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## Altius Write-Down of Genesee Royalty on Alberta Electrical Policy Change

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**St. John's** - Altius Minerals Corporation ("Altius" or "the Corporation") reports that it intends to record a \$70-\$75 million impairment charge on the carrying value of its 53% interest in the Genesee Royalty Limited Partnership ("GRLP") for the fiscal quarter ended January 31, 2017. This impairment charge is non-cash in nature, will not affect near to medium term cash flows of the Corporation, and the Corporation remains in compliance with debt covenants under its lending arrangements. In addition, the resulting adjusted Genesee royalty book value will now be in closer alignment with valuation estimates already in use by the financial analysts that cover Altius.

GRLP holds an underlying ownership interest in the coal resources at the Genesee Mine in Alberta. Its resources, upon mining by a third party contractor, provide low-cost, mine-mouth thermal coal feed to Capital Power Corporation's ("Capital Power") adjacent Genesee Generating Station. This coal is provided on a long-term, exclusive basis in exchange for a tonnage based royalty.

In accordance with a proposed change in provincial electrical generation policy, Capital Power recently announced that it has reached an agreement with the Government of Alberta to accept compensatory transition payments in exchange for ceasing coal fuelled power generation at its Genesee facilities by 2030. As a result of this agreement, Altius has reassessed the value of future GRLP payments and intends to decrease its share of the carrying value of the royalty. At the time that Altius and its investment partners acquired the royalty, Genesee was governed by policy and regulatory conditions that would allow it to continue operations until approximately 2055.

The Government of Alberta has publicly acknowledged that the Province's new policy objective, to completely phase out coal based electrical generation capacity by 2030, will have a negative economic impact on certain stakeholders that made investments in its integrated coal electricity sector under previous policy regimes. It has therefore elected to provide transition payments to impacted electrical generation stations and mine operators as a means of compensation for resulting stranded investments and to ensure continuing investor confidence in the Province. Altius is awaiting a response from the Alberta Minister of Energy to its request for a meeting to outline the impacts that the new policy has had on its significant investments in Alberta but can offer no assurances that it will receive similar compensatory treatment.

Altius CEO Brian Dalton commented, "The agreement between Capital Power and the Government of Alberta has brought a much greater degree of certainty that Alberta's new policy to shut down all of its coal generation capacity by 2030 will be successfully implemented. Altius and its investment partners fully respect the choice of the Alberta Government to amend Provincial policy as it sees fit. We also take encouragement from recent agreements it has reached with other stakeholders to help mitigate the impacts to their pre-existing good-faith investments in the sector and look forward to beginning a constructive and co-operative dialogue with the Province."

Brian then concluded with, "This impairment reflects the truncation of the last 25 years of royalties from Genesee and leaves our remaining estimated royalty life at 13-14 years, during which time we expect the Genesee royalty to continue as a consistently strong performer within our diversified, 14 mine royalty portfolio. Recognizing that Genesee is now a medium rather than long-term royalty is a disappointing result but we remain confident in the overall depth and strength of our diversified portfolio. Our royalty revenues and project generation business are both growing strongly now as the commodity price cycle recovery begins to take hold."

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**Forward-Looking Information**

*This news release contains forward-looking information. Forward-looking information contained in this new release includes, but is not limited to, the expected impairment charge on the carrying value of Altius' interest in GRLP and the outcome of any discussion with the Alberta Minister of Energy. Forward-looking information is based on information currently available to Altius and Altius provides no assurance that actual results will meet management's expectations. In certain cases, forward-looking information may be identified by such terms as "anticipates", "intends", "believes", "could", "estimates", "expects", "may", "shall", "will", "would", or similar expressions. Forward-looking information contained in this news release is based on certain factors and assumptions. While Altius considers these assumptions to be reasonable based on information currently available to it, they may prove to be incorrect.*

*Although Altius believes the expectations expressed in such forward-looking statements are based on reasonable assumptions, such statements are not guarantees of future performance and actual results or developments may differ materially from those in the forward-looking statements. Factors that could cause actual results to differ materially from those in forward-looking statements include, among other things, changes in market conditions, changes in the prices of commodities, unanticipated changes in key management personnel, and general economic and political conditions. Mining exploration and development is an inherently risky business. Accordingly, actual events may differ materially from those projected in the forward-looking statements. This list is not exhaustive of the factors that may affect any of Altius' forward-looking statements. These and other factors should be considered carefully and readers should not place undue reliance on Altius' forward-looking statements. Altius does not undertake to update any forward-looking statement that may be made from time to time by Altius or on its behalf, except in accordance with applicable securities laws.*

**About Altius**

*Altius' diversified royalties and streams generate revenue from 14 operating mines located in Canada and Brazil that produce copper, zinc, nickel, cobalt, precious metals, potash and thermal (electrical) and metallurgical coal. The portfolio also includes numerous pre-development stage royalties covering a wide spectrum of mineral commodities and jurisdictions. It also holds a large portfolio of exploration stage projects which it has generated for deal making with industry partners and which will result in third party funding, equity and minority interests and newly created royalty interests.*

*Altius has 43,335,654 shares issued and outstanding that are listed on Canada's Toronto Stock Exchange. It is a member of both the S&P/TSX Small Cap and S&P/TSX Global Mining Indices.*

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