

SOURCE ROCK ROYALTIES

*Initial Public Offering
January 2022*

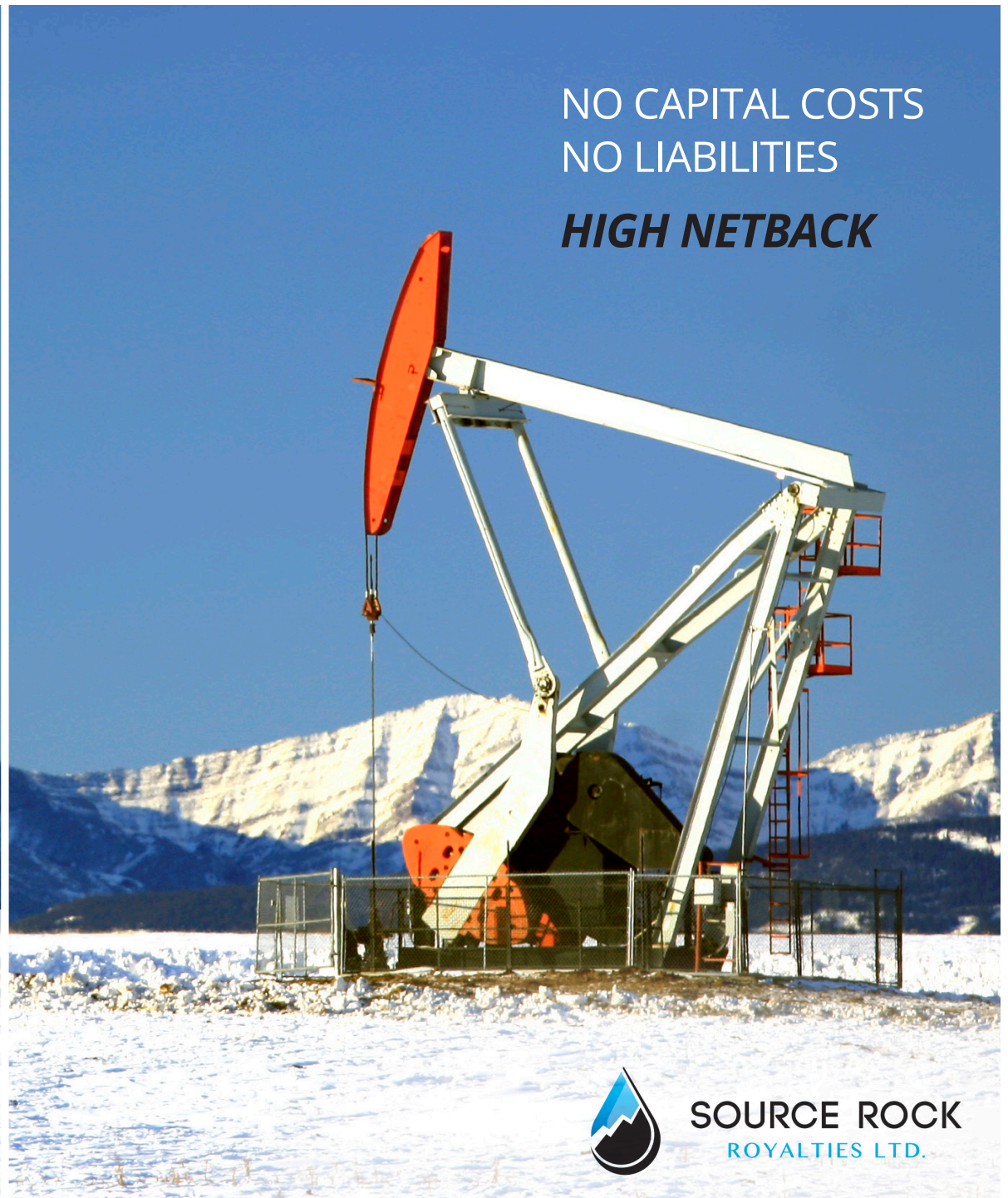
A preliminary prospectus dated January 10, 2022 containing important information relating to the securities described in this document has been filed with the securities regulatory authorities in each of the Provinces of Canada (other than Québec).

A copy of the preliminary prospectus, and any amendment, is required to be delivered with this document. The preliminary prospectus is still subject to completion. There will not be any sale or any acceptance of an offer to buy the securities until a receipt for the final prospectus has been issued.

This document does not provide full disclosure of all material facts relating to the securities offered. Investors should read the preliminary prospectus, the final prospectus and any amendment for disclosure of those facts, especially risk factors relating to the securities offered, before making an investment decision.

NO CAPITAL COSTS
NO LIABILITIES

HIGH NETBACK



SOURCE ROCK
ROYALTIES LTD.

Advisories and Cautionary Statements

The information contained in this presentation does not purport to be all-inclusive or to contain all information that prospective investors may require. Prospective investors are encouraged to conduct their own analysis and reviews of the Company and of the information contained in this presentation. Without limitation, prospective investors should read the entire prospectus and consider the advice of their financial, legal, accounting, tax and other advisors and such other factors they consider appropriate in investigating and analyzing the Company.

Capitalized terms and abbreviations that are not defined in this presentation have the meanings ascribed to them in the prospectus.

Forward-Looking Statements

Certain statements contained in this presentation constitute forward-looking statements. These statements relate to future events or the Company's future performance. All statements other than statements of historical fact are forward-looking statements. The use of any of the words "anticipate", "plan", "contemplate", "continue", "estimate", "expect", "intend", "propose", "might", "may", "will", "shall", "project", "should", "could", "would", "believe", "predict", "forecast", "pursue", "potential" and "capable" and similar expressions, or the negatives thereof, are intended to identify forward-looking statements. These statements involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking statements. No assurance can be given that these expectations will prove to be correct and such forward-looking statements included in this presentation should not be unduly relied upon. These statements speak only as of the date of this presentation. In addition, this presentation may contain forward-looking statements and forward-looking information attributed to third party industry sources.

In particular, this presentation contains forward-looking statements pertaining to the following: the Offering Price and the completion, size and timing of the Offering; the exercise of the Over-Allotment Option; the net proceeds of the Offering and the use of the net proceeds of the Offering; the estimated production and decline rates from the Company's assets; the Company's expectations regarding commodity prices; expectations regarding the Company's tax horizon; supply and demand fundamentals for crude oil and natural gas; the cash available for the payment of dividends; the Company's dividend policy, including the sustainability of dividend payments and the amount and timing of dividend payments; the timing for receipt of regulatory approvals; the financial strength of the Company's royalty payors; expectations regarding the possibility that the Company's ongoing working relationships will lead to future royalty acquisition opportunities; expectations regarding drilling activity to be undertaken by operators in areas in which the Company owns royalties and the resulting level of anticipated production; the Company's growth strategy, including through acquisitions; expectations with respect to future opportunities; expectations with respect to future funds from operations and other financial results, including expected production and revenue from the PVR and the proportion that revenue from the PVR constitutes of total revenue; the long-term impact of COVID-19 on the Company's business, financial position, results of operations and cash flows; the estimated quantity and value of the Company's proved and probable reserves; estimates of future interest and foreign exchange rates; the development of undeveloped reserves and the expected timing thereof; expectations that the Company's competitive advantages will yield successful execution of its business strategy; the potential for production disruption and constraints; industry conditions pertaining to the oil and gas industry; the Company's treatment under governmental regulatory regimes and tax laws; and the Company's future general and administrative expenses ("G&A").

With respect to forward-looking statements and forward-looking information contained herein, assumptions have been made regarding, among other things: future crude oil and natural gas prices; the Company's future production levels; the ability of the working interest owners in the Royalty Lands to maintain or increase

production and reserves from these properties; the ability of the working interest owners in the Royalty Lands to successfully market their respective crude oil and natural gas products; the ability of the Company to enforce contractual provisions in order to receive payments in respect of the Royalty Lands; the willingness and financial capability of the working interest owners in the Royalty Lands to continue to develop and invest additional capital in the Royalty Lands and to obtain financing on acceptable terms, or at all, to fund capital expenditures; the Company's future income tax expense; the regulatory framework governing royalties, taxes and environmental matters in the jurisdictions in which the Company conducts its business and any other jurisdictions in which the Company may conduct its business in the future; the absence of any material litigation or claims against the Company; the recoverability of the Company's reserves; future cash flows from production meeting the expectations stated in this presentation; geological and engineering estimates in respect of the Company's reserves; the intentions of the Board with respect to the executive compensation plans and corporate governance programs described herein; the impact of competition on the Company; the Company's ability to obtain qualified staff in a timely and cost-efficient manner; and the Company's ability to obtain financing on acceptable terms.

Actual results could differ materially from those anticipated in these forward-looking statements as a result of the risk factors set forth below and included elsewhere in this presentation, including: volatility in market prices for crude oil and natural gas; risks related to the exploration, development and production of oil and natural reserves; risks relating to the Company's dividend policy, including any changes thereto such as a decrease or elimination of the payment of dividends by the Company as a result of a Board determination or restrictions under applicable agreements or corporate laws; the Royalty Lands are not developed by third parties in the manner anticipated by the Company; failure by counterparties to make payments or perform their operational or other obligations to the Company in compliance with the terms of contractual arrangements between the Company and such counterparties; the Company's status and stage of development; general economic, market and business conditions; risks of health epidemics, pandemics and similar outbreaks, including COVID-19, which may have sustained material adverse effects on the Company's business, financial position, results of operations and cash flows; current global financial conditions, including fluctuations in interest rates, foreign exchange rates and stock market volatility; competition for, among other things, capital and the acquisition of royalties; risks related to the environment and changing environmental laws in relation to the operations conducted on the Royalty Lands; climate change risks, including the effects of unusual weather and natural catastrophes; actions by governmental authorities, including changes in government regulation and taxation; geological, technical, drilling and completions, processing and handling issues (including deductions from the Company's royalty share of production) associated with crude oil and nature gas development activities by third parties; failure of third parties' reviews, reports and projections to be accurate; the availability of capital on acceptable terms; political risks; changes in tax or environmental laws or royalty or incentive programs relating to the oil and natural gas industry; changes to royalty or tax regimes; the failure of the Company or the holders of certain licenses or leases to meet specific requirements of such licenses or leases; claims made or legal actions brought against the Company in respect of the Company's properties or assets; aboriginal claims; unforeseen title defects; risks arising from future acquisition activities; potential conflicts of interest; the potential for management estimates and assumptions to be inaccurate; risks associated with establishing and maintaining systems of internal controls; risks related to the reliance on historical financial information, including that historical financial information does not reflect the added costs that the Company expects to incur as a public entity; volatility in the market price of the Common Shares or Warrants; the absence of an existing public market for the Common Shares or Warrants; the effect that the issuance of additional securities by the Company could have on the market price of the Common Shares or Warrants; uncertainties inherent in estimating quantities of oil and natural gas reserves; and discretion in the use of proceeds of the Offering.

Advisories and Cautionary Statements (Continued)

In addition, information and statements in this presentation relating to “reserves” are deemed to be forward-looking information and statements, as they involve the implied assessment, based on certain estimates and assumptions, that the reserves described exist in the quantities predicted or estimated, and that the reserves described can be profitably produced in the future. Readers are cautioned that the foregoing list of risk factors should not be construed as exhaustive.

The forward-looking statements included in this presentation are expressly qualified by this cautionary statement and are made as of the date of this presentation. The Company does not undertake any obligation to publicly update or revise any forward-looking statements except as required by applicable securities laws.

Certain statements included in this presentation may be considered “financial outlook” or “future-oriented financial information” (“FOFI”) for purposes of applicable securities laws, all of which are subject to the same assumptions, risk factors, limitations and qualifications as set forth in the above paragraphs. The actual results of operations of the Company and the resulting financial results will likely vary from the amounts set forth in this presentation and such variation may be material. The Company and its management believe that the FOFI has been prepared on a reasonable basis, reflecting management’s best estimates and judgements. However, because this information is subjective and subject to numerous risks, it should not be relied on as necessarily indicative of future results. FOFI contained in this presentation was made as of the date of this presentation and was provided for the purpose of providing further information about the Company’s anticipated future business operations. Readers are cautioned that the FOFI contained in this presentation should not be used for purposes other than for which it is disclosed herein.

Non-GAAP Measures

This presentation contains references to “funds from operations” which is a non-GAAP financial measure and references to “payout ratio” which is a non-GAAP ratio. These financial measures and ratios do not have a standardized prescribed meaning under GAAP and these measures and ratios may not be comparable with the calculation of similar measures disclosed by other entities.

The most directly comparable GAAP financial measure to funds from operations is cash flow from operating activities. “Funds from operations” is defined as cash flow from operating activities before the change in non-cash working capital. Source Rock believes the timing of collection, payment or incurrence of these non-cash items involves a high degree of discretion and as such may not be useful for evaluating Source Rock’s operating performance. Source Rock considers funds from operations to be a key measure of operating performance as it demonstrates Source Rock’s ability to generate funds to fund operations, acquisition opportunities, dividend payments and debt repayments, if applicable. Funds from operations per share is calculated using the same weighted average number of shares outstanding used in calculating income per share. Funds from operations should not be construed as an alternative to income or cash flow from operating activities determined in accordance with GAAP as an indication of Source Rock’s performance.

“Payout ratio” is calculated as the aggregate of cash dividends paid in a period divided by funds from operations realized in such period. Source Rock considers payout ratio to be a key measure to assess Source Rock’s ability to fund operations, acquisition opportunities, dividend payments and debt repayments, if applicable.

Oil and Gas Information Presentation Advisories

In this presentation the Company uses the term “netback”. “Netback” is defined as royalty revenue less G&A, calculated on a per boe basis. Netback is used by Source Rock to better analyze the financial performance of its royalties against prior periods and to assess the cost efficiency of its corporate platform as it relates to production volumes. There is no standardized meaning for “netback” and this metric as used by Source Rock may not be comparable with the calculation of similar metrics disclosed by other entities, and therefore should not be used to make comparisons.

Source Rock has adopted the standard of 6 mcf:1 bbl when converting natural gas to oil equivalent. Boes may be misleading, particularly if used in isolation. A boe conversion ratio of 6 mcf:1 bbl is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead. Given the value ratio based on the current price of crude oil as compared to natural gas is significantly different from the energy equivalency of 6 mcf: 1 bbl, utilizing a conversion ratio of 6 mcf: 1 bbl may be misleading as an indication of value.

The discounted and undiscounted net present value of future net revenues attributable to reserves do not represent the fair market value of reserves.

There is no assurance that the forecast prices and costs assumptions will be attained and variances could be material. The recovery and reserve estimates of crude oil and natural gas reserves provided in this presentation are estimates only and there is no guarantee that the estimated reserves will be recovered. Actual crude oil and natural gas reserves may be greater than or less than the estimates provided in this presentation.

The estimates of reserves and future net revenue for individual properties in this presentation may not reflect the same confidence level as estimates of reserves and future net revenue for all properties, due to the effects of aggregation.

Information Regarding Public Issuer Counterparties

Certain information contained in this presentation relating to the Company’s public issuer counterparties and the nature of their respective businesses is taken from and based solely upon information published by such issuers. Neither the Company nor the Underwriters have independently verified the accuracy or completeness of any such information.

Presentation of Market and Industry Data

Certain market, independent third-party and industry data contained in this presentation is based upon information from government or other independent industry publications and reports or based on estimates derived from such publications and reports. Government and industry publications and reports generally indicate that they have obtained their information from sources believed to be reliable, but none of the Company or any of the Underwriters has conducted its own independent verification of such information. While the Company believes this data to be reliable, market and industry data is subject to variations and cannot be verified with complete certainty due to limits on the availability and reliability of raw data, the voluntary nature of the data gathering process and other limitations and uncertainties inherent in any statistical survey. None of the Company or any of the Underwriters has independently verified any of the data from independent third-party sources referred to in this presentation or ascertained the underlying assumptions relied upon by such sources.

Corporate Overview

Pure-play business model of owning and managing royalties and mineral interests in Saskatchewan & Alberta

CAPITAL STRUCTURE

Common Shares	29,562,559
Equity Financings	\$0.80 - \$1.30
Stock Options	2,490,000
Exp. 2022 to 2025	\$0.40 - \$1.00
Fully Diluted	32,052,559

CORPORATE HIGHLIGHTS

- » 14% owned by management & directors
- » 26% owned by a Canadian Corporate Pension Fund
- » \$1.5 MM working capital (\$0.05 / share) (Dec 2021)
- » No debt has been used in business model

- » Q3 2021 record revenue = \$1.16 MM (\$0.039 / share)
- » Q3 2021 record funds from ops¹ = \$1.0 MM (\$0.034 / share)
- » Q3 2021 netback² = \$64.37
- » Q3 2021 payout ratio¹ = 44%
- » **October 2021 record monthly revenue = \$431,700**

Notes:

(1) This is a non-GAAP financial measure or non-GAAP ratio. Refer to the disclosure under the heading "Non-GAAP Measures" for more information on each non-GAAP financial measure or ratio.

(2) This is an oil and gas metric. Refer to the disclosure under the heading "Oil and Gas Information Presentation Advisories" for more information.



Management & Directors

A diverse group of professionals that have an extended history with the business model

MANAGEMENT TEAM

Brad Docherty, LL.B., B.A.*

Founder, President, C.E.O. & Director (Chairman)

- » B.D. Corporate Services: Executive Consultant
- » Capitalize Consulting: Business Advisor
- » Gowling Lafleur Henderson LLP:
Corporate Finance & Securities Lawyer

Sean Clausen, CPA CA

Chief Financial Officer

- » True North Solutions: VP Finance
- » CanElson Drilling: Corporate Controller
- » Tarpon Energy Services: Director of Finance
- » Precision Drilling (PD.t): Divisional Controller

Lucas Tomei, LL.B., B.Sc.

Corporate Secretary

- » Dentons Canada LLP:
Corporate Finance & Securities Lawyer

INDEPENDENT DIRECTORS

Dean Potter, P. Geo +

*Burgess Creek Exp., DPX Inc., Elkhorn Resources,
Medora Resources*

Shaun Thiessen, Landman + ^

Astra Oil, PrairieSky (PSK.t), Encana (ECA.t)

Jordan Kevol, Geologist ^

Blackspur Oil, Petro Uno Resources, Reece Energy Exp.

Scott Rideout, Landman ^

*Headwater Exploration (HWX.t), Baytex Energy (BTE.t),
Raging River Exp. (RRX.t), Surge Energy (SGY.t)*

Gary McMurren, P. Eng * +

*Southern Energy (SOU.v), Gulf Pine Energy, Athabasca Oil
(ATH.t), Galleon Energy, Talisman Energy*

John Bell, C.A.* ^

*WCSB Blockchain, Tidewater Midstream (TWM.t), Artisan
Energy, Cirrus Energy, Zapata Energy, Collins Barrow*

Brody Loster, P. Geo

*Vault 44.01, Baytex Energy (BTE.t), Raging River Exp.
(RRX.t), Wildstream Exp., Wave Energy*

Well-rounded
capital markets and
deal-flow team



Unique on-the-
ground industry
relationships



Technical expertise
= asset evaluation
back-stop

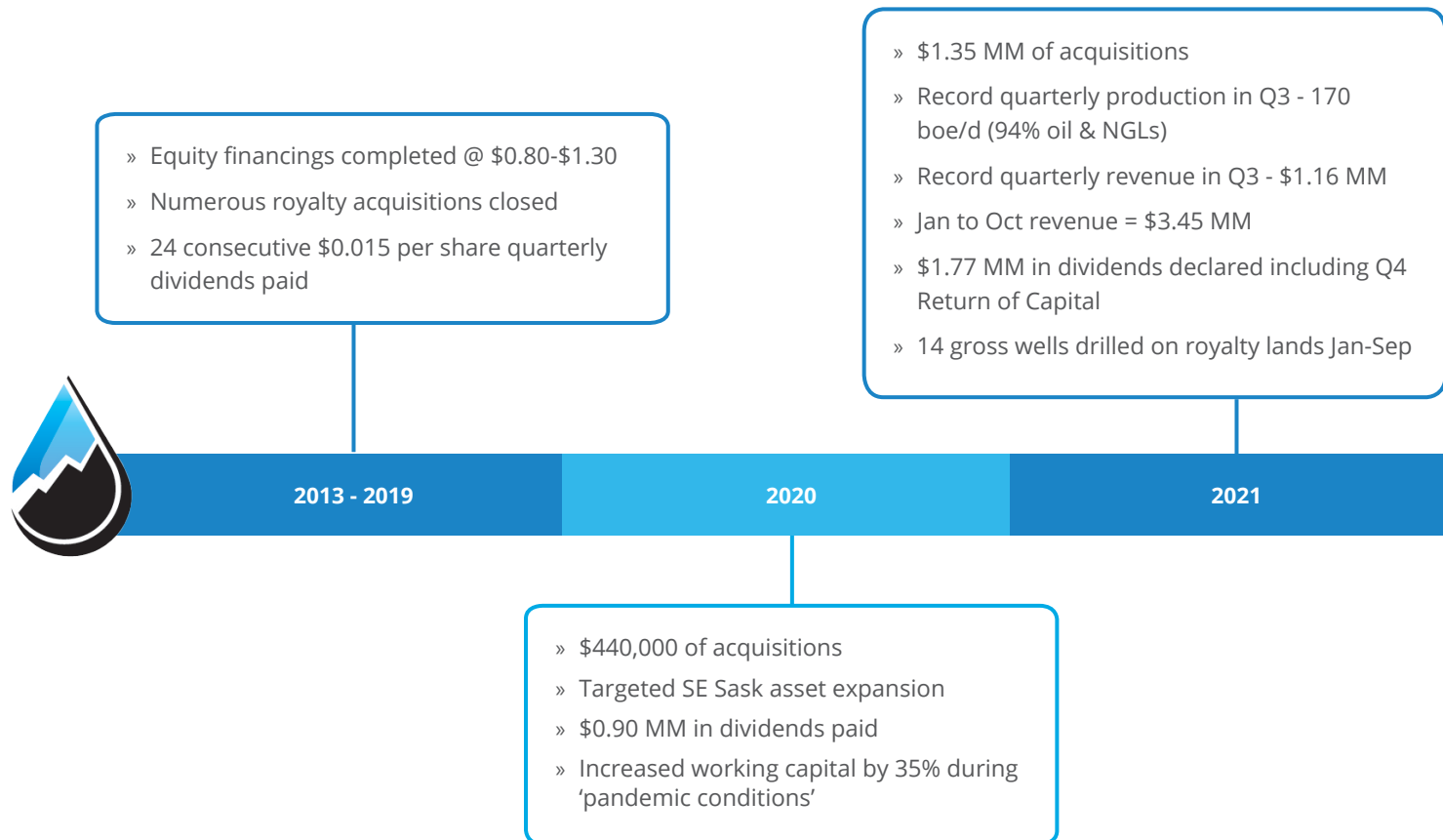


Vested and
committed to
near-term growth
and long-term
sustainability



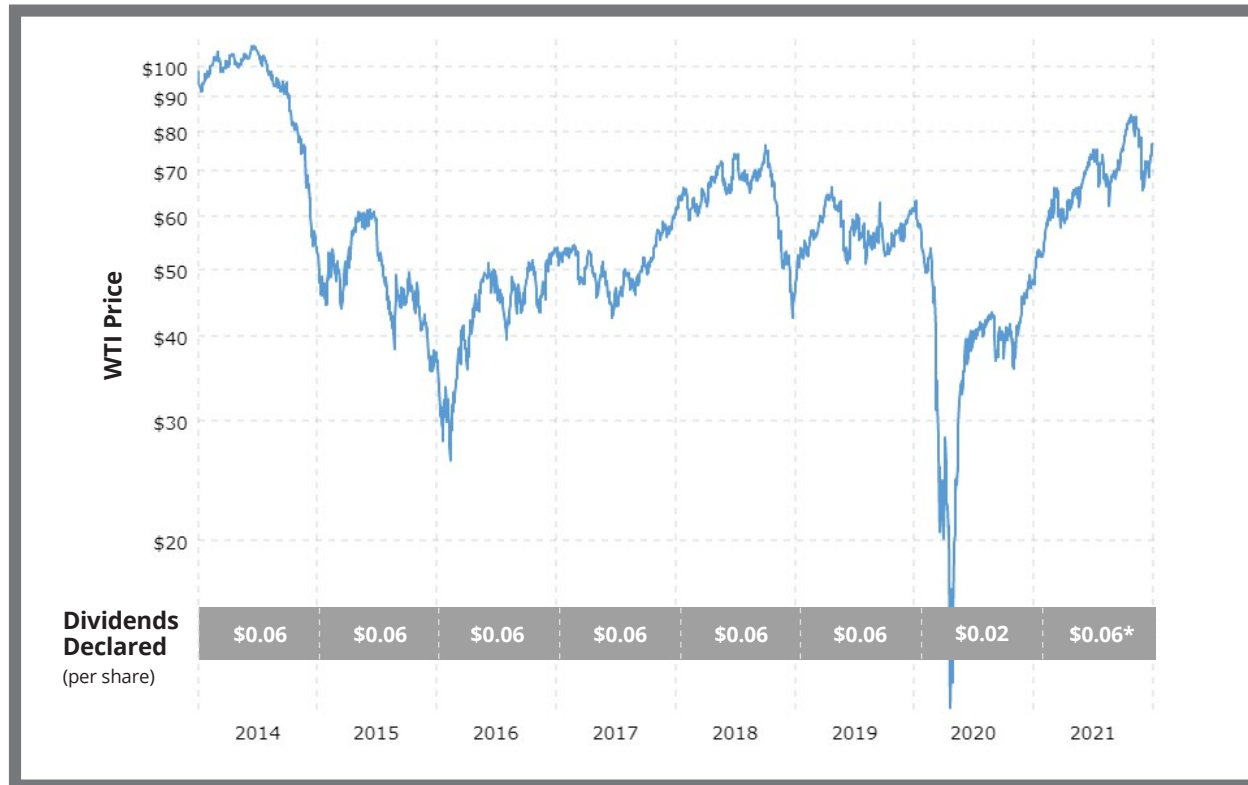
Source Rock Royalties History

Established portfolio of high netback royalty interests and an 8+ year track record of executing on a balanced growth and yield business model



Balanced Growth & Yield Strategy

Providing income to shareholders for 8 years while achieving revenue growth, asset diversification and upside drilling exposure



Source: <https://www.macrotrends.net/2516/wti-crude-oil-prices-10-year-daily-chart>

*Includes the Q4 2021 Return of Capital to be paid in Jan 2022

Per Share:	2019	2020	Jan-Sept 2021
Funds from Operations ¹ (\$)	0.086	0.036	0.091

Notes:

(1) This is a non-GAAP financial measure. Refer to the disclosure under the heading "Non-GAAP Measures" for more information.

Dividends paid in each of the last 8 years

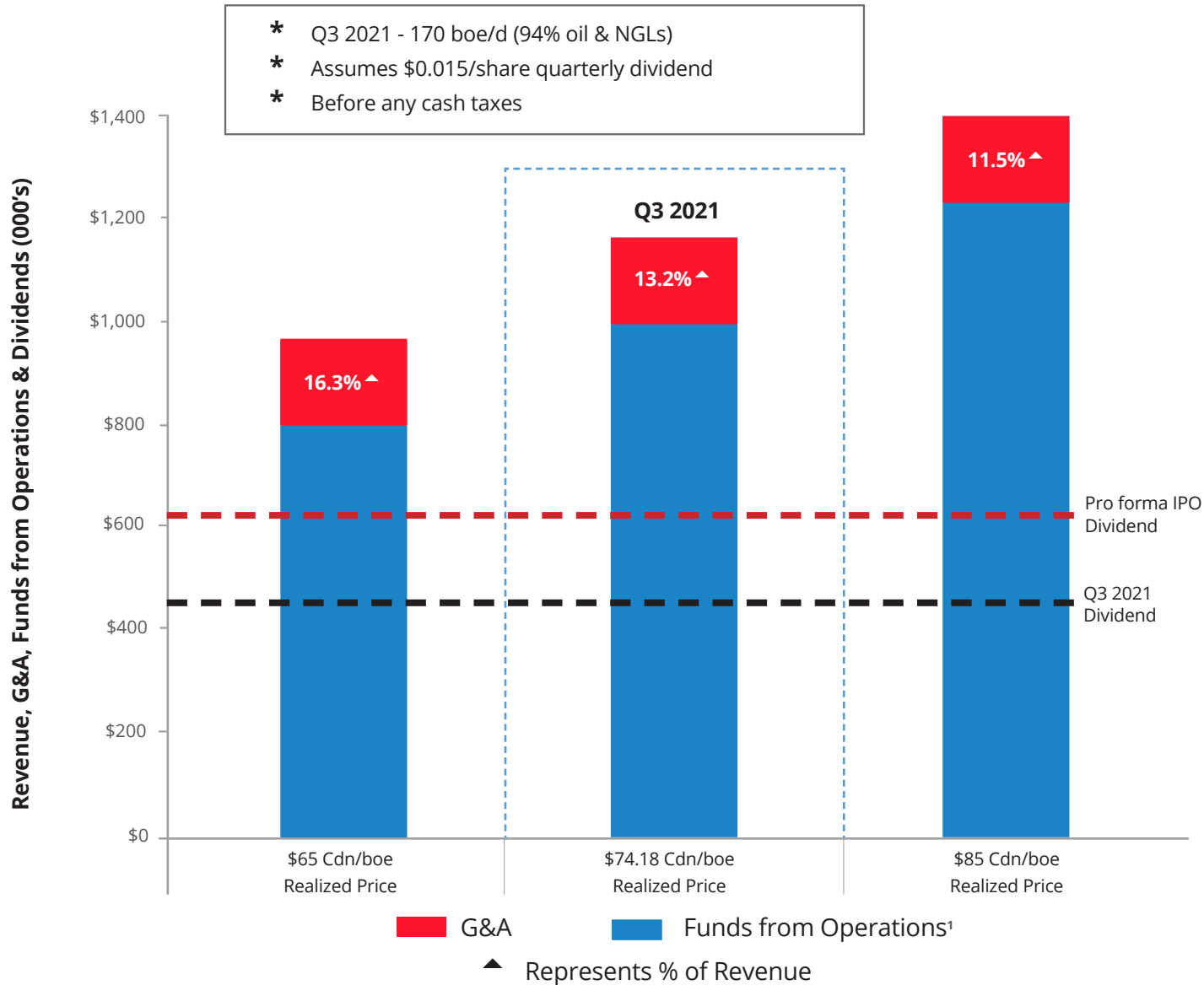
Q3 2021 record funds from operations = \$1.0 MM (\$0.034 / share)

Q3 2021 Payout Ratio = 44%



Q3 2021 Results: Sensitivity Analysis

Pro forma IPO dividend² fully funded by current operations



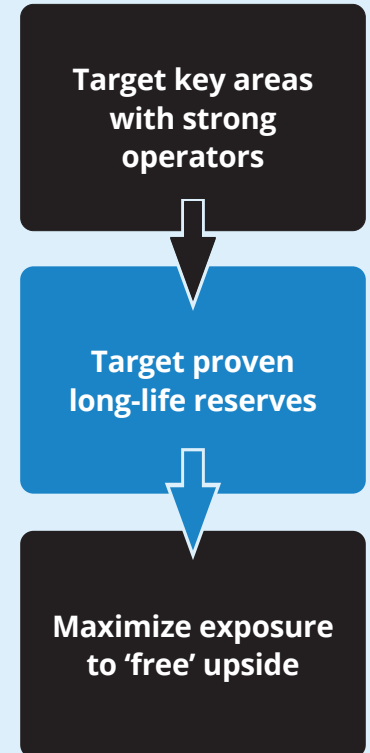
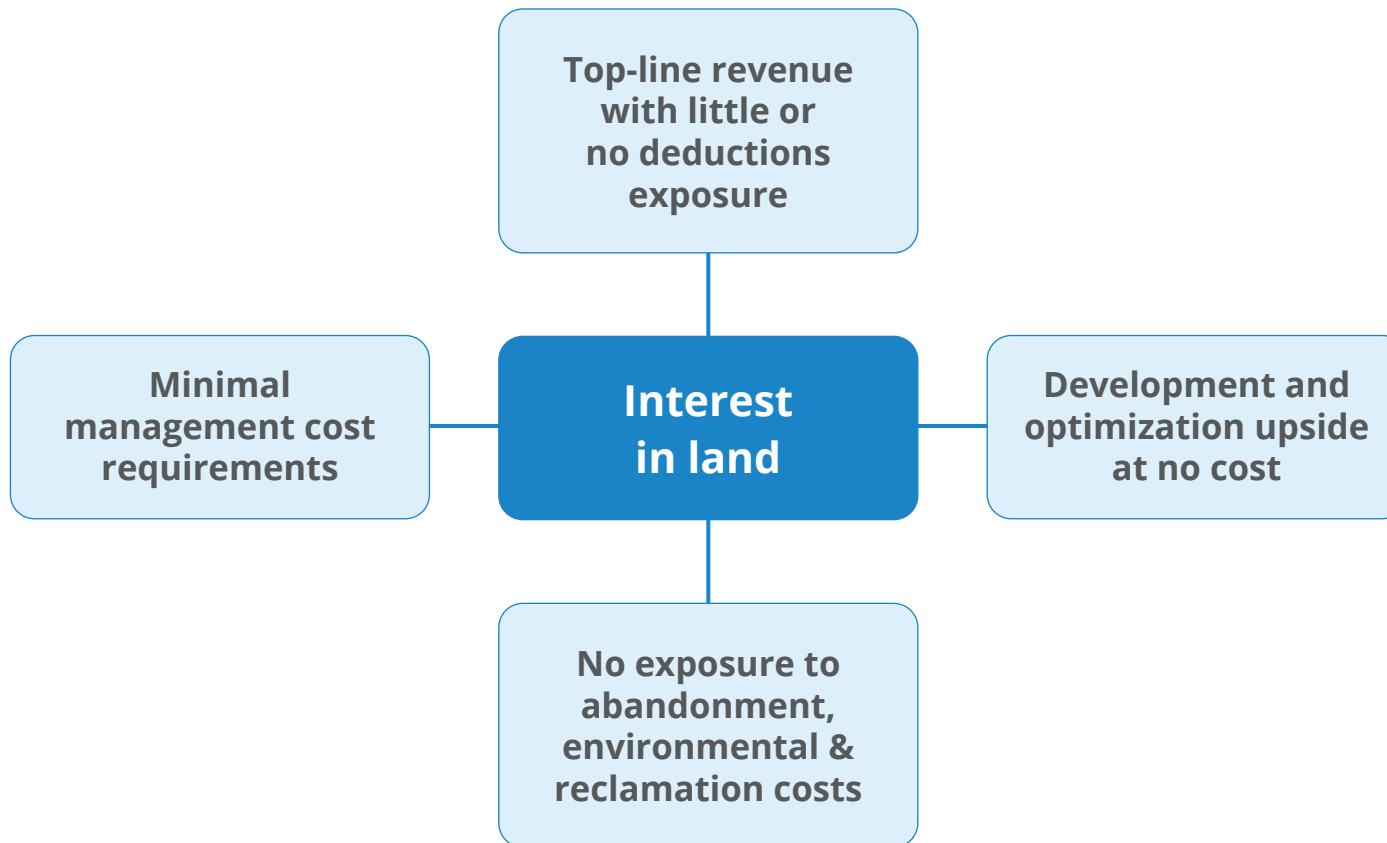
Notes:

(1) This is a non-GAAP financial measure. Refer to the disclosure under the heading "Non-GAAP Measures" for more information.
 (2) Pro forma IPO dividend assumes the IPO is priced at \$0.95 per Unit, being the midpoint of the IPO range.



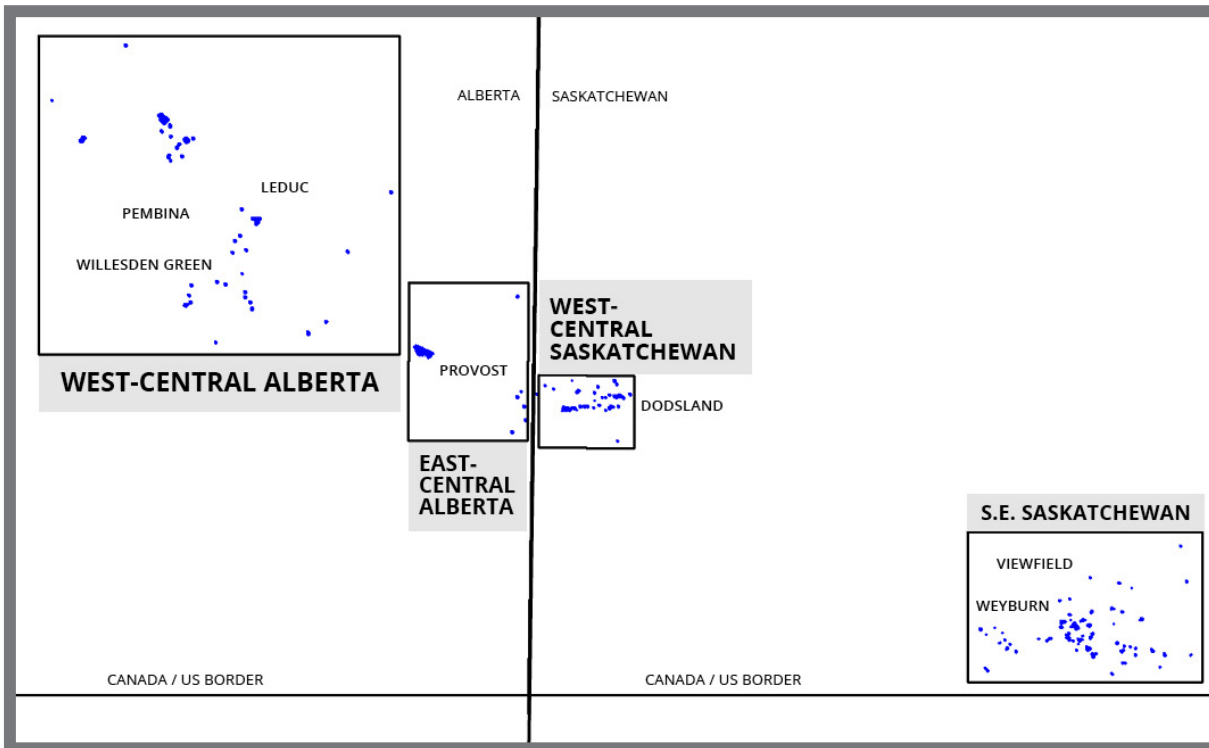
A Strategic Approach to Oil & Gas Production

Passive nature of interests allows for a sustainable and scalable business model with exposure to upside development at no additional cost



Royalty Asset Overview

Diversified platform of light oil focused royalties across Saskatchewan & Alberta with well positioned royalty payors



~75,000 gross acres of royalty lands

Base production from volume royalty

160 - 170 boe/d (94% oil and NGLs)

14 gross wells drilled Jan-Sep 2021

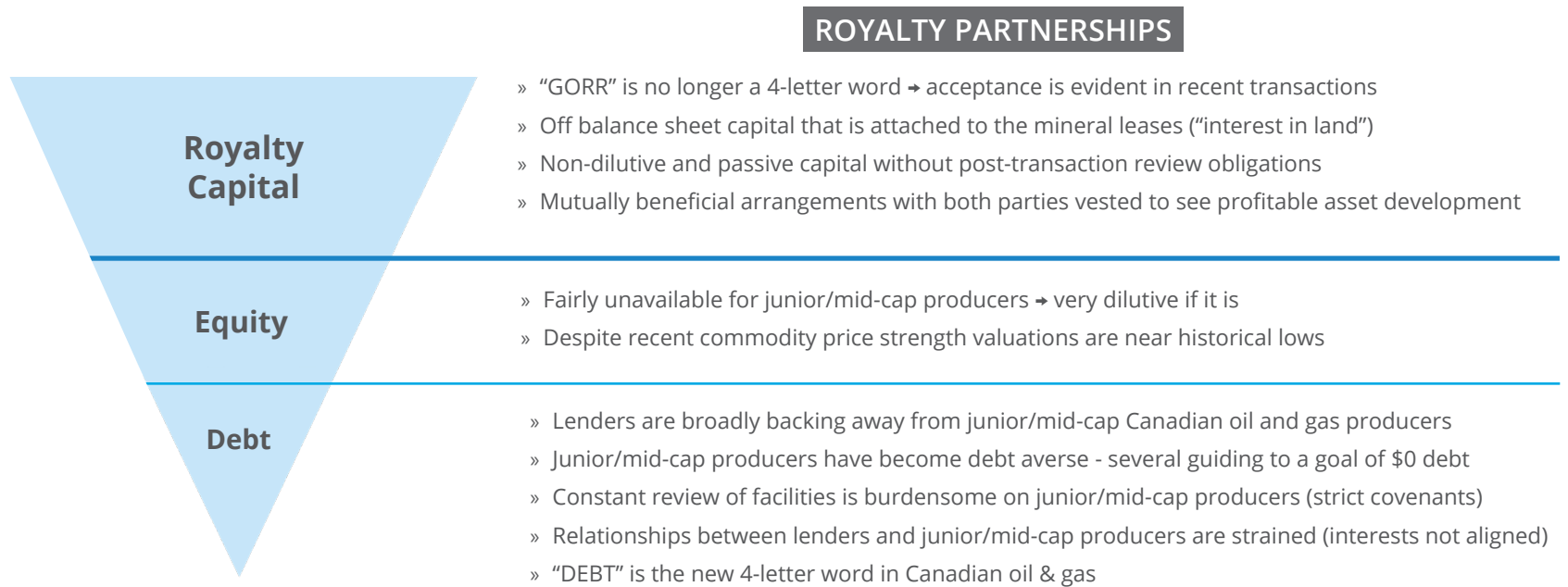
99% of Q3 2021 royalty revenue was paid by...

- » Longshore Resources
- » Anova Resources
- » Tundra Oil & Gas
- » Crescent Point Energy
- » CNRL
- » Bonavista Energy
- » ROK Resources
- » Ridgeback Resources
- » Whitecap Resources
- » Vermilion Energy
- » Saturn Oil & Gas
- » Summerland Energy
- » Teine Energy
- » Triland Energy
- » InPlay Oil
- » Surge Energy



Oil & Gas Royalty Acquisition Landscape

Numerous paths available for growth and asset diversification



EXISTING ROYALTIES

- » No database = barrier to entry
- » 8+ years of boots on the ground = royalty intel
- » Niche relationships = embedded deal-flow
- » Many royalties are commingled in non-royalty platforms

FEE TITLE & MINERAL INTERESTS

- » Industry relationships = partners for land development
- » ‘Land fund capital’ is a proven strategy
- » Pursue targeted mineral acquisitions to farm-out
- » Layer in highly prospective undeveloped land as cash flow scales



In accordance with Section 13.7(4) of National Instrument 41-101 General Prospectus Requirements, all the information relating to the Company's comparables and any disclosure relating to the comparables, which is contained in the presentation to be provided to prospective investors, has been removed from this template version for purposes of its filing on the System for Electronic Document Analysis and Retrieval (SEDAR).



ESG Strategies

A business model that by its very nature supports ESG policies and practices

Environmental

- » All royalty properties are in Canada = stringent regulations and industry leadership in technology innovation
- » No field operations = no exposure to well abandonment or facility de-commissioning liabilities or reclamation obligations
- » Align ourselves with competent operators that are strong stewards of environmental policies and best practices
- » Royalty Payors are committed to operate in accordance with good oilfield practices and in compliance with all laws

Social/Sustainability

- » Provide financial support to local causes when possible
- » Maintain a low-cost operating platform to ensure long-term sustainability and allow for a portion of funds from operations to contribute to environmental and social initiatives
- » Manage business risk by avoiding the use of leverage and minimizing ongoing financial obligations

Governance

- » Maintain a large Board of almost entirely Independent Directors to maximize expertise, minimize conflicts of interest and ensure the highest ethical standards
- » Almost entirely independent Committees to oversee audit & reserves activities and to set management compensation
- » Regularly evaluate Board gender and skill-set diversification



APPENDIX

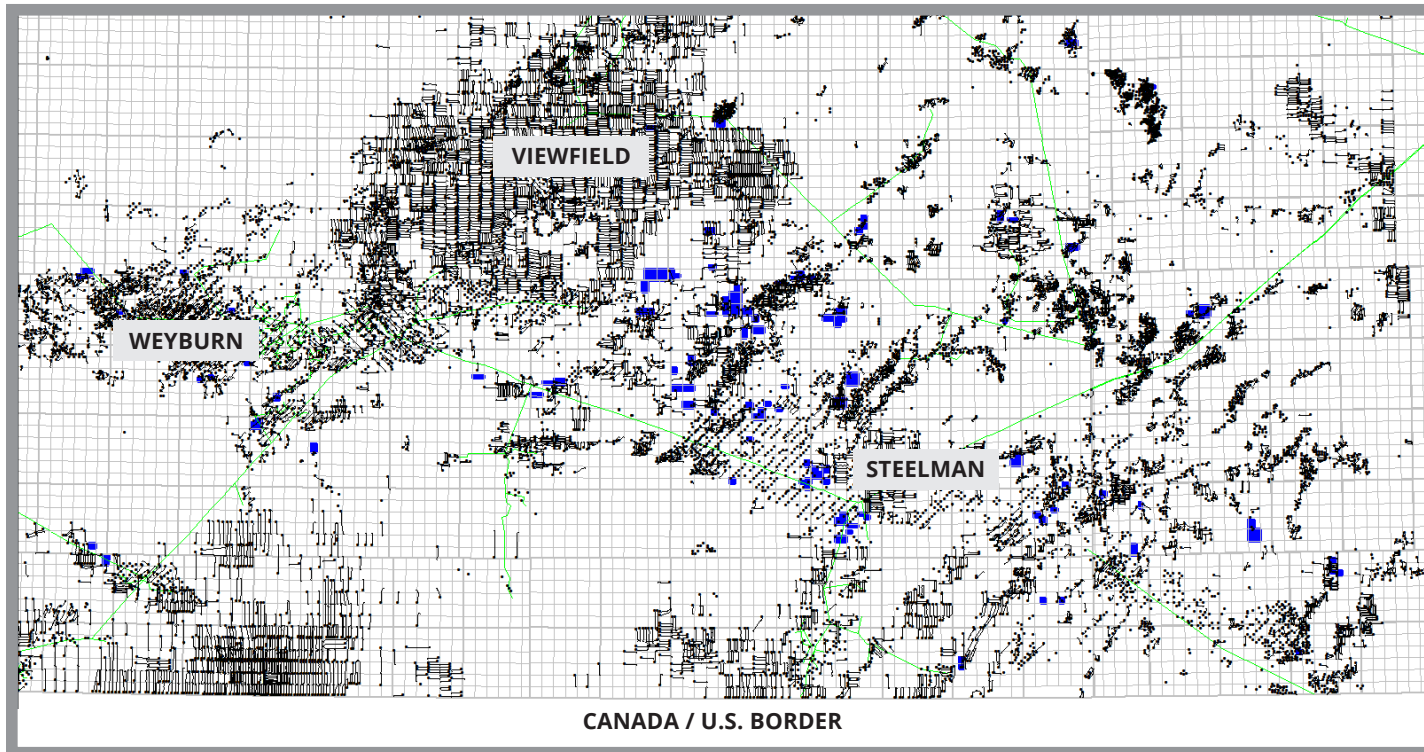
Royalty Asset Information



SOURCE ROCK
ROYALTIES LTD.

SE Sask Light Oil GORR's

Light oil GORR's in an active fairway with well-positioned operators and royalty & mineral interest consolidation opportunities



- » Base production with identified upside drilling locations
- » Approximately 20,000 gross acres of royalty lands
- » Looking to expand assets in this fairway → royalty option in place with a private SE Sask operator
- » Region provides insulation from any Alberta / W. Sask pricing differential issues due to selling at Cromer, MB

Q3 2021 royalty
production = ~55
boe/d

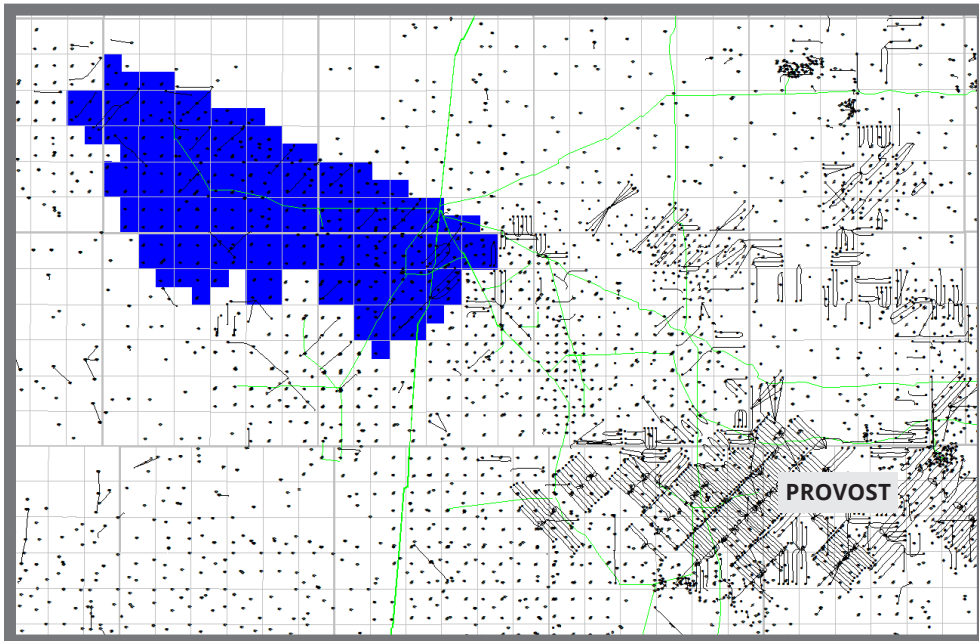
Key operators
include Whitecap,
Vermilion, Anova,
Crescent Point,
Tundra & Saturn

13 gross Frobisher
wells drilled
Jan-Sept 2021 -
drilling ongoing



Hamilton Lake Unit Viking Light Oil Royalty

Light oil royalty exposure with leverage to higher oil prices



» \$9.17 MM received from the PVR for July 2015 to September 2021

Volume Royalty

- » Covered by Hamilton Lake Unit and Viking lands of Longshore Resources at Consort and Esther
- » 95 bbl/d in 2022
- » 20% per year decline 2023 – 2034
- » Conversion to 0.50% GORR or \$500,000 buy-out at end of term

Provides base light oil production



Well capitalized private equity backed operator

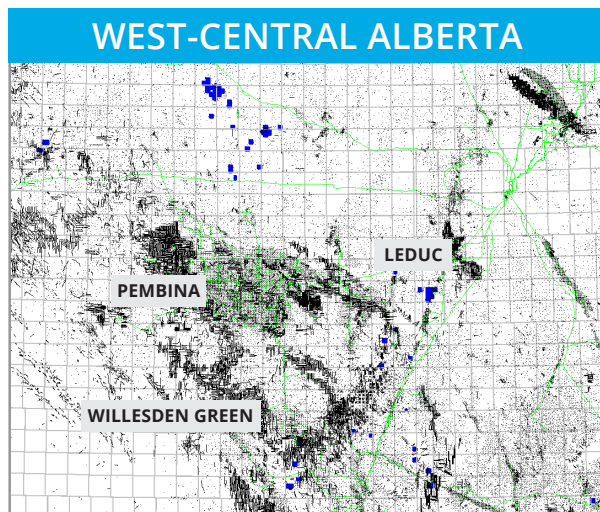
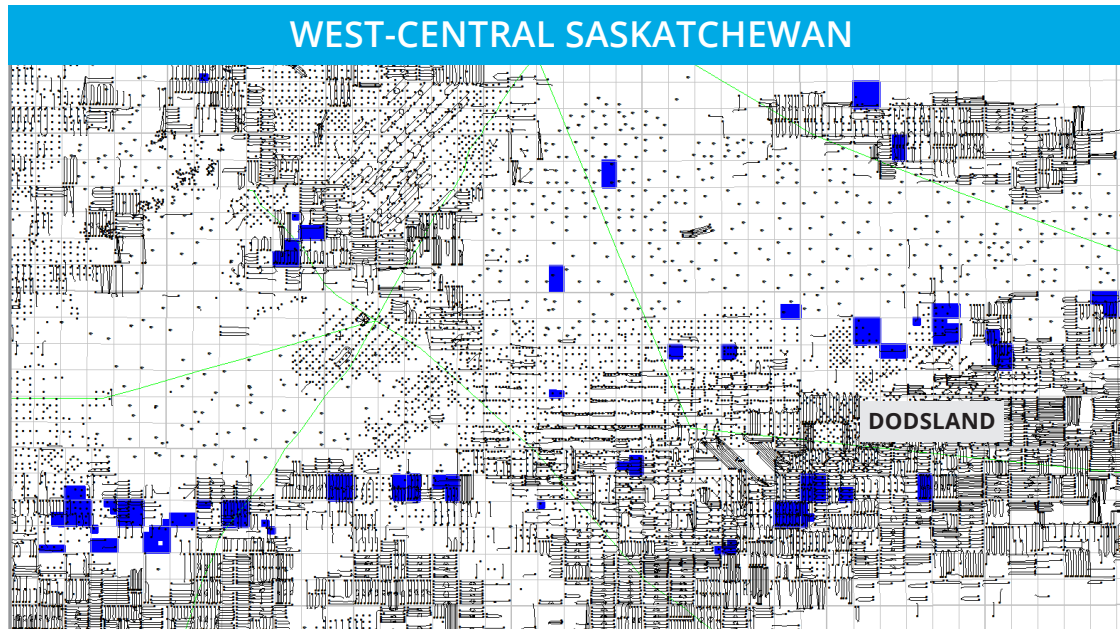


Reserves exposure provides ongoing upside with higher oil prices



West-Central Alberta & Saskatchewan GORR's

Base production with development drilling and undeveloped land exposure



- » Primary development in the Viking and Mannville formations
- » Certain wellbores remain shut-in following recent ownership transfers
- » Multi-zone development potential in west-central Alberta
- » Periodic development drilling ongoing in west-central Saskatchewan

Various GORR's in
~55,000 gross acres
of lands

Lands are in
areas with
active industry
development

Certain lands
recently moved to
stronger hands



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