RE Royalties Announces Second Quarter 2023 Financial Results and Key Business Highlights

All amounts in Canadian dollars unless otherwise stated

August 25, 2023 Vancouver, BC – RE Royalties Ltd. (TSX.V: RE) (OTCQX: RROYF) ("**RE Royalties**" or the "**Company**"), a global leader in renewable energy royalty-based financing, is pleased to announce the financial results for the second quarter ended June 30, 2023 ("**Q2 2023**"). For further information on these results please see the Company's Condensed Consolidated Interim Financial Statements and Management's Discussion and Analysis for Q2 2023, filed on SEDAR+ at www.sedarplus.com.

Key business and financial highlights for Q2 2023 include:

- In May 2023, the Company acquired a royalty on 100MW of output from a wind project located in Alberta, Canada ("Alberta Wind Project") for $940,000 Canadian dollars. The Alberta Wind Project is owned by a major independent power producer with a power purchase agreement with a large corporate off taker. The Company will receive average annual royalty payments of approximately $132,000 per year, payable monthly for a period of 12 years.

- Teichos Energy LLC sold the Jackson Center Solar Project Phase 1 and 2, and subsequently repaid the outstanding loan and repurchased the royalty for US$1.15 million ("Teichos Repurchase). This gain has been recorded as a component of revenue and income for Q2 2023.

- Quarterly revenue and income, including the share of income from the Company's investment in OCEP for the three months ended June 30, 2023, of **$3,437,000, an increase of $2,250,000 or 189%** over the similar period in the prior year**.**

- Year-to-date revenue and income, including the share of income from the Company's investment in OCEP for the six months ended June 30, 2023, of **$5,262,000, an increase of $3,418,000 or 185%** over the similar period in the prior year**.**

- Quarterly gross profit, including changes in fair value of financial assets and share of income in OCEP, for the three months ended June 30, 2023, of **$3,349,000, an increase of $2,213,000 or 195%** over the similar period in the prior year**.**

- Year-to-date gross profit, including changes in fair value of financial assets and share of income in OCEP, for the six months ended June 30, 2023, of **$5,139,000, an increase of $3,466,000 or 207%** over the similar period in the prior year**.**

- Quarterly Earnings Before Interest, Taxes, Depreciation and Amortization ("EBITDA")[1] for the three months ended June 30, 2023 of **$2,156,000, an increase of $1,384,000 or 179%** over the similar period in the prior year.

- Year-to-date Earnings Before Interest, Taxes, Depreciation and Amortization ("EBITDA")[1] for the six months ended June 30, 2023 of **$3,502,000, an increase of $2,742,000 or 361**% over the similar period in the prior year.

- Quarterly net income after income tax for Q2 2023, of **$1,123,000, an increase of $897,000 or 398%** over the similar period in the prior year**.**

- Year to date net income after income tax for the six months ended June 30, 2023 of **$1,681,000, an increase of $2,005,000** over the similar period in the prior year**.**

- Cash and cash equivalents of **$17,716,000,** including restricted cash.

Subsequent to the end of Q2 2023:

- In August 2023, the Company entered into a loan agreement and a royalty agreement with Butler Corporation SpA ("CleanLight"), a Chilean technology company and manufacturer of mobile solar-battery systems including solar lighting towers and solar-hybrid battery generators. The Company provided a US$3.0 million secured loan to finance CleanLight's expansion into other countries in Latin America. The CleanLight Loan has a two-year term, and bears interest of 12% per annum. The Company also acquired a gross revenue royalty of 5% for a period of 10 years, which will reduce to 3% after certain revenue milestones are met, for US$200,000.

"We are pleased to continue delivering this trajectory of revenue growth and profitability for our shareholders and investors for the sixth consecutive quarter. We are also happy to see the progress made by our portfolio clients in achieving key milestones in their growth journey. Our investment portfolio continue to generate stable, recurring and resilient cash flows and with the cash on hand, and opportunities currently under due diligence, we expect to continue this path of growth over the coming quarters" said Bernard Tan, CEO.

Conference Call on Tuesday, August 29, 2023

Management will be hosting a second quarter conference call and live webcast to discuss its second quarter results. After opening remarks by management there will be a question-and-answer session open to analysts and investors. Questions can be submitted in advance to Melanee Henderson, Investment Relations (melaneehenderson@reroyalties.com).

You can register for the webcast as follows:

Date: Tuesday August 29, 2023
Time: 1:00pm PT (4:00pm ET)
Teams Link: Click Here or:
https://www.microsoft.com/microsoft-teams/join-a-meeting
Meeting ID: 237 450 118 56
Passcode: 9PfoT3

Or call in (audio only): (778)-725-6875
Phone Conference ID: 308 021 590#

[1]Non-GAAP Performance Measures

This document contains presentation of Earnings Before Interest, Taxes, Depreciation, and Amortization ("EBITDA") as a non-GAAP financial measure. This measure may differ from similar measures used by, and may not be comparable to such measures as reported by, other companies. The Company believes that EBITDA is commonly used by certain investors, in conjunction with conventional IFRS measures, to enhance their understanding of the Company's performance. These measures have been derived from the Company's financial statements and applied on a consistent basis. Non-GAAP measures are intended to provide additional information, not to replace IFRS measures, and do not have a standard definition under IFRS and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS. Further information on the composition and usefulness of each non-GAAP financial measure, including reconciliation to their most directly comparable IFRS measures, is included in the non-GAAP financial measures section of our MD&A, which are available on Sedar or on the Company's website.

About RE Royalties Ltd.

RE Royalties Ltd. acquires revenue-based royalties from renewable energy facilities and technologies by providing a non-dilutive financing solution to privately held and publicly traded companies in the renewable energy sector. RE Royalties is the first to apply this proven business model to the renewable energy sector. The Company currently owns over 100 royalties on solar, wind, hydro, battery storage, energy efficiency and renewable natural gas projects in Canada, United States, Mexico and Chile. The Company's business objectives are to provide shareholders with a strong growing yield, robust capital protection, high rate of growth through re-investment and a sustainable investment focus.

For further information, please contact:

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Forward Looking Statements

This news release includes forward-looking information and forward-looking statements (collectively, "forward-looking information") with respect to the Company and within the meaning of Canadian securities laws. 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 or results and may include statements regarding the Company's 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 including financing. 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.