

## ELEMENTAL ALTUS ROYALTIES ANNOUNCES RECORD ATTRIBUTABLE PRODUCTION AND SALES FOR 2022

**April 28, 2023 – Vancouver, BC:** Elemental Altus Royalties Corp. (“Elemental Altus” or “the Company”) (TSX-V: ELE, OTCQX: ELEMF) announces its operating and financial results for the fourth quarter and full year ended December 31, 2022. For complete details please refer to the Financial Statements and associated Management Discussion and Analysis (“MD&A”) for the three and twelve months ended December 31, 2022, available on SEDAR (<http://www.sedar.com>) and the Company’s website ([www.elementalaltus.com](http://www.elementalaltus.com)).

### Full Year 2022 Financial Highlights:

- Record revenue of \$9.6 million, up 46% on FYE December 2021
- Record adjusted revenue of \$10.5 million up 59% on FYE December 2021
- Record Gold Equivalent Ounces (“GEOs”) of 5,834 ounces up 59% on FYE December 2021
- Full year record adjusted EBITDA of \$6.7 million, up 111% on FYE December 2021

### Fourth Quarter 2022 Financial Highlights:

- Q4 revenue of \$2.6 million up approximately 11% on FYE December 2021
- Q4 adjusted revenue of \$2.8 million up approximately 21% on FYE December 2021
- Q4 attributable GEOs of 1,621 ounces up approximately 25% on FYE December 2021
- Cash position of \$17.5 million with \$20 million of revolving credit facility undrawn

### Highlights and Key Developments

- On August 16, 2022, the Company completed the Merger with Altus Strategies plc
- On October 25, 2022, the Company announced the completion of the sale of its 100% owned Morocco-focused copper subsidiary, Aterian Resources Ltd. (“Aterian”), generating 15 new royalties for the Company
- On December 1, 2022 the Company entered into an agreement with National Bank of Canada (“NBC”) and Canadian Imperial Bank of Commerce (“CIBC”) for an up to US\$50 million revolving credit facility
- Materially decreased the Company’s cost of capital and reduced the total amount drawn, resulting in saving over US\$3.5 million in interest annually

### Frederick Bell, CEO of Elemental Altus, commented:

*“In 2022 we delivered our fifth consecutive annual revenue record, graduated to a larger lower cost credit facility and expanded our portfolio to over 50 royalties and streams. The merger with Altus has provided a platform to further grow the portfolio through organic royalty creation as well as acquisitions with the creation of 15 new royalties in Morocco complimenting the subsequent acquisition of a portfolio of royalties in Q1 2023. We have a very positive outlook for the remaining 2023 year and are well positioned to acquire additional accretive deals to further add to our strong portfolio of assets.”*

## 2023 Guidance and Highlights Subsequent to December 31, 2022

- The Company announced 2023 guidance of between 9,000 to 10,200 GEOs representing at its midpoint an approximate 65% increase on the 5,800 GEOs received in 2022
- in the first quarter of 2023 the Company acquired a portfolio of 19 royalties from a wholly owned subsidiary of First Mining Gold Corp for consideration of \$3.5 million in cash and \$1.5 million in common shares. The portfolio included a 2.0% Net Smelter Return royalty on the development stage Pickle Crow gold project in Ontario, Canada, one of the highest grade +2 million ounce gold deposits in the world and 1.5% NSR royalty on the development stage Hope Brook gold project in Newfoundland, Canada which has previously produced approximately 0.75 million ounces of gold
- In the first quarter of 2023 the Company entered into a binding agreement to acquire an additional 0.025% effective net smelter return royalty on the producing Caserones Copper-Molybdenum mine, located in the Atacama region of northern Chile, for consideration of \$2.0 million in cash. On closing of the acquisition, Elemental Altus will hold an effective 0.443% NSR royalty on Caserones
- On April 20, 2023, Elemental Altus announced that it has paid a total of US\$300,000 in cash to a private third-party entity to acquire an additional 0.25% NSR royalty on AuTECO's (ASX:AUT) Pickle Crow gold asset in Ontario, increasing the effective NSR royalty held by the Company to 2.25%

## Operating Asset Highlights

The following table summarizes the Company's revenue from royalty and streaming interests during the three and twelve months ended December 31, 2022 and 2021. Adjusted revenue also includes royalty revenue from equity investments for the same periods. Royalty revenues are at zero cost and Ming stream revenues are subject to a 20% cost of sales (see section 12 of MD&A – Non-IFRS)

	Three months ended December 31,		Twelve months ended December 31,	
	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
<b>Revenue from royalties</b>				
Amancaya	272	262	994	1,270
Ballarat <sup>1</sup>	200	-	347	-
Bonikro <sup>1</sup>	13	-	45	-
Karlawinda	1,029	1,078	4,338	1,861
Kwale	75	146	325	611
Mercedes	243	-	380	-
Mount Pleasant	59	22	316	25
SKO <sup>1</sup>	49	-	84	-
Wahgnion	633	815	2,133	2,844
<b>Revenue from streams</b>				
Ming	-	-	677	-
<b>Total revenue</b>	<b>2,573</b>	<b>2,323</b>	<b>9,639</b>	<b>6,611</b>
<b>Royalty revenue from equity investments</b>				
Caserones <sup>1,2</sup>	242	-	898	-
<b>Adjusted revenue</b>	<b>2,815</b>	<b>2,323</b>	<b>10,537</b>	<b>6,611</b>

(1) For the post acquisition period commencing August 16, 2022.

(2) The Caserones royalty is held by Sociedad Legal Minera California Una de la Sierra Peña Negra ("SLM California") in which the Company held an effective 21.5% equity interest at December 31, 2022.

The following table summarizes the Company's GEOs from royalty interests during the three and twelve months ended December 31, 2022 and 2021:

	Three months ended		Twelve months ended	
	December 31,		December 31,	
	2022 GEO	2021 GEO	2022 GEO	2021 GEO
Amancaya	156	146	551	706
Ballarat <sup>1</sup>	115	-	200	-
Bonikro <sup>1</sup>	8	-	26	-
Karlawinda	592	617	2,404	1,056
Kwale	44	81	179	340
Mercedes	140	-	219	-
Mount Pleasant	34	16	174	17
SKO <sup>1</sup>	28	-	48	-
Wahgnion	364	434	1,186	1,561
Ming	-	-	327	-
Caserones <sup>1</sup>	140	-	520	-
<b>Total GEOs <sup>2</sup></b>	<b>1,621</b>	<b>1,294</b>	<b>5,834</b>	<b>3,680</b>

(1) For the post acquisition period commencing August 16, 2022.

(2) See section 12 – Non-IFRS Measures.

#### Karlawinda

- In the fourth quarter of 2022 GEOs were comparable relative to the fourth quarter of 2021.
- In 2022 Karlawinda produced an attributable 2,404 GEOs generating US\$4.33 million in revenue for the Company.
- Capricorn expects to continue its strong operational performance in FY2023 with unchanged gold production guidance of 115,000 – 125,000 ounces.

#### Caserones

- In the fourth quarter of 2022 GEOs were lower relative to the fourth quarter of 2021 primarily due to significant weather-related events which impacted the concentrate plant and tailings facility capacity.
- Substantial production recovery is expected in the first quarter of 2023 as throughput, grades and recoveries return to historical levels.
- Subsequent to December 31, 2022, Lundin Mining Corporation (TSX: LUN) ("Lundin") announced it had entered into a binding agreement with JX Nippon to acquire an initial 51% of Caserones for \$950 million. Lundin will also have the right to acquire up to an additional 19% interest in Caserones for \$350 million over a five-year period commencing on the first anniversary of the date of closing.

#### Wahgnion

- In the fourth quarter of 2022 GEOs were broadly in line relative to the fourth quarter of 2021.
- Production increased from 32,000 ounces in the third quarter to 36,000 ounces in the fourth quarter of 2022 due to higher processed grades which were partially offset by slightly lower tonnes milled, while gold recovery rates remained flat.
- Total tonnes mined increased due to increased mining productivity following the end of the wet season and the benefit of a full quarter of mining at the Samavogo pit. In addition, mining continued at the Nogbele North and South pits while mining at the current stage of the Fourkoura pit ended during the quarter.

### Mercedes

- In the fourth quarter of 2022 Elemental Altus received the first full quarter of production from Mercedes.
- On January 4, 2023, Bear Creek announced the discovery of two new high-grade veins discovered by underground drilling in the Marianas zone in the vicinity of existing development. Additional drilling to test these veins was expected to be conducted February 2023 with the goal of defining ore for mining in 2024.
- Bear Creek also announced a 2023 exploration budget of US\$4.4 million exploration program at Mercedes, including 33,000 metres of drilling.

### Bonikro

- Allied Gold is expected to target full production from the royalty area starting H2 2023.
- The Company owns an NSR royalty on an area of the mine known as Pushback 5 at Allied Gold's open pit Bonikro gold mine in Mali. At a gold price above US\$1,450, the NSR royalty is at an effective rate of 2.25%, capped at 560,000 ounces.

### Ming

- In 2022 Elemental received 408.4 gold ounces from the Ming Gold Stream with gross value of approximately \$674,000.
- On March 30, 2023, Rambler announced that it has placed the Ming Mine on care and maintenance while a sale and solicitation process is underway.

### Amancaya

- In the fourth quarter of 2022 GEOs were slightly higher compared to the fourth quarter of 2021, mainly due to operational efficiencies, higher gold grades, and an increase in the number of tonnes of ore processed.
- Austral reported that they intend to continue to review exploration opportunities to increase mineral reserves in the Guanaco and Amancaya district.

### Ballarat

- The Company owns an NSR royalty on the underground Ballarat mine at a rate of 1.25% and also holds ownership of approximately \$0.6 million in accrued royalty payments.
- While mining continued uninterrupted, the Ballarat Gold Mine in Australia halted processing of ore from November 30th to January 11th due to excess water in the tailings which have now been resolved. Mining continued through the period and high-grade ore that was stockpiled was prioritized for processing.

### **Frederick Bell**

CEO and Director

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## About Elemental Altus Royalties Corp.

Elemental Altus is an income generating precious metals royalty company with 10 producing royalties and a diversified portfolio of pre-production and discovery stage assets. The Company is focused on acquiring uncapped royalties and streams over producing, or near-producing, mines operated by established counterparties, as well as generating royalties on new discoveries. The vision of Elemental Altus is to build a global gold royalty company, offering investors superior exposure to gold with reduced risk and a strong growth profile.

### Qualified Person

Richard Evans, FAusIMM, is Senior Vice President Technical for Elemental Altus, and a qualified person under National Instrument 43-101 – Standards of Disclosure for Mineral Projects, has reviewed and approved the scientific and technical disclosure contained in this press release.

### Notes

#### Non-IFRS Measures

The Company has included certain performance measures which are not in accordance with International Financial Reporting Standards (“IFRS”). Non-IFRS measures are intended to provide additional information and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS. These non-IFRS measures do not have any standard meaning under IFRS and other companies may calculate measures differently.

Elemental has included certain performance measures in this press release that do not have any standardized meaning prescribed by IFRS. The Company’s royalty revenue is converted to an attributable gold equivalent ounce, or GEO, basis by dividing the royalty revenue received in a period by the average gold price for the same respective period. The presentation of this non-IFRS measure is intended to provide additional information and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS. Other companies may calculate these non-IFRS measures differently. The production forecast was derived using information that is available in the public domain as at the date hereof, which included guidance and estimates prepared and issued by management of the operators of the mining operations in which Elemental holds an interest. The production forecast is sensitive to the performance and operating status of the underlying mines. None of the information has been independently verified by Elemental and maybe subject to uncertainty. There can be no assurance that such information is complete or accurate.

Royalty revenue is received at zero cost. Elemental Altus pays 20% per ounce on streaming revenue from the Ming mine.

#### Adjusted Revenue

Adjusted revenue is a non-IFRS financial measure, which is defined as including gross royalty revenue from associated entities holding royalty interests related to Elemental’s effective royalty on the Caserones copper mine. Management uses adjusted revenue to evaluate the underlying operating performance of the Company for the reporting periods presented, to assist with the planning and forecasting of future operating results, and to supplement information in its financial statements. Management believes that in addition to measures prepared in accordance with IFRS such as revenue, investors may use adjusted revenue to evaluate the results of the underlying

business, particularly as the adjusted revenue may not typically be included in operating results. Management believes that adjusted revenue is a useful measure of the Company performance because it adjusts for items which management believes reflect the Company's core operating results from period to period. Adjusted revenue is intended to provide additional information to investors and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS. It does not have any standardized meaning under IFRS and may not be comparable to similar measures presented by other issuers.

### **Gold Equivalent Ounces**

Elemental's adjusted royalty, streaming, and other revenue is converted to an attributable gold equivalent ounce, or GEO, basis by dividing the royalty and other revenue from associates in a period by the average gold price for the same respective period, plus the net gold ounces received in the period from streaming investments. The presentation of this non-IFRS measure is intended to provide additional information and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS. Other companies may calculate these non-IFRS measures differently. The production forecast was derived using information that is available in the public domain as at the date hereof, which included guidance and estimates prepared and issued by management of the operators of the mining operations in which Elemental holds an interest. The production forecast is sensitive to the performance and operating status of the underlying mines. None of the information has been independently verified by Elemental and may be subject to uncertainty. There can be no assurance that such information is complete or accurate.

On behalf of Elemental Altus Royalties Corp.

Neither the TSX-V nor its Regulation Service Provider (as that term is defined in the policies of the TSX-V.) accepts responsibility for the adequacy or accuracy of this press release.

### **Cautionary note regarding forward-looking statements**

This news release contains certain "forward looking statements" and certain "forward-looking information" as defined under applicable Canadian securities laws. Forward-looking statements and information can generally be identified by the use of forward-looking terminology such as "may", "will", "should", "expect", "intend", "estimate", "anticipate", "believe", "continue", "plans" or similar terminology.

Forward-looking statements and information include, but are not limited to, statements with respect to the Company's ability to deliver a materially increased revenue profile, the future growth, development and focus of the Company, and the acquisition of new royalties and streams. Forward-looking statements and information are based on forecasts of future results, estimates of amounts not yet determinable and assumptions that, while believed by management to be reasonable, are inherently subject to significant business, economic and competitive uncertainties and contingencies.

Forward-looking statements and information are subject to various known and unknown risks and uncertainties, many of which are beyond the ability of Elemental Altus to control or predict, that may cause Elemental Altus' actual results, performance or achievements to be materially different from those expressed or implied thereby, and are developed based on assumptions about such risks, uncertainties and other factors set out herein, including but not limited to: the impact of general business and economic conditions, the absence of control over the mining operations from which

Elemental Altus will receive royalties, risks related to international operations, government relations and environmental regulation, the inherent risks involved in the exploration and development of mineral properties; the uncertainties involved in interpreting exploration data; the potential for delays in exploration or development activities; the geology, grade and continuity of mineral deposits; the impact of the COVID-19 pandemic; the possibility that future exploration, development or mining results will not be consistent with Elemental Altus' expectations; accidents, equipment breakdowns, title matters, labour disputes or other unanticipated difficulties or interruptions in operations; fluctuating metal prices; unanticipated costs and expenses; uncertainties relating to the availability and costs of financing needed in the future; the inherent uncertainty of production and cost estimates and the potential for unexpected costs and expenses, commodity price fluctuations; currency fluctuations; regulatory restrictions, including environmental regulatory restrictions; liability, competition, loss of key employees and other related risks and uncertainties. For a discussion of important factors which could cause actual results to differ from forward-looking statements, refer to the annual information form of the Company for the year ended 31 December 2022. Elemental Altus undertakes no obligation to update forward-looking statements and information except as required by applicable law. Such forward-looking statements and information represents management's best judgment based on information currently available. No forward-looking statement or information can be guaranteed, and actual future results may vary materially. Accordingly, readers are advised not to place undue reliance on forward-looking statements or information.