

FORM 51-102F3

MATERIAL CHANGE REPORT

Item 1 - Name and Address of Company:

Star Royalties Ltd.
1601-110 Yonge Street
Toronto, Ontario
M5C 1T4

Item 2 - Date of Material Change:

December 7, 2023

Item 3 - News Release:

The news release dated December 7, 2023 was disseminated via The Newswire, has been filed on SEDAR+ and is available at www.sedarplus.com.

Item 4 - Summary of Material Change:

On December 7, 2023, Star Royalties Ltd. (the “**Company**” or “**Star Royalties**”) announced the closing of a strategic investment (the “**Strategic Investment**”) into Green Star Royalties Ltd. (“**Green Star**”), by Cenovus Energy Inc. (“**Cenovus**”) (NYSE, TSX: CVE) for total consideration of C\$21.2 million.

Item 5 - Full Description of Material Change:

5.1 Full Description of Material Change

On December 7, 2023, Star Royalties announced the closing of a Strategic Investment into Green Star by Cenovus Energy Inc. for total consideration of C\$21.2 million. Following this Strategic Investment, Cenovus will own 25.9% of the common shares of Green Star along with the right to invest alongside Green Star in high-integrity carbon projects.

Green Star now operates as a joint venture between Star Royalties, Agnico Eagle Mines Limited (“**Agnico Eagle**”) (NYSE, TSX: AEM), Cenovus, and certain members of Star Royalties’ and Green Star’s management teams and Boards of Directors (collectively, “**Management**”).

The Strategic Investment adds another leading Canadian natural resources and environmental, social and governance (“**ESG**”) sector leader as a strategic shareholder of Green Star following Agnico Eagle’s strategic investment in Green Star in May 2022. Following the Strategic Investment, the Company retains ownership of approximately 45.9% of Green Star’s common shares, Agnico Eagle and Cenovus each own

approximately 25.9% of the common shares and the remaining 2.3% is owned by Management.

BMO Capital Markets and TD Securities Inc. acted as financial advisors to Green Star. Green Star intends to undertake a brokered private placement (the “**Follow-On Offering**”) with Management participation. Completion of the Follow-On Offering will be subject to, among other things, approval of the TSX Venture Exchange.

Investment Highlights

- **Second cornerstone shareholder:** Cenovus, a senior Canadian-based integrated energy company, becomes a key shareholder and cornerstone joint-venture partner in Green Star.
- **Support of business model:** The Strategic Investment further supports Green Star’s position as a leader in innovative carbon finance, recognizing Green Star’s portfolio of North American nature-based carbon royalties, investment pipeline, and carbon industry expertise.
- **Expanded Green Star Board and Technical Committee:** Green Star’s Board of Directors and Technical Committee will include two appointees from each of Star Royalties, Agnico Eagle and Cenovus.
- **Pathway to grow Green Star:** Proceeds from the Strategic Investment and the proposed Follow-On Offering are expected to accelerate Green Star’s ability to execute on its pipeline of advanced-stage opportunities with the potential to generate further value accretion.

Additional information on Star Royalties can be found on Company’s profile at www.sedarplus.com.

5.2 Disclosure for Restructuring Transactions

Not applicable.

Item 6 - Reliance on subsection 7.1(2) of National Instrument 51-102:

Not applicable.

Item 7 - Omitted Information:

Not applicable.

Item 8 - Executive Officer:

For further information, please contact:

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Item 9 - Date of Report:

December 13, 2023

CAUTIONARY NOTE REGARDING FORWARD-LOOKING INFORMATION

Certain statements in this news release may constitute “forward-looking statements”, including those regarding the use of proceeds from Strategic Investment, the Follow-On Offering, the completion thereof and the use of proceeds therefrom, future market conditions for metals, minerals and carbon offset credits, future capital raising opportunities, and the future business growth of the Company and Green Star. Forward-looking statements are statements that address or discuss activities, events or developments that the Company or Green Star expects or anticipates may occur in the future. When used in this news release, words such as “estimates”, “expects”, “plans”, “anticipates”, “will”, “believes”, “intends” “should”, “could”, “may” and other similar terminology are intended to identify such forward-looking statements. Forward-looking statements are made based upon certain assumptions and other important factors that, if untrue, could cause the actual results, performances or achievements of Star Royalties and Green Star to be materially different from future results, performances or achievements expressed or implied by such statements. Forward-looking statements should not be read as a guarantee of future performance or results and will not necessarily be an accurate indication of whether or not such results will be achieved.

A number of factors could cause actual results, performances or achievements to differ materially from such forward-looking statements, including, without limitation, changes in business plans and strategies, market and capital finance conditions, ongoing market disruptions caused by the Ukraine and Russian conflict and any other current conflicts, metal and mineral commodity price volatility, discrepancies between actual and estimated production and test results, mineral reserves and resources and metallurgical recoveries, mining operation and development risks relating to the parties which produce the metals and minerals Star Royalties will purchase or from which it will receive royalty payments, carbon pricing and carbon tax legislation and regulations, risks inherent to the development of the ESG-related investments and the creation, marketability and sale of carbon offset credits by the parties, the potential value of mandatory and voluntary carbon markets and carbon offset credits, including carbon offsets, risks inherent to royalty companies, title and permitting matters, operation and development risks relating to the parties which develop, market and sell the carbon offset credits from which Green Star will receive royalty payments, changes in crop yields and resulting financial margins regulatory restrictions, activities by governmental authorities (including changes in taxation), currency fluctuations, the global, federal and provincial social and economic climate in particular with respect to addressing and reducing global warming, natural disasters and global pandemics, dilution, risk inherent to any capital financing transactions, risks inherent to a possible Green Star go-public transaction, the nature of the governance rights between Star Royalties, Cenovus and Agnico Eagle in the

operation and management of Green Star and competition, the ability to raise any additional funds in the Follow-On Offering the result of any potential investment by Cenovus or any other new investor into Green Star. These risks, as well as others, could cause actual results and events to vary significantly. Accordingly, readers should exercise caution in relying upon forward-looking statements and the Company undertakes no obligation to publicly revise them to reflect subsequent events or circumstances, except as required by law.