
Altius Reports Second Quarter 2020 Attributable Royalty Revenue of Approximately \$13 million

St. John's – (TSX: ALS; OTCQX: ATUSF) Altius Minerals Corporation (“Altius” or the “Corporation”) reports attributable royalty revenue¹ of approximately \$13 million (\$0.31 per share) for the quarter ended June 30, 2020. This compares to quarterly revenues of \$19.5 million (\$0.46 per share) generated in the comparable quarter last year, and \$16.3 million (\$0.39 per share) in Q1 2020.

The most significant contributors to the lower recorded revenue in Q2 relative to the comparable periods were as follows:

Base metal revenue was lower by ~24% as compared to the corresponding period in 2019 due to significantly lower realized prices on COVID-19 related demand concerns, health and safety based precautionary production curtailments at Voisey's Bay and a delay in start-up activities at Gunnison due to similar precautionary measures by the operator.

Iron ore revenue was down by 63% compared to Q2 2019 as Iron Ore Company of Canada (“IOC”) elected not to pay dividends to shareholders for the second consecutive quarter, despite strong product pricing and improved production levels. This in turn resulted in the Corporation receiving a lower than otherwise expected dividend from Labrador Iron Ore Royalty Corporation (“LIORC”) which serves as a pass through vehicle for royalty revenues and dividends related to IOC operations. Additionally, the Corporation reduced its shareholding in LIORC by one million shares in Q1 of this year.

Potash pricing weakness which began in the latter part of last year persisted through Q2 and resulted in a revenue decline of 22% relative to the comparable prior year period, while attributable production levels were similar in both periods.

Thermal (electrical) coal revenue was lower by 29% primarily based upon a sharp contraction in electricity demand in Alberta on a combination of lower industrial usage by the oil and gas sector and broader COVID-19 lockdown related demand reductions. This lower electricity demand has translated into lower than forecast coal production levels at Paintearth and Sheerness in particular, while Genesee has continued to operate at or near capacity. Genesee is a more modern and efficient generating facility that is less impacted by lower prices and carbon tax related cost increases.

Several of the factors that contributed to weak Q2 mining royalty revenue have generally improved thus far in Q3. Copper prices have recovered and are in fact higher than pre-COVID levels and Voisey's Bay is in the process of resuming mine production. High-grade iron ore prices have continued to perform strongly and are now at multi-year highs, but uncertainty remains as to whether IOC will resume more typical dividend payout practices or continue to accumulate cash on its balance sheet. Base metal and iron ore price strength thus far in Q3 is attributed to both strong economic recovery dynamics in China and a growing expectation that infrastructure-based stimulus will be a key recovery tool for many global jurisdictions. Alberta power consumption has partially rebounded as lockdowns have eased and oil and gas production activity has begun to ramp back up. Potash prices appear to have stabilized and begun to increase in some regions, while operators continue to forecast an overall demand recovery from 2019 on improved planting levels.

Altius Renewable Royalties (“ARR”) continues to advance its objective of scaling up its royalty level exposure to development stage wind and solar generation projects with several potential new funding agreements at various stages of negotiation. Its existing royalty partners are also indicating minimal to no negative impact on demand for their projects from end use operators, with several projects currently progressing towards completion of sales agreements that will be subject to underlying ARR royalties. Copenhagen Infrastructure Partners, who acquired the 400MW Woodford Wind (now renamed as Panther Grove) Project in Illinois from ARR partner Tri Global Energy, has recently completed a long-term power purchase agreement with American Electric Power (“AEP”) for the project's full expected output. AEP has indicated that it will in turn supply power to Google as part of its mandate to operate a data facility in Ohio using 100% renewable sourced energy.

Brian Dalton, CEO, commented, “Perhaps the most positive thing I can say about Q2 is that it is behind us. While we all understand that the world is not yet done dealing with the health and economic impacts of the pandemic, and that uncertainty levels remain generally high, we are encouraged by the resilience being shown by our operators and the potential positive

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impact that expected widespread infrastructure-based economic stimulus will have on demand for many of our key commodity exposures. This has the potential to be particularly important to Altius given that much of this new investment is expected to be directed towards new infrastructure, supporting acceleration of the key sustainability based macro-transitions – transitions that Altius has been pro-actively and aggressively aligning its royalty portfolio exposure to for the past several years.”

<i>Summary of attributable royalty revenue</i> (in thousands of Canadian dollars)	Three months ended June 30, 2020	Three months ended June 30, 2019	Three months ended March 31, 2020
Base metals	4,835	6,403	6,559
Potash	4,012	5,169	4,406
Thermal (electrical) coal	2,206	3,119	2,513
Iron ore ⁽¹⁾	1,293	3,494	1,006
Metallurgical coal	466	982	590
Other royalties and interest	224	366	1,205
Attributable royalty revenue	13,036	19,533	16,279

See non-IFRS measures section of our MD&A for definition and reconciliation of attributable royalty revenue

⁽¹⁾ Labrador Iron Ore Royalty Corporation dividends received

Q2 2020 Financial Results Conference Call and Webcast Information:

Additional details relating to individual royalty performances and asset level developments will be provided with the release of full financial results, which will occur on August 6, 2020 after the close of market, with a conference call to follow on August 7, 2020.

Time: 9:00 a.m. EST on Friday, August 7, 2020
Dial-In Numbers: +1-(866) 521-4909 toll free (US/ Canada) or +1-(647) 427-2311
Conference Call Title and ID: 9361679, Altius Q2 2020 Financial Results
Webcast URL: **Altius Q2 2020 Financial Results**

The call will be webcast and archived on the Corporation's website for a limited time.

¹ Attributable royalty revenue is a non-IFRS measure and does not have any standardized meaning prescribed under IFRS. For a detailed description and examples of the reconciliation of this measure, please see the Corporation's MD&A disclosures for prior quarterly and annual reporting periods, which are available at <http://altiusminerals.com/financial-statements>

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 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. Altius has 41,456,488 common shares issued and outstanding that are listed on Canada's Toronto Stock Exchange. It is a member of both the S&P/TSX Small Cap and S&P/TSX Global Mining Indices.



Date: July 17-2020

Ticker Symbol: ALS.TSX

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 regulation.

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