

Electric Royalties Announces Commitment Letter To Increase Convertible Credit Facility to C\$10 Million on Improved Terms, Takes Drawdown

VANCOUVER, BC / ACCESSWIRE / October 19, 2023 / Electric Royalties Ltd. (TSXV:ELEC)(OTCQB:ELECF) ("Electric Royalties" or the "Company") is pleased to announce, further to its April 20, 2023, January 19, 2023 and November 16, 2022 news releases, that it has signed a commitment letter with Gleason & Sons LLC (the "Lender") to increase the Company's existing convertible credit facility from C\$5,000,000 to C\$10,000,000 (the "Loan Amendment"). Gleason & Sons LLC is controlled by Stefan Gleason, a significant shareholder and Board Observer of Electric Royalties.

The credit facility will be secured by: (i) a portion of the Company's existing royalty portfolio (1.5% Gross Revenue Royalty on the Penouta Mine in Spain, 0.5% Gross Revenue Royalty on the Kenbridge nickel project in Canada, the sliding scale Gross Metals Royalty on the Middle Tennessee Mine in the United States, 0.5% Gross Metal Royalty on the Authier lithium project in Canada and 1.5% Gross Revenue Royalty on the Bissett Creek graphite project in Canada); and (ii) a lien against the Company's present and future rights in additional royalties acquired using funds advanced under the credit facility, if any.

The Lender has also agreed to extend the Maturity Date of the loan from January 12, 2026 to January 12, 2028. All other terms of the credit facility remain the same.

Meanwhile, the Company has elected to draw down C\$500,000 under the convertible credit facility (the "Drawdown") for working capital.

Brendan Yurik, CEO of Electric Royalties, commented: **"We once again thank our largest shareholder Stefan for his ongoing and long-term support of Electric Royalties. The additional \$5 million in credit that he is providing, with a favorable term and rate, speaks to his belief in the mandate of the Company, which is to grow shareholder value by enabling the development of metal assets the world critically needs to achieve electrification and transition away from fossil fuels. Access to this credit facility means that Electric Royalties is able to continue pursuing its near-term goal of becoming cashflow positive through the acquisition of additional producing royalties, without diluting shareholders at current share prices."**

Stefan Gleason, Managing Director of Gleason & Sons, commented: **"We are pleased to help Electric Royalties capitalize on today's especially fertile environment to acquire undervalued royalties. As a shareholder, I applaud Brendan and the Company's board for having kept overhead costs so low while continuing to execute on their business plan - and without dilutive equity financings whilst Electric Royalties' market valuation appears so far below fair value."**

The Credit Facility is a "related party transaction" within the meaning of Multilateral Instrument 61-101 Protection of Minority Security Holders in Special Transactions ("**MI 61-101**"). The

Credit Facility is exempt from the valuation requirement of MI 61-101 by virtue of the exemption contained in section 5.5(b) as the Company's common shares are not listed on a specified market and from the minority shareholder approval requirements of MI 61-101 by virtue of the exemption contained in section 5.7(a) of MI 61-101 in that the fair market value of Credit Facility does not exceed 25% of the Company's market capitalization.

The Loan Amendment and the Drawdown are subject to completion of documentation, the approval of the TSX Venture Exchange and other customary closing conditions.

About Electric Royalties Ltd.

Electric Royalties is a royalty company established to take advantage of the demand for a wide range of commodities (lithium, vanadium, manganese, tin, graphite, cobalt, nickel, zinc and copper) that will benefit from the drive toward electrification of a variety of consumer products: cars, rechargeable batteries, large scale energy storage, renewable energy generation and other applications.

Electric vehicle sales, battery production capacity and renewable energy generation are slated to increase significantly over the next several years and with it, the demand for these targeted commodities. This creates a unique opportunity to invest in and acquire royalties over the mines and projects that will supply the materials needed to fuel the electric revolution.

Electric Royalties has a growing portfolio of 22 royalties, including two royalties that currently generate revenue. The Company is focused predominantly on acquiring royalties on advanced stage and operating projects to build a diversified portfolio located in jurisdictions with low geopolitical risk, which offers investors exposure to the clean energy transition via the underlying commodities required to rebuild the global infrastructure over the next several decades towards a decarbonized global economy.

For further information, please contact:

Brendan Yurik
CEO, Electric Royalties Ltd.
Phone: (604) 364-3540
Email: Brendan.yurik@electricroyalties.com
www.electricroyalties.com

Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange), nor any other regulatory body or securities exchange platform, accepts responsibility for the adequacy or accuracy of this release.

Cautionary Statements Regarding Forward-Looking Information and Other Company Information

This news release includes forward-looking information and forward-looking statements (collectively, "forward-looking information") with respect to the Company within the meaning of

Canadian securities laws. This news release includes information regarding other companies and projects owned by such other companies in which the Company holds a royalty interest, based on previously disclosed public information disclosed by those companies and the Company is not responsible for the accuracy of that information, and that all information provided herein is subject to this Cautionary Statement Regarding Forward-Looking Information and Other Company Information. Forward looking information is typically identified by words such as: believe, expect, anticipate, intend, estimate, postulate and similar expressions, or are those, which, by their nature, refer to future events. This information represents predictions and actual events or results may differ materially. Forward-looking information may relate to the Company's future outlook and anticipated events and may include statements regarding the financial results, future financial position, expected growth of cash flows, business strategy, budgets, projected costs, projected capital expenditures, taxes, plans, objectives, industry trends and growth opportunities of the Company and the projects in which it holds royalty interests.

While management considers these assumptions to be reasonable, based on information available, they may prove to be incorrect. Forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company or these projects to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. These risks, uncertainties and other factors include, but are not limited to risks associated with general economic conditions; adverse industry events; marketing costs; loss of markets; future legislative and regulatory developments involving the renewable energy industry; inability to access sufficient capital from internal and external sources, and/or inability to access sufficient capital on favourable terms; the mining industry generally, the Covid-19 pandemic, recent market volatility, income tax and regulatory matters; the ability of the Company or the owners of these projects to implement their business strategies including expansion plans; competition; currency and interest rate fluctuations, and the other risks.

The reader is referred to the Company's most recent filings on SEDAR as well as other information filed with the OTC Markets for a more complete discussion of all applicable risk factors and their potential effects, copies of which may be accessed through the Company's profile page at www.sedar.com and at otcmarkets.com.

SOURCE: Electric Royalties Ltd.