

NEWS RELEASE

Toronto, December 19, 2024
(in U.S. dollars unless otherwise noted)

Lithium Royalty Corp. Announces US\$28 Million Partial Sale of Tres Quebradas Royalty to Triple Flag Precious Metals

- Highlights Value of the Tres Quebradas Royalty; LRC will retain a net 0.9% royalty on the Tres Quebradas Project
- Enhances Balance Sheet Strength, with Estimated Pro-Forma Cash of \$34.4 Million

Lithium Royalty Corp. (TSX: LIRC) ("LRC" or the "Company") is pleased to announce that the Company has entered a definitive agreement with Triple Flag Precious Metals Corp. and its wholly-owned subsidiary TF R&S Canada Ltd. ("Triple Flag") to sell a 0.5% gross overriding revenue royalty over the Tres Quebradas lithium brine project in Catamarca, Argentina to Triple Flag for total cash consideration of \$28 million. Following this transaction, the Company will continue to hold a net aggregate 0.9% gross overriding revenue royalty over the Tres Quebradas project.

"The partial sale of the royalty highlights the intrinsic value of the Tres Quebradas royalty and shines a favourable light on our portfolio value as a whole. LRC appreciates the productive relationship with Triple Flag to reach this deal. The Triple Flag management team has been a pleasure to work with," stated LRC's CEO, Ernie Ortiz.

"LRC intends to use a portion of the sale proceeds to repurchase common shares and will explore the use of a Substantial Issuer Bid. Given the significant discount that LRC's shares trade relative to their net asset value, we believe that repurchases could be materially accretive to net asset value and cash flow per share in the future, starting in 2025. The transaction also reloads our balance sheet and enables LRC to acquire additional royalties on top tier lithium assets, at what we believe to be the bottom in the lithium cycle".

Transaction Benefits

Crystallizes Value to LRC at a Significant Premium – The transaction price is significantly accretive to LRC, as the price to net asset value (P/NAV) multiple reflected in the transaction is a significant premium to the current P/NAV multiple reflected in LRC shares, based on analyst consensus NAV. Along with other recent lithium industry transactions, this highlights the meaningful value disconnect between public market valuations of lithium assets and intrinsic value.

Endorsement of LRC Strategy and Tres Quebradas Royalty – LRC is the leading royalty company in the lithium sector. LRC was the first mover in the sector and continues to uncover some of the world's leading lithium royalties. This transaction validates our strategy. The transaction also speaks to the progress and development of the Tres Quebradas project and Zijin as an attractive counterparty.

Enhances Balance Sheet Strength – As a low-cost royalty company, LRC is well positioned to navigate the current lithium downturn. The proceeds from this transaction inject further liquidity onto our balance sheet and augment the ability to transact on future accretive acquisitions and/or share repurchases at cycle lows. The Company maintains zero debt. The Company currently anticipates that after tax proceeds will be approximately equal to the transaction value. The Company estimates that pro-forma cash on hand following the transaction would be approximately \$34.4 million (C\$49.2 million), based on the anticipated December 31 cash balance of \$6.7 million. The transaction is expected to close in the first quarter of 2025.

Update on Tres Quebradas Project

In October 2024, Zijin announced that it had postponed commencement of production at the Tres Quebradas project in Argentina until 2025. LRC expects to earn revenue from the project not earlier than the second half of 2025, based on the latest available information. Zijin disclosed that during this interim period, it intends to further optimize production techniques and process flows and to lower and solidify the cost base, with the objective of improving the project's ability to withstand price fluctuations.

Zijin Mining is investing in a solar plant at the chemical facility which should further optimize its cost by reducing expenditures on outside power. Furthermore, Zijin is evaluating participation in the RIGI investment regime in Argentina that allows for tax benefits and other benefits tied to infrastructure projects.

Members of both the LRC and Triple Flag teams visited the Tres Quebradas site during the week of November 18, 2024 and confirmed the advanced status of the project and its prospects as a near term revenue asset.

Pictures of the site visit can be found below:





Advisors and Counsel

The parties did not use a financial advisor for the transaction. Stikeman Elliott LLP acted as legal counsel to Lithium Royalty Corp.

Conference Call and Webcast

Lithium Royalty Corp will hold a conference call and webcast on Thursday, December 19, 2024 at 9:00am (ET) to discuss the transaction. Participants may dial in using the numbers below:

Local – (+1) 289 819 1520 | Conference ID: 16438

Toll Free North America – (+1) 800 549 8228 | Conference ID: 16438

Webcast – Click [here](#)

Important Dates and Events

Date	Event
January 14, 2025	TD Securities 16 th Annual Global Mining Conference
February 23, 2025	BMO 34 th Global Metals, Mining & Critical Minerals Conference
March 17, 2025	LRC Reports Q4 2024 Results
March 18, 2025	LRC Q4 2024 Earnings Call. Click here for call details
May 20, 2025	Canaccord Genuity 4 th Annual Global Mining and Metals Conference

About Lithium Royalty Corp.

LRC is a lithium-focused royalty company organized in Canada, which has established a globally diversified portfolio of 35 revenue royalties on mineral properties that are related to the

electrification and decarbonization of the global economy. The Company's royalty portfolio is focused on the battery supply chain for the transportation and energy storage industries and is underpinned by mineral properties that produce or are expected to produce lithium and other battery materials. LRC is a signatory to the Principles for Responsible Investment; the integration of ESG factors and sustainable mining are considerations in our investment analysis and royalty acquisitions.

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Forward Looking Statements

This press release contains "forward-looking information" and "forward-looking statements" within the meaning of applicable Canadian securities laws, which may include, but are not limited to, statements with respect to future events or future performance, management's expectations regarding LRC's growth, results of operations, estimated future revenues, performance guidance, carrying value of assets and requirements for additional capital, mineral resource and mineral reserve estimates, production estimates, production costs and revenue, future demand for and prices of commodities, expected mining sequences, business prospects and opportunities, the performance and plans of third party operators and the expected exposure for current and future assessments and available remedies. In addition, statements relating to resources and reserves and mine life are forward-looking statements, as they involve implied assessment, based on certain estimates and assumptions, and no assurance can be given that the estimates and assumptions are accurate and that such resources and reserves or mine life will be realized. Often, but not always, forward-looking statements can be identified by the use of words such as "plans", "expects", "is expected", "budgets", "potential for", "scheduled", "estimates", "forecasts", "predicts", "projects", "intends", "targets", "aims", "anticipates" or "believes" or variations (including negative variations) of such words and phrases or may be identified by statements to the effect that certain actions "may", "could", "should", "would", "might" or "will" be taken, occur or be achieved. Forward-looking statements involve known and unknown risks, uncertainties and other factors, which may cause the actual results, performance or achievements of LRC to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Forward-looking information is based on management's beliefs and assumptions and on information currently available to management. The forward-looking statements herein are made as of the date of this press release only and LRC does not assume any obligation to update or revise them to reflect new information, estimates or opinions, future events or results or otherwise, except as required by applicable law.

A number of factors could cause actual events or results to differ materially from any forward-looking statement, including, without limitation: fluctuations in the prices of the primary commodities that drive royalty revenue (including various lithium products); fluctuations in the value of the Canadian and Australian dollar and any other currency in which revenue is generated, relative to the U.S. dollar; changes in national and local government legislation, including permitting and licensing regimes and taxation policies and the enforcement thereof; the adoption of a global minimum tax on corporations; regulatory, political or economic developments in any of the countries where properties in which LRC holds a royalty or other interest are located or through which they are held; risks related to the operators of the properties in which LRC holds a royalty or other interest, including changes in the ownership and control of such operators; relinquishment or sale of mineral properties; influence of macroeconomic developments; business opportunities that become available to, or are pursued by LRC; reduced

access to debt and equity capital; litigation; title, permit or license disputes related to interests on any of the properties in which LRC holds a royalty or other interest; whether or not the Company is determined to have "passive foreign investment company" ("PFIC") status as defined in Section 1297 of the United States Internal Revenue Code of 1986, as amended; excessive cost escalation as well as development, permitting, infrastructure, operating or technical difficulties on any of the properties in which LRC holds a royalty or other interest; actual mineral content may differ from the resources and reserves contained in technical reports; rate and timing of production differences from resource estimates, other technical reports and mine plans; risks associated with the solvency of operators of projects that LRC has royalties over; risks and hazards associated with the business of development and mining on any of the properties in which LRC holds a royalty or other interest, including, but not limited to unusual or unexpected geological and metallurgical conditions, slope failures or cave-ins, sinkholes, flooding and other natural disasters, terrorism, civil unrest or an outbreak of contagious disease; and the integration of acquired assets. The forward-looking statements contained in this press release are based upon assumptions management believes to be reasonable, including, without limitation: the ongoing operation of the properties in which LRC holds a royalty or other interest by the owners or operators of such properties in a manner consistent with past practice; the accuracy of public statements and disclosures made by the owners or operators of such underlying properties; no material adverse change in the market price of the commodities (including various lithium products) that underlie the asset portfolio; the Company's ongoing income and assets relating to determination of its PFIC status; no material changes to existing tax treatment; the expected application of tax laws and regulations by taxation authorities; no adverse development in respect of any significant property in which LRC holds a royalty or other interest; the solvency of project operators; the accuracy of publicly disclosed expectations for the development of underlying properties that are not yet in production; integration of acquired assets; and the absence of any other factors that could cause actions, events or results to differ from those anticipated, estimated or intended. However, there can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Investors are cautioned that forward-looking statements are not guarantees of future performance. LRC cannot assure investors that actual results will be consistent with these forward-looking statements. Accordingly, investors should not place undue reliance on forward-looking statements due to the inherent uncertainty therein.

For additional information with respect to risks, uncertainties and assumptions, please refer to LRC's most recent Annual Information Form dated March 27, 2024 and filed with the Canadian securities regulatory authorities on www.sedarplus.com. These risks and uncertainties include, but are not limited to, those described under "Risk Factors" in the Annual Information Form, and in particular risks summarized under the "Risks Related to Mining Operations" heading.