



Annual Information Form

for the year ended December 31, 2023

March 6, 2024

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CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING INFORMATION

Certain statements contained in this annual information form ("AIF") constitute forward-looking information. Such information relates to future events or the Corporation's future performance. All statements other than statements of historical fact are forward-looking information. The use of any of the words "anticipate", "plan", "contemplate", "continue", "estimate", "expect", "intend", "propose", "might", "may", "will", "shall", "project", "should", "could", "would", "believe", "predict", "forecast", "pursue", "potential" and "capable" and similar expressions are intended to identify forward-looking information. These statements involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking information. No assurance can be given that these expectations will prove to be correct and such forward-looking information included in this AIF should not be unduly relied upon. Forward-looking information speaks only as of the date of this AIF. In addition, this AIF may contain forward-looking information attributed to third-party industry sources.

In particular, this AIF contains forward-looking information pertaining to the following:

- expectations and plans for future growth, including expansion into existing and new markets and acquisitions of additional royalties and illustrative revenue;
- the need for additional capital and the expected sources of, and access to, such capital;
- expectations with respect to returns, including the minimum return thresholds to be achieved on current and future investments or royalties;
- possible changes in the regulatory regimes of the jurisdictions in which Altius Renewable Royalties Corp. ("ARR" or "the Corporation") operates or intends to operate;
- expectations for the growth in demand for renewable power and anticipated decline of demand for fossil fuel and nuclear based powers in the U.S.;
- expectations relating to the expansion of the renewable energy industry;
- expectations in relation to the effect of government regulation, incentives and taxation regimes on the Corporation's future revenue potential;
- expectations in relation to the cost competitiveness of renewable power relative to other sources of power generation;
- expectations regarding the range of megawatts (MW) of capacity the Corporation anticipates receiving in return for its investments; and
- expectations regarding the length of time the Corporation anticipates will be necessary or the number of projects required to be sold in order for the Corporation to receive sufficient royalties to meet its minimum return thresholds.

With respect to forward-looking information contained in this AIF, assumptions have been made regarding, among other things, the matters referred to below:

- that the Corporation will be able to identify and complete suitable investment and royalty opportunities on terms that are acceptable to the Corporation and consistent with the Corporation's expectations regarding minimum returns;

- that the cost and availability of both materials and services used in the construction and development of renewable power facilities in the jurisdictions in which the Corporation conducts and intends to conduct its business will remain consistent in all material respects with the current environment for the cost and availability of such materials and services;
- that the production from the facilities on which the Corporation holds royalties will be consistent in all material respects with the Corporation's expectations;
- that the management of the development and construction of the facilities on which the Corporation holds or will hold royalties will be consistent in all material respects with the Corporation's expectations;
- that the timing of development and construction of facilities on which the Corporation holds or will hold royalties will be consistent in all material respects with the Corporation's expectations;
- that the availability of financing funds including tax equity, sponsor equity, and debt for the facilities on which the Corporation holds or will hold royalties will be available in all material respects within the Corporation's expectations;
- that there will be no material changes to existing legislation, including the regulatory framework governing electricity generation, transmission and distribution, taxation of renewable power producers, renewable power incentive programs or environmental matters that could adversely impact the renewable power sector including the operation, financing, and/or development of renewable assets as a whole or the applicable tariffs and incentives in any of the jurisdictions in which the operators, financing parties or developers of the renewable power projects that underlie the royalties of the Corporation conduct and will conduct their business;
- that there will be no material defaults by the counterparties to agreements with the Corporation and such agreements will not be terminated prior to their scheduled expiry;
- that government agencies, regional transmission operators, quasi-government agencies and other key counterparties are able to provide services in a timely and expected manner as anticipated by the Corporation for the development, financing, and operating of renewable assets;
- that the development, financing, or operations of power generation facilities underlying the Corporation's current and future royalties in which the Corporation invests will not experience significant disruptions due to pandemics or other acts of God;
- that general economic and industry conditions in the jurisdictions in which the Corporation conducts and will conduct its business will remain stable in relation to current general and industry conditions including but not limited to expected future commodity pricing;
- that the Corporation and its key counterparties continue to attract and retain knowledgeable staff in adequate number;
- the Corporation's governance structure will be adequate to address any conflicts; and
- the continued management and support of the Corporation by Altius Minerals Corporation ("Altius Minerals").

Actual results could differ materially from those anticipated in these forward-looking information as a result of the risk factors set forth under the heading "Risk Factors" in this AIF.

The forward-looking information included in this AIF is expressly qualified by this cautionary statement and are made as of the date of this AIF. The Corporation does not undertake any obligation to publicly update or revise any forward-looking information except as required by the securities laws.

NON-GAAP FINANCIAL MEASURES

Management uses the following non-GAAP financial measures: proportionate royalty and other revenue (“proportionate revenue”), adjusted earnings before interest, taxes, depreciation and amortization (“adjusted EBITDA”) and adjusted operating cash flow.

Management uses these measures to monitor the financial performance of the Corporation and believes these measures enable investors and analysts to compare the Corporation’s financial performance with its competitors and/or evaluate the results of its underlying business. These measures are intended to provide additional information, not to replace International Financial Reporting Standards (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. As these measures do not have a standardized meaning, they may not be comparable to similar measures provided by other companies. Further information on the composition and usefulness of each non-GAAP financial measure, including reconciliation to their most directly comparable IFRS measures, is included under “Non-GAAP Financial Measures” in the Corporation’s annual Management’s Discussion and Analysis of Financial Conditions and Results of Operations, which is available under the Corporation’s profile on SEDAR+ at www.sedarplus.ca.

All dollar amounts refer to USD unless otherwise noted within this document.

DESCRIPTION OF THE BUSINESS OF THE CORPORATION

ARR is a renewable energy royalty company whose investments result in the creation of gross revenue royalties and royalty-like structures related to development through to operating-stage wind, solar, battery storage and other types of renewable energy projects. For the purposes of this AIF, references to royalties shall be inclusive of the Corporation’s royalty like investment structures. The Corporation’s operations are primarily managed through its Great Bay Renewables Holdings, LLC (“GBR Holdings I”) and Great Bay Renewables Holdings II, LLC (“GBR Holdings II”) joint ventures, in which it is partnered equally with certain funds (the “Apollo Funds”) managed by affiliates of Apollo Global Management, Inc. (“Apollo”).

At the date of this report, ARR has 33 renewable energy royalties representing approximately 2.4 GW of renewable power on operating projects and an additional approximately 5.6 GW on projects in construction and development phases, across several regional power pools in the U.S. The Corporation also holds royalty entitlements to renewable projects from GBR I’s (as defined herein) investments in Bluestar Energy Capital LLC. (“Bluestar”), Nova Clean Energy, LLC. (“Nova”), Hodson Energy, LLC. (“Hodson”) and Hexagon Energy, LLC (“Hexagon”).

ARR has identified demand for tailored financing solutions within the renewable power sector in return for royalty-based financing. Royalty financing is a customizable investment that can provide flexible terms at a comparatively attractive cost of capital. Traditional royalty-based financing has been used extensively in other industries, such as mining and extractive

resources, industrial manufacturing, healthcare, and music. Furthermore, the adoption of royalty-based financing has often been a major growth catalyst for certain industries. As a specific comparable, within the mining sector where adoption of royalty financing has become widespread, it provides an alternative to traditional sources of capital, increases the overall supply of capital, and ultimately finances a significant component of project development. The Corporation believes there is an opportunity for royalty-based financing to play a similar role within the renewable energy sector.

At inception, the Corporation focused on financing opportunities with renewable energy developers Tri Global Energy (“TGE”) and Apex Clean Energy Holdings, LLC (“Apex”). In 2021, changes in market conditions enabled the GBR Joint Venture (as defined herein) to expand their addressable market to include operating projects, while developers with large, diversified pipelines became more valuable to strategic investors. TGE and Apex have both been acquired by Enbridge Inc (“Enbridge”) and Ares Capital Corporation (“Ares Capital”) respectively, with royalties to the GBR Joint Venture to continue. This dual marketing approach, which the GBR Joint Venture refers to as its “barbell approach” continues to yield a robust pipeline of both operating and early stage projects (See “General Development of the Business – Three Year History” for more information).

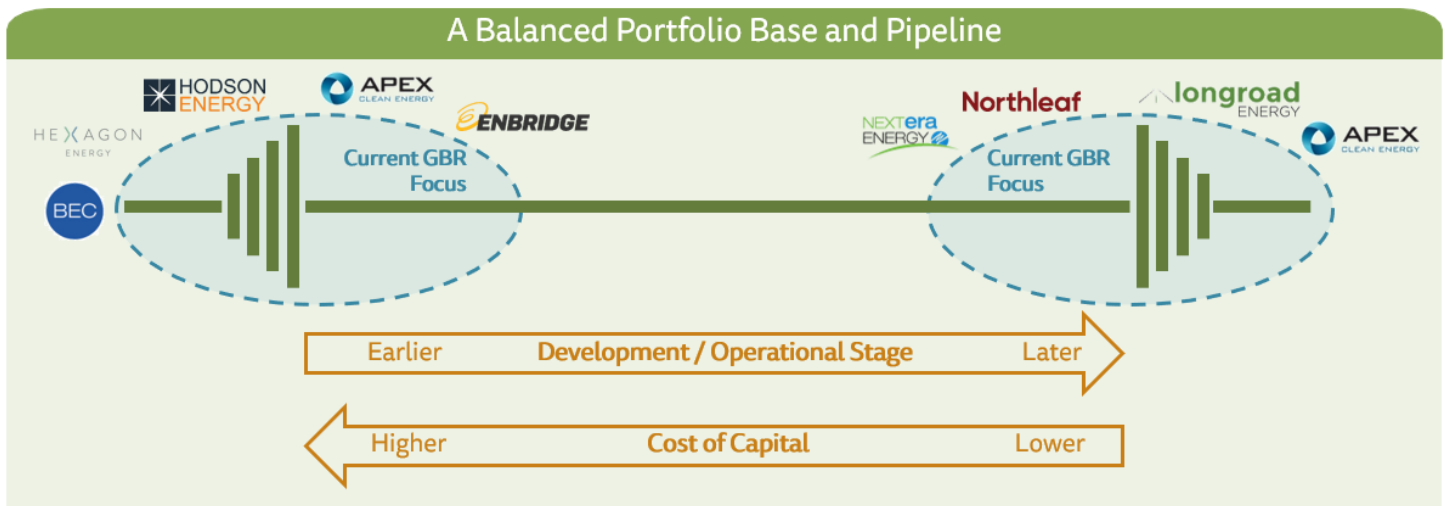


Figure 1 – GBR Joint Venture “Barbell” Investment Approach

While ARR’s investment approach has been successful with both operators and developers, ARR seeks to optimize the risk adjusted return of its investments. For development stage opportunities, the GBR Joint Venture’s investments are structured using a portfolio approach, mitigating the development and construction risk of any specific project, while ensuring the agreements are structured to meet a minimum return threshold between 8-12% on a pre-tax basis. Operating stage investments include counterparties Longroad Energy (“Longroad”), Northleaf Capital Partners (“Northleaf”), and NextEra Energy (“NextEra”). ARR’s proportionate revenue in 2023 of \$7.9 million (50% of GBR Joint Venture revenue), adjusted EBITDA of \$3.8 million and adjusted operating cash flow of \$3.0 million reflects the contribution from the operating stage acquisitions along with first cash flow from development stage royalties that achieved commercial operations late in 2022.

The Corporation does not seek to operate renewable power assets or directly develop projects. ARR’s business model is focused on financing development or later stage projects in order to grow a portfolio of renewable project royalty interests

and royalty-like gross revenue payments. The Corporation believes that the advantages of this business model include the following:

Focus and Scalability. As the Corporation's management does not handle operational decisions or tasks relating to the development or operation of renewable power projects, they are able to focus their time and resources on carrying out the Corporation's growth strategy of identifying and executing on renewable royalty-based investment opportunities. As such, ARR's business model allows it to gain exposure to and monitor more renewable projects than an operating company of similar size could generally effectively manage.

Exposure to Redevelopment Upside without Project Costs and Overhead. The Corporation believes that its royalty and royalty-like investment model provides exposure to several forms of project upside. ARR may benefit from any life extensions, re-powering, and other project enhancements, without incurring additional associated operating, development, or sustaining costs.

Asset Diversification. The Corporation can invest and create royalty interests in a broad portfolio of renewable power assets across a spectrum of geographic regions and operators, thus reducing its dependency on any one asset, project, location, or counterparty.

Price Exposure. The Corporation's royalty interests hold a mixture of spot market based (or merchant) and contracted electricity price exposures. Market based prices fluctuate with seasons, weather, competing energy fuel prices, available generation and other factors. While merchant prices in the first half of 2023 were lower due to a mild winter and lower competing natural gas prices, prices increased in the third quarter due to warmer summer weather and increased power demand in certain of the markets in which the Corporation has operating stage royalty interests. Longer term contracted market prices for renewable energy have been generally increasing in recent periods owing to growing specific demand for renewable based energy and inflationary and other marginal cost pressures in the broader electrical generation industry. As the royalty interests are typically top-line or revenue-based, the Corporation can benefit from higher prices without meaningful exposure to inflationary cost pressures.

CORPORATE STRUCTURE

The Corporation was incorporated under the *Business Corporations Act (Alberta)* ("ABCA") on November 13, 2018 as "Blue Sky Renewable Royalties Corp." On February 7, 2019, the Corporation amended its articles, changing its name to "Altius Renewable Royalties Corp." On January 15, 2021, ARR filed articles of amendment to consolidate its common shares ("Common Shares") on the basis of one post-consolidation Common Share for every four pre-consolidated Common Shares. On February 12, 2021, ARR filed articles of amendment to update its constating documents to reflect those of a publicly listed corporation.

The head office of the Corporation is located at 38 Duffy Place, 2nd Floor, St. John's, Newfoundland, A1B 4M5, and the registered office of the Corporation is located at 4300 Bankers Hall West, 888-3rd Street S.W. Calgary, Alberta T2P 5C5.

ARR is a reporting issuer in each of the provinces and territories of Canada. The Common Shares trade on the TSX under the symbol "ARR" and are quoted for trading on the OTCQX under the symbol "ATWRF".

Prior to its initial public offering ("IPO"), ARR was a majority-owned subsidiary of Altius Minerals. Following the completion of the IPO and a subsequent bought deal transaction in December 2022 including the partial exercise of over-allotment options in both cases, Altius Minerals owns approximately 58% of the issued and outstanding Common Shares.

ARR was formed to acquire Great Bay Renewables, LLC ("GBR I") as part of Altius Mineral's strategy to diversify its legacy thermal coal royalty exposure and focus its strategy on providing royalty financing to further the development of sustainable resources. On February 4, 2019, ARR acquired Great Bay Renewables, Inc., the predecessor of GBR I.

On October 11, 2020, Altius GBR Holdings, Inc. ("Altius GBR Holdings"), a wholly owned subsidiary of ARR, and AIOF II Vanir Aggregator, L.P., with respect to Series I, ("Apollo Fund"), together with certain Class B Unit holders representing management, entered into the amended and restated limited liability corporation agreement of GBR Holdings I (the "A&R LLC Agreement of GBR Holdings I") to provide for the terms of the 50/50 joint venture established by Apollo Fund and Altius GBR Holdings in connection with the GBR I business (the "GBR I Joint Venture") in an effort to accelerate the growth of its innovative renewable power royalty business.

On July 30, 2021 a new legal entity, GBR Holdings II was formed under the Delaware Limited Liability Corporation Act to facilitate the acquisition of operating stage royalties, including those obtained as a result of the Longroad investment and Northleaf investment, Great Bay Renewables II LLC ("GBR II"), referred to herein as the "GBR II Joint Venture". The terms of the amended and restated limited liability corporation agreement of GBR Holdings II dated July 30, 2021 (the "A&R LLC Agreement of GBR Holdings II") are substantially similar to the terms of the A&R LLC Agreement of GBR Holdings I as amended by Amendment No. 1 to such agreement, including terms with respect to, capital structure, distributions, directors and officers, capital calls and funding, powers of management and the board, transfer restrictions and other rights and obligations of the parties thereunder. References to "A&R LLC Agreements" in this AIF means both the A&R LLC Agreement of GBR Holdings I and the A&R LLC Agreement of GBR Holdings II.

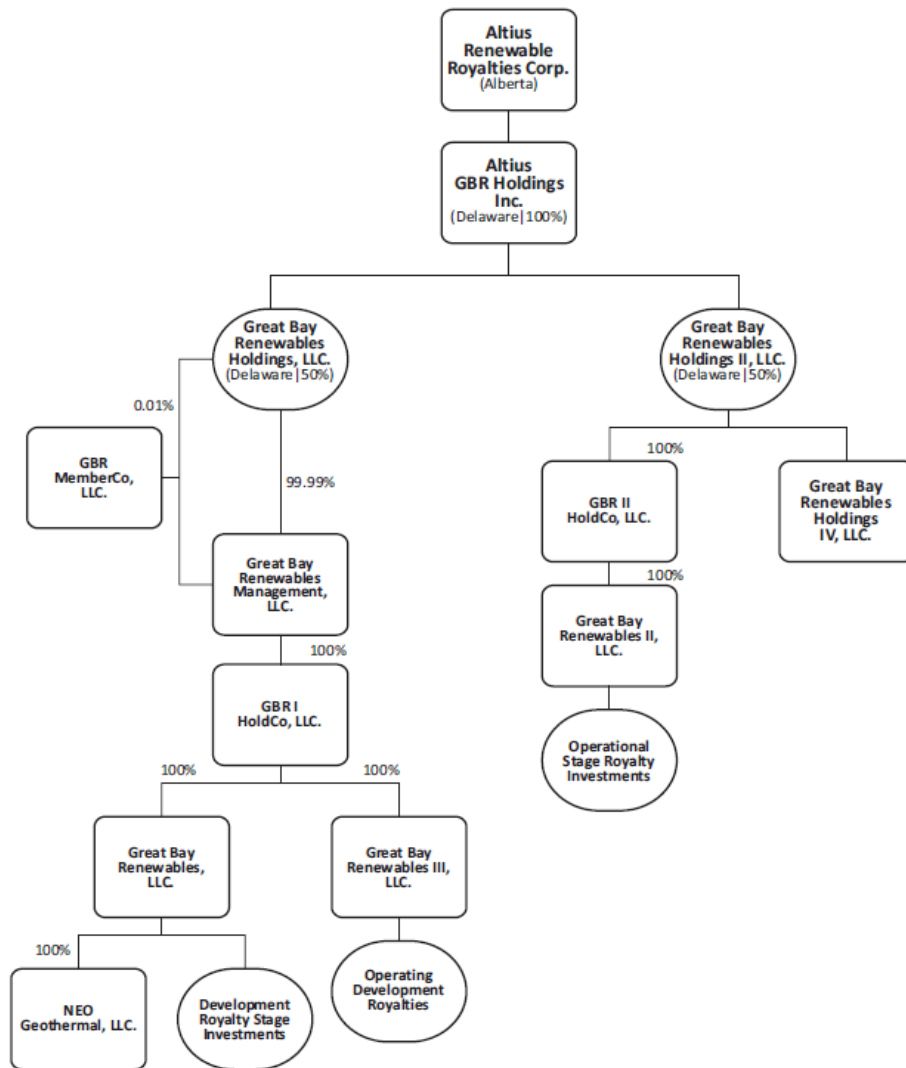
GBR II and its subsidiaries are managed by the same management team as GBR I pursuant to a services agreement entered into between Great Bay Renewables Management, LLC ("GBR Management") and GBR II (see "*GBR Joint Venture - GBR Management-GBR II Services Agreement*"). GBR I, GBR II and their respective subsidiaries are collectively referred to herein as "GBR".

The GBR II Joint Venture is jointly controlled by the Corporation and Apollo Fund on a 50/50 basis and is subject to the same governance structure and investment mandate as the GBR I Joint Venture. The GBR I Joint Venture and the GBR II Joint Venture are collectively referred to herein as the GBR Joint Venture. GBR Holdings I and GBR Holdings II are collectively referred to herein as "GBR Holdings".

The GBR Joint Venture is currently governed by a board of directors consisting of five members, comprised of Earl Ludlow and Brian Dalton (the Altius GBR Holdings designees), Trevor Mills and Corinne Still (the Apollo Fund designees) and Frank W. Getman, the CEO of GBR, who is a non-voting member.

The head office and registered office of the GBR Joint Venture and GBR is located at Suite 22 - 953 Islington Street, Portsmouth, NH, 03801.

The following diagram illustrates the organizational structure of the Corporation. Unless otherwise indicated, any references to the "Corporation" refer to ARR, its wholly-owned subsidiary, Altius GBR Holdings, Inc., and the GBR Joint Venture.



GENERAL DEVELOPMENT OF THE BUSINESS

Three Year History

Recent Developments

On February 29, 2024 ARR announced GBR II's \$30 million investment through its indirect subsidiary Great Bay Renewables IV, LLC ("GBR IV") with Apex Clean Energy ("Apex") related to Apex's 195 MWac Angelo Solar project in Tom Green County, Texas ("Angelo") which is anticipated to achieve commercial operations in May 2024.

Year Ended December 31, 2023

During the year ended December 31, 2023, GBR invested a total of \$36,203,000 (ARR and Apollo provided combined new funding of \$31,900,000 with the remainder from retained cash flows) into new construction and development stage renewable energy projects noted in the table below:

Project	Description	Year ended December 31, 2023	
Hexagon Energy, LLC. ("Hexagon")	Development stage, tranche investment	\$	22,866,000
Hodson Energy, LLC. ("Hodson")	Development stage, tranche investment		10,638,000
Nova Clean Energy, LLC. ("Nova")	Development stage, investment		1,500,000
Bluestar Energy Capital, LLC. ("Bluestar")	Development stage, investment		1,198,000
Other			1,000
Total Invested, including acquisition costs		\$	36,203,000

The investments made into Hodson, Bluestar, and Nova represented commitments made as part of the 2022 investment agreements.

In June 2023, ARR announced GBR I's commitment to invest up to \$45 million in a transaction with Hexagon, gaining future royalties on Hexagon's portfolio of solar, solar plus battery storage and standalone battery storage development projects. The investments are in the form of milestone-based tranches, with \$22.5 million provided in 2023, and the balance expected to be funded in 2024 and 2025 as milestones are met. Hexagon is based in Charlottesville, VA and has committed its portfolio of 43 development projects totaling 5.3 GWac located across 12 states and four regional transmission organizations as well as any additional projects added to its portfolio in the future to this new royalty investment structure with GBR. GBR will receive a 2.5% gross revenue royalty on each solar and solar plus storage project and a 1.0% gross revenue royalty on each standalone storage project vended by Hexagon until a minimum target return threshold is achieved.

On October 31, 2023, GBR I and GBR II achieved a major milestone, securing a large credit facility led by MUFG Bank and Natixis at a competitive interest rate. GBR entered into senior secured credit financing agreements with an initial term of 5 years in the aggregate amount of \$246,500,000. The financing includes a \$123,500,000 initial term facility ("ITF"), a \$100,000,000 delayed draw term facility ("Delayed Draw Facility"), and a \$23,000,000 letter of credit facility ("L/C"), with the two term facilities qualifying for green loan eligibility.

In connection with the financing, GBR I and II entered into a floating-to-fixed interest rate swap to lock in approximately 100% of the interest rate on the ITF for the full term of the debt and approximately 50% of the initial draw beyond (less principal payments made in the first five years) for the maturity date through the 20 year amortization period to reduce refinancing risk. GBR I and II expect the interest rate on the fixed portion of the debt to be approximately 6.4% per annum excluding financing closing costs for the first three years and approximately 6.5% for the last two years of the initial term of the loan.

The ITF of \$123,500,000 (of which \$117,872,000 has been drawn by GBR I and II) was used for closing costs and return of capital totaling \$108,250,000 to the shareholders of GBR, ARR and Apollo. The borrowing is intended to finance or reimburse investments previously made in Eligible Green Collateral Projects, under the categories of "Renewable Energy Production" and "Green Technologies – Energy Storage Systems", under the Green Loan Principles administered by the International Capital Market Association. As of December 31, 2023 there was approximately \$4,738,000 of letter of credits issued on the L/C as required for debt service reserves.

The Corporation intends to reinvest this amount back into GBR I and II as future royalty investment opportunities arise.

Year Ended December 31, 2022

During the year ended December 31, 2022, GBR invested a total of \$88,498,000 (ARR and Apollo provided combined new funding of \$87,700,000 with the remainder funded from retained cash flows) into new operating, construction and development stage renewable energy projects noted in the table below.

Project	Description	Year ended December 31, 2022	
Hansford County Wind Project	Operating 658 MW wind project	\$	17,789,000
Titan Solar ("Titan")	Operating 70 MW solar project		46,799,000
Hodson Energy, LLC. ("Hodson")	Development stage, 2,400 MW royalty entitlement		14,272,000
Tri-Global Energy, LLC. ("TGE")	Development stage, tranche investment		1,529,000
Bluestar Capital, LLC. ("Bluestar") & Nova Clean Energy, LLC. ("Nova")	Development stage, 1,500 MW royalty entitlement		8,107,000
Other			2,000
Total Invested, including acquisition costs		\$	88,498,000

On May 4, 2022 GBR I executed agreements to invest a total of \$32.5 million into Bluestar, a new global renewables development platform recently founded and majority-owned by Declan Flanagan, former CEO of Orsted Onshore and Lincoln Clean Energy. GBR I will invest the significant majority of the total US\$32.5 million commitment into Nova, the North American renewables development subsidiary of Bluestar. In exchange, GBR I will receive royalties on 1.5 GW of renewable energy projects commercialized by Nova as well as a minority equity interest in Nova. GBR I also invested alongside another institutional investor for a minority equity ownership in Bluestar, with Declan Flanagan remaining the majority shareholder of Bluestar. Bluestar is an example of the earlier stage development opportunities on the left hand side of the barbell graphic shown in Figure 1.

On July 29, 2022 GBR I entered into another early-stage development opportunity, committing \$40 million to Hodson, a U.S. renewable energy developer, to gain future royalties related to Hodson's portfolio of solar plus battery storage development projects. New York-based Hodson committed its entire portfolio of solar plus storage projects (grown to 2.4 GW as of the date of this report) located primarily in the Mid-Atlantic region of the U.S. and any additional projects added in the future to this new royalty investment structure with GBR I. Funding is in the form of tranches payable upon achievement of milestones, with the initial investment upon closing being approximately \$14 million. In addition to royalty entitlements, GBR I has the option to receive a portion of the proceeds from project sales by Hodson. Any cash GBR I elects to receive under this option would count toward the target return. GBR I also has the option to invest an additional \$20 million as royalty financing in the future.

On September 29, 2022 ARR reported that TGE had been acquired by Enbridge. GBR I will continue to receive royalty contracts from projects in TGE's current development pipeline until it hits its threshold return on the \$46.5 million it has invested in TGE, with no further funding commitment by GBR I. Furthermore, after GBR I receives enough royalty contracts for it to achieve its threshold return, GBR I will have the option to acquire royalty contracts on remaining projects that are developed from TGE's currently existing portfolio based upon an agreed methodology that utilizes a similar return profile as for project royalties created prior to the threshold return being achieved. This has the effect of increasing GBR I's pipeline significantly, while GBR I benefits from the security of a well-capitalized counterparty in Enbridge who intends to own and operate the wind and solar projects.

On December 1, 2022 ARR reported that GBR II entered into a \$46 million royalty investment agreement with Longroad to support Longroad's acquisition of the 70 MW Titan Solar project in Imperial County, CA ("Titan"). Titan represents GBR II's first royalty investment in California and is GBR II's second royalty investment agreement with Longroad. As part of the Titan acquisition, Longroad is buying down an existing hedge associated with the project such that starting in 2026 approximately 70% of the expected revenues will be market-based with the remainder relating to contracted capacity payments and renewable energy credits. The royalty investment has been structured using royalty rates that vary over time and achieve GBR II's investment hurdles while optimizing Longroad's project level cash flow profile. GBR II expects its royalty on Titan to contribute an average of \$4.5-\$5 million annually over its first 10 years.

On December 1, 2022 ARR announced the launch of a C\$35 million prospectus offering on a bought deal basis (the "December 2022 Offering"). The syndicate of underwriters for the transaction consisted of TD Securities Inc., Cormark Securities Inc., National Bank Financial Inc., Peters & Co. Limited, Raymond James Ltd., Scotia Capital Inc., CIBC World Markets Inc., and Laurentian Bank Securities Inc. (collectively, the "December 2022 Underwriters"). Pursuant to the underwriting agreement dated December 5, 2022 between the Corporation and the December 2022 Underwriters, the December 2022 Underwriters agreed to purchase 3,900,000 Common Shares at a price of C\$9.00 per Common Share. Altius Minerals participated in the December 2022 Offering and purchased approximately C\$21 million of Common Shares at the offering price to allow Altius Minerals to maintain its pro rata share. After the partial exercise of the over-allotment option granted to the December 2022 Underwriters as part of the transaction (see press release dated December 15, 2022 filed on the Corporation's SEDAR+ profile at www.sedarplus.ca), an additional 368,800 Common Shares were issued to the December 2022 Underwriters. Following such partial exercise of the over-allotment option, Altius Minerals owned 17,937,339 or approximately 58% of the 30,782,689 issued and outstanding Common Shares.

On December 20, 2022, ARR reported that GBR entered into an agreement to acquire an existing royalty on a portion of an operating wind project in Hansford County (“Hansford”) from Apex for \$18 million. Hansford is an approximately 1 GW project, and GBR receives a fixed dollar amount per megawatt hour from a distinct 658 megawatts of Hansford which achieved commercial operations in September 2022.

Year Ended December 31, 2021

On March 3, 2021 the Corporation completed its IPO of 9,100,000 Common Shares at a price of C\$11.00 per share for total gross proceeds of \$79,243,500 (C\$100,100,000). Share issuance costs of \$6,353,900 were recorded for net proceeds to the Corporation of \$72,889,600. On April 6, 2021 the Corporation announced that the underwriters partially exercised an over-allotment option for 694,000 Common Shares at a price of C\$11.00 per share for total gross proceeds of \$6,081,500 (C\$7,634,000) less share issuance costs of \$533,400.

During the year ended December 31, 2021, TGE sold five projects for which GBR I is entitled to gross revenue royalties as part of a royalty based portfolio funding agreement between the parties. The royalties created during the year include the 400 MW Honey Creek Solar project, the 175 MW Appaloosa Wind project, the 180 MW Hoosier Line Wind project, the 200 MW Blackford Wind project, and the 150 MW Blackford Solar project.

On August 3, 2021 GBR II closed a \$35,000,000 investment with Longroad related to Longroad’s 331 MWdc (250 MWac) Prospero 2 solar project located in Andrews County, Texas (“Prospero 2”). The project achieved commercial operation on August 2, 2021 and is operated by Longroad. The solar facility is set upon lands leased from the University of Texas under a long-term lease agreement. Over two-thirds of the expected Prospero 2 power output is contracted to two companies under fifteen-year, unit contingent power purchase agreements, with the remainder of the project’s energy output expected to be sold into the ERCOT spot market.

On September 30, 2021 GBR II closed a \$52,500,000 investment with Northleaf related to three operating-stage wind and solar renewable energy projects located in Texas (the “Northleaf Projects”). The acquired royalties included the 150 MW Old Settler wind project (“Old Settler”), the 50 MW Cotton Plains wind project (“Cotton Plains”), and the 15 MW Phantom Solar project (“Phantom Solar”). The output from Cotton Plains and Phantom Solar is sold at a fixed price under long-term contracts with the US Department of Defense through January 2045, while the output from Old Settler will be sold into the ERCOT market. The three projects have been in commercial operation since 2017.

On December 31, 2021 Apex exercised a change of control-based option to redeem the remaining residual royalty financing provided by GBR I. The option exercise followed the sale of a majority interest in Apex to Ares Capital. GBR I retained three royalties earned prior to the sale: the 195 MW Jayhawk wind project, the 300 MW El Sauz wind project, and a 500 MW undisclosed wind project.

The provisional redemption consideration, including a buyout premium, was approximately \$70,000,000, \$41,668,900 of which was a cash payment with the remainder representing an estimated value ascribed to the retained royalties in accordance with the agreement.

EXISTING ROYALTY AND INVESTMENT PORTFOLIO

Royalty and Investment Portfolio

GBR's royalty and investment portfolio is comprised of royalties and royalty-like investments in 11 operating renewable energy projects and royalty contracts on 22 projects in development which royalty contracts were generated through the TGE investment and the prior Apex investment, as more particularly set forth in the tables below. ARR has an indirect 50% interest in such royalties, investments and royalty contracts through its 50% ownership in the GBR Joint Venture.

Table 1 – Operating Renewable Energy Projects Under Royalty

Project	Location	Renewable Energy Source	Project Owner/ Developer	Facility Size (MWac)	Grid Connection	Status	Project Life	Royalty Basis
Hansford County	Texas (USA)	Wind	Undisclosed	658	TBA	Operational	25 Years	Fixed ⁽¹⁾
Young Wind	Texas (USA)	Wind	NextEra Energy Resources	500	ERCOT	Operational	25 Years	2.5% of revenue
Prospero 2	Andrews County, Texas (USA)	Solar	Longroad Energy	250	ERCOT	Operational	30 Years	Variable ⁽²⁾
Jayhawk	Crawford and Bourbon County, Kansas (USA)	Wind	WEC Energy / Invenergy	195	SPP	Operational	35 Years	2.5% of revenue
Appaloosa	Upton County, Texas (USA)	Wind	NextEra Energy Resources	175	ERCOT	Operational	25 Years	1.5% of revenue
Old Settler ⁽³⁾	Floyd County, Texas (USA)	Wind	Northleaf Capital	150	ERCOT	Operational	25 Years	Variable ⁽²⁾
Titan Solar	California (USA)	Solar	Longroad Energy	70	CAISO	Operational	25 Years	Variable ⁽²⁾
Cotton Plains ⁽³⁾	Floyd County, Texas (USA)	Wind	Northleaf Capital	50	ERCOT	Operational	25 Years	Variable ⁽²⁾
Phantom ⁽³⁾	Bell County, Texas (USA)	Solar	Northleaf Capital	15	DND	Operational	25 Years	Variable ⁽²⁾
Clyde River	Orleans County, Vermont (USA)	Hydro	Gravity Renewables	5	ISO New England	Operational	25 Years	10% of revenue
Canyon Wind	Texas	Wind	NextEra Energy	308	ERCOT	Operational	25 Years	2.4% of revenue ⁽⁴⁾

⁽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

Table 2 – Construction-stage Renewable Energy Projects Under Royalty

Project	Location	Renewable Energy Source	Project Owner/ Developer	Facility Size (MWac)	Grid Connection	Status	Expected COD ⁽¹⁾	Royalty Basis
El Sauz	Willacy County, Texas (USA)	Wind	JERA Renewables	300	ERCOT	Construction	Q2 2024	2.5% of revenue
Angelo Solar	Texas	Solar	Apex	195	ERCOT	Construction	Q2 2024	Variable ⁽²⁾
Panther Grove I	Illinois	Wind	Copenhagen Infrastructure Partners	400	PJM	Construction	2025/2026	3% of revenue

⁽¹⁾Expected COD based on internal assumptions and not detailed knowledge of construction date

⁽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

Table 3 – Development-stage Renewable Energy Projects Under Royalty

Project	Location	Renewable Energy Source	Project Owner/ Developer	Facility Size (MWac)	Grid Connection	Expected COD ⁽¹⁾	Project Life	Royalty Basis
Blackford Wind	Indiana	Wind	Leeward	200	PJM	2025+	25 Years	3% of revenue
Vermillion Grove Wind	Illinois	Wind	Enbridge ⁽²⁾	255	PJM	2025+	25 Years	3% of revenue
Hoosier Line ⁽³⁾	Indiana	Wind	Leeward	180	PJM	2025+	25 Years	3% of revenue
Shannon Wind	Illinois	Wind	Enbridge ⁽²⁾	150	PJM	2025+	25 Years	3% of revenue
Sugar Loaf Wind	Nebraska	Wind	Enbridge ⁽²⁾	150	SPP	2025+	25 Years	3% of revenue
Wyoming I	Wyoming	Wind	Enbridge ⁽²⁾	250	WECC	2025+	25 Years	3% of revenue
Easter	Texas	Wind	Enbridge ⁽²⁾	300	SPP	2025+	25 Years	3% of revenue
Cone/Crosby III	Texas	Wind	Enbridge ⁽²⁾	300	SPP	2026+	25 Years	3% of revenue
Water Valley Wind	Texas	Wind	Enbridge ⁽²⁾	150	ERCOT	2026+	25 Years	3% of revenue

Project	Location	Renewable Energy Source	Project Owner/ Developer	Facility Size (MWac)	Grid Connection	Expected COD ⁽¹⁾	Project Life	Royalty Basis
Blackford Solar	Indiana	Solar	Leeward	150	PJM	2025+	25 Years	1.5% of revenue
Lawrence Solar	Pennsylvania	Solar	Enbridge ⁽²⁾	175	PJM	2025e+	25 Years	1.5% of revenue
Honey Creek	Indiana	Solar	Leeward	400 ⁽⁴⁾	PJM	2025+	25 Years	1.5% of revenue
Gloucester Solar	Virginia	Solar	Enbridge ⁽²⁾	150	PJM	2025+	25 Years	1.5% of revenue
Vermillion Solar	Illinois	Solar	Enbridge ⁽²⁾	150	PJM	2025+	25 Years	1.5% of revenue
Cadillac Solar - Deville	Texas	Solar	Enbridge ⁽²⁾	350	ERCOT	2025+	25 Years	1.5% of revenue
Cadillac Solar - El Dorado	Texas	Solar	Enbridge ⁽²⁾	400	ERCOT	2025+	25 Years	1.5% of revenue
Flatland	Texas	Solar	TBA	180	ERCOT	2025+	25 Years	1.5% of revenue equiv ⁽⁵⁾
3 Early Stage TGE Projects	Western USA	Solar	Enbridge ⁽²⁾	1011	WECC	TBA	25 Years	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⁾Facility size may be completed in phases

⁽⁵⁾Flatland fixed payments equivalent to 1.5%, see ARR press release 06/29/2022

Disclosure with respect to the TGE investment, including: a minimum return threshold range; methodology to calculate the minimum return threshold; the development projects and the energy capacity relating thereto; a detailed description of the investment; an overview of the steps the Corporation has taken and the information the Corporation has reviewed and continues to review in order to evaluate the performance and risks of its material investments and a description as to how the Corporation has determined the fair value of these investments at each reporting date; and other material terms of the contract, can be found in the Corporation's long-form prospectus dated February 25, 2021.

GBR JOINT VENTURE

Corporate Structure

GBR I was formed on November 9, 2017 and is a privately held corporation, incorporated and domiciled in Delaware, United States. On February 5, 2019, in connection with the purchase of GBR I by ARR, GBR I converted to a corporation under Delaware Law as "Great Bay Renewables Inc.". On October 9, 2020 in connection with the GBR I Joint Venture transaction, GBR I was converted back into a limited liability corporation as "Great Bay Renewables, LLC". The GBR I Joint Venture was formed on October 7, 2020 as a limited liability corporation under the Delaware Limited Liability Corporation Act by filing a certificate of formation with the Secretary of State of the State of Delaware on October 7, 2020 under the name "Great Bay Renewables Holdings, LLC".

On October 11, 2020, Altius GBR Holdings and Apollo Fund, together with certain Class B Unit holders of the GBR Holdings I, entered into the A&R LLC Agreement of GBR Holdings I to provide for the terms of the joint venture established by Apollo Fund and Altius GBR Holdings, a subsidiary of ARR, in connection with the GBR I Joint Venture in an effort to accelerate the growth of its innovative renewable power royalty business. As of the date of this AIF, Apollo Fund holds 50% of the Class A Units of the GBR I Joint Venture with Altius GBR Holdings holding the remaining 50%.

On July 30, 2021 a new legal entity, GBR II was formed under the Delaware Limited Liability Corporation Act to facilitate the acquisition of operating stage royalties, including those obtained as a result of the Longroad investment and Northleaf investment, through the GBR II Joint Venture. The terms of the A&R LLC Agreement of GBR Holdings II are substantially similar to the terms of the A&R LLC Agreement of GBR Holdings I as amended by Amendment No. 1 to such agreement, including terms with respect to, capital structure, distributions, directors and officers, capital calls and funding, powers of management and the board, transfer restrictions and other rights and obligations of the parties thereunder. GBR II is managed by the same management team as GBR I pursuant to a services agreement entered into by GBR II and GBR I.

The GBR II Joint Venture and its subsidiaries are jointly controlled by the Corporation and Apollo Fund on a 50/50 basis and is subject to the same governance structure and investment mandate as the GBR I Joint Venture.

The GBR Joint Venture and its subsidiaries are currently governed by a board of directors consisting of five members, comprised of Earl Ludlow and Brian Dalton (the Altius GBR Holdings designees) Trevor Mills and Corinne Still (the Apollo Fund designees) and Frank W. Getman, the CEO of GBR, who is a non-voting member.

The head office and registered office of GBR is located at Suite 22 - 953 Islington Street, Portsmouth, NH, 03801. See the corporate structure chart provided above for the intercorporate relationships of the GBR Joint Venture and GBR.

Dividend History

In January 2022, the GBR Joint Venture distributed funds received from the redemption of Apex to each partner as described elsewhere in this AIF. In November 2023, the GBR Joint Venture distributed funds received from its credit financings to each partner as described elsewhere in this AIF. The GBR Joint Venture does not currently have a policy with respect to the payment of dividends.

Description of Capital Structure

The following capital description applies to the GBR I Joint Venture and the GBR II Joint Venture. The capital of such entities is divided into two classes of units, being "Class A Units" and "Class B Units".

Class A Units

The board of the GBR Joint Venture has the authority to issue an unlimited number of Class A Units which may be designated as Class A-1 Units and Class A-2 Units. Class A Units may only be issued in accordance with a transfer expressly permitted by the A&R LLC Agreements and after such transferee executes an adoption agreement and in the case of a

management member, any other agreement or instrument deemed necessary by the board of the GBR Joint Venture. The Class A Units are not convertible into any other class of securities of the GBR Joint Venture.

Class B Units

The board of the GBR Joint Venture has the authority to issue up to 1,000,000 Class B Units, of which 800,000 have been issued to date. Additional Class B Units and additional series of Class B Units may be approved by the board of the GBR Joint Venture from time to time. Class B Units may only be issued to employees of the GBR Joint Venture and may not be issued to any Apollo Fund or ARR designee. Issuances can only be made following the approval of the board of the GBR Joint Venture and upon each such additional Class B Member executing an (i) adoption agreement, (ii) award agreement, (iii) as determined by the board of the GBR Joint Venture, a non-competition, non-solicitation and confidentiality agreement and (iv) any other agreement or instrument required by the board. The Class B Shares are not convertible into any other class of securities of the GBR Joint Venture.

Management of the GBR Joint Venture is vested in its board, which is comprised of the five individuals listed under the heading "Directors and Officers of the GBR Joint Venture". The majority of holders of Class A-1 Units and Class A-2 Units each have the right to appoint two directors, respectively. The chief executive officer of the GBR Joint Venture will also serve as a director, but does not have any voting rights. The Class B Units are not voting and carry no approval or consent rights other than certain actions disproportionately affecting the Class B Units.

On liquidation of the GBR Joint Venture, after providing for payment of creditors, assets of the Corporation are to be distributed to the members. First, to the Class A members until certain targets are met, and thereafter among the Class A members and Class B Members pursuant to designated sharing percentages.

Distributions

Pursuant to the A&R LLC Agreements, cash is distributed to the holders of the Class A Units in proportion to their interest in the GBR Joint Venture. Given the 50/50 ownership, equal distributions will be made to each of Apollo and ARR with neither Apollo Fund nor ARR having any preferential distribution rights relative to the other. Following the achievement of certain yield hurdle targets, cash distributions are then shared among the holders of the Class A Units and the Class B Units. The yield hurdle target amounts are structured such that ARR's proportionate share of distributions will not be diluted below the minimum return threshold range. The exact percentage amounts payable to Class B Unit holders upon the achievement of these yield hurdle targets, while considered by the GBR Joint Venture as commercially sensitive information, are within ranges that it believes are commercially reasonable when considering factors such as competitive market conditions, incentivization and retention.

Directors and Officers of the GBR Joint Venture

The following table sets forth certain summary information in respect of the directors and executive officers of the GBR Joint Venture.

Name, Province/State and Country of Residence	Position with the GBR Joint Venture	Principal Occupation
Earl Ludlow Newfoundland and Labrador, Canada	Director	Corporate Director
Brian Dalton Newfoundland and Labrador, Canada	Director	President and Chief Executive Officer of Altius Minerals and ARR
Trevor Mills New York, New York	Director	Partner, Private Equity at Apollo Global Management
Corinne Still Miami, Florida	Director	Partner, Infrastructure at Apollo Global Management
Frank Getman Portsmouth, New Hampshire	Director and Chief Executive Officer	President and Chief Executive Officer of GBR
Raymond Faust Portsmouth, New Hampshire	Chief Financial Officer	Chief Financial Officer of GBR

As at the date hereof, the directors and executive officers of the GBR Joint Venture, as a group, beneficially owned, directly or indirectly, or exercised control over, a total of 142,665 Common Shares, representing approximately 0.46% of the issued and outstanding Common Shares.

A&R LLC Agreements

The following is a summary of the A&R LLC Agreements and does not purport to be a complete summary. For a complete description of the terms of the A&R LLC Agreement of GBR Holdings I and the A&R LLC Agreement of GBR Holdings II, see the full text of such agreements which are available under the Corporation's profile on SEDAR+ at www.sedarplus.ca.

Powers of Management and the Board of Directors of GBR Holdings I and II

The business and affairs of GBR are managed under the direction of the board of directors of GBR Holdings, as a board of directors of a limited liability corporation formed under the laws of Delaware. Each member of the board of directors of GBR Holdings is entitled to act or omit to act at the direction of the member (in the case of the Corporation, through its wholly-owned subsidiary, Altius GBR Holdings) that designated such person to serve on the board of directors, including the separate interest of such member.

Approval of any action by the board of directors of GBR Holdings requires approval by a majority of the votes of directors at a properly constituted meeting (and must include at least one vote by an Altius GBR Holdings designee director, at least one Apollo Fund designee director) or approval by the requisite votes of directors by an instrument in writing. The board of directors of GBR Holdings may delegate day-to-day operational powers and duties to the senior management team of GBR Holdings. The senior management team of GBR Holdings will be appointed or removed in the sole discretion of the board of directors of GBR Holdings, subject to the terms of the applicable employment or consulting agreements in respect of such officers, if any. To the extent that any of the subsidiaries of GBR Holdings require a board of directors, board of managers or equivalent governing body, such board shall consist of an equal number of the Altius GBR Holdings designees and Apollo Fund designees.

Appointment of Directors

Pursuant to the A&R LLC Agreements, each of Altius GBR Holdings and Apollo Fund have the right to appoint two voting members to the board of GBR Holdings and have agreed that the CEO of GBR Holdings will be the fifth (but non-voting) member of the board of GBR Holdings. Each voting director has one vote.

The board of directors of GBR Holdings is currently comprised of five directors, being Earl Ludlow and Brian Dalton (the Altius GBR Holdings designees) Trevor Mills and Corinne Still (the Apollo Fund designees) and Frank W. Getman, the CEO of GBR Holdings.

Future Opportunities

The Corporation and Altius Minerals have each agreed that all future opportunities in renewable power royalties made available to the Corporation, Altius Minerals or their respective affiliates will be presented to the GBR Joint Venture. To the extent that the board of directors of GBR Holdings does not approve the proposed opportunity, the member whose designees did approve the opportunity at the board level may pursue such opportunity separately as a sidecar to the joint venture. If so requested by a holder of Class A Units, GBR Holdings shall provide management, administrative and general services to such sidecar entity pursuant to a services agreement subject to certain exceptions. Following the achievement of certain minimum internal rate of return (IRR) and multiple of invested capital (MoIC) (as such terms are defined in the A&R LLC Agreements) on the capital contributions made to the sidecar by the Class A Unit holder that approved the proposed opportunity, GBR Holdings shall be entitled to a percentage of the distributions made by any such sidecar entity. The parties may also consider using a sidecar structure in certain other circumstances, including for tax reasons, in which case the economic benefits will be replicated for the parties, to the extent possible.

Transfer Restrictions

Subject to the terms of the A&R LLC Agreements, no member of GBR Holdings may directly or indirectly transfer (as such term is defined in the A&R LLC Agreements) any of its Units prior to a public offering of GBR Holdings. At any time, Altius GBR Holdings and Apollo Fund may transfer Units to their respective affiliates (as such term is defined in the A&R LLC Agreements). Following October 11, 2022 but prior to October 11, 2025, Altius GBR Holdings and Apollo Fund may each transfer Units to persons who are not their respective affiliates (as such term is defined in the A&R LLC Agreements), subject to the Tag-Along Rights and Right of First Offer described below. Following October 11, 2025, Altius GBR Holdings and Apollo Fund may each transfer their respective Units to any person (other than certain prohibited transferees).

A change of control (as such term is defined in the A&R LLC Agreements) of Altius GBR Holdings directly (or ARR indirectly) would trigger the transfer provisions under the A&R LLC Agreements. As a result, subject to certain exceptions, Altius Royalty Corporation ("ARC") may only sell or otherwise dispose of its Common Shares between October 11, 2022 and October 11, 2025 in compliance with the terms set out in the A&R LLC Agreements, if such action would result in a change of control (as such term is defined in the A&R LLC Agreements).

Approved Sale

After October 11, 2022, either Altius GBR Holdings or Apollo Fund may force a transfer or sale by way of an Approved Sale (as such term is defined in the A&R LLC Agreements), provided that the proceeds of such sale (and any prior distributions) must be sufficient to achieve a MoIC of at least of 1.5 and such Approved Sale is first subject to the Right of First Offer described below. After October 11, 2025, either Altius GBR Holdings or Apollo Fund can force an Approved Sale. The board of directors of GBR Holdings may, at any time, also effect an Approved Sale with the approval of a majority of each of the holders of Class A-1 and Class A-2 Units (which are currently held by Altius GBR Holdings and Apollo Fund, respectively).

Right of First Offer

If any holder of Class A Units desires to (i) transfer any or all of such person's Class A Units to a third-party (other than to an affiliate (as such term is defined in the A&R LLC Agreements)) prior to October 11, 2025, or (ii) cause an Approved Sale at any time (such person a "Selling ROFO Member"), the Selling ROFO Member must first, prior to entering into a non-binding letter of intent or similar document, give written notice ("ROFO Notice") to the other subclass of Class A Units (the "ROFO Holder") of the proposed sale. Within 30 days following receipt of the ROFO Notice, the ROFO Holder may provide written notice that it intends to purchase all of the Units or assets of GBR Holdings being offered. If the ROFO Holder does not elect to purchase the Units or assets being offered, then the Selling ROFO Member shall have six months to complete the proposed sale, provided such sale is not on terms that are materially more favourable than those set out in the ROFO Notice.

Tag-Along Rights

Prior to October 11, 2025, subject to certain restrictions and the Right of First Offer set out above, if a holder of Class A Units (the "Tag Seller") desires to effect a transfer (a "Tag Sale") of any of its Units to a third-party that is not a member of GBR Holdings (or an affiliate thereof) ("Tag-Along Transferee") and where the Tag Seller does not exercise its rights (if any)

to cause a transfer as an Approved Sale, then at least 15 days prior to the closing of Tag Sale, the Tag Seller shall make a written offer (“Participation Offer”) to each other holder of Class A Units (a “Co-Seller”) to include in the Tag Sale a number of Class A Units owned and designated by each other holder of Class A Units. Each Co-Seller shall have the right within 10 days after delivery of Participation Offer to include in such Tag Sale up to the number of such Co-Seller’s Class A Units that equals the product of the total number of such Co-Seller’s Class A Units multiplied by the requested Tag Seller Percentage (being the percentage the number of Class A Units proposed to be sold by the Tag Seller represents of the total number of the Class A Units held by the Tag Seller). Promptly following the completion of such procedures, the Tag Seller shall notify the Tag-Along Transferee of the total number of Class A Units to be sold. If the Tag-Along Transferee is unwilling to purchase such total number of Class A Units, then the number of Requested Class A Units that otherwise would have been sold in the Tag Sale by the Tag Seller and each exercising Co-Seller shall be reduced on a pro rata basis so that the aggregate number of Class A Units sold in such Tag Sale equals the number of Requested Class A Units multiplied by the Purchased Percentage (as such term is defined in the A&R LLC Agreements).

GBR Services Agreement

GBR I, LLC and Altius Minerals entered into a management, administrative and operational services agreement (the “GBR Services Agreement”) on October 11, 2020 pursuant to which Altius Minerals agreed to provide GBR I with certain back office services including bookkeeping, accounting, treasury services as well as other services previously provided to GBR I for which Altius Minerals will be fairly compensated by GBR I. For 2022 and 2023, Altius Minerals performed all bookkeeping, accounting and financial reporting services whereas in 2021 these services were outsourced by GBR I and were limited solely to finalizing 2020 accounting and financial reporting. Altius will also invoice GBR I for certain direct costs that it incurs on GBR I’s behalf.

GBR-ARR Services Agreement

GBR I and ARR entered into a services agreement dated effective January 1, 2021 (the “GBR-ARR Services Agreement”) pursuant to which GBR I has agreed to provide certain services to ARR on an interim basis in connection with the IPO and provide post-IPO support services, including communications with shareholders and stakeholders of ARR, review of public disclosure documents, assistance with the preparation of reports to the ARR board of directors (the “Board”), attendance at Board meetings and such other services reasonably requested by ARR. As consideration for the services, ARR shall pay GBR I a daily rate ranging from \$800 to \$2,000 for each individual providing services to ARR under the GBR-ARR Services Agreement. The GBR-ARR Services Agreement also stipulates the maximum amount of time per employee that may be spent on various services under the GBR-ARR Services Agreement.

Altius Minerals Services Agreement

The Corporation and Altius Minerals entered into a services agreement dated January 15, 2021 pursuant to which Altius Minerals will provide office space, management, and administrative services, including the services of certain executives to the Corporation for a monthly fee of C\$50,000 plus applicable taxes beginning on February 1, 2021, which amount was calculated on a cost recovery basis, and will be reviewed and adjusted by agreement of the parties, if necessary. Following the initial review, the fees will be subject to a yearly review by the independent directors of the Corporation. Altius Minerals is also entitled to be reimbursed for reasonable out-of-pocket costs it incurs directly for the Corporation. Either the Corporation or Altius Minerals may terminate services agreement on 60 days' written notice to the other and in other prescribed circumstances, including in certain events of insolvency and if there is a violation of the confidentiality and non-use obligations set forth in the agreement.

GBR Management-GBR II Services Agreement

GBR II and Great Bay Renewables Management, LLC entered into a services agreement dated effective September 1, 2023 (the "GBR Management-GBR II Services Agreement") pursuant to which GBR II is managed by the same management team as GBR I and GBR Management shall provide those services that, as determined by GBR II in consultation with GBR Management from time to time, are necessary in connection with the business of GBR II and its subsidiaries, if any, including, without limitation, the management and operation of GBR II's assets for which GBR Management will be fairly compensated by GBR II, including payment for all reasonable and documented out-of-pocket costs and expenses actually incurred by GBR Management in connection with the provision of the services provided to GBR II. Either GBR Management or GBR II may terminate such services agreement on 30 days' written notice to the other and in other prescribed circumstances, including in certain events of insolvency.

GBR Credit Facility

On October 31, 2023, GBR I, GBR II (as borrowers) and GBR I Holdco, LLC and GBR II Holdco, LLC (as parent pledgers) entered into senior secured credit financing agreements in the aggregate amount of \$247 million. The financing includes the ITF, the Delayed Draw Facility and L/Cs, with the two term facilities expected to qualify for Green Loan eligibility as defined by the International Capital Market Association.

Key terms of the credit facility are as follows:

- Subject to certain conditions precedent, initial draw of \$123.5 million of the ITF (less transaction costs and required reserves) as a return of capital to the shareholders, the Corporation and Apollo, who each intend to reinvest the debt proceeds back into GBR as future royalty investment opportunities arise. The initial draw under the ITF will be limited to approximately \$117.9 million until such time as the El Sauz project has achieved commercial operations, following which the balance of \$5.6 million will become available for drawdown.
- Subject to certain conditions precedent, Delayed Draw Facility of \$100 million available in tranches for future royalty investments, with the amount available to GBR to be determined based on expected revenue parameters of such future investments. The Delayed Draw Facility will be available for the first 3 years of the term.

- \$23 million L/C to accommodate debt service reserve requirements and for development stage renewable royalty credit support.
- Initial term of 5 years for the credit facilities with repayments based on a 20 year amortization period. Repayable anytime without penalty.
- GBR entered into a floating-to-fixed interest rate swap to lock in approximately 100% of the interest rate on the ITF for the full term of the debt. In addition, GBR has entered into a floating to fixed interest rate swap to lock in approximately 50% of the initial draw beyond the initial term for the amortization period to reduce refinancing risk. GBR expects the interest rate on the fixed portion of the debt to be approximately 6.4% per annum excluding financing closing costs for the first three years and approximately 6.5% for the last two years of the term of the loan. If required, GBR may enter into further interest rate swaps to lock in interest rates in connection with the Delayed Draw Facility.
- The interest rate secured through the swap provides for a competitive cost of capital that is below GBR's expected investment return hurdle threshold.
- The credit facility agreements contain customary representations and warranties, covenants and events of default (subject to grace and cure periods).
- The credit facilities and L/C will be secured by a first ranking pledge of equity of GBR I and GBR III and security on existing revenue cash generating assets or expected near term cash generating assets of GBR. The obligations of Great Bay under the credit facility agreements will also be guaranteed by GBR I Holdco, LLC and GBR II Holdco, LLC.

Royalty Portfolio and Assets

GBR's complete royalty portfolio can be found in the above *Existing Royalty and Investment Portfolio*, page 13.

On January 6, 2023, GBR I sold the assets of NEO Geothermal, LLC for a sale price of \$435,000, subject to any standard transaction costs. The assets, consisting of a geothermal wellfield located under a building in Portsmouth, New Hampshire, were sold to the building owner. The Corporation did not consider this asset to be material.

GBR has a royalty on the Clyde River Hydro and Solar Project which is an operating project in Vermont, USA and connected to the ISO New England power region. GBR owns a 10% gross revenue royalty on a 4.7MW hydroelectric project and a 150KW co-located solar project. The facility is expected to operate under its FERC license that is valid through October 2043, the facility owner may or may not choose to seek to relicense the facility.

Prospero 2

The operating Prospero 2 (as defined herein) project (250 MW) achieved commercial operation on August 2, 2021 and is operated by Longroad. The solar facility is set upon lands leased from the University of Texas under a long-term lease agreement. Over two-thirds of the expected Prospero 2 power output is contracted to two companies, Davita and Zimmer Biomet, under fifteen-year unit contingent power purchase agreements, with the remainder of the project's energy output expected to be sold into the Energy Reliability Council of Texas ("ERCOT") spot market. GBR receives a gross revenue royalty-like payment that commenced in 2022 at rates that vary over time and which achieve the GBR Joint Venture investment hurdles while optimizing Longroad's project level cash flow profile. The royalty-like payment will remain in place for the life of the Prospero 2 solar project, including any extensions of or enhancements to such project. The GBR Joint Venture expects to earn a return of 8-12% on its investment over the initial life of the project.

Northleaf Portfolio

GBR receives a gross revenue royalty-like payment on the Northleaf Projects (Old Settler, Cotton Plains, and Phantom Solar projects described below) at rates that vary over time and which achieve the GBR Joint Venture's investment hurdles while optimizing Northleaf's portfolio level cash flow profile. The royalty-like payment will remain in place for the life of the portfolio of projects, including any extensions of or enhancements to any single project. The GBR Joint Venture expects to earn a return of 8-12% on its investment over the remaining 25 years of the initial life of the project.

Old Settler

The operating project, Old Settler (as defined herein) achieved commercial operation in 2017 and is operated by Northleaf. The Old Settler Project (150 MW) is located on parcels leased under long-term leases. The expected wind power generation from the Old Settler is sold into the ERCOT spot market.

Cotton Plains

The operating project, Cotton Plains (as defined herein) achieved commercial operation in 2017 and is operated by Northleaf. The Cotton Plains Project (50 MW) is located on parcels leased under long-term leases. The expected wind power generation from Cotton Plains is sold under a thirty-year power purchase agreement with the United States Government.

Phantom

The operating project, Phantom Solar (as defined herein) achieved commercial operation in 2017 and is operated by Northleaf. The Phantom Solar Project (15 MW) is set upon lands leased from the United States Government at U.S. Army Garrison Fort Hood under a long-term lease agreement. The expected solar power generation from Phantom Solar is sold under a thirty-year power purchase agreement with the United States Government.

Titan Solar

Titan is a 70MWac project in Imperial County, CA and starting in 2026 approximately 70% of the expected revenues will be market-based with the remainder relating to contracted capacity payments and renewable energy credits.

The royalty investment has been structured using royalty rates that vary over time and achieve GBR's investment hurdles while optimizing Longroad's project level cash flow profile. In 2023, Titan Solar contributed approximately \$2.1 million in revenue, compared to expectations to contribute approximately \$3.0-\$3.5 million. The shortfall is mainly due to a delay in receiving a \$1.25 million payment associated with the completion of a local transmission upgrade, which is now expected to be received in Q1 2024. GBR continues to expect Titan Solar revenues will average \$4.0-\$4.5 million annually over its first 10 years.

Hansford County Wind Project

GBR has a fixed dollar per megawatt hour royalty produced from a distinct 658MW of a larger 1,000 MW wind project in Hansford County, Texas, which is owned and operated by a top-tier renewables owner-operator.

Young Wind

The 500 MW Young Wind project, owned by Apex, was developed and commenced commercial operations in Q4 2022, supplying power to the ERCOT power region in Young County, Texas. GBR has a 2.5% gross revenue royalty on the project. The project has an estimated life of at least 25 years.

Jayhawk

The 195 MW Jayhawk royalty was generated under the Corporation's Apex investment. On December 14, 2021 WEC Energy Group announced that Jayhawk had achieved commercial operation. Jayhawk was developed by Apex and acquired by WEC Energy Group and Invenergy to support a renewable power purchase agreement with Facebook. The project is connected to the Southwest Power Pool ("SPP"). GBR has a 2.5% gross revenue royalty on the project. The project has an estimated life of at least 25 years.

Appaloosa

Appaloosa (175 MW) was developed by TGE and acquired by NextEra. The project commenced commercial operations in Q4 2022 and is delivering generated power to the ERCOT power region. GBR has a 1.5% gross revenue royalty on the project. The project has a power purchase agreement with Dupont on 135 MW and has an estimated life of at least 25 years.

Canyon Wind

Canyon Wind was developed by TGE and acquired by NextEra. The project commenced commercial operations in Q1 2024 and is delivering generated power to the ERCOT power region. GBR has a sliding scale royalty of 2.4% of revenue, with 2.0% on the first 150 MWs, 2.5% on the next 50 MWs and 3.0% on anything above 200 MWs, as the project is expected to be constructed in phases. The first phase is approximately 308 MWs.

Construction and Development Stage Royalties

El Sauz

The 300 MW El Sauz wind project was developed by Apex and acquired by JERA Renewables NA ("JERA"). The project will be connected to the ERCOT power region. GBR has a 2.5% gross revenue royalty on the project. Construction began in 2022, with commercial operation expected in Q1 2024. The project has an estimated life of at least 25 years. There can be no assurances that El Sauz will ultimately achieve commercial operation or that GBR will receive any royalty revenue from the project.

Panther Grove

The 400 MW Panther Grove wind project was developed by TGE and acquired by Copenhagen Infrastructure Partners. The project will be connected to the PJM power region. GBR has a 3% gross revenue royalty on the project. Construction is underway with commercial operation expected in 2025 or later. The project has an estimated life of at least 25 years. There can be no assurances that Panther Grove will ultimately achieve commercial operation or that GBR will receive any royalty revenue from the project.

Angelo Solar Project

The 195 MWac Angelo Solar project in Tom Green County, Texas is being developed by Apex Clean Energy and is anticipated to achieve commercial operations in May 2024. GBR's royalty-like investment has been structured using royalty rates that vary over time and achieve GBR's investment hurdles. There can be no assurances that any development stage royalty will ultimately achieve commercial operation or that GBR will receive any royalty revenue from the project.

For the purposes of the AIF, the Corporation considers all operating and construction stage royalties to be material. All development stage royalties are described in table 3 above. There can be no assurances that any development stage royalty will ultimately achieve commercial operation or that GBR will receive any royalty revenue from the project.

Competitive Conditions

In sourcing investment opportunities, GBR has to compete with debt and other forms of financing that may be available to developers on comparable or more favourable terms. Further, although the Corporation believes that, as a pioneer in providing royalty financing in the renewable power sector, it currently faces limited competition in providing such royalty financing, the success of the Corporation's business model may lead other companies to engage in a similar royalty financing model in the renewable power sector as there are low barriers to entry. See "Risk Factors".

Employees and Skills

The management functions of the Corporation are performed by the directors and executive officers of the Corporation, who have knowledge of the renewable power generation industry, relationships within the industry and experience in identifying, evaluating and completing investments. Given the complexity of renewable power projects, successful developers of renewable power assets require highly skilled and experienced teams with strong origination, negotiation,

and technical and strategic analysis capabilities, coupled with regional expertise and a focus on development risk management. As of the date of this AIF, ARR has a Chief Executive Officer, a Chief Financial Officer and a corporate secretary, all operating under the Altius Minerals Services Agreement. GBR has seven employees.

Social or Environmental Policies

The Corporation maintains an Environmental, Social & Governance (“ESG”) Investment Policy (“ESG Policy”), which outlines the Corporation’s approach to integrating ESG considerations into its overall approach to conducting business. The Corporation seeks to invest and obtain royalties from renewable and clean energy projects. Since the Corporation does not control investee companies or participate in the management of them, its ability to influence their ESG policies and practices is necessarily more limited than, for example, a traditional private equity investor. As a result, the Corporation focuses on determining which ESG factors are financially material for a potential investment during the due diligence stage. When assessing financial materiality, the Corporation assesses whether there are ESG factors that might impact a company’s financial condition, operational performance, business model, reputation, or social license to operate to such an extent that they could impact the company’s operations and/or the ability to pay a royalty to ARR once a development stage asset is sold to an operator counterparty.

Prior to any investment, the Corporation endeavours to consider all available information relating to material risks and opportunities including those related to financial, technical, legal and ESG matters. If material ESG risks are identified, ARR will, if appropriate, seek to ensure that they are addressed prior to investing and, where appropriate, incorporate ongoing reporting requirements relating to them into the legal agreements with investee companies so that ARR can continue to monitor the extent to which they represent financial risk to ARR. ARR seeks to negotiate contractual terms which will encourage investee companies to effectively monitor and manage their ESG performance and provide ARR with ongoing ESG-related reporting, with more detailed reporting and updated information on how incidents will be remedied following any ESG-related adverse incident.

Once invested, the Corporation endeavours to ensure that investee companies maintain appropriate governance structures in place to effectively oversee all of their material financial issues relevant to their ongoing ability to pay ARR’s royalty, including those relating to environmental and social factors. The Corporation encourages its investee companies to mitigate their ESG risks, minimize any adverse ESG-related impacts, and fully capitalize on their ESG opportunities to ensure their continued success.

RISK FACTORS

An investment in the Common Shares involves a substantial degree of risk and is highly speculative due to the nature of the Corporation’s business. Investors should carefully consider the risks described below and the other information contained in this AIF before making any decision to buy Common Shares. If any of the following risks or other risks not listed below occur, the Corporation’s business, prospects, financial condition, results of operations and future cash flows could be materially adversely impacted.

Forward-looking information may prove to be inaccurate.

Investors should not place undue reliance on forward-looking information. By its nature, forward-looking information involves numerous assumptions, known and unknown risks and uncertainties, of both general and specific nature, that could cause actual results to differ materially from those suggested by such forward-looking information or contribute to the possibility that predictions, forecasts or projections will prove to be materially inaccurate.

Risks Relating to the Corporation's Business, Industry and Operating Environment

Dependency on Renewable Power Generation Facility Owners for the Operation of Power Generation Facilities

The operations of the power generation facilities in which the Corporation holds royalty interests will be dependent upon the facility owner or operator of the renewable power generation facility (collectively, the "Facility Owner"), and the Corporation has no input as to how these facilities are operated. As a result of the Corporation's operating model, the Corporation's future cash flow is dependent upon the activities of the Facility Owners. Such Facility Owners: (i) may have business interests or targets that are inconsistent with those of the Corporation; (ii) may take action contrary to the Corporation's policies or objectives; (iii) may be unable or unwilling to fulfill their obligations under their agreements with the Corporation; (iv) may be unable or unwilling to comply with the underlying power or electricity purchase or sale agreement between the owner of a facility generating electricity and a third-party acquirer of electricity ("PPA"); or, (v) may experience financial, operational or other difficulties, including insolvency, which could limit the Facility Owner's ability to perform its obligations under the royalty agreement. Any such action could have a material adverse effect on the Corporation's future profitability, results of operations and financial condition.

Risk of Grid-Related Outages, Curtailment and Congestion

Individually operated wind or solar facilities may be subject to curtailment at the grid level which reduces their output and related revenue at certain times of their generation with the operators of the wind or solar facilities having no influence on such curtailment. Lower power production because of curtailment could have a material adverse effect on the Corporation's future profitability, results of operations and financial condition.

Royalties May be Subject to Buy-Outs or Buy-Downs

The Corporation may invest in royalty interests that are subject to: (i) buy-down right provisions pursuant to which a Facility Owner may buy-back all or a portion of the royalty; or (ii) pre-emptive rights pursuant to which parties to various operating and royalty agreements may have the right of first refusal or first offer with respect to a proposed sale or assignment of a royalty to the Corporation. Holders of these rights may exercise them such that certain royalty interests would be lost, reduced or otherwise not be available to the Corporation. Any such exercise may result in the elimination of a royalty interest for compensation to the Corporation and it may have a material adverse effect on the Corporation's future profitability, results of operations and financial condition. An example of a buy-back occurred in 2021 following an Apex change of control. Another example of a change in control occurred in 2022 with the Enbridge acquisition of TGE, which did not limit the ability of GBR to receive future royalties and in fact generated a larger pipeline of future royalty capital opportunities; however, contracts differ by counterparty and the Corporation may not always be able to negotiate robust protections against buy-downs or buy-outs.

Dependency on Renewable Power Generation Facility Owners for the Development of Power Generation Facilities

The development of the power generation facilities that are not yet operational and in which the Corporation will hold royalty interests will be dependent upon the Facility Owner's ability to complete the development, raise financing, complete construction and place the facility into operation at the name plate capacity, and the Corporation will have no input as to how these facilities will be developed, financed or constructed. The anticipated timing of the phases of development of power generation facilities may differ materially from the Corporation's expectations. While the Corporation has made efforts to mitigate its exposure to risk over the longer term by structuring contracts based on a return threshold calculation, the failed development or a material delay in the development, financing, construction or start of operations at a power generation facility could have a material adverse effect on the Corporation's profitability, results of operation and financial condition over the short or medium term.

Dependency on Sale of Renewable Power Projects to Third Parties

The Corporation, through its joint venture, has provided a portion of the development capital to Apex, TGE, Bluestar, Nova, Hodson and Hexagon to finance the advancement of each developer's portfolio of development stage renewable power projects. In exchange for the Corporation's investment, GBR will be entitled to a newly created contractual royalty on each project that is sold by such developer to a third-party or affiliate. While certain royalties under the Apex agreement have been earned and no more will be granted after the Apex buy-out referenced above, the Corporation's ability to receive future royalties under the TGE Agreement will be contingent upon Enbridge's overall ability to advance projects through construction and to Commercial Operations Dates. The Corporation has also provided the first tranches of capital to earlier stage developers Hodson, Bluestar and Nova and Hexagon. The Corporation has negotiated contractual protections in an effort to mitigate risks associated with bankruptcy or insolvency, however, certain of the Corporation's rights in this regard may be subordinated to senior lenders. Any failure or delay in the ability of these entities to advance projects that in turn assign royalties could have a material adverse effect on the Corporation's profitability, results of operations and financial condition.

Limited Access to Data and Disclosure Regarding the Operation of Power Generation Facilities

As a royalty holder, the Corporation will be entitled to audit the books and records of the Facility Owners on a periodic basis and may have rights to access and inspect the power generation facilities. These rights will provide the Corporation with further insight into the operations from time to time and will assist in confirming compliance with the royalty agreements. However the Corporation is not, and will not, be the owner or operator of any of the power generation facilities underlying its current or future royalties. Consequently, unless otherwise provided for under contract, the Corporation will have limited periodic access to data on the underlying operations or to the underlying facilities themselves. This could affect its ability to assess the value of a royalty on a timely basis and performance of the royalty agreements with the Facility Owners. In addition, royalty agreements may be subject to confidentiality arrangements that govern the disclosure of information with regard to royalties and as a result the Corporation may not be in a position to publicly disclose non-public information with respect to certain royalties. The limited and potentially delayed access to data and disclosure regarding the operations of the properties in which the Corporation has an interest may restrict the Corporation's ability to assess the value or enhance its performance, which may result in a material and adverse effect on

the Corporation's profitability, results of operation and financial condition and may limit the Corporation's ability to allow investors to assess the value of the Corporation.

Reliance on Facility Owner Reporting and Information

The Corporation relies on public disclosure and other information regarding the power generation facilities it receives from the Facility Owners. The Corporation must rely on the accuracy and timeliness of the public disclosure and other information it receives from the Facility Owners of the power generation facilities, and use such information in its analyses, forecasts and assessments relating to its own business and to prepare its disclosure with respect to the royalties. Further, the Corporation relies on information provided by the Facility Owners to determine the fair market value and return thresholds for the royalty arrangements. If the information provided by the Facility Owners to the Corporation contains material inaccuracies or omissions or is not released in a timely manner, the Corporation's revenues may be adversely affected, its financial disclosure and calculations may be inaccurate, and its ability to accurately forecast or achieve its stated financial forecasts and objectives may be materially impaired, which may have a material adverse effect on the Corporation.

Dependency on Facility Owners for the Calculation of Royalty Amounts

The amounts deliverable under the royalty agreements are calculated by the Facility Owners of the power generation facilities based on electricity produced and sold at the revenue meter, and renewable power credits sold. Each Facility Owner's calculation of royalty amounts is subject to and dependent upon the adequacy and accuracy of its production and accounting functions, and errors may occur from time to time in the calculations made by a Facility Owner. In certain instances, the Corporation may not have the contractual right to receive production information for all of its royalties. As a result, the Corporation's ability to detect errors in royalty amounts may be limited, and the possibility exists that the Corporation will need to make retroactive revenue adjustments in respect of royalties and if not detected may adversely affect receipt of proper entitlements. Some of the royalty agreements provide the right to audit the operational calculations and production data for the associated royalty amounts; however, such audits may not occur until many months following recognition of the royalty revenue and may require the Corporation to adjust revenue in later periods.

Delay or Failure of Royalty Payments

The Corporation will be dependent to a large extent upon the financial viability and operational effectiveness of Facility Owners. Payments from production generally flow through the Facility Owner and there is a risk of delay in receiving such revenues or the reduction of such revenues from those anticipated by the Corporation. Payments may be delayed or reduced by a variety of causes including damage sustained to the power generation facilities, accidents at the power generation facilities, recovery by the operators of expenses incurred in the operation of the power generation facilities, or the insolvency of the operator. In addition, delays in collecting royalties may result in higher revenue variability from quarter to quarter. A material delay or failure to receive any royalty payments from the owners and operators may result in a material adverse effect on the Corporation's profitability, results of operation and financial condition. Such delays or failures may also impact the Corporation's ability to achieve its anticipated minimum return threshold.

Subordinated or no Security Interest

The Corporation's rights to payment under the royalties must, in most cases, be enforced by contract, and may or may not include the protection of a security interest over property that the Corporation could readily liquidate, and if such security interest exists it may be further subordinated to other sources of financing. The Corporation's rights under the royalties will not constitute an interest in land. This may affect the Corporation's ability to collect outstanding royalties upon a default. In the event of a bankruptcy or insolvency of a Facility Owner, the Corporation may be treated like any other unsecured creditor or be subordinated to other creditors, and therefore have a limited prospect for full recovery of royalty revenue.

Royalty and Other Interests May Not Be Honored by Facility Owners

The Corporation's royalty and other interests in renewable power projects are largely contractually based. Parties to contracts do not always honor contractual terms and contracts themselves may be subject to interpretation or technical defects. Non-performance by grantors of royalty and other interests may occur if such counterparties find themselves unable to honor their contractual commitments due to financial distress or other reasons. In such circumstances, the Corporation may not be able to receive its contractual entitlements. No assurance can be given that the Corporation's financial results will not be adversely affected by the failure of a grantor of royalty or similar interests to fulfill their contractual obligations in the future.

To the extent grantors of royalty and other interests do not abide by their contractual obligations, the Corporation would be forced to take legal action to enforce its contractual rights, including any security interests. Such litigation may be time consuming and costly, and as with all litigation no guarantee of success can be made. Should any such decision be determined adversely to the Corporation, it may have a material adverse effect on the Corporation's future profitability, results of operations and financial condition.

The Realized Return from the Corporation's Investments may vary from the Minimum Return Threshold

The Corporation is targeting a minimum return threshold of 8-12% on a pre-tax unlevered basis on investments in the portfolios of renewable energy developers or in operating royalties. This return is based upon negotiated terms with respective developers that are reflective of the cost of competing sources of capital at the time of the investment as well as risk assessment factors determined by ARR that include the size of the investment relative to the overall size and quality of the developer's project portfolio, historical track record of project sales and capital structure amongst other factors. The actual realized return over the duration of the investment may vary from the minimum return threshold. As an example, a material change in the expected operations at a power generation facility or the expected commodity pricing could have a material adverse effect on the Corporation's profitability, results of operation and financial condition over the short or medium term and result in a lower realized return than the minimum return threshold.

Increased Competition for Royalty Interests

In sourcing investment opportunities, the Corporation has to compete with other low-cost debt and other incentives that may be available to developers on comparable or more favourable terms. Further, although the Corporation believes that,

as a pioneer in providing royalty financing in the renewable power sector, it currently faces limited competition in providing such royalty financing, the success of the Corporation's business model may lead other companies to engage in a similar royalty financing model in the renewable power sector as there are low barriers to entry. If the Corporation has to compete with larger companies with substantial financial resources, operational capabilities or long earnings records, the Corporation may be at a competitive disadvantage in investing in and financing renewable power projects. Accordingly, there can be no assurance that the Corporation will be able to compete successfully against other larger companies or alternative sources of financing in providing royalty financing in the renewable power sector at a viable cost, which may have a material adverse effect on the Corporation's profitability, results of operation and financial condition.

Risks Arising from Joint Venture

The Corporation has entered into the A&R LLC Agreements to provide for the terms of the GBR Joint Venture among the Corporation and Apollo Fund. As of the date of this AIF, Apollo Fund holds a 50% interest in the GBR Joint Venture. Pursuant to the A&R LLC Agreements, the board of directors of GBR Holdings, the joint venture entity, must approve any investment decisions. Such board of directors is jointly controlled by the Corporation and Apollo Fund and unless the Corporation can solely pursue and fund a sidecar structure in certain instances the Corporation cannot make independent investment decisions that it believes are beneficial for its operations, which may materially and adversely limit or otherwise impact the Corporation's results, operations and financial condition, unless it is able to fund such investment solely through the sidecar investment mechanism. There is therefore no guarantee that the Corporation will be able to execute its preferred business or operational strategy as it does not have sole or majority control of the decisions to be undertaken by the GBR Joint Venture. Further, if the Corporation is not able to meet future capital calls in the GBR Joint Venture its ownership in the GBR Joint Venture may be diluted, which could result in ARR losing joint control of the GBR Joint Venture. Such loss of joint control would result in ARR having less input with respect to the future direction of GBR, and the royalty interests held by GBR.

PPA Contract Risks

The underlying power generation facilities are initially expected to operate under PPAs for a large portion of the power output. Such contracts contain performance benchmarks that must be achieved and other obligations that must be complied with by the Facility Owner such as the deliver of specific amount of power on specific hours of specific days. There is no assurance that counterparties to PPAs will perform their obligations or make required or anticipated payments to the Facility Owner. Failure of the counterparties to PPAs to perform their obligations or make required or anticipated payments to the Facility Owner could limit the Facility Owner's ability to perform its obligations under the royalty arrangements. In addition, PPAs may require settlement at a delivery point other than the facility itself and the risk of such delivery can be born by the Facility Owner and royalty holder.

PPA Contract Expiration Risks

Power generated from the underlying power generation facilities is, in the majority of cases, to be sold under PPAs that expire at various times. When a PPA expires, there can be no assurance that a subsequent PPA will be available or, if available, that any such subsequent PPA will be on terms, or at prices, acceptable to the Facility Owner or consistent with expiring PPAs or that the PPA will be replaced by another PPA. Failure by the Facility Owner to enter into a subsequent

PPA on terms and at prices that permit the operation of a facility on a profitable basis could have a material adverse effect on the royalties received by the Corporation.

Limitation of Insurance

The Corporation will maintain insurance policies, covering usual and customary risks associated with its business, with credit-worthy insurance carriers. A royalty interest in a renewable power generation facility is generally exposed to the risks inherent in the construction and operation of electricity generation facilities, such as breakdowns, manufacturing defects, labour disputes, accidents, natural disasters, theft, and sabotage. The Corporation relies on the Facility Owner's insurance policies to cover certain of such losses, particularly those arising from force majeure, natural disasters, or sabotage, among other things. While the Corporation typically requires projects to carry insurance under its royalty agreements, a significant uninsured loss or a loss that significantly exceeds the limits of the Facility Owner's insurance policies could have a material adverse effect on the Corporation's royalty interests and its profitability, results of operation and financial condition.

Cybersecurity

The Corporation and its counterparties are dependent on information technology ("IT") infrastructure consisting of various hardware equipment, software and network systems. Unauthorized parties may attempt to gain access to these systems at the Corporation or the Corporation's counterparty operations through fraud or other means. Failure of information systems at the Corporation or its counterparty operations could result in network disruption, reputational risk, risk of lawsuits for privacy violations or loss of funds that are then vulnerable to recovery processes and timeframes. Although to date the Corporation has not experienced losses relating to cyber security breaches, cyber security incidents have been rising globally and the Corporation continues to invest in network infrastructure and monitoring capacity, along with employee training and Code of Conduct obligations concerning the protection of confidential information.

General Risks Involved in the Operations of a Power Generation Facility

The revenue generated by the Corporation from a royalty interest is dependent on the amount of electricity generated by underlying power generation facilities. The ability of the power generation facilities to generate the amount of electricity expected is a primary determinant in the amount of revenues that will be received by the Corporation. A number of different factors, including but not limited to: equipment failure due to wear and tear, latent defect, design error, operator error, slow response to outages due to underperforming monitoring systems, changes in wind patterns, changes in solar irradiation patterns, reliance upon transmission systems and associated curtailment by off-takers provided under the terms of the PPA, and vandalism or theft could adversely affect the amount of electricity produced, and thus the revenues and cash flows of the Corporation. Extreme weather events, which may be more frequent due to climate change, may also impact the operations of power generation facilities. Unplanned outages or prolonged downtime for maintenance and repair may increase operating and maintenance expenses and reduce revenues as a result of selling less electricity. To the extent that a facility's equipment requires longer than forecasted down times for maintenance and repair, or suffers disruptions of power generation for other reasons, the profitability, results of operation and financial condition of the Corporation could be adversely affected.

Technological Advancements Could Impact the Corporation's Future Operations and Financial Condition

The Corporation's future revenue and expectations regarding the continued increase in demand for renewable power in the U.S. are to some extent dependent on the advancement of technology in the renewable power industry and could be impacted by changes and advancements in technology, or lack thereof, including the development of large scale energy storage. To the extent that technological advancements are delayed or fail to function as expected, the Corporation's assumptions about its future revenue and operations could be adversely affected. There is also no assurance that the Corporation will be able to respond effectively to technological advancements in the renewable power industry, which could have an adverse impact on the Corporation's revenue and operations.

Demand for Energy may be Negatively Impacted by Changes in General Economic, Social and Market Conditions.

The revenue derived by the Corporation from its royalty portfolio may be significantly affected by changes in energy prices and the demand for renewable sources of energy. The anticipated value of a royalty and performance of the royalty agreements with Facility Owners is based on assumptions relating to the demand for renewable sources of energy. That demand may change as a result of fluctuations in general economic conditions, energy prices, and social perception of renewable power generation facilities. On January 20, 2021, President Joe Biden announced that the U.S. had re-entered the Paris Climate Agreement, a nonbinding agreement signed among approximately 194 nations to reduce emissions and keep the increase in global temperatures well below 3.6 degrees Fahrenheit compared with preindustrial levels. Entry into the Paris Climate Agreement requires the U.S. to set voluntary targets to reduce domestic emissions. As the U.S. is the world's second-largest emitter of greenhouse gases, government action to limit the greenhouse gases may result in further acceleration of renewable power as a primary energy source. In 2022, the United States government enacted the *Inflation Reduction Act ("IRA")*, which includes US\$369 billion in investment in tax credits, incentives and other provisions intended to help companies tackle climate change, increase investments in renewable energy, and enhance energy efficiency. The IRA is widely expected to spur increased investments in the renewable energy sector, which serves as a positive catalyst for the Corporation.

The emergence of initiatives designed to reduce greenhouse gas emissions and control or limit the effects of climate change has increased the incentive to increase energy efficiency and reduce energy consumption. In addition, significant technological advancements are taking place in the electric industry, including advancements related to self-generation and distributed energy technologies.

Increased adoption of these practices, requirements and technologies could reduce demand for utility-scale electricity generation, which may adversely affect market prices at which the Facility Owners can sell electric power and consequently reduce the ability of ARR's renewable power developer partners to successfully develop and sell projects. Energy conservation, energy efficiency, distributed generation, community choice aggregation and other factors that reduce energy demand or changes in general economic or market conditions which have an adverse impact on energy prices could adversely affect the Corporation's profitability, results of operation and financial condition.

Environmental, Social and Governance Risks

Negative Public or Community Response to Renewable Power Generation Facilities

Growth in the Corporation's business depends in large part on the desire for renewable power facilities. Negative public or community response to renewable power facilities could adversely affect the development of and demand for wind or solar power energy. This type of negative response could lead to legal, public relations and other challenges for the developers in which the Corporation has made investments anticipating that such investments will yield future royalties. Such negative response could also lead to delays in development and construction, achieving commercial operations for a facility and generating revenues. Such delays or disruptions could have a material adverse effect on the Corporation's future profitability, results of operation and financial condition.

Reputational Risks

The Corporation's profitability, results of operation and financial condition may be negatively impacted as a result of any negative public opinion towards the Corporation, or as a result of any negative sentiment toward, or in respect of, the Corporation's reputation with stakeholders, special interest groups, political leadership, the media or other entities. Further, the Corporation's return on royalty investments may be negatively impacted as a result of any negative public opinion towards any of the power generation facilities in the Corporation's royalty investment portfolio, their Facility Owners, or any of its joint venture partners. Reputational damage can be the result of the actual or perceived occurrence of any number of events, and could include any negative publicity, whether true or not. Since the Corporation does not ultimately have direct control over how it, the assets in which it holds royalty or other investment interests, the Facility Owners, or the joint venture partners are perceived by others, reputational loss could occur and have a material adverse impact on the trading price of its securities.

Permitting Risk

The Corporation may invest in royalty interests in power generation facilities that will require various property rights, permits and licenses in order to commence commercial operations or conduct current and future operations, and delays or a failure to obtain such property rights, permits and licenses, or a failure to comply with the terms of any of such property rights, permits and licenses could result in interruption or closure of operations at the facility. Such interruptions or closures could have a material adverse effect on the Corporation's future profitability, results of operation and financial condition.

Changes in Legislation, Regulations, and Government Policies

The business of the Corporation's underlying royalty investments is subject to the applicable legislative, regulatory and policy regime in place for the renewable power generation sector. As such, the Corporation's royalty portfolio and business generally is susceptible to significant delays, changes or anticipated changes or adverse regulatory occurrences affecting the renewable power generation sector or government incentives which may favour competitors or competitive sources of electrical generation. In most jurisdictions, once the government implements specific renewable power policies or incentives either supporting a specific renewable power generator or the renewable power generating sector as a whole, such policies or incentives are generally applicable for a specified period of time (such as for example the current

production tax credit and investment tax credit incentive programs in the United States, which have ten year and five year availability windows, respectively, tied to the stage of the project). However, the government may modify its tax, tariff, or incentive regimes, and the future availability of any policies or incentives that increase demand for renewable power generation, either in current jurisdictions beyond the prescribed timeframes or in new jurisdictions, is uncertain. Any changes in the regulatory frameworks governing the renewable power generation sector could have a material adverse effect on the Corporation's profitability, results of operation and financial condition.

General Economic, Market Risks and Political Conditions

The Corporation's operations are affected by the condition and overall strength of the global economy and, in particular, the economies of Canada and the U.S. The occurrence of periods of poor economic conditions or low or negative economic growth could have an adverse impact on the Corporation's results and restrict the Corporation's ability to expand its royalty portfolio or pay dividends to its shareholders. The Corporation's ability to invest in royalty interests in renewable power generation is, in part, dependent upon, and also correlated to, market risks and political conditions; in particular, adverse events in financial markets, which may have a profound effect on global or local economies. Some key impacts of general financial market turmoil include contraction in credit markets resulting in a widening of credit spreads, devaluations and enhanced volatility in global equity, commodity and foreign exchange markets and a general lack of market liquidity. A slowdown in the financial markets or other key measures of the global economy or the local economies of the regions in which the Corporation operates (including, but not limited to, employment rates, business conditions, inflation, fuel and energy costs, commodity prices, lack of available credit, the state of the financial markets, interest rates and tax rates) may adversely affect the Corporation's growth, profitability, results of operation and financial condition.

Physical Climate Change Risks & Other Catastrophic Events

The power generation facilities and operations from which royalty revenue is derived could be exposed to potential interruption and damage (partial or full loss) resulting from extreme weather events such as environmental disasters (e.g. floods, high winds, fires, and earthquakes), severe weather conditions and equipment failures. Extreme weather events may become more frequent due to climate change. There can be no assurance that in the event of an earthquake, hurricane, tornado, act of war or other natural, manmade or technical catastrophe all or some parts of the generation facilities and infrastructure systems of the power generation facilities in which the Corporation holds a royalty interest will not be disrupted. The occurrence of a significant event which disrupts the ability of the renewable power generation facility to produce or sell electricity for an extended period could have a material adverse effect on the Corporation's future profitability, results of operation and financial condition.

Climate Change Transition Risks & Opportunities

Climate change presents risks and opportunities for the Corporation and its counterparties, including transition risks and opportunities related to the process of adjustment towards a low-greenhouse gas ("GHG") economy. These risks can emerge from current or future government policies, legislation, and regulation to limit GHG emissions, as well as technological advancements, and changes in market and customer sentiment towards a low-GHG economy. The Corporation is well-positioned to capitalize on increased market demand for cleaner, renewable energy sources. Furthermore, in 2022, the United States government enacted the IRA (see material risk factor entitled "Demand for Energy

may be Negatively Impacted by Changes in General Economic, Social and Market Conditions”), which includes US\$369 billion in investment in tax credits, incentives and other provisions intended to help companies tackle climate change, increase investments in renewable energy, and enhance energy efficiency. The IRA is widely expected to spur increased investments in the renewable energy sector, which serves as a positive catalyst for the Corporation.

Health, Safety and Environmental Risks

The ownership, construction and operation of power generation facilities carries an inherent risk of liability related to worker health and safety and the environment, including the risk of government-imposed orders to remedy unsafe conditions and/or to remediate or otherwise address environmental contamination, potential penalties for contravention of health, safety and environmental laws, licences, permits and other approvals, and potential civil liability. Compliance with health, safety and environmental laws (and any future changes to such laws) and the requirements of licences, permits and other approvals remain material to the Facility Owners’ businesses. These laws, regulations and permits, and the enforcement and interpretation thereof, change frequently and generally have become more stringent over time. The Facility Owners’ power generation facilities may become subject to government orders, investigations, reviews, inquiries or other proceedings (including civil claims) relating to health, safety and environmental matters. Failure to comply with environmental, health and safety requirements may expose facility owners’ to litigation, fines or other sanctions, including the revocation of permits and suspension of operations.

The occurrence of any of these events or any changes, additions to, stricter interpretations of or more rigorous enforcement of, health, safety and environmental laws, licences, permits or other approvals could have a significant impact on operations and/or result in additional material expenditures, costly compliance requirements and ultimately affect the ability of facility owners to pay the Corporation royalties.

Key Personnel Attraction and Retention

The Corporation’s success depends in large measure on certain key personnel which the Corporation relies on for their knowledge of the renewable power generation industry, relationships within the industry and experience in identifying, evaluating and completing investments. The Corporation does not have any key person insurance in effect for the Corporation. As the Corporation’s business activity grows, additional key financial and administrative personnel, as well as additional staff, may be required. There can be no assurance that the Corporation will be able to continue to attract and retain all personnel necessary for the development and operation of its business. The loss of the services of such key personnel, or failure to attract and retain such personnel, could adversely affect the Corporation’s profitability, results of operation and financial condition.

Breach of Confidentiality

When considering potential business relationships or other transactions with third parties the Corporation may disclose confidential information relating to the business, operations or affairs of the Corporation. Although confidentiality agreements are signed by third parties prior to the disclosure of any confidential information, a breach by a third-party could put the Corporation at competitive risk and may cause significant damage to its business. The harm to the Corporation’s business from a breach of confidentiality cannot presently be quantified but may be material and may not be

compensable in damages. There is no assurance that, in the event of a breach of confidentiality, the Corporation will be able to obtain equitable remedies, such as injunctive relief, from a court of competent jurisdiction in a timely manner, if at all, in order to prevent or mitigate any damage to its business that such a breach of confidentiality may cause.

Legal Proceedings and Liability

The Corporation may become party to legal claims arising in the ordinary course of business, including commercial, employment, and other litigation and claims, as well as governmental and other regulatory investigations and proceedings. Such matters can be time-consuming, divert management's attention and resources and cause the Corporation to incur significant expenses. In addition, the Corporation's insurance or indemnities may not cover all claims that may be asserted against it, and any claims asserted against it, regardless of merit or eventual outcome, may harm its reputation. Furthermore, because litigation is inherently unpredictable, the results of any such actions may have a material adverse effect on business operating results, cash flows or financial condition.

In addition, potential litigation may arise on properties underlying the royalties (for example, litigation between joint venture partners or between Facility Owners and original property owners or neighbouring property owners). As a royalty holder, the Corporation will not generally have any influence on such litigation, nor will it generally have access to data. To the extent that litigation results in the cessation or reduction of operations by facility operators (whether temporary or permanent), it could have a material and adverse effect on the Corporation's profitability, results of operations and financial condition.

Changes in Accounting Standards and Interpretations

IFRS accounting principles and related accounting pronouncements, implementation guidelines and interpretations with regard to a wide range of matters that are relevant to the Corporation's business, including revenue recognition, impairment of goodwill and intangible assets, inventory, income taxes and litigation, are highly complex and involve many subjective assumptions, estimates and judgments. Changes in these rules or their interpretation or changes in underlying assumptions, estimates or judgments could significantly change the Corporation's reported financial performance or financial condition in accordance with generally accepted accounting principles. Further, the Corporation's implementation of and compliance with changes in accounting rules, including new accounting rules and interpretations, could adversely affect the Corporation's reported financial position or operating results or cause unanticipated fluctuations in its reported operating results in future periods.

Limited Operating History

While many members of management have expertise and comparable operating experience, the Corporation itself has a limited history of operations and there can be no assurance that the Corporation's business will be successful or profitable or that the Corporation will be able to successfully execute its business model and growth strategy. If the Corporation cannot execute its business model and growth strategy, it may result in a material adverse effect on the Corporation's profitability, results of operation and financial condition. Since the Corporation is an early stage Corporation, there will be limited financial, operational and other information available to evaluate the Corporation's prospects, and such

information may not be a reliable basis for evaluating the Corporation's business prospects or the future value of the Common Shares.

The Corporation is a Holding Corporation

The Corporation's material assets are its direct and indirect equity interests in our subsidiaries, including subsidiaries. The Corporation is, therefore, dependent upon payments, dividends and distributions from its subsidiaries for funds to pay its operating and other expenses and to pay future cash dividends or distributions, if any, to holders of our Common Shares, and we may have tax costs in connection with any dividend or distribution.

Execution of Investment Strategy

As part of the Corporation's business strategy, it has sought and will continue to seek to invest in royalty interests in the renewable power generation sector. In pursuit of such opportunities, the Corporation may fail to identify or select appropriate investment targets, or negotiate acceptable arrangements, including arrangements to finance the investments.

The Corporation may be unable to identify or select appropriate investment targets in the numbers or at the pace it currently expects for a variety of reasons, including, among other things, the following: (i) the demand for renewable power systems failing to develop sufficiently or taking longer than expected to develop; (ii) issues related to identifying, engaging, contracting, compensating and maintaining relationships with Facility Owners, operators and developers, and the negotiation of royalty agreements; (iii) issues related to construction, permitting, the environment, and governmental approvals with respect to renewable power generation facilities; (iv) a reduction in government incentives or adverse changes in policy and laws for the development or use of renewable power, including tax credits; and (v) other government or regulatory actions that could impact the Corporation's business model.

If the challenges of identifying or selecting appropriate investments targets increase, the Corporation's pool of available opportunities may be limited, which may result in a material adverse effect on the Corporation's profitability, results of operation and financial condition.

Further, the Corporation cannot assure that it can complete any investment or business arrangement that it pursues, or is pursuing, on favourable terms, or that any investment or business arrangements completed will ultimately benefit the Corporation. In connection with any future investments or business arrangements, the Corporation may incur indebtedness or issue equity securities, resulting in increased interest expense or dilution of the percentage ownership of existing shareholders. Unprofitable investments or business arrangements, or additional indebtedness or issuances of securities in connection with such investments or business arrangements, may adversely affect the price of common stock and negatively affect the Corporation's results of operations and financial condition.

Inaccurate Estimates of Growth Strategy

Market opportunity estimates and growth strategies are subject to significant uncertainty and are based the Corporation's assumptions and estimates that may not prove to be accurate. As the royalty financing model is relatively nascent in the

renewable power industry, it may not gain acceptance, or experience widespread growth, as anticipated. Further, even if the estimate of market opportunity and growth strategy does prove to be accurate, the Corporation could fail to capture a significant portion, or any portion, of the available market.

Ability to Fund and Manage Rapid Growth

The Corporation has experienced, and expects to continue to experience, rapid growth which has placed, and will continue to place, significant demands on its financial capability. The Corporation expects that its growth strategy will require it to commit substantial financial resources in the future. As the Corporation's operations grow in size, scope and complexity, it will need to improve and upgrade its systems and infrastructure, which will require significant expenditures and allocation of valuable management resources. The Corporation plans to obtain financing in the future primarily through further equity financing or debt financing. There can be no assurance that the Corporation will succeed in obtaining additional financing, now or in the future. Failure to adapt to the Corporation's changing needs as it executes on its growth strategy may result in a material adverse effect on the Corporation's profitability, results of operation and financial condition.

Risks Relating to the Corporation's Relationship with Altius Minerals

Altius Minerals' Substantial Influence over the Corporation

Altius Minerals will be the majority shareholder of the Corporation and will be able to nominate two directors to the Board. As a result, Altius Minerals will be able to exercise substantial influence over the operations and administration of the Corporation. Altius Minerals personnel who will provide services to the Corporation under the Altius Minerals Services Agreement are not required to have as their primary responsibility the management and administration of the Corporation or to act exclusively for the Corporation.

Uncertainty as a Result of Change in the Role and Ownership of Altius Minerals

Following the expiry of any lock-up period or other contractual restrictions, Altius Minerals may transfer its interest in the Corporation to a third-party, including in a merger or consolidation or in a transfer of all or substantially all of its assets, without the consent of the Corporation's shareholders. The Corporation cannot predict with any certainty the effect that any such transfer would have on the trading price of the Common Shares or the Corporation's ability to raise capital or make investments in the future. As a result, the future of the Corporation would be uncertain and the Corporation's business, financial condition and results of operations may suffer.

Conflicts of Interest

The Corporation's ownership and management structure involves a number of relationships that may give rise to conflicts of interest between the Corporation and the shareholders, on the one hand, and Altius Minerals, on the other hand. Such conflicts of interest may not be resolved in a manner that is in the best interests of the Corporation or the best interests of its shareholders. In certain instances, the interests of Altius Minerals may differ from the interests of the Corporation and its shareholders. See "Material Contracts".

Risks Related the Common Shares

Volatility of Market Price for the Common Shares

The market price for Common Shares may be volatile and subject to wide fluctuations in response to numerous factors, many of which are beyond the Corporation's control, including the following: (i) actual or anticipated fluctuations in the Corporation's results of operations; (ii) recommendations by securities research analysts; (iii) changes in the economic performance or market valuations of other companies that investors deem comparable to the Corporation; (iv) the loss or resignation of executive officers and other key personnel of the Corporation; (v) sales or perceived sales of additional Common Shares; (vi) significant acquisitions or business combinations, strategic partnerships, joint ventures or capital commitments by or involving the Corporation or its competitors which prove to be ill considered; (vii) short sales, hedging and other derivative transactions in our Common Shares; (viii) investors' general perception of the Corporation and the public's reaction to the Corporation's press releases, other public announcements and filings with Canadian securities regulators; (ix) general political, economic, industry and market conditions, including fluctuations in commodity prices; and (x) trends, concerns, technological or competitive developments, regulatory changes and other related issues in the renewable power generation industry or the Corporation's target markets.

Financial markets have experienced significant price and volume fluctuations in recent years that have particularly affected the market prices of equity securities of companies and that have, in many cases, been unrelated to the operating performance, underlying asset values or prospects of such companies. Accordingly, the market price of the Common Shares may decline even if the Corporation's operating revenue, underlying asset values or prospects have not changed. Additionally, these factors, as well as other related factors, may cause decreases in asset values which may result in impairment losses. Certain institutional investors may base their investment decisions on consideration of the Corporation's environmental, governance and social practices and performance against such institutions' respective investment guidelines and criteria, and failure to meet such criteria may result in a limited or no investment in the Common Shares by those institutions, which could adversely affect the trading price of the Common Shares.

Future Dividend Payments are not Guaranteed

The payment of dividends by the Corporation in the future is not guaranteed. The Board will have the discretion to determine the amount of any future dividends to be declared and paid to shareholders. The payment of any dividends by the Corporation in the future will depend on, among other things, results of operations; financial condition; expected future levels of earnings; future operating cash flow; liquidity requirements; market opportunities; income taxes; debt repayments; legal, regulatory and contractual constraints; working capital requirements; tax laws and any other factors the Board may deem relevant. The Corporation's future short and long-term borrowings may prohibit the Corporation from paying dividends at any time at which a default or event of default would exist under such debt, or if a default or event of default would exist as a result of paying a dividend.

Future Sales of Common Stock by Insiders

As described under the heading "Escrowed Securities and Securities Subject to Contractual Restrictions on Transfer", each of the Corporation and Altius Minerals have agreed that it will not issue, in the case of the Corporation, and sell, in the case of

Altius Minerals, or offer, grant any option to purchase or agree to issue or sell, as applicable, any equity securities of the Corporation or other securities convertible into, or exchangeable or exercisable for, equity securities of the Corporation for a period of 180 days from the date of closing of the IPO, subject to certain exceptions. After the expiration of the 180-day lockup Altius Minerals will be able to sell such Common Shares in the public markets. Any such sales, or the perception that such sales might occur, could have a material adverse effect on the price of the Common Shares or could impair the ability of the Corporation to obtain capital through an offering of equity securities.

Equity Dilution

The Board may issue an unlimited number of Common Shares without any vote or action by the Corporation's shareholders, subject to the rules of any stock exchange on which the Corporation's securities may be listed from time to time. The Corporation may make future acquisitions or enter into financings or other transactions involving the issuance of securities. If the Corporation issues any additional equity, the percentage ownership of existing shareholders will be reduced and diluted and the price of the Common Shares could decline.

Risks Relating to Credit Facilities

Leverage Risk

The degree of leverage at the GBR Joint Venture could have adverse consequences for the Corporation, including: limiting the Corporation's ability to obtain additional financing for working capital, debt service requirements of GBR if necessary, acquisitions and general corporate or other purposes; restricting the Corporation's flexibility and discretion to operate its business; having to dedicate a portion of the Corporation's cash flows from operations to the payment of interest on indebtedness at GBR and not having such cash flows available for other purposes including expenditures that are important to its growth and strategies; limiting the Corporation's ability to adjust to changing market conditions; and placing the Corporation at a competitive disadvantage compared to its competitors. The Corporation is also exposed to refinancing risk after the initial term of the GBR credit facilities. At December 31, 2023, the Corporation had debt of \$nil, cash of \$88.7 million while GBR has debt of \$117.9 million and cash of \$5.2 million. The Corporation mitigates risk associated with leverage at the joint venture by maintaining a level of cash suitable for expected commitments, as well as ensuring that working capital requirements are maintained by budgeting, monitoring cash flow and ensuring capital allocation strategies are a priority at the joint venture.

Liquidity Risk

The Corporation has adequate working capital, expected future cash flows from its joint venture and continues to explore external funding options and believes that it is able to meet current and future obligations. The amortization schedule of the existing credit facility at GBR is based on expected royalty cash flow and shaped in a way that minimizes the principal repayment obligations while cash flows are ramping up and grows when cash flows are expected to be higher and stable. Working capital and ability to fund obligations could change with a significant change in the operations of the Corporation or as a result of other developments, in which case GBR would require additional financial support from the Corporation and the other JV partner, Apollo.

Interest Rate Risk

The Corporation is indirectly exposed to interest rate risk on debt in the joint venture. This risk is managed by monitoring debt balances, entering into hedging transactions and making discretionary payments. The GBR Joint Venture has a floating to fixed interest rate swap to manage the interest rate risk of its debt balance. The effective interest rate currently (including upfront costs and fees) is 8.25%.

DIVIDENDS

Since its incorporation, the Corporation has not directly or indirectly declared or paid any dividend or declared or made any other distribution on any of its Common Shares. The Corporation currently has minimal cash flow from its operating activities as most investments have been in relation to development stage assets and, accordingly, it has not implemented a policy regarding the declaration or payment of dividends. Any determination to implement a dividend policy, if and when appropriate, will be made having regard to, among other things: results of operations; financial condition; expected future levels of earnings; future operating cash flow; liquidity requirements; market opportunities; income taxes; debt repayments; legal, regulatory and contractual constraints; working capital requirements; tax laws, the approval of the Board and compliance with applicable laws and TSX rules.

DESCRIPTION OF CAPITAL STRUCTURE

General Description of Capital Structure

The description of the share capital of the Corporation below is a summary of the material attributes of the Common Shares. The articles of the Corporation have been filed on SEDAR+ at www.sedarplus.ca. Investors are encouraged to read the full text of such articles.

The Corporation's authorized share capital consists of an unlimited number of Common Shares without nominal or par value.

Common Shares

Holders of Common Shares are entitled to receive notice of and to attend all annual and special meetings of the shareholders of the Corporation and to one vote in respect of each Common Share held at all such meetings, except meetings at which only holders of another particular class or series shall have the right to vote.

Subject to the rights of any other shares of the Corporation ranking senior to the Common Shares with respect to the payment of dividends, holders of the Common Shares are entitled to receive dividends, exclusive of any other shares of the Corporation, if, as and when declared by the Board. Holders of the Common Shares are also entitled to share equally in any distribution of the assets of the Corporation upon liquidation, dissolution, bankruptcy or winding-up of the Corporation or any other distribution of its assets among the shareholders of the Corporation for the purpose of winding-up its affairs (such event referred to herein as a "Distribution"). Such participation is subject to the preferences accorded to holders of other shares of the Corporation ranking senior to the Common Shares with respect to payment on a Distribution. The Common Shares are not convertible into any other class of shares.

As at the date of this AIF, there are 30,787,607 Common Shares issued and outstanding.

MARKET FOR SECURITIES

As at December 31, 2023, the Corporation's Common Shares trade on the TSX under the symbol "ARR", and are quoted on the OTCQX market under the symbol "ATRWF".

PRIOR SALES

The following tables provide details regarding all Common Shares that have been issued by the Corporation during the year ended December 31, 2023.

Date of Issuance	Number of Common Shares	Issue Price per Common Share
July 6, 2023	4,918	C\$9.03

Table 4 - Monthly Price Range and Trading Volume of Common Shares

Month	High \$	Low \$	Total Volume
January	9.13	8.65	522,700
February	9.20	8.25	309,700
March	9.44	8.00	233,700
April	9.06	8.17	143,700
May	8.93	8.15	336,300
June	9.09	8.62	329,400
July	9.74	8.85	167,900
August	9.59	8.87	179,800
September	9.05	8.17	102,300
October	8.36	6.75	349,800
November	7.67	6.80	283,600
December	8.15	7.20	673,800

The following tables provide details regarding all securities that are convertible into Common Shares that have been issued by the Corporation during the year ended December 31, 2023.

Date of Issuance	Type of security	Number of Securities	Issue Price per Security
March 28, 2023	Deferred Stock Unit (DSU)	41,192	\$8.35

DIRECTORS AND EXECUTIVE OFFICERS

Directors of the Corporation

The following table sets forth certain summary information in respect of the Directors of the Corporation.

Name, Province/State and Country of Residence	Principal Occupation	Director Since
David Bronicheski ⁽³⁾⁽⁴⁾ Ontario, Canada	Corporate Director	December 7, 2020
Karen Clarke-Whistler ⁽⁵⁾⁽⁶⁾ Ontario, Canada	Corporate Director	August 5, 2021
André Gaumond ⁽⁴⁾⁽⁸⁾ Quebec, Canada	Corporate Director	December 7, 2020
Earl Ludlow ⁽¹⁾⁽²⁾⁽⁶⁾ Newfoundland and Labrador, Canada	Corporate Director	February 6, 2019
Anna El-Erian ⁽²⁾⁽⁷⁾⁽⁸⁾ California, United States of America	Corporate Director	December 7, 2020

Notes:

- (1) Chairman of the Board.
- (2) Member of the Audit Committee.
- (3) Chair of the Audit Committee.
- (4) Member of the Corporate Governance Committee
- (5) Chair of the Corporate Governance Committee
- (6) Member of the Compensation and Nominating Committee
- (7) Chair of the Compensation and Nominating Committee
- (8) Altius Minerals nominee.

Corporation Directors' Biographies

The following are brief profiles of the Directors of the Corporation, including a description of each individual's principal occupation within the past five years.

David Bronicheski, age 64

David Bronicheski is a Corporate Director currently serving on the board of Badger Daylighting Ltd., a publicly traded Canadian corporation. Mr. Bronicheski previously held the position of Chief Financial Officer of Algonquin Power & Utilities Corp. (successor corporation to Algonquin Power Income Fund) from 2007 to 2020 and Executive Vice President and Chief Financial Officer of Amtelecom Income Fund from 2003 to 2007. He also was Chief Financial Officer for a large public hospital in Ontario. Mr. Bronicheski holds a Bachelor of Arts in economics (cum laude), a Bachelor of Commerce degree and an MBA (University of Toronto, Rotman School of Management). He is also a Chartered Accountant and a Chartered Professional Accountant (retired).

Karen Clarke-Whistler, age 68

Karen Clarke-Whistler is a Corporate Director. She was formerly Principal consultant at ESG Global Advisors. Prior to joining ESG Global, Karen was Chief Environment Officer, TD Bank Group and was responsible for developing and implementing a bank-wide ESG strategy. Ms. Clarke-Whistler is on the Board of Directors of Enerplus Corporation and possesses a B.Sc. in Biology from University of Toronto and an M.Sc. in Land Resource Science from the University of Guelph. She received the ICD.D from Rotman Business School in 2016.

André Gaumond, age 62

André Gaumond was President, CEO and founder of Virginia Gold Mines from 1993 to 2006, which discovered the Éléonore deposit, and was later sold to Goldcorp Inc., and similarly CEO of successor corporation Virginia Mines Inc. from 2006 to 2014 that was acquired by Osisko Gold Royalties Ltd in 2014. Mr. Gaumond served on the board of Osisko Gold Royalties Ltd from 2016 to 2019. Mr. Gaumond is currently a director of Harfang Exploration Inc., and Altius Minerals Corporation and advisor to Dore Copper Mining Inc. He is also on the board of the Fonds Restor- Action Nunavik (2007 to present) and the Restor - Action Cree Fund (2019 to present), two clean up initiatives that Mr. Gaumond initiated to rehabilitate abandoned exploration mining sites. Mr. Gaumond holds a Bachelor of Geological Engineering from Université Laval and a Master's degree in Geological Engineering from École Polytechnique.

Earl Ludlow, age 66

Earl Ludlow retired at the end of 2017 as Executive Vice President, Eastern Canadian and Caribbean Operations and Operational Advisor to the President and Chief Executive Officer of Fortis Inc. His career with the Fortis Group spanned nearly 40 years and included executive roles at Fortis subsidiaries Maritime Electric, Newfoundland Power and Fortis Alberta and then CEO roles at subsidiaries Fortis Properties and Newfoundland Power. He has served on the boards of Canadian Electricity Association, Maritime Electric, Belize Electricity, Caribbean Utilities, Fortis Ontario, Fortis Turks and Caicos, and Newfoundland Power. In September 2022, Mr. Ludlow became the chancellor of Memorial University of Newfoundland, where he earned a Bachelor of Engineering (Electrical) in 1980 and a Master of Business Administration, in 1994. He is also a professional engineer.

Anna El-Erian, age 58

Anna El-Erian is a corporate lawyer with over 20 years of experience in the global capital markets having spent much of her career in investment banking, private equity, and corporate management and restructuring. She is currently a Director of Gabriel Resources Ltd, the Fraser Institute and Altius Minerals. Ms. El-Erian graduated with a Bachelor of Arts and a post graduate degree in Bachelor of Laws from University of Witwatersrand in Johannesburg, South Africa.

Executive Officers of the Corporation

The following table sets forth certain summary information in respect of the executive officers of the Corporation. Pursuant to the Altius Minerals Services Agreement, the executive officers will not devote all of their time to the business and affairs of the Corporation.

Name, Province/State and Country of Residence	Position with the Corporation	Principal Occupation
Brian Dalton Newfoundland and Labrador, Canada	Chief Executive Officer	President and Chief Executive Officer of Altius Minerals
Ben Lewis Newfoundland and Labrador, Canada	Chief Financial Officer	Chief Financial Officer of Altius Minerals

Corporation Executive Officer Biographies

The following are brief profiles of the executive officers of the Corporation, including a description of each individual's principal occupation within the past five years.

Brian Dalton, age 51 – Chief Executive Officer and Director

Brian Dalton co-founded Altius Minerals, the parent of ARR, as a junior mining corporation in 1997 and has served as its CEO and as a director since then helping to grow Altius Minerals to a Corporation with an asset base in excess of \$700,000,000. Altius Minerals is now a leading global diversified mineral royalty Corporation with revenue from 12 producing mines and is a member of the TSX/S&P Global Mining Index. He has also previously served as a director of Rambler Metals and Mining plc, Aurora Energy Resources Inc., Alderon Iron Ore Corp. and Adventus Mining Corporation, all of which were spun out from Altius Minerals generated projects. Brian has overseen completion of numerous project-level agreements with a wide array of senior to junior mining and exploration companies and has had key involvement with the raising of several hundred millions of dollars in capital for resource projects.

Brian provides services to ARR under the Altius Minerals Services Agreement, which contains a non-disclosure provision in favour of ARR. Under the Altius Minerals Services Agreement, Brian is expected to devote approximately 33% of his working time to the affairs of the Corporation.

Ben Lewis, age 56 – Chief Financial Officer

Ben Lewis joined Altius Minerals' executive team as Chief Financial Officer in 2006. Prior to joining Altius Minerals, Ben held roles with increasing levels of responsibility with both private and publicly listed companies. His responsibilities with Altius Minerals include overseeing its financial management and reporting as well as contributing valuation and structuring expertise to its royalty investment and project generation initiatives. Ben graduated from Memorial University of Newfoundland with a Bachelor of Commerce in 1991 and earned his Chartered Accountant designation in 1993.

Ben provides services to ARR under the Altius Minerals Services Agreement, which contains a non-disclosure provision in favour of ARR. Under the Altius Minerals Services Agreement, Ben is expected to devote approximately 33% of his working time to the affairs of the Corporation.

Directors' and Executive Officers' Share Ownership

As of the date of this AIF, the Directors and officers of the Corporation beneficially own 303,043 Common Shares, representing approximately 0.98% of the issued and outstanding Common Shares.

Terms of Directorship

The Directors will hold office for a term expiring at the conclusion of the next annual meeting of shareholders of ARR, or until their successors are duly elected or appointed pursuant to the ABCA and such Directors will be eligible for re-election. Pursuant to the terms of the Investor Rights Agreement, the Board of ARR will be comprised of five individuals. Altius Minerals is entitled to nominate one of the directors of the Corporation for so long as the percentage of outstanding

Common Shares beneficially owned directly or indirectly by Altius Minerals or its affiliates is not less than 10% of the issued and outstanding Common Shares and two of the directors of the Corporation for so long as the percentage of outstanding Common Shares beneficially owned directly or indirectly by Altius Minerals or its affiliates is not less than 40% of the outstanding Common Shares. Subject to any requirements of the ABCA, Altius Minerals is entitled to nominate for appointment or election to the Board a replacement director for any nominee director of Altius Minerals who ceases for any reason to be a director of the Board, provided Altius Minerals remains, at that time, entitled to appoint such director. See “*Material Contracts – Investor Rights Agreement*”.

Bankruptcy, Insolvency, Cease Trade Order and Penalties

Cease trade orders

Other than as set out below, to the knowledge of the Corporation, no Director or executive officer of the Corporation, nor any promoter of the Corporation (nor any personal holding Corporation of any of such Persons) is, as of the date of this AIF, or was within ten years before the date of this AIF, a director, chief executive officer or chief financial officer of any Corporation (including the Corporation) that: (a) was subject to a cease trade order (including a management cease trade order), an order similar to a cease trade order or an order that denied the relevant Corporation access to any exemption under securities legislation, in each case that was in effect for a period of more than 30 consecutive days (collectively, an “Order”), and that was issued while the Director or executive officer was acting in the capacity as director, chief executive officer or chief financial officer; or (b) was subject to an Order that was issued after the Director or executive officer ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that Person was acting in the capacity as director, chief executive officer or chief financial officer.

Bankruptcies

To the knowledge of the Corporation, no Director or executive officer of the Corporation, nor any promoter of the Corporation or its shareholder holding a sufficient number of securities of the Corporation, as applicable, to affect materially the control of the Corporation (nor any personal holding Corporation of any of such Persons): (a) is, as at the date of this AIF, or has been within the ten years before the date of this AIF, a director or executive officer of any Corporation (including the Corporation) that, while that Person was acting in that capacity, or within a year of that Person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets; or (b) has, within the ten years before the date of this AIF, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the Director, executive officer or shareholder.

Brian Dalton served as director of Newfoundland and Labrador Refining Corporation (“NLRC”). In response to a bankruptcy petition initiated by a contractor, NLRC sought and was granted creditor protection under the *Bankruptcy and Insolvency Act* on June 24, 2008. This protection enabled NLRC, under the supervision of a trustee, to formulate a proposal for restructuring and to continue its efforts to attract financing and/or partners for the refinery project. No further proceedings have been taken by creditors to place NLRC into bankruptcy and NLRC is currently a dormant corporation.

Penalties or sanctions

To the knowledge of the Corporation, no Director or executive officer of the Corporation, nor any promoter of the Corporation or their respective shareholder holding a sufficient number of securities of the Corporation to affect materially the control of the Corporation (nor any personal holding corporation of any of such Persons), has been subject to: (a) any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or (b) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable investor in making an investment decision.

CONFLICTS OF INTEREST

Certain of the Directors and executive officers of the Corporation are engaged in, and may continue to be engaged in, other activities in the industries in which the Corporation operates from time to time. Certain Directors are nominees of Altius Minerals and also serve on its board of directors and all of the executive officers are also executive officers of Altius Minerals. The ABCA provides that in the event that an officer or director is a party to, or is a director or an officer of, or has a material interest in any Person who is a party to, a material contract or material transaction or proposed material contract or proposed material transaction, such officer or director shall disclose the nature and extent of his or her interest and shall refrain from voting to approve such contract or transaction, unless otherwise provided under the ABCA. To the extent that conflicts of interest arise, such conflicts will be resolved in accordance with the provisions of the ABCA.

Other than as disclosed elsewhere in this AIF, as of the date hereof, the Corporation is not aware of any existing or potential material conflicts of interest between the Corporation and any Director or executive officer of the Corporation.

ESCROWED SECURITIES AND SECURITIES SUBJECT TO CONTRACTUAL RESTRICTION ON TRANSFER

Pursuant to the A&R LLC Agreements, Altius Minerals is restricted from selling or otherwise disposing of its Common Shares in ARR if such action would result in a change of control (as such term is defined in the A&R LLC Agreements) other than in compliance with the A&R LLC Agreements. See "GBR Joint Venture".

Designation of class	Number of securities held in escrow or that are subject to a contractual restriction on transfer⁽¹⁾	Percentage of class
Common Shares	17,937,339	58%

(1) Common Shares held by Altius Minerals' subsidiary; Altius Royalty Corporation

PROMOTER

Altius Minerals may be considered a promoter of the Corporation within the meaning of Canadian Securities Laws. To the knowledge of the Corporation, as of the date of this AIF, Altius Minerals beneficially owns, controls or directs, directly or indirectly, 17,937,339 Common Shares representing 58% of the issued and outstanding Common Shares on a non-diluted basis and 3,093,835 Common Share purchase warrants (representing 62% of the issued and outstanding Common Shares, on a partially diluted basis).

Altius Minerals and the Corporation have entered into the Altius Minerals Services Agreement and the Investor Rights Agreement. See “Material Contracts”.

LEGAL PROCEEDINGS AND REGULATORY ACTIONS

There are no legal proceedings that the Corporation is or was a party to, or that any of the Corporation’s property is or was the subject of since January 1, 2023, that were or are material to the Corporation, and there are no such material legal proceedings that the Corporation knows to be contemplated. For the purposes of the foregoing, a legal proceeding is not considered to be “material” by the Corporation if it involves a claim for damages and the amount involved, exclusive of interest and costs, does not exceed 10% of the Corporation’s current assets, provided that if any proceeding presents in large degree the same legal and factual issues as other proceedings pending or known to be contemplated, the Corporation has included the amount involved in the other proceedings in computing the percentage. See “Risk Factors”.

There were no: (i) penalties or sanctions imposed against the Corporation by a court relating to provincial and territorial securities legislation or by a securities regulatory authority since January 1, 2023; (ii) other penalties or sanctions imposed by a court or regulatory body against the Corporation that the Corporation believes must be disclosed in this AIF; or (iii) settlement agreements the Corporation entered into before a court relating to provincial and territorial securities legislation or with a securities regulatory authority since January 1, 2023.

MATERIAL CONTRACTS

The following are the material contracts entered into by the Corporation or any of its subsidiaries other than contracts entered into in the ordinary course of business, during the financial year ended December 31, 2023, or since such time or before such time, and that are still in effect:

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- The GBR Credit Facility (See “GBR Joint Venture – GBR Credit Facility”);
- the Altius Minerals Services Agreement (see “GBR Joint Venture – Altius Minerals Services Agreement”);
- the GBR Services Agreement (see “GBR Joint Venture – GBR Services Agreement”);
- the GBR-ARR Services Agreement (see “GBR Joint Venture – GBR-ARR Services Agreement”);
- the Investor Rights Agreement;
- the GBR Management-GBR II Services Agreement (see “GBR Joint Venture – GBR I-GBR II Services Agreement”);
- the A&R LLC Agreement of GBR Holdings I, as amended by Amendment No. 1 to such agreement (see “GBR Joint Venture – A&R LLC Agreements”); and
- the A&R LLC Agreement of GBR Holdings II (see “GBR Joint Venture – A&R LLC Agreements”).

The descriptions of these material contracts contained in this AIF do not purport to be a complete summary of the terms of such contracts. For a full description of the terms of these contracts, see the full text of such contracts which are available under the Corporation’s profile on SEDAR+ at www.sedarplus.ca.

Investor Rights Agreement

On March 3, 2021, Altius Minerals and the Corporation entered into the Investor Rights Agreement which govern various aspects of their relationship. Pursuant to the Investor Rights Agreement, the Board of ARR will be comprised of five individuals, two of whom shall be nominated by Altius Minerals. Altius Minerals shall be entitled to nominate one of the directors of ARR for so long as the percentage of outstanding Common Shares beneficially owned directly or indirectly by Altius Minerals or its affiliates is not less than 10% of the issued and outstanding Common Shares and two of the directors of ARR for so long as the percentage of outstanding Common Shares beneficially owned directly or indirectly by Altius Minerals or its affiliates is not less than 40% of the outstanding Common Shares. Subject to any requirements of the ABCA, Altius Minerals shall be entitled to nominate for appointment or election to the Board a replacement director for any nominee director of Altius Minerals who ceases for any reason to be a director of the Board, provided Altius Minerals remains, at that time, entitled to nominate such director.

Under the Investor Rights Agreement, the Corporation also granted to Altius Minerals certain equity financing rights to participate in future offerings of securities by the Corporation. Provided Altius Minerals and its affiliates beneficially own directly or indirectly not less than 10% of the issued and outstanding Common Shares, if the Corporation proposes to issue any Common Shares or other equity securities or any option or other right to acquire equity securities or other securities convertible or exchangeable for equity securities (the "Offered Securities"), the Corporation will offer Altius Minerals the opportunity to subscribe for and acquire that number of Offered Securities or convertible securities equal in amount to Altius Minerals' then outstanding proportionate interest in the Common Shares or any such lesser amount as Altius Minerals may elect to subscribe for on the same terms and conditions as offered to other potential purchasers of the Offered Securities. Similarly if the Corporation issues any Common Shares or other equity securities or any option or other right to acquire equity securities or other securities convertible or exchangeable for equity securities for non-cash consideration, or if the Corporation enters into a merger agreement or business combination agreement resulting in a combined corporation (a "Corporate Transaction"), the Investor will be entitled to maintain its interest in the Corporation *pro rata* following the completion of such Corporate Transaction. Further, the Corporation has also granted Altius Minerals certain piggyback registration rights on proposed distributions provided that Altius Minerals and its affiliates beneficially own directly or indirectly not less than 10% of the issued and outstanding Common Shares.

AUDIT COMMITTEE DISCLOSURE

The Board's Audit Committee consists of three Directors, being David Bronicheski (Chair), Earl Ludlow and Anna El-Erian, all of whom are independent and financially literate for the purposes of NI 52-110.

David Bronicheski, age 64

David Bronicheski is a Corporate Director currently serving on the board of Badger Daylighting Ltd., a publicly traded Canadian corporation. Mr. Bronicheski previously held the position of Chief Financial Officer of Algonquin Power & Utilities Corp. (successor corporation to Algonquin Power Income Fund) from 2007 to 2020 and Executive Vice President and Chief Financial Officer of Amtelecom Income Fund from 2003 to 2007. He also was Chief Financial Officer for a large public hospital in Ontario. Mr. Bronicheski holds a Bachelor of Arts in economics (cum laude), a Bachelor of Commerce degree

and an MBA (University of Toronto, Rotman School of Management). He is also a Chartered Accountant and a Chartered Professional Accountant.

Earl Ludlow, age 66

Earl Ludlow retired at the end of 2017 as Executive Vice President, Eastern Canadian and Caribbean Operations and Operational Advisor to the President and Chief Executive Officer of Fortis Inc. His career with the Fortis Group spanned nearly 40 years and included executive roles at Fortis subsidiaries Maritime Electric, Newfoundland Power and Fortis Alberta and then CEO roles at subsidiaries Fortis Properties and Newfoundland Power. He has served on the boards of Canadian Electricity Association, Maritime Electric, Belize Electricity, Caribbean Utilities, Fortis Ontario, Fortis Turks and Caicos, and Newfoundland Power. Mr. Ludlow was named chancellor of Memorial University, Newfoundland and Labrador in September 2022. He earned a Bachelor of Engineering (Electrical) in 1980 and a Master of Business Administration from Memorial University in 1994. He is also a professional engineer.

Anna El-Erian, age 58

Anna El-Erian is a corporate lawyer with over 20 years of experience in the global capital markets having spent much of her career in investment banking, private equity, and corporate management and restructuring. She is currently a Director of Gabriel Resources Ltd, the Fraser Institute and Altius Minerals. Ms. El-Erian graduated with a Bachelor of Arts and a post graduate degree in Bachelor of Laws from University of Witwatersrand in Johannesburg, South Africa.

The Board has adopted a written Audit Committee Charter in the form set forth in Appendix C, setting forth the purpose, composition, authority and responsibility of the Audit Committee, consistent with NI 52-110.

The Audit Committee will assist the Board in fulfilling its oversight of:

- the Corporation's financial statements, financial reporting, risk management, and audit processes;
- the Corporation's systems of internal accounting and financial controls;
- the annual independent audit of the Corporation's financial statements;
- legal and regulatory compliance;
- reviewing any related party transactions; and
- public disclosure items such as quarterly press releases, investor relations materials and other public reporting requirements.

The Audit Committee will also be responsible for establishing and maintaining satisfactory procedures for the receipt, retention and treatment of complaints and for the confidential, anonymous submission by employees of the Corporation regarding any questionable accounting or auditing matters.

Pursuant to NI 52-110, the Audit Committee must approve in advance all non-audit services to be provided to the Corporation by the external auditor. The Audit Committee has not adopted any specific policies and procedures for the engagement of non-audit services except as contained in its charter. At no time since the Corporation's incorporation has the Corporation retained its external auditor to provide any non-audit services to the Corporation.

External Auditor Service Fees

Audit fees

The aggregate fees billed by the external auditors for the year ended December 31, 2023 were C\$445,000 (inclusive of C\$58,000 HST) and for the year ended December 31, 2022 were C\$426,000 (inclusive of C\$56,000 HST).

Audit related fees

The aggregate fees billed by the external auditors for the year ended December 31, 2023 were C\$4,000 (inclusive of C\$1,000 HST) and for the year ended December 31, 2022 were C\$168,000 (inclusive of C\$22,000 HST) for the year ended December 31, 2021.

Tax fees

The aggregate fees billed by the external auditors for the year ended December 31, 2023 were C\$188,000 (inclusive of C\$24,000 HST) and for the year ended December 31, 2022 were C\$121,000 (inclusive of C\$16,000 HST) for tax compliance, tax advice and tax planning services.

All other fees

All other fees billed by the external auditors for the year ended December 31, 2023 and 2022 were \$nil and \$nil, respectively.

Audit related fees incurred for the year ended December 31, 2022 were in connection with the Corporation's bought deal equity raise.

INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

Except as otherwise set out herein, there were no material interests, direct or indirect, of any current or proposed Director or executive officer of the Corporation, nor any Person or corporation that beneficially owns, or controls or directs, directly or indirectly, more than 10% of the outstanding Common Shares, or any associate or affiliate of any of such Persons or companies, in any transaction within the three years before the date of this AIF that has materially affected or is reasonably expected to materially affect the Corporation. See "Material Contracts".

TRANSFER AGENT AND REGISTRAR

The Corporation's registrar and transfer agent for its Common Shares is TSX Trust Corporation located at 301-101 Adelaide Street West, Toronto, Ontario, M5H 1S3.

INTEREST OF EXPERTS

Deloitte LLP is independent of the Corporation within the meaning of the Rules of Professional Conduct of the Chartered Professional Accountants of Newfoundland and Labrador.

ADDITIONAL INFORMATION

Additional information relating to the Corporation may be found on SEDAR+ at www.sedarplus.ca and under the name of Altius Renewable Royalties Corp.

Additional information, including regarding directors' and officers' remuneration and indebtedness, principal holders of the Corporation's securities and securities authorized for issuance under equity compensation plans, is contained in the Corporation's management information circular dated April 21, 2023 and available on SEDAR+ at www.sedarplus.ca. Such information for the year ended December 31, 2023 will be updated and contained in the Corporation's management information circular required to be prepared and filed in connection with its annual meeting of shareholders to be held in May 2024.

Additional information is also provided in the Corporation's financial statements and Management's Discussion & Analysis for its most recently completed financial year, each of which is available under the Corporation's SEDAR+ profile at www.sedarplus.ca.

AUDIT COMMITTEE CHARTER

I. INTRODUCTION

1. The purpose of the Audit Committee (the “**Committee**”) is to assist the Board of Directors (the “**Board**”) of Altius Renewable Royalties Corp. (the “**Corporation**”) in fulfilling its oversight responsibilities of the Corporation’s Financial Reporting, which will be provided to shareholders of the Corporation and others, the systems of corporate financial controls which Management (as defined below) and the Board have established.
2. The Committee will oversee the Corporation’s External Audit processes including oversight of the Corporation’s External Auditor.
3. While the Committee has the responsibilities and powers set forth in this mandate, it is not the duty of the Committee to plan or conduct audits or to solely determine that the Corporation’s financial statements are complete and accurate and are in accordance with International Financial Reporting Standards (“**IFRS**”). Management is responsible for preparing the Corporation’s financial statements and the independent auditors are ultimately accountable to the Board and the Committee, as representatives of the Corporation’s shareholders.

II. DEFINITIONS

1. “**Management**” refers to the Officers of the Corporation, and the other members of the senior management team of the Corporation as may be determined from time-to-time by the Chief Executive Officer and communicated to the Board.
2. “**Officers**” refer to those employees and consultants who are appointed as officers by the Corporation.
3. “**Reports**” refers to all documents publicly filed on SEDAR, including but not limited to Audited Annual Financial Statements, Interim Financial Statements, Managements’ Discussion and Analysis for the respective periods, News Releases relating to the release of financial information, Annual Information Form, Compliance Certificates, and Material Change Reports.

III. DUTIES AND RESPONSIBILITIES

1. Financial Reporting

- (a) Review with Management and with the independent auditor as applicable the Reports prior to their public filing.
 - (i) Include in this review, discussions regarding their judgment on the quality, not just the acceptability, of significant accounting principles, the reasonableness of significant judgments, and the clarity of the disclosures in the financial statements;
 - (ii) Discuss the results of the review and any other matters required to be communicated to the Committee by the independent auditor under IFRS if a review engagement of the interim financial statements is requested by the Committee; and
 - (iii) Ensure the Corporation’s compliance with legal and regulatory requirements relating to financial disclosure.
- (b) Review any new financial appointments to senior positions of the Corporation;
- (c) Review reports from senior officers of the Corporation outlining any significant changes in financial risks facing the Corporation;
- (d) Review all risk assessment reports prepared from time to time by Management to determine if risk assessments have been properly managed and if any issues need to be reported to the Board.
- (e) Review any management letter or report of the external auditor and the Corporation’s responses to suggestions made;
- (f) Review interim and annual financial statements, interim and annual management discussions and analyses, all financial news releases, other documents containing audited or unaudited financial information, at its discretion, and report thereon to the Board before such documents are approved by the Board and disclosed to the public;

- (g) Submit quarterly and annual financial statements to the Board for approval unless, in the case of any quarterly financial statements, the Board is unavailable or approval by them is impractical, all quarterly issues have been satisfactorily resolved and the Committee has approved them;
- (h) Be satisfied that adequate procedures are in place for the review of the Corporation's public disclosure of financial information extracted or derived from the Corporation's financial statements, other than the discourse provided in this section 1(e);
- (i) Review quarterly the expense reports of the Chief Executive Officer and the Chair;
- (j) Review and approve of any related party transactions;
- (k) Prepare and/or approve any report that is required by law or regulation to be included in any of the Corporation's public disclosure documents relating to the Committee; and
- (l) any other matters defined or delegated by the Board.

2. External Audit

- (a) Recommend to the Board the external auditor, subject to the shareholders' approval, to be appointed for purposes of preparing or issuing an auditor's report or performing other audit reviews or attestation services;
- (b) Ensure the external auditors report directly to the Committee on a regular basis;
- (c) Review the terms of the external auditor's engagement, the appropriateness and reasonableness of proposed audit fees, and any issues relating to the payment of audit fees, and make a recommendation to the Board with respect to the compensation of the external auditor;
- (d) Oversee the work of the external auditors of the Corporation with respect to preparing and issuing an audit report or performing other audit or review services for the Corporation, including the resolution of issues between senior executives of the Corporation and the external auditors
- (e) Review the independence of the external auditor including the quarterly and annual reports prepared by the external auditor regarding its independence;
- (f) Review any material written communications between senior executives of the Corporation and the external auditors and any significant disagreements between the senior executives and the external auditors;
- (g) Discuss with the external auditors their perception of the Corporation's identification and management of risks, including the adequacy or effectiveness of policies and procedures implemented to mitigate such risks;
- (h) Review the audit plan with the external auditor and discuss the overall scope and plans for the audit, including the adequacy of staffing and compensation;
- (i) Review with the external auditor and Management any changes in IFRS that may be material to the Corporation's financial reporting; and
- (j) Meet separately with the external auditor, with and without Management present, to discuss the results of the examinations and provide sufficient opportunity for the auditor to meet privately with members of the Committee.

3. Internal Procedures Review

- (a) Annually review with the external auditor and Management any internal procedures and control deficiencies identified for the past year; and
- (b) Annually review with the external auditor and Management any proposed internal procedures and control modifications for the coming year.
- (c) Review the adequacy and effectiveness of the Corporation's internal control and management information systems through discussions with senior executives of the Corporation and the external auditor relating to the maintenance of: (i) necessary books, records and accounts in sufficient detail to accurately and fairly reflect the Corporation's transactions; (ii) effective internal control over financial reporting; and (iii) adequate processes for assessing the risk of material misstatements in the financial statements and for detecting control weaknesses or fraud. From time to time the

Committee shall assess any requirements or changes with respect to the establishment or operations of the internal audit function having regard to the size and stage of development of the Corporation at any particular time.

- (d) Review and discuss the Corporation's major financial risk exposures and the steps taken to monitor and control such exposures, including the use of any financial derivatives and hedging activities.
- (e) Review and make recommendations to the Board regarding, the adequacy of the Corporation's risk management policies and procedures with regard to identification of the Corporation's principal risks and implementation of appropriate systems and controls to manage such risks including an assessment of the adequacy of insurance coverage maintained by the Corporation.
- (f) Periodically review the Corporation's policies and procedures for reviewing and approving or ratifying related- party transactions.

4. **Risk Oversight**

In performing its duties and exercising its powers, the Committee shall consider and address the risks related to the establishment, maintenance and implementation of disclosure controls and procedures and internal control over financial reporting in relation to disclosure by the Corporation in accordance with applicable law. The Committee shall also provide oversight as to the risks assessed with each new investment according to the Board-approved risk criteria. The Committee shall review Management's procedures to assess compliance by the Corporation with its loan covenants and restrictions, if any.

5. **Financial Complaints Handling Procedures**

The Committee shall establish procedures for:

- (a) The receipt, retention and treatment of complaints received by the Corporation regarding accounting, internal accounting controls or auditing matters; and
- (b) The confidential, anonymous submission by employees of the Corporation of concerns regarding questionable accounting or auditing matters.

6. **Non-Audit Services**

Pre-approve all non-audit services to be provided to the Corporation or any subsidiary entities by its external auditors or by the external auditors of such subsidiary entities. The Committee may delegate to one or more of its Members the authority to pre-approve non-audit services but pre-approval by such Member or Members so delegated shall be presented to the full Committee at its first scheduled meeting following such pre-approval.

7. **Miscellaneous**

- (a) Review and approve the Corporation's hiring policies regarding employees and partners, and former employees and partners, of the present and former external auditors of the Corporation.
- (b) Perform any other matters referred to the Committee or delegated to it by the Board

8. **Director Responsibilities and Performance**

(a) Committee Duties

- (i) Act honestly and in good faith with a view to the best interests of the Corporation and to exercise the care, diligence and skill that a reasonable and prudent person would exercise in comparable circumstances.

(b) Committee Values

- (i) Assist the Corporation to operate in compliance with all corporate policies and codes, and all laws and regulations governing the Corporation; and
- (ii) Maintain strong financial reporting and control processes

(c) Reliance on Experts

- (i) Place appropriate reliance in good faith on reports that the financial statements of the Corporation represented to each member of the Committee by an Officer of the Corporation or

in a written report of the external auditor present fairly the financial position of the Corporation in accordance with IFRS; and on any report of a lawyer, accountant, engineer, appraiser or other person whose profession lends credibility to a statement made by any such person.

9. Access to Information and Authority to Retain Independent Advisors

- (a) The Committee shall be granted unrestricted access to all information regarding the Corporation that is necessary or desirable to fulfill its duties and all directors of the Corporation, officers and employees will be directed to cooperate as requested by Members. The Committee has the authority to retain, at the Corporation's expense, independent legal, financial, and other advisors, consultants and experts to assist the Committee in fulfilling its duties and responsibilities, including sole authority to retain and to approve their fees. The Committee shall select such advisors, consultants and experts after taking into consideration factors relevant to their independence from management and other relevant considerations.
- (b) The Committee shall discharge its responsibilities and shall assess the information provided by the Corporation's management and the external advisers, in accordance with its business judgment. Members are entitled to rely, absent knowledge to the contrary, on the integrity of the persons and organizations from whom they receive information, and on the accuracy and completeness of the information provided. Nothing in this Charter is intended or may be construed as imposing on any member of the Committee or the Board a standard of care or diligence that is in any way more onerous or extensive than the standard to which the directors are subject under applicable law.
- (c) The Committee also has the authority to communicate directly with internal and external auditors. While the Committee has the responsibilities and powers set forth in this Charter, it is not the duty of the Committee to plan or conduct audits or to determine that the Corporation's financial statements are complete and accurate or comply with IFRS and other applicable requirements. These are the responsibilities of the senior executives of the Corporation responsible for such matters and the external auditors. The Committee, the Chair and any Members identified as having accounting or related financial expertise are members of the Board, appointed to the Committee to provide broad oversight of the financial, risk and control related activities of the Corporation, and are specifically not accountable or responsible for the day to day operation or performance of such activities. Although the designation of a Member as having accounting or related financial expertise for disclosure purposes is based on that individual's education and experience, which that individual will bring to bear in carrying out his or her duties on the Committee, such designation does not impose on such person any duties, obligations or liability that are greater than the duties, obligations and liability imposed on such person as a member of the Committee and Board in the absence of such designation. Rather, the role of a Member who is identified as having accounting or related financial expertise, like the role of all Members, is to oversee the process, not to certify or guarantee the internal or external audit of the Corporation's financial information or public disclosure. This Charter is not intended to change or interpret the constating documents of the Corporation or applicable law or stock exchange rule to which the Corporation is subject, and this Charter should be interpreted in a manner consistent with all such applicable laws and rules. Certain of the provisions of this Charter may be modified or superseded by the provisions of the investor rights agreement (the "**Investor Rights Agreement**"). In the event of a conflict between this charter and the Investor Rights Agreement, the Investor Rights Agreement shall prevail.
- (d) The Board may, from time to time, permit departures from the terms of this Charter, either prospectively or retrospectively. This Charter is not intended to give rise to civil liability on the part of the Corporation or its Directors or officers to shareholders, security holders, customers, suppliers, partners, competitors, employees or other persons, or to any other liability whatsoever on their part, subject to applicable law.

IV. OPERATION OF THE COMMITTEE

1. Reporting

The Committee shall report to the Board.

2. Composition of Committee

The Committee shall consist of not less than three directors; all Committee members shall be a director of the Corporation; no Committee member shall be an officer or employee of the Corporation or any of the Corporation's subsidiary entities or affiliates; and all shall qualify as "independent" as defined in National Instrument 52-110 - *Audit Committees* and all shall satisfy the financial literacy requirements applicable to members of audit committees under NI 52-110 and other applicable laws and regulations.

3. Appointment of Committee Members

Members of the Committee shall be appointed at a meeting of the Board, typically held immediately after the annual shareholders' meeting, provided that any member may be removed or replaced at any time by the Board and shall in any event cease to be a member of the Committee upon ceasing to be a member of the Board.

4. **Vacancies**

Where a vacancy occurs at any time in the membership of the Committee, it may be filled by the Board.

5. **Chair of the Committee**

The Board shall designate the Chair of the Committee. The Chair shall have responsibility for overseeing that the Committee fulfills its mandate and its duties effectively. In the absence of the Chair of the Committee, the members will appoint an acting Chair.

6. **Secretary**

Unless the Committee otherwise specifies, the secretary of the Corporation will act as secretary of all meetings of the Committee.

7. **Committee Meeting**

(a) The Committee will meet at least quarterly (or more frequently as circumstances dictate) and meetings of the Committee shall be convened whenever requested by the external auditors or any member of the Committee in accordance with the *Business Corporations Act (Alberta)*.

(b) Committee meetings may be held in person, by video-conference, by means of telephone or by any combination any of the foregoing.

8. **Notice of Meeting**

(a) Notice of the time and place of every meeting may be given orally, in writing, by facsimile or by e-mail to each member of the Committee at least 48 hours prior to the time fixed for such meeting.

(b) A member may in any manner waive notice of the meeting. Attendance of a member at the meeting shall constitute waiver of notice of the meeting except where a member attends a meeting for the express purpose of objecting to the transaction of any business on the grounds that the meeting was not lawfully called.

9. **Quorum**

A quorum will be a majority of the members of the Committee present in person, by video-conference, by telephone or by a combination thereof.

10. **Attendance at Meetings**

(a) The Chief Financial Officer is expected to be available to attend meetings, but a portion of every meeting can be reserved for in camera discussion without the Chief Financial Officer or any other member of Management, being present.

(b) The Committee may by specific invitation have any officers or employees of the Corporation, legal counsel, advisors or other resource persons in attendance.

(c) The Committee shall have the right to determine who shall and who shall not be present at any time during a meeting of the Committee.

(d) The external auditors are entitled to receive notice of every regular quarterly Committee meeting and to be heard and attend thereat at the Corporation's expense.

11. **Meeting Agenda**

Committee meeting agendas shall be set by the Chair of the Committee in consultation with Committee members, Management if appropriate, and the external auditor if appropriate.

12. **Minutes**

The Committee shall keep regular minutes of proceedings and shall cause them to be recorded in books kept for that purpose.

13. **Outside Advisors**

The Committee is empowered to engage and compensate any outside advisors as it deems advisable to permit it to carry out its duties, at the expense of the Corporation.

14. **In Camera Meetings**

As part of each meeting of the Committee at which it approves, or if applicable, recommends that the Board approve, the annual audited financial statements of the Corporation or at which the Committee reviews the interim financial statements of the Corporation, and at such other times as the Committee deems appropriate, the Committee shall hold in camera meetings, and shall also meet separately with each of the persons set forth below to discuss and review specific issues as appropriate:

- (a) representatives of Management;
- (b) the external auditor; and
- (c) the internal audit personnel.

15. **Reporting to the Board**

The Committee, through its Chair, will report regularly to the Board, and in any event no less frequently than on a quarterly basis.

V. COMMITTEE AUTHORITY AND RESOURCES

1. Direct Channels of Communication –

The Committee shall have direct channels of communication with the Corporation's internal and external auditors to discuss and review specific issues as appropriate.

2. Retaining and Compensating Advisors

The Committee, or any member of the Committee with the approval of the Committee, may retain at the expense of the Corporation such outside legal, accounting (other than the external auditor) or other advisors on such terms as the Committee may consider appropriate and shall not be required to obtain any other approval in order to retain or compensate any such advisors.

3. Funding

The Corporation shall provide for appropriate funding, as determined by the Committee, for payment of compensation of the external auditor and any advisor retained by the Committee under Section V. 2 of this Charter.

4. Investigations

The Committee shall have unrestricted access to the personnel and documents of the Corporation and the Corporation's subsidiary entities and shall be provided with the resources necessary to carry out its responsibilities.

VI. REMUNERATION OF COMMITTEE MEMBERS

1. Director Fees Only

No member of the Committee may accept, directly or indirectly, fees from the Corporation or any of its subsidiary entities other than remuneration for acting as a director or member of the Committee or any other committee of the Board.

2. Other Payments –

For greater certainty, no member of the Committee shall accept any consulting, advisory or other compensatory fee from the Corporation. For purposes of Section VI. 1, the indirect acceptance by a

member of the Committee of any fee includes acceptance of a fee by an immediate family member or a partner, member or executive officer of, or a person who occupies a similar position with, an entity that provides accounting, consulting, legal, investment banking or financial advisory services to the Corporation or any of its subsidiaries.

VII. REVIEW AND EVALUATION OF COMMITTEE PERFORMANCE

It is the intention that this Charter shall reflect, at all times, all legislative and regulatory requirements applicable to the Committee. Accordingly, this mandate shall be deemed to have been updated to reflect any amendments to such legislative and regulatory requirements. The Committee shall review this Charter at least every two years to determine if further additions, deletions or amendments are required, and make recommendations to the Board for their approval. The Committee shall periodically assess its performance.

VIII. HISTORY

This Charter was:

- (a) Initially adopted by the Board on February 4, 2021
- (b) Reviewed and approved by the Board on Aug 1 2023