



Altius Minerals Corporation  
Condensed Consolidated Financial Statements  
For the three and six months ended June 30, 2021 and 2020  
(unaudited)

## CONDENSED CONSOLIDATED BALANCE SHEETS

Unaudited, In Thousands of Canadian Dollars	Note	As at	
		June 30, 2021	December 31, 2020
<b>ASSETS</b>			
<b>Current assets</b>			
Cash and cash equivalents	12 & 14	\$ 115,877	\$ 21,804
Accounts receivable and prepaid expenses		14,137	11,884
Income tax receivable		2,652	954
Loan receivable	5	-	1,000
		\$ 132,666	\$ 35,642
<b>Non-current assets</b>			
Interests in joint ventures	4	103,899	95,904
Royalty and streaming interests	7	263,231	273,102
Investments	6	218,892	145,021
Exploration and evaluation assets	15	11,930	14,366
Goodwill		6,031	6,031
Deferred tax assets	8	8,505	8,517
Investment in associates	5	-	9,929
Property and equipment		997	1,098
		\$ 613,485	\$ 553,968
<b>TOTAL ASSETS</b>		<b>\$ 746,151</b>	<b>\$ 589,610</b>
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Accounts payable and accrued liabilities		5,857	6,852
Current portion of long-term debt	9	20,000	20,000
Income tax payable		1,294	4,681
		\$ 27,151	\$ 31,533
<b>Non-current liabilities</b>			
Long-term debt	9	101,968	112,967
Other liability		939	1,001
Deferred tax liabilities	8	69,453	58,975
Derivative - cash flow swap	9	817	1,309
		\$ 173,177	\$ 174,252
<b>TOTAL LIABILITIES</b>		<b>\$ 200,328</b>	<b>\$ 205,785</b>
<b>EQUITY</b>			
Shareholders' equity		453,969	362,877
Non-controlling interest		91,854	20,948
		\$ 545,823	\$ 383,825
<b>TOTAL LIABILITIES AND EQUITY</b>		<b>\$ 746,151</b>	<b>\$ 589,610</b>

*See accompanying notes to the Condensed Consolidated Financial Statements*

## CONDENSED CONSOLIDATED STATEMENTS OF EARNINGS

Unaudited, In Thousands of Canadian Dollars, except per share amounts	Note	Three months ended		Six months ended	
		June 30, 2021	June 30, 2020	June 30, 2021	June 30, 2020
Revenue and other income	10	\$ 21,198	\$ 10,270	\$ 38,700	\$ 23,319
<b>Costs and Expenses</b>					
General and administrative	10	2,030	1,862	3,932	3,887
Cost of sales - copper stream		1,224	754	2,245	2,080
Share-based compensation		993	2,550	1,709	3,036
Generative exploration		16	78	24	217
Exploration and evaluation assets abandoned or impaired	15	2,889	10	2,889	80
Mineral rights and leases		241	269	271	311
Amortization and depletion		5,603	3,408	10,427	7,323
Earnings before the following:		\$ 8,202	\$ 1,339	\$ 17,203	\$ 6,385
(Loss) earnings from joint ventures	4	(190)	1,008	(323)	2,646
Gain on disposal of investments		1,076	-	1,076	-
Interest on long-term debt		(1,488)	(1,853)	(3,305)	(3,752)
Foreign exchange gain		446	1,641	1,075	670
Dilution gain on issuance of shares by a joint venture	4	15	-	373	-
Gain on disposition of mineral property		1,962	-	1,962	-
Unrealized gain (loss) on fair value adjustment of derivatives		(975)	2,162	3,249	1,333
Gain on reclassification of an associate	5	7,595	-	7,595	-
Share of earnings (loss) and impairment reversal in associates	5	(165)	(276)	1,261	(4,280)
Earnings before income taxes		\$ 16,478	\$ 4,021	\$ 30,166	\$ 3,002
Income taxes (current and deferred)	8	1,929	(84)	3,813	2,064
Net earnings		\$ 14,549	\$ 4,105	\$ 26,353	\$ 938
Net earnings (loss) attributable to:					
Common shareholders		15,611	4,186	27,274	640
Non-controlling interest		(1,062)	(81)	(921)	298
		\$ 14,549	\$ 4,105	\$ 26,353	\$ 938
Net earnings per share					
Basic and diluted	11	\$ 0.38	\$ 0.10	\$ 0.66	\$ 0.02

See accompanying notes to the Condensed Consolidated Financial Statements

## CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE EARNINGS

Unaudited, In Thousands of Canadian Dollars	Note	Three months ended		Six months ended	
		June 30, 2021	June 30, 2020	June 30, 2021	June 30, 2020
Net earnings		\$ 14,549	\$ 4,105	\$ 26,555	\$ 958
Other comprehensive earnings (loss)					
To be reclassified subsequently to profit or loss					
Foreign currency translation adjustment					
Gross amount		(3,114)	(3,039)	(4,505)	291
Tax effect		-	-	-	(71)
Net amount		\$ (3,114)	\$ (3,039)	\$ (4,505)	\$ 220
Net unrealized gain (loss) on fair value adjustment of cash flow swap	9				
Gross amount		227	84	461	(1,120)
Tax effect		(52)	(19)	(106)	258
Net amount		\$ 175	\$ 65	\$ 355	(862)
To not be reclassified subsequently to profit or loss					
Net unrealized gain on investments	6				
Gross amount		31,145	38,375	42,742	1,910
Tax effect		(4,666)	(5,371)	(6,339)	(838)
Net amount		\$ 26,479	\$ 33,004	\$ 36,403	\$ 1,072
Net unrealized gain on investments held in joint venture	4				
Gross amount		4,204	-	11,284	-
Tax effect		(1,218)	-	(3,246)	-
Net amount		\$ 2,986	\$ -	\$ 8,038	\$ -
Realized gain (loss) on investments	6				
Gross amount		660	(3,046)	4,575	(8,151)
Tax effect		(99)	311	(686)	865
Net amount		\$ 561	\$ (2,735)	\$ 3,889	\$ (7,286)
Other comprehensive earnings (loss)		\$ 27,087	\$ 27,295	\$ 44,180	\$ (6,856)
Total comprehensive earnings (loss)		\$ 41,636	\$ 31,400	\$ 70,533	\$ (5,918)
Total comprehensive earnings (loss) attributable to:					
Common shareholders		41,476	31,481	68,366	(6,216)
Non-controlling interest		160	(81)	2,167	298
		\$ 41,636	\$ 31,400	\$ 70,533	\$ (5,918)

See accompanying notes to the Condensed Consolidated Financial Statements

## CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

Unaudited, In Thousands of Canadian Dollars	Note	Six months ended	
		June 30, 2021	June 30, 2020
<b>Operating activities</b>			
Net earnings		\$ 26,353	\$ 938
Adjustments for operating activities	12	(8,962)	17,372
		\$ 17,391	\$ 18,310
Changes in non-cash operating working capital	12	(3,519)	996
		\$ 13,872	\$ 19,306
<b>Financing activities</b>			
Proceeds from long-term debt	9	-	47,326
Repayment of long-term debt	9	(10,000)	(10,000)
Lease payments		(84)	(84)
Proceeds from exercise of warrants	11	5,600	-
Proceeds from IPO of subsidiary (net of issuance costs of \$8,801)	14	98,932	-
(Payments) receipt from non-controlling interest	14	(762)	5,170
Preferred securities distribution		(2,479)	(2,493)
Repurchase of common shares	11	(7,424)	(5,821)
Dividends paid		(3,840)	(4,035)
		\$ 79,943	\$ 30,063
<b>Investing activities</b>			
Proceeds from sale of investments		10,131	16,374
Cash received from joint ventures	4	768	7,300
Generative exploration		(24)	(115)
Exploration and evaluation assets, net of recoveries		(561)	(1,442)
Acquisition of royalty interests	7	(452)	(3)
Acquisition of investments	5 & 6	(9,599)	(62,955)
Acquisition of property and equipment		(5)	(19)
		\$ 258	\$ (40,860)
Net increase in cash and cash equivalents		94,073	8,509
Cash and cash equivalents, beginning of period		21,804	22,128
Cash and cash equivalents, end of period		\$ 115,877	\$ 30,637

*Supplemental cash flow information (Note 12)*

*See accompanying notes to the Condensed Consolidated Financial Statements*

## CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

In Thousands of Canadian Dollars	Common Shares		Preferred Securities		Other Equity Reserves	Accumulated Other Comprehensive Earnings (loss)	Retained Earnings (Deficit)	Total Shareholders' Equity	Non-controlling interest	Total Equity
	Number	Amount	Number	Amount						
					(Note 11)					
Balance, January 1, 2020	42,059,796	\$ 262,653	10,000,000	\$ 57,061	\$ 21,410	\$ 34,020	\$ 10,061	\$ 385,205	\$ 14,756	\$ 399,961
Net earnings and comprehensive (loss) earnings, January 1 to June 30, 2020	-	-	-	-	-	(6,856)	640	(6,216)	298	(5,918)
Payments to non-controlling interest	-	-	-	-	-	-	-	-	(491)	(491)
Receipts from non-controlling interests	-	-	-	-	-	-	235	235	5,080	5,315
Shares repurchased and cancelled	(617,500)	(3,856)	-	-	-	-	(1,965)	(5,821)	-	(5,821)
Shares issued by subsidiary under services agreement	-	-	-	-	-	-	-	-	387	387
Preferred securities distribution	-	-	-	-	-	-	(2,493)	(2,493)	-	(2,493)
Dividends paid to common shareholders	-	-	-	-	-	-	(4,173)	(4,173)	-	(4,173)
Shares issued under dividend reinvestment plan	14,192	138	-	-	-	-	-	138	-	138
Share-based compensation	-	-	-	-	3,036	-	-	3,036	-	3,036
Balance, June 30, 2020	41,456,488	\$ 258,935	10,000,000	\$ 57,061	\$ 24,446	\$ 27,164	\$ 2,305	\$ 369,911	\$ 20,030	\$ 389,941
Net (loss) earnings and comprehensive earnings, July 1 to December 31, 2020	-	-	-	-	-	26,618	(27,501)	(883)	350	(533)
Payments to non-controlling interest	-	-	-	-	-	-	-	-	(599)	(599)
Receipts from non-controlling interests	-	-	-	-	-	-	68	68	(66)	2
Non-controlling interest of Coal Royalty and Genesee Royalty Limited Partnership Acquisitions	-	-	-	-	-	-	-	-	1,013	1,013
Shares issued by subsidiary under services agreement	-	-	-	-	-	-	-	-	220	220
Shares repurchased and cancelled	(26,900)	(168)	-	-	-	-	(101)	(269)	-	(269)
Preferred securities distribution	-	-	-	-	-	-	(2,521)	(2,521)	-	(2,521)
Dividends paid to common shareholders	-	-	-	-	-	-	(4,145)	(4,145)	-	(4,145)
Shares issued under dividend reinvestment plan	27,527	299	-	-	-	-	-	299	-	299
Share-based compensation	-	-	-	-	948	-	-	948	-	948
Cash settled RSUs	-	-	-	-	(209)	-	-	(209)	-	(209)
Shares issued under long-term incentive plan	20,538	236	-	-	(558)	-	-	(322)	-	(322)
Balance, December 31, 2020	41,477,653	\$ 259,302	10,000,000	\$ 57,061	\$ 24,627	\$ 53,782	\$ (31,895)	\$ 362,877	\$ 20,948	\$ 383,825
Net earnings and comprehensive earnings, January 1 to June 30, 2021	-	-	-	-	-	41,092	27,274	68,366	2,167	70,533
Payments to non-controlling interest (Note 14)	-	-	-	-	-	-	-	-	(762)	(762)
Transactions with non-controlling interests (Note 14)	-	-	-	-	-	-	29,908	29,908	69,501	99,409
Proceeds from exercise of warrants (Note 11)	400,000	5,600	-	-	-	-	-	5,600	-	5,600
Shares repurchased and cancelled (Note 11)	(477,400)	(2,985)	-	-	-	-	(4,439)	(7,424)	-	(7,424)
Preferred securities distribution	-	-	-	-	-	-	(2,479)	(2,479)	-	(2,479)
Dividends paid to common shareholders	-	-	-	-	-	-	(4,147)	(4,147)	-	(4,147)
Shares issued under dividend reinvestment plan	19,945	307	-	-	-	-	-	307	-	307
Share-based compensation	-	-	-	-	1,709	-	-	1,709	-	1,709
Shares issued under long-term incentive plan	65,043	314	-	-	(1,062)	-	-	(748)	-	(748)
Balance, June 30, 2021	41,485,241	\$ 262,538	10,000,000	\$ 57,061	\$ 25,274	\$ 94,874	\$ 14,222	\$ 453,969	\$ 91,854	\$ 545,823

See accompanying notes to the Consolidated Financial Statements

## NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

### 1. NATURE OF OPERATIONS AND CORPORATE INFORMATION

Altius Minerals Corporation (“Altius” or the “Corporation”) is a mineral royalty/streaming, renewable energy royalty and mineral project generation company. The Corporation’s diversified mineral royalties and streams generate revenue from 12 operating mines located in Canada (10), the United States (1) and Brazil (1) that produce copper, zinc, nickel, cobalt, potash, iron ore and thermal (electrical) coal. The Corporation further holds a diversified portfolio of pre-production stage royalties and junior equity positions that it originates through mineral exploration initiatives within a business division referred to as Project Generation. The Corporation also indirectly invests in and holds royalties related to renewable energy generation projects located primarily in the United States through its investment in a joint venture.

Altius is a publicly traded company, incorporated and domiciled in Canada. The head office of the Corporation is located at 2<sup>nd</sup> Floor, 38 Duffy Place, St. John’s, Newfoundland and Labrador A1B 4M5. Its registered office is located at 4300 Bankers Hall West, 888 – 3<sup>rd</sup> Street S.W., Calgary, Alberta, T2P 5C5.

These condensed consolidated financial statements were approved and authorized for issuance by the Board of Directors on August 9, 2021.

### 2. BASIS OF PRESENTATION

These condensed consolidated financial statements have been prepared in accordance with the International Accounting Standard 34 Interim Financial Reporting (IAS 34) as issued by the International Accounting Standards Board (IASB).

These condensed consolidated financial statements have been prepared on an historical cost basis, except for derivative assets and liabilities, and financial assets classified at fair value through profit or loss or fair value through other comprehensive income. Additionally, these condensed consolidated financial statements have been prepared using accrual basis accounting. All amounts are expressed in Canadian dollars, unless otherwise stated. Tabular amounts are presented in thousands of Canadian dollars with the exception of per share amounts.

### 3. SIGNIFICANT ACCOUNTING POLICIES, ESTIMATES AND PRONOUNCEMENTS

These condensed consolidated financial statements have been prepared using the same accounting policies and methods of computation as the annual consolidated financial statements of the Corporation as at and for the year ended December 31, 2020.

The Corporation has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

The condensed consolidated financial statements should be read in conjunction with the audited annual consolidated financial statements for the year ended December 31, 2020.

#### 4. INTERESTS IN JOINT VENTURES

In Thousands of Canadian Dollars	LNRLP	Prairie Royalties LP	GBR, LLC	Total
Balance, December 31, 2019	\$ 5,408	\$ 81,473	\$ -	\$ 86,881
Earnings (loss)	484	2,825	(356)	2,953
Cash receipts	(746)	(9,591)	-	(10,337)
Acquisition of control of Coal Royalty and Genesee Royalty Limited Partnership	-	(73,732)	-	(73,732)
Investment in joint venture on loss of control of subsidiary	-	-	91,552	91,552
Other comprehensive earnings - unrealized gains on investments	-	-	1,912	1,912
Other comprehensive earnings - Foreign currency translation adjustment	-	-	(2,640)	(2,640)
Dilution gain	-	-	290	290
Reclassification of acquisition costs	-	(975)	-	(975)
Balance, December 31, 2020	\$ 5,146	\$ -	\$ 90,758	\$ 95,904
Earnings (loss)	852	-	(1,175)	(323)
Cash receipts	(768)	-	-	(768)
Other comprehensive earnings - unrealized gains on investments	-	-	11,284	11,284
Other comprehensive earnings - Foreign currency translation adjustment	-	-	(2,571)	(2,571)
Dilution gain	-	-	373	373
Balance, June 30, 2021	\$ 5,230	\$ -	\$ 98,669	\$ 103,899

On October 11, 2020, the Corporation, through a newly created subsidiary Altius GBR Holdings, entered into a strategic relationship with certain funds (the “Apollo Funds”) managed by affiliates of Apollo Global Management, Inc. (“Apollo”) to accelerate the growth of its innovative renewable energy royalty business. At June 30, 2021, under the agreement structure the Apollo Funds will have the right to solely fund US\$80 million in approved investment opportunities in GBR in exchange for a 50% ownership in the GBR joint venture in Delaware, USA, with opportunities thereafter funded equally by the Apollo Funds and the Corporation with an equally shared governance structure. The GBR joint venture owns 100% of GBR, LLC. The capital of the GBR is divided into Class A Units issued to Altius GBR Holdings and Apollo and Class B Units issued to management of GBR. The Class B Units are not voting and carry no approval or consent rights other than certain actions disproportionately affecting the Class B Units. As at June 30, 2021 the Corporation’s interest in GBR was diluted to 85.6% (December 31, 2020 – 89%). During the six months ended June 30, 2021, US\$3,500,000 in additional funding was made by Apollo and a dilution gain of \$373,000 was recorded in the consolidated statement of earnings (loss).

Effective October 11, 2020, the Corporation accounted for its interest in GBR as a joint venture and equity accounts for its share of earnings or loss and its share of other comprehensive earnings or loss from that date forward. Prior to October 11, 2020 the Corporation consolidated the financial results of GBR for financial reporting.

##### *Investments held by GBR*

On March 1, 2021 the Corporation announced the creation of a first royalty to its jointly controlled entity, GBR, under its portfolio based royalty financing with Apex Clean Energy (“Apex”). GBR is entitled to receive a 2.5% royalty on the 195 MW Jayhawk Wind project in Crawford and Bourbon Counties, Kansas.

During the second quarter ended June 30, 2021 GBR announced the sale of five additional renewable energy projects by Tri-Global Energy (“TGE”). These included the 180 MW Hoosier Line Wind project (3% royalty), the 400 MW Honey Creek Solar project (1.5% royalty), the 200 MW Blackford Wind project (3% royalty) and the 150 MW Blackford Solar (1.5% royalty) to Leeward Renewable Energy, a portfolio company



of Canadian pension fund subsidiary OMERS Infrastructure. In addition, TGE sold its 175 MW Appaloosa Run Wind project (1.5% royalty) in West Texas to an undisclosed established operator.

## 5. INVESTMENTS IN ASSOCIATES

In Thousands of Canadian Dollars	Alderon		Adventus		Total
Balance, December 31, 2019	\$	1,981	\$	7,731	\$ 9,712
Additions		66		-	66
Share of loss in associates		(503)		(436)	(939)
Impairment recognition in associates		(1,544)		-	(1,544)
Dilution gain on issuance of shares by associates		-		2,634	2,634
Balance, December 31, 2020	\$	-	\$	9,929	\$ 9,929
Additions		-		420	420
Share of loss in associates		-		(364)	(364)
Reclassification to investments		-		(9,985)	(9,985)
Balance, June 30, 2021	\$	-	\$	-	\$ -
Percentage ownership:					
At December 31, 2020		37.30%		11.90%	
At June 30, 2021		37.30%		12.19%	

During the six months ended June 30, 2021, the Corporation purchased 373,800 common shares of Adventus Mining Corporation (“Adventus”) at a cost of \$420,000 increasing the Corporation’s ownership from 11.90% at December 31, 2020 to 12.19% at June 30, 2021.

During the three months ended June 30, 2021, the Corporation determined that it no longer held significant influence over the financial and operating policy decisions of Adventus as a result of its relinquishing Board representation. As a result of the loss of significant influence, the Corporation ceased accounting for the investment using the equity method, recognized the investment at its fair value of \$17,578,000 and recorded a gain of \$7,595,000 on the reclassification to mining and other investments (Note 6). This investment will be subsequently revalued through other comprehensive earnings.

### *Loan Receivable*

On July 12, 2018 the Corporation participated in a US\$14 million credit facility provided by Sprott Resource Lending to Alderon Iron Ore Corp (“Alderon”) by providing US\$2,000,000 (CAD\$2,625,000) as a participating lender. On April 1, 2021 the Corporation received 600,000 Champion Iron Limited (“Champion”) shares valued at \$3,150,000 as consideration for the sale of its portion of the secured debt of Alderon after Champion acquired the assets of Alderon through a court appointed and competitive bidding process. As a result the Corporation reversed an impairment charge on the loan receivable of CAD\$1,625,000 which had been recorded during the year ended December 31, 2020. Upon settlement of the loan receivable of \$2,625,000 (December 31, 2020 - \$1,000,000), the Corporation recorded interest income of \$636,000 after recognizing the value of the shares received.

## 6. INVESTMENTS

In Thousands of Canadian Dollars	Mining and other	Renewable energy	Share purchase warrants	Total
Balance, December 31, 2019	\$ 132,730	\$ 13,903	\$ 2,410	\$ 149,043
Additions	3,477	64,556	682	68,715
Reclassification to investments in traded securities	628	-	(628)	-
Receipt for interest in mineral property	4,456	-	-	4,456
Disposals	(28,669)	-	-	(28,669)
Loss of control of subsidiary	-	(78,459)	-	(78,459)
Revaluation	27,886	-	2,049	29,935
Balance, December 31, 2020	\$ 140,508	\$ -	\$ 4,513	\$ 145,021
Additions	12,329	-	-	12,329
Reclassification to investments in traded securities	(190)	-	190	-
Receipt for interest in mineral property	2,453	-	-	2,453
Reclassification of associate (Note 5)	17,578	-	-	17,578
Disposals	(4,273)	-	(207)	(4,480)
Revaluation	42,742	-	3,249	45,991
Balance, June 30, 2021	\$ 211,147	\$ -	\$ 7,745	\$ 218,892

As at June 30, 2021 investments include an investment in Labrador Iron Ore Royalty Corporation ("LIORC") of \$134,982,000 (December 31, 2020 - \$93,715,000) consisting of 2,873,800 (December 31, 2020 - 2,873,800) common shares.

## 7. ROYALTY AND STREAMING INTERESTS

In Thousands of Canadian Dollars	Note	As at December 31, 2020	Additions and revaluations	As at June 30, 2021
<b>Royalty interests</b>				
Rocanville - Potash		\$ 73,595	\$ -	\$ 73,595
Esterhazy - Potash	a	33,204	452	33,656
Cory - Potash		19,427	-	19,427
Allan - Potash		6,367	-	6,367
Patience Lake - Potash		3,903	-	3,903
Vanscoy - Potash		5,238	-	5,238
Other potash		7,000	-	7,000
Coal & coal bed methane		8,000	-	8,000
Genesee - Coal		34,438	-	34,438
Other coal		2,744	-	2,744
777 Mine - Copper & zinc		47,356	-	47,356
Gunnison - Copper		10,300	-	10,300
Picket Mountain		7,606	-	7,606
Curipamba - Copper, gold, zinc		13,445	-	13,445
<b>Streaming interest</b>				
Chapada - Copper		77,634	-	77,634
<b>Balance, end of period</b>		<b>\$ 350,257</b>	<b>\$ 452</b>	<b>\$ 350,709</b>
<b>Accumulated amortization, depletion</b>				
Rocanville - Potash		\$ 5,277	\$ 830	\$ 6,107
Esterhazy - Potash		932	178	1,110
Cory - Potash		501	130	631
Allan - Potash		852	174	1,026
Patience Lake - Potash		69	20	89
Vanscoy - Potash		75	13	88
Other potash		16	5	21
Coal & coal bed methane		2,667	200	2,867
Genesee - Coal		2,593	3,412	6,005
Other coal		2,548	196	2,744
777 Mine - Copper & zinc		39,178	2,859	42,037
Gunnison - Copper		-	-	-
Pickett Mountain		-	-	-
Curipamba - Copper, gold, zinc		-	-	-
<b>Streaming interest</b>				
Chapada - Copper		22,447	2,306	24,753
<b>Balance, end of period</b>		<b>\$ 77,155</b>	<b>\$ 10,323</b>	<b>\$ 87,478</b>
<b>Net book value</b>		<b>\$ 273,102</b>	<b>\$ (9,871)</b>	<b>\$ 263,231</b>

### (a) Other potash

During the six months ended June 30, 2021, the Corporation acquired additional potash royalty interests in the Esterhazy mine for \$452,000.

In Thousands of Canadian Dollars	As at		Additions and		As at	
	December 31, 2019		revaluations		December 31, 2020	
<b>Royalty interests</b>						
Rocanville - Potash	\$	73,126	\$	469	\$	73,595
Esterhazy - Potash		32,969		235		33,204
Cory - Potash		18,812		615		19,427
Allan - Potash		6,317		50		6,367
Patience Lake - Potash		3,872		31		3,903
Vanscoy - Potash		5,197		41		5,238
Other potash		7,000		-		7,000
Coal & coal bed methane		8,000		-		8,000
Genesee - Coal		-		34,438		34,438
Other coal		-		2,744		2,744
777 Mine - Copper & zinc		47,356		-		47,356
Gunnison - Copper		10,300		-		10,300
Picket Mountain		7,606		-		7,606
Curipamba - Copper, gold, zinc		13,441		4		13,445
Clyde River - Hydro		3,350		(3,350)		-
<b>Streaming interest</b>						
Chapada - Copper		77,634		-		77,634
<b>Balance, end of period</b>	<b>\$</b>	<b>314,980</b>	<b>\$</b>	<b>35,277</b>	<b>\$</b>	<b>350,257</b>
<b>Accumulated amortization, depletion</b>						
Rocanville - Potash	\$	3,598	\$	1,679	\$	5,277
Esterhazy - Potash		598		334		932
Cory - Potash		281		220		501
Allan - Potash		498		354		852
Patience Lake - Potash		36		33		69
Vanscoy - Potash		59		16		75
Other potash		42		(26)		16
Coal & coal bed methane		2,234		433		2,667
Genesee - Coal		-		2,593		2,593
Other coal		-		2,548		2,548
777 Mine - Copper & zinc		34,101		5,077		39,178
Gunnison - Copper		-		-		-
Pickett Mountain		-		-		-
Curipamba - Copper, gold, zinc		-		-		-
Clyde River - Hydro		132		(132)		-
<b>Streaming interest</b>						
Chapada - Copper		17,996		4,451		22,447
<b>Balance, end of period</b>	<b>\$</b>	<b>59,575</b>	<b>\$</b>	<b>17,580</b>	<b>\$</b>	<b>77,155</b>
<b>Net book value</b>	<b>\$</b>	<b>255,405</b>	<b>\$</b>	<b>17,697</b>	<b>\$</b>	<b>273,102</b>

## 8. INCOME TAXES

Significant components of the deferred tax assets and liabilities are as follows:

In Thousands of Canadian Dollars	June 30, 2021	December 31, 2020
Temporary differences related to exploration and evaluation assets, property and other	\$ (6,715)	\$ (7,952)
Non capital and net capital loss carryforwards	6,026	5,932
Carrying value of investments in excess of tax values	(21,084)	(9,653)
Temporary differences related to preferred securities	(30,000)	(30,000)
Deferred and deductible share-based compensation and other costs	860	439
Share and debt issue costs	299	486
Carrying values in excess of tax values relating to royalty and streaming interests in mineral properties	(10,334)	(9,710)
	\$ (60,948)	\$ (50,458)
	June 30, 2021	December 31, 2020
Deferred tax liabilities	\$ (69,453)	\$ (58,975)
Deferred tax assets	8,505	8,517
Total deferred income tax	\$ (60,948)	\$ (50,458)

Components of income tax expense (recovery) are as follows:

In Thousands of Canadian Dollars	Three months ended		Three months ended	
	June 30, 2021	June 30, 2020	June 30, 2021	June 30, 2020
Current tax	\$ 2,179	\$ 1,059	\$ 3,711	\$ 2,700
Deferred tax	(250)	(1,143)	102	(636)
	\$ 1,929	\$ (84)	\$ 3,813	\$ 2,064

## 9. DEBT

In Thousands of Canadian Dollars	June 30, 2021	December 31, 2020
<b>At amortized cost</b>		
Long-term debt	\$ 121,968	\$ 132,967
Current	20,000	20,000
Non-current	101,968	112,967
	\$ 121,968	\$ 132,967

The Term Credit Facility has a five-year term and is repayable by June 2023 with quarterly principal repayments of \$5,000,000 and additional repayments are permitted at any time with no penalty. The revolving facility is payable in full by June 2023 and is permitted for future qualifying royalty and streaming acquisitions. Both facilities bear interest at variable rates based on the total net debt ratio.

On March 10, 2020 the Corporation completed a drawdown on its revolving facility of \$47,326,000 to complete a renewable energy investment in Apex Clean Energy. During the six months ended June 30, 2021 the Corporation repaid \$10,000,000 on its term facility (June 30, 2020 - \$10,000,000).

The Corporation has a floating-to-fixed interest rate swap to lock in the interest rate on a portion of the term credit facility on an amortized basis. The amount of the floating-to-fixed interest rate swap will reduce in tandem with the quarterly principal repayments on the term debt.

The balance outstanding on the swap at June 30, 2021 is \$40,000,000 (December 31, 2020 - \$50,000,000). The Corporation expected the interest rate on the fixed portion of the debt to be approximately 5.45% per annum during the full term of the loan, with the remaining balance of the term credit facility and the revolving facility fluctuating in accordance with market interest rates. The Corporation has applied hedge accounting to this relationship whereby the change in fair value of the effective portion of the hedging derivative is recognized in accumulated other comprehensive earnings. Settlement of both the fixed and variable portions of the interest rate swap occurs on a quarterly basis. The full amount of the hedge was determined to be effective as at June 30, 2021. The Corporation has classified this financial instrument as a cash flow hedge and the fair value of the hedging instrument is recorded as a liability of \$817,000 (December 31, 2020 - \$1,309,000) on the balance sheet.

The Corporation is amortizing costs attributable to securing the credit facilities over the life of the facilities using an effective interest rate of 5.42%. During the three and six months ended June 30, 2021, \$119,000 and \$246,000 (June 30, 2020 - \$151,000 and \$309,000) of the costs were recognized as interest expense on long term debt in the consolidated statement of earnings.

As at June 30, 2021 the Corporation was in compliance with all debt covenants. At June 30, 2021, the Corporation has approximately \$42,000,000 of additional liquidity on its revolving facility.

The following principal repayments for the credit facilities are required over the next 3 calendar years.

In Thousands of Canadian Dollars	Term	Revolver	Total
2021	\$ 10,000	-	\$ 10,000
2022	20,000	-	\$ 20,000
2023	35,000	57,622	\$ 92,622
	\$ 65,000	\$ 57,622	\$ 122,622
	Less: unamortized debt costs		654
			\$ 121,968

## 10. REVENUE AND GENERAL AND ADMINISTRATION EXPENSES

In Thousands of Canadian Dollars	Three months ended		Six months ended	
	June 30, 2021	June 30, 2020	June 30, 2021	June 30, 2020
Revenue and other income				
Royalty	\$ 11,412	\$ 6,419	\$ 22,157	\$ 14,157
Copper stream*	4,095	2,518	7,556	6,651
Interest and investment	5,691	1,324	8,579	2,494
Other	-	9	408	17
Total revenue and other income	\$ 21,198	\$ 10,270	\$ 38,700	\$ 23,319

\*Revenue from contracts with customers

In Thousands of Canadian Dollars	Three months ended		Six months ended	
	June 30, 2021	June 30, 2020	June 30, 2021	June 30, 2020
General and administrative expenses				
Salaries and benefits	\$ 1,175	\$ 1,321	\$ 2,540	\$ 2,627
Professional and consulting fees	370	183	604	500
Office and administrative	474	339	767	615
Travel and accommodations	11	19	21	145
Total general and administrative	\$ 2,030	\$ 1,862	\$ 3,932	\$ 3,887

## 11. SHARE CAPITAL

### Shares repurchased

The Corporation renewed its Normal Course Issuer Bid ("NCIB") effective August 22, 2020 and it will, unless further renewed, end no later than August 21, 2021. The Corporation may purchase at market prices up to 1,622,920 common shares representing approximately 3.9% of its 41,450,126 outstanding shares as of August 18, 2020. The Corporation repurchased and cancelled 477,400 (June 30, 2020 – 617,500) common shares during the six months ended June 30, 2021 at a cost of \$7,424,000 (June 30, 2020 - \$5,821,000).

### Net earnings (loss) per share

Basic and diluted net (loss) earnings per share were calculated using the weighted average number of common shares for the respective periods.

In Thousands of Canadian Dollars	Three months ended		Six months ended	
	June 30, 2021	June 30, 2020	June 30, 2021	June 30, 2020
Weighted average number of shares:				
Basic	41,446,643	41,646,066	41,474,918	41,810,648
Diluted	43,055,450	42,025,665	42,690,527	41,239,313

### Other equity reserves

Other equity reserves consist of share-based payment reserves of \$9,247,000, warrants of \$12,012,000 and contributed surplus of \$4,015,000 for a total of \$25,274,000. Share-based payment reserve amounts are in respect of stock options, Deferred Share Units ("DSUs") and Restricted Share Units ("RSUs"). In addition, there are 6,670,000 warrants issued on April 26, 2017 to Fairfax Financial Holdings Ltd. ("Fairfax") at an exercise price of \$15.00. During the six months ended June 30, 2021, 400,000 warrants which were issued to Yamana Gold Inc. on May 3, 2016

at an exercise price of \$14.00 with an expiry date of May 3, 2021 were exercised (on February 26, 2021) for \$5,600,000. The \$947,000 reserve associated with these warrants was reclassified from warrant reserve to contributed surplus at the date of exercise.

## 12. SUPPLEMENTAL CASH FLOW INFORMATION

In Thousands of Canadian Dollars	Six months ended	
	June 30, 2021	June 30, 2020
Adjustments for operating activities:		
Generative exploration	\$ 24	\$ 217
Exploration and evaluation assets abandoned or impaired	2,889	80
Share-based compensation	1,709	3,036
Foreign exchange (gain) loss	(3,166)	466
Amortization and depletion	10,427	7,323
Interest on long-term debt	3,305	3,752
Interest paid	(2,924)	(3,236)
Gain on disposal of investments	(1,076)	-
Unrealized gain on fair value adjustment of derivatives	(3,249)	(1,333)
Dilution gain on issuance of shares by a joint venture	(373)	-
Loss (earnings) from joint ventures	323	(2,646)
Non-cash other revenue	(1,018)	-
Gain on disposition of mineral property	(1,962)	-
(Recovery) loss on impairment of loan receivable	(1,625)	1,625
Share of loss and impairment in associates	364	2,655
Gain on reclassification of an associate	(7,595)	-
Income taxes	3,813	2,064
Income taxes (paid) received	(8,828)	3,369
	\$ (8,962)	\$ 17,372
Changes in non-cash operating working capital:		
Accounts receivable and prepaid expenses	(2,600)	2,098
Accounts payable and accrued liabilities	(919)	(1,102)
	\$ (3,519)	\$ 996
Cash and cash equivalents consist of:		
Deposits with banks	115,827	30,587
Short-term investments	50	50
	\$ 115,877	\$ 30,637



### 13. RELATED PARTY TRANSACTIONS

These transactions are in the normal course of operations and are measured at fair value, which is the amount of consideration established and based on the prevailing market rates.

In Thousands of Canadian Dollars	Three months ended		Six months ended	
	June 30, 2021	June 30, 2020	June 30, 2021	June 30, 2020
Key management personnel and directors				
Salaries and benefits	\$ 545	\$ 510	\$ 2,103	\$ 2,179
Share-based compensation	944	640	1,495	1,126
Total	\$ 1,489	\$ 1,150	\$ 3,598	\$ 3,305

In Thousands of Canadian Dollars	Three months ended June 30,		Six months ended June 30,	
	June 30, 2021	June 30, 2020	June 30, 2021	June 30, 2020
General and administrative expenses billed from				
Associates	\$ 6	\$ 6	\$ 12	\$ 12
Joint venture	13	-	78	-
Total	\$ 19	\$ 6	\$ 90	\$ 12

### 14. NON-CONTROLLING INTERESTS

The following table sets forth the Corporation's cash receipts and cash payments relating to its non-controlling interests:

In Thousands of Canadian Dollars	Adia <sup>1</sup>	ARR	CRLP	GRLP	PRLP	Total
Six months ended June 30, 2021						
Additions	-	69,300	-	-	-	69,300
Distributions	-	-	114	144	504	762
Year ended December 31, 2020						
Additions	305	5,012	-	-	-	5,317
Distributions	-	-	20	72	998	1,090

1. Net of a flow through liability of \$344,000

#### *IPO of Altius Renewable Royalties Corp.*

On March 3, 2021 Altius Renewable Royalties Corp. ("ARR"), a subsidiary of the Corporation, completed an Initial Public Offering ("IPO") at a price of C\$11.00 per ARR Share (the "Offering Price") for total gross proceeds of C\$100,100,000. ARR granted to the Underwriters an over-allotment option to purchase up to an additional 1,365,000 Shares at the Offering Price for additional gross proceeds of up to \$15,015,000 if the option was exercised in full. On April 6, 2021 ARR announced that the underwriters partially exercised the over-allotment option granted to the syndicate of underwriters for 694,000 common shares at the initial offering price of C\$11.00 per share for total gross proceeds of C\$7,634,000. After the exercise of the over-allotment option, the Corporation held 15,638,639 or approximately 59% of the issued and outstanding ARR Shares (61% after the close of the IPO). The proceeds from the IPO will be used by ARR to fund additional renewable energy royalty focused investments to continue to support the growth of its renewable energy royalty business and for general corporate purposes. As at June 30, 2021 the Corporation continued to consolidate the operations of ARR and recorded the net cash proceeds of \$98,932,000 and has recorded the non-controlling interests share of the net assets of ARR of \$69,296,700 based on the percentage ownership of ARR.

## 15. EXPLORATION AND EVALUATION ASSETS ABANDONED OR IMPAIRED

During the six months ended June 30, 2021 the Corporation recorded an impairment of \$2,889,000 (June 30, 2020 - \$80,000) on its exploration and evaluation Lynx diamond project in Manitoba. Management determined that the carrying amount of the asset was unlikely to be recovered from development or sale.

## 16. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

The following table sets forth the Corporation's financial assets and liabilities measured at fair value on a recurring basis by level within the fair value hierarchy. The fair value of the other financial instruments of the Corporation approximates the carrying value due to their short term nature. Financial assets in level 2 consist of share purchase warrants and in level 3 consist of private company investments (Note 6).

In Thousands of Canadian Dollars

As at June 30, 2021	Level 1	Level 2	Level 3	TOTAL
Investments	198,639	7,745	12,508	218,892
<b>FINANCIAL ASSETS</b>	<b>\$ 198,639</b>	<b>\$ 7,745</b>	<b>\$ 12,508</b>	<b>\$ 218,892</b>
Derivative - cash flow swap	-	817	-	817
Other liability	939	-	-	939
<b>FINANCIAL LIABILITIES</b>	<b>\$ 939</b>	<b>\$ 817</b>	<b>\$ -</b>	<b>\$ 1,756</b>

In Thousands of Canadian Dollars

As at December 31, 2020	Level 1	Level 2	Level 3	TOTAL
Investments	130,165	4,513	10,343	145,021
<b>FINANCIAL ASSETS</b>	<b>\$ 130,165</b>	<b>\$ 4,513</b>	<b>\$ 10,343</b>	<b>\$ 145,021</b>
Derivative - cash flow swap	-	1,309	-	1,309
Other liability	1,001	-	-	1,001
<b>FINANCIAL LIABILITIES</b>	<b>\$ 1,001</b>	<b>\$ 1,309</b>	<b>\$ -</b>	<b>\$ 2,310</b>

### Reconciliation of Level 3 fair value measurements of financial instruments

The following table reconciles the fair value measurements of the Corporation's level 3 financial assets, which include lithium investments and certain mining and other investments (Note 6).

In Thousands of Canadian Dollars	Level 3 Investments
Balance, December 31, 2019	\$ 25,108
Additions	64,576
Disposals	(689)
Loss of control of subsidiary (Note 4)	(78,459)
Revaluation gains (losses) through OCI	(193)
Balance, December 31, 2020	\$ 10,343
Additions	3,105
Revaluation gains (losses) through OCI	(940)
Balance, June 30, 2021	\$ 12,508

### Valuation technique and key inputs

The Corporation uses an income approach methodology for valuation of these instruments and or uses the value ascribed to external financings completed by its level 3 investments to determine the fair value. If an income approach is not possible, the Corporation utilizes cost as a proxy for fair value. The Corporation works with valuation specialists to establish valuation methodologies and techniques for Level 3 assets including the valuation approach, assumptions using publicly available and internally available information, updates for changes to inputs to the model and reconciling any changes in the fair value of the assets for each reporting date within its financial models.

### Significant unobservable inputs

The Corporation may use estimates related to timing of revenues and cash flows, discounts rates and anticipated project development all of which are key inputs into a valuation model. Alternatively, the Corporation evaluates the pricing methodology used in any external financings by its level 3 investments as a key input for valuation.

### Relationship and sensitivity of unobservable inputs to fair value

There are underlying sensitivities to these inputs and they may impact the fair value calculations. Specifically, using external financings as an input to the valuation model has the following impacts: the higher the price of the external financing, the higher the valuation of the level 3 investment, the lower the price of the external financing, the lower the valuation of the level 3 investment. A 1% change in financing prices results in a change in valuation of \$82,000 of these instruments.

The following table reconciles the fair value measurements of the level 3 financial assets, that are held in the GBR joint venture, consisting of renewable energy investments (Note 4).

In Thousands of Canadian Dollars	Level 3			
	Renewable energy investments			
		TGE <sup>(2)</sup>		Apex <sup>(2)</sup>
Balance, December 31, 2019	\$	13,240	\$	-
Additions		25,730		43,961
Revaluation gains through OCI <sup>(1)</sup>		8,329		-
Balance, December 31, 2020	\$	47,299	\$	43,961
Additions		3,758		4
Revaluation gains through OCI <sup>(1)</sup>		6,246		6,759
Balance, June 30, 2021	\$	57,304	\$	50,725

<sup>(1)</sup> The Corporation has recorded its 85.6% share of revaluation gains through OCI (December 31, 2020 - 89%)

<sup>(2)</sup> These amounts reflect the investments held in the joint venture on a 100% basis, converted at June 30, 2021 spot rate.

### Valuation technique and key inputs

The Corporation applies an income approach methodology primarily modelled with risk adjusted discounted cash flows to capture the present value of expected future economic benefits to be derived from the ownership of the royalty contracts to be granted in exchange for the investments. The total number and value of royalty contracts to be ultimately awarded is subject to a minimum return threshold, which has the effect of muting the potential value impact of several of the unobservable inputs. If an income approach is not possible or the investment is recent, the Corporation utilizes cost as a proxy for fair value. The Corporation works with valuation specialists to establish valuation methodologies and techniques for Level 3 assets including the valuation approach, assumptions using publicly available and internally available information, updates for changes to inputs to the model and reconciling any changes in the fair value of the assets for each reporting date within its financial models.

### *Significant unobservable inputs*

The Corporation uses publicly available information for power purchase agreement prices and merchant power pricing, as well as estimates related to timing of revenues and cash flows, discounts rates and timing of commercial operations all of which are key inputs into the valuation model.

### *Relationship and sensitivity of unobservable inputs to fair value*

The following table gives information about how the fair value of these investments held by GBR are determined and in particular, the significant unobservable inputs.

Significant unobservable inputs	Relationship and sensitivity of unobservable inputs to fair value	Quantitative impact
Discount rate	The Corporation applies a range of risk adjusted discount rates to the expected project royalties based on the stage of development and an assessment of the likelihood of completion.	<p>The lower the discount rate the higher the value of an individual royalty. The higher the discount rate the lower the value of the individual royalty.</p> <p>A 1% change in discount rates results in a change of \$12,069,000 to the valuation of these instruments.</p>
Timing of commercial operations	There are a series of anticipated project development milestones that occur as a project approaches commercial operations. As each project development milestone nears completion or is met, the risk associated with the project reaching commercial operations decreases. The expected timing of the commercial operations date (the date upon which cash flows are expected to commence) will impact the fair value calculation.	<p>As the commercial operations date approach and the time to cashflow shortens, the value will increase based on the time value of money. Impact is dependent on reduction in time and appropriate risk adjusted discount rate. Given the minimum return threshold it is expected that the impact of timing of commercial operations will be minimal as delays will result in a higher number of royalties granted and thus a higher value.</p> <p>Nominal impact.</p>

### *Risk Management*

The Corporation's financial assets and financial liabilities are exposed to various risk factors that may affect the fair value presentation or the amount ultimately received or paid on settlement of its assets and liabilities. The Corporation manages these risks through prudent investment and business decisions and, where the exposure is deemed too high, the Corporation may enter into derivative contracts to reduce this exposure. The Corporation does not utilize derivative financial instruments for trading or speculative purposes. Hedge accounting is applied only when appropriate documentation and effectiveness criteria are met.

### *COVID-19*

Certain impacts to public health conditions particular to the coronavirus (COVID-19) outbreak that occurred during the six months ended June 30, 2021 may have a significant negative impact on the operations and profitability of the Corporation. The extent of the impact to the financial performance of the Corporation will depend on future developments, including (i) the duration and spread of the outbreak, (ii) the restrictions and advisories, (iii) the effects on the financial markets, (iv) the effects on the economy overall and (v) the effect on commodity prices, all of which are highly uncertain and cannot be predicted. The impact of COVID-19 on the Corporation's investments and royalty and streaming assets could be volatile as financial markets and commodity prices adjust accordingly. The impact of COVID-19 was minimal during the quarter ended June 30, 2021.

## 17. SEGMENTED INFORMATION

Key measures used by the Chief Operating Decision Maker (“CODM”) in assessing performance and in making resource allocation decisions are earnings before interest, tax, depreciation and amortization and other income (expenses) (“adjusted EBITDA”) and earnings before income taxes. Both measures enable the determination of cash return on the equity deployed and overall profitability for each segment. Revenue and expenses from the LNRLP and Prairie Royalties prior to the acquisition of control are included in the Mineral Royalties segment on a gross revenue and expense basis and adjusted to earnings in joint ventures (under the equity method) in the adjustment and eliminations column of the table. Revenue and expenses from GBR after the loss of control are included in the Renewable Royalties segment on a gross revenue and expense basis and adjusted to earnings in joint ventures (under the equity method) in the adjustment and eliminations column of the table. Prior to the loss of control, the net investment by the Corporation in Renewable Royalties is included in the segments total assets and adjusted (eliminated on consolidation) in the adjustment and eliminations column of the table. The Corporation manages its business under three operating segments consisting of Mineral Royalties, Renewable Royalties and Project Generation.

In Thousands of Canadian Dollars	Mineral	Renewable	Project	Subtotal	Adjustment for	Total
Reportable Segments, Three Months Ended June 30, 2021	Royalties	Royalties	Generation		Joint Ventures	
Revenue and other income	\$ 21,851	\$ 55	\$ -	\$ 21,906	\$ (708)	\$ 21,198
Costs and Expenses						
General and administrative	1,187	984	542	2,713	(683)	2,030
Cost of sales - copper stream	1,224	-	-	1,224	-	1,224
Generative exploration	-	-	16	16	-	16
Mineral rights and leases	-	-	241	241	-	241
Adjusted EBITDA	\$ 19,440	\$ (929)	\$ (799)	\$ 17,712	\$ (25)	\$ 17,687
Share-based compensation	\$ (614)	\$ (49)	\$ (330)	\$ (993)	\$ -	\$ (993)
Gain on disposal of investments	-	-	1,076	1,076	-	1,076
Amortization and depletion	(5,683)	(135)	-	(5,818)	215	(5,603)
Loss from joint ventures	-	-	-	-	(190)	(190)
Gain on disposition of mineral property	-	-	1,962	1,962	-	1,962
Foreign exchange gain	385	61	-	446	-	446
Unrealized loss on fair value adjustment of derivative	-	-	(975)	(975)	-	(975)
Exploration and evaluation assets abandoned or impaired	-	-	(2,889)	(2,889)	-	(2,889)
Dilution gain on issuance of shares by associate and joint venture	-	15	-	15	-	15
Share of loss and impairment reversal in associates	-	-	(165)	(165)	-	(165)
Gain on reclassification of associate	-	-	7,595	7,595	-	7,595
Interest on long-term debt	(1,488)	-	-	(1,488)	-	(1,488)
Earnings (loss) before income taxes	\$ 12,040	\$ (1,037)	\$ 5,475	\$ 16,478	\$ -	\$ 16,478
Income taxes (current and deferred)						1,929
Net earnings						\$ 14,549

In Thousands of Canadian Dollars						
Reportable Segments, Three Months Ended June 30, 2020	Mineral Royalties	Renewable Royalties	Project Generation	Subtotal	Adjustment for Joint Ventures	Total
Revenue and other income	\$ 12,912	\$ 123	\$ -	\$ 13,035	\$ (2,765)	\$ 10,270
Costs and Expenses						
General and administrative	832	348	706	1,886	(24)	1,862
Cost of sales - copper stream	754	-	-	754	-	754
Generative exploration	-	-	78	78	-	78
Mineral rights and leases	-	-	269	269	-	269
Adjusted EBITDA	\$ 11,326	\$ (225)	\$ (1,053)	\$ 10,048	\$ (2,741)	\$ 7,307
Share-based compensation	\$ (481)	\$ (1,909)	\$ (160)	\$ (2,550)	-	\$ (2,550)
Amortization and depletion	(4,920)	(221)	-	(5,141)	1,733	(3,408)
Earnings from joint ventures	-	-	-	-	1,008	1,008
Foreign exchange gain (loss)	1,683	(42)	-	1,641	-	1,641
Unrealized gain on fair value adjustment of derivative	-	-	2,162	2,162	-	2,162
Exploration and evaluation assets abandoned or impaired	-	-	(10)	(10)	-	(10)
Share of loss and impairment in associates	-	-	(276)	(276)	-	(276)
Interest on long-term debt	(1,853)	-	-	(1,853)	-	(1,853)
Earnings (loss) before income taxes	\$ 5,755	\$ (2,397)	\$ 663	\$ 4,021	\$ -	\$ 4,021
Income taxes (current and deferred)						(84)
Net earnings						\$ 4,105

In Thousands of Canadian Dollars	Mineral Royalties	Renewable Royalties	Project Generation	Subtotal	Adjustment for Joint Ventures	Total
Reportable Segments, Six Months Ended June 30, 2021						
Revenue and other income	\$ 39,576	\$ 90	\$ 408	\$ 40,074	\$ (1,374)	\$ 38,700
Costs and Expenses						
General and administrative	2,447	1,660	1,124	5,231	(1,299)	3,932
Cost of sales - copper stream	2,245	-	-	2,245	-	2,245
Generative exploration	-	-	24	24	-	24
Mineral rights and leases	-	-	271	271	-	271
Adjusted EBITDA	\$ 34,884	\$ (1,570)	\$ (1,011)	\$ 32,303	\$ (75)	\$ 32,228
Share-based compensation	\$ (972)	\$ (214)	\$ (523)	\$ (1,709)	\$ -	\$ (1,709)
Gain on disposition of investments	-	-	1,076	1,076	-	1,076
Amortization and depletion	(10,591)	(234)	-	(10,825)	398	(10,427)
Loss from joint ventures	-	-	-	-	(523)	(523)
Gain on disposal of mineral property	-	-	1,962	1,962	-	1,962
Foreign exchange gain	750	325	-	1,075	-	1,075
Unrealized gain on fair value adjustment of derivative	-	-	3,249	3,249	-	3,249
Exploration and evaluation assets abandoned or impaired	-	-	(2,889)	(2,889)	-	(2,889)
Dilution gain on issuance of shares by associate and joint venture	-	373	-	373	-	373
Share of (loss) and impairment reversal in associates	-	-	1,261	1,261	-	1,261
Gain on reclassification of associate	-	-	7,595	7,595	-	7,595
Interest on long-term debt	(3,305)	-	-	(3,305)	-	(3,305)
Earnings (loss) before income taxes	\$ 20,766	\$ (1,320)	\$ 10,720	\$ 30,166	\$ -	\$ 30,166
Income taxes (current and deferred)						3,815
Net earnings						\$ 26,353
Supplementary information						
Total assets	\$ 468,896	\$ 195,781	\$ 81,474	\$ 746,151	\$ -	\$ 746,151
Cash flow from (used)						
Operating activities	19,836	(1,570)	(3,626)	14,640	(768)	13,872
Financing activities	(18,989)	98,932	-	79,943	-	79,943
Investing activities	(457)	-	(53)	(510)	768	258
Total cash flow from (used)	\$ 390	\$ 97,362	\$ (3,679)	\$ 94,073	\$ -	\$ 94,073

In Thousands of Canadian Dollars	Mineral	Renewable	Project	Subtotal	Adjustment for	Total
Reportable Segments, Six Months Ended June 30, 2020	Royalties	Royalties	Generation		Joint Ventures	
Revenue and other income	\$ 29,123	\$ 191	\$ -	\$ 29,314	\$ (5,995)	\$ 23,319
Costs and Expenses						
General and administrative	1,638	846	1,451	3,935	(48)	3,887
Cost of sales - copper stream	2,080	-	-	2,080	-	2,080
Generative exploration	-	-	217	217	-	217
Mineral rights and leases	-	-	311	311	-	311
Adjusted EBITDA	\$ 25,405	\$ (655)	\$ (1,979)	\$ 22,771	\$ (5,947)	\$ 16,824
Share-based compensation	\$ (845)	\$ (1,909)	\$ (282)	\$ (3,036)	\$ -	\$ (3,036)
Amortization and depletion	(10,189)	(435)	-	(10,624)	3,301	(7,323)
Earnings from joint ventures	-	-	-	-	2,646	2,646
Foreign exchange gain	465	205	-	670	-	670
Unrealized gain on fair value adjustment of derivative	-	-	1,333	1,333	-	1,333
Exploration and evaluation assets abandoned or impaired	-	-	(80)	(80)	-	(80)
Share of (loss) and impairment reversal in associates	-	-	(4,280)	(4,280)	-	(4,280)
Interest on long-term debt	(3,752)	-	-	(3,752)	-	(3,752)
Earnings (loss) before income taxes	\$ 11,084	\$ (2,794)	\$ (5,288)	\$ 3,002	\$ -	\$ 3,002
Income taxes (current and deferred)						2,064
Net earnings						\$ 938
Supplementary information						
Total assets	\$ 539,192	\$ 86,230	\$ 50,370	\$ 675,792	\$ (76,919)	\$ 598,873
Cash flow from (used)						
Operating activities	29,023	(655)	(1,762)	26,606	(7,300)	19,306
Financing activities	24,402	5,012	649	30,063	-	30,063
Investing activities	13,190	(60,790)	(560)	(48,160)	7,300	(40,860)
Total cash flow from (used)	\$ 66,615	\$ (56,433)	\$ (1,673)	\$ 8,509	\$ -	\$ 8,509

## 18. SUBSEQUENT EVENTS

Subsequent to quarter end, the Corporation received commitment from lenders to amend its credit facilities. The amendment will increase the available credit from \$160 million to \$225 million and will extend the term from June 2023 to August 2025. In addition, the required principal payments will be reduced from \$5,000,000 to \$2,000,000 quarterly and other covenant restrictions will be adjusted to better reflect the growing financial strength and revenue profile of the business. The Corporation's outstanding debt is currently \$117 million and upon closing the total available liquidity under the credit facility will be \$108 million.

On August 3, 2021, ARR announced that GBR closed of a US\$35,000,000 royalty investment with Longroad Energy related to its 331 MWdc Prospero 2 solar project located in Andrews County, Texas. Longroad is a top-tier developer, owner and operator of renewable energy projects, having developed over 60 renewable energy projects totaling over 6 GWs across North America. Apollo Funds and ARR agreed to fund the Longroad investment in a separate legal entity, GBR II, of which approximately 70% of the funding has been provided by Apollo and the balance of US\$11,100,000 was funded directly by ARR. This is ARR's first investment directly into an operating project.



On July 21, 2021, GBR closed a follow-on royalty investment of US\$20,200,000 with Apex related to Apex's broad portfolio of wind, solar and energy storage development projects located across North America. GBR originally provided an initial US\$35,000,000 in royalty financing to Apex in March 2020, with agreed mutual options for additional funding.