

ELEMENTAL ROYALTIES REPORTS STRENGTHENING OF COUNTERPARTIES ON KEY ROYALTIES AND PROVIDES EXPLORATION UPDATE

December 21, 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 producing royalties, is pleased to provide a corporate update covering three of its existing royalties and one royalty that is part of the portfolio being acquired from South32 Limited (“**South32**”) as announced on November 23, 2020.

Highlights

- Equinox Gold Corp. (“**Equinox**”) (TSX: EQX, NYSE American: EQX) announced the acquisition of Premier Gold Mines Limited (“**Premier**”) (TSX: PG). Elemental owns a 1% Net Smelter Returns (“**NSR**”) royalty on Premier’s Mercedes Mine (“**Mercedes**”), a key asset in the Premier portfolio, which becomes payable to Elemental from July 28, 2022 following a time hurdle
- Endeavour Mining Corp. (“**Endeavour**”) (TSX: EDV) announced the acquisition of Teranga Gold Corp. (“**Teranga**”) (TSX: TGZ). Elemental owns a 1% NSR royalty on Teranga’s Wahgnion Mine
- Panoramic Resources Limited (“**Panoramic**”) (ASX: PAN) announced the sale of 80% of its Panton project to Great Northern Palladium Pty Ltd (“**Great Northern**”) for A\$12 million. Elemental owns a 0.5% NSR royalty on the Panton project
- Rumble Resources Ltd (ASX: RTR) (“**Rumble**”) completed 22,784 metres of drilling at their Western Queen Project (“**Western Queen**”). Elemental has agreed to acquire a royalty varying from A\$6/oz to A\$20/oz on the core mining leases of the Western Queen Project from South32

Frederick Bell, CEO of Elemental commented: *“Over the last month, we have seen transactions announced that improve the quality of counter-party at three of Elemental’s royalties. Equinox’s acquisition of Premier will see the Mercedes mine operated by an enlarged company with a stronger balance sheet, enhanced technical and managerial capacity and growing gold production. This follows Endeavour Mining’s combination with Teranga Gold to create a top 10 gold producer globally with a strong track record of organic growth across its assets. Elemental has a 1% NSR royalty over Teranga’s Wahgnion gold mine. Lastly, the acquisition of Panton by Great Northern Palladium should lead to an increased focus on the project, which had no longer been core to its previous owner.*

Meanwhile, one of the royalties being acquired from South32, at Rumble’s Western Queen project, continues to progress its drill campaign and we look forward to further developments from Rumble.

Despite the constraints of the COVID-19 pandemic, 2020 has been a transformational year for Elemental. The company acquired the Wahgnion royalty in January for US\$12.5 million, listed on the TSX-V in July alongside a C\$24 million fundraise, and most recently announced the acquisition of the South32 portfolio for US\$55 million – providing near term cashflow and a firm weighting to Western Australia. An oversubscribed C\$16 million fundraise puts the company in a strong position as it looks to continue to build on the platform already established going into 2021.”

Equinox Announces Friendly Acquisition of Premier

- Equinox to acquire Premier, retaining the Mercedes mine and other assets as part of their core portfolio, and spin out Premier’s US assets into a new company
- The pro forma company will have a market capitalization of approximately US\$3.0 billion, targeting 750,000 ounces of gold production in 2021, and has over US\$570 million in available liquidity
- Announced potential for Mercedes to increase annual throughput toward 80,000 to 90,000 ounces of gold (Q3 2020 production: 12,183 ounces of gold and 49,985 ounces of silver)

Endeavour Announces Friendly Acquisition of Teranga

- Endeavour to acquire Teranga, creating a top 10 gold producer, with average annual gold production of more than 1.5 million ounces
- Wahgnion mine compliments Endeavour's in-country presence in Burkina Faso, where Endeavour are currently operating the Houndé, Boungou, Mana, and Karma mines
- Potential to unlock additional value at Wahgnion through exploration and asset optimization
- La Mancha, a privately held international gold company, has committed to invest US\$200 million in the combined entity

Great Northern Palladium Acquires Panton Project

- On December 18, 2020, Panoramic announced that it had sold 80% of its shares in a subsidiary holding the Panton project to Great Northern, a private Australian company, for A\$12 million
- Great Northern has the right to acquire the remaining 20% for A\$3 million within six months of completion, otherwise Panoramic will be free-carried by Great Northern until a decision to mine

Panton has a Measured and Indicated Resource of 879,000 ounces of platinum at 2.3 g/t and 963,000 thousand ounces of palladium at 2.5 g/t.

Western Queen Highlights

- **Phase 3 Drilling Campaign**
 - Rumble have completed a total of 236 holes for aggregate of 22,784 metres
 - Approximately 6,000 assays remain pending/unreported
 - Resource estimation and database compilation has commenced
 - Phase 4 drilling to target follow up discoveries, new shoots, and extensional drilling
- Rumble had previously announced an encouraging range of high-grade intersections from a number of prospects on November 4th, 2020 including:
 - Duke Gold Shoot
 - **8m at 26.3 g/t Au** from 14m
 - **6m at 25.9 g/t Au** from 48m
 - Western Queen Central
 - **5m @ 22.1 g/t Au** from 280m
 - **9.7m @ 2.9 g/t Au** from 459.3m
 - Baron Zone
 - **5m @ 6.1 g/t Au** from 12m within a broader **21m @ 2.2 g/t Au**
 - **5m @ 4.8 g/t Au** from 6m
 - **4m @ 5.7 g/t Au** from 54m
 - Marquis Zone
 - A new discovery of gold mineralisation over 500m to date
 - **4m @ 5.7 g/t Au** from 70m within a broader **12m @ 1.9 g/t Au** from 70m
 - **3m @ 4.1g/t Au** from 57m within a broader **42m @ 0.6g/t Au** from 46m

Qualified Person

Richard Evans, FAusIMM, Senior Vice President Technical for Elemental, and a qualified person under National Instrument 43-101 *Standards of Disclosure for Mineral Projects*, has reviewed and approved the scientific and technical disclosure contained in this press release.

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 or by email at info@elementalroyalties.com.

Elemental 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 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, future operations and work programs at various royalties, La Mancha's \$200 million investment in Teranga, the completion of Endeavour's acquisition of Teranga, the completion of Great Northern Palladium's acquisition of the Panton Project and the completion of Equinox's acquisition of Premier. 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.