



ELECTRIC ROYALTIES SECURES NEW, HIGHLY FAVOURABLE TERMS ON LITHIUM ROYALTY AND OPTION PORTFOLIO, SIGNS AMENDED AND RESTATED LETTER OF INTENT

VANCOUVER, BRITISH COLUMBIA – March 6, 2024 – Electric Royalties Ltd. (TSXV: ELEC) (OTCQB: ELECF) (“Electric Royalties” or the “Company”) is pleased to announce that, further to its November 6, 2023 news release, the Company has entered into an Amended and Restated Letter of Intent with 1544230 Ontario Inc., MK Exploration Services Inc., and Gravel Ridge Resources Ltd. (together, the “**Vendors**”), dated March 5, 2024, to acquire a portfolio of 22 royalty agreements and 36 prospective lithium properties in Ontario, Canada (the “**Transaction**”).

Brendan Yurik, CEO of Electric Royalties, commented: **“We are pleased to be able to work with the Vendors and agree on new, highly favourable acquisition terms given current lithium market conditions. We have successfully reduced the overall cash acquisition cost by approximately C\$2,500,000 to C\$1,975,000 to acquire 22 existing royalties, plus 36 lithium properties which have been optioned out to third parties. We anticipate that scheduled option payments from the properties will generate meaningful revenues to the Company over the next several years until partners have earned-in to each respective project, at which point each will convert to a new royalty in our portfolio.**

“Lithium is still a very new market and while it may be seemingly oversupplied in the short term, new sources will need to be developed to meet long-term demand from the growing number of electric vehicle and battery plants across the U.S., as well as the renewable energy and the emerging energy storage markets. This revised Transaction comes at an opportune time to significantly expand exposure to lithium in Ontario at a relatively low cost. A top-tier mining jurisdiction, Ontario has the potential to be a major supplier of lithium: the permitting environment is favourable especially for battery metal projects, and mineralization is commonly close to surface – increasing the odds of new discoveries progressing along the development curve.

“Upon closing of this Transaction, Electric Royalties will have a significant portfolio of 44 royalties with a clear path to growth towards 80 royalties without further acquisition costs. The Company is becoming increasingly well positioned as the clean energy revolution globally continues to gather pace.”

Amended Transaction Terms

The Company will issue to the Vendors an aggregate of 2,250,000 common shares in the capital of the Company (the “**Consideration Shares**”), make a cash payment (the sum of C\$1,975,000 less the (i) C\$75,000 non-refundable exclusivity fee already paid; (ii) the amount of certain payments received by the Vendors under certain earn-in, option, royalty, or similar agreements on or after January 1, 2024; and (iii) 50% of any proceeds received by the Vendors for the sale of certain purchased interests) on closing of the Transaction (“**Closing**”).

The exclusivity period has been extended from March 28, 2024, to April 5, 2024, in order to perform further due diligence on the portfolio of lithium properties.

Completion of the proposed Transaction remains subject to a number of conditions, including: the satisfactory completion of due diligence; board approval; the receipt of any required regulatory approvals; and the negotiation of definitive documentation.

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

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, zinc and copper) that will benefit from the drive toward electrification of a variety of consumer products: 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 fuel the electric revolution.

Electric Royalties has a growing portfolio of 22 royalties. The Company is focused predominantly on acquiring royalties on advanced stage and operating projects to build a diversified portfolio located in jurisdictions with low geopolitical risk, which offers investors exposure to the clean energy transition via the underlying commodities required to rebuild the global infrastructure over the next several decades toward a decarbonized global economy.

For further information, please contact:

Brendan Yurik

CEO, Electric Royalties Ltd.

Phone: (604) 364-3540

Email: Brendan.yurik@electricroyalties.com

<https://www.electricroyalties.com/>

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Cautionary Statements Regarding Forward-Looking Information and Other Company Information

This news release includes forward-looking information and forward-looking statements (collectively, "forward-looking information") with respect to the Company within the meaning of Canadian securities laws. This news release includes information regarding other companies and projects owned by such other companies, based on previously disclosed public information disclosed by those companies and the Company is not responsible for the accuracy of that information, and that all information provided herein is subject to this Cautionary Statement Regarding Forward-Looking Information and Other Company Information. 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 and may include statements regarding the 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 of the Company and the properties in which it holds interests.

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 or these properties 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, recent market volatility, income tax and regulatory matters; the ability of the Company or the owners of these properties to implement their business strategies including expansion plans; the optioned properties remaining under option; the optionees making option payments as and when due under the relevant option agreements; the lithium properties not being successfully explored and developed; competition; currency and interest rate fluctuations, and the other risks.

The reader is referred to the Company's most recent filings on SEDAR as well as other information filed with the OTC Markets 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 sedarplus.ca and at otcmarkets.com.