

Triple Flag Reports Record Q2 2021 Cash Flows in its Inaugural Public Quarterly Results and Provides 10-Year Outlook

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[Triple Flag Precious Metals Corp.](#) ("Triple Flag") (TSX:TFPM, TSX:TFPM.U), an emerging senior gold-focused streaming and royalty company that offers bespoke financing solutions to the metals and mining industry, today announced its results for the second quarter of 2021. All dollar references are in United States dollars.

"In our inaugural quarterly results as a public company, we are pleased to report record Q2 2021 cash flows, following our previous announcement of record quarterly metal sales in Q2 2021," commented Shaun Usmar, Triple Flag Founder and CEO. "The business continued its track record of strong cash flow growth in Q2 2021, with a 48% increase in both revenue and operating cash flow, and a 49% increase in adjusted EBITDA, each as compared to the same period in 2020. We are also pleased to announce that our Board has declared our first dividend of \$0.0475 per common share. This equates to a robust dividend yield of 1.7% on the closing share price on August 9th, directly sharing the benefits of our cash flow with our shareholders. We intend to continue growing the dividend over time as we focus on delivering consistently strong results and returns without compromising our strategy of disciplined and accretive growth through the acquisition of precious metals streams and royalties.

For the first time, we are publishing our five- and ten-year average annual gold equivalent ounces ("GEOs") outlook, demonstrating that Triple Flag's portfolio has strong near-term organic growth and a stable, high-quality production profile over the next decade and beyond, with an average portfolio life in excess of twenty years. Having built Triple Flag from the ground up since 2016 with sector-leading growth in GEOs over this period, we are proud to demonstrate the ongoing growth and duration of our existing portfolio by showcasing our expectation of sustainable average production of 105,000 GEOs over the next five years and the next ten years from the existing portfolio. Above and beyond the five- and 10-year production outlook, we believe there is considerable optionality related to potential life of mine extensions, expansions, and exploration from our 15 producing mines and 60 exploration and development assets in the portfolio. This growth outlook does not factor in potential additional high-quality growth through accretive acquisitions that this team has repeatedly demonstrated through our industry-leading transaction track record over the past five years. We see this portfolio as a solid, high-margin, strong-cash-generating foundation from which we will continue to grow net asset value, free cash flow, GEOs, and resources per share, while providing us with the financial strength to return capital to our shareholders through meaningful dividends."

Q2 2021 Financial Highlights

- 48% increase in Revenue to \$40.9 million, from \$27.6 million in Q2 2020.
- 48% increase in Operating Cash Flow to a quarterly record of \$32.8 million, from \$22.1 million in Q2 2020.
- 100% increase in Net Earnings to \$18.3 million, from \$9.2 million in Q2 2020.
- 49% increase in Adjusted EBITDA² to \$35.0 million, from \$23.5 million in Q2 2020.
- 40% increase in GEOs sold to a quarterly record of 22,537, from 16,115 in Q2 2020.
- Cash Costs per GEO³ of \$168, compared to cash costs per GEO of \$139 in Q2 2020.
- Strong Asset Margin⁴ of 91% compared to 92% in Q2 2020.
- Net cash proceeds of \$245.1 million from the initial public offering.

GEOs Sold by Commodity, Revenue by Commodity, and Financial Highlights Summary Table

(\$ thousands except GEOs, asset margin, total margin, and Cash cost per GEO) Three Months Ended June 30 Six Months Ended June 30

	2021	2020	2021
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GEOs

Gold	11,549	9,461	20,375
Silver	11,049	6,654	20,204
Other	939	-	1,672
Total	23,537	16,115	42,251

Revenue

Gold	20,978	16,189	36,810
Silver	18,254	11,386	36,472
Other	1,707	-	3,023
Total	40,939	27,575	76,305

Net Earnings (loss)	18,339	9,180	27,018
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Adjusted Net Earnings (loss) ¹	16,650	1,510	30,441
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Operating Cash Flow	32,754	22,112	61,563
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Adjusted EBITDA ²	34,959	23,507	65,056
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Asset margin ⁴	91%	92%	91%
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Total margin ⁴	85%	85%	85%
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Cash cost per GEO ³	168	139	160
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Corporate Updates

- **Initial Public Offering:** Triple Flag closed its initial public offering ("IPO") on May 26, 2021, which was the largest TSX-listed mining IPO since 2012 by size and market capitalization, and the largest precious metals IPO globally by market capitalization since 2008. Triple Flag sold an aggregate of 19,230,770 treasury common shares at an offering price of \$13.00 per share. On June 29, 2021 the underwriters of the IPO exercised an over-allotment option granted to purchase a further 1,058,553 treasury common shares of the Company at the initial offering price of \$13.00 per share. The common shares are listed on the Toronto Stock Exchange in both Canadian and U.S. dollars under the symbols TSX:TFPM and TSX:TFPM.U, respectively. Total proceeds from the IPO, net of underwriter fees and various issue costs were \$245.1 million.
- **Debt-Free and Funded to Continue Growth:** We currently have a Credit Facility of \$500 million with an additional uncommitted accordion of up to \$100 million, for a total availability of up to \$600 million. As at June 30, 2021, the Credit Facility was drawn for \$7 million, which was fully repaid subsequent to quarter end, leaving Triple Flag debt-free. Our cash balance, combined with our robust cash generation and availability of \$600 million from our undrawn Credit Facility, provides us with sufficient financial resources to meet our business requirements for the foreseeable future, including acquisitions, working capital requirements and dividend payments.
- **Sustainability Report:** Our inaugural Sustainability Report will be released in September 2021, following through on our commitment to transparency in reporting in this key area of our business. We showcase the work our team has done to support our mining partners through our social investment programs and demonstrate the ESG credentials of our key assets while furthering our support of the United Nations Global Compact sustainable development goals through our actions. Our leading approach to the comprehensive calculation and reporting of our broader greenhouse gas emissions is substantiated by investments in meaningful accredited offsets to ensure our ongoing carbon neutrality since the inception of our business.

- **Dividend:** Triple Flag's Board of Directors declared its first dividend. A dividend of \$0.0475 per common share was declared and will be paid on September 15, 2021 to the shareholders of record at the close of business on August 31, 2021. The dividend represents a yield of 1.7% based on the closing share price on August 9, 2021. Triple Flag intends to establish a Dividend Reinvestment Plan for its Canadian shareholders.

2021 Guidance and Long-Term Production Outlook

Triple Flag's portfolio builds on our sector-leading GEOs growth profile since 2017, with a CAGR of 24% through 2020, offering ongoing strong near-term organic growth and a stable, high-quality production profile over the next decade and beyond. Production over the next five years is expected to average 105,000 GEOs per year, a significant increase over current production levels primarily due to continued production growth from Buriticá, Pumpkin Hollow, Gunnison, Dargues, and ATO. Over the next ten years we expect average production of 105,000 GEOs per year, benefiting from mining of the high-grade E22 block cave at Northparkes, which is expected to commence production in 2026. Centerra Gold's Kemess project and Talon Metal's Tamarack project are not included in Triple Flag's five-year outlook but are included in the 10-year outlook. Long-term GEOs are based on \$1,750/oz gold, \$25/oz silver, and \$3.00/lb copper. Above and beyond the production outlook, we believe there is considerable optionality related to potential life of mine extensions, expansions and exploration from our 15 producing mines and 60 exploration and development assets in the portfolio, before factoring in likely future accretive transaction that would add to our growth profile. Our outlook on stream and royalty interests is based on assumptions, including the public statements and other disclosures by the third-party owners and operators of the properties on which we have stream and royalty interests (subject to our assessment thereof). For further information, see "Forward-Looking Information" and "Technical and Third-Party Information", below.

2021 Guidance and Long-Term Production Outlook

	5-year Outlook	10-year Outlook
2021 Guidance		
	Annual Average (2022-2026)	Annual Average (2022-2031)
Gold Equivalent Ounces ^{a b}	83,000 to 87,000 105,000	105,000

Q2 2021 Portfolio Updates

Australia:

- **Northparkes (54% gold stream and 80% silver stream):** Sales from Northparkes in Q2 2021 were 4,713 GEOs. Capital and expansion projects continued to progress well and encouraging drilling results were returned from the MJH Project, which is beyond the current Mineral Resource and Mineral Reserve and proximal to the E26 orebody. We expect to provide further updates and insights into the potential at Northparkes later this year.
- **Fosterville (2.0% NSR gold royalty):** Royalties from Fosterville in Q2 2021 equated to 2,270 GEOs. Fosterville produced 157,993 ounces and sold 142,600 ounces in Q2 2021. Production for the quarter was significantly above planned levels driven largely by continued grade outperformance in the Swan Zone, as well as changes to mine sequencing with high-grade Swan Zone stopes initially planned for Q4 2021 being advanced into Q2 2021. In the Lower Phoenix System, a new drill drive was completed in June 2021 with five underground drills being deployed by the end of the month to test the down-plunge extension of the Swan Zone. In addition, underground drilling of Robbin's Hill targets is now expected to commence in Q3 2021.
- **Dargues (5.5% GR gold royalty):** During the quarter, Dargues achieved its targeted development rates, ore production, mill throughput, and recoveries. The gold grade is expected to further increase during the ramp-up as production reaches higher-grade stoping areas. Aurelia Metals Ltd. announced that extensional drilling at Dargues confirmed multiple zones of gold mineralization beyond the existing Mineral Resource footprint. Extensional drilling is continuing in a number of directions from the current Resource and Reserve.

- Henty (3.0% GR gold royalty): Catalyst Metals Ltd. ("Catalyst") are increasing the output of the Henty gold mine and undertaking in-mine and surface exploration after a prolonged period of limited exploration activity. Having produced 16,000 ounces of gold in FY2020, Catalyst is targeting 30,000 ounces of gold in FY2021 and FY2022, and 30,000 to 40,000 ounces in FY2023, with the objective of reaching 50,000 ounces per year on a sustainable basis over time. Catalyst expects to produce 25,000 ounces of gold in calendar year 2021.

Latin America:

- Cerro Lindo (65% silver stream): Sales from Cerro Lindo in Q2 2021 were 7,913 GEOs, based on 535,126 ounces of silver sold. Silver production at Cerro Lindo has outperformed year-to-date due to higher-than-planned silver grades. Mill throughputs in Q2 2021 were 94% higher than in Q2 2020, which was impacted by COVID-19. The recovery in mill throughputs will benefit Triple Flag later in the year due to the time delay between mine production and metal sales of three to four months. Drilling results continue to confirm continuity of orebody 9, after 1,332 m drilled, with thick intersections such as 23 m with 13.38% zinc equivalent and 17 m with 7.79% zinc equivalent, with corresponding high silver grades of 84.0 g/t and 172.0 g/t.
- Nexa has discovered a new deposit, Pucasalla, approximately 4.5 km to the northwest of Cerro Lindo. Whilst Pucasalla is outside of Triple Flag's stream area, the stream benefits directly and indirectly from any discoveries that extend Cerro Lindo's current life of mine and Triple Flag retains a right of first refusal over any stream-related financing in the future.
- Buriticá (100% silver stream): Sales from Buriticá in Q2 2021 were 1,203 GEOs, based on 79,929 ounces of silver sold, representing a 40.7% increase from Q1 2021, reflecting the continued operational ramp-up. Buriticá is expecting to ramp up to 4,000 tonnes per day by the end of 2021, a 33% increase from the original design throughput of 3,000 tonnes per day.
- Eastern Borosi (2.0% NSR gold and silver royalty): Calibre Mining Corp. ("Calibre") has continued to advance Eastern Borosi ahead of schedule by acquiring surface rights, and conducting advanced social, technical, and environmental work. Eastern Borosi comprises high-grade open pit and underground resource zones and is expected to provide mill feed for Calibre's Libertad mill, which currently has 50% surplus capacity. Calibre has returned high-grade results from various deposits across the project.
- Polo Sur (1.0% NSR copper royalty): Antofagasta plc's Projects Committee reviewed the Polo Sur pre-feasibility study and updated the resource model with 101 new drillholes, totaling 16,000 m of drilling, increasing the Mineral Resource by 143 million tonnes, predominantly in the hypogene zone.

North America:

- Young-Davidson (1.5% NSR gold royalty): Royalties from Young-Davidson in Q2 2021 equated to 722 GEOs, up 40% from Q2 2020, due to the completion of the lower mine expansion. Alamos Gold Inc. ("Alamos") achieved mining rates of 7,500 tonnes per day and expects to attain long-term rates of 8,000 tonnes per day in Q3 2021. Having commenced the first systematic exploration since 2011, drilling intersected mineralization 150 m below the current Inferred Resource and high-grade mineralization 200 m into the hanging wall and 150 m into the footwall of the main deposit.
- Pumpkin Hollow (97.5% gold and silver stream): Sales from Pumpkin Hollow in Q2 2021 were 180 GEOs. Nevada Copper Corp. ("Nevada Copper") announced continued progress on mine development and ventilation, and consequently expect to reach steady-state production by Q4 2021. Nevada Copper is progressing life of mine planning studies aimed at increasing the production rate beyond the originally contemplated 5,000 tons per day, which may support the accelerated mining of Mineral Resources that exist above and beyond the current Mineral Reserve.
- Gunnison (16.5% copper stream): Triple Flag made its first sales from copper deliveries from the Gunnison stream during the quarter. Excelsior Mining Corp. is continuing to work through ramp-up challenges associated with the generation of carbon dioxide, which has reduced flow rates and slowed the stage-1 ramp-up to 25 million pounds per annum.
- Eagle River (0.5% NSR gold royalty): Royalties in Q2 2021 from Eagle River equaled 112 GEOs. Eagle River's gold production in Q2 2021 was 39% higher than Q1, driven by an 18% increase in both recovered gold grades and tonnes milled. Higher production rates from the 311 Zone stope allowed production throughput to reach over 693 tonnes per day during the quarter.

- Tamarack (3.5%^c NSR nickel and copper royalty): Talon Metals Corp. ("Talon") has announced numerous intersections of nickel-copper mineralization outside of the current Mineral Resource area and a newly discovered 'pool' of massive nickel-copper mineralization, the first assay from which comprised 13.92 m grading 5.54% nickel and 2.14% copper. Many of the new discoveries are at shallower depths than the current Mineral Resource. To date, Talon has explored less than 2.5 km of an approximately 18 km trend, which is covered by Triple Flag's royalty interest.
- Queensway (0.2% to 0.5% NSR gold royalty): Triple Flag acquired a royalty on New Found Gold Corp's ("New Found") Queensway project in 2019 prior to the discovery of high-grade gold mineralization. During Q2 2021, New Found has announced a series of high-grade drilling intersections on properties subject to the royalty, as part of a 200,000 m drilling program.

Rest of World

- RBPlat (70% gold stream): Sales from RBPlat in Q2 2021 were 2,036 GEOs. Tonnes hoisted in the first half of 2021 increased by 20.7%, supported by a 28% increase in development, compared to the first half of 2020, which was impacted by COVID-19. Notwithstanding the year-on-year improvements in operational performance, Royal Bafokeng Platinum Limited's operations team are focusing on several key areas to debottleneck production at Styldrift and achieve a sustainable 230,000 tonnes per month production rate. Styldrift tonnes hoisted have steadily increased from an average of 156,000 tonnes per month in the first quarter of 2021 to 208,000 tonnes per month for June 2021.
- ATO (25% gold stream and 50% silver stream): Sales from ATO in Q2 2021 were 1,494 GEOs. COVID-19 has resulted in supply chain disruptions, which has impacted Steppe Gold Limited's ("Steppe") supply of critical reagents and reduced heap leaching production during the quarter. Steppe has continued to stack ore on the run of mine stockpile and heap leach pad during the period and leaching is anticipated to recommence during Q3 2021. Steppe continued to progress technical studies and the procurement of long-lead items in support of their planned Phase 2 Fresh Rock Expansion project, which is subject to Triple Flag's stream interest and represents upside beyond our initial investment.

Conference Call Details

Triple Flag has scheduled an investor conference call at 11:00 a.m. Eastern time, on Wednesday, August 11, 2021, to discuss the results reported in today's earnings announcement. The conference call will be broadcast live via a webcast and can be accessed by visiting the Events and Presentations page on the Company's website at: tripleflagpm.com. An archived version of the webcast will be available on the website for one month following the webcast.

To register for this conference call, please use this link:

<http://www.directeventreg.com/registration/event/2865668>. After registering, a confirmation will be sent through email, including dial in details and unique conference call codes for entry. Registration is open through the live call. To ensure you are connected for the full call, we suggest registering a day in advance or at a minimum 10 minutes before the start of the call.

Live webcast: <https://event.on24.com/wcc/r/3313174/E8E72774E84E555F0147239ED51DDAA7>

About Triple Flag

Triple Flag's shares are listed on the TSX under TFPM.U (USD listing) and TFPM (CAD listing). On May 26, 2021 Triple Flag closed its IPO, which was the largest TSX-listed mining IPO since 2012 by size and market capitalization, and the largest precious metals IPO globally by market capitalization since 2008. Triple Flag is a gold-focused streaming and royalty company, providing investors exposure to a long-life, diversified and high-quality portfolio of streams and royalties, that generates robust free cash flows. Our business is underpinned by a rigorous focus on asset-quality, optionality, sustainability and risk management. We offer bespoke financing solutions to the metals and mining industry. Our mission is to be a sought-after, long-term funding partner to mining companies throughout the commodity cycle. Since our inception in 2016, we have delivered sector-leading growth through the construction of a diversified portfolio of streams and royalties providing exposure primarily to gold and silver in the Americas and Australia. We have 75 assets, including 9 streams and 66 royalties. These investments are tied to mining assets at various stages of the mine life cycle, including 15 producing mines and 60 development and exploration stage projects. References to

Triple Flag mean [Triple Flag Precious Metals Corp.](#), together with its wholly-owned subsidiaries.

Forward-Looking Information

This news release contains "forward-looking information" within the meaning of applicable Canadian securities laws. Forward-looking information may be identified by the use of forward-looking terminology such as "plans", "targets", "expects", "is expected", "budget", "scheduled", "estimates", "outlook", "forecasts", "projection", "prospects", "strategy", "intends", "anticipates", "believes", or variations of such words and phrases or terminology which states that certain actions, events or results "may", "could", "would", "might", "will", "will be taken", "occur" or "be achieved". Our assessments of, and expectations for, future periods (including, but not limited to, our 2021 guidance and long-term production outlook for GEOs), are considered forward-looking information. In addition, any statements that refer to expectations, intentions, projections or other characterizations of future events or circumstances contain forward-looking information. Statements containing forward-looking information are not historical facts but instead represent management's expectations, estimates and projections regarding possible future events or circumstances.

The forward-looking information included in this news release is based on our opinions, estimates and assumptions in light of our experience and perception of historical trends, current conditions and expected future developments, as well as other factors that we currently believe are appropriate and reasonable in the circumstances. The forward-looking information contained in this news release is also based upon the ongoing operation of the properties in which we hold a stream or royalty interest by the owners or operators of such properties in a manner consistent with past practice; the accuracy of public statements and disclosures made by the owners or operators of such underlying properties; and the accuracy of publicly disclosed expectations for the development of underlying properties that are not yet in production. These assumptions include, but are not limited to, the following: assumptions in respect of current and future market conditions and the execution of our business strategies, that operations, or ramp-up where applicable, at properties in which we hold a royalty, stream or other interest, continue without further interruption through the period, and the absence of any other factors that could cause actions, events or results to differ from those anticipated, estimated, intended or implied. Despite a careful process to prepare and review the forward-looking information, there can be no assurance that the underlying opinions, estimates and assumptions will prove to be correct. Forward-looking information is also subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance or achievements to be materially different from those expressed or implied by such forward-looking information. Such risks, uncertainties and other factors include, but are not limited to, those set forth under the caption "Risk Factors" in our May 19, 2021 prospectus. For clarity, mineral resources that are not mineral reserves do not have demonstrated economic viability and inferred resources are considered too geologically speculative for the application of economic considerations.

Although we have attempted to identify important risk factors that could cause actual results or future events to differ materially from those contained in forward-looking information, there may be other risk factors not presently known to us or that we presently believe are not material that could also cause actual results or future events to differ materially from those expressed in such forward-looking information. There can be no assurance that such information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such information. Accordingly, readers should not place undue reliance on forward-looking information, which speaks only as of the date made. The forward-looking information contained in this news release represents our expectations as of the date of this news release and is subject to change after such date. We disclaim any intention or obligation or undertaking to update or revise any forward-looking information whether as a result of new information, future events or otherwise, except as required by applicable securities laws. All of the forward-looking information contained in this news release is expressly qualified by the foregoing cautionary statements.

Technical and Third-Party Information

Triple Flag does not own, develop or mine the underlying properties on which it holds stream or royalty interests. As a royalty or stream holder, Triple Flag has limited, if any, access to properties included in its asset portfolio. As a result Triple Flag is dependent on the owners or operators of the properties and their qualified persons to provide information to Triple Flag or on publicly available information to prepare disclosure pertaining to properties and operations on the properties on which Triple Flag holds stream, royalty or other similar interests. Triple Flag generally has limited or no ability to independently verify such information. Although Triple Flag does not believe that such information is inaccurate or incomplete in any material respect, there can be no assurance that such third-party information is complete or accurate.

Endnotes

Endnote 1

Adjusted net earnings (loss) is a non-IFRS financial measure, which excludes the following from net earnings (loss):

- Impairment charges
- Gain/loss on sale or disposition of assets/investments/mineral interests
- Foreign currency translation gains/losses
- Increase/decrease in fair value of investments
- Non-recurring charges
- Impact of income taxes on these items

Management uses this measure internally to evaluate our underlying operating performance for the reporting periods presented and to assist with the planning and forecasting of future operating results. Management believes that adjusted net earnings (loss) is a useful measure of our performance because impairment charges, gain/loss on sale or disposition of assets/investments/mineral interests, foreign currency translation (gains) losses, increase/decrease in fair value of investments and non-recurring charges (such as IPO readiness costs) do not reflect the underlying operating performance of our core business and are not necessarily indicative of future operating results. The tax effect is also excluded to reconcile the amounts on a post-tax basis, consistent with net earnings. Management's internal budgets and forecasts and public guidance do not reflect the types of items we adjust for. Consequently, the presentation of adjusted net earnings (loss) enables users to better understand the underlying operating performance of our core business through the eyes of management. Management periodically evaluates the components of adjusted net earnings (loss) based on an internal assessment of performance measures that are useful for evaluating the operating performance of our business and a review of the non-IFRS measures used by industry analysts and other streaming and royalty companies. Adjusted net earnings (loss) is intended to provide additional information only and does not have any standardized definition under IFRS and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS. The measures are not necessarily indicative of gross profit or operating cash flow as determined under IFRS. Other companies may calculate these measures differently. The following table reconciles adjusted net earnings (loss) to net earnings (loss), the most directly comparable IFRS measure:

	Three months ended June 30		Six months ended June 30	
(\$ thousands, except share and per share information)	2021	2020	2021	2020
Net earnings (loss)	\$18,339	\$9,180	\$27,018	\$(7,305)
Impairment charges	-	-	-	7,864
Gain on disposal of mineral interests	-	-	-	-
Loss on sale of investments	-	-	185	-
Loss on derivatives	297	-	297	-
Foreign currency translation (gains) losses	(18)	5	(22)	25
Decrease (increase) in fair value of investments	(2,595)	(7,787)	1,716	3,712
IPO readiness costs ⁽¹⁾	-	-	670	-
Income tax effect	627	112	577	(2,012)
Adjusted net earnings	\$16,650	\$1,510	\$30,441	\$2,284
Weighted average shares outstanding	143,534,434	97,915,712	139,739,993	97,915,712
Net earnings (loss) per share				

Adjusted net earnings per share	0.12	0.02	0.22	0.02
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(1) Reflects charges related to a potential U.S. listing that was not pursued.

Endnote 2

Adjusted EBITDA is a non-IFRS financial measure, which excludes the following from net earnings:

- Income tax expense
- Finance costs
- Finance income
- Depletion and amortization
- Impairment charges
- Gain/loss on sale or disposition of assets/investments/mineral interests
- Foreign currency translation gains/losses
- Increase/decrease in fair value of investments
- Non-recurring charges

Management believes that adjusted EBITDA is a valuable indicator of our ability to generate liquidity by producing operating cash flow to fund working capital needs, service debt obligations, and fund acquisitions. Management uses adjusted EBITDA for this purpose. Adjusted EBITDA is also frequently used by investors and analysts for valuation purposes whereby adjusted EBITDA is multiplied by a factor or "multiple" that is based on an observed or inferred relationship between adjusted EBITDA and market values to determine the approximate total enterprise value of a company.

In addition to excluding income tax expense, finance costs, finance income and depletion and amortization, adjusted EBITDA also removes the effect of impairment charges, gain/loss on sale or disposition of assets/investments/mineral interests, foreign currency translation gains/losses, increase/decrease in fair value of investments and non-recurring charges. We believe these items provide a greater level of consistency with the adjusting items included in our adjusted net earnings reconciliation, with the exception that these amounts are adjusted to remove any impact of income tax expense as they do not affect adjusted EBITDA. We believe this additional information will assist analysts, investors and our shareholders to better understand our ability to generate liquidity from operating cash flow, by excluding these amounts from the calculation as they are not indicative of the performance of our core business and not necessarily reflective of the underlying operating results for the periods presented.

Adjusted EBITDA is intended to provide additional information to investors and analysts and does not have any standardized definition under IFRS and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS. Adjusted EBITDA is not necessarily indicative of operating profit or operating cash flow as determined under IFRS. Other companies may calculate adjusted EBITDA differently. The following table reconciles adjusted EBITDA to net earnings (loss), the most directly comparable IFRS measure:

	Three months ended June 30		Six months ended June 30	
(\$ thousands)	2021	2020	2021	2020
Net earnings (loss)	\$18,339	\$9,180	\$27,018	\$(7,305)
Finance costs, net	2,059	2,075	4,577	4,162
Income tax expense	2,695	3,881	3,302	2,557
Depletion and amortization	14,182	16,153	27,313	27,788
Impairment charges	-	-	-	7,864
Gain on disposal of mineral interests	-	-	-	-
Loss on sale of investments				

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Loss on derivatives	297	-	297	-
Foreign currency translation (gain) loss	(18)	5	(22)	25
Decrease (increase) in fair value of investments (2,595)		(7,787)	1,716	3,712
IPO readiness costs ⁽¹⁾	-	-	670	-
Adjusted EBITDA	\$34,959	\$23,507	\$65,056	\$38,803

(1) Reflects charges related to a U.S. listing that was not pursued.

Endnote 3

Cash costs and cash costs per GEO are non-IFRS measures with no standardized meaning under IFRS and may not be comparable to similar measures presented by other issuers. Cash costs is calculated by starting with total cost of sales, then deducting depletion. Cash costs is then divided by GEOs sold, to arrive at cash costs per GEO. Cash costs and cash costs per GEO are only intended to provide additional information to investors and analysts and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS.

Management uses cash costs and cash costs per GEO to evaluate our ability to generate positive cash flow from its portfolio of assets. Management and certain investors also use this information to evaluate the Company's performance relative to peers who present this measure on a similar basis. The following table reconciles cash costs and cash costs per GEO to cost of sales, the most directly comparable IFRS measure:

	Three months ended June 30		Six months ended June 30	
(\$ thousands, except GEOs and cash costs per GEO)	2021	2020	2021	2020
Cost of sales	\$17,874	\$18,291	\$33,883	\$31,381
Less: Depletion	14,083	16,054	27,114	27,589
Cash costs	3,791	2,237	6,769	3,792
GEOs	22,537	16,115	42,251	27,829
Cash costs per GEO	168	139	160	136

Endnote 4

Gross profit margin is an IFRS financial measure which we define as gross profit divided by revenue. Asset margin is a non-IFRS financial measure which we define by taking gross profit and adding back depletion and dividing by revenue. Total margin is a non-IFRS financial measure which we define as adjusted EBITDA divided by revenue. We use gross profit margin to assess profitability of our metal sales and use asset margin and total margin in order to evaluate our performance in increasing revenue and containing costs and providing a useful comparison to our peers. Both asset margin and total margin are intended to provide additional information only and do not have any standardized definition under IFRS and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS. The following table reconciles asset margin and total margin to gross profit margin, the most directly comparable IFRS measure:

(\$ thousands except Gross profit margin, Three months ended June 30 Six months ended June 30	Three months ended June 30		Six months ended June 30	
Asset margin, and Total margin)	2021	2020	2021	2020
Revenue	\$40,939	\$27,575	\$76,305	\$46,119
Cost of sales				

17,874

33,883

Gross profit	23,065	9,284	42,422	14,738
Gross profit margin	56%	34%	56%	32%
Gross profit	\$23,065	\$9,284	\$42,422	\$14,738
Add: Depletion	14,083	16,054	27,114	27,589
	37,148	25,338	69,536	42,327
Revenue	40,939	27,575	76,305	46,119
Asset margin	91%	92%	91%	92%
Gross profit	23,065	9,284	42,422	14,738
Add: Depletion and amortization	14,182	16,153	27,313	27,788
Less: Sustainability initiatives	22	27	354	38
Less: Business development costs	219	5	329	19
Less: General administration costs	2,047	1,898	3,996	3,666
Adjusted EBITDA	34,959	23,507	65,056	38,803
Revenue	40,939	27,575	76,305	46,119
Total margin	85%	85%	85%	84%

^a GEOs are based on stream and royalty interests and are calculated by dividing all revenue from such interests by the average gold price during the applicable period.

^b 2021E and long-term expected GEOs are based on publicly available forecasts of the owners or operators of our stream and royalty properties. When publicly available forecasts on properties are not available, we obtain internal forecasts from the owners or operators, or use our own best estimate. We conduct our own independent analysis of this information to reflect our expectations based on an operator's historical performance and track record of replenishing Mineral Reserves and the operator's publicly disclosed guidance on future production, the conversion of mineral resources to mineral reserves, drill results, our view on opportunities for mine plan optimization and other factors. In estimating GEOs for 2021E, we used commodity prices of \$1,800/oz gold, \$25.00/oz silver, and \$3.00/lb copper for the remainder of 2021. In estimating 5- and 10-year average GEOs, we used commodity prices of \$1,750/oz gold, \$25.00/oz silver, and \$3.00/lb copper.

^c Triple Flag's royalty relates to [Talon Metals Corp.](#)'s ("Talon") interest in the Tamarack project is assumed to reach 60% after full earn-in by Talon. Talon's interest is currently at 17.6%. Under the terms of the royalty agreement, Triple Flag has a put right pursuant to which Triple Flag may cause Talon to repurchase the entire royalty for \$8.6 million. If Triple Flag does not exercise the put right, Talon has a one-time option to buy down the NSR royalty to 1.85% for \$4.5 million. If Talon's interest in the project decreases below 10%, its interest is converted into a 1.0% NSR royalty which is automatically assigned to Triple Flag.

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