

2023 Modern Slavery Report

Prairie Provident Resources Inc.

Introduction

This report is made by Prairie Provident Resources Inc., for itself and on behalf of its subsidiary, Prairie Provident Resources Canada Ltd. (together, "Prairie Provident Resources", "PPR", "we" or "our") pursuant to Canada's *Fighting Against Forced Labour and Child Labour in Supply Chains Act* (the "Act") for our financial year ending December 31, 2023.

Prairie Provident Resources recognizes that the oil and gas industry plays an important role in preventing and assessing the risk of forced labour and child labour in Canada's supply chain. We acknowledge the risks of forced labour and child labour in the energy sector and are committed to continuous improvement in our due diligence, risk assessment, remediation, and training processes.

Organizational Structure, Activities, and Supply Chain

Prairie Provident Resources is engaged in the development of oil and natural gas operating in Alberta, Canada. PPR has approximately 20 full-time employees and 65 contractors (full-time and part-time) and our headquarters are located in Calgary, Alberta, Canada.

Prairie Provident Resources Inc. is a publicly traded company with shares listed on the Toronto Stock Exchange (under the symbol "PPR").

The Act requires Prairie Provident Resources to report on our activities in relation to the production, sale, distribution of goods, both in and outside of Canada, and the importation of goods into Canada. This information is set out below. For a detailed description of PPR's business activities, please refer to our Annual Information Form for the year ended December 31, 2023 as filed with applicable securities regulatory authorities in Canada, which is available electronically from the SEDAR+ website at www.sedarplus.ca.

Prairie Provident Resources is involved in the development of oil and natural gas properties in Canada. Our operations and locations are as follows: Alberta, British Columbia (BC), Saskatchewan and the Northwest Territories (NWT).

Prairie Provident Resources procures a range of goods and services, such as:

- Surface equipment related to equipping oil and gas wells
- Downhole equipment related to production/abandonment of oil and gas wells
- Fuel and chemicals required for day to day operations
- PPE and other apparel
- Office/site cleaning and maintenance workers
- IT equipment

Prairie Provident Resources outsources selected operational activities to third parties in Alberta, BC, Saskatchewan, and the NWT, such as drilling and completions of new wells, and the abandonment of existing wellbores.

Steps to Prevent and Reduce the Risks of Forced Labour and Child Labour

In our financial year ending December 31, 2023, Prairie Provident Resources had a Confidence Hotline and an Online Workplace Ethics reporting system. This system enables the public, community, and stakeholders an opportunity to report any ethical concerns including any issues related to forced labour or child labour.

Policies and Due Diligence Processes

In 2023, PPR did not have policies specifically addressing forced labour and/or child labour.

Prairie Provident Resources currently has the following policies and standards, which will be updated to include the Act in 2024:

- ESG Policy
- Code of Business Conduct & Ethics
- Whistleblower Procedure
- Health, Safety, Environment and Regulatory Compliance Policy

Additional standards in development:

- Indigenous Relations Policy
- Corporate Diversity Policy
- Supplier Code of Business Conduct

PPR is committed to having a supply chain with reputable vendors. Using a 3rd party system, all vendors are required to a pre-qualification assessment and onboarding. This includes vendors signing a Master Service Agreement (MSA). We require our vendors to commit to conducting business in a manner applicable to our Code of Business Conduct and Ethics.

Prairie Provident has a Whistleblower Procedure, Confidence Hotline and Online Workplace Ethics reporting system in place. It is encouraged for stakeholders to share concerns related to violations of policies, or applicable laws via a confidential system.

In 2024, PPR intends to assess the risks associated with the Act in relation to our vendors.

Forced Labour and Child Labour Risk

Prairie Provident Resources had not started the process of identifying risks in 2023. PPR acknowledges that the nature of the oil and gas industry and associated activities can create potential human rights risks.

Remediation Measures and Remediation of Loss of Income

Prairie Provident Resources had not identified any forced labour in activities and supply chains in the 2023 reporting year. PPR has a Whistleblower Procedure and Online Workplace Ethics Hotline established to ensure that complaints or concerns relating to forced labour and/ or child labour are heard and adequately addressed.

To date, Prairie Provident Resources has not received any complaints relating to forced labour or child labour in our operations or supply chain, and as such has not taken any remediation measures or remediation of loss of income to families as a result of forced labour or child labour.

Employee Training

Prairie Provident Resources is developing training that will be recommended in 2024. We expect that an external organization will aid in the overall development and execution of our training program.

Assessing Effectiveness

In 2023, PPR had not yet established ways to measure the effectiveness and track our success in preventing and reducing risks of forced labour and child labour in our activities and supply chain.

Approval and Attestation

The undersigned attests, for and on behalf of Prairie Provident Resources Inc. and in his capacity as a director thereof, that this Report was approved pursuant to subparagraph 11(4)(b)(ii) of the Act by the Board of Directors of Prairie Provident Resources Inc.

PRAIRIE PROVIDENT RESOURCES INC.



By:

Ryan Rawlyk
Director and Chief Executive Officer

Date: May 31, 2024