



News Release

Star Royalties Reports Q3 2024 Financial Results

November 20, 2024, TORONTO, ON – Star Royalties Ltd. (“**Star Royalties**”, or the “**Company**”) (TSXV: STRR, OTCQX: STRFF) is pleased to report its financial results for the quarter ended September 30, 2024. All amounts are in U.S. dollars, unless otherwise indicated.

Q3 2024 Financial and Corporate Highlights

- Quarterly revenues of \$125,450, a decrease from the prior-year period primarily due to the timing of shipments at Keysbrook.
- Sabre Gold Mines Corp. (“**Sabre Gold**”) (TSX: SGLD, OTCQB: SGLDF) entered into a definitive agreement to be acquired by Minera Alamos Inc. (“**Minera Alamos**”) (TSXV: MAI, OTCQX: MAIFF), creating an accelerated pathway to production for the Copperstone Gold Project (“**Copperstone**”).
- Green Star Royalties Ltd. (“**Green Star**”) continued to work with several third-party brokers to monetize its U.S. Improved Forest Management (“**IFM**”) carbon offset inventory, with purchasing activity expected to increase into year-end.
- Green Star and its project partners continued to advance the CarbonNOW regenerative agriculture program. CarbonNOW’s third-party validation process is nearly complete with the program’s verification stage expected to commence shortly thereafter.
- Gold Mountain Mining Corp. (“**Gold Mountain**”) (TSX: GMTN, OTCQB: GMTNF, FRA: 5XFA) completed several debt restructuring initiatives and has resumed expanded operations as planned at the Elk Gold Mine (“**Elk Gold**”). Gold Mountain’s primary focus has been on refining the block model, optimizing pit design, and enhancing mine operational planning to increase production.

Summary of Q3 2024 Financial Results

	Quarter ended Sept. 30, 2024	Quarter ended Sept. 30, 2023
Revenue	\$ 125,450	\$ 271,567
Net loss	(1,330,714)	(277,408)
Basic and diluted loss per share	(0.02)	(0.00)
Cash flow used in operating activities	(213,935)	(99,563)
Cash flow from investing activities	-	-
Cash flow from financing activities	-	-

For complete details, please refer to the Condensed Interim Consolidated Financial Statements and associated Management Discussion and Analysis for the three and nine months ended September 30, 2024, available on SEDAR+ at sedarplus.ca or on the Company's website at starroyalties.com.

Alex Pernin, Chief Executive Officer of Star Royalties, commented: "During the third quarter of 2024, the outlook for our two key mining investments significantly improved with Copperstone tracking towards construction and Elk Gold recapitalized and transitioning to full production. Sabre Gold's proposed acquisition by Minera Alamos, a proven mine builder and miner, could see Copperstone in production in early 2026 with the potential to provide our gold stream approximately \$3 million in annual cash flow once in commercial production. At the closing of this acquisition, we will also own 9.6 million Minera Alamos shares, where we see significant near-term re-rating potential. At Elk Gold, we are seeing strong re-investment and improvements to the mine plan, sampling and grade control, with a revised block model and optimized pit design. Gold Mountain continues to work closely with their primary contractor and partner to improve production back to and eventually above intended levels. Regarding Green Star, we have been progressively funding our NativState IFM investment, are in the process of monetizing our first delivery of carbon offsets from this investment, and are actively looking to establish longer term offtake agreements to mitigate risk. The CarbonNOW program has also seen de-risking with the third-party validation and verification body ("**VVB**") nearly complete its validation work with verification work ready to commence shortly. Overall, we believe that all of these developments should reduce the valuation gap implied by our share price to the value of our underlying mining royalty portfolio and Green Star ownership."

Significant Portfolio Updates

Green Star Joint Venture (45.9% interest)

Green Star operates as a joint venture between Star Royalties, Agnico Eagle Mines Limited ("**Agnico Eagle**") (NYSE, TSX: AEM), Cenovus Energy Inc. ("**Cenovus**") (NYSE, TSX: CVE), and certain members of Star Royalties' and Green Star's management teams and Boards of Directors

(collectively, “**Management**”). 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.

Green Star’s focus remains on evaluating future investments in regenerative agriculture, improved forest management, reforestation, grasslands, biochar, cleantech, and other category types. Green Star’s investment pipeline of premium North American, nature-based carbon offset projects consists of approximately 50 opportunities at varying stages of development.

NativState IFM Portfolio

Following its acquisition of several gross revenue royalties from NativState LLC (“**NativState**”) on a carbon offset-issuing portfolio of IFM projects in the southeastern United States during the second quarter of 2024, Green Star received into its American Carbon Registry (“**ACR**”) account approximately 120,000 carbon offsets that were issued on project ACR 783. During the third quarter, Green Star has engaged with several third-party carbon credit brokers to facilitate the monetization of these carbon offsets. While a small number of these credits have been monetized at forecast prices during the third quarter, Green Star anticipates carbon offset sales to increase meaningfully towards the end of the year, driven by historic seasonality trends in carbon offset purchase transactions.

Regenerative Agriculture Carbon Farming Program

Green Star’s regenerative agriculture investment in the CarbonNOW® farming program is a partnership with Locus Agricultural Solutions® (“**Locus AG**”) and Anew Climate LLC (“**Anew**”). Green Star owns a 30% gross revenue royalty on the program, with a royalty term of 20 years and a total funding commitment of \$20.6 million. As of September 30, 2024, Green Star has contributed a total of \$11 million, representing over 50% of Green Star’s total capital commitment.

The CarbonNOW program is nearing the completion of its validation phase by a VVB and will look to combine the 2022 and 2023 growing seasons to more effectively and efficiently quantify the cumulative carbon sequestration potential under one verification process. The verification phase is expected to commence immediately following completion of the validation phase and would result in CarbonNOW’s first offset issuance, as well as first royalty revenues to Green Star, in mid-2025.

Mining Royalty Portfolio Updates

Keysbrook Mine

Star Royalties owns a 2% minerals royalty on the Keysbrook Mine, an open pit mineral sands (leucoxene, zircon) mine located 70 km south of Perth, Australia, and in operation since late 2015. In the third quarter of 2024, royalty revenues from Keysbrook were \$112,531, compared to

\$245,194 received in the comparative prior-year period. The decline in royalty revenues in the third quarter was a result of lower quantities of material sold by the mine's operator during the period. For the nine-month period ending September 30, 2024, royalty revenues from Keysbrook were \$643,852, compared to \$596,896 in the comparative period in 2023.

Copperstone Gold Project

On October 28, 2024, following the end of the third quarter, Sabre Gold announced that it had entered into a definitive agreement to be acquired by Minera Alamos (the "**Transaction**"). In anticipation of the Transaction, the Company entered into a debt settlement agreement with Sabre Gold on October 28, 2024, to convert the Company's C\$2 million receivables from Sabre Gold into 6,435,006 shares of Sabre Gold prior to the closing of the Transaction. Following the closing of the Transaction, the Company's holding of 6,435,006 shares of Sabre Gold pursuant to the debt settlement agreement will be converted into 4,459,459 shares of Minera Alamos. The Company's current holding of 7,407,407 shares of Sabre Gold will also be converted into 5,133,333 shares of Minera Alamos.

The Company's 4% gold stream for the duration of Copperstone life-of-mine will remain unchanged following the closing of the Transaction. Minera Alamos has indicated its intent to accelerate Copperstone into production by already initiating engineering efforts aimed at fast-tracking Copperstone's development, engaging with lenders regarding project finance, as well as expanding its technical team, ultimately reflecting Copperstone being a priority development project. More specifically, Minera Alamos is preparing updated process models and flowsheets for the construction of the new Copperstone processing facility. Minera Alamos is also reviewing and reworking Copperstone's underground development plans to provide improved operational flexibility while maintaining mining rates envisioned in Copperstone's 2023 Preliminary Economic Assessment. Furthermore, Minera Alamos is in the process of preparing its existing grinding and flotation equipment for shipment to Copperstone, to be made available at site in early 2025, ahead of starting the process plant construction. Copperstone's permits are in place for the restart of mining operations and Minera Alamos anticipates a 12-month construction schedule from a construction decision.

Elk Gold Mine

Gold Mountain Mining announced on August 23, 2024, that it had raised C\$6.5 million through the issuance of a convertible secured debenture to an affiliate of Nhwelmen Construction GP Ltd. ("**Nhwelmen**"), which is an existing insider of Gold Mountain. Assuming full conversion of the convertible debenture, Nhwelmen and its affiliates would own 34.05% of Gold Mountain's common shares, on a non-diluted basis.

In late September, Gold Mountain provided an operational update for its latest reporting period, which included achieving a strip ratio of 22.8, compared to 71.8 in the prior-year period. Gold

Mountain attributed the lower strip ratio to a more targeted methodology, which reduced dilution and minimized loss of mined ore. As part of their update, Gold Mountain's management expressed their intention to increase production at Elk Gold through improvements in mining methods, grade control, and ore processing and sampling. Gold Mountain also reported that it continued to expand operations at Elk Gold, focusing on refining the block model, optimizing pit design, and enhancing mine operational planning to boost production. The Company anticipates further updates on increased production developments at Elk over the coming months.

CONTACT INFORMATION

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ABOUT STAR ROYALTIES LTD.

Star Royalties Ltd. is a carbon credit and precious metals royalty and streaming company. The Company innovated the world's first carbon credit royalties in forestry and regenerative agriculture through its pure-green joint venture, Green Star Royalties Ltd., and offers investors exposure to carbon credit and precious metals prices. The Company's objective is to provide wealth creation by originating accretive transactions with superior alignment to both counterparties and shareholders.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING INFORMATION

Certain statements in this news release may constitute "forward-looking statements", including those regarding future market conditions for metals and minerals, future valuation of Minera Alamos, development and production of Copperstone, permitting and construction scheduling of Coppertone, future location of Copperstone grinding and flotation equipment, expected future cash flow from the stream agreement, the net cash position of Sabre Gold, the successful closing of the Transaction, the issuance of the Sabre Gold and Minera Alamos shares under the Transaction, the Company's position in Copperstone's future gold production, the net cash position of the Company, and future capital raising opportunities are statements that address or discuss activities, events or developments that the Company 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 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, 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, risks inherent to royalty companies, title and permitting matters, activities by governmental authorities, 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. 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.