



Q4 and Annual 2018 Financial Results Conference Call  
March 13, 2019

# Forward Looking Statements

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This document includes certain statements that constitute “forward-looking statements” and “forward-looking information” within the meaning of applicable securities laws (collectively, “forward-looking statements”). Forward-looking statements include statements regarding Altius Minerals Corporation’s (“Altius”) intent, or the beliefs or current expectations of Altius’ officers and directors. Such forward-looking statements are typically identified by words such as “believe”, “anticipate”, “estimate”, “project”, “intend”, “expect”, “may”, “will”, “plan”, “should”, “would”, “contemplate”, “possible”, “attempts”, “seeks” and similar expressions. Forward-looking statements may relate to future outlook and anticipated events or results.

By their very nature, forward-looking statements involve numerous assumptions, inherent risks and uncertainties, both general and specific, and the 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’ control, could cause actual results to differ materially from the estimates and intentions expressed in such forward-looking statements.

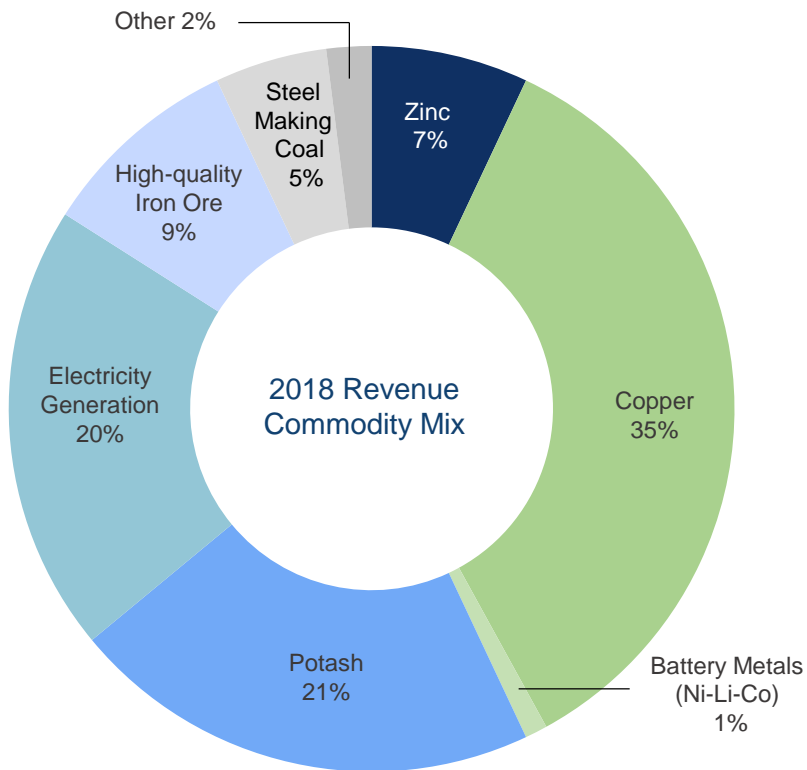
Forward-looking statements speak only as of the date those statements are made. Except as required by applicable law, Altius does not assume any obligation to update, or to publicly announce the results of any change to, any forward-looking statement contained herein to reflect actual results, future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

# 2018 Corporate Highlights

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- Higher revenue and Adjusted EBITDA year over year on potash (both price and volume), thermal coal volume, and improved met coal results from Cheviot, with 2019 revenue guidance again pointing to growth
- Several production ramp-up, new mine development, and positive signaling announcements around additional potential developments and expansions highlight strong embedded option value associated with Altius's long-life portfolio
- "Short-life" 777 and Alberta coal portfolio maintenance challenges partially overcome with Gunnison royalty increase option exercise and the Curipamba and Tri-Global Energy royalty acquisitions
- Resumption of Voisey's Bay royalty revenue
- Increased share position in Labrador Iron Ore Royalty Corp (LIORC) to ~6.3% subsequent to December 31, 2018. Largest dividend in several years announced in Q1 and strong pricing post disaster in Brazil positions IOC for another excellent year
- A record year for vending out Project Generation assets to junior equity partners, with 25 project vended and new pre-production royalties created
- Statement of Claim filed against Alberta and Federal governments on cessation of coal-fired power; transition underway to replace coal royalty with renewable energy royalty revenue

# Commodity Diversification

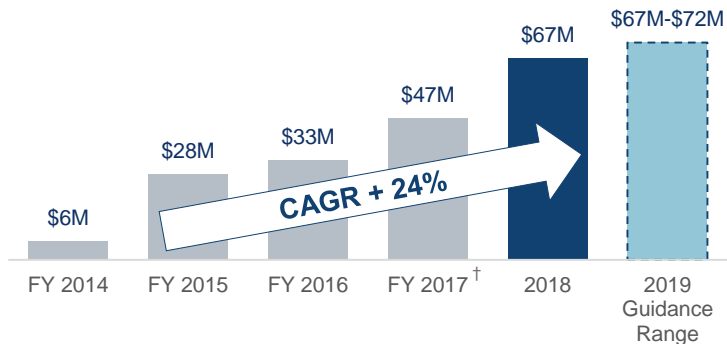


## Portfolio Aligned With Global Growth Trends

Transportation Electrification	Cu, Co, Ni, Li
Soil Quality/Agricultural Yield Improvements	Potash
Fossil Fuel to Clean Energy Conversion	Coal to Renewables
Higher Quality (Lower Emission) Steel Inputs	High Fe, Low Al Iron Ore

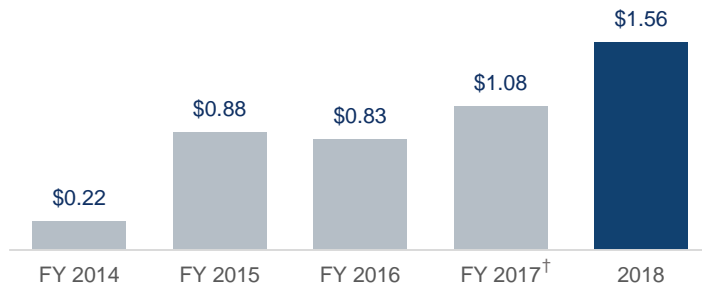
# Growth Record

Royalty Revenue (FY2014 – 2018)<sup>†</sup>



80%  
EBITDA Margin

Strong Per-Share Translation



Strongest Per Share  
Revenue Growth Record  
in the Royalty Sector



# Growth Pipeline (Advanced Stage)

Built

Developing

Advancing

**Completed Potash Expansions Ramping Up**

Esterhazy

Rocanville

Cory

Allan

Vanscoy

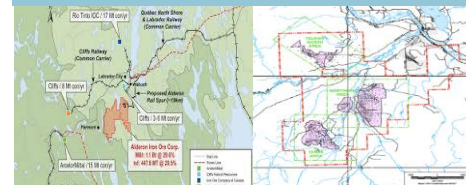
## New Mines in Construction



Voisey's Underground (Nickel-Cobalt-Copper)

Gunnison (Copper)

## New Development Feasibility



Kami (Iron Ore)

Telkwa (Met. Coal)

## Extension / Expansion Feasibility



Cardinal River Extension (Met. Coal)

Chapada Expansion (Copper)

## Renewable Development Portfolio



1500MW in the United States

Royalty Growth Pipeline Requires No Additional Capital Investment Allowing Continuation of Sector Leading Per-Share Growth



# Converting Electrical Coal into Energy Royalties

- Altius Renewable Royalties Corp. (“ARR”) is a newly created subsidiary of Altius Minerals Corporation
- Strategic objective of converting a legacy portfolio of relatively short-life Alberta electrical coal generation royalties into long-life, clean electricity generation royalties now fully underway
- ARR has completed a first transaction with Tri Global Energy (“TGE”) to gain royalties related to a portfolio of more than 1,500 MW of development stage wind energy projects located in Texas, Nebraska and Illinois for a total investment up to US\$30 mm
- At full uptake, the cash flow projections range from US\$3 - 4 mm annually to Altius for an average project life of 25 years, with clear re-powering and capacity optionality
- Once created, the royalties are for the life of the project and capture extensions or expansion



# PG Business Portfolio Growth

Junior Equity Portfolio Growth



**\$54  
Million**

Project generation portfolio value as at December 31, 2018.  
(~1.27/share)

**54  
Projects**

Converted to new royalties and junior equities since 2016 market bottom

**2018**

Altius vended 25 properties

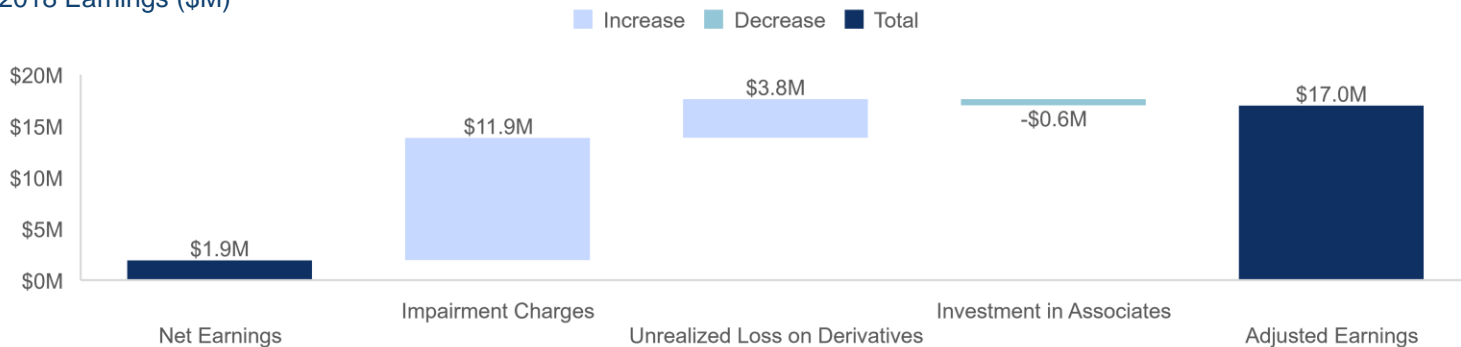
Leveraging Equity Exposure into New Pipeline Royalties



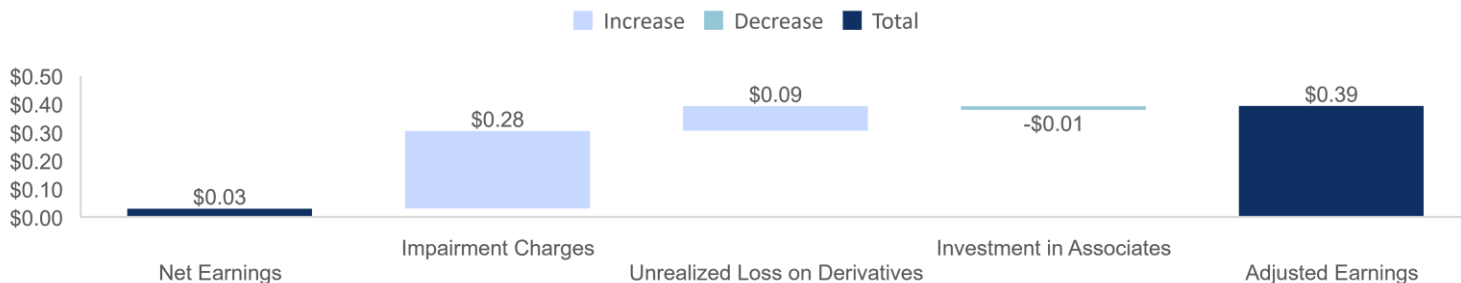
# Adjusted Net Earnings

- Net earnings for 2018 were \$1.9 million (\$0.03 per share), as a result of one-off items noted below
- Adjusting for these one-off items would result in adjusted earnings of \$17.0 million for 2018, or \$0.39 per share

## 2018 Earnings (\$M)



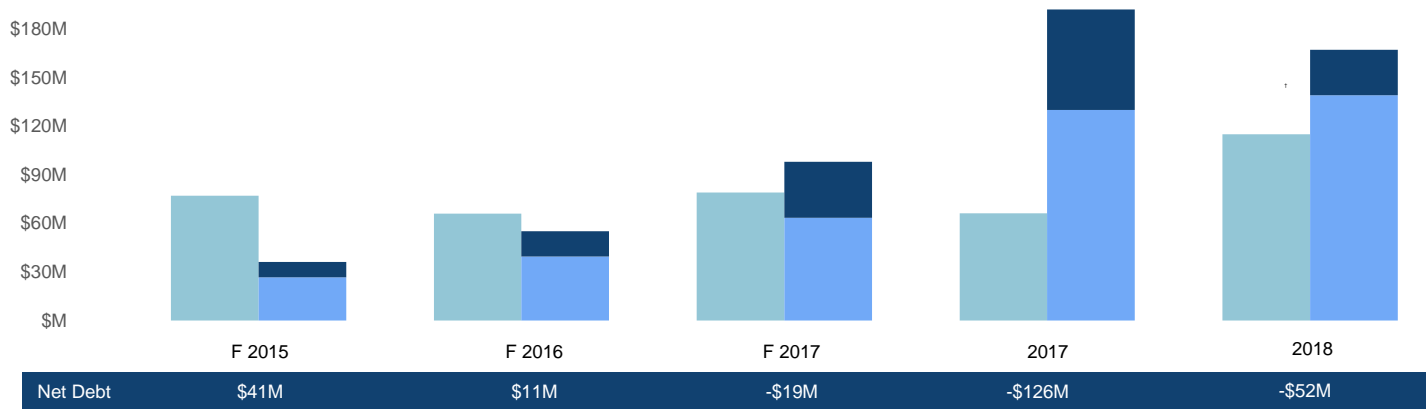
## 2018 Earnings (\$/share)



# Borrowing & Liquidity

- Mining and Other Investments ended Q4 2018 at \$124 million, down from \$145 million at the end of Q3-2018, mainly with declines in junior equity and LIORC share price values;
- Mining and Other Investments have subsequently recovered to \$159 million, as at Feb 28, 2019
- Subsequent to the year end, total debt stood at \$135 million after revolver drawdown with cash balance of \$22 million, as at Feb 28, 2019
  - Main uses of cash subsequent to year end were further LIORC investment, acquisition of Curipamba royalty, first Altius Renewable Energy Royalty transaction and formation of subsidiary

■ Debt ■ Investments ■ Cash



# Outlook

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- On track to meet or exceed earlier issued guidance of \$67-\$72M as commodity prices have had a strong start to the year
- Decisions regarding Mackenzie Redcap development expected from Teck and Expansion studies at Chapada expected from Yamana
- First production from Gunnison expected late year
- Iron ore premiums uncertain in aftermath of Vale dam disaster; however supply that has been curtailed is high iron content, low-alumina pellets and concentrates of the type that IOC produces
- Several development milestones expected from wind energy portfolio
- 140,000 metres of drilling expected on PG portfolio company lands



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## Appendix

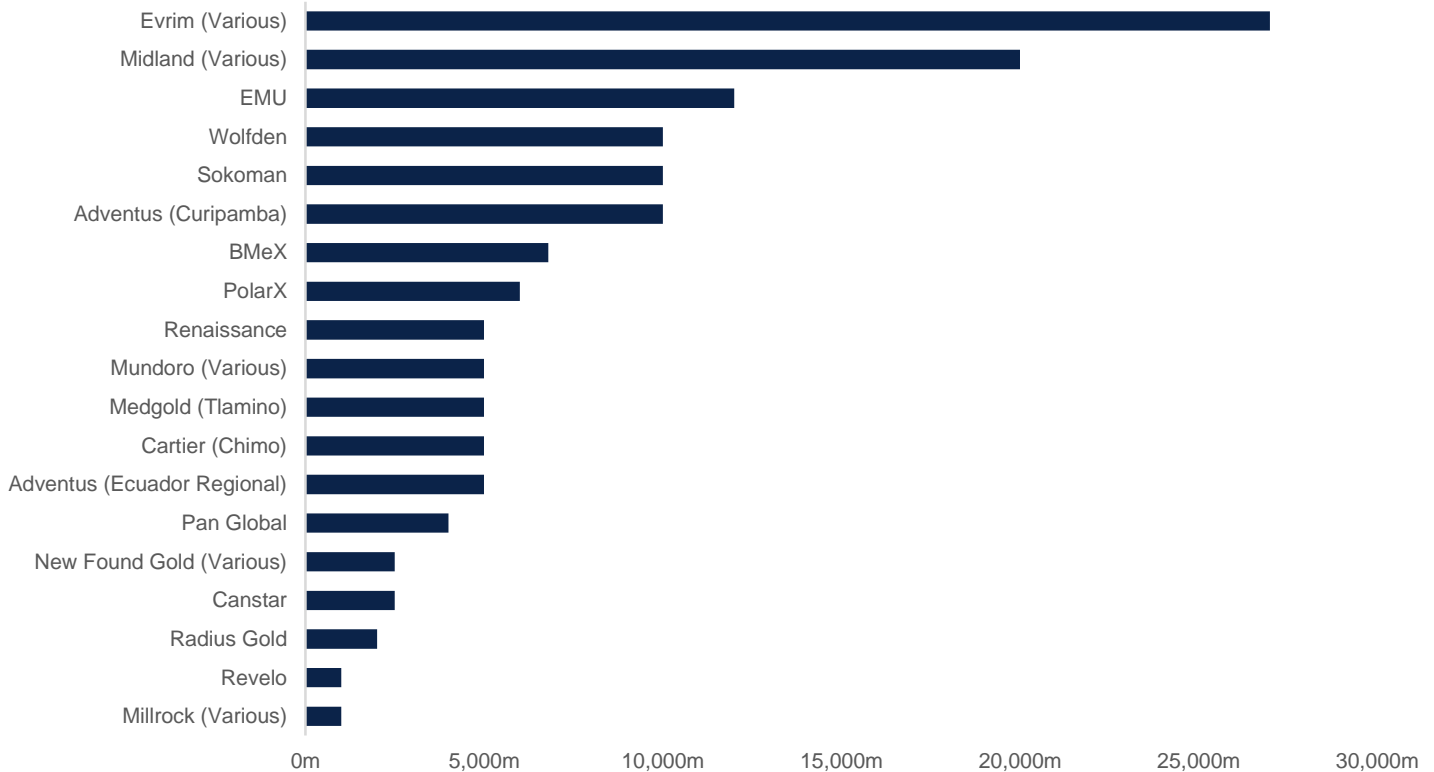
# Royalty Portfolio Growth: Gunnison on Stream in 2019



EXCELSIOR'S GUNNISON PROJECT (COPPER ISL)

- Fully financed and under construction with production in Q4-2019 as per guidance provided by the operator
- Altius currently has a 1.625% gross revenue royalty (GRR) over the Gunnison Project. The GRR reduces to 1.5% with Phase 2 plant capacity level reaching 75 million pounds of copper per annum or higher
- The first phase of operations is expected to produce 25 million pounds of copper per annum for the first 3 years

# ~140,000 Metres Drilling Planned by PG Partners



# Commodity Price Sensitivity

- Various mine production volumes which are moderately seasonal
- Diversified top line exposure to commodity prices and EBITDA is highly levered to base and bulk metal commodity prices

Commodity Price Leverage	Average Prices† (F2018 December 31, 2018)	Price (+/- 10%)	EBITDA (Δ per year)
Copper	US\$2.96/lb	\$0.30	\$1.9M
Zinc	US\$1.33/lb	\$0.13	\$0.5M
Potash	\$335/tonne	\$33.50	\$1.4M
Metallurgical coal	\$247/tonne	\$24.70	\$0.3M
Exchange Rate (USD/CAD)	\$1.30	\$0.13	\$4.8M
Thermal coal	No commodity price exposure		

†