Information has been incorporated by reference in this short form prospectus from documents filed with securities commissions or similar authorities in Canada. *Copies of the documents incorporated herein by reference may be obtained on request without charge from the Vice President, Finance and Chief Financial Officer of Prairie Provident Resources Inc. at 1100, 640 – 5th Avenue S.W., Calgary, Alberta T2P 3G4, telephone number (403) 292-8000, and are also available electronically at www.sedar.com.*

AMENDED AND RESTATED PRELIMINARY SHORT FORM PROSPECTUS

(amending and restating the preliminary short form prospectus dated November 22, 2016)

New Issue **November 25, 2016**

PRAIRIE PROVIDENT RESOURCES INC.

Up to $5,000,000
Up to 5,882,353 CEE Flow-Through Shares

Up to $300,000
Up to 375,000 CDE Flow-Through Shares

This short form prospectus qualifies the distribution (the "**Offering**") of: (i) up to 5,882,353 common shares ("**Common Shares**") in the capital of Prairie Provident Resources Inc. ("**Prairie Provident**" or the "**Company**") to be issued as "flow-through shares" with respect to "Canadian exploration expenses" ("**CEE**") ("**CEE Flow-Through Shares**") a price of $0.85 per CEE Flow-Through Share for aggregate gross proceeds of up to $5,000,000; and (ii) up to 375,000 Common Shares to be issued as "flow-through shares" with respect to "Canadian development expenses" ("**CDE**") ("**CDE Flow-Through Shares**"), at a price of $0.80 per CDE Flow-Through Share for aggregate gross proceeds of up to $300,000, all within the meaning of the *Income Tax Act* (Canada) (the "**Tax Act**"). The CEE Flow-Through Shares and the CDE Flow-Through Shares are collectively referred to herein as the "**Offered Shares**". See "*Details of the Offering*" and "*Certain Canadian Federal Income Tax Considerations*".

The outstanding Common Shares are listed on the Toronto Stock Exchange ("**TSX**") under the trading symbol "PPR". The Company has applied to list the Offered Shares on the TSX. Listing will be subject to the Company fulfilling all of the listing requirements of the TSX. On November 21, 2016, the last trading day prior to the public announcement of the Offering, the closing price per Common Share on the TSX was $0.80. On November 24, 2016, the last trading day prior to the date of this short form prospectus, the closing price per Common Share on the TSX was $0.75.

$0.85 per CEE Flow-Through Share

$0.80 per CDE Flow-Through Share

	Offering Price to the Public	**Agents' Fee** (1)	**Net Proceeds to Prairie Provident** (2)
Per CEE Flow-Through Share	$0.85	$0.04675	$0.80325
Maximum Total CEE Flow-Through Shares (3)	$5,000,000	$275,000	$4,725,000
Per CDE Flow-Through Share	$0.80	$0.044	$0.756
Maximum Total CDE Flow-Through Shares (3)	$300,000	$16,500	$283,500
Maximum Total Offering (3)	$5,300,000	$291,500	$5,008,500

Notes:

(1) Upon closing of the Offering, the Company will pay to the Agents a cash fee equal to 5.5% of the gross proceeds of the Offering. See "*Plan of Distribution*".

(2) Before deducting expenses of the Offering, estimated to be $250,000, which (together with the Agents' fees) will be paid by Prairie Provident from out of the general funds of the Company.

(3) The Offering is not subject to a minimum subscription level. These figures assume that all of the Offered Shares are sold at the specified offering prices.

The Offered Shares will be distributed pursuant to the terms and conditions of an agency agreement to be entered into between Prairie Provident and Mackie Research Capital Corporation ("**MRCC**"), as lead agent and Industrial Alliance Securities Inc. (together with MRCC, the "**Agents**"), who as agents for the Company will offer the Offered Shares for sale to the public on a "commercially reasonable efforts" basis. Prairie Provident has been advised by the Agents that, in connection with the Offering, the Agents may effect transactions that stabilize or maintain the market price of the Common Shares at levels other than those that might otherwise prevail in the open market. Such transactions, if commenced, may be discontinued at any time. See "*Plan of Distribution*".

Subscriptions for Offered Shares will be received subject to rejection or allotment in whole or in part and the right is reserved to close the subscription books at any time without prior notice. Closing of the Offering is expected to occur on or about December 12, 2016 but in any event not later than December 31, 2016 (the "**Closing Date**").

The Offering is subject to approval of certain legal matters on behalf of Prairie Provident by Bennett Jones LLP and on behalf of the Agents by McCarthy Tétrault LLP.

An investment in the Offered Shares is speculative. The Company's business is subject to certain risks that should be considered before purchasing the Offered Shares. See "*Risk Factors*". Purchasers should consult their own professional advisors when deciding to purchase Offered Shares.

There is no minimum amount of funds that must be raised under the Offering. This means that the Company could complete the Offering after raising only a small proportion of the amount set out above.

Patrick McDonald, Terence (Tad) Flynn and Ajay Sabherwal are directors of the Company and reside outside of Canada. Each of them has appointed the following agent for service of process: Bennett Jones LLP, 4500 Bankers Hall East, 855 - 2nd Street S.W., Calgary, Alberta, T2P 4K7.

Purchasers are advised that it may not be possible for investors to enforce judgments obtained in Canada against any person or company that is incorporated, continued or otherwise organized under the laws of a foreign jurisdiction, or resides outside of Canada, even if the party has appointed an agent for service of process.

The head office of the Company is located at 1100, 640 - 5th Avenue S.W., Calgary, Alberta, T2P 3G4 and its registered office is located at 4500 Bankers Hall East, 855 - 2nd Street S.W., Calgary, Alberta, T2P 4K7.

TABLE OF CONTENTS

NOTICE TO PURCHASERS

Prairie Provident was incorporated on July 29, 2016 for the purpose of participating in an arrangement under section 193 of the *Business Corporations Act* (Alberta) (the "**Arrangement**") involving, among others, Prairie Provident, Lone Pine Resources Inc. and its subsidiary, Lone Pine Resources Canada Ltd. (together, "**Lone Pine**") and Arsenal Energy Inc. ("**Arsenal**"), pursuant to which: (i) the ownership and capital structure of Lone Pine was reorganized, with Prairie Provident becoming the parent corporation of Lone Pine and the former Lone Pine shareholders becoming shareholders of Prairie Provident; and (ii) Prairie Provident acquired all of the outstanding shares of Arsenal in exchange for Common Shares. The Arrangement became effective on September 12, 2016, upon which the former securityholders of Lone Pine and the former shareholders of Arsenal became the holders of the then outstanding Common Shares. Prior to September 12, 2016, the business of the Company was conducted by Lone Pine, and certain of the documents incorporated by reference herein for periods ending before that date relate to Lone Pine.

In this short form prospectus, including the documents incorporated herein by reference, unless otherwise indicated or the context otherwise requires, the terms "the Company" or "Prairie Provident": (i) when used in reference to periods prior to September 12, 2016, refer to Lone Pine; and (ii) when used in reference to the period following September 12, 2016, refers to Prairie Provident, as parent corporation, together with its wholly-owned subsidiaries, Prairie Provident Resources Canada Ltd. (formerly Lone Pine Resources Canada Ltd.), Lone Pine Resources Inc. and Arsenal.

DOCUMENTS INCORPORATED BY REFERENCE

Information has been incorporated by reference in this short form prospectus from documents filed with securities commissions or similar regulatory authorities in Canada. Copies of the documents incorporated herein by reference may be obtained on request without charge from the Vice President, Finance and Chief Financial Officer of Prairie Provident at 1100, 640 – 5th Avenue S.W., Calgary, Alberta, T2P 3G4, telephone number (403) 292-8000. Copies of the documents incorporated herein by reference are also available at www.sedar.com.

The following documents of the Company have been filed with the securities commission or similar authority in certain of the provinces of Canada and are specifically incorporated by reference into, and form an integral part of, this short form prospectus:

1. the annual information form of the Company dated November 18, 2016 for the year ended December 31, 2015 (the "**AIF**");

2. the audited combined and consolidated financial statements of Lone Pine (as predecessor to Prairie Provident) as at and for the years ended December 31, 2015 and 2014, together with the notes thereto and auditor's report thereon;

3. management's discussion and analysis of the financial condition and results of operations of Lone Pine (as predecessor to Prairie Provident) for the year ended December 31, 2015;

4. unaudited consolidated financial statements of the Company for the three and nine month periods ended September 30, 2016 and 2015, together with the notes thereto;

5. management's discussion and analysis of the financial condition and results of operations of the Company for the three and nine month periods ended September 30, 2016;

6. the material change report of the Company dated September 22, 2016 relating to completion of the Arrangement; and

7. the joint management information circular of the Company and Arsenal relating to the Arrangement, dated August 5, 2016, other than: (i) the opinions provided therein with respect to tax matters; and (ii) the opinion provided therein with respect to fairness to the shareholders of Arsenal,

provided, however, that such documents are not incorporated by reference to the extent that their contents are modified or superseded by a statement contained in this prospectus or in any other subsequently filed document that is also incorporated by reference in this prospectus.

Any documents of the type required by National Instrument 44-101 – *Short Form Prospectus Distributions* to be incorporated by reference in a short form prospectus, including any material change reports (excluding confidential reports), comparative interim financial reports, comparative annual financial statements and the auditors' report thereon, management's discussion and analysis of financial condition and results of operations, information circulars, annual information forms and business acquisition reports filed by the Company with the securities commissions or similar authorities in the provinces of Canada subsequent to the date of this short form prospectus and prior to the termination of this distribution, shall also be deemed to be incorporated by reference in this short form prospectus.

Any statement contained in a document incorporated or deemed to be incorporated by reference herein shall be deemed to be modified or superseded for the purposes of this short form prospectus to the extent that a statement contained herein or in any other subsequently filed document which also is, or is deemed to be, incorporated by reference herein modifies or supersedes such statement. The modifying or superseding statement need not state that it has modified or superseded a prior statement or include any other information set forth in the document that it modifies or supersedes. The making of a modifying or superseding statement shall not be deemed an admission for any purposes that the modified or superseded statement, when made, constituted a misrepresentation, an untrue statement of a material fact or an omission to state a material fact that is required to be stated or that is necessary to make a statement not misleading in light of the circumstances in which it was made. Any statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this short form prospectus.

MARKETING MATERIALS

Any "template version" of any "marketing materials" (as such terms are defined under applicable Canadian securities laws) that has been, or will be, filed on SEDAR before the termination of the distribution under the Offering (including any amendments to, or an amended version of, any template version of any marketing materials) is deemed to be incorporated into this short form prospectus. Any template version of any marketing materials that are utilized by the Agents in connection with the Offering are not part of this short form prospectus to the extent that the contents of the template version of the marketing materials have been modified or superseded by a statement contained in this short form prospectus.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING INFORMATION

Certain information included in this short form prospectus and the documents incorporated by reference herein constitute forward-looking statements and forward-looking information (collectively referred to herein as "forward-looking statements") within the meaning of Canadian securities laws. All statements other than statements of historical fact are forward-looking statements. Forward-looking statements are typically (but not necessarily) identified by words such as "anticipate", "believe", "plan", "budget", "continue", "potential", "project", "estimate", "intend", "expect", "attempt", "target", "seek", "may", "will", "should", or similar words suggesting future outcomes. Although the Company believes that the forward-looking statements contained herein are reasonable based on currently available information, undue reliance should not be placed on them as they are subject to known and unknown risks and uncertainties, many of which are beyond the Company's control. Forward-looking statements are not guarantees of future outcomes.

In particular, this short form prospectus and the documents incorporated by reference herein contain forward-looking statements regarding, among other things:

- the size of the Offering;
- the use of the net proceeds of the Offering;
- the timing and completion of the Offering;
- the listing of the Offered Shares;

- business plans and strategies;
- plans for and results of exploration and development activities;
- the source of funding for the Company’s activities, including development costs;
- expectations regarding the Company's ability to raise capital and to add reserves and grow production through acquisitions, exploration and development;
- estimated quantities of natural gas, oil, and natural gas liquids ("**NGLs**") reserves within the Company's properties and recovery rates;
- estimated net present value of future net revenues from identified reserves;
- market prices for oil, natural gas and NGLs;
- capital expenditures;
- exploration, development, operating and transportation costs;
- oil, natural gas and NGL production estimates;
- sources of oil, natural gas and NGL production growth;
- supply and demand for oil, natural gas and NGLs;
- foreign currency exchange rates and interest rates;
- treatment under governmental regulatory regimes and tax, environmental and other laws;
- future operating and financial results;
- realization of the anticipated benefits of acquisitions and dispositions;
- performance characteristics of the Company's oil and gas properties;
- commodity prices and costs;
- planned construction and expansion of facilities;
- drilling and completion plans;
- secondary recovery projects;
- availability of rigs, equipment and other goods and services;
- procurement of drilling licenses and other necessary authorizations;
- reserves life measurements; and
- well abandonment costs and other abandonment and reclamation costs.

The Company's actual results could differ materially from those anticipated in its forward-looking statements as a result of the risk factors set forth below and elsewhere in this short form prospectus and in the documents incorporated by reference herein:

- completion of the Offering on the timing planned or at all;
- the receipt, in a timely manner, of regulatory, stock exchange and other required approvals in connection with the Offering;
- general economic, market and business conditions in Canada, the United States and globally;
- risks inherent in oil and gas operations, including production risks associated with sour hydrocarbons;
- volatility in market prices for oil, natural gas and NGLs;
- differentials between benchmark commodity prices and those realizable by the Company;

- operational dependence on other industry participants;
- uncertainties associated with estimating oil, natural gas and NGL reserves;
- uncertainties associated with estimating production of oil, natural gas and NGLs from the Company's lands;
- competition for, among other things, capital, acquisitions of reserves, undeveloped lands, skilled personnel and services;
- unanticipated operating events that can reduce production or cause production to be shut in or delayed;
- incorrect assessments of the value of acquisitions or dispositions;
- geological, technical, engineering, drilling, completion and processing problems;
- increased operating costs;
- changes in laws and governmental regulations;
- actions by governmental authorities, including increases in royalties or taxes;
- accessibility of capital when required and on acceptable terms;
- changes in interest rates or currency exchange rates;
- stock market volatility and market valuations;
- ability to obtain required regulatory approvals and third party consents on a timely basis and on satisfactory terms; and
- those factors discussed under "*Risk Factors*" in the AIF.

The foregoing list of factors is not and should not be construed as exhaustive.

In addition, information and statements relating to "reserves" or other "resources" are forward-looking statements, as they involve the implied assessment, based on certain estimates and assumptions, that the reserves or other resources described exist in the quantities predicted or estimated and, in the case of reserves, can profitably be produced in the future. See also "*Reserves Data Disclosure*" in the AIF.

Undue reliance should not be placed on forward-looking statements, which are inherently uncertain, are based on assumptions, and are subject to known and unknown risks and uncertainties, both general and specific, many of which are beyond the Company's control, that contribute to the possibility that the future events or circumstances contemplated by the forward-looking statements will not occur. There can be no assurance that the plans, intentions or expectations contained in the forward-looking statements or upon which they are based will in fact occur or be realized. Actual results will differ, and the difference may be material and adverse to the Company and its shareholders.

Forward-looking statements are based on the Company's current beliefs, as well as assumptions made by and information currently available to the Company concerning, such matters as: the timing of obtaining regulatory and other approvals relating to the completion of the Offering; the accuracy of geological and geophysical data and interpretations of that data; the ability of the Company to achieve drilling success consistent with management's expectations; the timing and cost of pipeline and facility construction and expansion and the ability of the Company to secure adequate product transportation; future oil, natural gas and NGLs prices at which the Company's production may be sold; future capital requirements and expenditures; future exchange rates; the accessibility and cost of capital (including credit facilities); the ability to obtain financing on acceptable terms; future exploration, development, operating and transportation costs; the ability to economically produce oil and gas from its properties and the timing and cost to do so; the ability to add production and reserves through development and exploration activities; the ability to obtain qualified staff, equipment, services and supplies in a timely and cost-efficient manner; applicable regulatory requirements, including with respect to environmental protection; applicable royalty rates, and available means by which to bring the Company's production to market. Although management considers its beliefs and assumptions to be reasonable based on information currently available to it, they may prove to be incorrect.

The forward-looking statements contained in this short form prospectus and the documents incorporated by reference herein are made as of the date hereof and the Company undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by securities laws.

All forward-looking statements contained in this short form prospectus and the documents incorporated by reference herein are expressly qualified by this cautionary statement.

PRAIRIE PROVIDENT RESOURCES INC.

The Company is a Calgary-based public company engaged in the exploration and development of oil and natural gas, with conventional operations primarily focused in the Western Canadian Sedimentary Basin in Alberta. The Company maintains a high working interest in a well-balanced portfolio of oil and gas properties, consisting of attractively priced light and medium oil with associated natural gas. The Company's core areas are its Wheatland and Princess properties in Southern Alberta and its Evi property located in the Peace River Arch area of Northern Alberta.

For a more complete description of, among other things, the business, operations and structure of the Company and its subsidiaries please refer to the current AIF of the Company incorporated by reference herein.

USE OF PROCEEDS

The net proceeds to the Company from the Offering are estimated to be up to approximately $4,758,500 after paying the Agents' fees of up to $291,500 and estimated expenses of $250,000. The Agents' fees and the expenses of the Offering will be paid from the general funds of the Company. In connection with the sale of the CEE Flow-Through Shares and the CDE Flow-Through Shares, the Company will covenant to incur or be deemed to incur CEE in an amount equal to the aggregate purchase price for the CEE Flow-Through Shares and CDE in an amount equal to the aggregate purchase price for the CDE Flow-Through Shares. See "*Details of the Offering*" and "*Plan of Distribution*".

The Company anticipates using the proceeds of the Offering to help fund ongoing exploration and development activities on its properties, particularly the drilling of new wells in its Wheatland core area. There is no particular significant event that must occur for the Company to achieve its business objectives, which remain subject to the normal risks and uncertainties that prevail in the oil and gas industry.

Funds not immediately used may be placed in short-term marketable investment grade securities or bank deposits, or applied towards the non-permanent repayment of indebtedness under the Company's existing credit facility.

Completion of the Offering is not subject to raising a minimum amount of proceeds. The Company does not have significant short-term capital or contractual commitments, and has readily accessible resources to satisfy any such expenditures or commitments that may arise.

DETAILS OF THE OFFERING

The Offering consists of: (i) up to 5,882,353 CEE Flow-Through Shares at a price of $0.85 per CEE Flow-Through Share; and (ii) up to 375,000 CDE Flow-Through Shares at a price of $0.80 per CDE Flow-Through Share.

Common Shares

Although the CEE Flow-Through Shares and the CDE Flow-Through Shares have different attributes for purposes of the Tax Act, all of the Offered Shares are Common Shares. Holders of Common Shares are entitled to receive notice of and to vote (on the basis of one vote for every share held) at meetings of shareholders of the Company, and subject to any priorities attaching to any future class of shares, the right to receive any dividend declared by the Company and to share rateably in any distribution of its remaining property on dissolution.

There are no pre-emptive rights or conversion privileges attached to the Common Shares, and the Common Shares are not subject to redemption.

The Company is authorized to issue an unlimited number of Common Shares. As of the date of this prospectus, 98,312,794 Common Shares are issued and outstanding. See "*Consolidated Capitalization*" below.

Flow-Through Shares – Renunciation of CEE and CDE

The Offered Shares will be issued as "flow-through shares" under the Tax Act. Subscriptions for Offered Shares will be made pursuant to one or more subscription and renunciation agreements (collectively, the "**Subscription Agreements**") to be made between the Company and one or more of the Agents or one or more sub-agents of an Agent, as agent for, on behalf of and in the name of all initial purchasers (the "**purchasers**") of Offered Shares. **Persons who place an order to purchase Offered Shares with an Agent, or any sub-agent of an Agent, will be deemed to have authorized any of such Agents, or such sub-agents, to execute and deliver, on their behalf, the Subscription Agreements.**

Pursuant to the Subscription Agreements, except as may be agreed to by the Company and the Agents as necessary in certain limited circumstances, Prairie Provident will covenant and agree: (i) to incur or be deemed to incur on or before December 31, 2017, and renounce to each purchaser of CEE Flow-Through Shares effective on or before December 31, 2016, CEE in an amount equal to the aggregate purchase price paid by such purchaser of CEE Flow-Through Shares; and (ii) to incur or be deemed to incur on or before December 31, 2017, and renounce to each purchaser of CDE Flow-Through Shares effective on or before December 31, 2017, CDE in an amount equal to the aggregate purchase price paid by such purchaser of CDE Flow-Through Shares; and (iii) that if Prairie Provident does not renounce to such purchaser CEE or CDE, as the case may be, an amount equal to the purchaser's aggregate purchase price on or before the agreed date, or if there is a reduction in the amount renounced pursuant to the provisions of the Tax Act, Prairie Provident shall indemnify the purchaser with respect to, and forthwith pay in settlement thereof to such purchaser, an amount equal to the amount of any tax payable or that may become payable under the Tax Act (and under any corresponding provincial legislation) by the purchaser (or if the purchaser is a partnership, the partners thereof) as a consequence of such failure or reduction. The Subscription Agreements will contain additional representations, warranties, covenants and agreements by Prairie Provident in favour of the purchaser of Offered Shares which are consistent with and supplement Prairie Provident's obligations as described in this short form prospectus. See "*Certain Canadian Federal Income Tax Considerations*".

The Subscription Agreements will also provide representations, warranties and agreements of each purchaser, and by their purchase of Offered Shares, each purchaser of Offered Shares, except as may be agreed to by the Company and the Agents as necessary in certain limited circumstances, will be deemed to have represented, warranted and agreed, for the benefit of the Company and the Agents that: (i) the purchaser of CEE Flow-Through Shares, and any beneficial purchaser for whom it is acting deals, and until January 1, 2018 will continue to deal, at arm's length with the Company for the purposes of the Tax Act; (ii) the purchaser, if an individual, is of the full age of majority and otherwise is legally competent to enter into the Subscription Agreements or, if other than an individual, has the necessary capacity and authority to enter into the Subscription Agreements and has taken all necessary action in respect thereof; (iii) other than as provided herein and in the Subscription Agreements, the purchaser waives any right that it may have to any potential incentive grants, credits and similar or like payments or benefits which accrue as a result of the activities of the Company that give rise to CEE and CDE and acknowledges that all such grants, credits, payments or benefits accrue to the benefit of the Company; (iv) the purchaser has received and reviewed a copy of this short form prospectus; (v) neither the purchaser, nor any beneficial purchaser for whom it is acting, will enter into any arrangement that would cause the Offered Shares to be "prescribed shares" for purposes of the Tax Act; (vi) the liability of the Company to renounce CEE and CDE shall be limited to the extent specifically stated in this short form prospectus and the Subscription Agreements; (vii) the Subscription Agreements are subject to acceptance by the Company and is effective only upon such acceptance; and (viii) neither the purchaser, nor any beneficial purchaser for whom it is acting is a non-resident of Canada for purposes of the Tax Act.

In addition, the Subscription Agreements will also provide that each purchaser and beneficial purchaser will acknowledge that he/she/it has been encouraged to and should obtain independent legal and tax advice with respect to his/her/its subscription and, accordingly, has been independently advised as to the meanings of all terms contained in the Subscription Agreements relevant to the purchaser or beneficial purchaser for purposes of giving representations, warranties and covenants under the Subscription Agreement.

CONSOLIDATED CAPITALIZATION

The following table sets forth information regarding the consolidated capitalization of the Company as at September 30, 2016, before and after giving effect to the issuance and sale of the Offered Shares. The information in this table should be read in conjunction with the unaudited consolidated financial statements of the Company for the three and nine month periods ended September 30, 2016, together with the notes thereto, and the related management's discussion and analysis of results of operations and financial condition for the same period, which are incorporated by reference in this short form prospectus.

in $000s (except numbers of shares)	**As at September 30, 2016**	**As at September 30, 2016 after giving effect to the Offering (3)**
Credit Facility (1)	$2,131	$2,131
Share Capital – Common Shares (2)	$107,928 (97,409,435 Common Shares)	$112,687 (103,666,788 Common Shares)
Total Capitalization	$110,059	$114,818

Notes:

(1) The Company's credit facility consists of a $45 million syndicated revolving term facility and a $10 million operating facility. As at September 30, 2016, the Company was in compliance with all covenants under its credit facility. The Company also had $5.3 million of letters of credit issued as of September 30, 2016. As of the date of this prospectus, borrowings under the credit facility are approximately $13 million.

(2) Does not include (i) 903,359 Common Shares issued on October 3, 2016 in settlement of restricted share units pursuant to the Arrangement, or (ii) up to 1,127,840 Common Shares issuable upon the exercise or settlement of restricted share units, performance share units and incentive stock options outstanding at the date of this prospectus. See "*Capital Structure and Outstanding Securities – Convertible Securities*" in the AIF.

(3) Based on the issue and sale of an aggregate of 5,882,353 CEE Flow-Through Shares at a price of $0.85 per share and 375,000 CDE Flow-Through Shares at a price of $0.80 per share, less Agents' fees of $291,500 and estimated expenses of the Offering of $250,000, for net proceeds to Prairie Provident of $4,758,500.

PRICE RANGE AND TRADING VOLUME OF THE COMMON SHARES

The following table sets out the reported high and low trading prices (which are not necessarily the closing prices) and aggregate trading volumes for the Common Shares on the TSX, as reported by TMX Datalinx, for the periods indicated.

	Price Range ($)		
	High	**Low**	**Trading Volume**
September 16-30, 2016 (1)	1.25	0.82	612,793
October 2016	0.98	0.84	1,037,165
November 1-24, 2016	0.94	0.67	764,453

Note:

(1) The Common Shares commenced trading on the TSX on September 16, 2016.

PRIOR SALES

Pursuant to completion of the Arrangement on September 12, 2016, Prairie Provident issued 74,730,618 Common Shares to former Lone Pine shareholders and 22,678,817 Common Shares to former Arsenal shareholders. The Arrangement also provided for the issuance of replacement restricted share units (RSUs) to former holders of RSUs of Lone Pine, of which 142,812 remain outstanding as at the date hereof after giving effect to the issuance on October

3, 2016 of 903,359 Common Shares in settlement of most such replacement RSUs in accordance with the terms of the Arrangement.

On September 26, 2016, Prairie Provident granted 116,427 performance share units, each of which entitles the holder to receive, on settlement in December 2018, up to two Common Shares or the cash equivalent thereof, subject to satisfaction of applicable performance conditions attached thereto, and 752,174 incentive stock options, each of which is exercisable for one Common Share at an exercise price of $0.96 per share, subject to vesting in accordance with its terms and to expiry in 2021, all pursuant to its equity incentive plans.

Lone Pine did not issue any equity securities in the twelve months preceding completion of the Arrangement.

CERTAIN CANADIAN FEDERAL INCOME TAX CONSIDERATIONS

In the opinion of Bennett Jones LLP, counsel to Prairie Provident, and McCarthy Tétrault LLP, counsel to the Agents, the following is a fair and adequate summary of the principal Canadian federal income tax considerations generally applicable to a purchaser who purchases Offered Shares from Prairie Provident pursuant to the Offering and who, for purposes of the Tax Act and at all relevant times, is or is deemed to be resident in Canada, deals at arm's length and is not affiliated with Prairie Provident and holds the Offered Shares as capital property, within the meaning of the Tax Act. The Offered Shares will generally constitute capital property to a purchaser unless the purchaser holds the Offered Shares in the course of carrying on a business of buying and selling securities or acquires the Offered Shares in a transaction or transactions considered to be an adventure in the nature of trade.

This summary is based on the current provisions of the Tax Act and the regulations thereunder (the "**Regulations**"), all specific proposals to amend the Tax Act and the Regulations publicly announced by or on behalf of the Minister of Finance (Canada) prior to the date hereof (the "**Proposed Amendments**") and counsels' understanding of the current published administrative policies and assessing practices of the Canada Revenue Agency (the "**CRA**"). Except for the Proposed Amendments, this summary does not take into account or anticipate any changes in law or administrative practice, nor does it take into account provincial or territorial tax laws of Canada or the tax laws of any foreign jurisdiction. No assurance can be given that the Proposed Amendments will be enacted as proposed (or at all) or that legislative, judicial or administrative changes will not alter the statements made herein.

This summary does not apply to a purchaser: (i) that is a "principal-business corporation" within the meaning of the Tax Act; (ii) whose business includes trading or dealing in rights, licenses or privileges to explore for, drill for or take minerals, petroleum, natural gas or other related hydrocarbons; (iii) that is a "financial institution" or a "specified financial institution" within the meaning of the Tax Act; (iv) an interest in which constitutes a "tax shelter investment", within the meaning of the Tax Act; (v) that has made a "functional currency" election under the Tax Act to determine its Canadian tax results in a currency other than Canadian currency; (vi) that is a partnership or trust; (vii) that enters into, with respect to their Offered Shares, a "derivative forward agreement" within the meaning of the Tax Act; or (viii) who would receive dividends on the Offered Shares under or as part of a “dividend rental arrangement within the meaning of the Tax Act. Such purchasers should consult their own tax advisors with respect to an investment in the Offered Shares. In addition, this summary does not address the deductibility of interest by a purchaser who has borrowed money to acquire Offered Shares pursuant to the Offering.

This summary assumes that Prairie Provident will make all necessary tax filings in respect of the issuance of the Offered Shares and the renunciation of CEE and CDE in the manner and within the time required by the Tax Act and the Regulations, that Prairie Provident will incur (or be deemed to incur) sufficient CEE and CDE to enable it to renounce to purchasers all of the CEE and CDE covenanted to be renounced by Prairie Provident pursuant to the respective Subscription Agreements effective on or before the date set out therein and that all expenses discussed herein will be reasonable in amount. This summary assumes that Prairie Provident will be a "principal-business corporation" at all material times and that the Offered Shares, when issued, will be "flow-through shares" and will not be "prescribed shares", all within the meaning of the Tax Act.

For the purposes of this summary, "Canadian Exploration Expense(s)" or "CEE" means Canadian exploration expense described in paragraphs (a), (d), (f) or (g.1) of the definition of "Canadian exploration expense" in subsection 66.1(6) of the Tax Act or that would be described in paragraph (h) of such definition if the reference therein to paragraphs (a) to (d) and (f) to (g.4) were a reference to "paragraphs (a), (d), (f) or (g.1)".

The income tax consequences to a particular purchaser of an investment in Offered Shares will vary according to a number of factors including the legal status of the purchaser as an individual, a trust, a corporation or a partnership, the province or provinces in which the purchaser resides, carries on business or has a permanent establishment and the amount that would be the purchaser's taxable income but for the investment in the Offered Shares.

This summary is of a general nature only and is not intended to be, nor should it be construed to be, legal or tax advice to any particular purchaser. Accordingly, each potential purchaser should obtain independent advice regarding the income tax consequences of investing in the Offered Shares having regard to the purchaser's particular circumstances.

Canadian Exploration Expense

Subject to certain limitations and restrictions, Prairie Provident will be entitled to renounce CEE incurred (or deemed to have been incurred) by it to purchasers in an amount equal to the subscription price for the CEE Flow-Through Shares as permitted by and in accordance with the Tax Act. Such CEE that is properly renounced to a purchaser will be deemed to be CEE incurred by the purchaser on the effective date of the renunciation.

Prairie Provident generally will be entitled to renounce CEE incurred, or deemed to be incurred, by it on or after the date that subscriptions for the CEE Flow-Through Shares are accepted and up to December 31, 2017, less (i) any previous renunciations with respect to such expenses, (ii) any portion of those expenses which are prescribed under the Regulations as being "Canadian exploration and development overhead expenses", (iii) certain seismic expenses, and (iv) any assistance that Prairie Provident has received, is entitled to receive, or may reasonably be expected to receive at any time which is reasonably related to those expenses. Prairie Provident may not renounce to purchasers an amount in excess of the amount paid by the purchasers for the CEE Flow-Through Shares. Prairie Provident will not be entitled to renounce CEE to the extent that such renunciation, if effective, would cause Prairie Provident's own "cumulative Canadian exploration expenses" (as defined in the Tax Act) ("**CCEE**") to be a negative amount.

CEE incurred, or deemed to be incurred, pursuant to a flow-through share agreement and within 12 months after the end of the calendar year in which the Offered Shares are issued (the "preceding calendar year") can be treated as if incurred in the preceding calendar year, provided that the subscription price for the relevant flow-through shares has been paid for in money during the preceding calendar year, the purchaser deals at arm's length with Prairie Provident throughout that 12 month period and the renunciation has been duly made by the last day of March of the year following the preceding calendar year. In the event Prairie Provident does not fully incur the amounts renounced (or is not deemed to have incurred such amounts) by the end of that 12 month period, Prairie Provident will be required to reduce the amount previously renounced and the purchasers' income tax returns for the years in which the expenditures were claimed will be reassessed accordingly. However, interest would generally not be levied in respect of such reassessments until after April 2018.

Where Prairie Provident renounces CEE pursuant to this 12 month look-back rule, Prairie Provident will be liable to pay a deductible charge for each month (other than January) in the year during which the CEE must be incurred equal to the amount of renounced expenses which have not been incurred (or deemed to have been incurred) by the end of the particular month multiplied by 1/12 of the prescribed interest rate for refund interest purposes under the Tax Act applicable to that particular month.

A purchaser of CEE Flow-Through Shares to whom Prairie Provident renounces CEE will have such CEE added to the purchaser's CCEE. A purchaser may deduct in computing the purchaser's income from all sources for a taxation year an amount not exceeding 100% of the balance of the purchaser's CCEE at the end of that taxation year. Deductions claimed by a purchaser reduce the purchaser's CCEE by the amount claimed. To the extent that a purchaser does not deduct the full CCEE balance at the end of the taxation year, the balance will be carried forward and the purchaser will be entitled to claim deductions in respect thereof in subsequent taxation years in accordance with, and subject to the restrictions under, the provisions of the Tax Act. If at the end of a taxation year the reductions in calculating a purchaser's CCEE exceed the additions thereto, the excess must be included in computing the purchaser's income for that year and the purchaser's CCEE will thereupon have a nil balance. The disposition of CEE Flow-Through Shares will not reduce a purchaser's CCEE.

Certain restrictions apply in respect of the deduction of CCEE following an acquisition of control and certain reorganizations of a corporate purchaser. Corporate purchasers should consult their own tax advisors with respect to the application of these rules.

The right to deduct CEE renounced accrues to the initial purchaser of CEE Flow-Through Shares and is not transferable. A purchaser who disposes of CEE Flow-Through Shares will retain the entitlement to receive renunciations of CEE from Prairie Provident as described above, as well as the ability to deduct any CEE previously deemed to have been incurred by the purchaser. A subsequent purchaser of such CEE Flow-Through Shares will not be entitled to any renunciation of any CEE in respect thereof.

If a purchaser purchases CEE Flow-Through Shares through an Exempt Plan (as defined herein), the CEE renounced will not be available for deduction against the income of the annuitant or beneficiary of such a Deferred Plan and the associated tax benefits will be lost.

Canadian Development Expense

Subject to certain limitations and restrictions, Prairie Provident will be entitled to renounce CDE incurred (or deemed to have been incurred) by it to purchasers in an amount equal to the subscription price for the CDE Flow-Through Shares as permitted by and in accordance with the Tax Act. Such CDE that is properly renounced to a purchaser will be deemed to be CDE incurred by the purchaser on the effective date of the renunciation.

Prairie Provident generally will be entitled to renounce CDE incurred, or deemed to be incurred, by it on or after the date that subscriptions for the CDE Flow-Through Shares are accepted and up to December 31, 2017, less (i) any previous renunciations with respect to such expenses, (ii) any portion of those expenses which are prescribed under the Regulations as being "Canadian exploration and development overhead expenses", (iii) expenses incurred to acquire certain types of "Canadian resource property", and (iv) any assistance that Prairie Provident has received, is entitled to receive, or may reasonably be expected to receive at any time which is reasonably related to those expenses. Prairie Provident may not renounce to purchasers an amount in excess of the amount paid by the purchasers for the CDE Flow-Through Shares. Prairie Provident will not be entitled to renounce CDE to the extent that such renunciation, if effective, would cause Prairie Provident's own "cumulative Canadian development expenses" (as defined in the Tax Act) ("**CCDE**") to be a negative amount.

A purchaser of CDE Flow-Through Shares to whom Prairie Provident renounces CDE will have such CDE added to the purchaser's CCDE. A purchaser may deduct in computing the purchaser's income from all sources for a taxation year an amount not exceeding 30% of the balance of the purchaser's CCDE at the end of that taxation year. Deductions claimed by a purchaser reduce the purchaser's CCDE by the amount claimed. The undeducted balance of a purchaser's CCDE will be carried forward and the purchaser will be entitled to claim deductions in respect thereof on a 30% declining balance basis in subsequent taxation years in accordance with, and subject to the restrictions under, the provisions of the Tax Act. If at the end of a taxation year the reductions in calculating a purchaser's CCDE exceed the additions thereto, the excess must be included in computing the purchaser's income for that year and the purchaser's CCDE will thereupon have a nil balance. The disposition of CDE Flow-Through Shares will not reduce a purchaser's CCDE.

Certain restrictions apply in respect of the deduction of CCDE following an acquisition of control and certain reorganizations of a corporate purchaser. Corporate purchasers should consult their own tax advisors with respect to the application of these rules.

The right to deduct CDE renounced accrues to the initial purchaser of CDE Flow-Through Shares and is not transferable. A purchaser who disposes of CDE Flow-Through Shares will retain the entitlement to receive renunciations of CDE from Prairie Provident as described above, as well as the ability to deduct any CDE previously deemed to have been incurred by the purchaser. A subsequent purchaser of such CDE Flow-Through Shares will not be entitled to any renunciation of any CDE in respect thereof.

If a purchaser purchases CDE Flow-Through Shares through an Exempt Plan (as defined herein), the CDE renounced will not be available for deduction against the income of the annuitant or beneficiary of such a Deferred Plan and the associated tax benefits will be lost.

Disposition of Offered Shares

A disposition or deemed disposition of an Offered Share (other than to Prairie Provident) will result in the purchaser thereof realizing a capital gain (or a capital loss) in the taxation year of the disposition equal to the amount by which the proceeds of disposition exceed (or are less than) the aggregate of the purchaser's adjusted cost base of such shares and reasonable costs of the disposition. For tax purposes, the initial cost to a purchaser of the Offered Shares is deemed to be nil, regardless of the subscription price paid. The adjusted cost base of any Offered Shares acquired pursuant to the Offering will generally be the average of the cost of all such shares including all other Common Shares held by the purchaser for the purpose of calculating capital gains or capital losses on subsequent dispositions of such shares.

Generally one-half of any such capital gain (a "taxable capital gain") must be included in computing the income of the purchaser in the year of disposition, and one-half of any such capital loss (an "allowable capital loss") generally must be deducted against taxable capital gains realized by the purchaser in the year of disposition. Allowable capital losses in excess of taxable capital gains for the year of disposition generally may be deducted by the purchaser against net taxable capital gains realized in any of the three preceding years or in any subsequent year, subject to various detailed provisions of the Tax Act.

A purchaser that is, throughout the relevant taxation year, a "Canadian-controlled private corporation" (as defined in the Tax Act) is liable to pay tax, a portion of which may be refundable, on certain investment income, including interest and taxable capital gains.

Cumulative Net Investment Loss

One half of the amount of CEE and CDE renounced to a purchaser will increase the purchaser's cumulative net investment loss ("**CNIL**"). A purchaser's CNIL may impact a purchaser's ability to claim the capital gains deduction available on the disposition of certain qualifying small business corporation shares and farm property.

Minimum Tax

Pursuant to the alternative minimum tax rules in the Tax Act, the tax otherwise payable under Part I of the Tax Act by an individual (other than certain trusts) will not be less than the minimum amount computed by reference to the individual's "adjusted taxable income" for the year. For these purposes, the minimum amount generally means the "appropriate percentage" (currently 15%) of adjusted taxable income in excess of $40,000. In calculating adjusted taxable income for this purpose, certain deductions and credits otherwise available are disallowed and certain amounts otherwise not taxable are included in income. These disallowed items include deductions for CEE and CDE to the extent the deductions exceed the individual's resource income before deduction of those amounts, and deductions for carrying charges which relate to an investment in flow-through shares to the extent that such deductions exceed the individual's resource income after deductions for resource expenses, including CEE and CDE. Also included in adjusted taxable income are 80% of capital gains. Whether and to what extent a particular individual will be subject to minimum tax will depend upon the amount of the individual's income, the sources from which it is derived and the nature and amount of any deductions that are claimed. Any additional tax payable for a year resulting from the application of the minimum tax provisions is recoverable to the extent the tax otherwise determined exceeds the minimum amount for any of the following seven taxation years. Purchasers should consult their own independent tax advisors with respect to the potential alternative minimum tax consequences to them having regard to their own particular tax circumstances.

Eligibility for Investment

In the opinion of Bennett Jones LLP, counsel to Prairie Provident, and McCarthy Tétrault LLP, counsel to the Agents, based on the provisions of the Tax Act in force on the date hereof, the Offered Shares will be qualified investments at the time of acquisition by a registered retirement savings plan ("**RRSP**"), registered retirement income fund ("**RRIF**"), tax free savings account ("**TFSA**"), deferred profit sharing plan, registered education savings plan or registered disability savings plan, each as defined in the Tax Act (collectively, "**Exempt Plans**"), provided that, at the time of the acquisition by the Exempt Plan, the Common Shares are listed on a "designated stock exchange" as defined in the Tax Act (which includes the TSX).

Notwithstanding that the Offered Shares may be qualified investments for a trust governed by a TFSA, RRSP or RRIF, the holder of a TFSA or the annuitant of an RRSP or RRIF will be subject to a penalty tax on the Offered Shares and other tax consequences may result if the Offered Shares are a "prohibited investment" for the TFSA, RRSP or RRIF, as the case may be. Provided the annuitant of an RRSP or RRIF or the holder of a TFSA deals at arm's length with the Company, and does not have a "significant interest" (within the meaning of the Tax Act) in the Company, the Offered Shares will not be a "prohibited investment" under the Tax Act for such RRSP, RRIF or TFSA. In addition, Offered Shares will not be a "prohibited investment" if such shares are "excluded property" (as defined in the Tax Act) for trusts governed by such RRSP, RRIF or TFSA. Prospective purchasers who intend to hold the Offered Shares in a TFSA, RRSP or RRIF should consult their own tax advisors regarding their particular circumstances.

It is not anticipated that Exempt Plans will subscribe for Offered Shares because Exempt Plans, the holders, annuitants, beneficiaries or subscribers of such Exempt Plans, as the case may be, do not benefit from the deduction of CEE or CDE renounced by Prairie Provident, as described under the heading "*Certain Canadian Federal Income Tax Considerations*".

PLAN OF DISTRIBUTION

Pursuant to an agreement to be entered into between Prairie Provident and the Agents (the "**Agency Agreement**"), the Agents will agree to act as agents of the Company for the sale of the Offered Shares at the specified offering prices of $0.85 per CEE Flow-Through Share and $0.80 per CDE Flow-Through Share, on a commercially reasonable efforts basis, in all provinces of Canada except Quebec. The obligations of the Agents under the Agency Agreement may be terminated upon the occurrence of certain stated events. The offering prices were determined by negotiation between Prairie Provident and MRCC, on its own behalf and on behalf of the other Agents.

The Company has agreed to pay the Agents a fee equal to 5.5% of the gross proceeds of the Offering, which is equal to $0.04675 per CEE Flow-Through Share and $0.044 per CDE Flow-Through Share. If all of the Offered Shares are sold at the specified offering prices, the aggregate fee payable by the Company to the Agents for their services in connection with the Offering will be $291,500. The Agents will not be obligated to purchase any Offered Shares that are not sold.

There is no minimum amount of funds that must be raised under the Offering. This means that the Company could complete the Offering after raising only a small portion of the amounts set out herein.

The obligations of the Agents under the Agency Agreement will be several and not joint or joint and several and may be terminated at their discretion upon the occurrence of certain stated events. Such events are expected to include, but not be limited to: (a) any order to cease or suspend trading in any securities of the Company, or prohibiting or restricting the distribution of the Offered Shares is made, or proceedings are announced, commenced or threatened for the making of any such order, by any securities commission or similar regulatory authority, the TSX or by any other competent authority, and the same has not been rescinded, revoked or withdrawn; (b) any inquiry, investigation or other proceeding in relation to the Company or any of its directors or senior officers is announced, commenced or threatened by any competent authority or there is a change of law, regulation or policy or any change in the interpretation or administration thereof, which, in the sole opinion of any Agent, acting reasonably, seriously adversely affects or may seriously adversely affect, the distribution or market price or value of any of the Offered Shares or any other securities of the Company and which has not been rescinded, revoked or withdrawn; (c) any event, action, state, condition or major financial occurrence of national or international consequence, or any action by government, law or regulation, enquiry or any other occurrence of any nature whatsoever which in the sole opinion of any Agent, acting reasonably, seriously adversely affects, or involves, or might be expected to seriously adversely affect or involve, the financial markets or the business, operations or affairs of the Company or its subsidiaries; (d) a change, event, fact or circumstance or any development that could result in such a change, event, fact or circumstance, any of which, in the sole opinion of any Agent, acting reasonably, could reasonably be expected to have a material adverse effect on the business, operations or affairs of the Company or its subsidiaries or the market price or value of the Offered Shares;

(e) any Agent determines that the Company is in breach of, default under or non-compliance with any material representation, warranty, covenant, term or condition of the Agency Agreement in any material respect; or (f) any Agent becomes aware, as a result of its due diligence review, of any adverse material information, fact or change with respect to the Company and its subsidiaries which had not been publicly disclosed or disclosed or made available in writing to the Agents prior to the date of the Agency Agreement which in the sole opinion of the Agents or any one of them, acting reasonably, could be expected to have a material adverse effect on the market price or value of the Offered Shares or the investment quality or marketability of any of the Offered Shares.

Pursuant to applicable securities legislation, the Agents may not, throughout the period of distribution under this short form prospectus, bid for or purchase Common Shares. The foregoing restriction is subject to exceptions, provided the bid or purchase is not engaged in for the purpose of creating actual or apparent trading in, or raising the price of, the Common Shares. These exceptions include a bid or purchase permitted under the by-laws and rules of the TSX relating to market stabilization and passive market-making activities. In connection with the offering of Offered Shares hereunder, and subject to the foregoing, the Agents may effect transactions which stabilize or maintain the market price of the Common Shares at levels above those which might otherwise prevail in the open market. Such transactions, if commenced, may be discontinued at any time.

The Company has agreed that prior to 90 days after the Closing Date, it will not, directly or indirectly, sell or offer to sell any Common Shares or securities convertible into Common Shares, without the consent of MRCC, such consent not to be unreasonably withheld, other than: (i) pursuant to the Company's incentive plans; (ii) in connection with the exchange, transfer, conversion or exercise of existing outstanding securities or existing commitments to issue such securities; or (iii) in connection with any acquisitions.

The Offering is not underwritten or guaranteed by any person. The Agents will conditionally offer the Offered Shares on a commercially reasonable effort, agency basis in accordance with the Agency Agreement, and subject to the approval of certain legal matters on behalf of the Company by Bennett Jones LLP and on behalf of the Agents by McCarthy Tétrault LLP. Subscriptions for Offered Shares will be received subject to rejection or allotment in whole or in part and the right is reserved to close the subscription books at any time without prior notice. The Agents have reserved the right to form a selling group of appropriately registered dealers and brokers with compensation to be negotiated between the Agents and such selling group participants, but at no additional cost to the Company. Closing of the Offering is expected to occur on or about December 12, 2016 but in any event not later than December 31, 2016.

The Offered Shares will be registered and deposited directly with CDS & Co., as nominee for CDS Clearing and Depository Services Inc. ("**CDS**"), under the non-certificated system administered by CDS. No certificates evidencing the Offered Shares will be issued to purchasers except in certain limited circumstances. Purchasers of Offered Shares will receive only a customer confirmation from the Agent or registered dealer who is a CDS participant and from or through whom a beneficial interest in the Offered Shares is purchased.

The Company has applied to list the Offered Shares on the TSX. Listing will be subject to Prairie Provident fulfilling all of the listing requirements of the TSX.

The Offered Shares offered hereby have not been and will not be registered under the U.S. Securities Act, or any state securities laws, and accordingly may not be offered, sold or delivered, within the United States, except in transactions exempt from the registration requirements of the U.S. Securities Act and applicable state securities laws. Except as permitted in the Agency Agreement and pursuant to an exemption from the registration requirements of the U.S. Securities Act and applicable state securities laws, the Agents will not offer or sell the Offered Shares within the United States. The Agency Agreement permits the Agents to offer and resell the Offered Shares that they have acquired pursuant to the Agency Agreement to "qualified institutional buyers" (as defined in Rule 144A under the U.S. Securities Act), in the United States, provided such offers and sales are made in transactions exempt from the registration requirements of the U.S. Securities Act in accordance with Rule 144A. The Agency Agreement also provides that the Agents will offer and sell the Offered Shares outside the United States only in accordance with Regulation S under the U.S. Securities Act. This short form prospectus does not constitute an offer to sell or a solicitation of an offer to buy any securities within the United States.

The Agents may offer the Offered Shares in certain other jurisdictions outside of Canada and the United States pursuant to available exemptions from any prospectus, registration or similar requirements of applicable laws, subject to and in accordance with the Agency Agreement.

RISK FACTORS

An investment in Offered Shares involves certain risks, not all of which are described in this short form prospectus. A potential purchaser should also carefully consider the risks described under "*Risk Factors*" in the AIF, any current annual or interim financial statements and associated management's discussion and analysis of the Company, and any other documents incorporated by reference in this short form prospectus (which risk factors are incorporated by reference herein), as well as the other information contained or incorporated by reference in this short form prospectus. In addition, a potential purchaser should consult their own financial and legal advisors, and should carefully consider, among other matters, the following discussion of risks before deciding whether to purchase Offered Shares.

Canadian Tax Treatment of Offered Shares

The tax treatment of oil and gas activities and flow-through shares is a major factor that must be considered when contemplating an investment in the Offered Shares. The Offered Shares are designed for investors whose income is subject to high marginal tax rates. The right to deduct qualifying expenditures accrues to the initial purchaser of the Offered Shares and is not transferable. No guarantee can be given that Canadian tax laws and policies will not be amended, which may include a modification of the current administrative practices of the tax authorities or a decision by the tax authorities not to adopt previously announced amendments to Canadian tax laws. Moreover, there is no guarantee that there will not be any differences of opinion between the federal and provincial tax authorities with respect to the tax treatment of the Offered Shares, the status of the Offered Shares, or the classification of the expenses incurred (or deemed to be incurred) by Prairie Provident in carrying out its exploration and development programs. If any of these events occur, the tax consequences for a purchaser holding or disposing of Offered Shares will be altered and could be materially different than described above under the heading "*Certain Canadian Federal Income Tax Considerations*".

There is no guarantee that an amount equal to the total proceeds of the sale of CEE Flow-Through Shares will be incurred (or deemed to be incurred) by Prairie Provident on or prior to December 31, 2017 on certain qualifying CEE that will permit Prairie Provident to renounce such amount to purchasers as CEE, resulting in the deductions for the purchasers described under "*Certain Canadian Federal Income Tax Considerations*". If Prairie Provident does not incur (or is not deemed to have incurred) an amount equal to the gross proceeds from the sale of the CEE Flow-Through Shares so as to incur (or be deemed to have incurred) sufficient qualifying CEE prior to December 31, 2017 Prairie Provident will be required to reduce the amount of CEE that it has renounced in favour of the purchasers and the purchasers will be reassessed accordingly and will be required to remit tax if the reduction in the renounced CEE increases their taxable income. In certain circumstances, purchasers will not be subject to penalties for any such reassessment and no interest will be payable on such additional tax if such tax is paid by April 30, 2018. Prairie Provident will agree to indemnify the purchasers in an amount equal to the amount of any tax payable or that may become payable under the Tax Act (and under any corresponding provincial legislation) by the purchaser (or if the purchaser is a partnership, the partners thereof) as a result of any such reduction; however, there is no guarantee that Prairie Provident will have the financial resources required to satisfy such indemnity.

Similarly, there is no guarantee that an amount equal to the total proceeds of the sale of CDE Flow-Through Shares will be incurred (or deemed to be incurred) by Prairie Provident on or prior to December 31, 2017 as CDE that will permit Prairie Provident to renounce such amount to purchasers as CDE, resulting in the deductions for the purchasers described under "*Certain Canadian Federal Income Tax Considerations*". If Prairie Provident does not incur (or is not deemed to have incurred) an amount equal to the gross proceeds from the sale of CDE Flow-Through Shares so as to incur (or be deemed to have incurred) sufficient CDE on or prior to December 31, 2017, Prairie Provident will be required to reduce the amount of CDE that it has renounced (or will renounce) in favour of the purchasers and the purchasers will be reassessed (or assessed) accordingly and will be required to remit tax (or pay additional tax) if the reduction in the renounced CDE increases their taxable income. Prairie Provident will agree to indemnify the purchasers in an amount equal to the amount of any tax payable or that may become payable under the Tax Act (and under any corresponding provincial legislation) by the purchaser (or if the purchaser is a partnership, the partners thereof) as a result of any such reduction; however, there is no guarantee that Prairie Provident will have the financial resources required to satisfy such indemnity.

Volatility of Market Price of Common Shares

The market price of the Common Shares may be volatile. The volatility may affect the ability of holders of Common Shares to sell the Common Shares at an advantageous price. Market price fluctuations in the Common Shares may be due to the Company's operating results failing to meet the expectations of securities analysts or investors in any quarter, downward revision in securities analysts' estimates, governmental regulatory action, adverse change in general market conditions or economic trends, acquisitions, dispositions or other material public announcements by the Company or its competitors, along with a variety of additional factors, including, without limitation, those set forth under "*Note Regarding Forward-Looking Information*" in this short form prospectus. In addition, the market price for securities in the stock markets, including the TSX, may experience significant price and trading fluctuations. These fluctuations may result in volatility in the market prices of securities that is unrelated or disproportionate to changes in operating performance. These broad market fluctuations may adversely affect the market price of the Common Shares.

No Dividends

Prairie Provident has not paid any dividends on the Common Shares. Future dividends, if any, will be at the discretion of the Board of Directors, and any decision in respect thereof will be made based on the Company's operating results, cash flow, financial condition and funding requirements for ongoing operations and capital expenditures, and such other business factors and considerations as the Board of Directors considers relevant. As a result, purchasers will have to rely on capital appreciation, if any, to earn a return on their investment in Common Shares for the foreseeable future.

Forward-Looking Information May Prove Inaccurate

Purchasers are cautioned not to place undue reliance on forward-looking information. By its nature forward-looking information involves numerous assumptions, known and unknown risks and uncertainties, of both a general and specific nature, that could cause actual results to differ materially from those suggested by the forward-looking information or contribute to the possibility that predictions, forecasts or projections will prove to be materially inaccurate.

LEGAL MATTERS

Certain legal matters relating to the Offering will be passed upon by Bennett Jones LLP on behalf of Prairie Provident and by McCarthy Tétrault LLP on behalf of the Agents.

TRANSFER AGENT AND REGISTRAR

Alliance Trust Company, Calgary, Alberta, is the appointed transfer agent and registrar for the Common Shares.

INTERESTS OF EXPERTS

As at the date hereof, the partners and associates of each of Bennett Jones LLP and McCarthy Tétrault LLP, as respective groups, own beneficially, directly or indirectly, less than 1% of the outstanding Common Shares.

See also "*Interests of Experts*" in the AIF.

PURCHASERS' STATUTORY RIGHTS

Securities legislation in certain of the provinces of Canada provides purchasers with the right to withdraw from an agreement to purchase securities. This right may be exercised within two business days after receipt or deemed receipt of a prospectus and any amendment. In several of the provinces, the securities legislation further provides a purchaser with remedies for rescission or, in some jurisdictions, revisions of the price or damages if the prospectus and any amendment contains a misrepresentation or is not delivered to the purchaser, provided that the remedies for rescission, revision of the price or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's province. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province for the particulars of these rights or consult with a legal adviser.

CERTIFICATE OF THE COMPANY

Dated: November 25, 2016

This amended and restated short form prospectus, together with the documents incorporated by reference, constitutes full, true and plain disclosure of all material facts relating to the securities offered by this amended and restated short form prospectus as required by the securities legislation of each of the provinces of Canada, other than Quebec.

(signed) "*Tim Granger*" President and Chief Executive Officer	(signed) "*Mimi Lai*" Vice President, Finance and Chief Financial Officer

On behalf of the Board of Directors of Prairie Provident Resources Inc.

(signed) "*Patrick R. McDonald*" Director	(signed) "*Rob Wonnacott*" Director

CERTIFICATE OF THE AGENTS

Dated: November 25, 2016

To the best of our knowledge, information and belief, this amended and restated short form prospectus, together with the documents incorporated by reference, constitutes full, true and plain disclosure of all material facts relating to the securities offered by this amended and restated short form prospectus as required by the securities legislation of each of the provinces of Canada, other than Quebec.

Mackie Research Capital Corporation

(signed) "*Kevin Shaw*"

Industrial Alliance Securities Inc.

(signed) "*Fred Westra*"