



# Altius

RENEWABLE ROYALTIES

February 2024

TSX: ARR | OTCQX: ATRWF

# Forward-Looking Statement

This presentation includes certain statements that constitute “forward-looking statements” and “forward-looking information” within the meaning of applicable securities laws (collectively, “forward-looking statements”). Forward-looking statements include statements regarding Altius Minerals' or the Company's intent, or the beliefs or current expectations of ARR's officers and directors, including in particular and without limitation: expectations and plans for future growth of ARR including expansion into existing and new markets, acquisitions of additional royalties and illustrative revenue; the need for additional capital along with expected sources of, and access to, such capital; expectations with respect to the use of proceeds; expectations on returns from future investments or royalties; possible changes in regulatory regimes; growth in demand for renewable power and decline of demand for fossil fuel and nuclear based power in the U.S.; expectations relating to the expansion of the renewable energy industry; the effect of government regulation, incentives and taxation regimes on the Company's future revenue potential; incentives or taxation regimes; expectations of cost competitiveness of renewable power relative to other sources of power generation; expectations of MW capacity ARR may receive from investments; and expectations regarding Altius Minerals' continued ownership of Common Shares of ARR. Such forward-looking statements are typically identified by words such as “believe”, “anticipate”, “estimate”, “project”, “intend”, “expect”, “may”, “will”, “plan”, “should”, “would”, “contemplate”, “possible”, “attempts”, “seeks” and similar expressions. Forward-looking statements may relate to future outlook and anticipated events or results.

Factors that could cause actual results to differ materially from those in forward-looking statements include, among other things, changes in market conditions, changes in power prices, changes in expectations for the growth in demand for renewable power in the U.S., unanticipated changes in key management personnel, general economic and political conditions, the risk that the Offering may not be completed and the failure to receive applicable regulatory approvals, as well as the other risk factors described in ARR's preliminary prospectus in respect of the Offering.

By their very nature, forward-looking statements involve numerous assumptions, inherent risks and uncertainties, both general and specific, and the risk that predictions and other forward-looking statements will not prove to be accurate. Do not unduly rely on forward-looking statements, as a number of important factors, many of which are beyond ARR's control, could cause actual results to differ materially from the estimates and intentions expressed in such forward-looking statements. In addition, this presentation may contain forward-looking information attributed to third-party industry sources.

**The forward-looking information included in this presentation is expressly qualified by the foregoing cautionary statements.** Forward-looking statements speak only as of the date those statements are made, and are subject to change after such date. Except as required by applicable law, ARR does not assume any obligation to update, or to publicly announce the results of any change to, any forward-looking statement contained herein to reflect actual results, future events or developments, changes in assumptions or changes in other factors affecting the forward-looking statements.

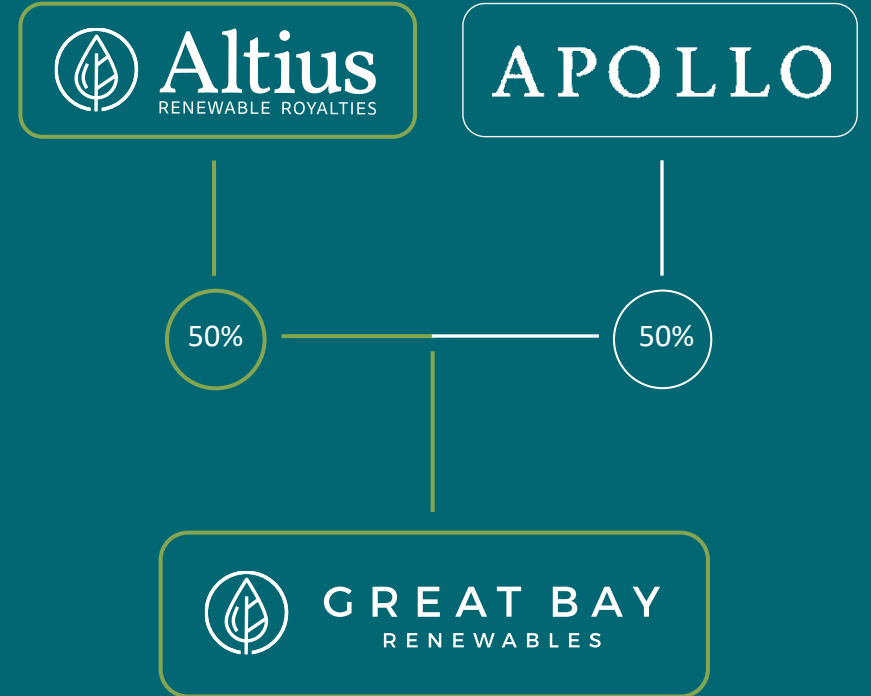
# Corporate Structure: ARR, Apollo and GBR



**Brian Dalton**  
CEO of Altius  
Renewable Royalties



**Frank Getman**  
CEO of Great Bay  
Renewables





# Why Renewable Royalties?



Established new financing tool for industry, now recognized by CIP, NextEra, WEC and others

Supports project development through to construction and post-operational refinance or acquisition

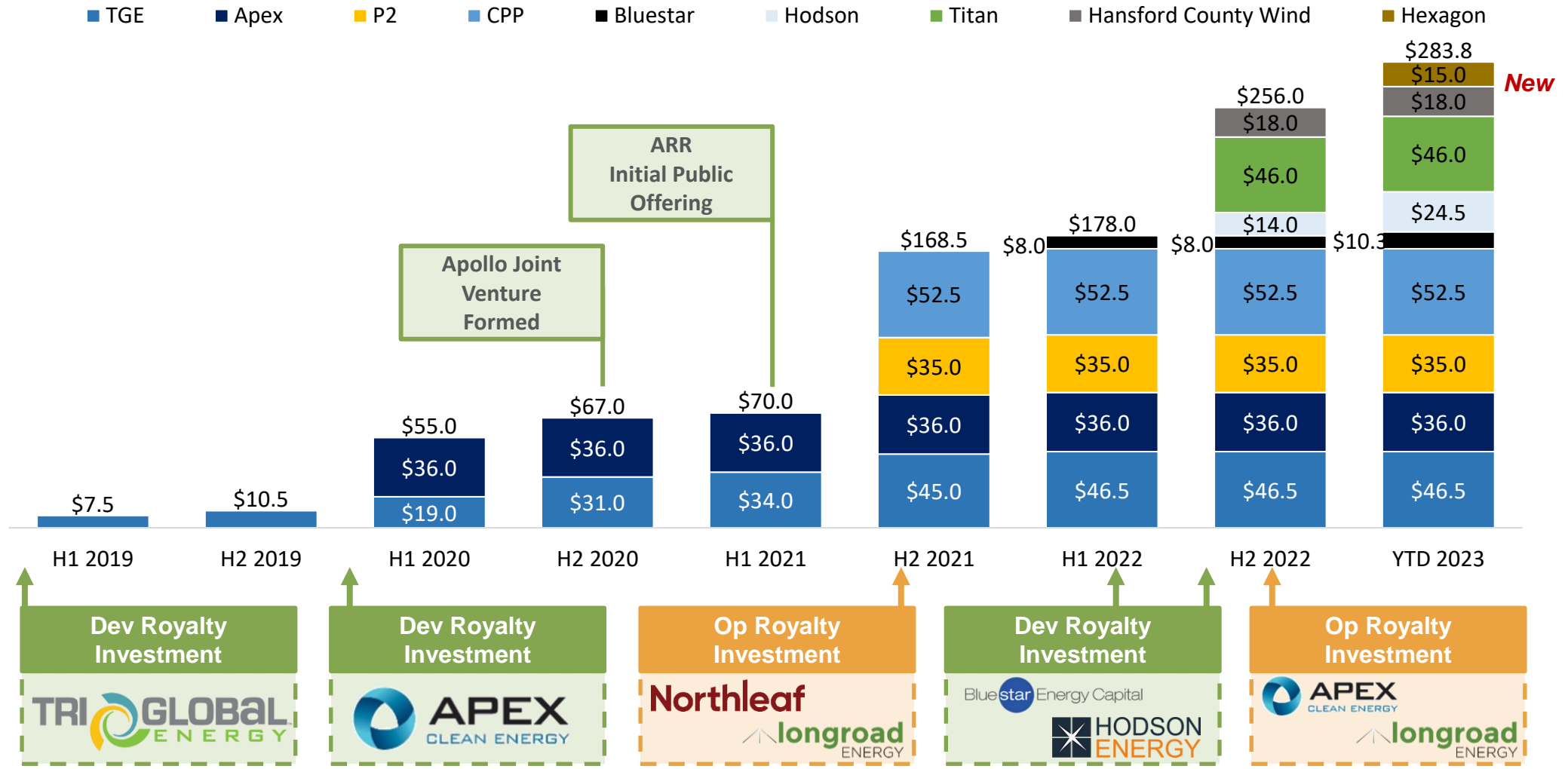
Top line revenue exposure  
(No ongoing capital or operating cost exposure)

Supports both contracted and market-based power pricing

Broadly diversified portfolio and embedded optionality

# Strong Adoption of Royalty Model Continues in Renewables Sector

## Cumulative Capital Deployed<sup>1</sup> to Date



**Since 2019, \$284M has been deployed, with an incremental ~\$67.75M of unfunded commitments**

<sup>1</sup> Capital deployed net of Enbridge acquisition and resulting adjustment to TGE investment and Apex redemption

## 2023 Results Year-to-Date (Sept 30)

- ④ GBR 9 Month royalty revenue of \$7.8M up 39% year over year; GBR full year royalty revenue of \$10.4M up 40% from \$7.4M in 2023.
- ④ GBR 9 Month Adjusted EBITDA of \$5.3M up 44% year over year.
- ④ Cash at end of quarter \$37.8M at ARR plus \$54.1M proceeds from initial credit facility drawdown.
- ④ Commitments of \$33.9M at the ARR level, expected to be funded 2024 – 2027+ from existing liquidity and future cashflow.

## New \$247M Senior Secured Credit Facility

- Announced Oct 31 2023, first debt financing provided to GBR on the strength of existing cash flowing royalties
- Includes a \$123.5M initial term facility, \$100M delayed draw facility and \$23M letter of credit
- 5 year term, 20 year amortization, fully hedged for initial term, 50% hedged thereafter
- Green loan eligible under International Capital Market Association principles
- Provides significant liquidity to fund future growth
- Strong validation and endorsement of business model



## Embedded Growth Pipeline – Development Royalties

| Investment Name                      | Development Portfolio | Technology                                      | Market                 | COD Date     |
|--------------------------------------|-----------------------|---|------------------------|--------------|
| <b>Tri Global / Enbridge</b>         | 5.8 GW                | Wind / Solar                                    | Nationally Diversified | 2024 – 2027+ |
| <b>Nova Clean Energy<sup>1</sup></b> | 1.5 GW                | Wind / Solar                                    | Nationally Diversified | 2026+        |
| <b>Hodson</b>                        | 2.4 GW                | Solar / Solar + Storage                         | Nationally Diversified | 2025 – 2028+ |
| <b>Hexagon</b>                       | 5.3 GWs               | Solar / Solar + Storage /<br>Standalone Storage | Nationally Diversified | 2024 – 2029+ |
| <b>TOTAL</b>                         | <b>15 GW</b>          |   |                        |              |

1. Subsidiary of Bluestar



# Strong Economics

| GBR Investments |  |            |              |
|-----------------|--|------------|--------------|
|                 | TGE Royalty Investment <sup>1</sup>                  | \$M        | \$46.5       |
|                 | Apex Royalties Assigned                              | \$M        | \$36         |
|                 | Northleaf (Cotton Plains )Royalties                  | \$M        | \$52.5       |
|                 | Longroad (Prospero 2) Royalty                        | \$M        | \$35         |
|                 | Bluestar/Nova Investment                             | \$M        | \$32.5       |
|                 | Hodson Royalty Investment                            | \$M        | \$40         |
|                 | Titan Solar Royalty Investment                       | \$M        | \$46         |
|                 | Hansford County Wind Royalty Investment              | \$M        | \$18         |
|                 | <b>Hexagon Royalty Investment - <i>New</i></b>       | \$M        | \$45         |
|                 | Other Legacy Royalties                               | \$M        | \$5          |
|                 | <b>Total Project Exposure</b>                        | <b>\$M</b> | <b>\$357</b> |
|                 | Stated Target Return Threshold <sup>2</sup>          | %          | ~8-12%       |
|                 | <b>Levelized GBR Royalty Revenue Estimate (100%)</b> | <b>\$M</b> | <b>\$46</b>  |
| ARR Cash Flows  | Levelized ARR Royalty Revenue Estimate (50%)         | \$M        | \$23         |
|                 |  | C\$M       | \$31         |
|                 | G&A <sup>3</sup>                                     | C\$M       | \$3.4        |

✓ Development Stage Project Economics Driven by Minimum Return Threshold with Each Investment

- Development and project delays accrue to return threshold
- Royalty FMV calculated post-COD<sup>4</sup>
- Embedded Upside to Enhance Returns

✓ Operating Stage Royalties Provide Immediate Cash Flow and Variable Royalty Structure Provides Downside Protection

1. Includes \$25M from Apollo's initial \$80M investment

2. Pre-tax unlevered target return

3. Includes both attributable GBR G&A and other public costs at the ARR-level

4. FMV of each development royalty agreement is determined by a third-party appraiser if parties cannot agree

# Operating & Construction Stage Renewable Energy Projects Under Royalty

## Operating

| Project                         | Project Originator | Location   | Renewable Energy Source | Owner                  | Facility Size (MW) | Status      | Royalty Basis                |
|---------------------------------|--------------------|------------|-------------------------|------------------------|--------------------|-------------|------------------------------|
| Hansford Wind                   | Apex               | Texas      | Wind                    | Undisclosed            | 658                | Operational | Fixed <sup>1</sup>           |
| Young Wind                      | Apex               | Texas      | Wind                    | NextEra Energy         | 500                | Operational | 2.5% of revenue              |
| Prospero 2                      | Longroad Energy    | Texas      | Solar                   | Longroad Energy        | 250                | Operational | Variable <sup>2</sup>        |
| Jayhawk                         | Apex               | Kansas     | Wind                    | WEC Energy / Invenergy | 195                | Operational | 2.5% of revenue              |
| Appaloosa                       | TGE                | Texas      | Wind                    | NextEra Energy         | 175                | Operational | 1.5% of revenue              |
| Old Settler Wind <sup>3</sup>   | Northleaf Capital  | Texas      | Wind                    | Northleaf Capital      | 150                | Operational | Variable                     |
| Titan Solar                     | Sunpin             | California | Solar                   | Longroad Energy        | 70                 | Operational | Variable                     |
| Cotton Plains Wind <sup>3</sup> | Northleaf Capital  | Texas      | Wind                    | Northleaf Capital      | 50                 | Operational | Variable                     |
| Phantom Solar <sup>3</sup>      | Northleaf Capital  | Texas      | Solar                   | Northleaf Capital      | 15                 | Operational | Variable                     |
| Clyde River                     | Great Bay          | Vermont    | Hydro                   | Gravity Renewables     | 5                  | Operational | 10% of revenue               |
| Canyon Wind                     | TGE                | Texas      | Wind                    | NextEra Energy         | 308                | Operational | 2-3% of revenue <sup>4</sup> |

1. Fixed Rate per MWh, see Press Release dated 12/20/2022

2. Royalties with variable rates adjust under certain conditions, guaranteeing a minimum return threshold under certain timelines, after which a lower royalty percentage is applied

3. While Old Settler Wind Project, Cotton Plains Wind Project, and Phantom Solar Project are three separate projects, GBR's investment was under one agreement, which includes the three projects as a single portfolio

4. Canyon sliding scale royalty between 2-3%, see ARR press release 06/29/2022

# Operating & Construction Stage Renewable Energy Projects Under Royalty

## Under Construction

| Project         | Project Originator | Location | Renewable Energy Source | Owner                             | Facility Size (MW) | Status       | Estimated COD        | Royalty Basis   |
|-----------------|--------------------|----------|-------------------------|-----------------------------------|--------------------|--------------|----------------------|-----------------|
| El Sauz         | Apex               | Texas    | Wind                    | JERA Renewables                   | 300                | Construction | Q1 2024 <sup>1</sup> | 2.5% of revenue |
| Panther Grove 1 | TGE                | Illinois | Wind                    | Copenhagen Infrastructure Partner | 400                | Construction | 2025+                | 3% of revenue   |

1. Expected COD based on ERCOT GIM Project Details September 2023 or adjusted based on internal estimates for construction start date
2. Canyon sliding scale royalty between 2-3%, see ARR press release 06/29/2022

# Development Properties Under Royalty

## Wind

| Project                        | Project Originator | Location | Owner                 | Facility Size (MW) | Status      | Estimated COD      | Royalty Basis |
|--------------------------------|--------------------|----------|-----------------------|--------------------|-------------|--------------------|---------------|
| Blackford Wind                 | TGE                | Indiana  | Leeward               | 200                | Development | 2025+ <sup>1</sup> | 3% of revenue |
| Vermillion Grove               | TGE                | Illinois | Enbridge <sup>2</sup> | 255                | Development | 2025 <sup>1</sup>  | 3% of Revenue |
| Hoosier Line Wind <sup>3</sup> | TGE                | Indiana  | Leeward               | 180                | Development | 2025+ <sup>1</sup> | 3% of revenue |
| Shannon Wind                   | TGE                | Illinois | Enbridge <sup>2</sup> | 150                | Development | 2025+ <sup>1</sup> | 3% of Revenue |
| Sugar Loaf Wind                | TGE                | Nebraska | Enbridge <sup>2</sup> | 150                | Development | 2025+ <sup>1</sup> | 3% of Revenue |
| Wyoming I                      | TGE                | Wyoming  | Enbridge <sup>2</sup> | 250                | Development | 2025 <sup>1</sup>  | 3% of Revenue |
| Easter Project                 | TGE                | Texas    | Enbridge <sup>2</sup> | 300                | Development | 2025 <sup>1</sup>  | 3% of Revenue |
| Cone/Crosby III                | TGE                | Texas    | Enbridge <sup>2</sup> | 300                | Development | 2026 <sup>1</sup>  | 3% of Revenue |
| Water Valley Wind              | TGE                | Texas    | Enbridge <sup>2</sup> | 150                | Development | 2026 <sup>4</sup>  | 3% of Revenue |

# Development Properties Under Royalty

## Solar

| Project                    | Project Originator | Location     | Owner                 | Facility Size (MW) | Status      | Estimated COD       | Royalty Basis                      |
|----------------------------|--------------------|--------------|-----------------------|--------------------|-------------|---------------------|------------------------------------|
| Blackford Solar            | TGE                | Indiana      | Leeward               | 150                | Development | 2025+ <sup>1</sup>  | 1.5% of revenue                    |
| Lawrence Solar             | TGE                | Pennsylvania | Enbridge <sup>2</sup> | 175                | Development | 2025e+ <sup>1</sup> | 1.5% of Revenue                    |
| Honey Creek                | TGE                | Indiana      | Leeward               | 400 <sup>5</sup>   | Development | 2025+ <sup>1</sup>  | 1.5% of revenue                    |
| Gloucester Solar           | TGE                | Virginia     | Enbridge <sup>2</sup> | 150                | Development | 2025+ <sup>1</sup>  | 1.5% of Revenue                    |
| Vermillion Solar           | TGE                | Illinois     | Enbridge <sup>2</sup> | 150                | Development | 2025 <sup>1</sup>   | 1.5% of Revenue                    |
| Cadillac Solar - Deville   | TGE                | Texas        | Enbridge <sup>2</sup> | 350                | Development | 2025 <sup>4</sup>   | 1.5% of Revenue                    |
| Cadillac Solar - El Dorado | TGE                | Texas        | Enbridge <sup>2</sup> | 400                | Development | 2025 <sup>4</sup>   | 1.5% of Revenue                    |
| Flatland Solar             | TGE                | Texas        | TBA                   | 180                | Development | 2025 <sup>4</sup>   | 1.5% of revenue equiv <sup>6</sup> |
| 3 Early Stage TGE Projects | TGE                | Western U.S. | Enbridge <sup>2</sup> | 1011               | Development | TBA                 | 1.5% of Revenue                    |

Note: Sum of wind and solar early-stage development projects related to Enbridge acquisition is 15 compared to 17 referenced in the Material Change Report filed Oct 5 2022 (see SEDAR) because of two multi-phase projects

1. Expected COD based on internal assumptions and not detailed knowledge of construction date
2. Developer TGE was acquired by Enbridge, see ARR press release on 09/29/2022
3. Project may be converted to solar
4. Expected COD based on ERCOT GIM Project Details September 2023 or adjusted based on internal estimates for construction start date
5. Facility size may be completed in phases
6. Flatland fixed payments equivalent to 1.5%, see ARR press release 06/29/2022

# Capital Structure and Analyst Coverage

## Capitalization Table

|                                      |                               |
|--------------------------------------|-------------------------------|
| Issued Common Shares                 | 31.4 million                  |
| Basic Market Capitalization          | C\$242.9 million <sup>1</sup> |
| Cash                                 | US\$91.9 million <sup>2</sup> |
| Debt                                 | Nil <sup>3</sup>              |
| Altius Minerals (TSX: ALS) Ownership | 58%                           |

1. Market Cap as of Feb 12, 2024.
2. Cash as of Sept 30, 2023 plus proceeds from senior secured credit facility (ARR share). Proceeds are net of fees/ working capital at GBR and exclude US\$2.8M to be released upon COD of El Sauz
3. Debt as of Oct 31, 2023 at GBR level of \$123.5M, available liquidity of additional US\$100M Delayed Draw + \$23M letter of credit

## Analyst Coverage



John Mould



Analyst change underway



Rupert Merer



David Quezada



Nicholas Boychuk



Ken Chmela



Jonathan Lamers



Devin Schilling



# Thank You

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