Dear Fellow Shareholders,

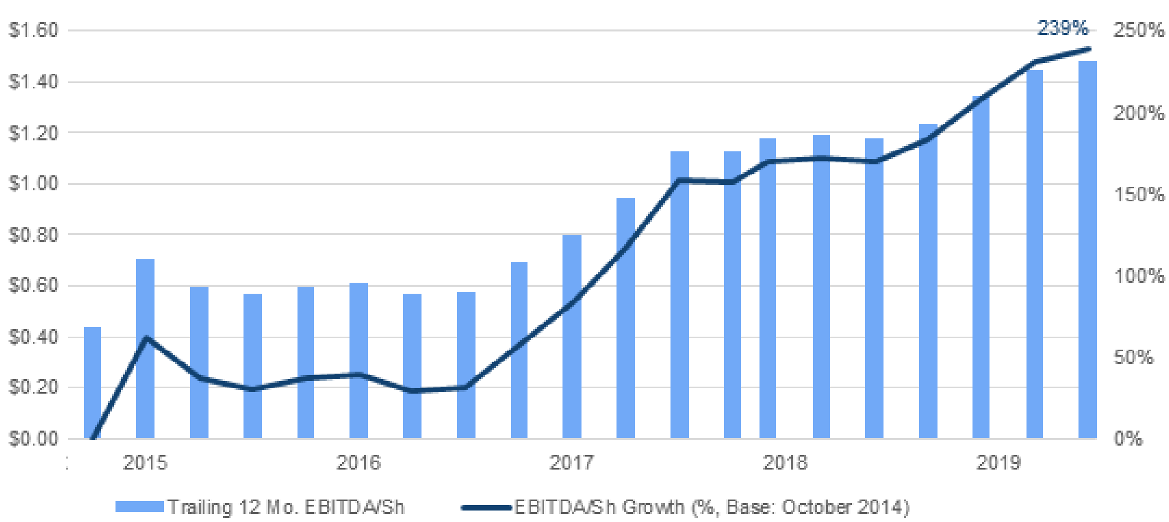
We have heard from several of you that a more strategic, longer-term focussed update would be appreciated as a periodic complement to our formal reporting. With the release of our third quarter results today, and as we approach the close of 2019, please allow us the opportunity to do so with this letter.

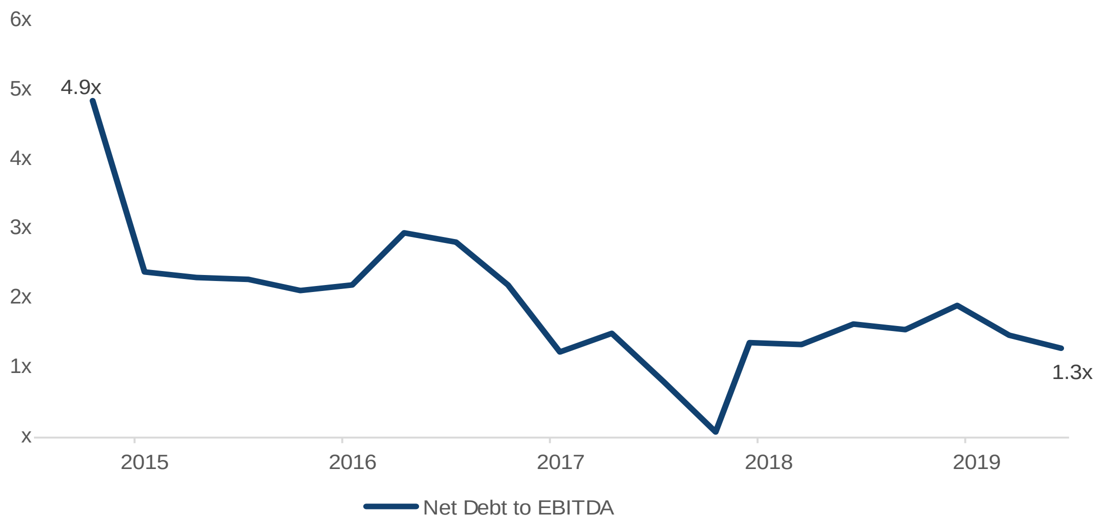
Despite various global political and economic issues and other short-term headwinds impacting the mining industry generally, Altius's long-term contrarian investing approach to the sector is working to plan. The business has been growing strongly in terms of key per share-based performance metrics for several years running and it remains positioned to continue to demonstrate long-term strength and growth in a potentially even more lucrative fashion in the coming years.

There are irreversible, global-scale trend shifts underway, particularly in transportation electrification and renewable power generation, that Altius's portfolio is well aligned with. These shifts will drive intensive demand growth in several metals, likely sooner than many anticipate. Meanwhile, the above mentioned market uncertainty is resulting in hesitant and highly selective investment in new supply creation. We think that a perfect storm is brewing.

Royalty Business

Through the past number of years, particularly since the sector bottomed cyclically in early 2016, Altius's fundamental per-share based EBITDA growth has been strong and its leverage ratios have been managed to within a comfortable range.





We are now seeing our growth drivers shift from M&A-based to a potentially far more lucrative organic-based platform. Altius focussed its technical due diligence, particularly during the cyclical trough period, towards acquiring royalties on large resource based mines and this is delivering the strategic option value benefits we had aimed for. The cyclical bottom is behind us with mine operators once again making positive margins and beginning to make, or at least planning to make, selective investments in mine assets to address looming supply deficits. While buying more mine royalty assets at this time thus provides somewhat less contrarian appeal, growth emanating from the expandable mine royalties we opportunistically acquired over the past few years is well in sight.

Take our ultra-long life potash mine royalties as an example. After a decade and $9 billion of operator level investment, production capacity has grown by 10.7 million tonnes or 84%. Excepting for short term supply management events, Altius's potash royalty volume exposures have been ramping up steadily in accordance with increasing global food needs, and since further long-term expansion possibilities are already being foreshadowed, we expect this trend to continue indefinitely into the future.

Other royalty assets are seeing similar benefits. A new underground mine is being constructed from within the Voisey's Bay nickel-copper-cobalt deposit cluster, all of which is contained within our extensive royalty land exposure area. Excelsior's Gunnison mine is about to commence copper production and Lundin Mining recently purchased the Chapada copper mine and exploration district with a view towards long-term growth and increasing copper production.

This type of organic growth is particularly exciting because it comes at no incremental cost to Altius, and because it is resulting in significant increases in implied long-term royalty asset valuations. This is evidenced in the table below, which shows current analyst consensus valuations for various Altius royalty acquisitions relative to original purchase prices. With the exception of coal, which came in as part of the potash acquisition and was then effectively expropriated (lawsuit underway), all of our royalty purchases have resulted in significant value creation for shareholders.

Acquisition	Acquisition Date	Purchase Price	Realized After-Tax Unlevered Cashflow	Net Asset Value(5%) Consensus	Realized Cashflow + NAV vs. Purchase Price
Voisey's Bay	2003	$13.6 million	$24.6 million	$18.2 million	314%
Chapada Stream	2016	$76.8 million	$33.6 million	$124.0 million	205%
Potash Portfolio	2014 & 2018	$138.2 million	$36.0 million	$226.9 million	190%
IOC	2017 & 2019	$69.1 million	$22.6 million	$106.1 million	186%
Callinan Merger	2015	$70.9 million	$32.4 million	$71.7 million	147%
Coal Portfolio	2014	$191.7 million	$62.6 million	$67.1 million	68%

Note:

1. All dollar amounts in CAD.
2. Purchase price is based on cash purchase price in CAD. For the acquisition of Callinan Royalties in 2015, the purchase price excludes cash and consideration allocated to non-royalty related assets. (see Note 9, 2016 Annual Financial Statements), and also includes the cost to exercise the option increasing the Gunnison Gross Sales Royalty (exercised in 2018). The main producing royalty in Callinan is 777 with the Gunnison development stage royalty also part of that acquisition.
3. After tax unlevered cash flow is the cumulative (since acquisition) reported revenue up to June 30, 2019 after accounting for 27% corporate income tax. For LIORC, the effective tax rate is adjusted to zero to reflect the actual tax rate on inter-corporate dividends. For the Chapada copper stream, reported revenue is net of a 30% deduction to reflect the cost of purchasing copper, as per the contract. The effective tax rate on Chapada is 0% until the initial deposit of US$60 million is fully recovered. Voisey's Bay royalty revenues are shown net of the 20% Newfoundland & Labrador royalty tax in addition to corporate income tax.
4. Consensus NAV by asset is based on analysts reports from July - September 2019. The Callinan NAV consensus is based on NAV ascribed to 777 and to Gunnison

Another key component of our counter-cyclical, technically driven royalty asset acquisition strategy has been to seek out mines with sustainably strong cost and margin positions. This is in order to mitigate closure or curtailment risks during times of weaker commodity pricing and also to provide a second predictor, after large underlying resources, of future expansions. While short term political events (as opposed to true structural supply-demand concerns) have weighed heavily on certain commodity prices recently, the mines underpinning our royalty portfolio remain strong, with the table below demonstrating that even at currently subdued price levels our particular operators are experiencing very comfortable margins.

Operator	Mine	Commodity Benchmark	Spot Price	Operating Margin
Lundin	Chapada	Copper	$2.58	135%
Nutrien	All Operations	Potash	$295	400%
Mosaic	All Operations	Potash	$295	347%
Vale	Voisey's Bay	Nickel	$7.62	155%
Rio Tinto	IOC	Fe Concentrate	$92	107%
Rio Tinto	IOC	Fe Pellet	$121	87%
Excelsior	Gunnison	Copper	$2.62	202%
Hudbay	Manitoba Operations	Copper	$2.62	747%

Note:

1. All amounts USD. Spot as at October 21, 2019. Spot Potash is FOB Midwest.
2. Chapada margin calculated using Lundin's guidance of second half 2019 C1 cash costs of copper per pound after precious metal by-product credits. Chapada cash costs do not include the effects of copper stream agreements which will be a component of the copper revenue and will impact realized revenue per pound.
3. Nutrien and Mosaic per tonne margins calculated by taking FOB Midwest Spot over Cost of Product Manufactured. COPM = Potash COGS for the period excluding depreciation and amortization expense and inventory and other adjustments divided by the production tonnes for the period. For Mosaic, we used the Q2 2019 four quarter average actuals cash costs of production (excluding brine) –MOP ($/tonne)
4. Voisey's Bay margin calculation using SNL Modeled Cost Curve for Total Cash Cost per pound of nickel net of byproduct credits.
5. IOC margin based on Altius modeled $45/t cash costs for concentrate and $65/t cash costs for pellet.
6. Gunnison is expected to be in commercial production in 2020. Total cash cost per pound of copper is derived from the Base Case of the Feasibility Study dated January 16, 2017
7. Manitoba Operations margin calculated using Hudbay's three month actuals ended June 30 2019. Cash cost per pound of copper produced, net of by-product credits.

Project Generation Business

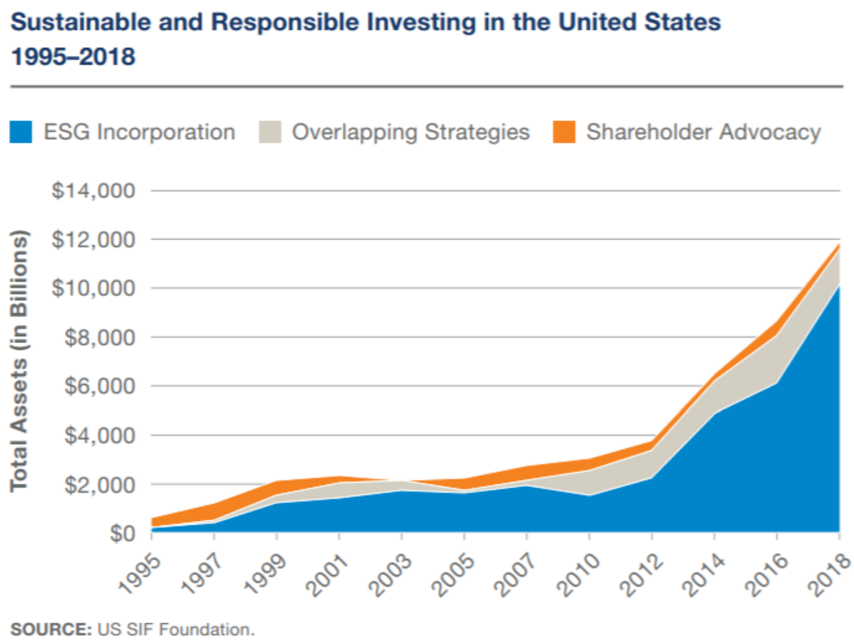
Our Project Generation business fully complements our cash flowing royalty business and provides further positive exposure to improving cyclical conditions with limited downside. PG, which is essentially our geology and exploration group, seeks to grow our pipeline of future royalties by providing projects and capital to the junior mining sector in exchange for royalties and equity.

This ability to create royalties at low or even negative cost is a key differentiator for Altius. As an example, Gunnison is set to become the first paying royalty emanating from the PG business and, after accounting for related equity gains associated with its operator, has a negative underlying cost base for Altius shareholders. We believe that more "free" future paying royalties lurk within our exploration and development pipeline and that these will ultimately serve to further widen our sector leading per share growth and investment return profile.

Moreover, PG does not diminish or otherwise jeopardize producing royalty cash flows. It more than self-funds from the capital gains associated with the equity part of the strategy. Since the cyclical bottom in 2016 our PG business has converted 57 projects to royalties and equities and has seen the market value of its equity portfolio, including net cash investments and monetizations, increase from $22.5 million to $65 [million. Recall as well that over the fullness of the previous commodity up-cycle this business generated equity capital gains of more than $200 million, which were later used to fund many of our down-cycle, cash flowing royalty acquisitions.

Macro-Trend and Investment Shift Alignment

The industrial world is re-revolutionizing. This is particularly true with respect to the "decarbonization" of transportation and power generation and the electrification of, well, seemingly everything. Technology driven efficiency improvements and cost reductions are underpinning the economics of these transitions while at the same time the global groundswell of concern around climate change has reached mainstream levels, particularly so for those within the rising millennial generation. The product of this intersection of capitalist and sustainability forces has been the dramatic rise of capital flows into ESG (Environmental, Sustainability, Governance) focussed investment pools as illustrated in the graphic below. The ultimate result of ESG investing emergence is a self-fulfilling type hyper-acceleration of these macro trend shifts. Altius stands ready.



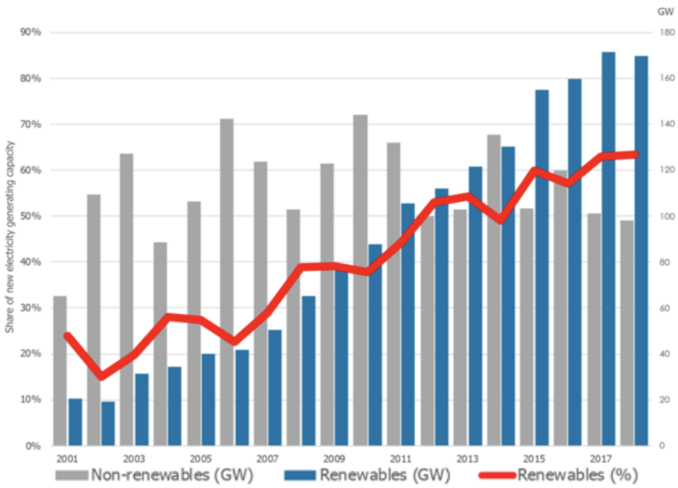
Our commodity exposures are very well aligned with these macro-scale structural trends and ESG investing mandates. Copper, nickel, cobalt and lithium are all expected to grow in demand as a direct result of electrification trends and we believe that the demand growth that is coming will ultimately reflect both in higher prices as well as production volume expansions from our particular assets for reasons already described.

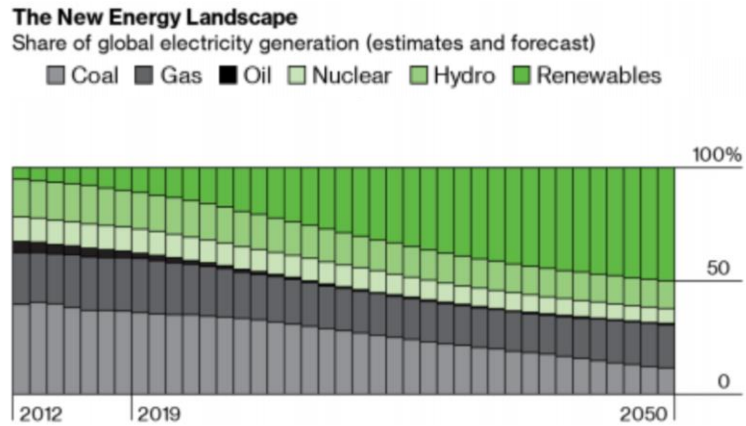
Altius exposes its shareholders to best in class potash mines that allow more food to be produced from a finite amount of agricultural land as population increases. This cleanly produced fertilizer product therefore has an enormous positive environmental and sustainability impact as its only practical alternative is increased deforestation for food growing needs.

Our iron ore exposure is also very specific in terms of its ultra-high quality and low impurity levels and also its components of both blast furnace and direct reduction pellets. The amount of coal usage and pollution that occurs during steel making is significantly lower when these iron ore inputs are used compared to more common, lower quality / higher impurity ore types.

Perhaps the most dramatic way that Altius is aligned with macro-trend and investor demands relates to our strategy to proactively re-invest our phasing-out coal royalty revenues into the financing of renewable energy projects through recently formed subsidiary Altius Renewable Royalties Corp. ("ARR"). Renewables are rapidly replacing fossil fuels in power generation and through this initiative we are emerging as front-line agents of that change.

Annual Shifts in Power Generation Source



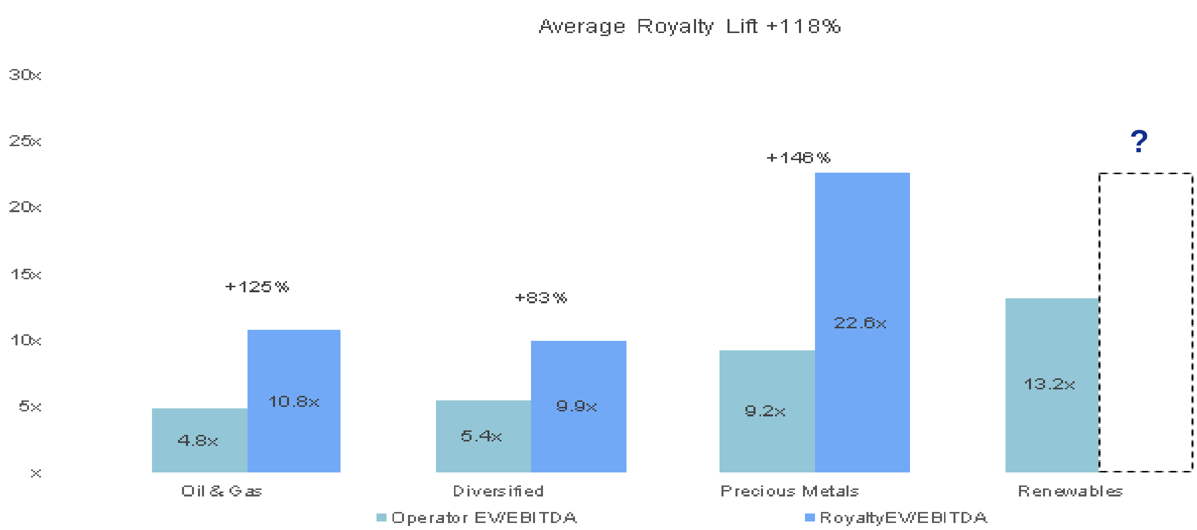


Source: International Renewable Energy Agency and Bloomberg NEF.

Altius Renewable Royalties

In forming ARR we set out with a goal to replace our coal fired electricity royalties with renewable electricity royalties over the next decade. This remains our minimum objective. However, based on the deal flow that we are encountering, it's seeming likely that we will meet our reinvestment threshold sooner than anticipated and that the opportunity set may in fact be much larger. Should this turn out to be the case there are cost of capital (see graphic below which invites the question of what a renewable royalty company trading multiple might look like if one existed) and other arguments to be made that a spin out of ARR to create the first pure-play, utility scale renewable energy royalty company may soon be warranted. We have not reached such a decision point but we are taking steps to be ready to act if the favourable business progress continues.

Operator vs Royalty EV/EBITA Comparison



Note: EV/EBITDA metrics on October 16, 2019; Source: Laurentian Bank Securities, Company Reports

ARR has been making excellent progress with one portfolio-based agreement with Tri Global Energy ("TGE"), a significant Texas based wind energy developer, already completed and several other potential deals in various stages of negotiation. TGE recently announced the sale of the 360 MW Canyon Wind project. Upon this sale the project became subject to an underlying 3% gross revenue royalty in favour of ARR, marking a milestone as the first large scale renewable energy royalty that ARR has created. Meanwhile TGE has also been using our investment proceeds to actively add new projects to its pipeline.

Market Valuation

It is obvious from what has been outlined here that we are happy with the fundamental progress that Altius has been making against its long-term objectives and are excited about its future over practically all time frames.

That being said, we absolutely share in your frustration with regard to the lack of market recognition that has thus far accompanied the fundamental growth and progress of our business. Given that Altius has traded in a relatively flat pattern while achieving strong per share growth means obviously that its valuation multiples have declined in almost perfect inverse correlation.

In discussing this with the investment community and shareholders we have gained some insight into what the problems might be. These include:

- Altius' trading pattern largely mirrors that of our operating level peers without differentiation for its better downside protection and high leverage to the upside through its no-cost, organic growth based potential. Our response is the increasing emphasis we have been placing on explaining our unique risk to reward profile within recent marketing materials as well as through the taking of actions that speak loudest to our business confidence – namely the increased returning of capital through dividends and share repurchases.

- With the growth of passive and formula based investing, so too has the bar been raised for market scale and liquidity. This is resulting in an odd dynamic in which large companies attract even more investment and gain valuation while smaller companies such as Altius become less able to attract that increment of shorter focussed market buying. Perhaps the current relative discount for small cap versus large cap rationalizes itself in time and active investment returns to favour, but meanwhile we won't respond by chasing scale merely for the sake of it. We believe too strongly in our long-term, per-share focussed fundamental growth strategy. We are however meeting with some success in attracting high quality investors as evidenced by the increasing percentage of long-term generalist and value-oriented shareholders on our register.

- One particularly negative perceived market valuation factor that we have heard concerns our thermal coal royalty exposure. We are even aware of one particular ESG scoring platform that has assigned a very poor (practically non-investable) rating to Altius. While initially disheartening, we have chosen to view this as an excellent opportunity and are responding with a directed initiative to better convey our positive ESG attributes to this important market. We know, and have hopefully explained clearly within this letter, that in fact Altius has been proactively aligning itself with ESG objectives since before it knew what the acronym stood for! We are gaining early encouragement with comments received from some of those who have so far taken the time to dig deeper, expressing agreement that far from being poorly aligned with ESG criteria, Altius could perhaps be more rightly recognized as a leader.

Summary

Your business is strong and filled with embedded royalty volume growth that is already happening in a meaningful and measurable fashion. This is occurring across a diverse portfolio of long-life, high-margin mining assets – mines that produce those commodities that are best aligned with long-term global structural trend shifts. The Altius Renewable Royalty platform is developing more quickly than we could have hoped. The timing of the perfect storm for metal prices is hard to call precisely but its forces are deeply structural and intensifying. Its demand drivers have already begun to emerge while the incentivization conditions needed to bring on required levels of new supply for replacement and growth are still absent. The longer that this combination persists the stronger the storm is likely to be and when it comes our royalty revenues will directly and immediately benefit, our PG business should flourish and even more production growth will materialize from within our current pipeline.

We never lose sight of the share price and our shareholders and we believe in our responsibility to always try to do better in conveying the attributes of the business to existing shareholders and potential new investors. We will also back our words with actions and continue to make investment in buying back shares a capital allocation priority when we feel the market is undervaluing our business – as we do currently.

Sincerely,

Brian Dalton, President and CEO
Altius Minerals Corporation

Forward Looking Statement Disclaimer: This Letter to Shareholders contains forward-looking statements regarding the beliefs or current expectations of Altius's officers, and is meant to provide management's perspective on past events and possible scenarios for the future that are expected to impact our royalty or project generation businesses. By their nature, forward-looking statements involve numerous assumptions, both general and specific, and there is a risk that predictions and other forward-looking statements will not prove to be accurate. Do not unduly rely on forward-looking statements, as a number of important factors, many of which are beyond Altius's control, could cause actual results to differ materially from the estimates and intentions expressed in such forward-looking statements.

Forward-looking statements speak only as of the date those statements are made. Except as required by applicable law, Altius does not assume any obligation to update, or to publicly announce the results of any changes to any forward-looking statement contained herein to reflect actual results, future events or developments, changes in assumptions or changes in other factors affecting the forward-looking statements.