



Altius Minerals Corporation

Management's Discussion and Analysis of Financial Conditions and Results of Operations

For the three and six months ended June 30, 2024

This Management's Discussion and Analysis ("MD&A") should be read in conjunction with the Corporation's condensed consolidated financial statements for the three and six months ended June 30, 2024 and related notes. This MD&A has been prepared as of August 8, 2024. Tabular amounts expressed in Canadian dollars to the nearest thousand, except per share amounts.

Management's discussion and analysis of financial condition and results of operations contains forward-looking statements. By their nature, these statements involve risks and uncertainties, many of which are beyond the Corporation's control, which could cause actual results to differ materially from those expressed in such forward-looking statements. Readers are cautioned not to place undue reliance on these statements. The Corporation disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

Additional information regarding the Corporation, including the Corporation's continuous disclosure materials, is available on the Corporation's website at www.altiusminerals.com or through the SEDAR+ website at www.sedarplus.ca.

Description of Business

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 11 operating mines located in Canada (9) and Brazil (2) that produce copper, nickel, cobalt, lithium, potash, and iron ore. See Appendix 1: Summary of Producing Royalties and Streaming Interests. It also holds royalty interests in two construction stage lithium mines. The Corporation further holds a diversified portfolio of pre-production stage royalties and junior equity positions mainly originated 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 a portfolio of royalties related to renewable energy generation projects located primarily in the United States that includes 12 operating stage assets, three projects under construction and several royalties or royalty rights to additional development stage projects. Certain funds managed by affiliates of Apollo Global Management, Inc. (the “Apollo Funds”) are the other party to the joint venture.

Additional information on these royalty interests is available in Appendix 2: Summary of Exploration and Pre-Development Stage Royalties and Appendix 3: Summary of Operational, Construction and Development Renewable Energy Royalties of this MD&A.

Strategy

The Corporation’s broader strategy is to grow a diversified portfolio of long-life royalties related to assets and commodities that support established, sustainability linked, macro-scale structural trends that include as our pillars: increasing agricultural yield requirements; electrification metals demand growth; the growing adoption of renewable based electricity generation; and the evolution of steel-making towards lower emissions based processes.

The Corporation particularly seeks royalty interests in projects with long resource lives in order to maximize the potential for future option value realization. Extensive resource lives are considered by the Corporation as excellent predictors of project life extensions and production rate expansions. Such occurrences typically require capital investments by the operators, but as a royalty holder Altius pays little or no share of the costs incurred to gain these potential incremental or step-change benefits. In addition, long life assets provide exposure to multiple commodity cycles and to compounding general and industry specific inflationary impacts on production and development costs over time, to which the Corporation is not exposed, but that naturally result in higher nominal commodity prices. The long average resource lives

that remain for most of our royalty portfolio is a key strategic differentiator for Altius within the broader natural resource royalty sector that it believes will lead to higher long-term investment returns and asset value growth.

Altius also grows its portfolio of Mineral Royalties by originating and adding value to mineral projects through scientific research, exploration and environmental/social licensing initiatives and then retaining royalties upon their sale or transfer to mining/development companies. This is the core function of our Project Generation business, which has a strong track record of internally creating pipeline royalties as well as earning substantial profits from the eventual monetization of corporate equity interests that are often received in addition to the long-term retained royalty interests. The Corporation believes that the royalties it creates internally can provide higher long-term investment rates of return and complement those gained through external acquisition related activity. This represents another unique strategic differentiator for Altius.

Whether considering its organic Project Generation business or M&A based mineral royalty acquisitions, Altius exercises counter-cyclical discipline. Commodity markets are cyclical and volatile and individual asset valuations can change dramatically in accordance with short-term commodity price and sentiment fluctuations. Our mining royalty and mineral property acquisitions have been most active during periods of low cyclical valuations, while operator funded organic growth investments and equity gains/liquidity events typically become more pronounced during periods of better cyclical valuation and sentiment.

Altius has also expanded its focus into royalty financing of the renewable energy sector with its founding 58% ownership interest in ARR, which provides direct exposure to the global transition towards cleaner energy sources. Through investments in US-based utility-scale wind and solar project developers and operators ARR is building a diversified portfolio of renewable energy royalty interests that currently represent a combined potential nameplate capacity in excess of 18,500 Megawatts (see Appendix 3 of this MD&A) of power generation.

Outlook

General

Some of the commodity prices that are relevant to our royalty holdings remain below the levels that are required to incentivize investment in production growth. This is somewhat at odds with current and looming supply shortages and market tightness that many industry commentators are noting with respect to our commodity exposures. We believe that any continuing capital investment deferrals will be a further bullish driver of medium to longer term large-scale supply deficits, and potentially much higher prices, in coming periods for several of our key commodities.

Also, as a royalty business, our exposures are predominantly revenue based and therefore benefit from inflationary environments as our royalties bear no offsetting burden of increasing industry-wide operating or capital costs, which ultimately lead to higher product prices and gross revenues.

We continue to favor an approach of realizing upon organic growth from our highly expandable portfolio of long-life royalty holdings (near term catalysts described further below) over M&A based growth; however the Corporation maintains preparedness and liquidity to act upon attractive external opportunities that may present themselves – particularly during pronounced periods of weak sentiment and hesitancy among competing capital sources.

Potash market supported by favourable consumption trends - longer term volume growth signaled for Altius royalty portfolio mines

Our potash royalties stem from several of the Saskatchewan, Canada based mines of both Nutrien Ltd. ("Nutrien") and The Mosaic Company ("Mosaic") and represent more than a quarter of global potash production. These mines are generally underpinned by very large resource endowments that allow for competitive production expansion investments as global demand growth trends continue in accordance with population growth and increased agricultural yield requirements.

The potash market has returned to relative stability after a period of sharply higher prices that resulted in reduced short-term demand as farmers elected to defer the application of soil nutrients at levels required to replace depletion, but at the expense of agricultural yields. Prices have now retreated for potash and other nutrients and demand has rebounded accordingly.

Nutrien announced their updated expectations for 2024 global shipments to increase to a range of 69 - 72 million tonnes from 68 - 71 million tonnes earlier in the year.

Saúva maiden resource estimate adds life extension and /or production rate increase potential to Chapada stream

Lundin Mining Corporation ("Lundin") continues to delineate its Saúva copper-gold deposit discovery, located 15 kilometers north of the Chapada Mine on lands encompassed by our copper stream interest. Lundin reported an *open-pit* Indicated Mineral Resource of 244.6 Mt at 0.29% copper and 0.17 g/t gold (721 kt or 1.59 Blbs of copper) and an underground Inferred Mineral Resource of 53.3 Mt at 0.41% copper and 0.26 g/t gold (221 kt or 0.49 Blbs of copper) at Saúva, after an aggressive drilling program in 2023. This compares with Measured and Indicated Mineral Resources at Chapada of 920.7 Mt at 0.24% copper and 0.12 g/t gold (2169 kt or 4.77 Blbs copper). Lundin highlighted continuing exploration work in 2024 at Saúva as it continues to conduct a 16,000 metre drill program on the deposit. Lundin reported that results show Saúva mineralization continuing at depth with grades that would permit underground mining. They also stated that the system is still open at depth and will continue to explore in this area.

Silicon project continues to emerge as a new world-class gold district in Nevada - maiden resource estimate published for Merlin

AngloGold Ashanti plc ("AGA") continues to advance the discovery of a potential major new gold district, centered around its Silicon Project near Beatty, Nevada. AGA recently provided an update for the 'Expanded Silicon Project', which includes both the Silicon and Merlin gold deposits, that was highlighted by the announcement of an initial Inferred Mineral Resource of 9.05 million ounces at the Merlin deposit (283.9 Mt at 0.99 g/t). This is in addition to the more than 4 million ounce Mineral Resource estimate (121.56 at 0.87 g/t Indicated Mineral Resource for 3.4 Moz and 36.03 at 0.70 g/t Inferred

Mineral Resource for 0.81 Moz) previously published for the Silicon deposit. In 2024 AGA published a Technical Report Summary effective December 31, 2023 as part of its Annual Report (Form 20-F) that provides an initial assessment of the Merlin resource and conceptual mining scenario, which suggests a 14-year life of mine with substantial gold production in the early years. A pre-feasibility study ("PFS") for the Expanded Silicon Project is currently in progress. The basis of the PFS targets upper oxide ore only while AGA recently stated there is "significant upside potential from deeper ore horizons and nearby exploration targets" and that infill and extension drilling programs continue. Altius holds a 1.5% net smelter return ("NSR") royalty related to the project.

AGA recently provided additional highlights from a 66,000 meter ongoing delineation drilling program at the Merlin deposit. This included intercepts of 144.5m grading 10.53 g/t gold and 190.4m @ 5.12 g/t gold, all within oxide material. AGA also reported a "significant intercept" from a geotechnical hole drilled 900m north of the Silicon Deposit.

The Corporation delivered requests to AGA under the terms of its royalty agreement for the registration of our royalty interest in claims staked, held or owned by AGA in the Beatty District that are in addition to previously registered lands. AGA did not agree that these additional claims are subject to the royalty and arbitration proceedings to resolve the dispute in accordance with the dispute resolution mechanism provided for in the royalty agreement have taken place. The Corporation currently awaits a decision from the arbitration panel.

On April 25, 2024 the Corporation exercised share purchase warrants in Orogen Royalties Inc. ("Orogen") for total consideration of \$2,858,000, increasing its ownership position in Orogen to 18.15%. Orogen, a project generation and royalty company, holds a separate 1% NSR royalty relating to the Silicon and Merlin deposits, among other pre-development and producing royalties.

Both the directly held Silicon royalty and the Orogen equity position were created by the Project Generation business as a result of an exploration alliance between predecessor companies. Altius continues to conduct exploration work in partnership with Orogen in Nevada including targeting Silicon-like gold projects as well as copper projects.

The Corporation continues to consider potential strategic alternatives for its 1.5% NSR royalty including a potential full or partial sale, swap type transaction for non-precious metal royalty assets, or maintaining the royalty as a long-term portfolio component. During the quarter the Corporation commenced a process to evaluate the potential sale of or exchange of the Silicon royalty interest for other non precious metals royalties. Several interested parties submitted non binding proposals to acquire the royalty. The Corporation will await the results of the arbitration before recommencing discussions with interested parties. The Corporation has made no commitment to sell the royalty interest and will make a final determination on strategic alternatives at a later date.

Curipamba 2% NSR near term construction decision

On April 25, 2024, Adventus Mining Corporation ("Adventus"), owners of the El Domo Curipamba project (over which Altius holds a 2% NSR royalty) announced an all share transaction whereby Silvercorp Metals Inc. ("Silvercorp") would acquire the shares of Adventus under a plan of arrangement. Silvercorp, a diversified mining company producing silver, gold, lead, and zinc with a long history of profitability and growth noted the Curipamba development project as the key rationale for completing the acquisition while also indicating that it has sufficient cash and liquidity to complete construction of the El Domo Curipamba project. Altius holds a 2% NSR royalty on the project. The Corporation agreed to not exercise its additional royalty conversion option and instead received cash consideration of \$9,562,000 for settlement of its US\$4,000,000 loan outstanding, while retaining its original 2% NSR royalty. The cash consideration received reflects the implied equity value of the transaction as if the Corporation converted its outstanding loan receivable to common shares of Adventus.

On June 26th, Adventus shareholders, including Altius, approved the Arrangement with Silvercorp and it was subsequently court approved on July 2. Silvercorp and Adventus announced completion of Silvercorp's acquisition of all of the outstanding common shares of Adventus on July 31, 2024. Under the terms of the Arrangement, each former shareholder of Adventus, other than Silvercorp, is entitled to receive 0.1015 of one Silvercorp common share for each Adventus Share. On August 6, 2024 Silvercorp announced that Curipamba has received its final exploitation permit to enter construction.

ARR portfolio growth trajectory accelerating

ARR, through its GBR joint venture, continues to grow its exposure to operating and development stage renewable energy royalty projects that now represent total potential generating capacity in excess of 18,500 MW. As projects are acquired or achieve commercial operations these contribute to the growing GBR revenue profile and several additional projects continue to progress through development and construction. This growth is expected to continue throughout 2024 with the Q1 2024 commencement of operations at the 308 MW Canyon Wind project, the acquisition of the 195 MW Angelo Solar project, which is expected to contribute revenue starting in Q4 2024, and the expected commencement of commercial operations of the 300 MW El Sauz wind project in Q3 2024. ARR continues to evaluate new royalty investment opportunities spanning the full spectrum of development to production stage assets which could potentially further augment its growth profile, and has available liquidity through its current cash position and a JV level debt facility to continue its growth trajectory. ARR recently announced a US\$30 million financing of renewable energy developer, Nokomis Energy, LLC ("Nokomis") to gain future royalties related to a portfolio of solar development projects. Subsequent to the quarter it announced a follow-on transaction with its development partner, Nova Clean Energy, LLC ("Nova") to provide a US\$40 million secured term loan facility ("the Loan"). As part of the Loan, GBR will receive up to 500 MW of additional royalties on Nova's pipeline of projects as projects are commercialized by Nova. This is in addition to the royalties on 1.5 GW of renewable energy projects GBR received as part of its initial investment in Nova and its parent company Bluestar Energy Capital in May 2022. Since that time, Nova has built an extensive pipeline of 25 wind, solar and battery storage projects totaling approximately 6.5 GW.

Additional information on ARR's activities can be obtained through its quarterly reporting [materials](#), which were released on August 5, 2024.

Kami Project Updated Feasibility Study – rare potential to produce high-premium (DRI grade) iron ore and support the growth of EAF based steelmaking

Champion Iron Limited ("Champion") commenced the environmental review and permitting process for the Kami project during the quarter and expects this to run until early 2026. High purity iron ore was added to the Canadian critical minerals list with this designation expected to open up more low cost financing opportunities and other benefits related to critical minerals infrastructure.

Altius originated the Kami project within its Project Generation business and retains a 3% gross sales royalty interest.

Rio Tinto recently reiterated Iron Ore Company of Canada's ("IOC") 2024 production guidance of 16.7 to 19.6 million tonnes of pellets and concentrate, while its reported Q2 production was down slightly from Q1 due to maintenance related downtime. IOC continues to commit increased levels of sustaining and growth capital investments, with US\$431,000,000 expected to be invested over the current year. These capital investment levels are expected to continue to negatively impact near term dividend distributions from IOC, while enhancing reliability and production levels in the medium and longer term. Altius holds an indirect royalty interest in the IOC mining complex through its shareholding in Labrador Iron Ore Royalty Corporation.

Project Generation ("PG") Business Continues to Build Long-Term Option Value

The main highlights from the PG segment during the current period related to the promising results published with respect to the Kami and Silicon royalty projects. Also, as a result of the general decline in junior equity markets the Corporation has taken advantage of select investment opportunities that have emerged as a result of reduced competition for mineral lands. With the recent improvement in certain commodity prices there has been a modest improvement in trading liquidity and valuations for select junior companies that has allowed the Corporation to monetize certain of its positions. This has in turn facilitated new investments as well as an increase in the pace of purchases completed under its normal course issuer bid during the first half of 2024.

Quarterly Highlights

Capital Allocation

During the quarter ended June 30, 2024 the Corporation made \$2,000,000 in scheduled payments on its credit facilities and paid dividends of \$4,170,000 or \$0.09 per common share, which represents a 12.5% increase in quarterly dividends. There were 119,300 shares repurchased under its normal course issuer bid at a cost of \$2,478,000 during the quarter.

Non-GAAP Financial Measures

Management uses the following non-GAAP financial measures in this MD&A and other documents: attributable revenue, attributable royalty revenue, adjusted earnings before interest, taxes, depreciation and amortization (adjusted EBITDA), adjusted operating cash flow and adjusted net earnings (loss).

Management uses these measures to monitor the financial performance of the Corporation and its operating segments and believes these measures enable investors and analysts to compare the Corporation's financial performance with its competitors and/or evaluate the results of its underlying business. These measures are intended to provide additional information, not to replace International Financial Reporting Standards (IFRS) measures, and do not have a standard definition under IFRS and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS. As these measures do not have a standardized meaning, they may not be comparable to similar measures provided by other companies. Further information on the composition and usefulness of each non-GAAP financial measure, including reconciliation to their most directly comparable IFRS measures, is included in the non-GAAP financial measures section starting on page 22.

Financial Performance and Results of Operations

	Three months ended			Six months ended		
	June 30, 2024	June 30, 2023	Variance	June 30, 2024	June 30, 2023	Variance
Revenue per condensed consolidated financial statements	\$ 19,517	\$ 17,326	\$ 2,191	\$ 33,427	\$ 40,004	\$ (6,577)
Attributable revenue						
Attributable royalty	\$ 21,762	\$ 18,698	\$ 3,064	\$ 39,197	\$ 40,091	\$ (894)
Project generation	79	12	67	133	2,844	(2,711)
Attributable revenue ⁽¹⁾	\$ 21,841	\$ 18,710	\$ 3,131	\$ 39,330	\$ 42,935	\$ (3,605)
Total assets	\$ 777,128	\$ 788,870	\$ (11,742)	\$ 777,128	\$ 788,870	\$ (11,742)
Total liabilities	158,922	162,456	(3,534)	158,922	162,456	(3,534)
Dividends declared & paid to common shareholders	4,170	3,808	362	7,915	7,618	297
Adjusted EBITDA ⁽¹⁾	15,365	13,671	1,694	27,751	32,727	(4,976)
Adjusted operating cash flow ⁽¹⁾	9,166	14,072	(4,906)	14,643	18,569	(3,926)
Net earnings	8,313	3,324	4,989	13,130	8,827	4,303
Attributable royalty revenue per share ⁽¹⁾	\$ 0.47	\$ 0.39	\$ 0.08	\$ 0.84	\$ 0.84	\$ -
Adjusted EBITDA per share ⁽¹⁾	0.33	0.29	0.04	0.59	0.69	(0.10)
Adjusted operating cash flow per share ⁽¹⁾	0.20	0.30	(0.10)	0.31	0.39	(0.08)
Net earnings per share, basic	0.18	0.06	0.12	0.28	0.17	0.11
Net earnings per share, diluted	0.18	0.06	0.12	0.28	0.17	0.11

⁽¹⁾ See non-GAAP financial measures section for definition and reconciliation

Total revenue in the condensed consolidated statements of earnings for the three and six months ended June 30, 2024 was \$19,517,000 and \$33,427,000 compared to \$17,326,000 and \$40,004,000 in the 2023 periods. Both current year periods reflect higher base metal prices, higher dividends from iron ore, and growth of the renewable royalty portfolio, partially offset by lower potash prices and lower coal revenue due to the closure of the Genesee Mine. During the current quarter the Corporation has recognized additional investment income of \$3,611,000 related to the settlement of a loan receivable with Adventus. During the first quarter of 2023 there were non-recurring potash price adjustments of \$2,200,000 and no such adjustments were recognized in the current year periods.

Attributable royalty revenue (see non-GAAP financial measures) was \$21,762,000 (\$0.47 per share) for the quarter ended June 30, 2024 and compares to \$18,698,000 (\$0.39 per share) recorded in the three months ended June 30, 2023. On a year to date basis, attributable royalty revenue of \$39,197,000 is 2% lower than the comparable period attributable royalty revenue of \$40,091,000. Both the quarter and year to date periods follow the trend of revenue noted above.

Adjusted EBITDA for the three and six months ended June 30, 2024 was \$15,365,000 (\$0.33 per share) and \$27,751,000 (\$0.59 per share) which compares to \$13,671,000 (\$0.29 per share) and \$32,727,000 (\$0.69 per share) for the prior year periods. Both the quarter and year to date periods follow the trend of revenue noted above.

For the three and six months ended June 30, 2024, the Mineral Royalties segment had EBITDA margins of 77% and 76% (June 30, 2023 – 81% and 84%, respectively), also following the trend in revenue. The current quarter and year to date EBITDA margins were impacted by higher professional fees associated with the Silicon arbitration.

Adjusted operating cash flow for the second quarter of 2024 of \$9,166,000 (\$0.20 per share) is lower than the \$14,072,000 (\$0.30 per share) generated in the comparable period in 2023. On a year to date basis, adjusted operating cash flow of \$14,643,000 (\$0.31 per share) compares to \$18,569,000 (\$0.39 per share) for the six months ended June 30, 2023. The decrease in both the quarter and year to date periods is largely reflective of lower royalty revenue receipts as well as working capital changes.

Net earnings in the three months ended June 30, 2024 was \$8,313,000 (\$0.18 per share) compared to net earnings of \$3,324,000 (\$0.06 per share) in the comparable period of 2023 reflecting higher revenues noted above as well as lower amortization offset by marginally higher costs. Net earnings for the six months ended June 30, 2024 were \$13,130,000 (\$0.28 per share) compared to \$8,827,000 (\$0.17 per share) for the 2023 period and reflect lower revenues noted above and lower amortization offset by marginally higher costs. Tax recoveries resulting from recognition of certain tax losses as a result of the wind up of our coal assets positively impacted net earnings for both the three and six months ended June 30, 2024.

Changes in total assets reflect the growth of the Corporation's renewable royalty segment offset by investment sales and revaluations, the closure of the Genesee Mine (the royalty interest was fully amortized) as well as an impairment loss on the Pickett Mountain royalty at the end of 2023. The decrease in total liabilities is a result of repayments on long term debt.

Costs and Expenses

Costs and Expenses	Three months ended			Six months ended		
	June 30, 2024	June 30, 2023	Variance	June 30, 2024	June 30, 2023	Variance
General and administrative	\$ 3,397	\$ 2,668	\$ 729	\$ 6,086	\$ 5,399	\$ 687
Cost of sales	1,984	1,400	584	3,493	2,761	732
Share-based compensation	1,534	1,329	205	2,358	2,421	(63)
Generative exploration	65	190	(125)	119	593	(474)
Exploration and evaluation assets abandoned or impaired	161	-	161	161	590	(429)
Mineral rights and leases	227	227	-	227	227	-
Amortization and depletion	1,562	4,653	(3,091)	3,032	9,256	(6,224)
	\$ 8,930	\$ 10,467	\$ (1,537)	\$ 15,476	\$ 21,247	\$ (5,771)

General and administrative expenses for the three and six months ended June 30, 2024 were higher than the prior year comparable periods driven by higher professional fees associated with the Silicon arbitration.

In future periods it is expected that ARR related costs will be increasingly offset by asset growth and higher revenues as renewable energy royalty investments are completed and more projects subject to royalty reach operational status. During the three and six months ended June 30, 2024, ARR incurred general and administrative expenses of approximately \$628,000 and \$1,015,000 respectively as compared to \$542,000 and \$1,075,000 in the comparable prior year periods.

Another component of general and administrative expenses of the Corporation relates to the administration and staffing of its Project Generation segment. During the three and six months ended June 30, 2024 this amounted to \$587,000 and \$1,249,000 respectively as compared to \$615,000 and \$1,346,000 incurred in the prior year comparable periods. During the six months ended June 30, 2024 the Project Generation segment recognized income of \$133,000 compared to income of \$2,844,000 for the comparable prior year period, which included investment income of \$2,820,000 related to a cash distribution made to the shareholders of Alderon Iron Ore Corp. This segment creates long-term royalty opportunities and receives equity positions in public companies in exchange for mineral projects and cash investments. Net equity sales for the three months ended June 30, 2024 generated cash of \$4,234,000 (June 30, 2023 - net cost of \$606,000) while net equity sales for the six months ended June 30, 2024 generated cash of \$11,454,000 (June 30, 2023 - net cost of \$1,606,000).

Cost of sales relate primarily to the Chapada copper stream for the three and six months ended June 30, 2024 which were higher than the comparable year periods as these are proportionate to copper stream revenue. Under the streaming agreement the Corporation purchases copper at 30% of the spot copper price.

Amortization and depletion are lower for the three and six months ended June 30, 2024 in comparison to the prior year periods primarily due to lower royalty production specifically relating to the Genesee Mine as coal mining operations ceased at the end of 2023.

Share-based compensation was higher in the current quarter but lower for the six months ended June 30, 2024. These variances are the result of the timing of awards in comparison to the prior year periods.

During the six months ended June 30, 2024 the Corporation recorded an impairment charge of 161,000 related to the Corporation's White Bay gold project (June 30, 2023 - \$590,000 primarily related to its Natashquan River platinum-group elements project).

Other factors which contributed to the change in the Corporation's earnings are:

	Three months ended			Six months ended		
	June 30, 2024	June 30, 2023	Variance	June 30, 2024	June 30, 2023	Variance
Loss from joint ventures	\$ (954)	\$ (193)	\$ (761)	\$ (2,176)	\$ (227)	\$ (1,949)
Realized gain on disposal of derivatives	3,340	365	2,975	4,256	365	3,891
Gain on disposal of mineral property	-	161	(161)	-	268	(268)
Interest on long-term debt	(2,345)	(2,309)	(36)	(4,649)	(4,638)	(11)
Foreign exchange (loss) gain	(289)	565	(854)	(1,036)	812	(1,848)
Unrealized loss on fair value adjustment of derivatives	(3,465)	(738)	(2,727)	(2,277)	(951)	(1,326)
Impairment of associate	(1,579)	-	(1,579)	(1,579)	-	(1,579)
Income tax recovery (expense)	3,018	(1,386)	4,404	2,640	(5,559)	8,199

- The Corporation recognized a loss from joint ventures of \$954,000 and \$2,176,000 respectively in the three and six months ended June 30, 2024 compared to a loss of \$193,000 and \$227,000 in the comparable periods primarily due to a loss recorded in the GBR joint venture. GBR's loss in the current quarter and year to date period reflects increased revenues at GBR offset by increased general and administrative expenses and interest on the new credit facilities at GBR as well as GBR's share of loss in associates through its Bluestar and Nova development stage investments.
- Interest on long term debt for the three and six months ended June 30, 2024 is in line with the prior year periods as the lower overall debt balance was offset by slightly higher interest rates.
- The Corporation recorded an impairment charge related to its investment in Adia Resources Inc. ("Adia") for the three and six months ended June 30, 2024.
- Foreign exchange revaluations recorded in the three and six months ended June 30, 2024 and 2023 were driven by a weakening Canadian dollar relative to the US dollar, primarily associated with the revaluation of the Corporation's US denominated revolving credit facility.
- During the six months ended June 30, 2024 the Corporation recorded a realized gain on disposal of derivatives of \$4,256,000 related to the exercise of share purchase warrants compared to a gain of \$365,000 in 2023. The Corporation recognized an unrealized loss of \$3,465,000 and \$2,277,000 on the fair value adjustment of derivatives during the three and six months ended June 30, 2024 . This compared to unrealized losses of \$738,000 and \$951,000 during the three and six months ended June 30, 2023.
- Income taxes were lower and in a recovery position for the three and six months ended June 30, 2024 compared to the prior year comparable periods following the trend of lower revenue as well as recognition of certain tax losses

as a result of the wind up of our coal assets. Tax expense in the prior year periods included \$1,084,000 in foreign withholding taxes which were paid to Chilean tax authorities in relation to a distribution of funds received in 2022.

Segment Performance

The Corporation manages its business under three operating segments as described under Description of Business above, being Mineral Royalties, Project Generation and Renewable Royalties. A summary of the Corporation's attributable royalty revenue and key highlights are as follows:

Summary of attributable royalty revenue	Three months ended			Six months ended		
	June 30, 2024	June 30, 2023	Variance	June 30, 2024	June 30, 2023	Variance
Revenue						
Base and battery metals						
Chapada	\$ 5,250	\$ 4,650	\$ 600	\$ 10,352	\$ 9,317	\$ 1,035
777 Mine	-	108	(108)	-	108	(108)
Voisey's Bay	168	74	94	410	276	134
Lithium	56	-	56	56	-	56
Gunnison	-	2	(2)	-	2	(2)
Potash						
Cory	438	395	43	1,126	806	320
Rocanville	2,779	3,619	(840)	5,557	9,741	(4,184)
Allan	166	230	(64)	368	444	(76)
Patience Lake	161	139	22	391	357	34
Esterhazy	1,162	1,657	(495)	2,332	3,643	(1,311)
Vanscoy	35	29	6	82	90	(8)
Lanigan	14	12	2	29	32	(3)
Iron ore ⁽¹⁾	4,114	2,431	1,683	5,797	4,301	1,496
Thermal (Electrical) Coal						
Genesee	-	2,626	(2,626)	-	5,628	(5,628)
Other						
Renewables	2,100	1,310	790	5,437	2,655	2,782
Natural gas	87	163	(76)	181	375	(194)
Interest and investment ⁽²⁾	5,232	1,253	3,979	7,079	2,316	4,763
Attributable royalty revenue	\$ 21,762	\$ 18,698	\$ 3,064	\$ 39,197	\$ 40,091	\$ (894)

See non-GAAP financial measures section of this MD&A for definition and reconciliation of attributable revenue

⁽¹⁾ LIORC dividends received

⁽²⁾ Includes ARR interest and investment income of \$1,220,000 and \$2,684,000 for three and six months ended June 30, 2024 (June 30, 2023 - \$824,000 and 1,579,000)

Summary of attributable royalty volumes and average prices	Three months ended				Six months ended			
	June 30, 2024		June 30, 2023		June 30, 2024		June 30, 2023	
	Tonnes	Average price ⁽¹⁾	Tonnes	Average price ⁽¹⁾	Tonnes	Average price ⁽¹⁾	Tonnes	Average price ⁽¹⁾
Chapada copper ⁽³⁾	410	\$4.26 US / lb	393	\$3.96 US / lb	854	\$4.06 US / lb	788	\$3.95 US / lb
Potash ⁽⁴⁾	413,643	\$478 / tonne	403,619	\$627 / tonne	835,707	\$494 / tonne	822,592	\$672 / tonne
Thermal (electrical) coal ⁽²⁾	-	N/A	389,871	N/A	-	N/A	801,773	N/A

⁽¹⁾ Average prices are in CAD unless noted

⁽²⁾ Inflationary indexed rates

⁽³⁾ Copper stream; quantity represents actual physical copper received

⁽⁴⁾ Various production royalties; quantities represent tonnes subject to the royalties at each respective mine (royalty tonnes only)

Mineral Royalties

Base and Battery Metal Royalties

Base and battery metal (primarily copper) revenue of \$5,474,000 for the quarter ended June 30, 2024 was higher than the \$4,834,000 in the second quarter of 2023. During the six months ended June 30, 2024 base and battery metal royalty revenue of \$10,818,000 was higher than 2023 revenue of \$9,703,000. Both the quarter and the six month periods reflect higher realized copper prices and marginally higher volumes from copper stream deliveries at Chapada.

At Chapada, Lundin has issued 2024 full year copper production guidance of 43,000-48,000 tonnes.

At Voisey's Bay, nickel production remained low due to the continued transitioning of Voisey's Bay production to two new underground mines from a previous single open pit. The operator has noted that it expects underground operations to deliver increased production levels beginning from the third quarter of 2024.

The Corporation recognized \$56,000 in lithium royalties during the three and six months ended June 30, 2024 as Phase 1 production continued to ramp up and obtain premium quality product pricing at the Grota do Cirilo mine.

Additional information concerning ongoing initiatives at various of the Corporation's operating and development stage base and battery metal holdings can be found in the Outlook section of this report.

Saskatchewan Potash Royalties

Potash revenue for the three and six months ended June 30, 2024 of \$4,755,000 and \$9,885,000 decreased over the comparable three and six month periods in 2023 reflecting lower average realized prices. Price reconciliation adjustments of \$2,200,000 which related to 2022 sales were recorded in the first quarter of 2023 while no pricing adjustments were recorded in the current year periods.

Nutrien has issued 2024 sales guidance of 13-13.8 million tonnes (compared to 13.2 million tonnes sold in 2023) and reported a strong rebound in potash fertilizer demand led by North American and Brazilian growers. Mosaic also reported

the expectation of continued strong demand into 2024. Earlier this year Mosaic announced that an independent audit of the K3 mine and K2 mill expansion was completed which verified a total nameplate capacity of 7.8 million tonnes at Esterhazy (versus an annual nameplate capacity of 6.3 million tonnes in 2023).

Additional information concerning ongoing developments and initiatives at various of the Corporation's potash royalty holdings can be found in the Outlook section of this report.

Iron Ore

Iron ore revenue in the form of dividends received from Labrador Iron Ore Royalty Corp. ("LIORC") which serves as a pass-through vehicle for royalty income and equity dividends related to the operations of IOC, was \$4,114,000 and \$5,797,000 during the three and six months ended June 30, 2024 as compared to \$2,431,000 and \$4,301,000 for the same periods in 2023. The prior year periods were impacted by increased levels of sustaining and growth capital investments and production shortfalls that limited IOC equity dividends.

In January 2024 Champion announced the results of an updated project study for the Kami Project which evaluated the potential for Kami's high-purity (DR grade) iron ore concentrates, integral to electric arc furnace steel-making. Altius originated the Kami project within its Project Generation business and retains a 3% gross sales royalty interest.

Additional information concerning ongoing developments and initiatives at various of the Corporation's iron ore royalty holdings can be found in the Outlook section of this report.

Genesee Electrical Coal Royalties

The Corporation did not recognize any thermal (electrical) coal revenue during the quarter and six months ended June 30, 2024. The operator of the Genesee power plant continues to transition to natural gas-based conversion and the Genesee Mine ceased operations at the end of 2023.

On April 4, 2024 the Alberta Court of Appeal upheld the earlier decision to summarily dismiss Altius's claim against the governments of Alberta and Canada for the constructive taking or de facto expropriation by regulation of its Genesee mine "interest in land" royalty asset on the grounds that it did not believe that the legal test for constructive taking or de facto expropriation was met. The Corporation has elected to not pursue the matter further.

Renewable Royalties

Altius Renewable Royalties

ARR continued to experience royalty revenue ramp up as additional projects subject to royalty entered production and as recent operating stage royalty acquisitions were incorporated into its portfolio. As a result of its controlling shareholding the Corporation reports ARR financial results on a consolidated basis. Attributable renewable royalty revenue of \$2,100,000 and \$5,437,000 for the three and six months ended June 30, 2024 was higher than the \$1,310,000 and \$2,655,000 in the comparable periods during 2023 and reflects the growth of GBR. ARR's revenue, which includes GBR on a 50% basis, includes approximately US\$450,000 in investment income on various interconnection and loan agreements during the quarter while the six month period includes a US\$600,000 revenue payment related to a transmission upgrade at Titan Solar and US\$700,000 from project sales at development partner Hexagon Energy.

Refer to Appendix 3 – Summary of ARR's Operational, Construction and Development Renewable Energy Royalties for a detailed listing of royalties.

Project Generation

Pre-Production Royalties & Junior Equities Portfolio Highlights

The Corporation's junior equities portfolio had a market value of \$55,817,000 at June 30, 2024 (December 31, 2023 - \$45,067,000). During the six months ended June 30, 2024 the Corporation generated net proceeds on equity sales of \$11,454,000 within its junior equities portfolio compared to a net cost of \$1,606,000 during the comparable period in 2023. The Corporation recognized gains on the disposition of Project Generation investments of \$1,803,000 and \$1,579,000 for the three and six months ended June 30, 2024 (three and six months ended June 30, 2023 - gains of \$1,000) in the condensed consolidated statement of comprehensive earnings.

Project Generation revenues of \$79,000 and \$133,000 for the three and six months ended June 30, 2024 compared to \$12,000 and \$2,844,000 for the comparable periods in 2023 which included investment income of \$2,820,000 in relation to a cash distribution made to shareholders of Alderon Iron Ore Corp. as part of a receivership based liquidation of assets.

The technical information contained in this MD&A has been reviewed and approved by Lawrence Winter, Ph.D., P.Geo., Vice-President, Generative and Technical, a Qualified Person as defined by National Instrument 43-101 – Standards of Disclosure for Mineral Projects.

Additional information concerning ongoing developments and initiatives within Altius's Project Generation business can be found in the Highlights and Outlook sections of this report. Readers are also encouraged to visit the corporate website at www.altiusminerals.com to gain added insight into the exploration activities and projects of the Corporation, including the Corporation's Project Generation investments.

Cash Flows, Liquidity and Capital Resources

Summary of Cash Flows	Six months ended	
	June 30, 2024	June 30, 2023
Operating activities	\$ 14,170	\$ 18,076
Financing activities	(23,211)	(15,294)
Investing activities	(15,499)	(4,394)
Net decrease in cash and cash equivalents	\$ (24,540)	\$ (1,612)
Effect of foreign exchange on cash and cash equivalents	3,507	(1,490)
Cash and cash equivalents, beginning of period	130,422	82,385
Cash and cash equivalents, end of period	\$ 109,389	\$ 79,283

Operating Activities

Operating cash generated during the six months ended June 30, 2024 is lower than that of the prior year period as a result of lower revenue.

Financing Activities

The Corporation repaid \$4,000,000 (June 30, 2023 - \$4,000,000) on its term loan facility during the six months ended June 30, 2024.

The Corporation distributed \$577,000 (June 30, 2023 - \$1,226,000) to a non-controlling interest holder in the Potash and Genesee Royalty Limited Partnerships during the six months ended June 30, 2024.

The Corporation paid higher cash dividends of \$7,423,000 to its common shareholders and issued 23,037 common shares valued at \$492,000 under the Corporation's Dividend Reinvestment Plan during the six months ended June 30, 2024 (June 30, 2023 - paid cash dividends of \$7,198,000 and issued 19,387 common shares valued at \$420,000). The Corporation's board of directors declared an increased quarterly dividend of \$0.09 per share during the current quarter.

During the six months ended June 30, 2024 transactions under the Corporation's long-term incentive plan resulted in a net cash outflow of \$1,065,000 (June 30, 2023 - \$695,000).

Under its normal course issuer bid, the Corporation repurchased and cancelled 548,400 common shares for a total cost of \$10,723,000 during the six months ended June 30, 2024 compared to 98,100 for a total cost of \$2,091,000 in the prior year period.

Investing Activities

Investing activities for the six months ended June 30, 2024 reflect \$473,000 received from joint ventures compared to \$493,000 for the same period in the prior year.

The Corporation, which held a convertible loan to Adventus with a carrying value of \$5,303,000, agreed to not exercise its royalty conversion feature on the loan in exchange for total cash consideration of \$9,562,000. The total cash consideration received reflects the implied equity value of the transaction as if the Corporation converted its outstanding loan receivable to common shares of Adventus.

Proceeds from sale of investments of junior equity investments were \$15,699,000 during six months ended June 30, 2024 (June 30, 2023 - \$3,000). The Corporation used \$4,245,000 in cash to add to the junior equities portfolio during the six months ended June 30, 2024 compared to total investment additions of 1,609,000 during the prior year.

During the six months ended June 30, 2024 ARR invested \$31,846,000 (June 30, 2023 - \$11,402,000) in the GBR joint venture.

During the prior year period Altius received \$8,950,000 from LRC as a return of capital distribution to the pre-IPO shareholders of LRC.

Liquidity

At June 30, 2024 the Corporation had current assets of \$127,993,000, consisting of \$109,389,000 in cash and cash equivalents (of which \$90,222,000 relates to ARR), \$9,107,000 in accounts receivable and prepaid expenses, \$6,841,000 in loan receivables and \$2,656,000 in income taxes receivable. Current liabilities of \$11,332,000 include the current portion of long-term debt obligations of \$8,000,000, accounts payable and income taxes payable. The Corporation's major sources of free cash flow are from royalty income and streaming revenue, cash receipts from royalty partnership interests, sales of direct and indirect exploration investments and investment income. At June 30, 2024 the Corporation has approximately \$93,000,000 of available liquidity under its amended revolving credit facility. At June 30, 2024 GBR had available liquidity of US\$105,628,000 under its credit facilities entered into in late 2023.

Summary of Quarterly Financial Information

The table below outlines select financial information related to the Corporation's attributable royalty revenue, adjusted EBITDA, adjusted operating cash flow, adjusted net earnings, net earnings (loss) and per share amounts for the most recent eight quarters. The financial information is extracted from the Corporation's condensed consolidated financial statements and should be read in conjunction with those statements and the annual audited consolidated financial statements. Please refer to the non-GAAP financial measures reconciliation with respect to the below table.

	June 30, 2024	March 31, 2024	December 31, 2023	September 30, 2023
Revenue per condensed consolidated financial statements	\$ 19,517	\$ 13,910	\$ 13,802	\$ 15,151
Attributable royalty revenue ⁽¹⁾	21,762	17,435	15,974	17,808
Adjusted EBITDA ⁽¹⁾	15,365	12,386	10,981	12,454
Adjusted operating cash flow ⁽¹⁾	9,166	5,477	7,698	10,984
Net earnings (loss) attributable to common shareholders	8,443	4,719	(2,305)	3,703
Attributable royalty revenue per share ⁽¹⁾	\$ 0.47	\$ 0.37	\$ 0.34	\$ 0.38
Adjusted EBITDA per share ⁽¹⁾	0.33	0.26	0.23	0.26
Adjusted operating cash flow per share ⁽¹⁾	0.20	0.12	0.16	0.23
Net earnings (loss) per share				
- basic	0.18	0.10	(0.05)	0.08
- diluted	0.18	0.10	(0.05)	0.08
	June 30, 2023	March 31, 2023	December 31, 2022	September 30, 2022
Revenue per condensed consolidated financial statements	\$ 17,326	\$ 22,678	\$ 21,654	\$ 25,900
Attributable royalty revenue ⁽¹⁾	18,698	21,393	23,122	26,235
Adjusted EBITDA ⁽¹⁾	13,671	19,056	18,000	23,695
Adjusted operating cash flow ⁽¹⁾	14,072	4,497	19,224	25,868
Net earnings attributable to common shareholders	3,078	5,061	6,476	10,712
Attributable royalty revenue per share ⁽¹⁾	\$ 0.39	\$ 0.45	\$ 0.49	\$ 0.55
Adjusted EBITDA per share ⁽¹⁾	0.29	0.40	0.38	0.50
Adjusted operating cash flow per share ⁽¹⁾	0.30	0.09	0.40	0.54
Net earnings per share				
- basic	0.06	0.11	0.14	0.22
- diluted	0.06	0.10	0.13	0.22

⁽¹⁾ Non-GAAP financial measures are reconciled and described in the Non-GAAP Financial Measures section of this MD&A

Adjusted EBITDA is derived primarily from the mineral royalty business, which includes attributable royalty and streaming revenue from producing mines, all net of general and administrative and any other operating costs. Attributable royalty revenue is contingent on many factors, including commodity prices, mine production levels, mine sequencing, maintenance schedules and the timing of concentrate shipments, which in some cases are affected by seasonality and outside events. The Corporation benefited from the rise in commodity prices in 2022 - potash prices in particular rose as a result of the conflict in Ukraine, and copper prices increased during 2022, both of which declined in 2023. In 2023 the Corporation experienced declines in coal royalty revenues as the operator of Genesee transitioned to natural gas based fueling, and the Genesee Mine closed at the end of 2023. Renewable royalty income has grown since 2022 reflecting the acquisition of operating stage royalties as well as the commencement of commercial operations at previously acquired development stage projects. The growth in renewable royalty revenue has started to offset the decline in coal revenue for the portfolio and this trend is expected to continue as the renewable energy portfolio continues to grow.

Adjusted operating cash flow is derived from cash flow from operations and adjusted to include distributions from joint ventures on the basis that the joint venture cash flows form part of our royalty business. The change in adjusted operating cash flow is generally consistent with the movement in royalty revenue, higher interest and taxes paid in 2022 and early 2023 and the timing of royalty receipts. In 2022 attributable revenue and adjusted EBITDA were positively impacted by higher overall commodity prices.

Net earnings (loss) are affected primarily by revenue net of operating expenses as noted above but are also affected by the realization of both cash and non-cash gains or losses on the Corporation's investments, mineral properties and mineral exploration alliances and the equity accounting of some investments, and therefore adjusted net earnings represents the removal of any one time impacts as well as unrealized gains/losses. Net earnings (loss) for the periods reflect the trends in commodity prices discussed above, as well as the impact of any non-cash impairment charges. See Financial Performance and Results of Operations for further discussion.

Commitments and Contractual Obligations

The Corporation has obtained various mineral rights in Canada by staking claims and paying refundable security deposits. On these lands, certain expenditures are required on an annual basis from the date of license issuance in order to maintain the licenses in good standing, and for security deposits thereon. On or before the anniversary date of license issuance, and if the required expenditures are not met, the Corporation has the option of reducing claims on a property, posting a refundable security bond for the deficient amount or electing to allow title of the license to be cancelled. In aggregate, the Corporation is required to spend an additional \$1,186,000 by June 30, 2025, of which \$996,000 is required spending by partners, in order to maintain its existing licenses in good standing.

As at June 30, 2024 the following principal repayments for the Corporation's credit facilities are required over the next two calendar years:

	Term	Revolver	Total
2024	\$ 4,000	\$ -	\$ 4,000
2025	24,000	82,252	106,252
	\$ 28,000	\$ 82,252	\$ 110,252

The Corporation has committed to pay, on the anniversary date of November 1, a limited royalty to McChip Resources Inc. of \$500,000 per year for the next four years based on a minimum production and grade threshold at the Rocanville mine.

The Corporation is committed under leases on office space including operating costs for future minimum lease payments of \$168,000 per annum until the lease expires in August 2026.

Related Party Transactions

	Three months ended		Six months ended	
	June 30, 2024	June 30, 2023	June 30, 2024	June 30, 2023
Key management personnel and directors				
Salaries and benefits	\$ 505	\$ 507	\$ 1,542	\$ 2,022
Share-based compensation	1,266	1,165	2,079	2,074
Total	\$ 1,771	\$ 1,672	\$ 3,621	\$ 4,096

	Three months ended		Six months ended	
	June 30, 2024	June 30, 2023	June 30, 2024	June 30, 2023
General and administrative expenses billed (to) from				
Associates	\$ (12)	\$ (12)	\$ (24)	\$ (24)
Joint venture	1	(6)	(10)	(7)
Total	\$ (11)	\$ (18)	\$ (34)	\$ (31)

Key management personnel include those persons having authority and responsibility for planning, directing and controlling the activities of the Corporation as a whole. The Corporation has determined that key management personnel consist of members of the Corporation's Board of Directors and five corporate officers, including the Corporation's Executive Chairman, Chief Executive Officer and Chief Financial Officer, as well as two Vice Presidents reporting directly to a corporate officer.

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. It is management's estimation that these transactions were undertaken under the same terms and conditions as would apply to transactions with non-related parties.

Critical Accounting Estimates

The preparation of financial statements in accordance with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent liabilities and the reported amounts of revenues and expenses during the reporting period. Areas requiring the use of management estimates include rates for amortization and depletion of the royalty and streaming interests, deferred income taxes, the carrying value and assessment of impairment of mining and other investments, investments in joint ventures and royalty interests, the assumptions used in the determination of the fair value of share based compensation and the assumptions used in the determination of the fair value measurement and valuation process for investments in which there is no publicly traded market including key inputs, significant unobservable inputs and the relationship and sensitivity of those inputs to fair value.

New Accounting Policies

The Corporation has not adopted any new accounting policies during the three and six months ended June 30, 2024.

Internal Control over Financial Reporting

Management is responsible for the establishment and maintenance of a system of internal control over financial reporting. This system has been designed to provide reasonable assurance that assets are safeguarded and that the financial reporting is accurate and reliable. The certifying officers have evaluated the effectiveness of the Corporation's internal control over financial reporting as of June 30, 2024 and have concluded that such controls are adequate and effective to ensure accurate and complete financial reporting in public filings. The condensed consolidated financial statements have been prepared by management in accordance with IFRS and in accordance with accounting policies set out in the notes to the consolidated financial statements for the six months ended June 30, 2024. There has been no change in the Corporation's internal control over financial reporting during the Corporation's quarter ended June 30, 2024 that has materially affected, or is reasonably likely to materially affect, the Corporation's internal control over financial reporting.

Evaluation and Effectiveness of Disclosure Controls and Procedures

The Corporation has established and maintains disclosure controls and procedures over financial reporting. The certifying officers have evaluated the effectiveness of the issuer's disclosure controls and procedures as of June 30, 2024 and have concluded that such procedures are adequate and effective to ensure accurate and complete disclosures in public filings. There are inherent limitations in all control systems and no disclosure controls and procedures can provide complete assurance that no future errors or fraud will occur. An economically feasible control system, no matter how well conceived or operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met.

Risk Factors and Key Success Factors

An investment in securities of the Corporation involves a significant degree of risk that should be considered prior to making an investment decision. In addition to discussions of key success factors and business issues elsewhere in this MD&A, the investor should refer to the Corporation's Annual Information Form for a detailed listing of all risk factors.

Outstanding Share Data

At August 8, 2024 the Corporation had 46,467,476 common shares outstanding and 731,850 stock options outstanding.

Non-GAAP Financial Measures

Management uses these measures to monitor the financial performance of the Corporation and its operating segments and believes these measures enable investors and analysts to compare the Corporation's financial performance with its

competitors and/or evaluate the results of its underlying business. These measures are intended to provide additional information, not to replace International Financial Reporting Standards (IFRS) measures, and do not have a standard definition under IFRS and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS. As these measures do not have a standardized meaning, they may not be comparable to similar measures provided by other companies.

The non-GAAP financial measures are reconciled to the most directly comparable IFRS measure in the sections below.

Attributable revenue

Attributable revenue is defined by the Corporation as total revenue and other income from the condensed consolidated financial statements plus the Corporation's proportionate share of gross royalty revenue in the joint ventures (the GBR joint venture, Labrador Nickel Royalty Limited Partnership ("LNRLP") and the LRC LP 1 joint venture). The Corporation's key decision makers use attributable royalty revenue as a basis to evaluate the business performance. The attributable royalty revenue amounts, together with amortization of royalty interests, general and administrative costs, mining tax and other costs are not reported gross in the condensed consolidated statement of earnings since the royalty revenues are being generated in joint ventures in accordance with IFRS 11 Joint Arrangements which requires net reporting as an equity pick up. Management uses this measure to reflect the Corporation's economic interest in its operations prior to the application of equity accounting to help allocate financial resources and provide investors with information that it believes is useful in understanding the scope of its business, irrespective of the accounting treatment.

Attributable royalty revenue per share is calculated using attributable royalty revenue as numerator divided by the basic weighted average number of shares for the period as the denominator.

The tables below reconcile attributable revenue to revenue in the condensed consolidated financial statements.

Attributable revenue	Three months ended			
	June 30, 2024	March 31, 2024	December 31, 2023	September 30, 2023
Revenue				
Attributable royalty	\$ 21,762	\$ 17,435	\$ 15,974	\$ 17,808
Project generation	79	54	121	161
Attributable revenue	21,841	17,489	16,095	17,969
Adjust: joint venture revenue	(2,324)	(3,579)	(2,293)	(2,818)
IFRS revenue per condensed consolidated financial statements	\$ 19,517	\$ 13,910	\$ 13,802	\$ 15,151
Attributable royalty revenue per share	\$ 0.47	\$ 0.37	\$ 0.34	\$ 0.38

Attributable revenue	Three months ended			
	June 30, 2023	March 31, 2023	December 31, 2022	September 30, 2022
Revenue				
Attributable royalty	\$ 18,698	\$ 21,393	\$ 23,122	\$ 26,235
Project generation	12	2,832	134	2,106
Attributable revenue	18,710	24,225	23,256	28,341
Adjust: joint venture revenue	(1,384)	(1,547)	(1,602)	(2,441)
IFRS revenue per condensed consolidated financial statements	\$ 17,326	\$ 22,678	\$ 21,654	\$ 25,900
Attributable royalty revenue per share	\$ 0.39	\$ 0.45	\$ 0.49	\$ 0.55

Adjusted operating cash flow

Adjusted operating cash flow is defined as cash provided (used in) in operations in the condensed consolidated financial statements adjusted for inclusion of the Corporation's proportionate share of cash flows from operations from joint ventures. Adjusted operating cash flow is used by management, and management believes this information is used by investors, to analyze cash flows generated from operations and assess the ability of its operations to provide cash or its use of cash, after funding cash capital requirements, to service current and future working capital needs and service debt.

Adjusted operating cash flow per share is calculated using adjusted operating cash flow as the numerator and the basic weighted average number of shares for the period as the denominator.

The tables below reconcile cash provided (used) by for operating activities per the condensed consolidated financial statements to adjusted cash operating cash flow:

Adjusted operating cash flow	Three months ended			
	June 30, 2024	March 31, 2024	December 31, 2023	September 30, 2023
Cash flow from operations	\$ 9,001	\$ 5,169	\$ 7,499	\$ 10,931
Adjust: cash received from joint ventures	165	308	199	53
Adjusted operating cash flow	\$ 9,166	\$ 5,477	\$ 7,698	\$ 10,984
Adjusted operating cash flow per share	\$ 0.20	\$ 0.12	\$ 0.16	\$ 0.23

Adjusted operating cash flow	Three months ended,			
	June 30, 2023	March 31, 2023	December 31, 2022	September 30, 2022
Cash flow from operations	\$ 13,918	\$ 4,158	\$ 19,021	\$ 25,315
Adjust: cash received from joint ventures	154	339	203	553
Adjusted operating cash flow	\$ 14,072	\$ 4,497	\$ 19,224	\$ 25,868
Adjusted operating cash flow per share	\$ 0.30	\$ 0.09	\$ 0.40	\$ 0.54

Adjusted EBITDA

Adjusted EBITDA is defined by the Corporation as net earnings (loss) before taxes, amortization, interest, non-recurring items, non-cash amounts such as impairment, losses and gains, and share based compensation. The Corporation also adjusts earnings in joint ventures (the GBR joint venture, LNRLP and LRC LP I) to reflect our proportionate share of EBITDA on those joint ventures assets which exclude amortization of royalty interests and certain other costs as well as adjusting for any one time items. Adjusted EBITDA is a useful measure of the performance of our business, especially for demonstrating the impact that EBITDA in joint ventures have on the overall business. Management uses adjusted EBITDA as a proxy for the cash generated in a given period that will be available to fund the Corporation's future operations, growth opportunities, shareholder dividends and to service debt obligations as well as to provide a level of comparability to similar entities. Management believes adjusted EBITDA provides useful information to investors in evaluating the Corporation's operating results in the same manner as Management and the Board of Directors.

Adjusted EBITDA per share is calculated using adjusted EBITDA as the numerator and the basic weighted average number of shares for the period as the denominator.

Adjusted EBITDA margin is calculated using adjusted EBITDA as the numerator and attributable revenue as the denominator.

The tables below reconciles net earnings (loss) per the condensed consolidated financial statements to adjusted EBITDA:

Adjusted EBITDA	Three months ended			
	June 30, 2024	March 31, 2024	December 31, 2023	September 30, 2023
Earnings (loss) before income taxes	\$ 5,295	\$ 5,195	\$ (2,536)	\$ 3,467
Addback (deduct):				
Amortization and depletion	1,562	1,470	2,719	4,007
Exploration and evaluation assets abandoned or impaired	161	-	12	-
Share-based compensation	1,534	824	843	704
Interest on long-term debt	2,345	2,304	2,319	2,319
Realized (gain) loss on disposal of derivatives	(3,340)	(916)	16	-
Unrealized loss (gain) on fair value adjustment of derivatives	3,465	(1,188)	195	(1,471)
Share of loss and impairment in associate	1,579	-	34	-
Loss from joint ventures	954	1,222	579	1,020
LNRLP EBITDA ⁽¹⁾	125	201	224	130
GBR EBITDA ⁽²⁾	1,357	2,527	745	2,094
LRC LP 1 EBITDA ⁽³⁾	39	-	171	-
Impairment of royalty interest	-	-	6,338	-
Foreign exchange loss (gain)	289	747	(628)	460
Gain on disposal of mineral property	-	-	(50)	(276)
Adjusted EBITDA	\$ 15,365	\$ 12,386	\$ 10,981	\$ 12,454
Adjusted EBITDA per share	\$ 0.33	\$ 0.26	\$ 0.23	\$ 0.26
(1) LNRLP EBITDA				
Revenue	\$ 168	\$ 242	\$ 287	\$ 170
Mining taxes	(34)	(30)	(57)	(34)
Admin charges	(9)	(11)	(6)	(6)
LNRLP Adjusted EBITDA	\$ 125	\$ 201	\$ 224	\$ 130
(2) GBR EBITDA				
Revenue	\$ 2,100	\$ 3,337	\$ 1,829	\$ 2,648
Operating expenses	(743)	(810)	(1,084)	(554)
GBR Adjusted EBITDA	\$ 1,357	\$ 2,527	\$ 745	\$ 2,094
(3) LRC LP 1 EBITDA				
Revenue	\$ 56	\$ -	\$ 177	\$ -
Operating expenses	(17)	-	(6)	-
LRC Adjusted EBITDA	\$ 39	\$ -	\$ 171	\$ -

Reconciliation to IFRS measures Adjusted EBITDA	Three months ended			
	June 30, 2023	March 31, 2023	December 31, 2022	September 30, 2022
Earnings before income taxes	\$ 4,710	\$ 9,676	\$ 10,059	\$ 13,585
Addback(deduct):				
Amortization and depletion	4,653	4,603	5,916	5,423
Exploration and evaluation assets abandoned or impaired	-	590	55	-
Share based compensation	1,329	1,092	886	860
Interest on long-term debt	2,309	2,329	2,216	1,852
Realized (gain) loss on disposal of derivatives	(365)	-	657	91
Unrealized loss (gain) on fair value adjustment of derivatives	738	213	(1,008)	(843)
Share of loss in associate	-	-	7	-
Loss (earnings) from joint ventures	193	34	785	(1,419)
LNRLP EBITDA ⁽¹⁾	53	156	339	277
GBR EBITDA ⁽²⁾	777	717	287	1,673
Foreign currency (gain) loss	(565)	(247)	(1,029)	2,196
Gain on disposal of mineral property	(161)	(107)	(1,170)	-
Adjusted EBITDA	\$ 13,671	\$ 19,056	\$ 18,000	\$ 23,695
Adjusted EBITDA per share	\$ 0.29	\$ 0.40	\$ 0.38	\$ 0.50

(1) LNRLP EBITDA

Revenue	\$ 74	\$ 202	\$ 431	\$ 352
Mining taxes	(15)	(40)	(86)	(70)
Admin charges	(6)	(6)	(6)	(5)
LNRLP Adjusted EBITDA	\$ 53	\$ 156	\$ 339	\$ 277

(2) GBR EBITDA

Revenue	\$ 1,310	\$ 1,345	\$ 1,171	\$ 2,089
Operating expenses	(533)	(628)	(884)	(416)
GBR Adjusted EBITDA	\$ 777	\$ 717	\$ 287	\$ 1,673

Adjusted net earnings

The Corporation defines adjusted net earnings as net earnings per the condensed consolidated financial statements less items not reflective of operational performance. These adjusting items include, but are not limited to, impairment charges, gains and losses on the acquisition or disposal of investments or other assets, foreign exchange gains and losses, gains and losses on derivatives and other one-time adjustments as required. While some adjustments are recurring (such as foreign exchange (gain) loss and revaluation of derivatives), management believes that they do not reflect the Corporation's operational performance or future operational performance. Management uses these measures internally and believes that they provide investors with performance measures with which to assess the Corporation's core operations by adjusting for items or transactions that are not reflective of its core operating activities.

Adjusted net earnings per share calculated using adjusted net earnings as the numerator and the basic weighted-average number of shares for the period.

The tables below reconcile net earnings (loss) per the condensed consolidated financial statements to adjusted net earnings and adjusted net earnings per share.

Adjusted Net Earnings	Three months ended			
	June 30, 2024	March 31, 2024	December 31, 2023	September 30, 2023
Net earnings (loss) attributable to common	\$ 8,443	\$ 4,719	\$ (2,305)	\$ 3,703
Addback (deduct):				
Unrealized loss (gain) on fair value adjustment of derivatives	3,465	(1,188)	195	(1,471)
Foreign exchange loss (gain)	289	747	(628)	460
Exploration and evaluation assets abandoned or impaired	161	-	12	-
Realized (gain) loss on disposal of derivatives	(3,340)	(916)	16	-
Gain on disposal of mineral property	-	-	(50)	(276)
Non-recurring other income	(4,259)	-	-	-
Impairment of royalty interest	-	-	6,338	-
Impairment of investment in associate	1,579	-	-	-
Tax impact ⁽ⁱ⁾	(2,336)	100	(1,291)	166
Adjusted net earnings	\$ 4,002	\$ 3,462	\$ 2,287	\$ 2,582
Adjusted net earnings per share	\$ 0.09	\$ 0.07	\$ 0.06	\$ 0.05

(i) Includes recognition of tax losses as a result of the wind up of the Corporation's coal assets

Adjusted Net Earnings	Three months ended			
	June 30, 2023	March 31, 2023	December 31, 2022	September 30, 2022
Net earnings attributable to common	\$ 3,078	\$ 5,061	\$ 6,476	\$ 10,712
Addback (deduct):				
Unrealized loss (gain) on fair value adjustment of derivatives	738	213	(1,008)	(843)
Foreign exchange (gain) loss	(565)	(247)	(1,029)	2,196
Exploration and evaluation assets abandoned or impaired	-	590	-	-
Realized (gain) loss on disposal of derivatives	(365)	-	716	-
Gain on disposal of mineral property	(161)	(107)	(1,170)	-
Non-recurring other income	-	(2,820)	-	(2,070)
Tax impact	163	750	701	(223)
Adjusted net earnings	\$ 2,888	\$ 3,440	\$ 4,686	\$ 9,772
Adjusted net earnings per share	\$ 0.06	\$ 0.07	\$ 0.10	\$ 0.20

Appendix 1 – Summary of Producing Royalties and Streaming Interests

Mine / Project	Primary Commodity	Operator	Revenue Basis
Chapada	Copper	Lundin Mining	3.7% of payable copper stream
Rocanville	Potash	Nutrien	Revenue
Allan	Potash	Nutrien	Revenue
Cory	Potash	Nutrien	Revenue
Patience Lake	Potash	Nutrien	Revenue
Vanscoy	Potash	Nutrien	Revenue
Esterhazy	Potash	Mosaic	Revenue
Voisey's Bay	Nickel, Copper, Cobalt	Vale	0.3% Net Value Royalty ("NVR") on all metals produced
IOC	Iron	Iron Ore Company of Canada	7% Gross Overriding Royalty ("GOR") ⁽¹⁾
Carbon Development	Potash, other	Various	Revenue
Grota do Cirilo	Lithium	Sigma Lithium Resources	0.1% GOR ⁽²⁾

⁽¹⁾ Held indirectly through common shares of Labrador Iron Ore Royalty Corporation

⁽²⁾ Net of mandatory government and social contribution deductions from gross sales

Appendix 2 – Summary of Exploration and Pre-Development Stage Royalties

PRE-FEASIBILITY/FEASIBILITY/DEVELOPMENT				
Property	Primary Commodity	Explorer/Developer	Royalty Basis	Status
Kami (Labrador)	Iron	Champion Iron Limited	3% GSR	"Kami Project Study" reported Jan 30, 2024 re a 9.0Mt/yr direct reduced iron ore (high grade) operation; strategic partnerships being evaluated.
Curipamba (Ecuador)	Copper	Adventus Mining Corporation (now Silvercorp Metals Inc.)	2% NSR	Feasibility study completed; construction decision pending
Tres Quebradas (3Q) (Argentina)	Lithium	Zijin Mining Group Co., Ltd.	0.1% GSR	Definitive feasibility study ongoing
Mariana Lithium Project (Argentina)	Lithium	Ganfeng Lithium	10% of 0.5% NSR	Construction initiated
Telkwa (British Columbia)	Met Coal	Bathurst Resources Limited	1.5-3% price based sliding scale GSR	Definitive feasibility study completed and permitting underway
Gunnison (Arizona)	Copper	Excelsior Mining Corp.	1.625% GSR	Pre-feasibility study updated, field trials planned
Silicon (Nevada)	Gold	Anglo Gold Ashanti NA	1.5% NSR	Pre-feasibility study underway on the 'Expanded Silicon Project'.
ADVANCED EXPLORATION				
Property	Primary Commodity	Explorer/Developer	Royalty Basis	Status
Stellar (Alaska)	Copper	PolarX Ltd.	2% NSR on gold, 1% NSR on base metals	Scoping Study
Labrador West Iron Ore (Labrador)	Iron Ore	High Tide Resources Corp.	2.75% GSR on iron ore; 2.75% NSR on all other minerals	Resource delineation
Pickett Mountain (Maine)	Zinc, lead, copper, silver	Wolfden Resources Corp	1.35% GSR	Preliminary Economic Assessment
Lappvattnet, Rormyrberget (Sweden)	Copper, Cobalt, Nickel, PGE	Gungnir Resources Inc.	Option to acquire 2.0% GSR	Resource delineation
Pine Bay (Manitoba)	Copper, zinc, gold and silver	Callinex Mines Inc.	Option to acquire 0.5% NSR	Resource delineation

EXPLORATION

Property	Primary Commodity	Explorer or Developer	Royalty Basis	Status
Llano del Nogal (Mexico)	Copper	Riverside Resources Inc.	1.5% NSR on PM; 1.0% NSR on BM	Early-stage exploration
Cuale (Mexico)	Copper	Rockstar Mining, S.A. de C.V.	1.5% NSR on PM; 1.0% NSR on BM	Early-stage exploration
Metastur (Spain)	Cobalt	Technology Metals (Asturmet Recursos S.L)	1.5% NSR	Exploration
Arcas (Chile)	Copper	AbraSilver Resource Corp.	0.98% GSR	Exploration
Copper Range (Michigan)	Copper	N/A	Option to acquire 1% NSR held by a third party	Exploration
Adeline Copper (Newfoundland)	Copper	Sterling Metals Corp.	1.6% GSR	Exploration
Central Mineral Belt (Labrador)	Copper, Uranium	Paladin Energy Ltd	2% NSR on all minerals except uranium	Exploration
CMB (Labrador)	Copper, Uranium	Atha Energy Corp.	2% GSR	Exploration
La Coipita (Argentina)	Copper, Gold	AbraSilver Resource Corp/Teck Resources Limited	Option to acquire 1.1% NSR for US\$3M	Exploration
Knaften (Sweden)	Copper, Gold	Gungnir Resources Inc.	Option to acquire 1.0% GSR	Exploration
Mythril (Quebec)	Copper, Gold, Lithium	Midland Exploration Inc	1% NSR	Exploration
Cape Ray (Regional) (Newfoundland)	Gold	Cape Ray Mining Limited	2% NSR	Exploration
Elrond, Helm's Deep, Fangorn (Quebec)	Gold	Midland Exploration Inc	1% NSR	Exploration
Gibson (British Columbia)	Gold	Canex Metals Inc	Option to acquire a 1.5% NSR	Exploration

EXPLORATION

Property	Primary Commodity	Explorer or Developer	Royalty Basis	Status
Golden Baie (Newfoundland)	Gold	Canstar Resources Inc.	2% NSR	Exploration
Golden Rose (Newfoundland)	Gold	Eldorado Gold Corp./ Tru Precious Metals Corp	2% NSR	Exploration
Hermitage (Newfoundland)	Gold	Canstar Resources Inc.	2% NSR	Exploration
White Bay (Newfoundland)	Gold	Churchill Resources Inc.	1.6 % GSR	Exploration
Viking (Newfoundland)	Gold	Magna Terra Minerals Inc.	2% NSR, plus 1-1.5% royalties on surrounding lands	Exploration
Moosehead (Newfoundland)	Gold	Sokoman Minerals Corp	2% NSR	Exploration
Wilding Lake, Crystal Lake, (Newfoundland)	Gold	Canterra Minerals Corporation	2% NSR	Exploration
Cuprite (Nevada)	Gold	Strikepoint Gold Inc.	1.5% NSR	Exploration
Humalite (Alberta)	Humalite (coal)	Creative Business Solutions	1-2% sliding scale GOR	Exploration
Iron Horse (Labrador)	Iron	Sokoman Minerals Corp	1% GSR; option to acquire additional 1.1% GSR	Exploration
Florence Lake (Labrador)	Nickel	Churchill Resources Inc.	1.6% GSR	Exploration
Moria (Quebec)	Nickel	Midland Exploration Inc. / Rio Tinto Exploration	1% NSR	Exploration
Taylor Brook (Newfoundland)	Nickel	Churchill Resources Inc.	1.6% GSR	Exploration
Voyageur (Michigan)	Nickel	Perseverance Metals (US) Inc.	2% NSR	Exploration

EXPLORATION

Property	Primary Commodity	Explorer or Developer	Royalty Basis	Status
Sail Pond (Newfoundland)	Silver, Copper	Sterling Metals Corp.	2% NSR	Exploration
Notakwanon (Labrador)	Uranium	Atha Energy Corp.	2% GSR	Exploration
Buchans (Newfoundland)	Zinc	Canstar Resources Inc	2% NSR	Exploration
Kingscourt, Rathkeale, Fermoy (Republic of Ireland)	Zinc	South 32 Base Metals Ireland	2% NSR on each Project	Exploration
Lismore (Republic of Ireland)	Zinc	BMEEx Ltd	2% NSR	Exploration
Midland (Ireland)	Zinc	BMEEx Ltd	1% GSR	Exploration
Point Leamington (Newfoundland)	Zinc	Callinex Mines Inc.	2% NSR	Exploration
Shire (Quebec)	Zinc, Lithium	Midland Exploration Inc. / Rio Tinto Exploration	1% NSR	Exploration
Sulieman (Australia)	Zinc	Rio Tinto Exploration Pty Limited	1% NSR for first 10 years of production	Exploration
Kan (Quebec)	Base Metals, Gold	Les Ressources Tectonic Inc.	Altius can purchase 0.5% NSR for \$750,000	Exploration
Bentonite (Alberta)	Clay type minerals including Bentonite	Western Clay Corp.	\$1 - \$2 per tonne sliding scale royalty	Exploration

Appendix 3 – Summary of ARR’s Operational, Construction and Development Renewable Energy Royalties

Table 3.1 - Operating

Project	Location	Project Seller	Renewable Energy Source	Project Owner/ Developer	Facility Size (MWac)	Grid Connection	Status	Royalty Basis
Hansford County	Hansford County, Texas (USA)	Apex	Wind	Undisclosed	658	SPP	Operational	Fixed ⁽¹⁾
Young Wind	Young County, Texas (USA)	Apex	Wind	NextEra Energy Resources	500	ERCOT	Operational	2.5% of revenue
Canyon Wind	Scurry County, Texas (USA)	TGE	Wind	NextEra Energy	308	ERCOT	Operational	2.4% of revenue ⁽⁴⁾
Jayhawk	Crawford and Bourbon County, Kansas (USA)	Apex	Wind	WEC Energy / Invenergy	195	SPP	Operational	2.5% of revenue
Appaloosa	Upton County, Texas (USA)	TGE	Wind	NextEra Energy Resources	175	ERCOT	Operational	1.5% of revenue
Old Settler ⁽³⁾	Floyd County, Texas (USA)	-	Wind	Northleaf Capital	150	ERCOT	Operational	Variable ⁽²⁾
Cotton Plains ⁽³⁾	Floyd County, Texas (USA)	-	Wind	Northleaf Capital	50	ERCOT	Operational	Variable ⁽²⁾
Prospero 2	Andrews County, Texas (USA)	-	Solar	Longroad Energy	250	ERCOT	Operational	Variable ⁽²⁾
Angelo Solar	Tom Green County, Texas (USA)	Apex	Solar	Apex	195	ERCOT	Operational	Variable ⁽⁶⁾
Titan Solar	Imperial County, California (USA)	Sunpin	Solar	Longroad Energy	70	CAISO	Operational	Variable ⁽²⁾
Phantom ⁽³⁾	Bell County, Texas (USA)	-	Solar	Northleaf Capital	15	DND	Operational	Variable ⁽²⁾
Clyde River	Orleans County, Vermont (USA)	-	Hydro	Gravity Renewables	5	ISO New England	Operational	10% of revenue

Table 3.2 - Construction

Project	Location	Project Seller	Renewable Energy Source	Project Owner/ Developer	Facility Size (MWac)	Grid Connection	Status	Expected COD ⁽⁵⁾	Royalty Basis
El Sauz	Willacy County, Texas (USA)	Apex	Wind	JERA Renewables	300	ERCOT	Construction	Q3 2024	2.5% of revenue
Panther Grove I	Woodford County, Illinois (USA)	TGE	Wind	Copenhagen Infrastructure Partner	400	PJM	Construction	2025/2026	3% of revenue

(1) Fixed Rate per MWh, see Press Release dated 12/20/2022

(2) Royalties with variable rates adjust under certain conditions, guaranteeing a minimum return threshold under certain timelines, after which a lower royalty percentage is applied

(3) While Old Settler Wind Project, Cotton Plains Wind Project, and Phantom Solar Project are three separate projects, GBR's investment was under one agreement, which includes the three projects as a single portfolio

(4) Canyon sliding scale royalty between 2-3%, see ARR press release 06/29/2022

(5) Expected COD based on internal assumptions and not detailed knowledge of construction date

(6) Royalties with variable rates adjust under certain conditions, guaranteeing a minimum return threshold under certain timelines, after which a lower royalty percentage is applied

Table 3.3 - Development (Wind)

Project	Location	Renewable Energy Source	Project Owner/ Developer	Facility Size (MWac)	Grid Connection	Status	Expected COD⁽¹⁾	Royalty Basis
Blackford Wind	Indiana	Wind	Leeward	200	PJM	Development	2025+	3% of revenue
Vermillion Grove Wind	Illinois	Wind	Enbridge ⁽²⁾	255	PJM	Development	2025+	3% of revenue
Hoosier Line ⁽³⁾	Indiana	Wind	Leeward	180	PJM	Development	2025+	3% of revenue
Shannon Wind	Illinois	Wind	Enbridge ⁽²⁾	150	PJM	Development	2025+	3% of revenue
Sugar Loaf Wind	Nebraska	Wind	Enbridge ⁽²⁾	150	SPP	Development	2025+	3% of revenue
Wyoming I	Wyoming	Wind	Enbridge ⁽²⁾	250	WECC	Development	2025+	3% of revenue
Easter	Texas	Wind	Enbridge ⁽²⁾	150	SPP	Development	2025+	3% of revenue
Cone/Crosby III	Texas	Wind	Enbridge ⁽²⁾	300	SPP	Development	2026+	3% of revenue
Water Valley Wind	Texas	Wind	Enbridge ⁽²⁾	150	ERCOT	Development	2026+	3% of revenue

Table 3.4- Development (Solar)

Project	Location	Renewable Energy Source	Project Owner/ Developer	Facility Size (MWac)	Grid Connection	Status	Expected COD ⁽¹⁾	Royalty Basis
Blackford Solar	Indiana	Solar	Leeward	150	PJM	Development	2025+	1.5% of revenue
Lawrence Solar	Pennsylvania	Solar	Enbridge ⁽²⁾	175	PJM	Development	2025+	1.5% of revenue
Honey Creek	Indiana	Solar	Leeward	400 ⁽³⁾	PJM	Development	2025+	1.5% of revenue
Gloucester Solar	Virginia	Solar	Enbridge ⁽²⁾	150	PJM	Development	2025+	1.5% of revenue
Vermillion Solar	Illinois	Solar	Enbridge ⁽²⁾	150	PJM	Development	2025+	1.5% of revenue
Cadillac Solar - Deville	Texas	Solar	Enbridge ⁽²⁾	350	ERCOT	Development	2025+	1.5% of revenue
Cadillac Solar - El Dorado	Texas	Solar	Enbridge ⁽²⁾	400	ERCOT	Development	2025+	1.5% of revenue
Flatland Solar	Texas	Solar	TBA	180	ERCOT	Development	2025+	1.5% of revenue equiv ⁽⁴⁾
Undisclosed	Virginia	Solar	Hexagon	138	Undisclosed	Development	TBA	Undisclosed
3 Early Stage TGE Projects	Western USA	Solar	Enbridge ⁽²⁾	1011	WECC	Development	TBA	1.5% of revenue

Note: Sum of wind and solar early-stage development projects related to Enbridge acquisition is 15 compared to 17 referenced in the Material Change Report filed October 5 2022 (see SEDAR+) because of two multi-phase projects

(1) Expected COD based on internal assumptions and not detailed knowledge of construction date

(2) Developer TGE was acquired by Enbridge, see ARR press release on 09/29/2022

(3) Facility size may be completed in phases

(4) Flatland fixed payments equivalent to 1.5%, see ARR press release 06/29/2022