



PRAIRIESKY ANNOUNCES AMENDMENT AND EXTENSION OF CREDIT FACILITY

Calgary, Alberta (December 18, 2024)

PrairieSky Royalty Ltd. ("**PrairieSky**" or the "**Company**") (TSX: PSK) is pleased to announce the amendment and extension of its unsecured, covenant-based revolving credit facility and operating credit facility (together, the "Credit Facility"), with a syndicate of Canadian banks.

PrairieSky has voluntarily decreased the Credit Facility from \$725 million to \$350 million. The reduced Credit Facility is aligned with PrairieSky's long-term strategy of maintaining a strong balance sheet. The Credit Facility provides for a permitted increase up to \$600 million, subject to lender consent. The sustainability-linked performance and pricing mechanisms under the Credit Facility have been removed while all other covenants under the amended Credit Facility are unchanged. The Credit Facility matures on February 28, 2028.

PrairieSky had \$102.5 million drawn under its Credit Facility at September 30, 2024.

FORWARD-LOOKING STATEMENTS

This press release contains certain forward-looking statements. The use of any of the words "expect", "anticipate", "may", "will", "should", "believe", "intends", and similar expressions are intended to identify forward-looking statements. Forward-looking statements contained in this press release include our strategy of maintaining a strong balance sheet over the long term.

Readers and investors are cautioned that the assumptions used in the preparation of such forward-looking statements, although considered reasonable at the time of preparation, may prove to be imprecise and, as such, undue reliance should not be placed on forward-looking statements. Our actual results, performance, or achievements could differ materially from those expressed in, or implied by, these forward-looking statements. We can give no assurance that any of the events anticipated will transpire or occur, or if any of them do, what benefits we will derive from them.

By their nature, forward-looking statements are subject to numerous risks and uncertainties, some of which are beyond our control, including the impact of general economic conditions, industry conditions, volatility of commodity prices, lack of pipeline capacity, currency fluctuations, imprecision of reserve estimates, royalties, environmental risks, taxation, regulation, changes in tax or other legislation, competition, and our ability to access sufficient capital from internal and external sources. The foregoing and other risks are described in more detail in PrairieSky's MD&A and the Annual Information Form for the period ended December 31, 2023 under the headings "Risk Management" and "Risk Factors", respectively, each of which is available at www.sedarplus.com.

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

The forward-looking statements contained in this press release are expressly qualified by this cautionary statement.

ABOUT PRAIRIESKY ROYALTY LTD.

PrairieSky is a royalty-focused company, generating royalty revenues as petroleum and natural gas are produced from its properties. PrairieSky has a diverse portfolio of properties that have a long history of generating funds from operations and that represent the largest and most concentrated independently-owned fee simple mineral title position in Canada. PrairieSky's common shares trade on the Toronto Stock Exchange under the symbol PSK.

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