



Prairie Provident Resources Announces Fourth Quarter and Year-End 2024 Financial and Operating Results, 2024 Year-End Reserves and Basal Quartz Update

Calgary, Alberta – March 31, 2025 – Prairie Provident Resources Inc. ("Prairie Provident" or the "Company") (TSX:PPR) announces its operating and financial results for the fourth quarter and year ended December 31, 2024 and year-end reserves. Prairie Provident's audited annual consolidated financial statements and related Management's Discussion and Analysis (MD&A) for the year ended December 31, 2024 and Annual Information Form, dated March 31, 2025 for the same period are available on the Company's website at www.ppr.ca and filed on SEDAR+ at www.sedarplus.ca.

2024 ANNUAL HIGHLIGHTS

- In the first quarter of 2024, the Company sold its Evi assets in northern Alberta and certain non-core assets located in the Provost area of Central Alberta. Net proceeds of approximately CAD\$24.2 million were received from these dispositions, with CAD\$20.0 million used to reduce indebtedness under the Company's senior secured note facility.
- In October 2024, the Company completed a rights offering raising aggregate gross proceeds of \$12.0 million (the "Rights Offering").
- The net proceeds from the Rights Offering were used to retire indebtedness and drill two Basal Quartz horizontal wells in Prairie Provident's Michichi core area. The Company reported IP60 (initial 60-day average production) rates on the two wells of approximately 333 boe/d (221 bbl/d of medium crude oil and 674 Mcf/d of natural gas) and approximately 305 boe/d (189 bbl/d of medium crude oil and 697 Mcf/d of natural gas), respectively.
- For the year ended December 31, 2024, production averaged 2,310 boe/d (56% liquids).
- Operating netback¹ for the year was \$9.8 million (\$11.57/boe) before the impact of derivatives in 2024, or \$9.3 million (\$11.00/boe) after realized losses on derivatives.
- Operating expenses were \$32.98 per boe in 2024.
- As at December 31, 2024, net debt¹ totaled CAD\$62.8 million, comprised of CAD\$50.3 million under the senior secured note facility, CAD\$5.2 million under its second lien notes (including deferred interest paid-in-kind) and a CAD\$7.3 million working capital deficit.

¹ Operating netback and net debt are non-GAAP financial measures and are defined below under "Non-GAAP and Other Financial Measures".

FOURTH QUARTER 2024 AND 2025 YEAR TO DATE FINANCIAL AND OPERATIONAL HIGHLIGHTS

- Production averaged 2,385 boe/d (57% liquids) for the fourth quarter of 2024.
- Fourth quarter 2024 operating netback¹ before and after the impact of derivatives was \$4.0 million (\$18.05/boe).
- Net capital expenditures¹ for the fourth quarter of 2024 of \$9.0 million were primarily associated with the Company's Basal Quartz drilling activities.
- In February and March of 2025, the Company completed a brokered equity financing raising aggregate gross proceeds of \$8.67 million to facilitate further development in the Basal Quartz formation.

FINANCIAL AND OPERATING SUMMARY

	Three Months Ended December 31,		Twelve Months Ended December 31,	
<i>(\$000s except per unit amounts)</i>	2024	2023 ²	2024	2023 ²
Production Volumes				
Crude oil and condensate (bbl/d)	1,298	2,049	1,226	2,190
Natural gas (Mcf/d)	6,107	7,374	6,093	7,579
Natural gas liquids (bbl/d)	69	135	68	105
Total (boe/d)	2,385	3,413	2,310	3,558
% Liquids	57%	64%	56%	64%
Realized Prices				
Crude oil and condensate (\$/bbl)	83.16	87.12	85.40	88.50
Natural gas (\$/Mcf)	1.49	2.10	1.53	2.55
Natural gas liquids (\$/bbl)	53.93	43.08	59.92	53.05
Total (\$/boe)	50.65	58.54	51.15	61.46
Operating Netback (\$/boe)				
Realized price	50.65	58.54	51.15	61.46
Royalties	(2.58)	(11.00)	(6.60)	(9.14)
Operating costs	(30.02)	(36.45)	(32.98)	(34.14)
Operating netback	18.05	11.09	11.57	18.18
Realized gains (losses) on derivatives	—	(0.96)	(0.57)	(0.72)
Operating netback, after realized gains (losses) on derivatives	18.05	10.13	11.00	17.46

Note:

- 1 Operating netback and net capital expenditures are non-GAAP financial measures and are defined below under "Non-GAAP and Other Financial Measures".
- 2 Incorporates adjustments as noted in Note 24 (Restatements) in the Company's audited annual consolidated financial statements for the year ended December 31, 2024 available on the Company's website at www.ppr.ca and filed on SEDAR+ at www.sedarplus.ca.

2024 RESERVES

The Company's oil and gas properties were evaluated by Trimble Engineering Associates Ltd. ("Trimble"), effective December 31, 2024, in a report dated March 3, 2025 (the "Trimble Report"). Trimble is the Company's independent reserves evaluator.

Overview

December 31, 2024	Proved Developed Producing	Total Proved	Total Proved plus Probable
Reserves (MMboe)	5.6	14.5	24.4
Net Present Value, discounted @10% (\$Million)	\$38.5	\$185.5	\$337.2
Reserve Life Index ⁽¹⁾ (years)	6.6	13.1	21.4

- Reserve life index⁽¹⁾ is 6.6 years, 13.1 years, and 21.4 years, based on 2024 annual production on a proved developed producing (PDP), total proved (1P), and total proved plus probable (2P) basis, respectively.
- Two Basal Quartz horizontal wells were drilled in Michichi in Q4 2024, adding 0.5 MMboe in reserves to PDP. Additionally, 4.1 MMboe 1P reserves and 9.4 MMboe 2P reserves were added with respect to additional Basal Quartz drilling locations.
- The Company's Evi property and non-core Provost assets were divested in 2024, reducing reserves by 2.9 MMboe proved developed producing (PDP), 6.3 MMboe total proved (1P), and 8.4 MMboe total proved plus probable (2P).
- Technical revisions included removing Banff proved undeveloped locations to better reflect the Company's near-term drilling plans in the Basal Quartz.

(1) **Notes:** "Reserve Life Index" does not have standardized meanings. See "Cautionary Statements – Disclosure of Oil and Gas Reserves Data and Operational Information", and "Cautionary Statements – Reserve Life Index" below.

Reserves Summary

The following presentation summarizes certain information contained in the Trimble Report, which was prepared in accordance with National Instrument 51-101 *Standards of Disclosure for Oil and Gas Activities* ("NI 51-101") and the definitions, standards, and procedures contained in the Canadian Oil and Gas Evaluation Handbook (the "COGE Handbook"). Trimble evaluated 100% of the Company's reserves. The Trimble Report is based on forecast prices and costs and applies the Sproule Associates Ltd. ("Sproule") December 31, 2024 forecast escalated commodity price deck and foreign exchange rate and inflation rate assumptions. Estimated future net revenue is stated without any provisions for interest costs, other debt service charges, or general and administrative expenses, and after the deduction of royalties, estimated operating costs, estimated abandonment and reclamation costs, and estimated future development costs.

Additional information regarding the Company's reserves data and other oil and gas information are included in the Company's Annual Information Form for the year ended December 31, 2024 (the "AIF"), which is available on the Company's issuer profile on SEDAR at www.sedar.com.

See also the "Cautionary Statements" below for further explanations and discussion.

Summary of Corporate Reserves⁽¹⁾⁽²⁾⁽⁵⁾

The following table is a summary of the Company's estimated reserves as at December 31, 2024, as evaluated in the Trimble Report.

Reserves Category	Light and	Heavy Oil	Conventional	Conventional	Natural Gas	Barrels of Oil
	Medium Oil		Natural Gas ⁽³⁾	Natural Gas		
	(Mbbbl)	(Mbbbl)	(MMcf)	(MMcf)	(Mbbbl)	(Mboe)
Proved						
Developed Producing	2,530	315	9,443	6,094	209	5,643
Developed Non-Producing	164	-	1,610	204	30	496
Undeveloped	4,939	466	-	16,516	224	8,381
Total Proved	7,632	782	11,053	22,813	463	14,520
Probable	5,678	532	2,430	18,136	281	9,919
Total Proved plus Probable	13,310	1,313	13,483	40,949	744	24,439

Notes:

- (1) Reserves are presented on a "company gross" basis, which is defined as Prairie Provident's working interest (operating and non-operating) share before deduction of royalties and without including any royalty interest of the Company.
- (2) Based on the Sproule December 31, 2024 forecast prices and costs. Sproule's commodity price forecasts as of December 31, 2024, which were used in the Trimble Report, can be found at www.sproule.com/price-forecast/.
- (3) Including both non-associated gas and associated gas but excluding solution gas (gas dissolved in crude oil).
- (4) Oil equivalent amounts have been calculated using a conversion ratio of six thousand cubic feet of natural gas to one barrel of oil. See "Cautionary Statements – Barrels of oil equivalent" below.
- (5) Columns may not add due to rounding of individual items.

Net Present Values of Future Net Revenue Before Income Taxes Discounted at (%/year)⁽¹⁾⁽²⁾⁽³⁾⁽⁴⁾⁽⁵⁾

The following table is a summary of the estimated net present values of future net revenue (before income taxes) associated with Prairie Provident's reserves as at December 31, 2024, discounted at the indicated percentage rates per year, as evaluated in the Trimble Report.

Reserves Category	0%	5%	10%	15%	20%
	(MM\$)	(MM\$)	(MM\$)	(MM\$)	(MM\$)
Proved					
Developed Producing	-20.5	31.6	38.5	37.5	35.0
Developed Non-Producing	7.4	6.0	4.9	4.1	3.5
Undeveloped	227.2	177.3	142.2	116.6	97.4
Total Proved	214.2	214.9	185.5	158.2	136.0
Probable	300.2	208.8	151.6	114.8	90.0
Total Proved plus Probable	514.4	423.7	337.2	273.0	226.0

Notes:

- (1) Based on the Sproule December 31, 2024 forecast prices and costs. Sproule's commodity price forecasts as of December 31, 2024, which were used in the Trimble Report, can be found at www.sproule.com/price-forecast/.
- (2) Estimated future net revenues are stated without any provision for interest costs, other debt service charges or general and administrative expenses, and after deduction of royalties, estimated operating costs, estimated abandonment and reclamation costs, and estimated future development costs.
- (3) Estimated future net revenue, whether discounted or not, does not represent fair market value.
- (4) Net present values of future net revenue after income taxes are estimated to approximate the before income tax values based on the estimated future revenues, available tax pools and future deductible expenses.
- (5) Columns may not add due to rounding of individual items.

Reconciliation of Company Gross Reserves Based on Forecast Prices and Costs⁽¹⁾⁽²⁾

FACTORS	Mboe		Proved plus Probable
	Proved	Probable	
December 31, 2023	21,123	9,020	30,143
Extensions	4,064	5,366	9,430
Dispositions	(6,254)	(2,191)	(8,445)
Pricing (Economic Factors)	(339)	(84)	(423)
Technical Revisions	(3,212)	(2,193)	(5,405)
Production	(861)	-	(861)
December 31, 2024	14,520	9,919	24,439

Notes:

- (1) Columns may not add due to rounding.
- (2) Company Gross Reserves exclude royalty volumes

BASAL QUARTZ UPDATE

In the first quarter of 2025, Prairie Provident continued development of the Basal Quartz oil play in the Michichi area. The Company spud the first of a three well program on February 26, 2025 and all three wells have now been drilled without incident and on budget. The first two wells, 100/14-32-29-18W4M and 102/13-32-29-18W4M are one-mile horizontal laterals, with the third well, 100/07-19-30-18W4M, being a mile and a half horizontal lateral. These three wells offset the two initial Basal Quartz horizontal wells that the Company brought on production in November, 2024. All three wells encountered similar reservoir rock as the two initial wells. Multi-stage fracture stimulation operations have been completed at 100/14-32-29-18W4M (49 stages) and 102/13-32-29-18W4M (48 stages), with the fracturing operations at 100/07-19-30-18W4M (78 stages) expected to commence the first week of April. Subsequent to the completion operations, tubing, rods, and bottomhole pump will be run, and the wells will be equipped for production with conventional artificial lift. The multi-well oil battery expansions are near completion, with all wells are expected to be on-stream, natural gas being conserved, by mid-April, 2025.

ABOUT PRAIRIE PROVIDENT

Prairie Provident is a Calgary-based company engaged in the development of oil and natural gas properties in Alberta. The Company's strategy is to optimize cash flow from our existing assets to fund low risk development, maintain stable cash flow, while limiting its production decline.

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Barrels of Oil Equivalent

The oil and gas industry commonly expresses production volumes and reserves on a "barrel of oil equivalent" basis ("boe") whereby natural gas volumes are converted at the ratio of six thousand cubic feet to one barrel of oil. The intention is to sum oil and natural gas measurement units into one basis for improved analysis of results and comparisons with other industry participants. A boe conversion ratio of six thousand cubic feet to one barrel of oil is based on an energy equivalency conversion method primarily applicable at the burner tip. It does not represent a value equivalency at the wellhead nor at the plant gate, which is where Prairie Provident sells its production volumes.

Boes may, therefore, be a misleading measure, particularly if used in isolation. Given that the value ratio based on the current price of crude oil as compared to natural gas is significantly different from the energy equivalency ratio of 6:1, utilizing a 6:1 conversion ratio may be misleading as an indication of value.

Reserve Life Index (“RLI”)

The Company calculates RLI based on the estimated reserves amount as at December 31, 2024 for the relevant reserves category, as evaluated by Trimble, divided by 2024 annual production.

Non-GAAP and Other Financial Measures

This news release discloses certain financial measures that are 'non-GAAP financial measures' or 'supplementary financial measures' within the meaning of applicable Canadian securities laws. Such measures do not have a standardized or prescribed meaning under International Financial Reporting Standards (IFRS) and, accordingly, may not be comparable to similar financial measures disclosed by other issuers. Non-GAAP and other financial measures are provided as supplementary information by which readers may wish to consider the Company's performance but should not be relied upon for comparative or investment purposes. Readers must not consider non-GAAP and other financial measures in isolation or as a substitute for analysis of the Company's financial results as reported under IFRS. For a reconciliation of each non-IFRS measure to its nearest IFRS measure, please refer to the “Non-GAAP and Other Financial Measures” section of the MD&A.

This news release also includes reference to certain metrics commonly used in the oil and gas industry, but which do not have a standardized or prescribed meanings under the Canadian Oil and Gas Evaluation (COGE) Handbook or applicable law. Such metrics are similarly provided as supplementary information by which readers may wish to consider the Company's performance but should not be relied upon for comparative or investment purposes.

Following is additional information on non-GAAP and other financial measures and oil and gas metrics used in this news release.

Operating Netback – Operating netback is a non-GAAP financial measure commonly used in the oil and gas industry, which the Company believes is a useful measure to assist management and investors in evaluating operating performance at the oil and gas lease level. Operating netbacks included in this news release were determined as oil and gas revenues less royalties less operating costs. Operating netback may be expressed in absolute dollar terms or on a per-unit basis. Per unit amounts are determined by dividing the absolute value by gross working interest production. Operating netback after gains or losses on derivative instruments, adjusts the operating netback for only the realized portion of gains and losses on derivative instruments. Operating netback per boe and operating netback, after realized gains (losses) on derivatives per boe, are non-GAAP financial ratios.

Net Debt – Net debt is defined as borrowings under long-term debt (including principal and deferred interest) plus working capital surplus or deficit. Net debt is a measure commonly used in the oil and gas industry for assessing the liquidity of a company.

Working Capital – Working capital is calculated as current assets excluding the current portion of derivative instruments, less accounts payable and accrued liabilities. This measure is used to assist management and investors in understanding liquidity at a specific point in time. The current portion of derivatives instruments is excluded as management intends to hold derivative contracts through to maturity rather than realizing the value at a point in time through liquidation. The current portion of decommissioning expenditures is excluded as these costs are discretionary and warrant liabilities are excluded as it is a non-monetary liability. The current portion of long-term debt is excluded as it is reflected in borrowings. Lease liabilities have historically been excluded as they were not recorded on the balance sheet until the adoption of IFRS 16 – Leases on January 1, 2019.

Net Capital Expenditures – Net capital expenditures is a non-GAAP financial measure commonly used in the oil and gas industry, which the Company believes is a useful measure to assist management and investors to assess the Company's

investment in its existing asset base. Net capital expenditures is calculated by taking total capital expenditures, which is the sum of property and equipment expenditures and exploration and evaluation expenditures from the Consolidated Statement of Cash Flows, plus capitalized stock-based compensation, plus acquisitions from business combinations, which is the outflow cash consideration paid to acquire oil and gas properties, less asset dispositions (net of acquisitions), which is the cash proceeds from the disposition of producing properties and undeveloped lands.