

TERM SHEET

RE ROYALTIES LTD. MARKETED PROSPECTUS SUPPLEMENT OF SENIOR SECURED GREEN BONDS NOT FOR GENERAL DISTRIBUTION IN THE UNITED STATES December 13, 2022

A final base shelf prospectus containing important information relating to the securities described in this document has been filed with the securities regulatory authorities in each of the provinces of Canada, other than Québec. A copy of the final base shelf prospectus, any amendment to the final base shelf prospectus and any applicable shelf prospectus supplement that has been filed, is required to be delivered with this document.

This document does not provide full disclosure of all material facts relating to the securities offered. Investors should read the final base shelf prospectus, any amendment, and any applicable shelf prospectus supplement for disclosure of those facts, especially risk factors relating to the securities offered, before making an investment decision. Copies of the final base shelf prospectus, and any applicable shelf prospectus supplement, may be obtained from Canaccord Genuity Corp. at ecm@cgf.com and are also available electronically at www.sedar.com.

The securities offered under this short form prospectus have not been and will not be registered under the United States Securities Act of 1933, as amended (the "U.S. Securities Act"), or the securities laws of any state of the United States (as such term is defined in Regulation S under the U.S. Securities Act) (the "United States"), and may not be offered or sold within the United States, or to, or for the account or benefit of a U.S. Person (as defined in Rule 902(k) of Regulation S under the U.S. Securities Act) or a person in the United States, except in transactions exempt from registration under the U.S. Securities Act and applicable U.S. state securities laws.

Issuer:	RE Royalties Ltd. (the " Company ")
Offering:	A marketed, best efforts, offering of up to 20,000, Series 3 senior secured green bonds (" Green Bonds ") of the Company (23,000 Green Bonds assuming the Over-Allotment Option (as defined below) is exercised in full) to raise gross proceeds of up to C\$20,000,000 or C\$23,000,000 assuming the Over-Allotment Option is exercised in full (the " Offering ")
Issue Price:	C\$1,000 per Green Bond US\$1,000 per Green Bond
Over-Allotment Option:	The Company has granted the Agents (as defined below) an option (the " Over-Allotment Option ") to purchase up to an additional 3,000 Green Bonds at the Issue Price, which Over-Allotment Option is exercisable at any time, for a period of 30 days after and including the Final Closing Date. The Over-Allotment Option is exercisable to acquire Green Bonds
Denomination	Issued in either United States dollars or Canadian dollars, at the subscriber's discretion
Interest:	The Green Bonds will bear simple interest (" Interest ") at a rate of 9% per annum from the date of issue, payable quarterly in arrears
Maturity Date:	The Green Bonds will mature on that day which is 5 years from the Initial Closing Date (as defined below) (the " Maturity Date ")
Rank:	The Green Bonds will be secured obligations of the Company and will rank <i>pari passu</i> in right of payment of principal and interest with all other Green Bonds issued pursuant to the Offering and all previously existing secured

indebtedness of the Company. The Green Bonds will be issued pursuant to the terms of a third supplemental indenture to the trust indenture dated as of August 10, 2021 to be entered into between the Company and Western Pacific Trust Company

Selling Jurisdictions:	All provinces of Canada, other than Québec. The Green Bonds may also be offered and sold in certain offshore jurisdictions (provided that placement in such offshore jurisdictions does not give rise to the filing of a prospectus or registration statement or to any continuous disclosure obligations)
Minimum Subscription:	Series 3 Senior Secured Green Bond – C\$5,000 Series 3 Senior Secured Green Bond – US\$5,000
Listing:	The Series 3 Senior Secured Green Bonds will not be listed on any registered exchange, including the Exchange
Eligibility:	The Green Bonds will be qualified investments under the <i>Income Tax Act</i> (Canada) for RRSPs, RESPs, RRIFs, DPSPs, RDSPs and TFSAs
Use of Proceeds:	The net proceeds will be used to finance renewable energy projects in the company's pipeline as well as to purchase royalty interests in renewable energy projects
Commission:	The Company will pay the Agents a cash fee equal to 7.0% of the aggregate gross proceeds of the Offering, and an aggregate number of broker warrants (each, a " Broker Warrant ") equal to 3.5% of the gross proceeds raised pursuant to the Offering. Each Broker Warrant will be exercisable to acquire one common share of the Company at an exercise price equal to \$0.75 for a period of 36 months from the applicable Closing Date, subject to adjustment in certain events
Agents:	Canaccord Genuity Corp. will act as Sole Bookrunner and Co-Lead Agent alongside Integral Wealth Securities Limited as Co-Lead Agent (collectively, the " Agents ")
Framework:	ICMA Green Bond Principles (2018)
Security:	Security Agreement dated August 10, 2020 between the Company and Western Pacific Trust Company
Current Number of Green Bonds Issued:	Series 1 – 10,166 (Senior Secured Green Bonds – Series 1 Canadian Dollar) Par value = \$10,166,000 Series 2 – 5,166 (Senior Secured Green Bonds – Series 2 Canadian Dollar) Par value = \$5,166,000 Series 2 – 4,000 (Senior Secured Green Bonds – Series 2 United States Dollar) Par value = \$4,000,000
Bond Trustee:	Western Pacific Trust Company

Performance Covenants:

- 1) Interest Reserve Account – 2 quarters on deposit with Trustee
- 2) Debt to Equity Ratio – No greater than 3:1
- 3) Debt Coverage Ratio – Maintain an adjusted EBITDA Debt Coverage Ratio of no less than 110%

Closing Date:

The Offering will close in two tranches with the initial closing expected to occur on or around December 22, 2022 or such other date as the Sole Bookrunner and the Company may agree (the “**Initial Closing Date**”). The final closing is expected to occur on or around January 30, 2023 or such other date as the Sole Bookrunner and the Company may agree (the “**Final Closing Date**”)