

## ELEMENTAL ROYALTIES NOTES HIGH GRADE EXTENSIONS AT PRODUCING AMANCAYA MINE, KARLAWINDA CONSTRUCTION ON TRACK.

**January 28, 2021 – 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 producing royalties, notes the recent announcement from Austral Gold Limited ("**Austral**") (ASX: AGD, TSX-V: AGLD) that in the course of a successful delineation program at its Amancaya mine it has discovered a new mineralized zone. Elemental holds a 2.25% NSR royalty at Amancaya, which is expected to produce in excess of 50,000 gold equivalent ounces in 2020.

Additionally, Capricorn Metals ("**Capricorn**") (ASX: CMM) released their December Quarterly Activities Report, confirming that development of the Karlawinda Gold Project is proceeding as planned, with first gold production expected in the June 2021 quarter. Elemental has entered into a binding agreement to acquire a 2% NSR royalty on Karlawinda from South32 Limited.

*"This is a very exciting development, with Austral noting that it is potentially transformative with respect to both possible production rate, and mine life." said Frederick Bell, CEO of Elemental. "Elemental's highest royalty rate is on the Amancaya mine – giving us a high degree of leverage to additional discoveries. We are also pleased that Karlawinda construction is on time and on budget; we are looking forward to the start of production at the 110-125,000 ounce per annum gold mine in Q2 2021."*

### Drilling Highlights - Amancaya

- **2.53 metres @ 12.18 g/t gold** and 8.5 g/t silver in the Central Vein and discovered a **new mineralized breccia zone below that of 30m at 4.04 g/t gold** and 7.5 g/t silver, **including 4.14 metres @ 23.50 g/t gold** and 29.3 g/t silver (DAM-008)
- **1.35 metres @ 14.65 g/t gold** and 50.6 g/t silver, including 42.43 g/t gold and 124 g/t silver over 0.44 metres (DAM-002)
- **2.07 metres @ 12.13 g/t gold** and 57.5 g/t silver, including 21.01 g/t gold and 142.8 g/t silver over 0.88 metres (DAM-003)
- **0.40 metres @ 41.89 g/t gold** and 7.5 g/t silver (DAM-012)

### Extension of Known Veins

The Amancaya drilling program commenced in Q4 2020, targeting Resource and Reserve growth at depth. Austral notes that a new strategy orienting the drilling from west to east has intercepted the veins 50-100 metres below existing workings, with similar widths and tenor.

### A New Mineralized Zone

In addition, Austral also reported the discovery of a new mineralized breccia system, some 40 metres downhole beyond the currently mined vein. This new wide zone of hydrothermal breccia may have the potential to enhance the production profile and further extend mine life at Amancaya.

### Karlawinda Construction on Track

Capricorn announced that concreting and civil earthworks have been completed at the processing plant, the ball mill has been delivered to site, the majority of processing equipment and steelwork has been delivered, construction of the Tailings Storage Facility is underway, and mining has commenced in the Bibra open pit.

Development costs are in line with budget, with the available funding balance including a 29% contingency allowance. First gold production continues to be expected in Q2 2021.

Capricorn has also commenced a near pit exploration program, targeting the conversion of Inferred Resources to Indicated immediately to the west of the current A\$1,600 Bibra pit, to support potential pit expansions and production increases. Significant interceptions include:

- **5 metres @ 3.77 g/t** from 36 metres (KBRC1470)
- **7 metres @ 1.59 g/t** from 48 metres (KBRC1456)
- **4 metres @ 2.09 g/t** from 35 metres (KBRC1467)
- **2 metres @ 3.68 g/t** from 49 metres (KBRC1467)
- **12 metres @ 0.74 g/t** from 44 metres (KBRC1455)
- **11 metres @ 0.75 g/t** from 67 metres (KBRC1468)

### **On behalf of Elemental Royalties Corp.**

#### **Frederick Bell**

CEO and Director

For further information about the Company or this news release, please visit our website at [www.elementalroyalties.com](http://www.elementalroyalties.com) or by email at [info@elementalroyalties.com](mailto:info@elementalroyalties.com).

Elemental is a proud member of Discovery Group. For more information please visit: [discoverygroup.ca](http://discoverygroup.ca) or contact 604-653-9464.

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### **About Elemental Royalties**

Elemental 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 future growth and development of the Company. 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, labor 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.