation, other than the regular quarterly dividend of $0.09 per Common Share, which is payable on or about January 17, 2022 to shareholders of record on December 31, 2021.

25. **Use of Proceeds**

The Corporation hereby covenants and agrees to use the net proceeds of the sale of the Offered Shares in accordance with the disclosure in the Prospectus.

26. **Survival**

All representations, warranties, covenants and agreements of the Corporation herein contained (including its obligations under paragraphs 18, 19 and 21) shall survive the purchase by the Underwriters of the Offered Shares and shall continue in full force and effect for the benefit of the Underwriters, regardless of any investigation which the Underwriters may carry out or which may be carried out on behalf of the Underwriters or otherwise and notwithstanding any subsequent disposition by the Underwriters of the Offered Shares.

27. **Time**

Time is of the essence in the performance of the parties' respective obligations under this Agreement.

28. **Governing Law**

The Corporation and the Underwriters agree that any legal suit or proceeding arising with respect to this Agreement will be tried exclusively in the Court of Queen's Bench of the Province of Alberta in Calgary and the Corporation and the Underwriters agree to submit to the jurisdiction of, and to venue in, such Court. This Agreement shall be governed and construed in accordance with the laws of the Province of Alberta and federal laws of Canada applicable therein, without regard to principles of conflicts of laws. Any right to trial by jury with respect to any action or proceeding arising in connection with or as a result of either our engagement or any matter referred to in this Agreement is hereby waived by the parties hereto.

29. **Notice**

Unless otherwise expressly provided in this Agreement, any notice or other communication to be given under this Agreement (a "**notice**") shall be in writing addressed as follows:

If to the Corporation, addressed and sent to:

PrairieSky Royalty Ltd.
1700, 350 – 7th Avenue S.W.
Calgary, Alberta T2P 3N9

Attention: Cameron M. Proctor,
Chief Operating Officer
E-mail: cameron.proctor@prairiesky.com

with a copy to:

McCarthy Tétrault LLP
4000, 421 – 7th Avenue S.W.
Calgary, Alberta T2P 4K9

Attention: Alyson Goldman
E-mail: agoldman@mccarthy.ca

If to the Underwriters, addressed and sent to the Bookrunners, on behalf of the Underwriters at:

TD Securities Inc.
Suite 3600, 421 – 7th Avenue S.W.
Calgary, Alberta T2P 4K9

Attention: Alec W.G. Clark
E-mail: alec.clark@tdsecurities.com

RBC Dominion Securities Inc.
Suite 3900, 888 – 3rd Street S.W.
Calgary, Alberta T2P 5C5

Attention Chris Redgate
E-mail: chris.redgate@rbccm.com

with a copy to:

Blake, Cassels & Graydon LLP
3500, 855 - 2nd Street S.W.
Calgary, Alberta T2P 4J8

Attention: Chad Schneider
E-mail: chad.schneider@blakes.com

or to such other address as any of the parties may designate by giving notice to the others in accordance with this Section 29. Each notice shall be personally delivered to the addressee or sent by e-mail to the addressee. A notice which is personally delivered or delivered by e-mail shall, if delivered prior to 5:00 p.m. (Calgary time) on a Business Day, be deemed to be given and received on that day and, in any other case, be deemed to be given and received on the first Business Day following the day on which it is delivered.

30. **Action by Underwriters**

All steps which must or may be taken by the Underwriters in connection with this Agreement, with the exception of the matters relating to termination contemplated by Section 17, settlement of an indemnity claim contemplated by Section 18(b) and waiver of a condition of closing as contemplated by Section 17(b), shall be taken by the Bookrunners acting on its own behalf and on behalf of the other Underwriters, and the execution of this Agreement shall constitute the Corporation's authority for accepting notification of any such steps from, and for delivering the definitive documents constituting the Offered Shares to, or to the account of, the Bookrunners.

31. **Acknowledgement by the Corporation**

The Corporation hereby acknowledges and agrees that: (a) the purchase and sale of the Offered Shares pursuant to this Agreement, including the determination of the Purchase Price, is an arm's-length commercial transaction between the Corporation, on the one hand, and each of the Underwriters and any affiliate through which it may be acting, on the other; (b) each of the

Underwriters is acting as principal and not as an agent or fiduciary of the Corporation; (c) the engagement by the Corporation of each of the Underwriters in connection with the offering and sale of the Offered Shares and the process leading up to the offering and sale thereof is as independent contractors and not in any other capacity; (d) the Underwriters and their respective affiliates may be engaged in a broad range of transactions that involve interests that differ from those of the Corporation; and (e) the Underwriters have not provided any legal, accounting, regulatory or tax advice with respect to the Offering and the Corporation has consulted its own legal, accounting, regulatory and tax advisors to the extent it deemed appropriate. Furthermore, the Corporation agrees that it is solely responsible for making its own judgments in connection with the offering and sale of the Offered Shares (irrespective of whether any of the Underwriters has advised or is currently advising the Corporation on related or other matters) and no Underwriter has any obligation to the Corporation with respect to the Offering except the obligations expressly set forth in this Agreement.

32. **Underwriters' Activities**

The Corporation acknowledges that the Underwriters and their affiliates carry on a range of businesses, including providing institutional and retail brokerage, investment advisory, research, investment management, securities lending and custodial services to clients and trading in financial products as agent or principal. It is possible that the Underwriters and other entities in their respective groups that carry on those businesses may hold long or short positions in securities of companies or other entities, which are or may be involved in the transactions contemplated in this Agreement and effect transactions in those securities for their own account or for the account of their respective clients. The Corporation agrees that these divisions and entities may hold such positions and effect such transactions without regard to the Corporation's interest under this Agreement.

33. **TMX Group**

The Corporation hereby acknowledges that each of TD Securities Inc. and National Bank Financial Inc. or an affiliate thereof, may own or controls an equity interest in TMX Group Limited ("**TMX Group**") and each of TD Securities Inc. and National Bank Financial Inc. may have a nominee director serving on the TMX Group's board of directors. As such, each such investment dealer may be considered to have an economic interest in the listing of securities on any exchange owned or operated by TMX Group, including the TSX, the TSX Venture Exchange and the Alpha Exchange. No person or company is required to obtain products or services from TMX Group or its affiliates as a condition of any such dealer supplying or continuing to supply a product or service.

34. **Entire Agreement**

This Agreement constitutes the entire agreement among the parties hereto relating to the purchase by, and sale of the Offered Shares to, the Underwriters and the process leading thereto and supersedes all prior agreements between any of those parties with respect to their respective rights and obligations in respect of such transaction and the process leading thereto (including, for greater certainty) the letter agreement between the Bookrunners and the Corporation dated November 29, 2021).

35. **Counterparts**

This Agreement may be executed and delivered (including by facsimile transmission or portable document format (PDF)) in one or more counterparts, and by the different parties hereto in separate

counterparts, each of which when executed shall be deemed to be an original, but all of which taken together shall constitute one and the same agreement.

If the foregoing is in accordance with your understanding and is agreed to by you, please signify your acceptance by executing the enclosed copies of this Agreement where indicated below and returning the same to the Underwriters upon which this Agreement as so accepted shall constitute an agreement among us.

[remainder of the page intentionally left blank]

TD SECURITIES INC.

By: (Signed) *"Alec W.G. Clark"*
Name: Alec W.G. Clark
Title: Executive Managing Director, Head of Global Energy

RBC DOMINION SECURITIES INC.

By: (Signed) *"Chris Redgate*"
Name: Chris Redgate
Title: Managing Director

BMO NESBITT BURNS INC.

By: (Signed) *"Greg Stadnyk"*
Name: Greg Stadnyk
Title: Director

CIBC WORLD MARKETS INC.

By: (Signed) *"Michael Freeborn"*
Name: Michael Freeborn
Title: Managing Director & Co-Head Energy, Infrastructure, and Transition Investment Banking

NATIONAL BANK FINANCIAL INC.

By: (Signed) *"Chris Muldoon"*
Name: Chris Muldoon
Title: Managing Director

PETERS & CO. LIMITED

By: (Signed) *"Cameron Plewes"*
Name: Cameron Plewes
Title: President

RAYMOND JAMES LTD.

By: (Signed) *"Dion Degrand"*
Name: Dion Degrand
Title: Managing Director, Head of Canadian Oil & Gas Investment Banking

SCOTIA CAPITAL INC.

By: (Signed) *"David Baboneau"*
Name: David Baboneau
Title: Managing Director

STIFEL NICOLAUS CANADA INC.

By: (Signed) *"Nicholas J. Johnson"*
Name: Nicholas J. Johnson
Title: Vice Chairman, Head of Energy Investment Banking

CANACCORD GENUITY CORP.

By: (Signed) *"Andrew D. Birkby"*
Name: Andrew D. Birkby
Title: Managing Director, Investment Banking

EIGHT CAPITAL

By: (Signed) *"Tony Loria"*
Name: Tony Loria
Title: Principal, Vice Chairman

ATB CAPITAL MARKETS INC.

By: (Signed) *"Patrick Stables"*
Name: Patrick Stables
Title: Managing Director

iA PRIVATE WEALTH INC.

By: (Signed) *"David Anderson"*
Name: David Anderson
Title: Head of Capital Markets

TUDOR, PICKERING, HOLT & CO. SECURITIES – CANADA, ULC

By: (Signed) *"Derek Wheatley"*
Name: David Wheatley
Title: Managing Director, Co-Head of TPH Canada

The foregoing offer is accepted and agreed to as of the date first above written.

PRAIRIESKY ROYALTY LTD.

By: (Signed) *"Cameron M. Proctor"*
Cameron M. Proctor
Chief Operating Officer

SCHEDULE A

UNITED STATES OFFERS AND SALES

As used in this Schedule A, capitalized terms used herein and not defined herein, have the meanings ascribed thereto in the Underwriting Agreement to which this Schedule A is annexed and of which this Schedule A forms a part and the following terms have the meanings indicated:

"**Directed Selling Efforts**" means "directed selling efforts" as that term is defined in Rule 902(c) of Regulation S. Without limiting the foregoing, but for greater clarity in this Schedule A, it means, subject to the exclusions from the definition of directed selling efforts contained in Regulation S, any activity undertaken for the purpose of, or that could reasonably be expected to have the effect of, conditioning the market in the United States for any of the Offered Shares and includes the placement of any advertisement in a publication with a general circulation in the United States that refers to the offering of the Offered Shares;

"**Eligible U.S. Fund Manager**" means a dealer or other professional fiduciary organized, incorporated or (if an individual) resident in the United States that is acting solely for a discretionary or similar account (other than an estate or trust) held for the benefit or account of a person that is not a U.S. Person for which it has sole investment discretion;

"**General Solicitation**" and "**General Advertising**" mean "general solicitation" and "general advertising", respectively, as used in Rule 502(c) of Regulation D under the U.S. Securities Act, including, without limitation, advertisements, articles, notices or other communications published in any newspaper, magazine or similar media or broadcast over radio or television or the Internet, or any seminar or meeting whose attendees had been invited by general solicitation or general advertising;

"**Qualified Institutional Buyer**" means a "qualified institutional buyer" as that term is defined in Rule 144A under the U.S. Securities Act;

"**Regulation S**" means Regulation S adopted by the SEC under the U.S. Securities Act;

"**Substantial U.S. Market Interest**" means "substantial U.S. market interest" as that term is defined in Regulation S;

"**U.S. Affiliate**" of any Underwriter means the U.S. registered broker-dealer affiliate of such Underwriter; and

"**U.S. Person**" means "U.S. person" as that term is defined in Regulation S.

Representations, Warranties and Covenants of the Corporation

The Corporation represents, warrants, covenants and agrees to and with the Underwriters that:

(a) the Corporation is, and on the Closing Date will be, a "foreign issuer" within the meaning of Rule 902(e) of Regulation S and reasonably believes and will reasonably believe that it has no Substantial U.S. Market Interest with respect to the Common Shares;

(b) the Corporation is not, and after giving effect to the sale of the Offered Shares contemplated hereby and the use of proceeds therefrom as described in the Prospectus will not be, an

"investment company" within the meaning of the United States Investment Company Act of 1940, as amended, and the rules thereunder;

(c) except with respect to offers and sales of Offered Shares to Qualified Institutional Buyers in reliance upon Rule 144A and to Eligible U.S. Fund Managers in "offshore transactions" (within the meaning of such term in Regulation S) and otherwise in accordance with Rule 903 of Regulation S, neither the Corporation nor any of its affiliates, nor any person acting on its or their behalf (other than the Underwriters and their U.S. Affiliates or any person acting on their behalf, as to which no representation or warranty is made) has made or will make: (A) any offer to sell, or any solicitation of an offer to buy, any Offered Shares to a person in the United States; or (B) any sale of Offered Shares unless, at the time the buy order was or will have been originated, the purchaser is: (i) outside the United States; or (ii) the Corporation, its affiliates, and any person acting on their behalf reasonably believe that the purchaser is outside the United States;

(d) neither the Corporation nor any of its affiliates, nor any person acting on its or their behalf (other than the Underwriters and their U.S. Affiliates or any person acting on their behalf, as to which no representation or warranty is made): (i) has made or will make any Directed Selling Efforts in connection with the offer and sale of the Offered Shares, or (ii) has offered or will offer to sell, or has solicited or will solicit offers to buy, any of the Offered Shares in the United States by means of any form of General Solicitation or General Advertising or has otherwise engaged or will engage in any conduct involving a public offering within the meaning of Section 4(a)(2) of the U.S. Securities Act in connection with the offer and sale of the Offered Shares in the United States;

(e) the Corporation has not sold, offered for sale or solicited any offer to buy any of its securities in a manner that would cause the exemption from the registration requirements of the U.S. Securities Act provided by Rule 144A or the exclusion from such registration requirements provided by Rule 903 of Regulation S to become unavailable for the offer and sale of the Offered Shares hereunder;

(f) immediately prior to offering the Offered Shares to a person in the United States (other than to an Eligible U.S. Fund Manager), the Corporation had or will have reasonable grounds to believe and did or will believe that such offeree is or was a Qualified Institutional Buyer, and at the Closing Time, the Corporation shall have reasonable grounds to believe and shall believe that each such person who is purchasing Offered Shares is a Qualified Institutional Buyer;

(g) the Corporation will provide to offerees within the United States an opportunity to ask questions and receive answers concerning the terms and conditions of the Offering and review such information, if any, concerning the Corporation as such offerees may reasonably request in connection with their investment decision to acquire Offered Shares;

(h) this transaction is not part of a scheme to evade the registration requirements of the U.S. Securities Act;

(i) each of the Corporation, its affiliates and any person acting on its or their behalf has not taken and will not take any action that, directly or indirectly, would constitute a violation of Regulation M under the U.S. Exchange Act in connection with the sale of the Offered Shares;

(j) the Corporation may be a passive foreign investment company (a "**PFIC**") within the meaning of Section 1297 of the U.S. Internal Revenue Code of 1986, as amended (the "**Code**") for its current taxable year ending December 31, 2021;

(k) for any year in which the Corporation is a PFIC, the Corporation intends to provide purchasers of Offered Shares that are subject to United States federal income taxation, upon written request, with the information necessary to make a "qualified electing fund" election pursuant to Section 1295 of the Code with respect to the Corporation and any of its direct or indirect subsidiaries which are also PFICs;

(l) in connection with offers and sales of the Offered Shares outside the United States, the Corporation, its affiliates, and any person acting on its or their behalf (other than the Underwriters and their U.S. Affiliates or any person acting on their behalf, as to which no representation or warranty is made)have complied and will comply with the requirements for an "offshore transaction" (as that term is defined in Regulation S);

(m) the Offered Shares are not, and as of the Closing Date will not be, and no securities of the same class as the Offered Shares are or will be: (i) listed on a national securities exchange in the United States registered under Section 6 of the U.S. Exchange Act; (ii) quoted in a "U.S. automated inter-dealer quotation system", as such term is used in Rule 144A; or (iii) convertible or exchangeable into, or exercisable for, securities so listed or quoted at an effective conversion or exercise premium (calculated as specified in paragraph (a)(6) and (a)(7) of Rule 144A) of less than ten percent for securities so listed or quoted;

(n) for so long as any of the Offered Shares are outstanding and "restricted securities" within the meaning of Rule 144(a)(3) under the U.S. Securities Act and not eligible for resale pursuant to Rule 144(b)(1) under the U.S. Securities Act, at any time when the Corporation is neither subject to and in compliance with the reporting requirements of Section 13 or 15(d) of the U.S. Exchange Act, nor exempt from such reporting requirements pursuant to Rule 12g3-2(b) thereunder, the Corporation will provide holders and prospective purchasers of Offered Shares designated by such holders, upon request, with the information required to be provided by Rule 144A(d)(4) under the U.S. Securities Act, for so long as the provision of such information is required to permit resales of the Shares pursuant to Rule 144A; and

(o) the Corporation will, within prescribed time periods, prepare and file any forms or notices required under the U.S. Securities Act or applicable state securities laws in connection with the offering of the Offered Shares in the United States.

Representations, Warranties and Covenants of the Underwriters

Each Underwriter, severally and not jointly, on behalf of itself and its U.S. Affiliate, acknowledges that the Offered Shares have not been and will not be registered under the U.S. Securities Act or any U.S. state securities laws and may be offered and sold within the United States only to Qualified Institutional Buyers in transactions exempt from the registration requirements of the U.S. Securities Act pursuant to Rule 144A and similar exemptions under applicable state securities laws. Each Underwriter, severally and not jointly, on behalf of itself and its U.S. Affiliate, represents, warrants and covenants to the Corporation that:

(a) it acknowledges that the Offered Shares may be offered or sold in the United States only pursuant to the exemption from the registration requirements of the U.S. Securities Act provided by Rule 144A or outside the United States pursuant to the exclusion from such

registration requirements provided by Rule 903 of Regulation S. Accordingly, it has not offered and sold, and will not offer and sell, any Offered Shares except: (A) outside the United States in an offshore transaction in accordance with Rule 903 of Regulation S; or (B) in the United States to Qualified Institutional Buyers with respect to which the Underwriter or its U.S. Affiliate has a pre-existing relationship in transactions that are exempt from the registration requirements of the U.S. Securities Act pursuant to Rule 144A; or (ii) Eligible U.S. Fund Managers in offshore transactions in accordance with Rule 903 of Regulation S. Neither the Underwriter nor any of its affiliates, nor any persons acting on their behalf, has engaged or will engage in any Directed Selling Efforts with respect to the Offered Shares. Each Underwriter, its affiliates, and any person acting on its or their behalf has not taken and will not take any action that, directly or indirectly, would constitute a violation of Regulation M under the U.S. Exchange Act in connection with the sale of the Offered Shares;

(b) it has not entered and will not enter into any contractual arrangement with respect to the distribution of the Offered Shares, except with its U.S. Affiliates, with any Selling Firm, or otherwise with the prior written consent of the Corporation. It shall require each of its U.S. Affiliates to agree, for the benefit of the Corporation, to comply with, and shall ensure that each of its U.S. Affiliates complies with, the same provisions of this Schedule A as apply to such Underwriter;

(c) it will, through its U.S. Affiliate, notify all purchasers of the Offered Shares in the United States or (other than an Eligible U.S. Fund Manager who is acquiring the Offered Shares in an offshore transaction within the meaning of Regulation S) who were offered the Offered Shares in the United States that the Offered Shares have not been and will not be registered under the U.S. Securities Act and are being offered and sold to such purchasers without registration in reliance on the exemption from the registration requirements of the U.S. Securities Act provided by Rule 144A;

(d) offers to sell and solicitations of offers to buy the Offered Shares in the United States shall be made pursuant to and in accordance with exemptions from the registration or qualification requirements of all applicable state securities ("Blue Sky") laws;

(e) it acknowledges that until 40 days after the commencement of the offering of the Offered Shares, an offer or sale of the Offered Shares within the United States by any dealer (whether or not participating in this offering) may violate the registration requirements of the U.S. Securities Act if such offer or sale is made otherwise than in accordance with an exemption from the registration requirements of the U.S. Securities Act;

(f) all offers and sales of Offered Shares in the United States will be made by the Underwriter, acting through the Underwriter's U.S. Affiliate, in compliance with all applicable U.S. broker-dealer requirements (including those of applicable self-regulatory authorities);

(g) offers and sales of Offered Shares in the United States by it or by its U.S. Affiliate have not been and shall not be made by any form of General Solicitation or General Advertising, or in any manner constituting a public offering within the meaning of Section 4(a)(2) of the U.S. Securities Act;

(h) immediately prior to offering the Offered Shares to a person in the United States (other than to an Eligible U.S. Fund Manager), the Underwriter and its U.S. Affiliate had or will have reasonable grounds to believe and did or will believe that such offeree is or was a

Qualified Institutional Buyer, and at the Closing Time, the Underwriter and its U.S. Affiliate shall have reasonable grounds to believe and shall believe that each such person who is purchasing Offered Shares is a Qualified Institutional Buyer;

(i) this transaction is not part of a scheme to evade the registration requirements of the U.S. Securities Act;

(j) it agrees that it will not complete the sale of any Offered Shares to any purchaser within the United States or (other than an Eligible U.S. Fund Manager who is acquiring the Offered Shares in an offshore transaction within the meaning of Regulation S) who was offered the Offered Shares in the United States, unless it has received, and provided to the Corporation, an executed qualified institutional buyer investor letter in the form attached to the U.S. Placement Memorandum;

(k) a reasonable time prior to confirming the sale of any Offered Shares to purchasers in the United States and (other than an Eligible U.S. Fund Manager who is acquiring the Offered Shares in an offshore transaction within the meaning of Regulation S) purchasers who were offered the Offered Shares in the United States, the Underwriter will, through its U.S. Affiliate, provide to such purchaser a copy of the Final U.S. Placement Memorandum; and

(l) each Underwriter that has, through its U.S. Affiliate, offered or sold Offered Shares into the United States or to a person (other than to an Eligible U.S. Fund Manager) who was offered the Offered Shares in the United States, shall on the Closing Date provide a certificate substantially in the form of Exhibit I to this Schedule A. Failure to provide such a certificate shall constitute a representation by the applicable Underwriter to the effect that neither it, nor any of its affiliates, nor any person acting on its or their behalf, offered or sold any Offered Shares in the United States (other than to an Eligible U.S. Fund Manager).

EXHIBIT I

UNDERWRITERS' CERTIFICATE

In connection with the private placement in the United States of the common shares (the "**Offered Shares**") of PrairieSky Royalty Ltd. (the "**Corporation**") pursuant to the underwriting agreement dated effective November 29, 2021 between the Corporation and the Underwriters named therein (the "**Underwriting Agreement**"), the undersigned does hereby certify as follows:

(a) **[US affiliate name]** is on the date hereof, and was at the time of each offer and sale of Offered Shares made by it, a duly registered broker-dealer under Section 15(b) of the U.S. Exchange Act and under the laws of all applicable states (unless exempt from such states' broker-dealer registration requirements) and a member of, and in good standing with, the Financial Industry Regulatory Authority, Inc., and all offers and sales of the Offered Shares in the United States have been effected by **[US affiliate name]** in accordance with all applicable United States federal and state laws and regulations governing the registration and conduct of broker-dealers;

(b) we provided each of our offerees of Offered Shares in the United States (other than Eligible U.S. Fund Managers) with either the Preliminary U.S. Placement Memorandum or the Final U.S. Placement Memorandum and prior to the sale of Offered Shares to a person in the United States or to a person (other than an Eligible U.S. Fund Manager) who was offered Offered Shares in the United States, we provided each such purchaser with a copy of the Final U.S. Placement Memorandum, and no other written material (other than the Corporation Marketing Materials) was used by us in connection with the offer and sale of the Offered Shares in the United States;

(c) immediately prior to our transmitting any of the foregoing materials to such offerees, we had reasonable grounds to believe and did believe that each offeree was a Qualified Institutional Buyer, and we continue to believe on the date hereof that each purchaser of Offered Shares in the United States and each purchaser who was offered Offered Shares in the United States (other than an Eligible U.S. Fund Manager who is acquiring Offered Shares in an offshore transaction within the meaning of Regulation S) is a Qualified Institutional Buyer;

(d) no form of General Solicitation or General Advertising was used by us in connection with the offer or sale of the Offered Shares in the United States;

(e) neither we, nor any of our affiliates, have taken any action that would constitute a violation of Regulation M under the U.S. Exchange Act;

(f) prior to completing the sale of any Offered Shares to any purchaser within the United States or (other than an Eligible U.S. Fund Manager who is acquiring the Offered Shares in an offshore transaction within the meaning of Regulation S) who was offered the Offered Shares in the United States, we received from each such purchaser, and provided to the Corporation, an executed qualified institutional buyer investor letter in the form attached to the U.S. Placement Memorandum; and

(g) the offering of the Offered Shares in the United States has been conducted by us in accordance with the terms of the Underwriting Agreement, including Schedule A thereto.

Terms used in this certificate have the meaning given to them in the Underwriting Agreement unless otherwise defined herein.

DATED this ___ day of _____, 20___.

[**INSERT NAME OF UNDERWRITER**]
By:
Name: [●]
Title: [●]

[**INSERT NAME OF U.S. AFFILIATE**]
By:
Name: [●]
Title: [●]