

ESG INVESTMENT POLICY

I. INTRODUCTION

1. Altius generates revenue by entering into royalty and/or streaming agreements with third party operators. The projects in which Altius invests are owned and operated by these independent resource companies and Altius does not have control over their operational decisions. However, Altius is indirectly exposed to environmental, social and governance (ESG) risks and opportunities of these projects that have the potential to impact Altius' revenues.
2. The ESG Investment policy and framework described in this document allows for the integration of material social and environmental considerations into Altius' investment processes and decision-making. The purpose of the policy is to ensure that the ESG risks and opportunities facing the companies and projects being considered for potential investment will be appropriately assessed and monitored as part of Altius' due diligence and risk management processes, thereby lowering Altius' corporate risk and contributing to responsible investment and responsible resource development.

II. POLICY

3. Potential investments will be evaluated by Altius staff with experience in evaluating the risks and opportunities of resource projects, including financial, technical, legal and ESG factors, supported by third-party experts and consultants where appropriate. As part of the evaluation of potential investments, Altius will assess the ESG risks and opportunities for the project under consideration and the jurisdiction in which it is located, considering the stated ESG commitments, initiatives and performance of the third-party operator.
4. Not all of Altius' investments will require the same level of ESG assessment and monitoring. The ESG due diligence process will vary based on risk considerations including the jurisdiction, local context, type of mineral, third-party operator track record and the stage of the project under consideration for investment. Altius will monitor changing stakeholder concerns and political climates in the jurisdictions where it invests.
5. ESG information on the investment opportunity will be gathered from a range of sources and stakeholder perspectives, including, as appropriate:
 - The third-party operator's disclosed ESG policies and reporting
 - Dialogue with management of the third-party operator
 - Site visits
 - Government documents
 - Press articles and social media
 - Information from community organizations and non-government organizations

6. The ESG assessment will focus on ESG factors with the most significant potential to indirectly impact Altius's business, including, but not limited to:
 - Labour Relations/Workforce Health & Safety Risks
 - Climate-related Physical Risks
 - Climate-related Regulatory Risks
 - GHG Emissions/Air Quality
 - Waste & Hazardous Materials Management
 - Biodiversity Impacts
 - Mine Decommissioning Risks
 - Security, Human Rights & Rights of Indigenous Peoples/Community Relations
 - Business Ethics & Transparency
 - Local Procurement

7. Key questions that will be considered in the ESG assessment include:
 - Is the company in which Altius is considering an investment currently under investigation for any environmental or social infractions?
 - Are there ongoing lawsuits related to environmental or social action/inaction?
 - Are there any climate-related risks from the low carbon transition that could impact the long-term demand and/or commodity price of the potential investment?
 - Are there any climate-related physical risks of extreme weather that could impact operations?
 - What were the outcomes or conclusions of the environmental assessment undertaken by the third-party operator?
 - Do submissions by community groups or indigenous groups reveal any environmental or social concerns?
 - Do social media, news releases and articles by local and international non-government organizations reveal any serious environmental or social concerns?
 - Is information on third-party operator corporate websites consistent with information found on social media, online media, and news releases or articles published by non-governmental organizations?
 - Which key indicators should be monitored over time to ensure the third-party operator's performance is meeting expectations?

8. In the event an investment opportunity reaches the stage of consideration for Board approval the results of any relevant ESG due diligence assessment will be included in the recommendation to the Board and documented accordingly. Altius seeks to invest only in third-party operators that have a satisfactory track record with respect to managing ESG factors.

9. Altius will endeavor to negotiate contractual protections that encourage effective third-party operator management of ESG factors, which may include audit and inspection rights, reporting obligations, operating covenants, transfer restrictions, remedies for breach of conditions and security against insolvency.

10. Altius' monitoring of its current investments will include third-party operator performance in managing ESG factors. Altius will review the operator's reporting and disclosure as well as information from external sources and engage in on-going dialogue with the operator, including following any adverse ESG event.
11. Altius is committed to supporting third party-operators in their efforts to manage ESG factors effectively to pursue sustainable resource development. Where appropriate, it will consider proposals from third-party operators to co-invest in community development activities associated with the projects in which it is investing. Altius also supports industry-level efforts to enhance sustainability in resource development.
12. Where possible, Altius will include relevant information on third-party operator ESG performance within its own reporting.

III. BOARD OVERSIGHT OF ESG

13. In addition to considering ESG factors in its role in the approval of investment opportunities, the Board sets the tone on ESG and provides oversight of the ESG investment due diligence process. In this context the board will ensure that:
 - Altius has a governance structure in place to enable appropriate consideration of ESG factors and consistent integration into investment and risk management decisions for each potential investment, particularly in foreign jurisdictions.
 - The effects and impacts of key existing or potential government regulations relating to ESG factors are monitored in jurisdictions in which Altius has or may consider investments.
 - Altius' corporate business plans and risk assessment processes consider material ESG factors.
 - Altius' mandatory and voluntary public ESG disclosures are comparable to those of royalty mining companies of similar size and structure.

IV. REVIEW

14. The Corporate Governance Committee will review this Policy at least every two years and will make additions, deletions or amendments as required and recommend these changes to the Board for their approval.

V. HISTORY

15. This Policy was:
 - (a) Initially adopted by the Board on June 22, 2016 - Entitled Corporate Social Responsibility Policy
 - (b) Reviewed and amended by the Board on January 22, 2018
 - (c) Reviewed and amended by the Board on March 11, 2020 - Entitled ESG Investment Policy

Signed

Executive Chair of the Board of Directors