

**PRAIRIE STORM RESOURCES CORP.**  
**(the "Corporation")**

**RESERVES COMMITTEE CHARTER**

**Effective Date:** April 6<sup>th</sup> , 2021

**1. Purpose and Mandate**

The reserves committee (the "**Committee**") of the Corporation is a committee of the board of directors of the Corporation (the "**Board**"). As delegated by the Board, the Committee shall attend to the responsibilities set out in this Charter in respect of certain responsibilities of the Board in accordance with National Instrument 51-101 – *Standards of Disclosure for Oil and Gas Activities* ("**NI 51-101**").

The Committee's mandate is to assist the Board in fulfilling its responsibilities with respect to the disclosure of information with respect to the Corporation's oil and gas activities and reserves data and the evaluations or audits of the reserves of the Corporation.

**2. Membership Composition of Committee**

***Number of Members***

The Committee shall be composed of two or more members of the Board. The Board may fill vacancies in the Committee by appointment, and if and whenever a vacancy shall exist in the Committee, the remaining members may exercise all of its powers so long as a quorum remains in office.

***Independence of Members***

A majority of the members of the Committee shall at all times be individuals who are not and have not been, during the preceding 12 months:

- (a) an officer or employee of the Corporation or of an affiliate of the Corporation;
- (b) a person who beneficially owns 10% or more of the Corporation's outstanding voting securities; or
- (c) a relative of either of the foregoing, residing in the same home as such person, and

are free from any business or other relationship which could reasonably be seen to interfere with the exercise of their independent judgment.

***Term of Members***

The members of the Committee shall be appointed from time to time at the discretion of the Board. Each member of the Committee shall serve at the pleasure of the Board until the member resigns, is removed, or ceases to be a member of the Board.

### ***Committee Chair***

The Board may appoint a member of the Committee to be the chair of the Committee ("**Committee Chair**"). If a Committee Chair is not appointed by the Board, the members of the Committee shall designate a Committee Chair by majority vote of the full Committee membership. In the absence of the Committee Chair at a meeting of the Committee, the members of the Committee present may appoint a chair from their number for such meeting.

### ***Delegation***

The Committee may, to the extent permissible by Applicable Requirements (as defined below), designate a sub-committee or any member to review any matter within this Charter as the Committee deems appropriate.

### ***Access to Management and Books and Records***

The Committee shall have unrestricted access to the Corporation's management and employees and the books and records of the Corporation.

## **3. Meetings**

### ***Frequency of Meetings***

The Committee shall meet in person, or by telephone conference call, as often as the Committee considers appropriate to fulfill its responsibilities, but in any event shall meet at least twice per year.

### ***Quorum***

No business may be transacted by the Committee at a meeting unless a quorum of the Committee is present. A majority of members of the Committee, present in person or by telephonic, electronic or other communication facilities that permit all persons participating in the meeting to communicate adequately with each other, shall constitute a quorum.

### ***Voting***

The affirmative vote of a majority of the members of the Committee participating in any meeting of the Committee is necessary for the adoption of any resolution of the Committee. In case of an equality of votes, the Committee Chair shall not be entitled to a second or casting vote.

### ***Calling of Meetings & Meeting Procedure***

Any member of the Committee, the chair of the Board or any executive officer of the Corporation may call a meeting of the Committee. The procedures for calling, holding, conducting and adjourning meetings of the Committee will be the same as those applicable to meetings of the Board, unless otherwise determined by the Committee or the Board.

### ***Minutes; Reporting to the Board***

The Committee shall maintain minutes or other records of meetings and activities of the Committee in sufficient detail to convey the substance of all discussions held. Upon approval of the minutes by the Committee, the minutes shall be circulated to the members of the Board.

However, the Committee Chair may report orally to the Board on any matter in his or her view requiring the immediate attention of the Board.

#### ***Attendance of Non-Members***

The Committee may invite to a Committee meeting any directors, officers or employees of the Corporation, legal counsel, advisors and other persons whose attendance it considers necessary or desirable in order to carry out its responsibilities.

#### ***Meetings Without Management***

As part of each meeting of the Committee, the Committee shall hold an *in camera* session, at which management and non-independent directors of the Board are not present, and the agenda for each Committee meeting will afford an opportunity for such a session.

#### **4. Vacancies**

The Committee shall have the responsibilities set out below as well as any other responsibilities that are specifically delegated to the Committee by the Board which the Board is authorized to delegate by applicable laws and regulations.

In addition to these responsibilities, the Committee shall perform the functions and responsibilities required of a reserves committee by the Corporation's governing corporate statute, applicable Canadian securities laws, any exchange upon which securities of the Corporation are listed, or any governmental or regulatory body exercising authority over the Corporation, as are in effect from time to time (collectively, the "**Applicable Requirements**") or as the Board otherwise deems necessary or appropriate.

#### ***Appointment of Independent Qualified Reserves Evaluator***

To fulfil its responsibilities with respect to the appointment of an independent qualified reserves evaluator (the "**Evaluator**"), the Committee shall:

- (a) subject to confirmation by the Evaluator of its compliance with the Applicable Requirements, the Committee shall recommend to the Board the appointment of one or more Evaluators for the purpose of estimating, evaluating, reviewing and, if applicable, auditing the Corporation's reserves data and related information;
- (b) review and recommend for Board approval, the fees to be paid to each Evaluator for its services;
- (c) oversee and retain the work of each Evaluator (including resolution of disagreements between management of the Corporation and an Evaluator regarding the reporting of reserves data) for the purposes of preparing or issuing a report regarding reserves data or related work; and
- (d) review and evaluate the professional qualifications, experience, performance and independence of each Evaluator, including a written report from the Evaluator respecting its independence and consideration of applicable Evaluator independence standards.

### ***Oversight of Disclosure of Reserves Data and Other Oil and Gas Information***

To fulfil its responsibilities with respect to the oversight of disclosure of reserves data and other oil and gas information, the Committee shall:

- (a) review and discuss with management of the Corporation and each Evaluator and recommend to the Board for approval:
  - (i) the content and filing of the statement of reserves data and other oil and gas information (the "**Statement of Reserves Data**");
  - (ii) the filing of the report of the Evaluator (the "**Report**") regarding the evaluation or audit and review of the Corporation's reserves data;
  - (iii) the content and filing of the report of management and directors in respect of the Statement of Reserves Data and the Report;
  - (iv) the portions of the annual information form containing reserves data and oil and gas activities; and
  - (v) any significant reserves data or information regarding oil and gas activities respecting the Corporation contained in any other public disclosure document or offering document;
- (b) review and discuss with management of the Corporation and each Evaluator, any disclosure document containing significant reserves data or information regarding oil and gas activities respecting the Corporation;
- (c) periodically review the Corporation's procedures relating to the disclosure of information with respect to oil and gas activities and reserves data, including its procedures for complying with the Applicable Requirements;
- (d) ensure that disclosure in respect of reserves data and oil and gas activities made by or on behalf of the Corporation to the public, or which will become available to the public, or in any document filed with a regulatory authority complies with the Applicable Requirements;
- (e) ensure written consents are obtained from each Evaluator in connection with the disclosure of a Report or any information derived from a Report or the disclosure of the identity of the Evaluator;
- (f) review with management of the Corporation and each Evaluator the effect of regulatory initiatives on the reporting and disclosure of the Corporation's reserves data and oil and gas activities;
- (g) review portions of any disclosure document containing significant information relating to matters within the Committee's mandate before it is publicly disclosed; and
- (h) periodically review the Corporation's public disclosure policy (if any).

### ***Oversight of Evaluation or Audit***

To fulfil its responsibilities with respect to the oversight of an evaluation or audit, the Committee shall:

- (a) ensure all information reasonably necessary to enable an Evaluator to provide a Report that will satisfy the Applicable Requirements is made available to each Evaluator;
- (b) review, with reasonable frequency, the Corporation's procedures for providing information to the Evaluator(s);
- (c) meet with management of the Corporation and each Evaluator to determine whether any restrictions affect the ability of the Evaluator(s) to report on reserves data without reservation;
- (d) review with management of the Corporation and each Evaluator the reserves data and each Report thereon;
- (e) review with management of the Corporation and each Evaluator major issues regarding reserves evaluation and audit principles and practices as well as the adequacy of internal controls and procedures for reporting reserves data and oil and gas activities;
- (f) review the plans of management of the Corporation and each Evaluator regarding any significant changes in evaluation or audit practices or policies and the impact thereof; and
- (g) establish procedures for: (i) the receipt, retention and treatment of complaints received by the Corporation regarding evaluation or audit matters; and (ii) the confidential, anonymous submissions by employees of the Corporation of concerns regarding questionable evaluation or audit matters.

### ***Oversight of Evaluators***

To fulfil its responsibilities with respect to the oversight of the Evaluator(s), the Committee shall:

- (a) review annually each Evaluator's formal written statement of independence delineating all relationships between itself and the Corporation and review all such relationships;
- (b) review the experience, qualifications and performance of the applicable members of each Evaluator;
- (c) review and evaluate each Evaluator;
- (d) in the case of any proposed change in the appointment of an Evaluator, determine the reasons for the proposal and whether there have been disputes between the appointed Evaluator and management of the Corporation; and

- (e) review with each Evaluator the adequacy and appropriateness of the reserve calculation used in preparation of the Report.

## **5. Independent Advisors**

The Committee shall have the authority to retain and terminate independent legal counsel, consultants or other advisors to assist it in fulfilling its responsibilities and to set and pay the respective compensation for these advisors. The Corporation shall provide appropriate funding, as determined by the Committee, for the services of these advisors.

## **6. No Rights Created**

This Charter is a statement of broad policies and is intended as a component of the flexible governance framework within which the committees of the Board assist the Board in directing the affairs of the Corporation. While it should be interpreted in the context of the Applicable Requirements, as well as in the context of the constating documents of the Corporation, it is not intended to establish any legally binding obligations.

## **7. Charter Review**

The Committee shall review and update this Charter annually and, in conjunction with the review and recommendations of the Corporation's corporate governance, compensation and nominating committee regarding same, present the updated Charter to the Board for approval.