



Prairie Provident Announces Successful Second Half 2021 Drilling Program

Calgary, Alberta – December 14, 2021 – Prairie Provident Resources Inc. (“Prairie Provident”, “PPR” or the “Company”) is pleased to provide an operational update outlining the successful second half 2021 drilling program in its core Princess area. Two Lithic Glauconite horizontal wells and one Ellerslie horizontal well were brought online in the second half of 2021. Current corporate average daily production based on field estimates is approximately 5,175 boe/d¹ (69% liquids).

Princess Area Update

The 2021 second half 3-well program began with the 103/11-13-018-11W4 drilled in the Ellerslie formation with 75% of the lateral in fair to good reservoir with oil shows throughout. The 1,919m of lateral section was completed with 16 frac stages at 110 m spacing. The well was brought on production September 14th and over the first 30 days of production averaged approximately 111 bbl/d of heavy oil and 0.47 MMcf/d of conventional natural gas for a total of 190 boe/d.

The 104/14-12-019-11W4 was drilled in the Lithic Glauconite channel and encountered consistent oil shows throughout the lateral section culminating in 80% of the horizontal in high quality reservoir. The 2010m of lateral section was completed with 15 frac stages at 120 m spacing. It was brought on production October 2nd and over the first 30 days of production, it has averaged approximately 185 bbl/d of heavy oil and 0.22 MMcf/d of conventional natural gas for a total of 220 boe/d.

Prairie Provident’s most recent Lithic Glauconite channel well was drilled in a southeastern block of prospective lands at 103/03-29-018-10W4. The well drilled approximately 2,400m of high-quality reservoir sands with excellent oil shows for 100% of the lateral. The liner was successfully cemented in place with 37 sleeves at approximately 65 m spacing. The well was brought on production on December 2nd and over the first week of production, it has averaged approximately 817 bbl/d of heavy oil plus an associated 0.86 MMcf/d of conventional natural gas for a total of 961 boe/d.

The second half capital program was executed for a total of approximately \$6.9 million and is estimated to payout in 14 months with economic assumptions of WTI at US\$70/bbl; AECO at CAD\$3.90/Mcf; and CAD/USD at 0.79.

¹ Comprised of average production of approximately 2,220 bbl/d light & medium crude oil, 1,196 bbl/d heavy crude oil, 155 bbl/d natural gas liquids and 9.62 MMcf conventional natural gas.

Once again this demonstrates the Company's ability to target and execute on high-value oil weighted drilling locations in the Princess area. The Company has reviewed completion methods and optimized fracture port spacing to increase value from the remaining Glauconite drilling opportunities as well as further Ellerslie and Detrital potential drilling opportunities in the area.

The Company cautions that the short-term production rates disclosed in this news release are preliminary in nature and may not be indicative of stabilized on-stream production rates or of future ratios between product types. Initial results are not necessarily indicative of long-term well or reservoir performance or of ultimate recovery. Actual results will differ from those realized during an initial short-term production period, and the difference may be material.

ABOUT PRAIRIE PROVIDENT

Prairie Provident is a Calgary-based company engaged in the exploration and development of oil and natural gas properties in Alberta. The Company's strategy is to optimize cash flow from our existing assets, grow a base waterflood business in Evi (Slave Point Formation) and Michichi (Banff Formation) providing stable low decline cash flow, and organically develop a new complementary play to facilitate reserves and production growth. The Princess area in Southern Alberta continues to provide short cycle returns through successful development of the Glauconite and Ellerslie Formations.

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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” (boe) basis with natural gas volumes 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.

Forward-Looking Statements

This news release contains certain statements ("forward-looking statements") that constitute forward-looking information within the meaning of applicable Canadian securities laws. Forward-looking statements relate to future performance, events, or circumstances, are based upon internal assumptions, plans, intentions, expectations and beliefs, and are subject to risks and uncertainties, both known and unknown, that may cause actual results or events to differ materially from those indicated or suggested therein. All statements other than statements of current or historical fact constitute forward-looking statements. Forward-looking statements are typically, but not always, identified by words such as “anticipate”, “believe”, “expect”, “intend”, “plan”, “budget”, “forecast”, “target”, “estimate”, “propose”, “potential”, “project”, “continue”, “may”, “will”, “should” or similar words suggesting future outcomes or events or statements regarding an outlook.

Without limiting the foregoing, this news release contains forward-looking statements pertaining to the timeframe for expected pay out on Prairie Provident’s most recent Lithic Glauconite channel well.

Forward-looking statements are based on a number of material factors, expectations or assumptions of Prairie Provident, which have been used to develop such statements, but which may prove to be incorrect. Although the Company believes that the expectations and assumptions reflected in such forward-looking statements are reasonable, undue reliance should not be placed on forward-looking statements, which are inherently uncertain and depend upon the accuracy of such expectations and assumptions. Prairie Provident can give no assurance that the forward-looking statements contained herein will prove to be correct or that the expectations and assumptions upon which they are based will occur or be realized. Actual results or events will differ, and the differences may be material and adverse to the Company.

In addition to such other factors and assumptions as may be identified herein, assumptions have been made regarding, among other things: results from drilling and development activities, and their consistency with past operations; the quality of the reservoirs in which Prairie Provident operates and continued performance from existing wells (including with respect to production profile, decline rate and product type mix); the continued and timely development of infrastructure in areas of new production; the accuracy of the estimates of the Company's reserves volumes; future commodity prices; future operating and other costs; future USD/CAD exchange rates; future interest rates; availability of external financing and cash flow to fund current and future plans and expenditures, with external financing on acceptable terms; the impact of competition; the general stability of the economic and political environment in which Prairie Provident operates; the general continuation of current industry conditions; the timely receipt of any required regulatory approvals; the Company's ability to obtain qualified staff, equipment and services in a timely and cost efficient manner; the ability of the operator of the projects in which Prairie Provident has an interest in

to operate the field in a safe, efficient and effective manner; field production rates and decline rates; the ability to replace and grow reserves through acquisition, development and exploration; the timing and cost of pipeline, storage and facility construction and expansion, and the ability of Prairie Provident to secure adequate product transportation; the regulatory framework regarding royalties, taxes and environmental matters in the jurisdictions in which Prairie Provident operates; and the ability of Prairie Provident to successfully market its oil and natural gas products.

The forward-looking statements included in this news release are not guarantees of future performance or promises of future outcomes and should not be relied upon. Such statements, including the assumptions made in respect thereof, involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking statements including, without limitation: changes in realized commodity prices; changes in the demand for or supply of Prairie Provident's products; the early stage of development of some of the evaluated areas and zones; the potential for variation in the quality of the geologic formations targeted by Prairie Provident's operations; unanticipated operating results or production declines; changes in tax or environmental laws, royalty rates or other regulatory matters; changes in development plans of Prairie Provident or by third party operators; increased debt levels or debt service requirements; inaccurate estimation of Prairie Provident's reserves volumes; limited, unfavourable or a lack of access to capital markets; increased costs; inadequate insurance coverage; the impact of competition; and such other risks as may be detailed from time-to-time in Prairie Provident's public disclosure documents (including, without limitation, the Company's current Annual Information Form) as filed with Canadian securities regulators and available electronically from the SEDAR website (www.sedar.com) under Prairie Provident's issuer profile. This list is not exhaustive.

The forward-looking statements contained in this news release are made only as of the date of this news release, and Prairie Provident assumes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as may be required by applicable securities laws. All forward-looking statements contained in this news release are expressly qualified by this cautionary statement.