

DECEMBER 13, 2022  
CORPORATE PRESENTATION



RENEWABLE ENERGY ROYALTIES

# Investing in a cleaner future

TSX.V: RE  
OTCQX: RROYF

A final base shelf prospectus containing important information relating to the Company and securities described in this document has been filed with the securities regulatory authorities in each of the provinces of Canada, except Quebec. 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 Company and the securities. 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 Company and the securities offered, before making an investment decision.

# Cautionary Statement

This document contains confidential and proprietary information belonging to RE Royalties Ltd. (collectively "RER" or the "Company"). The facts and information provided in this presentation are for informational purposes only.

This presentation is qualified in its entirety by reference to, and must be read in conjunction with, the information contained in the Base Shelf Prospectus, the Prospectus Supplement and the documents incorporated by reference therein. Prospectus investors should rely only on the information contained in the Base Shelf Prospectus, the Prospectus Supplement and the documents incorporated by reference therein. The Company and the underwriters have not authorized anyone to provide investors with additional or different information. Any graphs, tables or other information demonstrating our historical performance or that of any other entity contained in the Base Shelf Prospectus, the Prospectus Supplement, the documents incorporated by reference therein or this presentation are intended only to illustrate past performance and are not necessarily indicative of our or such entities' future performance. The information contained in this presentation is accurate only as of the date of this presentation or the date indicated, regardless of the time of delivery of the Base Shelf Prospectus and the Prospectus Supplement or of any sale of the securities described herein. No securities regulatory authority has expressed an opinion about the securities described herein and it is an offence to claim otherwise.

The Prospectus Supplement, together with the Base Shelf Prospectus to which it relates, as amended or supplemented, and each document incorporated or deemed to be incorporated by reference therein, constitutes a public offering of securities only in those jurisdictions where they may be lawfully offered for sale and therein only by persons permitted to sell such securities. The securities described herein have not been and will not be registered under the United States Securities Act of 1933, as amended (the "U.S. Securities Act"), or any state securities laws and are being offered and sold in the United States exclusively to qualified institutional buyers, as defined in Rule 144A under the U.S. Securities Act. Each offeree in the United States is hereby notified that the offer and sale of the securities described herein to it is being made in reliance upon the exemption from the registration requirements of the U.S. Securities Act provided by Rule 144A thereunder. See "Plan of Distribution" in the Prospectus Supplement. Information has been incorporated by reference in this presentation, in the Base Shelf Prospectus and in the Prospectus Supplement, from documents filed with securities commissions or similar authorities in Canada. Copies of the documents incorporated herein by reference may be obtained on request without charge from the Corporate Secretary of the Company at 14th Floor, 1040 West Georgia St., Vancouver, British Columbia, Canada V6E 4H1, telephone: (778) 374-2000, and are also available electronically at [www.sedar.com](http://www.sedar.com). All references in this presentation to dollars, "\$" or "C\$" are to Canadian dollars, and all references to United States dollars and "US\$" are to United States dollars. Our most recent fiscal year ended on December 31, 2021.

This presentation includes forward-looking information and forward-looking statements (collectively, "forward-looking information") with respect to the Company. Any statements that express or involve discussions with respect to predictions, expectations, beliefs, plans, projections, objectives, assumptions or future events or performance (often, but not always, using words or phrases including, but not limited to, "expects", "does not expect", "is expected", "anticipates", "does not anticipate", "plans", "estimates", "believes", "does not believe" or "intends", or stating that certain actions, events or results may, could, would, might or will be taken, occur or be achieved) are not statements of historical fact and may be "forward-looking information". 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. Forward-looking information contained in this presentation is based on certain assumptions regarding expected growth, results of operations, performance, 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 favorable terms; the renewable energy industry generally, 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 discussed in the Company's filings on SEDAR ([www.sedar.com](http://www.sedar.com)). The foregoing factors are not intended to be exhaustive. Although the Company has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results to differ from those anticipated, estimated or intended. Forward-looking statements contained herein are made as of the date hereof and the Company and its directors, officers and employees disclaim any obligation to update any forward-looking statements, whether as a result of new information, future events or results or otherwise. 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. Accordingly, you should not place undue reliance on forward-looking statements due to the inherent uncertainty therein. All forward-looking information is expressly qualified in its entirety by this cautionary statement. Forward-looking information and other information contained herein concerning management's general expectations concerning the renewable energy industry are based on estimates prepared by management using data from publicly available industry sources as well as from market research and industry analysis and on assumptions based on data and knowledge of this industry which management believes to be reasonable. However, this data is inherently imprecise, although generally indicative of relative market positions, market shares and performance characteristics. While management is not aware of any misstatements regarding any industry data or comparables presented herein, industry data and comparables are subject to change based on various factors. The Company has not independently verified any of this data from independent third-party sources.



# SERIES 3 GREEN BONDS

<b>Size of Bond Offering:</b>	Up to \$20 million Canadian dollars in aggregate
<b>Price:</b>	CDN \$1,000 per Secured Green Bond, or USD \$1,000 per Secured Green Bond
<b>Term of Bond:</b>	5 Years
<b>Interest Rate:</b>	9%
<b>Interest Payment:</b>	Quarterly
<b>Minimum Size:</b>	\$5,000
<b>Registered Eligibility:</b>	Yes
<b>Security:</b>	Bond Indenture
<b>Covenants:</b>	3:1 debt to equity; 110% interest coverage, and 2 quarter interest reserve
<b>Framework:</b>	ICMA Green Bond Principles (2018)
<b>Bond Trustee:</b>	Western Pacific Trust Co.
<b>Use of Proceeds</b>	Short term loans and the acquisition of royalties from renewable energy companies
<b>Closing:</b>	Initial closing December 22, 2022 Final closing January 30, 2023



# OUR VISION AND OBJECTIVE



**We create wealth for our investors**



**We create a positive impact for the environment**

Our strategic objective is to acquire a portfolio of **growing, long-term, stable, and diversified royalties** that will provide our investors with **long-term, sustainable cash flows.**

# WHO WE ARE



## First mover royalty company in the renewable and sustainable energy sector

- ✓ Listed on the TSX-V in November 2018
- ✓ Listed on the OTCQX in April 2022



## \$50M+ Raised and invested into a diversified portfolio of over 100+ royalties

- ✓ Solar, wind, hydro, RNG, energy storage and efficiency
- ✓ Canada, USA, Mexico and European Union
- ✓ \$37M invested in the past 15 months, 11 transactions



## Growth oriented company with strong track record for execution

- ✓ 2021 Globe and Mail's Top Growing Companies
- ✓ 156% YoY revenue and income growth (Q3)
- ✓ \$40M+ in deal flow backlog



## ESG and Impact focused company

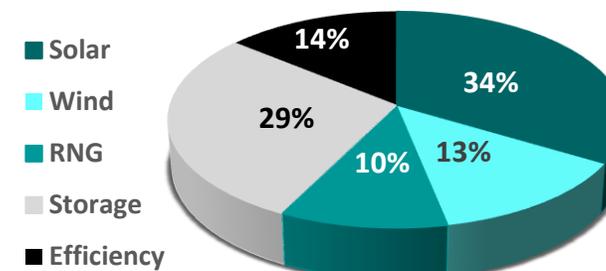
- ✓ Meets United Nations Sustainable Development Goals



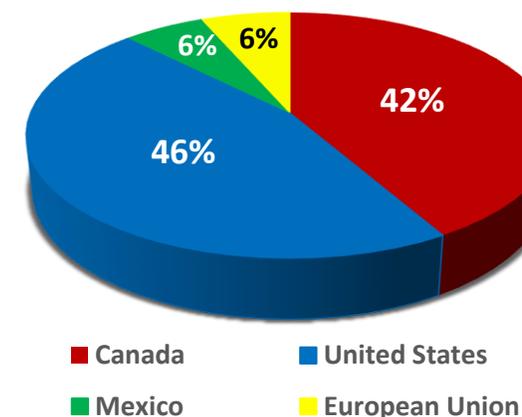
# Royalty Portfolio and Investments Made to Date<sup>1</sup>

Client	Technology	Status	Country	Capacity (MW)	# of Royalties	Amount (CAD\$)
Aeolis	Wind	Operational	Canada	102	1	\$ 1,240,000
Fresh Air	Solar	Operational	Canada	40	4	\$ 1,870,000
OntarioCo	Solar	Operational	Canada	18	60	\$ 5,000,000
Belltown	Solar	Operational	USA	78	1	\$ 3,752,000
Alpin Sun	Solar	Development	USA	352	4	\$ 1,280,000
Jadepower	Wind, Solar, Hydro	Operational	Europe	34	6	\$ 3,800,000
Scotian Wind	Wind	Operational	Canada	40	12	\$ 4,640,000
Switch	Battery Storage	Oper/Develop	Canada	23	14	\$ 7,400,000
Teichos	Solar	Development	USA	20	1	\$ 3,000,000
FuseForward	Energy Efficiency	Operational	Canada	N/A	1	\$ 3,000,000
Outagamie	Renewable Natural Gas	Operational	USA	2	1	\$ 5,920,000
NOMAD	Mobile Battery Storage	Operational	USA	3.5	6	\$ 7,470,000
ReVolve	Solar	Operational	Mexico	2.4	6	\$ 1,600,000
Switch	Solar	Operational	Canada	0.4	1	\$ 1,300,000
ReVolve	Battery Storage	Construction	Mexico	1.9	3	\$ 1,900,000
Delta Energy	Energy Efficiency	Construction	USA	N/A	1	\$ 5,250,000
				<b>717</b>	<b>122</b>	<b>\$ 58,422,000</b>

Investment By Technology



Investment By Jurisdiction



1. The above table includes all historic royalty investments made to date, including those that have subsequently been repaid or royalty bought out.
2. There are 110 royalties in our current portfolio, net of buy outs.
3. US dollar transactions are converted at an exchange rate of 1.34 Canadian dollar to 1 US dollar.

## INVESTMENTS TO DATE IN 2022

Client	Type	Jurisdiction	Term	Amount CAD	Interest Rate	Royalty
Outagamie (February 2022)	Renewable Natural Gas	United States	3 Years	\$ 5,920,000*	13.5 %	\$ 247,000/year 10 years*
NOMAD (March 2022)	Mobile Battery Storage	United States	5 Years	\$ 7,470,000*	12 %	3.5% of Sales during loan term
ReVolve (May 2022)	Solar PV	Mexico	2 Years	\$ 1,600,000	10 %	1 – 5% of Gross Revenues 8-11 years
Switch Power (Aug 2022)	Solar PV	Canada	1.5 Years	\$ 1,300,000	10 %	1-2% of Gross Revenues 12.5 years
ReVolve (Sep 2022)	Battery Storage	Mexico	2 Years	\$ 1,860,000	12 %	5% of Gross Revenues 10 years
Delta Energy (Oct 2022)	Energy Efficiency	Puerto Rico, USA	5 Years	\$ 5,226,000	12.2 %	\$ 210,000/year 10 years*
Alberta Project (Jan 2023)	Wind PV	Canada	12 Years	\$ 1,000,000	10 %	% Gross Revenues 12 years

**\$ 24.7 Million Invested to date in 2022 with an Expected IRR of 18%**

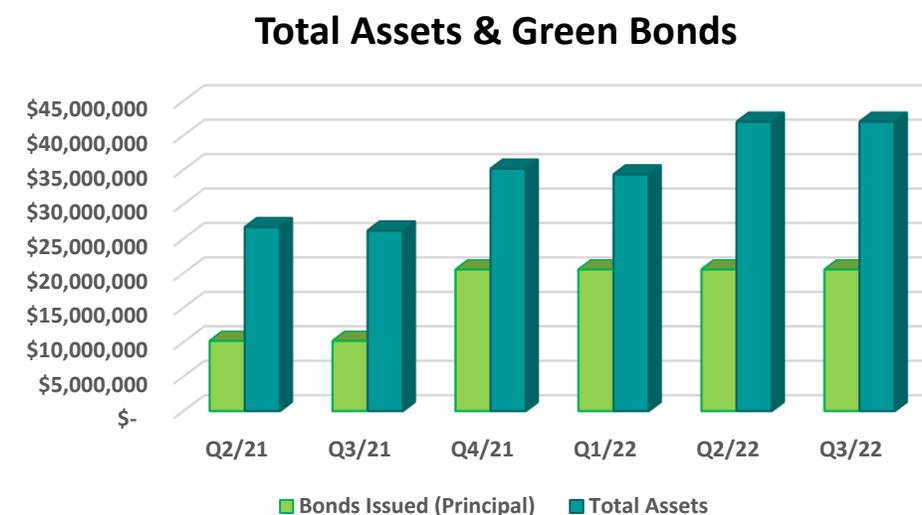
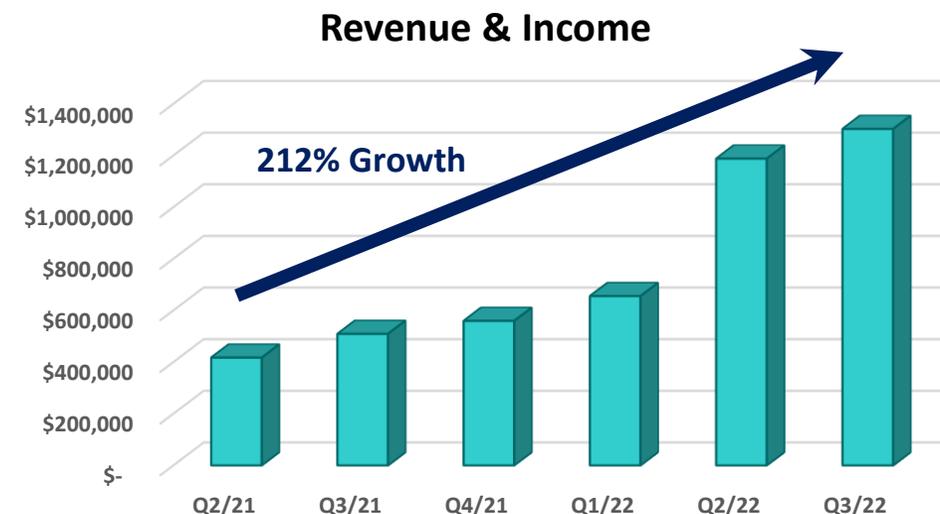


\* US dollar transactions are converted at an exchange rate of 1.34 Canadian dollar to 1 US dollar.

# Capitalization and Financial Snapshot

Capital Structure <sup>1</sup>	Amount
Current Share Price <sup>2</sup>	\$ 0.75
Common Shares outstanding <sup>2</sup>	43.1 million
<b>Market Capitalization</b>	<b>\$ 32.3 million</b>
Warrants outstanding	10.7 million
Options outstanding	1.6 million
Convertible notes	1.6 million
<b>Fully diluted</b>	<b>57.0 million</b>
Insider Ownership %	25%

Financial Information <sup>1</sup>	Amount
Total Assets	\$ 43.3 million
Total Liabilities	\$ 21.8 million
Revenues for Q3-2022	\$ 1.3 million
Gross Margin for Q2-2022	\$ 1.2 million
Quarterly Dividend declared & paid	\$ 0.01 per share
<b>Cash as of September 30, 2022</b>	<b>\$ 8.3 million</b>



1. Please refer to our Q3 financial statements for the period ended September 30, 2022 available on SEDAR.  
 2. As at November 30, 2022

## STRONG BACKLOG FOR GROWTH

Client	Use of Funds	Amount (CAD)
Solar/Storage #A (Chile)	Expansion financing	\$ 4,000,000
Storage Co. #B (US)	Construction finance	\$ 6,000,000
Storage Co. #C (Can)	Construction finance	\$ 5,000,000
Solar Co. #D (US)	Interconnection deposits	\$ 3,000,000
Battery Co. #E (Mex)	Construction finance	\$ 11,000,000
Solar Co. #F (Can)	Interconnection deposits	\$ 4,000,000
Solar Co. #G (Can)	Interconnection deposits	\$ 7,200,000
Wind Co. #H (Can)	Royalty sale	\$ 1,600,000
		<b>\$ 41,800,000</b>

**NOTE:** The above non-binding letters of intent are still subject to completion of due diligence to the satisfaction of the company, negotiation of definitive documents, satisfaction of condition precedents for each transaction, and approval of the company's Board of Directors. No assurance is provided that any or all of the non-binding letters of intent will result in a completed transaction.

# VALUE DRIVEN BUSINESS MODEL

## WHAT WE INVEST IN:

- Only renewable and sustainable energy, no fossil fuel-based projects
- Strong ability to offset GHG
- Only commercially proven technology
- Projects operating or near operating, with long-term revenue off-takes
- Near-term cash flows
- Target IRRs in 10-20%+ range

## WHERE WE INVEST:

- OECD and EU countries
- Primary focus on North America and Europe

# VALUE DRIVEN BUSINESS MODEL

## HOW WE INVEST:

- Short-term secure loans (6 months to 3 years)
- Long-term royalties (15-20 years)
  - Royalties based on revenues and long-term cash-flow streams
- Re-investment of capital from short-term loans allows us to create additional new royalties from the same capital and grow our portfolio



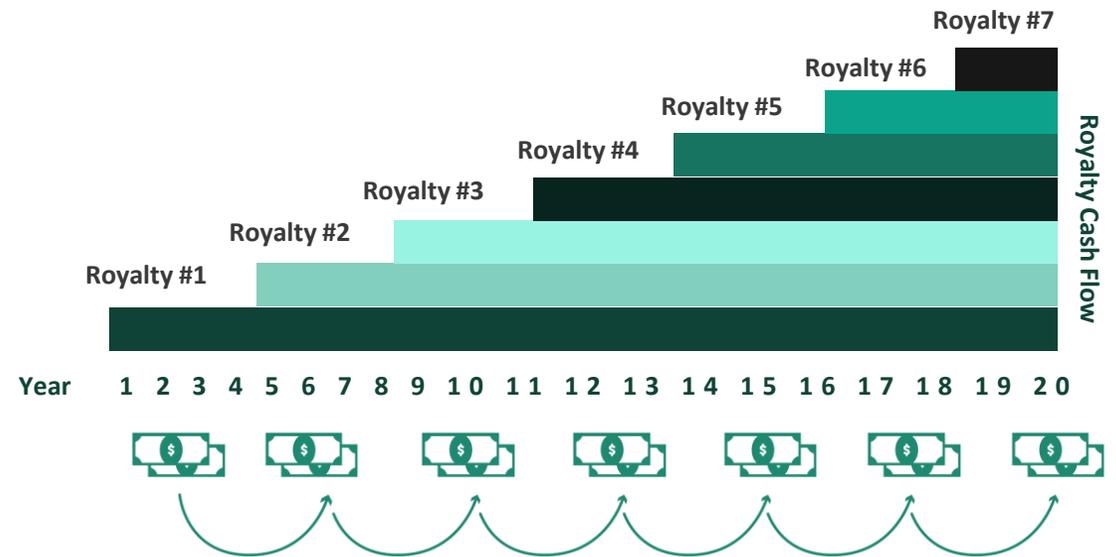
PROTECTION



GROWTH



## COMPOUNDING EFFECT OF ROYALTY AND LOAN STRUCTURE



**Our investment structure allows for a quick payback and recycling of capital, to generate and grow new royalties**

# ROYALTY MODEL ADVANTAGE

	Royalty Company	Developer	Operator
<b>Economic interest</b>	✓ Top-line	Bottom-line	Bottom-line
<b>Return Targets</b>	✓ High	✓ High	Low
<b>Risk</b>	✓ Low	High	✓ Low
<b>Time to Cash Flows</b>	✓ Immediate	Distant	✓ Immediate
<b>Operating Costs</b>	✓ Low corporate & transaction	High project development costs	Moderate manage operating assets
<b>Investment Size</b>	✓ Small to medium	✓ Small to medium	Large
<b>Sustaining Capital</b>	✓ None	Yes	Yes
<b>Construction Capital</b>	✓ None	Yes	Yes
<b>Growth Prospects</b>	✓ High	✓ High	Low
<b>Technology Diversification</b>	✓ High, broad based	Low, 1 to 2 types	✓ Moderate, 1 to 2 types
<b>Jurisdiction Diversification</b>	✓ High, globally focused	Low, 1 to 2 countries	✓ Moderate, 2 to 3 countries



PROTECTION



GROWTH



\*The table above is a generalization of the industry and is not an indication of expected returns

## HOW WE SECURE INVESTMENTS

**Senior-secured:** We ensure our investments are ranked in priority to other debts. In the event of a default by a client, this ensures we maintain the ability to control the default process and ensure priority payment on any potential asset sale.

**Over-collateralization:** We collateralize our investment against a value that is greater than what we invest in. We conduct a valuation analysis of each client's assets through a combination of discounted cash flow analysis, comparable valuations, or cash flow multiples.

**Cross-collateralization:** We cross-collateralize our investment against a portfolio of assets. This provides additional protection so that we are able to monetize other assets and recover our investment value.

**Asset level security:** We seek to register security claims where available against the actual assets such as cash, receivables, deposits, land, contracts and equipment that the client may own.

**Guarantees, cross-guarantees and share pledges:** We obtain guarantees from the client's parent company or affiliated companies.

**Step-in rights:** We obtain step-in rights to operate the assets in the event of a default. This ensures that the assets will continue to operate in an optimal manner and we will be able to achieve a proper recoverable value on our investment.



# Management Team



**Bernard Tan**  
CEO

15+ Years in corporate finance, resources, and technology, CPA, CA, MBA (Finance), Former CFO of TSX public company, Former CFO of Hunter Dickinson, CIMM Young Leadership Award, Clean50 Winner



**Peter Leighton**  
COO

25+ Years in M&A and project development in the energy sector, Former President and COO of Finavera, Former COO of Accenture's Business Services for Utilities, Clean50 Winner



**Luqman Khan**  
CFO

20+ Years in accounting and business management CFO of publicly listed TSX-V mineral resource company, CPA, CGA, Previously with Ernst and Young in their assurance practice



**Bryce Anderson**  
VP, Investments

8+ Years in construction, maintenance, design and finance, CFA & CAIA charter holder, RIPC Holder from RIA, BEng in Mechanical Engineering



**Alistair Howard**  
VP, Corporate Development

12+ Years renewable energy, Former Director of Project Development for Boralex, MEng from McGill, PEng, Former Vice-Chair of Clean Energy BC



**Shane Grovue**  
VP, Growth & ESG

15+ Years in engineering, management and finance in clean energy and technology development, PEng, PMP, MBAs from INSEAD & Tsinghua University



**Talia Beckett**  
VP, Communications & Sustainability

10+ Years in PR, communications, international business, Masters Degree from University of London, BC Export Award for International Business

# Board of Directors

## **Marchand Synman** Chairman & Director

- Co-Founder of RER
- Director and Chief Operating Officer of Hunter Dickinson Inc.
- 20+ years of senior executive experience in global corporate finance M&A, financing and divestiture activities
- Chartered Accountant (South Africa) & Chartered Accountant (Australia & New Zealand)

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## **Stephen Cheeseman** Director (Independent)

- President of Chinook Power, where he developed 142 MW Quality Wind Project
- Current Director of Clean Energy BC
- Winner of Canada Clean 16 award for his dedication and contribution to sustainability and clean capitalism

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## **Rene Carrier** Director (Independent)

- President of Euro- American Capital Corporation, a private investment company. Currently serves as an independent director on various publicly traded companies
- Founding Director of International Royalty Corp. (“IRCC”) from 2003 until sale in 2010 for \$700M

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## **Gord Fretwell** Director (Independent)

- Experienced securities and corporate finance lawyer. Principal of Gordon Fretwell Law Corporation
- Currently serves as an independent director on various publicly traded companies
- Founding Director of International Royalty Corp. (“IRCC”) from 2003 until sale in 2010 for \$700M

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## **Jill Leversage** Director (Independent)

- 30 years of senior investment banking executive and private equity experience
- Former Managing Director, Corporate & Investment Banking for TD Securities, a global investment bank
- Director of various public and private company boards (Vancouver Airport Authority, ICBC, MAG Silver)
- Chartered Business Valuator and a Fellow of the Institute of Chartered Accountants of BC

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## **Paul Larkin** Director (Independent)

- President of the New Dawn Group, an investment and financial consulting firm, primarily involved in corporate finance, merchant banking and administrative management of public companies
- Founding Director, Chairman of the audit and special purpose committees of US Geothermal Inc. which was sold to Ormat Technologies, Inc. (NYSE:ORA)



# Key Investment Highlights

- **First mover advantage** using proven royalty model
- **Strong and secured return** while climate proofing your portfolio
  - Green bond offering at 9% per annum for 5 years
  - Senior secured to protect your investment
- **Recurring, predictable, resilient, and growing cash flows** in a high growth industry
  - \$37m invested in the past 15 months
  - 156% YoY revenue and income growth (Q3 2022)
  - Significant backlog of transactions (\$40m+)
  - Rapidly growing demand for sustainable energy solutions
- **Strong risk mitigation**
  - Diversified portfolio in technology and jurisdiction
  - Capital preservation through secured loan structures
- **Experienced and recognized** management team
  - Canada Clean50 Winner
  - Globe and Mail Top Growing Companies in Canada



## THANK-YOU

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