



Electric Royalties Signs Definitive Acquisition Agreements to Acquire 3 Cobalt Royalties

VANCOUVER, BC, July 23, 2020 /CNW/ - **Electric Royalties Ltd.** (TSXV: ELEC) ("**Electric Royalties**" or the "**Company**") is pleased to announce the execution of the definitive acquisition agreements to acquire a portfolio of 3 royalties from Global Energy Metals Corp. (TSXV: **GEMC**) ("**Global Energy**").

Brendan Yurik, CEO of Electric Royalties, summarized: "It's been an exciting several weeks for Electric Royalties with the closing of an oversubscribed financing for \$5.2 million and the successful completion of our go-public transaction with Rebel Capital. With the signing of this agreement with Global Energy Metals, we have now closed on or have signed definitive agreements on 11 royalties in the past month and we are already working on new royalty acquisitions."

Millennium Cobalt Royalty (the "**Millennium GMR Royalty**")

The Millennium GMR Royalty is a 0.5% Gross Metal Royalty ("**GMR**") on the Millennium cobalt project (the "**Millennium Cobalt Project**"). The Millennium Cobalt Project is located near Mount Isa, Queensland, Australia.

The Millennium Cobalt Project

The Millennium Project is an advanced exploration stage cobalt-copper project located in the Mount Isa mining district in the northern part of the jurisdictionally safe state of Queensland, Australia. The deposit is well located close to the regional centres of Mount Isa and Cloncurry with their well-established mining, transport and processing infrastructure and skilled workforce. There is excellent potential to expand the known resource at the project, and preliminary metallurgical studies have demonstrated the potential to recover in excess of 91% of the cobalt and copper^[1].

Mt. Dorothy Cobalt Royalty ("**Mt. Dorothy Royalty**")

The Mt. Dorothy Royalty is a 0.5% GMR on the Mt. Dorothy cobalt project (the "**Mt. Dorothy Cobalt Project**"). The Mt. Dorothy Cobalt Project is an early stage exploration located near Mount Isa, Queensland, Australia.

Cobalt Ridge Royalty ("**Cobalt Ridge Royalty**")

The Cobalt Ridge Royalty is a 0.5% GMR on the Cobalt Ridge cobalt project (the "**Cobalt Ridge Cobalt Project**"). The Cobalt Ridge Cobalt Project is an early stage exploration project located near Mount Isa, Queensland, Australia.

Electric Royalties will acquire the royalties in exchange for 1,150,000 shares and C\$150,000 cash. Closing remains subject to obtaining governmental approvals in Australia.

Millennium Call Options

Electric Royalty has a call option (the "**First Global Option**") exercisable at any time in the two years from the closing date of the acquisition ("**Closing Date**") to acquire a 0.5% Royalty on the net smelter returns ("**NSR**") from the Millennium Cobalt Project (the "**Millennium NSR Royalty**") for C\$500,000. Up to 25% of the payment is payable in shares, at Electric Royalties' election. Upon exercise of the First Global Option, Electric Royalties will have a further call option, exercisable on the earlier of (i) the third anniversary of the Closing Date and (ii) six months from the date that a preliminary economic analysis or similar study on the Millennium Cobalt Project is provided by Global Metals to Electric Royalties, to increase the Millennium NSR Royalty to 1.5% for C\$1,000,000. Up to

25% of the payment is payable in shares, at Electric Royalties' election.

David Gaunt, P.Geo., a qualified person who is not independent of Electric Royalties has reviewed and approved the technical information in this release.

Electric Royalties further announces that it has elected not to close on the Cleveland and Oropesa Tin royalties.

For further details on Electric Royalties, please visit www.electricroyalties.com or contact us at (604) 639-9200 or send us an email at info@electricroyalties.com.

On Behalf of the Board of Directors

Brendan Yurik
Chief Executive Officer

About Electric Royalties Ltd

Electric Royalties is a royalty company established to take advantage of the demand for a wide range of commodities (lithium, vanadium, manganese, tin, graphite, cobalt, nickel & copper) that will benefit from the drive toward electrification (cars, rechargeable batteries, large scale energy storage, renewable energy generation and other applications).

Electric vehicle sales, battery production capacity and renewable energy generation are slated to increase significantly over the next several years and with it, the demand for these targeted commodities. This creates a unique opportunity to invest in and acquire royalties over the mines and projects that will supply the materials needed to feed the electric revolution.

Electric Royalties has a portfolio of 8 royalties, with a further 3 royalties under definitive agreement, with closing subject to fulfillment of customary conditions including regulatory approvals. Electric Royalties plans to focus predominantly on acquiring royalties on advanced stage and operating projects to build a diversified portfolio located in jurisdictions with low geopolitical risk.

Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

Cautionary Statements Regarding Forward-Looking Information

This news release includes forward-looking information and forward-looking statements (collectively, "forward-looking information") with respect to the Company and within the meaning of Canadian securities laws. Forward looking information is typically identified by words such as: believe, expect, anticipate, intend, estimate, postulate and similar expressions, or are those, which, by their nature, refer to future events. This information represents predictions and actual events or results may differ materially. Forward-looking information may relate to the Company's future outlook and anticipated events or results and may include statements regarding the Company's financial results, future financial position, expected growth of cash flows, business strategy, budgets, projected costs, projected capital expenditures, taxes, plans, objectives, industry trends and growth opportunities.

While management considers these assumptions to be reasonable, based on information available, they may prove to be incorrect. Forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. These risks, uncertainties

and other factors include, but are not limited to risks associated with general economic conditions; adverse industry events; marketing costs; loss of markets; future legislative and regulatory developments involving the renewable energy industry; inability to access sufficient capital from internal and external sources, and/or inability to access sufficient capital on favourable terms; the mining industry generally, the Covid-19 pandemic, recent market volatility, income tax and regulatory matters; the ability of the Company to implement its business strategies including expansion plans; competition; currency and interest rate fluctuations, and the other risks.

The reader is referred to the Company's most recent filings on SEDAR for a more complete discussion of all applicable risk factors and their potential effects, copies of which may be accessed through the Company's profile page at www.sedar.com.

¹ Further information is available in a technical report on the Global Energy Metals Corp profile at www.sedar.com

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