



PRAIRIESKY RECEIVES TSX APPROVAL FOR RENEWED NORMAL COURSE ISSUER BID

Calgary, Alberta (May 20, 2021)

PrairieSky Royalty Ltd. ("**PrairieSky**" or the "**Company**") (TSX: PSK) is pleased to announce that the Toronto Stock Exchange (the "**TSX**") has accepted the notice of PrairieSky's intention to commence a normal course issuer bid (the "**NCIB**"). PrairieSky previously purchased an aggregate of 9,934,091 common shares at a weighted average price per share of \$9.58 under a normal course issuer bid that ran between May 19, 2020 and May 18, 2021.

On April 19, 2021, PrairieSky announced its intention to seek TSX approval to renew its NCIB for an additional one-year period. The NCIB allows the Company to purchase up to 15,135,000 common shares which represents 6.8% of the common shares outstanding of 222,442,900 as of May 12, 2021, and 10% of the public float of 151,354,864 common shares which is defined as the common shares outstanding after excluding common shares beneficially owned by directors and executive officers of PrairieSky and persons who beneficially own or exercise control or direction over more than 10% of the issued and outstanding common shares of PrairieSky. The NCIB will commence on May 25, 2021 and will expire no later than May 24, 2022.

Under the NCIB, common shares may be repurchased in open market transactions on the TSX, and/or other Canadian alternative trading platforms. In accordance with the rules of the TSX governing normal course issuer bids, the total number of common shares the Company is permitted to purchase is subject to a daily purchase limit of 140,657 common shares, representing 25% of the average daily trading volume of common shares on the TSX calculated for the six-month period ended April 30, 2021, being 562,629 common shares. However, the Company may make one block purchase per calendar week which exceeds the daily repurchase restriction. Any common shares that are purchased under the NCIB will be cancelled upon their purchase by PrairieSky.

PrairieSky has entered into an automatic purchase plan with its broker, Stifel Nicolaus Canada Inc., in order to facilitate purchases of its common shares. The automatic purchase plan allows for purchases by the Company of its common shares at any time, including, without limitation, when the Company would ordinarily not be permitted to make purchases due to regulatory restriction or self-imposed blackout periods. Purchases will be made by PrairieSky's broker based upon the parameters prescribed by the TSX and the terms of the parties' written agreement.

PrairieSky currently intends to purchase up to a maximum of 15,135,000 common shares to effect NCIB purchases over the next 12 months. However, the Company's board of directors may consider, from time to time, applying to the TSX to increase the amount of NCIB purchases. Decisions regarding increases to the NCIB will be based on market conditions, share price, best use of available cash, and other factors including other options to expand our portfolio of royalty assets.

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 expectations with respect to the dollar value and number of common shares under NCIB purchases to be effected over the next 12 months.

With respect to forward-looking statements contained in this press release, we have made several assumptions including that the common shares will from time-to-time trade below their value, that the Company will complete purchases of common shares pursuant to the NCIB and those described in detail in our MD&A and the Annual Information Form for the period ended December 31, 2020. 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 market price of the common shares being too high to ensure that purchases benefit the Company and its shareholders, impact of general economic conditions, industry conditions, volatility of commodity prices, stock market volatility and failure to execute purchases under the NCIB. 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, 2020 under the headings "Risk Management" and "Risk Factors", respectively, each of which is available at www.sedar.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 factor on PrairieSky's business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statements.

The forward-looking 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.

FOR FURTHER INFORMATION PLEASE CONTACT:

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