



Altius Minerals Corporation

Condensed Consolidated Financial Statements

For the three and nine months ended September 30, 2023 and 2022

CONDENSED CONSOLIDATED BALANCE SHEETS

Unaudited, In Thousands of Canadian Dollars	Note	As at	
		September 30, 2023	December 31, 2022
ASSETS			
Current assets			
Cash and cash equivalents		\$ 67,219	\$ 82,385
Accounts receivable and prepaid expenses		8,604	10,937
Income tax receivable		1,461	4,048
Loan receivable		5,401	6,773
		\$ 82,685	\$ 104,143
Non-current assets			
Royalty and streaming interests	6	215,216	228,321
Investments	5	236,849	218,210
Interests in joint ventures	4	228,401	209,247
Exploration and evaluation assets		8,355	9,416
Deferred tax assets	7	8,664	6,773
Investment in associates		1,613	1,613
Loan receivable		6,751	-
Derivative - cash flow swap	8	1,983	2,148
Property and equipment		564	713
		\$ 708,396	\$ 676,441
TOTAL ASSETS		\$ 791,081	\$ 780,584
LIABILITIES			
Current liabilities			
Accounts payable and accrued liabilities		4,627	5,642
Current portion of long-term debt	8	8,000	8,000
Income tax payable		966	6,046
		\$ 13,593	\$ 19,688
Non-current liabilities			
Long-term debt	8	106,949	112,873
Other liability		503	801
Deferred tax liabilities	7	43,042	38,413
		\$ 150,494	\$ 152,087
TOTAL LIABILITIES		\$ 164,087	\$ 171,775
EQUITY			
Shareholders' equity		504,068	486,193
Non-controlling interest		122,926	122,616
		\$ 626,994	\$ 608,809
TOTAL LIABILITIES AND EQUITY		\$ 791,081	\$ 780,584

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		Nine months ended	
		September 30, 2023	September 30, 2022	September 30, 2023	September 30, 2022
Revenue and other income	9	\$ 15,151	\$ 25,900	\$ 55,155	\$ 80,393
Costs and Expenses					
General and administrative	9	3,446	2,793	8,845	7,533
Cost of sales - copper stream		1,147	1,342	3,908	4,442
Share-based compensation		704	860	3,125	2,522
Generative exploration		328	20	921	103
Exploration and evaluation assets abandoned or impaired		-	-	590	29
Mineral rights and leases		-	-	227	227
Amortization and depletion		4,007	5,423	13,263	18,376
Earnings before the following:		\$ 5,519	\$ 15,462	\$ 24,276	\$ 47,161
(Loss) earnings from joint ventures	4	(1,020)	1,419	(1,247)	2,620
Realized gain (loss) on disposal of derivatives		-	(91)	365	(59)
Gain on disposal of mineral property		276	-	544	996
Interest on long-term debt		(2,319)	(1,852)	(6,957)	(4,803)
Foreign exchange (loss) gain		(460)	(2,196)	352	(2,728)
Unrealized gain (loss) on fair value adjustment of derivatives		1,471	843	520	(1,390)
Earnings before income taxes		\$ 3,467	\$ 13,585	\$ 17,853	\$ 41,797
Income taxes (current and deferred)	7	(43)	2,127	5,516	9,140
Net earnings		\$ 3,510	\$ 11,458	\$ 12,337	\$ 32,657
Net earnings (loss) attributable to:					
Common shareholders		3,703	10,712	11,842	31,013
Non-controlling interest		(193)	746	495	1,644
		\$ 3,510	\$ 11,458	\$ 12,337	\$ 32,657
Net earnings per share					
Basic	10	0.08	0.22	0.25	0.69
Diluted	10	0.08	0.22	0.24	0.66

See accompanying notes to the condensed consolidated financial statements

CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE EARNINGS (LOSS)

Unaudited, In Thousands of Canadian Dollars	Note	Three months ended		Nine months ended	
		September 30, 2023	September 30, 2022	September 30, 2023	September 30, 2022
Net earnings		\$ 3,510	\$ 11,458	\$ 12,337	\$ 32,657
Other comprehensive earnings (loss)					
To be reclassified subsequently to profit or loss					
Foreign currency translation adjustment					
Gross amount		4,780	14,034	(792)	16,698
Net amount		\$ 4,780	\$ 14,034	\$ (792)	\$ 16,698
Net unrealized (loss) gain on fair value adjustment of cash flow swap					
Gross amount		(155)	350	(83)	2,183
Tax effect		35	(61)	45	(443)
Net amount		\$ (120)	\$ 289	\$ (38)	\$ 1,740
To not be reclassified subsequently to profit or loss					
Net unrealized gain (loss) on investments					
Gross amount	5	991	170	23,869	(34,941)
Tax effect		(317)	(394)	(2,339)	4,989
Net amount		\$ 674	\$ (224)	\$ 21,530	\$ (29,952)
Revaluation of investments held in joint venture					
Gross amount	4	2,318	(1,808)	5,205	14,427
Tax effect		(495)	430	(1,132)	(4,014)
Net amount		\$ 1,823	\$ (1,378)	\$ 4,073	\$ 10,413
Realized gain (loss) on investments		-	-	(1)	229
Tax effect		-	-	-	(146)
Net amount		\$ -	\$ -	\$ (1)	\$ 83
Other comprehensive earnings (loss)		\$ 7,157	\$ 12,721	\$ 24,772	\$ (1,018)
Total comprehensive earnings		\$ 10,667	\$ 24,179	\$ 37,109	\$ 31,639
Total comprehensive earnings attributable to:					
Common shareholders		10,121	23,860	34,927	25,657
Non-controlling interest		546	319	2,182	5,982
		\$ 10,667	\$ 24,179	\$ 37,109	\$ 31,639

See accompanying notes to the condensed consolidated financial statements

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

Unaudited, In Thousands of Canadian Dollars	Note	Nine months ended	
		September 30, 2023	September 30, 2022
Operating activities			
Net earnings		\$ 12,337	\$ 32,657
Adjustments for operating activities	11	14,982	24,911
		\$ 27,319	\$ 57,568
Changes in non-cash operating working capital	11	1,688	(2,329)
		\$ 29,007	\$ 55,239
Financing activities			
Repayment of long-term debt	8	(6,000)	(6,000)
Proceeds from long-term debt	8	-	10,000
Lease payments		(126)	(126)
Cash settled stock options and RSUs		(1,900)	(3,362)
Payments to non-controlling interest	13	(1,745)	(2,042)
Preferred securities distributions	10	-	(3,346)
Repurchase of common shares	10	(7,800)	(4,835)
Dividends paid		(10,763)	(9,526)
		\$ (28,334)	\$ (19,237)
Investing activities			
Proceeds from sale of investments		3	1,540
Cash received from joint ventures	4	546	28,099
Return of capital	5	8,950	-
Proceeds from sale of mineral properties		161	-
Generative exploration		(921)	(103)
Exploration and evaluation assets, net of recoveries		(1,052)	(723)
Cash taxes paid		-	(2,113)
Investment in joint venture	4	(16,112)	(15,431)
Loan receivable		(5,283)	(6,422)
Acquisition of royalty interests		-	(1,529)
Acquisition of investments	5	(1,609)	(46,564)
Acquisition of property and equipment		(9)	(22)
		\$ (15,326)	\$ (43,268)
Net decrease in cash and cash equivalents		(14,653)	(7,266)
Effect of foreign exchange on cash and cash equivalents		(513)	5,468
Cash and cash equivalents, beginning of period		82,385	100,021
Cash and cash equivalents, end of period		\$ 67,219	\$ 98,223

Supplemental cash flow information (Note 11)

See accompanying notes to the condensed consolidated financial statements

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Unaudited, In Thousands of Canadian Dollars												
		Common Shares		Preferred Securities		Other Equity Reserves (Note 10)	Accumulated Other Comprehensive Earnings	Retained Earnings	Total Shareholders' Equity	Non-controlling interest	Total Equity	
	Note	Number	Amount	Number	Amount							
Balance, December 31, 2021		41,185,595	\$ 260,793	10,000,000	\$ 57,061	\$ 26,015	\$ 76,971	\$ 12,646	\$ 433,486	\$ 95,493	\$ 528,979	
Net earnings and comprehensive loss, January 1 to September 30, 2022		-	-	-	-	-	(5,356)	31,013	25,657	5,982	31,639	
Payments to non-controlling interest		-	-	-	-	-	-	-	-	(2,042)	(2,042)	
Transactions with non-controlling interests		-	-	-	-	-	-	(6,974)	(6,974)	7,056	82	
Shares repurchased and cancelled		(268,000)	(1,886)	-	-	-	-	(2,949)	(4,835)	-	(4,835)	
Preferred securities distributions		-	-	-	-	(1,150)	-	(1,410)	(2,560)	-	(2,560)	
Preferred securities redemption		-	87,061	(10,000,000)	(57,061)	-	-	-	30,000	-	30,000	
Warrants exercised		6,670,000	12,012	-	-	(12,012)	-	-	-	-	-	
Dividends paid to common shareholders		-	-	-	-	-	-	(10,045)	(10,045)	-	(10,045)	
Shares issued under dividend reinvestment plan		25,464	519	-	-	-	-	-	519	-	519	
Share-based compensation		-	-	-	-	2,522	-	-	2,522	-	2,522	
Cash settled RSUs and stock options		-	-	-	-	(3,362)	-	-	(3,362)	-	(3,362)	
Shares issued under long-term incentive plan		3,238	6	-	-	(30)	-	-	(24)	-	(24)	
Balance, September 30, 2022		47,616,297	358,505	-	-	11,983	71,615	22,281	464,384	106,489	570,873	
Net earnings and comprehensive earnings, October 1 to December 31, 2022		-	-	-	-	-	18,775	6,476	25,251	1,393	26,644	
Payments to non-controlling interest		-	-	-	-	-	-	-	-	(733)	(733)	
Transactions with non-controlling interests		-	-	-	-	-	-	(295)	(295)	15,467	15,172	
Dividends paid to common shareholders		-	-	-	-	-	-	(3,809)	(3,809)	-	(3,809)	
Shares issued under dividend reinvestment plan		8,661	192	-	-	-	-	-	192	-	192	
Share-based compensation		-	-	-	-	886	-	-	886	-	886	
Cash settled RSUs and stock options		-	-	-	-	(341)	-	-	(341)	-	(341)	
Shares issued under long-term incentive plan		-	-	-	-	(75)	-	-	(75)	-	(75)	
Balance, December 31, 2022		47,624,958	\$ 358,697	-	\$ -	12,453	\$ 90,390	\$ 24,653	\$ 486,193	\$ 122,616	\$ 608,809	
Net earnings and comprehensive earnings, January 1 to September 30, 2023		-	-	-	-	-	23,085	11,842	34,927	2,182	37,109	
Payments to non-controlling interest	13	-	-	-	-	-	-	-	-	(1,745)	(1,745)	
Transactions with non-controlling interests		-	-	-	-	-	-	197	197	(127)	70	
Shares repurchased and cancelled	10	(372,700)	(2,809)	-	-	-	-	(4,991)	(7,800)	-	(7,800)	
Dividends paid to common shareholders		-	-	-	-	-	-	(11,413)	(11,413)	-	(11,413)	
Shares issued under dividend reinvestment plan		30,247	650	-	-	-	-	-	650	-	650	
Share-based compensation		-	-	-	-	3,125	-	-	3,125	-	3,125	
Cash settled RSUs and stock options		-	-	-	-	(1,900)	-	-	(1,900)	-	(1,900)	
Shares issued under long-term incentive plan		24,498	314	-	-	(225)	-	-	89	-	89	
Balance, September 30, 2023		47,307,003	\$ 356,852	\$ -	\$ -	13,453	\$ 113,475	\$ 20,288	\$ 504,068	\$ 122,926	\$ 626,994	

See accompanying notes to the condensed consolidated financial statements

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

(Unaudited, Tabular amounts expressed in thousands of Canadian dollars, except per share amounts)

1. NATURE OF OPERATIONS AND CORPORATE INFORMATION

Altius Minerals Corporation (“Altius” or the “Corporation”) manages its business under three operating segments, consisting of (i) the acquisition and management of producing and development stage royalty and streaming interests (“Mineral Royalties”), (ii) the acquisition and early stage exploration of mineral resource properties with a goal of vending the properties to third parties in exchange for early stage royalties and minority equity or project interests (“Project Generation”) and (iii) its majority interest holding in publicly traded Altius Renewable Royalties Corp. (TSX: ARR) (“ARR”), which is focused on the acquisition and management of renewable energy investments and royalties (“Renewable Royalties”).

The Corporation’s diversified mineral royalties and streams generate revenue from 12 operating mines located in Canada (10) and Brazil (2) that produce copper, nickel, cobalt, lithium, potash, iron ore and thermal (electrical) coal. It also holds royalty interests in 2 construction stage lithium mines. The Corporation further holds a diversified portfolio of pre-production stage royalties and junior equity positions that it mainly originates through mineral exploration initiatives within its Project Generation business division. The Corporation holds a 58% interest in ARR, which through a jointly controlled entity, Great Bay Renewables LLC (“GBR”), holds royalties related to renewable energy generation projects located primarily in the United States. Certain funds managed by affiliates of Apollo Global Management, Inc. (the “Apollo Funds”) represent the other party to the joint venture.

Altius is a publicly traded company, incorporated and domiciled in Canada. The head office of the Corporation is located at 2nd Floor, 38 Duffy Place, St. John’s, Newfoundland and Labrador A1B 4M5. Its registered office is located at 4200 Bankers Hall West, 888 – 3rd Street S.W., Calgary, Alberta, T2P 5C5.

These condensed consolidated financial statements were approved and authorized for issuance by the Board of Directors on November 8, 2023.

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 investments which are measured at fair value through other comprehensive income. 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, JUDGEMENTS AND ESTIMATES

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

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

(Unaudited, Tabular amounts expressed in thousands of Canadian dollars, except per share amounts)

31, 2022. 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, 2022.

4. INTERESTS IN JOINT VENTURES

	LNRLP ⁽¹⁾	GBR	Total
Balance, December 31, 2021	\$ 5,043	\$ 147,461	\$ 152,504
Earnings	1,187	648	1,835
Investment in joint venture	-	58,583	58,583
Distributions received	(1,656)	(26,646)	(28,302)
Other comprehensive earnings - revaluation of investments	-	14,641	14,641
Other comprehensive earnings - foreign currency translation adjustment	-	9,986	9,986
Balance, December 31, 2022	\$ 4,574	\$ 204,673	\$ 209,247
Earnings (loss)	174	(1,421)	(1,247)
Investment in joint venture	-	16,112	16,112
Distributions received	(546)	-	(546)
Other comprehensive earnings - revaluation of investments	-	5,205	5,205
Other comprehensive earnings - foreign currency translation adjustment	-	(370)	(370)
Balance, September 30, 2023	\$ 4,202	\$ 224,199	\$ 228,401

⁽¹⁾ Labrador Nickel Royalty Limited Partnership ("LNRLP")

See Note 14 for fair value qualitative and quantitative analysis relating to the investments held in the GBR joint venture.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

(Unaudited, Tabular amounts expressed in thousands of Canadian dollars, except per share amounts)

5. INVESTMENTS

	Mining and other investments	Share purchase warrants	Total
Balance, December 31, 2021	\$ 179,881	\$ 3,844	\$ 183,725
Additions	47,814	32	47,846
Reclassification to investments in traded securities	(398)	398	-
Receipt for interest in mineral property	2,549	-	2,549
Disposals	(2,313)	(746)	(3,059)
Revaluation	(12,469)	(382)	(12,851)
Balance, December 31, 2022	\$ 215,064	\$ 3,146	\$ 218,210
Additions	1,609	863	2,472
Return of capital	(8,950)	-	(8,950)
Reclassification to investments in traded securities	893	(893)	-
Receipt for interest in mineral property	1,228	-	1,228
Disposals	(2)	(498)	(500)
Revaluation	23,869	520	24,389
Balance, September 30, 2023	\$ 233,711	\$ 3,138	\$ 236,849

As at September 30, 2023 investments include an investment in Labrador Iron Ore Royalty Corporation ("LIORC") of \$120,235,000 (December 31, 2022 - \$125,582,000) consisting of 3,739,800 (December 31, 2022 - 3,739,800) common shares. Investments also include \$50,461,000 relating to the Corporation's indirect ownership of an interest in Lithium Royalty Corporation ("LRC") (December 31, 2022 - \$21,004,000). During the nine months ended September 30, 2023 the Corporation received \$8,950,000 from LRC as a return of capital distribution to the pre-IPO shareholders of LRC.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

(Unaudited, Tabular amounts expressed in thousands of Canadian dollars, except per share amounts)

6. ROYALTY AND STREAMING INTERESTS

	As at December 31, 2022	Additions	As at September 30, 2023
Royalty interests			
Rocanville - Potash	\$ 73,595	\$ -	\$ 73,595
Esterhazy - Potash	33,659	-	33,659
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 & natural gas	8,000	-	8,000
Genesee - Coal	34,438	-	34,438
Gunnison - Copper	10,300	-	10,300
Picket Mountain	8,875	-	8,875
Curipamba - Copper, gold, zinc	13,475	-	13,475
Other	250	-	250
Streaming interest			
Chapada - Copper	77,634	-	77,634
Balance, end of period	\$ 302,161	\$ -	\$ 302,161
Accumulated amortization, depletion			
Rocanville - Potash	\$ 8,242	\$ 1,053	\$ 9,295
Esterhazy - Potash	1,574	236	1,810
Cory - Potash	1,043	149	1,192
Allan - Potash	1,513	203	1,716
Patience Lake - Potash	137	14	151
Vanscoy - Potash	123	9	132
Other potash	30	6	36
Coal & natural gas	3,469	300	3,769
Genesee - Coal	25,625	7,847	33,472
Streaming interest			
Chapada - Copper	32,084	3,288	35,372
Balance, end of period	\$ 73,840	\$ 13,105	\$ 86,945
Net book value	\$ 228,321	\$ 13,105	\$ 215,216

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

(Unaudited, Tabular amounts expressed in thousands of Canadian dollars, except per share amounts)

	As at December 31, 2021	Additions	As at December 31, 2022
Royalty interests			
Rocanville - Potash	\$ 73,595	\$ -	\$ 73,595
Esterhazy - Potash	33,659	-	33,659
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 & natural gas	8,000	-	8,000
Genesee - Coal	34,438	-	34,438
777 Mine - Copper & zinc	47,356	-	47,356
Gunnison - Copper	10,300	-	10,300
Picket Mountain	7,606	1,269	8,875
Curipamba - Copper, gold, zinc	13,465	10	13,475
Other	-	250	250
Streaming interest			
Chapada - Copper	77,634	-	77,634
Balance, end of year	\$ 347,988	\$ 1,529	\$ 349,517
Accumulated amortization, depletion			
Rocanville - Potash	\$ 6,871	\$ 1,371	\$ 8,242
Esterhazy - Potash	1,249	325	1,574
Cory - Potash	772	271	1,043
Allan - Potash	1,200	313	1,513
Patience Lake - Potash	104	33	137
Vanscoy - Potash	99	24	123
Other potash	25	5	30
Coal & natural gas	3,069	400	3,469
Genesee - Coal	10,796	14,829	25,625
777 Mine - Copper & zinc	44,830	2,526	47,356
Streaming interest			
Chapada - Copper	28,096	3,988	32,084
Balance, end of year	\$ 97,111	\$ 24,085	\$ 121,196
Net book value	\$ 250,877	\$ 22,556	\$ 228,321

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

(Unaudited, Tabular amounts expressed in thousands of Canadian dollars, except per share amounts)

7. INCOME TAXES

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

	Note	September 30, 2023	December 31, 2022
Temporary differences related to exploration and evaluation assets, property and other		\$ (1,948)	\$ (1,717)
Non capital and net capital loss carryforwards		6,443	4,240
Carrying value of investments in excess of tax values		(22,902)	(18,541)
Deferred and deductible share-based compensation and other costs		2,135	2,445
Share and debt issue costs		(318)	(324)
Carrying values in excess of tax values relating to royalty and streaming interests in mineral properties		(17,788)	(17,743)
		\$ (34,378)	\$ (31,640)

	September 30, 2023	December 31, 2022
Deferred tax liabilities	\$ (43,042)	\$ (38,413)
Deferred tax assets	8,664	6,773
Total deferred income tax	\$ (34,378)	\$ (31,640)

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

	Three months ended		Nine months ended	
	September 30, 2023	September 30, 2022	September 30, 2023	September 30, 2022
Current tax	\$ 273	\$ 1,371	\$ 6,121	\$ 7,983
Deferred tax	(316)	756	(605)	1,157
	\$ (43)	\$ 2,127	\$ 5,516	\$ 9,140

8. DEBT

At amortized cost	September 30, 2023	December 31, 2022
Long-term debt	\$ 114,949	\$ 120,873
Current	8,000	8,000
Non-current	106,949	112,873
	\$ 114,949	\$ 120,873

The term credit facility matures in August 2025 and has required quarterly principal repayments of \$2,000,000, with additional repayments being permitted at any time with no penalty. The revolving facility is payable in full by August 2025 and any unused portion of the revolving facility is available for qualifying royalty acquisitions, streaming acquisitions, and other qualifying investments. Both facilities bear interest at variable rates based on the total net debt ratio.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

(Unaudited, Tabular amounts expressed in thousands of Canadian dollars, except per share amounts)

The Corporation has a floating-to-fixed interest rate swap with a maturity date of August 10, 2025 to lock in the interest rate on 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 scheduled principal repayments on the term debt. As of September 30, 2023, the balance outstanding on the swap was \$34,000,000 (December 31, 2022 - \$40,000,000). The Corporation expects the interest rate on the fixed portion of the debt to be approximately 4.34% per annum during the full term of the loan, with 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 September 30, 2023. The Corporation has classified this financial instrument as a cash flow hedge and the fair value of the hedging instrument is recorded as an asset of \$1,983,000 (December 31, 2022 - \$2,148,000) on the consolidated balance sheet.

The Corporation is amortizing costs attributable to securing the amended credit facilities of \$1,782,000 over the life of the facilities using an effective interest rate of 5.73%. During the three and nine months ended September 30, 2023 \$110,000 and \$346,000 respectively (September 30, 2022 - \$131,000 and \$406,000 respectively) of the costs were recognized as interest expense on long term debt in the consolidated statement of earnings.

During the nine months ended September 30, 2023 the Corporation repaid \$6,000,000 on its term facility (September 30, 2022 - \$6,000,000). In the prior year comparable period, the Corporation completed a drawdown on its revolving facility of \$10,000,000 to acquire investments.

As at September 30, 2023 the Corporation was in compliance with all debt covenants and has approximately \$93,000,000 of additional liquidity on its revolving facility.

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

	Term	Revolver	Total
2023	\$ 2,000	\$ -	\$ 2,000
2024	8,000	-	8,000
2025	24,000	81,607	105,607
	\$ 34,000	\$ 81,607	\$ 115,607
		Less: unamortized debt costs	658
			\$ 114,949

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

(Unaudited, Tabular amounts expressed in thousands of Canadian dollars, except per share amounts)

9. REVENUE AND GENERAL & ADMINISTRATIVE EXPENSES

Revenue and other income	Three months ended		Nine months ended	
	September 30, 2023	September 30, 2022	September 30, 2023	September 30, 2022
Royalty	\$ 6,055	\$ 14,875	\$ 27,281	\$ 51,053
Copper stream*	3,867	4,571	13,183	14,973
Interest and investment	5,051	6,411	14,473	14,301
Other	178	43	218	66
Total revenue and other income	\$ 15,151	\$ 25,900	\$ 55,155	\$ 80,393

*Revenue from contracts with customers

General and administrative expenses	Three months ended		Nine months ended	
	September 30, 2023	September 30, 2022	September 30, 2023	September 30, 2022
Salaries and benefits	\$ 1,151	\$ 1,263	\$ 4,090	\$ 3,822
Professional and consulting fees	951	824	2,058	1,737
Office and administrative	595	477	1,729	1,613
Sustainability initiatives	537	-	537	-
Travel and accommodations	212	229	431	361
Total general and administrative	\$ 3,446	\$ 2,793	\$ 8,845	\$ 7,533

10. SHARE CAPITAL

Normal Course Issuer Bid

The Corporation renewed its Normal Course Issuer Bid ("NCIB") effective August 22, 2023 and it will, unless further renewed, end no later than August 21, 2024. The Corporation may purchase at market prices up to 1,996,856 common shares representing approximately 4.21% of its 47,430,043 shares outstanding as of August 18, 2023. The Corporation repurchased and cancelled 372,700 common shares at a cost of \$7,800,000 during the nine months ended September 30, 2023 (September 30, 2022 - 268,000 common shares at a cost of \$4,835,000).

Net earnings per share

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

Weighted average number of shares:	Three months ended		Nine months ended	
	September 30, 2023	September 30, 2022	September 30, 2023	September 30, 2022
Basic	47,465,909	47,713,509	47,570,971	45,261,960
Diluted	48,339,292	48,445,172	48,450,900	46,672,723

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

(Unaudited, Tabular amounts expressed in thousands of Canadian dollars, except per share amounts)

Other equity reserves

Other equity reserves consist of share-based payment reserves of \$2,866,000 and contributed surplus of \$10,587,000 for a total of \$13,453,000. Share-based payment reserve amounts are in respect of stock options, deferred share units ("DSUs"), restricted share units ("RSUs") and performance share units ("PSUs").

Preferred securities

On April 14, 2022 Fairfax Financial Holdings Limited, through certain of its affiliates (collectively, "Fairfax") exercised 6,670,000 common share purchase warrants (the "Warrants") at an exercise price of \$15.00 per common share in the capital of the Corporation (each, a "Common Share") for gross proceeds of \$100,000,000. In accordance with the terms of the Warrants and the preferred security indenture dated April 26, 2017 between the Corporation and TSX Trust Company governing the Corporation's 5% subordinate preferred securities (the "Preferred Securities"), Fairfax elected to pay the exercise price of the Warrants by surrendering its \$100,000,000 Preferred Securities to Altius for cancellation, in full satisfaction of the exercise price payable in respect of the Warrants. As part of the redemption of the Preferred Securities, the Corporation made cash payments of \$2,086,000 which fully satisfies Altius' interest and certain other obligations under the Indenture. Total cash distributions paid during the nine months ended September 30, 2022 were \$3,346,000. The Corporation reversed the deferred tax liability of \$30,000,000, through equity, associated with the Preferred Securities on the redemption of these instruments.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

(Unaudited, Tabular amounts expressed in thousands of Canadian dollars, except per share amounts)

11. SUPPLEMENTAL CASH FLOW INFORMATION

	Nine months ended	
	September 30, 2023	September 30, 2022
Adjustments for operating activities:		
Generative exploration	\$ 921	\$ 103
Exploration and evaluation assets abandoned or impaired	590	29
Share-based compensation	3,125	2,522
Foreign exchange (gain) loss	(270)	3,581
Amortization and depletion	13,263	18,376
Interest on long-term debt	6,957	4,803
Interest paid	(6,325)	(4,469)
Realized (gain) loss on disposal of derivatives	(365)	59
Unrealized (gain) loss on fair value adjustment of derivatives	(520)	1,390
Loss (earnings) from joint ventures	1,247	(2,620)
Gain on disposal of mineral property	(544)	(996)
Income taxes (current and deferred)	5,516	9,140
Income taxes (paid)	(8,613)	(7,007)
	\$ 14,982	\$ 24,911
Changes in non-cash operating working capital:		
Accounts receivable and prepaid expenses	2,333	(1,890)
Accounts payable and accrued liabilities	(645)	(439)
	\$ 1,688	\$ (2,329)
Cash and cash equivalents consist of:		
Deposits with banks	67,219	96,193
Short-term investments	-	2,030
	\$ 67,219	\$ 98,223

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

(Unaudited, Tabular amounts expressed in thousands of Canadian dollars, except per share amounts)

12. 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.

	Three months ended		Nine months ended	
	September 30, 2023	September 30, 2022	September 30, 2023	September 30, 2022
Key management personnel and directors				
Salaries and benefits	\$ 575	\$ 594	\$ 2,597	\$ 2,601
Share-based compensation	951	755	3,025	2,159
Total	\$ 1,526	\$ 1,349	\$ 5,622	\$ 4,760

	Three months ended		Nine months ended	
	September 30, 2023	September 30, 2022	September 30, 2023	September 30, 2022
General and administrative expenses billed (to) from				
Associates	\$ (12)	\$ 36	\$ (36)	\$ 36
Joint venture	(8)	12	(15)	37
Total	\$ (20)	\$ 48	\$ (51)	\$ 73

13. NON-CONTROLLING INTERESTS

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

	ARR	CRLP ⁽¹⁾	GRLP ⁽¹⁾	PRLP ⁽¹⁾	Total
Nine months ended September 30, 2023					
Receipts	\$ -	\$ -	\$ -	\$ -	\$ -
Distributions	-	-	255	1,490	1,745
Year ended December 31, 2022					
Receipts	\$ 15,219	\$ -	\$ -	\$ -	\$ 15,219
Distributions	-	2	341	2,432	2,775

⁽¹⁾ Coal Royalty Limited Partnership ("CRLP"), Genesee Royalty Limited Partnership ("GRLP") and Potash Royalty Limited Partnership ("PRLP")

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

(Unaudited, Tabular amounts expressed in thousands of Canadian dollars, except per share amounts)

14. 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 lithium investments and those in level 3 consist of private company investments (Note 5). Lithium investments were included in level 3 at December 31, 2022.

As at September 30, 2023	Level 1	Level 2	Level 3	TOTAL
Investments	164,086	57,796	14,967	236,849
Derivative - cash flow swap	-	1,983	-	1,983
Financial assets	\$ 164,086	\$ 59,779	\$ 14,967	\$ 238,832
Derivative - cash flow swap	-	-	-	-
Other liability	503	-	-	503
Financial liabilities	\$ 503	\$ -	\$ -	\$ 503

As at December 31, 2022	Level 1	Level 2	Level 3	TOTAL
Investments	175,881	3,146	39,183	218,210
Derivative - cash flow swap	-	2,148	-	2,148
Financial assets	\$ 175,881	\$ 5,294	\$ 39,183	\$ 220,358
Derivative - cash flow swap	-	-	-	-
Other liability	801	-	-	801
Financial liabilities	\$ 801	\$ -	\$ -	\$ 801

Level 1 – valuation based on quoted prices (unadjusted) observed in active markets for identical assets or liabilities;

Level 2 – valuation techniques based on inputs that are quoted prices of similar instruments in active markets; inputs other than quoted prices used in a valuation model that are observable for that instrument; inputs that are derived principally from or corroborated by observable market data by correlation or other means; and estimates of expected volatility, expected life and expected risk-free rate of return, and;

Level 3 – valuation techniques with significant unobservable market inputs.

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 private company investments.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

(Unaudited, Tabular amounts expressed in thousands of Canadian dollars, except per share amounts)

	Level 3 Investments
Balance, December 31, 2021	\$ 16,568
Additions	16,457
Disposals	(98)
Revaluation losses through OCI	6,256
Balance, December 31, 2022	\$ 39,183
Additions	790
Disposals	-
Revaluation gains through OCI	56,185
Reclass to Level 2	(81,191)
Balance, September 30, 2023	\$ 14,967

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 \$150,000 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).

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

(Unaudited, Tabular amounts expressed in thousands of Canadian dollars, except per share amounts)

	Level 3						Total
	Renewable energy investments						
	TGE ⁽²⁾	Longroad ⁽²⁾	Northleaf ⁽²⁾	Titan ⁽²⁾	Hodson ⁽²⁾	Hexagon ⁽²⁾	
Balance, December 31, 2021	\$ 79,353	\$ 47,918	\$ 72,087	\$ -	\$ -	\$ -	\$ 199,358
Additions	2,064	-	3	63,179	19,267	-	84,513
Reclassification to royalty interest	(6,498)	-	-	-	-	-	(6,498)
Revaluation gains (losses) through OCI ⁽¹⁾	14,113	9,847	8,041	-	-	-	32,001
Balance, December 31, 2022	\$ 89,032	\$ 57,765	\$ 80,131	\$ 63,179	\$ 19,267	\$ -	\$ 309,374
Additions	-	-	-	1	14,361	20,609	34,971
Reclassification from royalty interest	1,374	-	-	-	-	-	1,374
Revaluation gains through OCI ⁽¹⁾	7,545	(24)	(1,003)	-	3,891	-	10,409
Balance, September 30, 2023	\$ 97,951	\$ 57,741	\$ 79,128	\$ 63,180	\$ 37,519	\$ 20,609	\$ 356,128

⁽¹⁾ The Corporation has recorded its 50% share of revaluation gains through OCI

⁽²⁾ These amounts reflect the investments held in the joint venture on a 100% basis, converted at September 30, 2023 spot rate

Valuation technique and key inputs

The Corporation applies an income approach methodology, using risk adjusted discounted cash flows or hurdle rate of returns, to capture the present value of expected future economic benefits to be derived from the ownership of the investments (Longroad Energy ("Longroad"), Northleaf Capital Partners ("Northleaf") and Titan Solar ("Titan")) and the royalty contracts to be granted in exchange for the Tri-Global Energy, LLC. ("TGE"), Hodson Energy, LLC. ("Hodson") and Hexagon Energy, LLC. ("Hexagon") investments. The total number and value of royalty contracts, or in certain instances cash, to be ultimately awarded under the TGE, Hodson and Hexagon investment agreements is subject to a minimum return threshold, which has the effect of muting the potential value of key inputs on the present value of the expected future economic benefits of the investments. The total value to be received under the Longroad, Northleaf and Titan Solar agreements are also subject to various return thresholds, which has the effect of muting the potential value impact of key 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.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

(Unaudited, Tabular amounts expressed in thousands of Canadian dollars, except per share amounts)

Relationship and sensitivity of unobservable inputs to fair value

The following table provides information about how the fair value of these investments, are determined and in particular, the significant unobservable inputs. The recently acquired Hexagon and Titan Solar investments have been excluded as it is currently measured at cost approximating fair value.

Significant unobservable inputs	Relationship and sensitivity of unobservable inputs to fair value	Quantitative impact
Discount rate	The Corporation used risk adjusted discount rates and or hurdle rates of return to determine the fair value of the TGE and Hodson investment based on the stage of development.	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.
	For the Northleaf and Longroad royalty investments, ARR determines a discount rate based on the expected weighted average cost of capital (WACC) of the Corporation using a capital asset pricing model.	A 1% change in discount rates results in a change of \$9,597,000 for the investment in TGE, \$278,000 for the investment in Hodson and \$10,503,000 for the royalty investments in Northleaf and Longroad.
Timing of commercial operations	For the TGE and Hodson investment, 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.	While the timing of commercial operations may impact the fair market value of a specific royalty, this impact on the investment is muted because of the minimum return threshold concept implicit in the investment. As a result, any delays for an individual royalty will result in a higher number of royalties being granted to the Corporation, which will offset the reduction in investment value from the delay of any individual royalty.
Power prices	The Corporation uses available forecast data of market power prices in order to calculate expected royalty revenue over the life of each project subject to merchant power prices. The forecasted power prices have a direct impact on forecasted annual revenue for the Corporation's Northleaf and Longroad royalty investments.	The Northleaf and Longroad agreements are structured such that royalty rates will often vary over the life of a specific project so that the Corporation's targeted IRR threshold is met. These mechanisms effectively mute the long-term impact of merchant power prices on the valuations. Several of the Corporation's royalties are also contracted under long-term PPAs and are not exposed to market power prices. . Given the minimum return threshold on the TGE investment, it is expected that the impact of power prices will be muted as delays will result in a higher number of royalties granted and thus a higher value. A 10% increase in power prices results in a \$932,000 change in valuation of Northleaf and Longroad.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

(Unaudited, Tabular amounts expressed in thousands of Canadian dollars, except per share amounts)

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.

15. SEGMENTED INFORMATION

The Corporation manages its business under three operating segments consisting of Mineral Royalties, Renewable Royalties and Project Generation. 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. The Corporation's proportionate revenue and expenses from LNRLP is 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 column of the table. Revenue and expenses from the GBR joint venture are included in the Renewable Royalties segment on a proportionate revenue and expense basis and adjusted to earnings in joint ventures (under the equity method) in the adjustment column of the table.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

(Unaudited, Tabular amounts expressed in thousands of Canadian dollars, except per share amounts)

Reportable Segments, Three Months Ended September 30, 2023	Mineral Royalties	Renewable Royalties	Project Generation	Subtotal	Adjustment for Joint Ventures	Total
Revenue and other income	\$ 14,459	\$ 3,349	\$ 161	\$ 17,969	\$ (2,818)	\$ 15,151
Costs and Expenses						
General and administrative	2,263	1,129	648	4,040	(594)	3,446
Cost of sales - copper stream	1,147	-	-	1,147	-	1,147
Generative exploration	-	-	328	328	-	328
Adjusted EBITDA	\$ 11,049	\$ 2,220	\$ (815)	\$ 12,454	\$ (2,224)	\$ 10,230
Share-based compensation	\$ (374)	\$ (78)	\$ (252)	\$ (704)	-	\$ (704)
Amortization and depletion	(4,077)	(303)	-	(4,380)	373	(4,007)
Loss from joint ventures	-	-	-	-	(1,020)	(1,020)
Gain on disposal of mineral property	-	-	276	276	-	276
Foreign exchange loss	(430)	(9)	(21)	(460)	-	(460)
Unrealized gain on fair value adjustment of derivative	-	-	1,471	1,471	-	1,471
Share of loss in associates	-	(2,871)	-	(2,871)	2,871	-
Interest on long-term debt	(2,319)	-	-	(2,319)	-	(2,319)
Earnings (loss) before income taxes	\$ 3,849	\$ (1,041)	\$ 659	\$ 3,467	-	\$ 3,467
Income taxes (current and deferred)						(43)
Net earnings						\$ 3,510

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

(Unaudited, Tabular amounts expressed in thousands of Canadian dollars, except per share amounts)

Reportable Segments, Three Months Ended September 30, 2022	Mineral Royalties	Renewable Royalties	Project Generation	Subtotal	Adjustment for Joint Ventures	Total
Revenue and other income	\$ 24,146	\$ 2,089	\$ 2,106	\$ 28,341	\$ (2,441)	\$ 25,900
Costs and Expenses						
General and administrative	1,751	914	619	3,284	(491)	2,793
Cost of sales - copper stream	1,342	-	-	1,342	-	1,342
Generative exploration	-	-	20	20	-	20
Adjusted EBITDA	\$ 21,053	\$ 1,175	\$ 1,467	\$ 23,695	\$ (1,950)	\$ 21,745
Share-based compensation	\$ (481)	\$ (105)	\$ (274)	\$ (860)	\$ -	\$ (860)
Realized loss on disposition of derivatives	-	-	(91)	(91)	-	(91)
Amortization and depletion	(5,488)	(138)	-	(5,626)	203	(5,423)
Earnings from joint ventures	-	-	-	-	1,419	1,419
Foreign exchange (loss) gain	(2,377)	(8)	189	(2,196)	-	(2,196)
Unrealized gain on fair value adjustment of derivatives	-	-	843	843	-	843
Share of loss in associates	-	(328)	-	(328)	328	-
Interest on long-term debt	(1,852)	-	-	(1,852)	-	(1,852)
Earnings before income taxes	\$ 10,855	\$ 596	\$ 2,134	\$ 13,585	\$ -	\$ 13,585
Income taxes (current and deferred)						2,127
Net earnings						\$ 11,458

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

(Unaudited, Tabular amounts expressed in thousands of Canadian dollars, except per share amounts)

Reportable Segments, Nine months Ended September 30, 2023	Mineral Royalties	Renewable Royalties	Project Generation	Subtotal	Adjustment for Joint Ventures	Total
Revenue and other income	\$ 50,317	\$ 7,582	\$ 3,005	\$ 60,904	\$ (5,749)	\$ 55,155
Costs and Expenses						
General and administrative	5,320	3,353	1,994	10,667	(1,822)	8,845
Cost of sales - copper stream	3,908	-	-	3,908	-	3,908
Generative exploration	-	-	921	921	-	921
Mineral rights and leases	-	-	227	227	-	227
Adjusted EBITDA	\$ 41,089	\$ 4,229	\$ (137)	\$ 45,181	\$ (3,927)	\$ 41,254
Share-based compensation	\$ (1,727)	\$ (425)	\$ (973)	\$ (3,125)	\$ -	\$ (3,125)
Realized gain on disposition of derivatives	-	-	365	365	-	365
Amortization and depletion	(13,426)	(835)	-	(14,261)	998	(13,263)
Loss from joint ventures	-	-	-	-	(1,247)	(1,247)
Gain on disposal of mineral property	-	-	544	544	-	544
Foreign exchange gain	301	4	47	352	-	352
Unrealized gain on fair value adjustment of derivative	-	-	520	520	-	520
Exploration and evaluation assets abandoned or impaired	-	-	(590)	(590)	-	(590)
Share of loss in associates	-	(4,176)	-	(4,176)	4,176	-
Interest on long-term debt	(6,957)	-	-	(6,957)	-	(6,957)
Earnings (loss) before income taxes	\$ 19,280	\$ (1,203)	\$ (224)	\$ 17,853	\$ -	\$ 17,853
Income taxes (current and deferred)						5,516
Net earnings						\$ 12,337
Supplementary information						
Total assets	\$ 449,792	\$ 275,449	\$ 65,840	\$ 791,081	\$ -	\$ 791,081
Cash flow from (used)						
Operating activities	24,627	4,229	697	29,553	(546)	29,007
Financing activities	(27,981)	-	(353)	(28,334)	-	(28,334)
Investing activities	3,661	(16,112)	(3,421)	(15,872)	546	(15,326)
Total cash flow from (used)	\$ 307	\$ (11,883)	\$ (3,077)	\$ (14,653)	\$ -	\$ (14,653)

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

(Unaudited, Tabular amounts expressed in thousands of Canadian dollars, except per share amounts)

Reportable Segments, Nine months Ended September 30, 2022	Mineral Royalties	Renewable Royalties	Project Generation	Subtotal	Adjustment for Joint Ventures	Total
Revenue and other income	\$ 76,727	\$ 3,622	\$ 5,114	\$ 85,463	\$ (5,070)	\$ 80,393
Costs and Expenses						
General and administrative	4,647	2,611	1,779	9,037	(1,504)	7,533
Cost of sales - copper stream	4,442	-	-	4,442	-	4,442
Generative exploration	-	-	103	103	-	103
Mineral rights and leases	-	-	227	227	-	227
Adjusted EBITDA	\$ 67,638	\$ 1,011	\$ 3,005	\$ 71,654	\$ (3,566)	\$ 68,088
Share-based compensation	\$ (1,405)	\$ (362)	\$ (755)	\$ (2,522)	\$ -	\$ (2,522)
Realized loss on disposition of derivatives	-	-	(59)	(59)	-	(59)
Amortization and depletion	(18,604)	(390)	-	(18,994)	618	(18,376)
Earnings from joint ventures	-	-	-	-	2,620	2,620
Gain on mineral property	-	-	996	996	-	996
Foreign exchange (loss) gain	(2,939)	(19)	230	(2,728)	-	(2,728)
Unrealized loss on fair value adjustment of derivatives	-	-	(1,390)	(1,390)	-	(1,390)
Exploration and evaluation assets abandoned or impaired	-	-	(29)	(29)	-	(29)
Share of loss in associates	-	(328)	-	(328)	328	-
Interest on long-term debt	(4,803)	-	-	(4,803)	-	(4,803)
Earnings (loss) before income taxes	\$ 39,887	\$ (88)	\$ 1,998	\$ 41,797	\$ -	\$ 41,797
Income taxes (current and deferred)						9,140
Net earnings						\$ 32,657
Supplementary information						
Total assets	\$ 440,326	\$ 239,537	\$ 60,869	\$ 740,732	\$ -	\$ 740,732
Cash flow from (used)						
Operating activities	56,171	(905)	1,426	56,692	(1,453)	55,239
Financing activities	(19,237)	-	-	(19,237)	-	(19,237)
Investing activities	(50,377)	9,102	(3,446)	(44,721)	1,453	(43,268)
Total cash flow (used) from	\$ (13,443)	\$ 8,197	\$ (2,020)	\$ (7,266)	\$ -	\$ (7,266)

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

(Unaudited, Tabular amounts expressed in thousands of Canadian dollars, except per share amounts)

16. SUBSEQUENT EVENTS

On October 31, 2023, GBR entered into senior secured credit financing agreements with an initial term of 5 years in the aggregate amount of US\$246.5 million. The financing includes a US\$123.5 million initial term facility ("ITF"), a US\$100 million delayed draw term facility ("Delayed Draw Facility"), and a US\$23 million letter of credit facility ("L/C"). The initial draw of US\$124 million of the ITF was used for closing costs and return of capital totaling US\$108 million to the shareholders of GBR, ARR and Apollo.