# ELECTRIC ROYALTIES CLOSES ACQUISITION OF 0.75% GROSS REVENUE ROYALTY ON PRODUCING PUNITAQUI COPPER MINE IN CHILE

VANCOUVER, BRITISH COLUMBIA – December 4, 2024 – Electric Royalties Ltd. (TSXV: ELEC) (OTCQB: ELECF) ("Electric Royalties" or the "Company") is pleased to announce the closing of the previously announced transaction (the "Transaction") to acquire a 0.75% Gross Revenue Royalty (the "0.75% GRR") on the mining claims, mining leases and mineral tenures comprising the producing Punitaqui copper mine in Chile (the "Project" or "Punitaqui"). In addition, the 0.75% GRR will apply to third-party materials processed through the Punitaqui mining complex from the effective date to December 31, 2027.

Pursuant to the definitive agreement with Minera BMR SpA ("Minera BMR") and Minera Altos De Punitaqui Limitada (together, the "Vendors"), subsidiaries of Battery Mineral Resources Corp. ("BMR") (TSXV: BMR) (OTCQB: BTRMF), dated November 22, 2024, the Company has made a cash payment of C$3,050,000 to the Vendors and will make another cash payment of C$450,000 within 45 days after closing.

Brendan Yurik, CEO of Electric Royalties, commented: **"This royalty acquisition is a strategic move for Electric Royalties, marking our first cash-flowing copper royalty within a diversified portfolio of nine clean energy metals. It is expected to provide us with a steady revenue stream from the Punitaqui copper mine, which is set to ramp up production. This should bolster revenue generation at Electric Royalties and position us for growth as our other royalty assets continue to progress along the development curve."**

See Electric Royalties' November 22, 2024, news release for more details on the Transaction and the Punitaqui copper mine.

## Completion of Drawdown under Convertible Credit Facility

Further to the Company's news release on November 26, 2024, the Company announces that it has completed the C$3,050,000 drawdown (the "Drawdown") under its C$10,000,000 amended and restated convertible credit facility with Gleason & Sons LLC (the "Lender") dated February 16, 2024 (the "Credit Facility") to fully fund the cash payment due at closing for the Punitaqui royalty acquisition.

Loans drawn under the Credit Facility bear interest ("Interest") at a floating rate (United States Secured Overnight Financing Rate as published by the New York Federal Reserve ("SOFR") + 7%), with a maximum interest rate of 12.5%, with Interest payments capitalized into the principal amount and due at the maturity date (the "Maturity Date") of January 12, 2028. Prior to the Maturity Date, on at least 10 days' prior written notice to the Company and subject to all required TSX Venture Exchange (the "TSXV"), approvals having been obtained, the Lender has the right to convert all or any portion of the outstanding principal amount of the Credit Facility and accrued and unpaid interest into the Company's common shares. Any outstanding principal amount with respect to a drawdown under the Credit Facility will be converted at a conversion price equal to the greater of: (i) C$0.50; (ii) a 100% premium above the 30-day volume weighted average trading price of the common shares of the Company on the TSXV at the time of such drawdown; and (iii) the minimum price acceptable to the TSXV, per common share of the Company, subject to adjustment as provided in the convertible note evidencing such drawdown. Any accrued and unpaid interest may be converted at conversion price equal to the Market Price (as defined under the TSXV's Policy 1.1) at the time of settlement.

The Conversion Price for the Drawdown is C$0.50, and as a result a total 6,100,000 common shares of the Company are issuable on conversion thereof (any such conversion to be in accordance with the terms and conditions of the Credit Facility, including that conversion is not permitted if it would result in the occurrence of a Flip-in Event or result in the Lender becoming an Acquiring Person, in each case as defined in the Company's amended and restated shareholder rights plan agreement dated and effective December 11, 2023 (as may be amended from time to time). The Drawdown is subject to final TSX Venture Exchange approval. The convertible note evidencing the Drawdown (and any shares issued upon conversion thereunder) are subject to a hold period expiring on April 4, 2025.

Upon closing of the Punitaqui GRR acquisition, the Company intends to grant the Lender security in the Punitaqui GRR in accordance with the Credit Facility and associated security agreement.

The Credit Facility is a "related party transaction" within the meaning of Multilateral Instrument 61-101 Protection of Minority Security Holders in Special Transactions ("MI 61-101"). The Credit Facility is exempt from the valuation requirement of MI 61-101 by virtue of the exemption contained in section 5.5(b) as the Company's common shares are not listed on a specified market. The Company received disinterested shareholder approval of the Credit Facility at the Company's special meeting of shareholders held on March 19, 2024 in accordance with MI 61-101.

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 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.

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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 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 projected future production, 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.*

*Although the Punitaqui Project is a past producer with significant infrastructure still in place, the projected production and production decision by Battery Mineral Resources is not based on a feasibility study of mineral reserves demonstrating current economic and technical viability of the Punitaqui Project and furthermore Electric Royalties is not aware of any preliminary economic assessment or other study having been completed in respect of the projected production or production decision by Battery Mineral Resources with respect to the Punitaqui Project. As such, there is a higher degree of risk and uncertainty associated with the production decision, including increased uncertainty of achieving any particular level of production or recovery of minerals or the cost of such production or recovery. Historically, projects that are not based on a feasibility study have a much higher risk of economic and technical failure. There is no guarantee that production will begin as anticipated or at all or that anticipated production costs will be achieved. A failure to commence or maintain production at the Punitaqui Project would adversely impact Electric Royalties' potential future cash flow and profitability.*

*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.*