



MANGANESE X ENERGY ANNOUNCES ERIC SPROTT'S COMMITMENT TO FUND PRE-FEASIBILITY STUDY OF ELECTRIC ROYALTIES' FLAGSHIP MANGANESE ROYALTY ASSET IN NEW BRUNSWICK

VANCOUVER, BRITISH COLUMBIA – January 3, 2025 – Electric Royalties Ltd. (TSXV: ELEC) (OTCQB: ELECF) (“Electric Royalties” or the “Company”) is pleased to provide an update on the Battery Hill Manganese Project (“Battery Hill” or “the Project”) in New Brunswick, Canada, on which it owns a 2% Gross Metal Royalty.

On January 2, 2025, Manganese X Energy Corp. (TSXV: MN) (“Manganese X”), the operator of Battery Hill, announced its intention to complete a non-brokered private placement offering to raise gross proceeds of up to C\$2,100,000, including a C\$2,000,000 commitment from leading mining investor Eric Sprott.

Manganese X plans to use the proceeds primarily to advance the development of Battery Hill, including the upcoming pre-feasibility study. A 2022 preliminary economic assessment (“PEA”)¹ for Battery Hill projected gross revenue of US\$177 million per year over an initial forecast mine life of 47 years, with a relatively short payback period of less than three years.

Brendan Yurik, CEO of Electric Royalties, commented: “This private placement led by Eric Sprott's \$2 million investment underscores our shared confidence in the Battery Hill Project and its potential to become a leading North American source of high-purity manganese for the battery industry. The successful completion of the pre-feasibility study would represent an important development milestone for Battery Hill and is expected to come at no cost to Electric Royalties.”

For more information on the private placement, please see Manganese X’s news release dated January 2, 2025. Electric Royalties is relying on the information provided by Manganese X and this news release is not an offer to sell or the solicitation of an offer to buy the securities in the United States or in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to qualification or registration under the securities laws of such jurisdiction. The securities being offered have not been, nor will they be, registered under the United States Securities Act of 1933, as amended, and such securities may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons absent registration or an applicable exemption from U.S. registration requirements and applicable U.S. state securities laws.

The PEA is preliminary in nature; it includes Inferred Mineral Resources that are considered too speculative geologically to have the economic considerations applied to them that would enable them to be categorized as Mineral Reserves, and there is no certainty that the preliminary economic assessment will be realized. Mineral Resources are not Mineral Reserves and do not have demonstrated economic viability.

David Gaunt, P.Geol., 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 41 royalties in lithium, vanadium, manganese, tin, graphite, cobalt, nickel, zinc and copper across the world. 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/>

Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange), nor any other regulatory body or securities exchange platform, accepts responsibility for the adequacy or accuracy of this release.

¹ Technical report titled "NI 43-101 Technical Report on the Preliminary Economic Assessment of the Battery Hill Manganese Project, Woodstock, New Brunswick, Canada" with an effective date of May 12, 2022, available under Manganese X Energy Corp.'s profile on [sedarplus.ca](https://www.sedarplus.ca). The Mineral Resource (MR) within the mine plan includes Measured MR of 5.90 Mt grading 7.65% Mn, Indicated MR of 6.37 Mt grading 7.26% Mn and Inferred MR of 4.73 Mt grading 8.26% Mn at 3.3% Mn cut-off. Input assumptions to the pit shells that constrain the MR estimate include an HPMSM price of US\$2,900/t, mine operating cost of \$7.43/t, process operating cost of \$110/t, G&A cost of \$7.60/t, stockpile reclaim cost of \$1.46/t, closure cost of \$3.00/t, selling cost of US\$65/t, process recovery of 78%, a gross metal royalty of 3% applied to the HPMSM produced, and a pit slope of 45°.

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 in which the Company holds a royalty interest, 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 projects in which it holds royalty 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 projects 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 projects to implement their 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+ 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.