



ELEMENTAL ROYALTIES CLOSES \$16.1M PRIVATE PLACEMENT OF SUBSCRIPTION RECEIPTS

December 15, 2020 – Vancouver, BC: Elemental Royalties Corp. (“**Elemental**” or “**the Company**”) (TSX-V: ELE, OTCQX: ELEM), a gold-focused royalty company providing investors with exposure to a growing portfolio of royalties, is pleased to announce that it has completed its private placement offering (the “**Offering**”) of 10,748,132 subscription receipts (each, a “**Subscription Receipt**” and collectively, the “**Subscription Receipts**”) at a price of \$1.50 per Subscription Receipt (the “**Offering**”) for approximately \$16.1 million in aggregate gross proceeds under the Offering. Canaccord Genuity Corp. (the “**Lead Underwriter**”) acted as lead underwriter for the Offering, on behalf of a syndicate of underwriters including Haywood Securities Inc., Scotia Capital Inc. and Sprott Capital Partners LP (together with the Lead Underwriter, the “**Underwriters**”). The Offering was completed in connection with the proposed Acquisition (as defined below), as further described in the Company’s press release dated November 23, 2020.

Each Subscription Receipt entitles the holder thereof to receive one common share (a “**Common Share**”) of Elemental, without any further action on the part of the holder and without payment of additional consideration, upon satisfaction of the escrow release conditions included in the subscription receipt agreement entered into among Elemental, Computershare Trust Company of Canada (the “**Escrow Agent**”), and the Lead Underwriter in connection with the Offering (the “**Subscription Receipt Agreement**”), including, but not limited to, the satisfaction of all conditions precedent to Elemental completing the gold royalty portfolio acquisition from South32 Limited (the “**Acquisition**”).

In consideration of the services rendered by the Underwriters in connection with the Offering, the Underwriters will receive from Elemental a cash commission (the “**Underwriters’ Fee**”) equal to 6.0% of the gross proceeds, excluding sales of Subscription Receipts to certain purchasers on a president’s list (the “**President’s List**”), in which case a cash commission of 3.0% of the gross proceeds from the President’s List purchasers will be paid to the Underwriters.

Pursuant to the Subscription Receipt Agreement, the aggregate gross proceeds of the Offering, less 50% of the Underwriters’ Fee and certain expenses of the Offering, are being held in escrow by the Escrow Agent. The aggregate net proceeds of the Offering and the remaining 50% of the Underwriters’ Fee will be released from escrow upon closing of the Acquisition.

Pursuant to the Subscription Receipt Agreement, in the event that the Acquisition is not completed within four months of the closing of the Offering, the Escrow Agent shall return to the holders of the Subscription Receipts an amount equal to the aggregate purchase price paid for the Subscription Receipts held by each holder, and each Subscription Receipt shall be cancelled and be of no further force or effect.

The net proceeds of the Offering will be used to fund part of the cash portion of the consideration payable in connection with the Acquisition.

The Offering and the Acquisition remain subject to customary regulatory and stock exchange approvals, including final approval of the TSX-V.

Insiders of the Company subscribed for a total amount of 440,432 Subscription Receipts under the Offering. Participation by these insiders constitutes a related party transaction as defined under Multilateral Instrument 61-101 – Protection of Minority Security Holders in Special Transactions (“**MI 61-101**”). The issuance of the Subscription Receipts to the related parties is exempt from the formal valuation requirements of Section 5.4 of MI 61-101 pursuant to Subsection 5.5(b) of MI 61-101 and exempt from the minority shareholder approval requirements of Section 5.6 of MI 61-101 pursuant to Subsection 5.7(b) of MI 61-101. The Company did not file a material change report 21 days prior to the closing of the Offering as the details of the participation of these insiders of the Company had not been confirmed at that time.

Not for distribution to U.S. news wire services or for dissemination in the United States.

This news release does not constitute an offer to sell or a solicitation of an offer to buy any of the securities in the United States. The securities have not been and will not be registered under the United States Securities Act of 1933, as amended (the “**U.S. Securities Act**”) or any state securities laws and may not be offered or sold within the United States or to U.S. Persons unless registered under the U.S. Securities Act and applicable state securities laws or an exemption from such registration is available.

On behalf of Elemental Royalties Corp.

Frederick Bell

CEO and Director

For further information about Elemental Royalties Corp. or this news release, please visit our website at www.elementalroyalties.com or by email at info@elementalroyalties.com.

Elemental Royalties Corp. is a proud member of Discovery Group. For more information please visit: discoverygroup.ca or contact 604-653-9464.

Neither the TSX-V nor its Regulation Service Provider (as that term is defined in the policies of the TSX-V.) accepts responsibility for the adequacy or accuracy of this press release.

About Elemental Royalties

Elemental Royalties is a gold-focused royalty company listed on the TSX-V in Canada and provides investors with lower risk precious metals exposure through a portfolio of nine high-quality royalties. This enables investors to benefit from ongoing royalty revenue, future exploration upside and low operating costs. Elemental’s experienced team seeks to secure royalties in advanced precious metals projects, run by established operators, from its pipeline of identified opportunities.

Cautionary note regarding forward-looking statements

This release contains certain “forward looking statements” and certain “forward-looking information” as defined under applicable Canadian securities laws. Forward-looking statements and information can generally be identified by the use of forward-looking terminology such as “may”, “will”, “should”, “expect”, “intend”, “estimate”, “anticipate”, “believe”, “continue”, “plans” or similar terminology.

Forward-looking statements and information include, but are not limited to, statements with respect to the transactions contemplated under the Acquisition, the use of proceeds of the Offering, and proposed future transactions Elemental may undertake and their expected timing. Forward-looking statements and information are based on forecasts of future results, estimates of amounts not yet determinable and assumptions that, while believed by management to be reasonable, are inherently subject to significant business, economic and competitive uncertainties and contingencies. Forward-looking statements and information are subject to various known and unknown risks and uncertainties, many of which are beyond the ability of Elemental to control or predict, that may cause Elemental’s actual results, performance or achievements to be materially different from those expressed or implied thereby, and are developed based on assumptions about such risks, uncertainties and other factors set out herein, including but not limited to: the requirement for regulatory approvals and third party consents, the impact of general business and economic conditions, the absence of control over the mining operations from which Elemental will receive royalties, including risks related to international operations, government relations and environmental regulation, the inherent risks involved in the exploration and development of mineral properties; the uncertainties involved in interpreting exploration data; the potential for delays in exploration or development activities; the geology, grade and continuity of mineral deposits; the impact of the COVID-19 pandemic; the possibility that future exploration, development or mining results will not be consistent with Elemental’s expectations; accidents, equipment breakdowns, title matters, labour disputes or other unanticipated difficulties or interruptions in operations; fluctuating metal prices; unanticipated costs and expenses; uncertainties relating to the availability and costs of financing needed in the future; the inherent uncertainty of production and cost estimates and the potential for unexpected costs and expenses, commodity price fluctuations; currency fluctuations; regulatory restrictions, including environmental

regulatory restrictions; liability, competition, loss of key employees and other related risks and uncertainties. Elemental undertakes no obligation to update forward-looking information except as required by applicable law. Such forward-looking information represents management's best judgment based on information currently available. No forward-looking statement can be guaranteed and actual future results may vary materially. Accordingly, readers are advised not to place undue reliance on forward-looking statements or information.