

Altius Reports Q2 2024 Attributable Royalty Revenue of \$21.8M and Adjusted Earnings(1) of \$4.0M

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All references in thousands of Canadian dollars, except per share amounts, unless otherwise indicated

[Altius Minerals Corp.](#) (TSX: ALS; OTCQX: ATUSF) ("Altius" or the "Corporation") reports second quarter 2024 revenue of \$19.5 million compared to \$17.3 million in Q2 2023. Attributable royalty revenue⁽¹⁾ of \$21.8 million (\$0.47 per share⁽¹⁾) compares to \$17.4 million in Q1 2024 and to \$18.7 million (\$0.39 per share) reported in Q2 2023.

Brian Dalton, CEO commented, "Revenue in the current quarter reflects higher base metal prices, higher dividends from iron ore, and growth of the renewable royalty portfolio, partially offset by lower potash prices and the closure of the Genesee Mine. The potash market has returned to a level of stability in terms of both price and demand. The growth in the renewables segment continues and is expected to more than replace our prior coal revenue going forward. The Silicon and Kami royalties continue with positive progress, each of which holds the potential to add meaningfully to the value of our royalty portfolio".

Operating Royalty Portfolio Performance

Summary of attributable royalty revenue Q2 2024 Q1 2024 Q2 2023

Base and battery metals	\$ 5,474	\$ 5,344	\$ 4,834
Potash	4,755	5,130	6,081
Renewable energy	2,100	3,337	1,310
Iron ore [#]	4,114	1,683	2,431
Thermal (electrical) coal	-	-	2,626
Interest and other	5,319	1,941	1,416
Attributable royalty revenue	\$ 21,762	\$ 17,435	\$ 18,698

(#) [Labrador Iron Ore Royalty Corp.](#) dividends

Quarterly Highlights

- On July 31, 2024 Adventus Mining Corporation ("Adventus"), owners of the El Domo Curipamba project, closed an all share transaction whereby [Silvercorp Metals Inc.](#) ("Silvercorp") acquired the common shares of Adventus under a plan of arrangement. Silvercorp, a diversified mining company producing silver, gold, lead, and zinc and with a long history of profitability and growth, notes the Curipamba development project as the key rationale for completing the acquisition while also indicating that it has sufficient cash and liquidity to complete construction of the El Domo Curipamba project. Altius holds a 2% net smelter return ("NSR") royalty on the project. Altius agreed to not exercise its additional royalty conversion option and instead received cash consideration of approximately \$9,562,000 for settlement of its US\$4,000,000 loan outstanding, while retaining its original 2% NSR royalty. The cash consideration received reflected the implied equity value of the transaction as if the Corporation converted its outstanding loan receivable to common shares of Adventus and during the quarter \$3.6 million in additional investment income was recognized. On August 6, 2024 Silvercorp announced that Curipamba had received its final exploitation permit to enter construction.

- AngloGold Ashanti plc ("AGA") continues to advance the discovery of a potential major new gold district centered around its Silicon Project near Beatty, Nevada. AGA recently provided an update for the "Expanded Silicon Project", which includes both the Silicon and Merlin gold deposits, that was highlighted by the announcement of an initial Inferred Mineral Resource of 9.05 million ounces at the Merlin deposit (283.9 Mt at 0.99 g/t). Altius holds a 1.5% NSR royalty related to the project. Recently reported results from an ongoing delineation drilling program at Merlin included intercepts of 144.5m grading 10.53 g/t gold and 190.4m @ 5.12 g/t gold, all within oxide material. The Corporation delivered requests to AGA under the terms of its royalty agreement for the registration of our royalty interest in claims staked, held or owned by AGA in the Beatty District that are in addition to previously registered lands. AGA did not agree that these additional claims are subject to the royalty and arbitration proceedings to resolve the dispute in accordance with the dispute resolution mechanism provided for in the royalty agreement have taken place. The Corporation currently awaits a decision from the arbitration panel.
- Champion Iron Limited ("Champion") commenced the environmental review and permitting process for the Kami project during the quarter and expects this to run until early 2026. High purity iron ore was added to the Canadian critical minerals list with this designation expected to open up more low cost financing opportunities and other benefits related to critical minerals infrastructure. Altius originated the Kami project within its Project Generation business and retains a 3% gross sales royalty interest.
- Lundin Mining Corporation ("Lundin") continued to delineate its Saúva copper-gold deposit discovery, located 15 kilometers north of the Chapada Mine on lands encompassed by our copper stream interest. Lundin recently reported an open-pit Indicated Mineral Resource of 244.6 Mt at 0.29% copper and 0.17 g/t gold (721 kt or 1.59 Blbs of copper) and an underground Inferred Mineral Resource of 53.3 Mt at 0.41% copper and 0.26 g/t gold (221 kt or 0.49 Blbs of copper) at Saúva, after an aggressive drilling program in 2023. This compares with Measured and Indicated Mineral Resources at Chapada of 920.7 Mt at 0.24% copper and 0.12 g/t gold (2169 kt or 4.77 Blbs copper). Lundin highlighted continuing exploration work in 2024 at Saúva as it continues to conduct a 16,000 metre drill program on the deposit.
- ARR (58% owned by the Corporation) continues to accelerate its revenue trajectory which is expected to continue throughout the remainder of 2024 with the commencement of operations at the 195 MW Angelo Solar project as well as the expected Q3 commencement of commercial operations at the 300 MW El Sauz wind project. ARR recently announced a US\$30 million financing of renewable energy developer Nokomis Energy, LLC to gain future royalties related to a portfolio of distributed solar development projects. In July 2024 ARR also announced a follow-on transaction with its development partner Nova Clean Energy, LLC ("Nova") to provide a US\$40 million secured term loan facility and as part of the loan will receive up to 500 MW of additional royalties on Nova's pipeline of projects as projects are commercialized.

Adjusted EBITDA⁽¹⁾ of \$15.4 million (\$0.33 per share⁽¹⁾) during Q2 2024 compares to \$13.7 million (\$0.29 per share) during Q2 2023 and follows the trend of revenue.

Q2 2024 adjusted operating cash flow⁽¹⁾ of \$9.2 million (\$0.20 per share⁽¹⁾) compares to \$14.1 million (\$0.30 per share) in 2023. The decrease is largely reflective of lower royalty revenue receipts as well as working capital changes.

Net earnings of \$8.3 million (\$0.18 per share) for Q2 2024 compares to net earnings of \$3.3 million (\$0.06 per share) in Q2 2023 reflecting higher revenues as well as lower amortization offset by marginally higher costs. Adjusted net earnings per share⁽¹⁾ of \$0.09 in the current quarter is higher than the second quarter of 2023, following the trend of revenue. The main adjusting items in the current quarter are summarized in the below table.

	Three months ended	
	June 30, 2024	June 30, 2023
Adjusted Net Earnings		
Net earnings attributable to common shareholders	\$ 8,443	\$ 3,078
Addback (deduct):		
Unrealized loss on fair value adjustment of derivatives		

Foreign exchange loss (gain)	289	(565)
Realized gain on disposal of derivatives	(3,340)	(365)
Gain on disposal of mineral property	-	(161)
Non-recurring other income	(4,259)	-
Impairments	1,740	-
Tax impact	(2,336)	163
Adjusted Net Earnings	\$ 4,002	\$ 2,888

Liquidity and Capital Allocation Summary

Cash and cash equivalents at June 30, 2024 were \$109.4 million, compared to \$130.4 million at the end of 2023. Cash, excluding \$90.2 million held by ARR, was \$19.2 million.

At June 30, 2024 the approximate market value of various public equity holdings included:

- \$176.3 million for shares of ARR (including the in-the-money value of share purchase warrants)
- \$108.8 million for shares of Labrador Iron Ore Royalty Corp.
- \$31.4 million for the value of the indirectly held interest in the shares of Lithium Royalty Corporation
- \$55.8 million for publicly traded shares held within the Project Generation equity portfolio, including \$40.8 million in [Orogen Royalties Inc.](#)

During the second quarter the Corporation made scheduled debt repayments of \$2.0 million and paid cash dividends of \$3.8 million and issued 15,224 shares under the dividend reinvestment plan. The Corporation also expended \$2.5 million during the quarter for the repurchase and cancellation of 119,300 shares under its Normal Course Issuer Bid. At June 30, 2024 the Corporation carried a balance of \$28.0 million under its fixed rate term debt facility and \$82.3 million under its floating rate revolving credit facilities.

Dividend Declaration

The Corporation's board of directors has declared a quarterly dividend of \$0.09 per share. The current quarterly dividend is payable to all shareholders of record at the close of business on August 30, 2024. The dividend is expected to be paid on or about September 16, 2024.

This dividend is eligible for payment in common shares under the Dividend Reinvestment Plan (DRIP) announced by press release May 20, 2020, and available to shareholders who are Canadian residents or residents of countries outside the United States.

In order to be eligible to participate in respect of the September 16, 2024 dividend, non-registered shareholders must provide instruction to their brokerage and registered shareholders must provide completed enrollment forms to the transfer agent by August 23, 2024, five business days prior to record date. Stock market purchases made under the DRIP for the September 16, 2024 payment will be satisfied by issuance from treasury at the 5 day volume weighted average price ending at the close of trading the day before payment date. Shareholders who have already provided instruction to be enrolled previously will continue to be enrolled unless they direct otherwise. For more information, please see [Altius Minerals Corporation](#) Dividend Reinvestment Plan. Participation in the DRIP is optional and will not impact any cash dividends payable to shareholders who do not elect to participate in the DRIP. The declaration, timing and payment of future dividends will largely depend on the Corporation's financial results as well as other factors. Dividends paid by Altius on its common shares are eligible dividends for Canadian income tax purposes unless otherwise stated.

Non GAAP Financial Measures

1. Management uses the following non-GAAP financial measures: attributable revenue, attributable royalty revenue, adjusted earnings before interest, taxes, depreciation and amortization (adjusted EBITDA), adjusted operating cash flow and adjusted net earnings (loss). Management uses these measures to monitor the financial performance of the Corporation and its operating segments and believes these measures enable investors and analysts to compare the Corporation's financial performance with its competitors and/or evaluate the results of its underlying business. These measures are intended to provide additional information, not to replace International Financial Reporting Standards (IFRS) measures, and do not have a standard definition under IFRS and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS. As these measures do not have a standardized meaning, they may not be comparable to similar measures provided by other companies. Further information on the composition and usefulness of each non-GAAP financial measure, including reconciliation to their most directly comparable IFRS measures, is included in the non-GAAP financial measures section of our MD&A.

Second Quarter Financial Results Conference Call and Webcast Details

Date: August 09, 2024

Time: 9:00 AM ET

Toll Free Dial-In Number: +1-800-717-1738

International Dial-In Number: +1-289-514-5100

Conference Call Title and ID: Altius Minerals Q2 2024 Financial Results, ID 48323

Webcast Link: Q2 2024 Financial Results

About Altius

Altius's strategy is to create per share growth through a diversified portfolio of royalty assets that relate to long life, high margin operations. This strategy further provides shareholders with exposures that are well aligned with sustainability-related global growth trends including the electricity generation transition from fossil fuel to renewables, transportation electrification, reduced emissions from steelmaking and increasing agricultural yield requirements. These macro-trends each hold the potential to cause increased demand for many of Altius's commodity exposures including copper, renewable based electricity, several key battery metals (lithium, nickel and cobalt), clean iron ore, and potash. In addition, Altius runs a successful Project Generation business that originates mineral projects for sale to developers in exchange for equity positions and royalties. Altius has 46,467,476 common shares issued and outstanding that are listed on Canada's Toronto Stock Exchange. It is included in each of the S&P/TSX Small Cap, the S&P/TSX Global Mining, and the S&P/TSX Canadian Dividend Aristocrats indices.

Forward-looking information

This news release contains forward-looking information. The statements are based on reasonable assumptions and expectations of management and Altius provides no assurance that actual events will meet management's expectations. In certain cases, forward-looking information may be identified by such terms as "anticipates", "believes", "could", "estimates", "expects", "may", "shall", "will", or "would". Although Altius believes the expectations expressed in such forward-looking statements are based on reasonable assumptions, such statements are not guarantees of future performance and actual results or developments may differ materially from those projected. Readers should not place undue reliance on forward-looking information. Altius does not undertake to update any forward-looking information contained herein except in accordance with securities regulations.

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