



Altius
RENEWABLE ROYALTIES

Plan of Arrangement Sept 12 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 Renewable Royalty Corporation’s (“ARR” or the “Company”) intent, or the beliefs or current expectations of ARR's officers and directors, including in particular and without limitation: expectations regarding the timing of a plan of arrangement transaction, expectations for the timing of the delisting of ARR’s common shares and expectations regarding the expected benefit of the plan of arrangement transaction to shareholders 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, a material adverse effect impacting ARR or ARR’s subsidiaries and general economic and political conditions.

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Plan of Arrangement Terms and Conditions

- ④ Altius Renewable Royalties public share float to be acquired by Northampton Capital Partners or one of its affiliates (“Northampton”) for C\$12.00 per share in a take-private transaction for total cash consideration of ~C\$162 Million
- ④ Following the transaction, Northampton will hold approximately 43% of the shares of ARR, with Altius Minerals retaining its current interest of approximately 57%
- ④ Structured as a court-approved plan of arrangement under the Business Corporations Act (Alberta) requiring approval of a) 66 2/3% of all votes cast and b) simple majority of shareholders after excluding all votes required to be excluded under MI 61-101 (including all common shares held by Altius Minerals)
- ④ A special committee of ARR’s board of directors (the “ARR Special Committee”), comprised solely of independent directors, is recommending that shareholders vote in favor of the transaction

Compelling Value for Shareholders in a Transaction with Potential Low Deal Risk

- ④ Special Committee has received a Formal Valuation (“Valuation”) and Fairness Opinion from National Bank Financial Inc. (“NBF”) in fulfillment of requirements under MI 61-101.
 - ④ All cash offer of C\$12.00 per share is near the upper end of valuation range (of C\$10.50 - \$12.50 per share) and is considered fair from a financial point of view
- ④ Offer represents 29% and 36% premiums to 20-day and year-to-date VWAP respectively (calculated to the close of trading on September 4) and compares favorably to precedent transactions
- ④ Offer is fully funded and not subject to financing conditions
- ④ Shareholder voting support agreements entered into representing 81% of total shares outstanding and 55% of the non-Altius Minerals held shares
- ④ Expected closing in late November 2024

Precedent Transactions

	Corporate Renewable IPP Platforms		Renewable Focused YieldCos			
Target	 Clearway	 Avangrid	 TerraForm POWER	 transalta renewables	 Atlantica Sustainable Infrastructure	 
Acquiror	 TotalEnergies	 Iberdrola	 Brookfield	 transalta	 ECP	
Ann. Date	May '22	May '24	Mar '20	Jul '23	May '24	
Financial Summary (\$B)						
Equity Value	\$7.1	\$13.9	\$3.9	C\$3.5	\$2.6	\$0.3
% Acquired	50%	18%	38%	40%	100%	41.7%
Premium (Spot / 20-Day VWAP) ⁽¹⁾	7% / 10% ⁽²⁾	11% / 14% ⁽³⁾	11% / 13% ⁽⁴⁾	18% / 14%	19% / 20% ⁽⁵⁾	28% / 29%⁽⁶⁾

Sources: Company provided information, Bloomberg, Capital IQ.

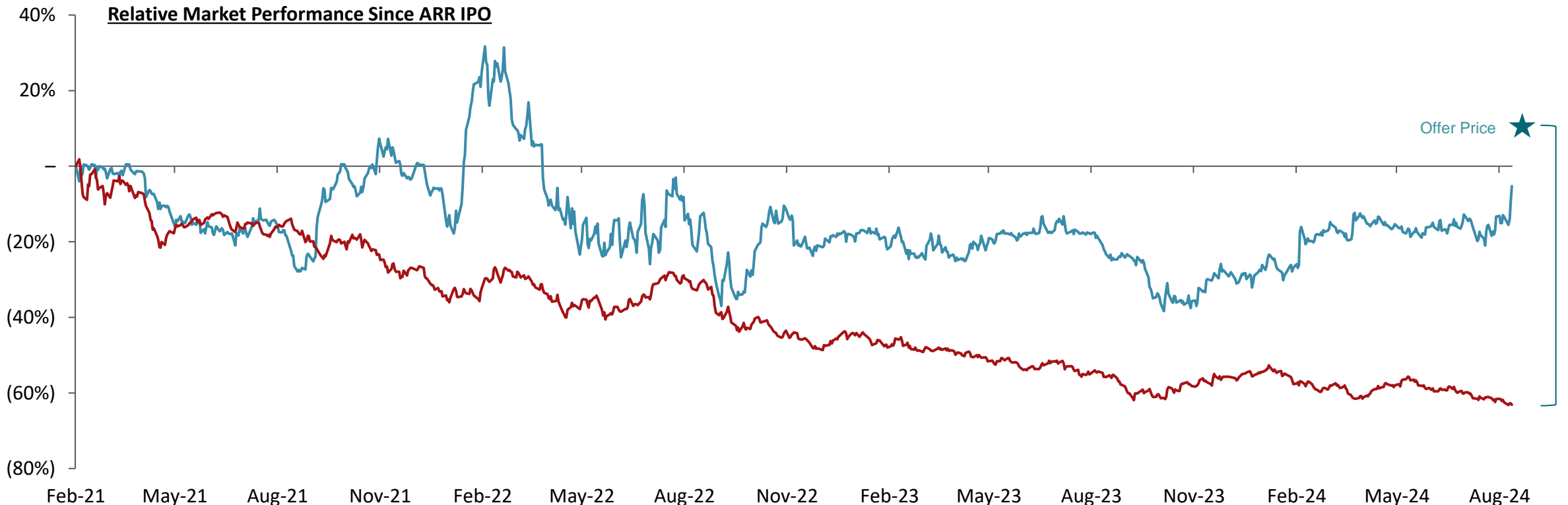
Notes: All figures in US\$ unless otherwise noted.

1. Based on share price 1 day prior to transaction announcement or unaffected share price 1 day prior to strategic review.
2. Based on Clearway Energy Inc. Class C Common Shares (NYSE: CWEN).

3. Spot and 20-Day VWAP premium as of last unaffected trading date before March 7, 2024 acquisition proposal.
4. Spot and 20-Day VWAP premium as of last unaffected trading date before January 13, 2020 acquisition proposal.
5. Spot and 20-Day VWAP premium as of last unaffected trading date before April 23, 2024 acquisition rumors.
6. Spot and 20-Day VWAP premium as of September 4, 2024.

Transaction Rationale

- Public equity market valuation and sentiment backdrop for the broader clean energy sector has deteriorated consistently since the time of the ARR IPO
- The ARR Special Committee and Board has determined that, in the context of the current market conditions, its access to, and cost of, public equity capital does not represent a practical source of funding that can accretively support its expected investment opportunities
- Proposed transaction with Northampton introduces an alternative source of private long-term capital while eliminating public company related costs



Thank You

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