



PRAIRIE PROVIDENT RESOURCES INC.

RIGHTS OFFERING NOTICE

Notice to security holders – September 13, 2024

We currently have a working capital deficit and require that the Offering be completed in order to address near-term debt maturities and continue as a going concern.

The purpose of this notice ("**Notice**") is to advise holders of common shares ("**Common Shares**") of Prairie Provident Resources Inc. ("**PPR**" or the "**Company**") of an offering by the Company of transferable subscription rights ("**Rights**") to purchase Common Shares (the "**Offering**").

Further information regarding the Offering is provided in our rights offering circular dated September 13, 2024. See Item 8 below.

References in this Notice to "we", "us" and "our" mean PPR, and references in this Notice to "you", "your" and similar terms mean shareholders of the Company.

1. Who can participate in the rights offering?

Rights will be distributed, at no charge, to registered holders of Common Shares as of the close of business on September 24, 2024 (the "**Record Date**"), entitling holders resident in an Eligible Jurisdiction (as defined below) or who are Approved Holders (as defined below) to participate in the Offering by exercising Rights and subscribing for Common Shares thereunder.

2. Who is eligible to receive and exercise rights?

The Rights are being distributed to holders of our Common Shares as of the close of business on the Record Date resident in each of the provinces and territories of Canada (the "**Eligible Jurisdictions**"). A shareholder not resident in an Eligible Jurisdiction (an "**Ineligible Holder**") that can establish to the Company's satisfaction, in its sole discretion, not later than October 16, 2024, that an offering to and subscription by such holder for Rights and Common Shares, respectively, is lawful and in compliance with all securities and other laws applicable in the Eligible Jurisdictions and in the jurisdiction where such Ineligible Holder is resident, and would not require that the Company file any document, take any proceeding, make any application, obtain any approval, give any notice or make any payment, in each case of any kind or nature whatsoever, including by delivering a representation letter in the form provided by the Company (an "**Approved Holder**"), will also be eligible to receive Rights.

This Notice does not constitute an offer or a solicitation in any jurisdiction in which, or to any person to whom, such offer or solicitation is unlawful. No Rights or Common Shares issuable upon exercise thereof are offered for sale, and no offers to purchase securities are solicited, in any jurisdiction that is not an Eligible Jurisdiction, or to or from Ineligible Holders.

Ineligible Holders will not receive a direct registration system advice statement evidencing their rights ("**Rights DRS Advice**") or a subscription form (the "**Subscription Form**") (as described in Item 6 below), but will be sent a letter advising (i) that their Rights will be held by Alliance Trust Company (the "**Subscription Agent**"), as agent for the benefit of all such Ineligible Holders, and (ii) how Ineligible Holders might establish their ability to participate in the Offering and subscribe for Common Shares as an Approved Holder, failing which the Subscription Agent will attempt to sell the Rights for the benefit of such Ineligible Holder.

3. How many rights are we offering?

We expect to distribute 716,155,736 Rights entitling the holders thereof to subscribe for and purchase an aggregate of 529,579,000 Common Shares at a price of C\$0.025 per whole Common Share.

4. How many rights will you receive?

Registered holders of our Common Shares as of the close of business on the Record Date will receive one Right for every Common Share held.

5. What does one right entitle you to receive?

Each Right will entitle its holder to subscribe for and purchase 0.739474 of a Common Share at a subscription price of C\$0.025 per whole Common Share (the "**Subscription Price**"), exercisable for whole Common Shares only, on or before 5:00 pm (Mountain time) (the "**Expiry Time**") on October 28, 2024 (the "**Expiry Date**") and otherwise on the terms and conditions described in this Notice and in the Circular (the "**Basic Subscription Privilege**"). You may not exercise your Rights to acquire less than one whole Common Share. As a result, 1.352313 Rights and payment of C\$0.025 is required to purchase one whole Common Share.

No fractional Common Shares will be issued under the Offering. Where any exercise of Rights would otherwise entitle the exercising holder to receive fractional Common Shares, the holder's entitlement will be reduced and rounded down to the next lowest whole number of Common Shares, and the fraction shall be cancelled without any repayment of capital or other consideration therefor.

If you fully exercise your Basic Subscription Privilege (other than with respect to those Rights that would entitle you to acquire less than one whole Common Share, which will not be exercisable), you may subscribe for additional Common Shares offered in the Offering but which have not been issued under the Basic Subscription Privilege (the "**Additional Subscription Privilege**"), subject to availability and pro rata allocation of such additional Common Shares among holders exercising the Additional Subscription Privilege. To the extent the total number of Common Shares not issued under the Basic Subscription Privilege (and therefore available for purchase under the Additional Subscription Privilege) is less than the number needed to satisfy all Additional Subscription Privilege requests, then the available Common Shares will be prorated among those holders who properly exercised their Additional Subscription Privilege based in each case on the number of Common Shares that each such exercising holder subscribed for under the Basic Subscription Privilege, compared to the total number of Common Shares subscribed for under the Basic Subscription Privilege by all holders who properly exercised their Additional Subscription Privilege. If this pro rata allocation would result in any holder receiving a greater allocation of Common Shares than the holder subscribed for pursuant to the Additional Subscription Privilege, then the holder will be allocated only that number of Common Shares for which the holder subscribed pursuant to the Additional Subscription Privilege, and the remaining Common Shares will be re-allocated among all other holders properly exercising the Additional Subscription Privilege on the same pro rata basis described above. The proration process will be repeated until all Common Shares have been allocated or all Additional Subscription Privilege exercises have been fulfilled, whichever occurs earlier.

Rights will be evidenced by a Rights DRS Advice issued under the direct registration system administered

by the Subscription Agent.

To exercise your Rights, you must complete the Subscription Form included with the Rights DRS Advice and deliver it to the Subscription Agent, together with full payment for all the Common Shares for which you are subscribing on exercise of your Rights under the Basic Subscription Privilege and, if you so choose, the Additional Subscription Privilege, before expiration of the Offering. You may deliver the required documents and payments by hand, mail or commercial courier. If mail is used for this purpose, we recommend using registered mail, properly insured, with return receipt requested.

If you are a beneficial owner of Common Shares that are registered in the name of a broker, bank or other nominee and wish to participate in the Offering, you should instruct the Registered Holder of your Common Shares to exercise Rights on your behalf and deliver all required documents and payment before the Expiry Time on the Expiry Date. You should contact the Registered Holder as soon as possible as they may establish an earlier deadline for receiving subscription instructions. See Item 7 below.

6. How will you receive your rights?

Rights will be evidenced by a Rights DRS Advice issued under the direct registration system administered by the Subscription Agent.

Registered Eligible Holders – If you hold your Common Shares directly in your own name as recorded on the Company's share register, you are a "Registered Holder". A Rights DRS Advice representing the total number of Rights to which you are entitled as at the Record Date, together with a Subscription Form, is enclosed with this Notice.

Beneficial Eligible Holders – If you beneficially own Common Shares that are held indirectly through a broker, bank or other nominee, then your broker, bank or other nominee, or a depository in which your broker, bank or other nominee is a participant, will be the Registered Holder of the Common Shares you beneficially own. The Registered Holder must exercise the Rights on your behalf for any Common Shares you wish to purchase, whether under the Basic Subscription Privilege or the Additional Subscription Privilege.

7. When and how can you exercise your rights?

Registered Eligible Holders – If you are a Registered Holder (and you are not an Ineligible Holder) and wish to participate in the Offering, you must deliver a properly completed Subscription Form to the Subscription Agent at or before the Expiry Time on the Expiry Date, together with payment to the Subscription Agent using one of the methods outlined below.

If you send payment that is insufficient to purchase the number of Common Shares you are subscribing for, or if the number of Common Shares you are subscribing for is not specified in the Subscription Form, the payment received will be applied to exercise your Basic Subscription Privilege. Unless you have specified a number of additional Common Shares that you wish to purchase under the Additional Subscription Privilege, any payment in excess of that required to fully exercise your Basic Subscription Privilege will be refunded. If the payment exceeds the Subscription Price for the full exercise of your Basic Subscription Privilege and any Additional Subscription Privilege (to the extent specified by you), the excess will be refunded. You will not receive interest on any payments refunded to you under the Offering.

Your payment of the Subscription Price must be made in Canadian dollars for the full number of Common Shares for which you are subscribing by certified cheque, bank draft or money order payable to the Subscription Agent. The Subscription Agent will accept payment only by certified cheque, bank draft or money order payable to the Subscription Agent. Your payment will be considered received by the Subscription Agent only upon receipt by the Subscription Agent of any certified cheque, bank draft or money order payable to the Subscription Agent. You

should deliver your Subscription Form and payment of the Subscription Price to the Subscription Agent by one of the methods described below:

By Hand, Mail or Courier:

*Alliance Trust Company
#1010, 407 - 2nd Street S.W.
Calgary, Alberta T2P 2Y3
Attention: Securities Department*

Beneficial Eligible Holders – If you beneficially own Common Shares but are not a Registered Holder (and you are not an Ineligible Holder) and wish to participate in the Offering, please promptly contact the broker, bank or other nominee through which you hold your Common Shares for instructions on how to participate in the Offering and for any documents required by your broker, bank or other nominee.

The broker, bank or other nominee through which you hold your Common Shares will either themselves be the Registered Holder of the Common Shares you own or, if it is a securities dealer, financial institution or other person that is a participant in the book-based system administered by CDS Clearing and Depository Services Inc. or the book-based system administered by The Depository Trust Company, then a nominee of such depository will be the Registered Holder. As a beneficial owner, you should instruct your broker, bank or other nominee to exercise your Rights on your behalf and deliver all required documents and payment before expiration of the Offering. The Registered Holder must exercise the Rights on your behalf for the Common Shares you wish to purchase. You should contact your broker, bank or other nominee as soon as possible as they may establish an earlier deadline for receiving instructions regarding the Offering.

8. What are the next steps?

This Notice contains key information you should know about PPR. You can find more details in our rights offering circular dated September 13, 2024, a copy of which is available under the Company's issuer profile on SEDAR+ at www.sedarplus.ca or from our website at www.ppr.ca. You can also ask your dealer representative for a copy or contact the Company by email at info@ppr.ca or by telephone at (403) 292-8000.

You should carefully read the rights offering circular, along with PPR's continuous disclosure record, to make an informed decision.

DATED: September 13, 2024

PRAIRIE PROVIDENT RESOURCES INC.

(signed) "Ryan Rawlyk"

Ryan Rawlyk, P.Eng.
President and Chief Executive Officer